

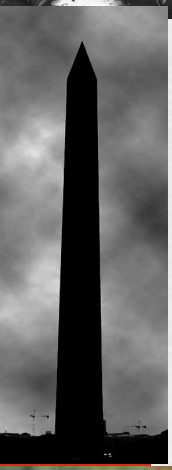


ROTHSCHILD

ROTHSCHILD















PREFACE

Mayer Amschel Rothschild, the founder of the Rothschild fortune, at the time of his death in 1812, created a trust of his estate, by will, for the elevation of the Jewish race and the establishment of a Jewish World Empire. The cardinal principles of the trust were secrecy, that the estate should be kept intact as a unit, that the heirs and their heirs should have only a communal interest in it, and that the estate as a whole should be governed by the eldest son of the eldest son unless a majority of the heirs determined otherwise.

The estate has been preserved and managed since his death as a unit in pursuance of the provisions of his will. There are now several hundred heirs, for the family is a prolific one, but the estate is communal and still under the management of one head. So far as known, the provisions of the wills of the members of the family still contain in substance the directions of the founder of the fortune.

History affords but meager information regarding the rulers of this fortune and the extent of it, because of their secretive methods. No inventory has ever been filed and no division has ever been sought by any heir.

Most of the histories of the Rothschild family are either Jewish or strongly pro-Jewish. While they are extravagant in praise of the virtues of the different members of the Rothschild family, they are rather meager in facts. The facts herein related have been gleaned from many sources and are based on information believed to be reliable.

We do not know the extent of the founder's fortune at the time of his death in 1812, nor do we know the present magnitude of it, but apparently it represents about one-half of the wealth of the world.

This huge fortune has been devoted with great shrewdness and energy to the purpose of exploiting the Gentiles in all the countries of the globe. The methods employed are the manipulation of currencies, speculations on the exchanges, and wars.

The Rothschilds by these operations profit enormously because they have the power by virtue of their immense wealth and political power, to put prices up or down at pleasure. It is for these reasons that we have had most of our wars and depressions. The protocols and the communist’s code, which are identical in purpose and intent, represent their plan for the conquest of the world. Both of these codes were published subsequent to Mayer Amschel's death, but some

of the protocols appear to have been in existence prior thereto. They, however, represent his principles as shown by all that we know of him.

This book is not written in a spirit of anti-Semitism, for I have Jewish friends that I do not wish to injure. It is written in the hope that it may be helpful in solving our Jewish problem peaceably and by appropriate legislation. To the extent that the remedies herein suggested may contribute to that end they will be helpful to the Jews as well as to the balance of us, for it is certain that the people of this country will never meekly submit to slavery.

In writing and publishing this book I am inspired by no other motive than to render a service to my country. I realize that I am taking some risk in doing so—at least that of persecution. Adequate provision has been made for the publication and distribution of this book regardless of the author.

September 12, 1940. George Armstrong

Editors note:

This version differs slightly from the original book due to the fact that it is reformatted from a low quality scan, and that the original book wasn't available for reference during formatting.

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PART I

THE ROTHSCHILD EMPIRE

I.

THE PROTOCOLS

"For ages past the sons of Israel, despised and persecuted, have been working to open up a path to power. They are hitting the mark. They control the economic life of the accursed Christians; their influence preponderates over politicians and over manners."-—From "Funeral Oration of Rabbi Reichhorn."

Professor Serge Nilus of Russia published the Jewish "Protocols" in 1905. They purport to represent the minutes of secret meetings of the leading men of the Jewish race, and to set forth their plans for acquiring the wealth of the peoples of the world, for the overthrow of all governments, and for the creation of the Kingdom of the Jews with a Jewish king. It is stated in the introduction of the booklet that the protocols means "minutes of the proceedings of the Learned Elders of Zion and that these protocols give the substance of addresses delivered to the innermost circles of the rulers of Zion."

It is also stated that "the presumption is strong that the protocols were issued or re-issued at the first Zionist Congress held at Basle (Switzerland) in 1897 under the presidency of the father of modern Zionism, the late Theodore Herzl." It is also stated that the names of the present elders are a profound secret, that they are the "Hidden Hand" that rules the world, and that they probably consist of "three hundred men, each of whom knows all of the others, govern the fate of the European continent, and they elect their successors from their entourage." (Quoting the late Walter Rathnau, a Jew of Germany, as authority.)

The "Learned Elders of Zion" was probably a religious order in the beginning, as indicated by the name. But if such was the original foundation of the order, its character, and likewise its name, has since been changed. It is now purely a political racial organization and its present name is the "Council of the Jewish Agency." It is likely that the name was changed on account of the exposure by Nilus.

This order must be distinguished from "Elders of the Synagogue" and "Elders of Israel," which are purely religious organizations.

It must also be distinguished from the "Zionist Congress" and "Zionist General Council." These two latter organizations are semi-religious and semi-political and they are also semi-secret and semi-public. They are composed wholly of members of the Zionist church, but not all Jews by any means are church-men.

It is also to be distinguished from the ancient Jewish Symarium or San Hedrin which was the supreme judicial and administrative authority during the reign of the Roman Herod, when Christ was crucified. It was composed of their "Chief Priests, rulers, scribes, and Elders." and was at that time the supreme judicial and political Jewish authority.

A recent convention of the "Zionist Congress" was held in Zurich, Switzerland, for the purpose of considering the partition of Palestine, which was attended by 480 delegates, from all countries. It appears from the proceedings of this convention that Professor Chaim Weinzmann, formerly of Russia but now of England, was re-elected as president of this international congress; that Rabbi Wise of New York is president of the American branch; that an executive committee of eleven was appointed with full authority to act; that the "Zionist General Council" was increased from 54 to 70, the additional members being appointed by the convention.

It appears also from the proceedings of this convention that it defined the policy of the Zionist Church toward the partition of Palestine, subject to the approval of the "Council of the Jewish Agency" the final authority—the present "Learned Elders of Zion," the secret three hundred, the "Hidden Hand." It appears also that the Royal Commission of the British Government made its report regarding the partition of Palestine to Lord Rothschild as a member of the "Council of the Jewish Agency" and not to Professor Weinzmann as the head of the "Zionist Congress." It appears also that the reason therefore is the fact that the "Council of the Jewish Agency" is the authorized agency of the Jewish race—sectarian and non-sectarian.

Thus the supreme authority of this "Jewish Agency" is officially recognized by both the British Government and the Zionist Congress, although the latter is composed of regularly elected delegates from all countries of the world. What is it? Who are its present members? By what authority does it act? What are its purposes? And why all of this secrecy, if its purposes are honest and legitimate?

We cannot know much about this order because of its secret character and its secret methods. We know that Lord Rothschild was until his recent death a member of it, and that Lord Melchett of England is now said to be its chairman. We may assume that the Rothschild family has dominated it since the time of Amschel Rothschild. It is the government of the financial power of the Jewish race that rules the world, including America.

It is the cabal of the leading Jewish bankers and politicians who were formerly called the "Elders of Zion" and now the "Council of the Jewish Agency."

Whatever may have been the original character and purposes of the "Learned Elders of Zion" there can be no doubt about the fact that there was such an organization, that it now exists in some form, and that it is seeking to carry out the program set out in the protocols and according to the plan of the protocols.

There is no other explanation of the secret "Council of the Jewish Agency" and its achievements. There is no other explanation of the Versailles peace treaty, the League of Nations, the Bank of International Settlements, the International Labor Board, the deliberate impoverishment of the people of the world by the manipulations of the Elders, and for the present wars and past wars. This is all a definite program with a definite purpose, and that program and purpose are truly set out with brutal frankness in the protocols.

II.

THE PROTOCOLS ARE AUTHENTIC

" 'Per me reges requant.' 'It is through me that kings reign.' And it was said by the prophets that we were chosen by God himself to rule over the whole earth. God has endowed us with genius that we may he equal to our task."—From Protocol 5.

The Jews, of course, deny the authenticity of the Protocols. It is natural that they should do so. To admit it would be to defeat the purposes of their scheme. Moreover, the plan itself calls for such secrecy and duplicity.

The program is so cruel, so inhuman, so diabolical, and the objects to be accomplished appear so fantastic and remote that it is difficult to believe that this program still obtains. It should, however, be remembered that since the publications of the protocols a great and powerful nation, Russia, has been conquered by a handful of Jews; that Kuhn, Loeb & Co., Paul Warburg, and other Jews, financed the coup de etat by which the Jews secured control of the Russian government; and that the cruel and inhuman methods set out in the protocols were followed mercilessly in Russia by its Jewish government. It should be also remembered that the Jewish Second and Third Internationals of Russia are now actively organizing the forces of communism in every country of the world, including our own.

There are more Jews in America today than there were in Russia when the government was overthrown, and they are much more powerful and aggressive. It is estimated that there are now 80 times more communists in America than there were in Russia at that time. The same methods that were employed for the overthrow of the Czarist regime are being pursued here, viz: political corruption and class hatred.

As cruel and inhuman and incredible as are the protocols, they are no more so than the Talmud, whose authenticity the Jews admit. In fact the spirit and philosophy of the protocols permeate the Talmud, and vice versa. They are both founded upon the false premise that the Jews are a superior people and that they are the "chosen" people. They both breathe the same hatred and contempt for the Christian Gentile whom they call the 'goyim.' They both not only justify but advocate the exploitation and enslavement of the despised 'goyim.'

The Talmud is the law and gospel of the Jews. It is their bible and civil law as defined and interpreted by their chief priests and Rabbis.

"It must be admitted by every critical student of history that the Talmud has not merely been the means of keeping alive the religious idea among the Jews, but has formed their strongest bond of union."[1]

It is not the Talmud but the rabbi that has kept alive the racial and religious solidarity and bigotry and intolerance of the Jews.

The following brief quotations from "The Talmud Unmasked"[2] are examples of it:

"The life of a Goi and all his powers belong to a Jew." (A. Rohl. Die Polem. p. 20)." (P. 71).

"In Choschen Ham. (266.1) it says: 'A Jew may keep anything he finds which belongs to the Akum, for it is written: Return to thy brethren what is lost (Deuter. XXII, 3) . For he who returns lost property (to Christians) sins against the Law by increasing the power of the transgressors of the Law.'" (P. 72).

"In Midrasch Talpioth (fol. 225d) it says: 'God created them in the form of men for the glory of Israel. But Akum were created for the sole end of ministering unto them (the Jews) day and night. Nor can they ever be relieved of this service. It is becoming to the son of a king (an Israelite) that animals in their natural form, and animals in the form of human beings should minister unto him'." (P. 50).

"And in Eben Haezer (44, 8) : 'If a Jew enters into marriage with an Akum (Christian), or with his servant, the marriage is null. For they are not capable of entering into matrimony. Likewise if an Akum or a servant enter into matrimony with a Jew, the marriage is null'." (P. 51).

Many of these dicta are ancient but have never been repudiated or repealed and the spirit of them still prevails. They still constitute the law for the Jews,

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[1] Encyclopedia Britannica, Vol. 23, p. 38.

[2] "The Talmud Unmasked" by Rev. I. B. Prainatis, Copyrighted by Col. E. N. Sanctuary, 156 Fifth Avenue, New York, N. Y.

both civil and ecclesiastical. The Talmud is made up of the decisions and interpretations of the rabbis, in the same manner that our common law has been formed by our judges and commentators. No matter how ancient the dictum, it is the law until overruled by a contrary one.

The Jewish Encyclopedia, Vol 4, p. 294-296, defines the rabbis' functions as follows:

> *"Rabbi (my master); function to teach the scriptures and the oral and traditional laws . . . In the Jewish religion the rabbi is no priest, no apostle, he has no hierarchical authority. He is a teacher, one who unfolds and explains religion, teaches the young in the school, the old from the pulpit, and both by his writings."*

The reader should observe the intermingling of their civil and religious laws. Both appear to be based on their interpretation of the Old Testament (see reference to Deuter. XXII, 3 above). They are so confused that it is impossible to determine where their religion ends and their civil law begins.

It is clear, however, that both in a civil and religious sense they regard themselves as a "chosen" people, a superior race who are entitled to rule us (the 'goyim'), and are entitled to our services and to everything we have. We Gentiles were created for the purpose of serving them, of being their slaves. Although in the form of "human beings" we are no better than animals. We are not worthy of marrying one of them, either man or woman, and if we do, such marriage is illegal and void. They have adhered to this law rather religiously throughout the ages and in all countries.

The author sums up their estimate of us (the goyim) as follows:

> *"They are idolaters, the worst kind of people, much worse than the Turks, murderers, fornicators, impure animals, like dirt, unworthy to be called men, beasts in human form, worthy of the name of beasts, cows, asses, pigs, dogs, worse than dogs; that they propagate after the manner of beasts, that they have a diabolic origin, that their souls come from the devil and return to the devil in hell after death; and that even the body of a dead Christian is nothing different from that of an animal."*[3]

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[3] The Talmud Unmasked. P. 46.

The following are samples of their estimate of Christians and of our Savior, Jesus Christ:

> *"In Hilkhoth Akum" (X, 1) it says: 'Do not eat with idolaters, nor permit them to worship their idols; for it is written: Make no covenant with them, nor show mercy unto them (Deuter. ch. 7) ; 2) . Either turn them away from their idols or kill them.'*
>
> *"Ibidem (X, 7) : 'In places where Jews are strong, no idolater must be allowed to remain'."*[4]
>
> *"The book Zohar, III (282) tells us that Jesus died like a beast and was buried in that 'dirt heap . . . where they throw the dead bodies of dogs and asses, and where the sons of Esau (the Christians) and of Ishmael (the Turks), also Jesus and Mohammad, uncircumcised and unclean like dead dogs, are buried."*[5]
>
> *The author sums up their verdict as follows:*
>
> *"The Talmud teaches that Jesus Christ was illegitimate arid was conceived during menstruation; that he had the soul of Esau; that he was a fool, a conjurer, a seducer; that he was crucified, buried in hell and set up as an idol ever since by his followers." (P. 30).*

They call this a religion and they insist on their privilege to worship God as they choose, and they decry our intolerance and bigotry. The Christian religion is based upon love and charity and repentance and the forgiveness of sin. There is no charity, no love, and no repentance here; there is nothing but pride, intolerance, and hatred.

The Christian religion is everything the Talmud is not, and the Talmud is everything the Christian religion is not; it and its devotees are the anti-Christ. We have the spectacle now of a Jewish rabbi, a Catholic priest and a Protestant preacher going about over the country at Jewish expense preaching tolerance; a virtue that is utterly foreign to the Jewish religion and the Jewish character.

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[4] P. 98.

[5] P. 48.

The chief priests and rabbis who wrote the various and numerous dissertations set forth in the Talmud could have written the protocols. They are of kindred nature and expression; they are made of the same cloth and patterned in the same fashion.

We prefer to think that the Talmud and the protocols misrepresent the viewpoint of the Jews that we know and with whom we come in daily contact, and that may be true of many of them. However that may be, we know that the Jews hold themselves as a race apart and that they adhere religiously to their ancient racial customs and rituals and organizations. We know also that they blindly "follow the leader," and that their rabbis and Learned Elders are their leaders. They believe in their Talmud and obey its edicts—indeed they must do so or suffer racial ostracism; and they worship the Rothschilds and the Rothschild power that rules them.

These and similar proclamations as set forth in the Talmud, constitute the "bond" that has held the race together. They explain the fact that the Jew does not assimilate with other races. They are based on the false assumption that the Jews are a "chosen" and superior people.

The Talmud is mistaken. The Jews are not a "chosen" or a superior people. God never made any such mistake as that. The history of the race is not one of achievement of anything except money. It is one of chiseling and of defrauding the peoples of the various countries in which they have resided, which has often been followed by their own alleged persecution. In this life we usually reap what we sow, or in common parlance, "get what is coming to us." The history of Judaism is proof of the truth of this proverb.

It may be conceded that the Jew is more shrewd and cunning, and a better trader and manipulator of money than the Gentile—but that represent the limit of his superiority and achievements. The Jew has contributed but little to science, invention, art, to the wealth of nations, or to the advancement of civilization.

I hope that I am not intolerant and anti-Semitic, but I confess that I have no patience with a religion that denounces Christ as a bastard, an imposter and a cheat, and that glory in his crucifixion; and I am against a race that holds me as an inferior being and seeks to enslave me. I nevertheless wish to be fair and just, as well as candid and plain-spoken, in my discussion of the subject.

I can make allowance for the fact that the Jews feel, and probably righteously so, an ancient grievance against the Gentiles because of past oppressions, which is kept alive by their rabbis and Learned Elders and their protocols and

Talmud. But it is high time for them to get over it, to forget their vengeance and to abandon their ambitious designs, particularly here in America where we do not want to harm them, and wish to accord them all of the rights and privileges we enjoy.

The renegade Gentiles who cooperate with them in furthering their villainous scheme, viz., to enslave the peoples of the world, are no better than the Jews. They are in fact worse, for they are without the excuse of race or religion. They are simply unmitigated scoundrels. They will herein be designated for descriptive purposes as Jewish. This term will be used also in describing hybrids and those suspected of Jewish blood.

III.

THE JEWS DEFENSE

"For what purpose then have we invented this whole policy and insinuated it into the minds of the goys without giving them any chance to examine its underlying meaning? For what, indeed, if not in order to obtain in a roundabout way what is for our scattered tribe unattainable by the direct road? It is this which has served as the basis for our organization of secret masonry which is not known to, and aims which are not even so much as suspected by these goy cattle, attracted by us into the "show" army of Masonic lodges in order to throw dust in the eyes of their fellows."—From Protocol 11.

The Liberty Magazine (Feb. 10 and 17, 1940) published two articles under the heading "The Jews and Free Masonry — Exploding the Myth of a World Conspiracy," written by Louis B. Davidson and Frederic L. Collins. These articles represent the flimsy and threadbare defense of the Jews that has been published from time to time in various forms. They purport to contain a synopsis of the testimony given in the trial at Berne, Switzerland, where the trial court found the defendant booksellers guilty and declared the protocols to be "forgery, plagiarism, and obscene literature."

There is some historical truth in this story, mixed as it is with much that is false, but the conclusions based upon this admixture are wholly false. It is true as they assert, that "there is no international organization of Free-masonry, and the organization of each nation is independent of all others." The continental masonry is composed wholly of Jews and hybrids. While the Jews are permitted to be masons in America (Catholics are excluded), they do not dominate the order and it is not a racial one and is not communistic. It is a non-political fraternal benevolent organization, while continental masonry is a political, malevolent one.

No one claims, except the authors of these articles, that "the noble order of Freemasons should be drawn into this campaign or calumny," or "links free masonry with world Jewry in a mythical conspiracy to rule the world." It is admitted, as these authors allege, that the "Illuminati" founded by the Jew Adam Weishaupt was a branch of the continental masons and that "the chief aim of this organization . . . was the destruction of all forms of religion, government, property, marriage, and all civil rights," which is likewise the present chief aim of the "Learned Elders of Zion," and of the Jewish communist party.

It is also admitted, as they allege, that the Illuminati "played a major role in bringing on the bloody days of 1789 (French Revolution), that it was founded and reputedly financed by Jews," and that the "great House of Rothschild was then just rising to the financial heights." There is evidence that it was in fact financed by the "great House of Rothschild;" and the French revolution was in fact brought about by the Jews. It was the final act that freed the Jews from their political and civil disabilities in France.

It is also true, as they allege, that the "Kerensky government in 1917 confiscated the entire issue (of the protocols) except one volume which had been sent to the British museum. It is said that the Jew Kerensky not only destroyed all of the copies to be found in Russia but that every Gentile found in possession of one was murdered. What stronger proof of guilt could there be? Men do not fear lies and forgeries; it is the truth that the guilty always want to suppress.

The copy that was sent to the British Museum was translated by Victor Marsden, a representative of the London Morning Post, who had previously resided in Russia for many years. It is true, as they allege, that the protocols have been translated into French, Italian, Arabic, German, Japanese and Scandinavian languages. It is said that their circulation is second only to that of the bible.

I have no means of knowing whether the protocols are responsible for the pogroms in Russia, as detailed in the articles mentioned. They have undoubtedly created a profound impression throughout the world, which is evidence that people believe them despite the Jewish control of the press, and their ridicule and their denials.

"Are they authentic? Shouted the alarmed editor of the (Jewish owned) London Times in May 1920," according to these authors. "What malevolent society made these schemes and is now triumphing over their realization? Are they forged? From where does the weird gift of prophecy spring that partly has come true and is partly to be realized? . . . Have we escaped a German peace by straining all our national resources only to submit to a Jewish peace?" (This is precisely what happened). The above quotation is from the Liberty article. They do not tell us what the Jewish owners did to this "alarmed editor." They probably crucified him.

It is not true that Nilus was a "briefless avocat" in Russia and it is not true that he wrote the protocols to "find favor with the Grand Duchess Elizabeth." Even the authors of the Liberty articles do not vouch for this fantastic story. Why then mention it? On the contrary, Nilus was a reputable educator and author of unimpeachable integrity. He believed that the "Hidden Hand" was the au-

thor of the protocols, and such was also the belief of Victor Marsden the translator, and such is also the belief of millions of people in all countries.

Assuming that the authors have correctly quoted the various paragraphs from "Maurice Joly's Dialogues in Hell," it must be admitted that there is evident plagiarism by the real author of the protocols. But that does not prove that Nilus was the plagiarist. If the "dialogues in hell" truly represented the hellish plans of the Elders it is but natural that they should adopt them and use them. In that case they are the plagiarists.

The weakest part of the whole argument is the statement of the evidence upon which the Berne trial court predicated its judgment. It is in substance as follows: The Princess Catherine Radziwill testified that she knew "the Paris agent of the Russian secret police and that she knew Golovinsky, very well;" that Golovinsky had access to Joly's Dialogues, that he "came to her home with parts of the script which he showed and read to her; . . . that his job was to prove to the Czar that the Jews had formed an international plot to conquer the world."

She was asked, "Could you describe Golovinsky's draft?" She replied, "Yes, as he kept reading passages to me I became familiar with the entire script. He later showed me the completed manuscript. It was identical with the Protocols of Zion, which I later saw in the various Nilus editions. It was written in French in a variety of handwritings. It was on yellowish paper; there was a big circular blue ink blot on the first page."

"This description was confirmed by the Count du Chayla, who described the text as unidiomatic and showing every sign of having been written by a foreigner on cheap yellowish paper —and said that on the first page was a circular ink blot."

It should be remembered that this trial was in 1935, just thirty years after the publication of the protocols in 1905. It must be conceded that these two witnesses who were able to remember the contents of a lengthy document that did not concern them, and an ink spot thereon, for such a long period of time, had most remarkable memories. It is obviously manufactured testimony, but if all they said were true it does not prove that Nilus forged the protocols or that they are spurious.

The decision of the Bern trial court was reversed by the appellate court, which the said Liberty authors failed to mention. This reversal is not surprising in view of the utter lack of competent and credible evidence. It should be also remembered that the Jews selected their own court in which to file their suit.

It is a cinch that they selected a Jewish or pro-Jewish one. They wanted to be able to proclaim to the world, as they do, that the courts have adjudged that the protocols are spurious.

In passing judgment on the Jews and their denials, it should always be remembered that the Talmud enjoins them to deceive the Christians, to lie to them and to cheat them. It is their law and their religion, and it is the part of it that many of them observe industriously and enthusiastically. We "goyim" are as dumb and gullible as they believe us to be if we accept such flimsy explanations at par.

The succeeding chapters of this book will prove conclusively that the "Learned Elders of Zion"—the present Council of the Jewish Agency are now ceaselessly and relentlessly pursuing their ancient plan to enslave the people of the world and to establish their world empire. There can be no proof of such a secret conspiracy other than by its fruits. There can be no explanation of current events or of the worlds history for the past 150 years except the machinations of the financial power that has governed it during that period of time.

It will be hereafter proven with reasonable certainty that the protocols contain the law of the Rothschild money power that now rules every country of the world, including our own. The protocols are the "law of our bank" to which Rabbi Reichhorn referred in his funeral oration (see Appendix II). They are the law of the Bank of England, the Bank of France, the New York Federal Reserve Bank, the Washington Federal Reserve Board, J. P. Morgan & Co., and Kuhn, Loeb & Co., and of N. M. Rothschild & Sons and of Georges Mandel (Jeroboam Rothschild).

They are the key that explains the political maneuverings of this malign power. When it is once clearly understood that these immense financial institutions are all controlled by the "King-Despot of the blood of Zion" who is none other than the present head of the Rothschild family, we can better understand the turmoil of the world and our own distressed condition.

It should be observed that the protocol quoted at the beginning of this chapter states that there are two kinds of masonry, viz: "secret masonry" and "show masonry;" that the "aims" of the secret masonry are known only to themselves and that they are not even suspected by the "goy cattle" who compose the "show masonry."

The secret masonry in France was the "Illuminati," and in Russia and the balance of Europe, the Nihilists, and in America the B'nai B'rith. It should be also observed that the protocols make the distinction between the ignorant "goy

cattle" who are members of the "show" lodges, and their own wise sect who belong to their secret orders. The Illuminati and Nihilists were destroyers and killers. The B'nai B'rith is a modern secret order and has no history behind it; all we know of it is that it is a secret racial organization to promote racial "aims."

IV.

MAYER AMSCHEL ROTHSCHILD, FIRST KING OF THE JEWS

> *"The King of the Jews will be the real Pope of the Universe, the patriarch of an international church." —From Protocol 17.*

MAYER AMSCHEL ROTHSCHILD, 1—1790-1812.

Mayer Amschel was born in 1743 and died Sept. 29, 1812. He married Gutter Schnaper in 1770. They had a large family consisting of five sons and five daughters. He was educated as a rabbi and in his early life was both a rabbi and a junk and coin dealer. He became a money lender and in that connection acted as agent for William IX, Landgrave of Hesse-Cassel.

There is much obscurity in the history of the Rothschild family, due to the fact that their operations are always secret and the historians are either Semitic or anti-Semitic, the majority being Semitic. The conclusions here presented are based principally on Jewish or pro-Jewish history. I shall quote liberally from the Jewish Encyclopedia because it was, as stated in its preface, "prepared by more than 400 scholars and specialists" all of whom were Jews.[6] It was published in 1905 and re-published in 1909. While it is a partisan history, it is on the whole, accurate in its statements of fact—it at least presents the Jew version of the facts.

The authority mentioned says:

> *"In a latter connection (money lender) he became an agent of William IX, Landgrave cf Hesse-Cassel, who on his father's death in 1785 had inherited the largest private fortune in Europe (estimated at $40,000,000) derived mainly from the hire of troops to the British government for the putting down of the revolution in the United States . . . After the battle of June in 1806 the Landgrave fled to Denmark, leaving 600,000 pounds (about $3,000,000) with Mayer Rothschild for safe keeping."*

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[6] *Jewish Ency. Vol. X, p. 499 et seq.

It states further:

> *"According to legend this money was hidden away in wine casks and escaping the search of Napoleon's soldiers when they entered Frankfort, was restored intact in the same casks in 1814 when the elector returned to the electorate. The facts are somewhat less romantic and more business-like."*

The facts are entirely "less romantic and more businesslike," (from the Jewish standpoint). Mayer Amschel Rothschild embezzled the money. This money was tainted from its very origin. It was paid by the British government to the Landgrave for the services of his soldiers, used to suppress the American revolution, and the soldiers were morally entitled to it. It was first embezzled by William of Hesse and then by Mayer Amschel.

This twice-stolen money is the foundation of the huge Rothschild fortune. It has ever since been true to its origin. There is not an honestly acquired dollar in the hundreds of billions now possessed by the Rothschild family.

Instead of putting the money in wine casks, Mayer Rothschild sent the entire sum, with his son Nathan, to London, and then and there established the London branch of the family.

> *"Nathan . . . invested it in 800,000,000 pounds of gold from the East India Company, knowing that it would be needed for Wellington's peninsula campaign. He made no less than four profits: (1) on the sale of Wellington's paper (which he bought at 50c on the dollar and collected at par); (2) on the sale of gold to Wellington; (3) on its re-purchase; and (4) on forwarding it to Portugal. This was the beginning of the great fortune." (p. 494).*

This was indeed much "less romantic and more businesslike." With this vast sum of money, branches of the House of Rothschild were established in Berlin, Paris, Vienna and Naples, with one of the brothers in charge of each of them. AH of these houses were exceedingly prosperous, particularly the London and Paris branches.

The founder of this huge fortune, Mayer Amschel Rothschild, established four fundamental principles for its government, which the sons and their descendents have observed, viz:

(1) The eldest son of the eldest son to be the head and ruler of the fortune. He became the head by virtue of his seniority unless the majority of the members of the family decided otherwise. There have been only two exceptions to this rule so far as revealed by history, and that was the appointment of Nathan, the third son of Mayer Amschel, as its head, and later the appointment of James the fifth son. By reason of his achievements Nathan was appointed the head of the fortune upon Mayer Amschel's death in 1812.

(2) The inter-marriage of cousins. This was for the purpose of preserving the family fortune intact and in the family. This rule has not been strictly observed, particularly by the female members of the family, due no doubt partially to rebellion on the part of some members of the family and partially to the fact that other Jews have become very rich and by reason of marriage the family fortune has been enhanced rather than depleted.

> *"The number of marriages between cousins in the late history of the family is remarkable . . . Of 58 marriages, 29, or exactly one-half, have been between first cousins. It is noteworthy that these marriages have been fertile and that most of the children have been girls, which is what is anticipated by biological science."*

(3) The unity of the family fortune and its concealment. No copy of Mayer Amschel's will has been published by any of the historians of the family. All that we are permitted to know about it is what the historians say of it, by the record of the family and by the reference to it in the will of one of his grandsons, Anselm, of Vienna. It contains the following provision:

> *"In accordance with the exhortations of my father, the grandfather who so sincerely loved them (Anselm's children), as contained in Clause 15 of his will, may they and their descendants remain constantly true to their ancestral Jewish faith.*
>
> *"I forbid them most explicitly, in any circumstances whatever, to have any public inventory made by the courts, or otherwise, of my estate . . . Also I forbid any legal action, and any publication of the value of the inheritance . . . Anyone who disregards these provisions and takes any kind of action which conflicts with them shall immediately be regarded as having disputed the will, and shall suffer the penalties for so doing."*[7]

[7] The Reign of the House of Rothschild, p. 405.

(4) A perpetual family partnership. At the time of Mayer Amschel's death, his entire estate was in the form of a partnership composed of himself and his five sons, each having an equal interest, under the firm name of M. A. Rothschild & Sons. Both the partnership agreement and Mayer Amschel's will provided that the partners and their male descendants should forever constitute the firm and manage it. The will provided also that the female members of the family and their heirs and husbands should have no part in the management of the firm and that they should receive their interest in the estate subject to the management of the male members; and that if any of them should contest this arrangement that they would lose their interest in the estate.

Later, Nathan organized the London firm of N. M. Rothschild & Sons on the same plan. This firm was probably owned in equal proportions by him and his brothers and governed in the same manner as the parent partnership.

Originally the partnership agreement provided that no important decision should be made without the approval of all the partners. As the fortune grew in magnitude it became impractical to hold partners conferences upon its numerous undertakings. It is probable that Nathan's firm was organized in part to meet that situation and for the purpose of separating the activities of the London house from those of the continental houses.

It was probably Mayer Amschel's purpose in the beginning to establish a Jewish dynasty with his male descendants as rulers. Whether that was his purpose or not, it was the effect of his will. He established the kingdom of the Jews that has since been governed by his male descendants. Wherever a Jew is located, whatever nationality he may claim, he is a subject of this kingdom; his allegiance and duty to it supersedes his allegiance and duty to the country in which he dwells.

If a conflict develops between the government of his adopted country and his racial government, the Jew will always be found on the side of his race. He may not know the personnel of his racial government, its decisions may be unwritten, but they will reach him in some form, through his rabbis and through secret societies, and he is always obedient to them. That fact furnishes the explanation of all this Jewish war propaganda which is supported blindly and without dissent by all Jews.

At the time of Mayer Amschel's death he was by far the richest man in the world or that had ever lived. The magnitude of his fortune at that time is unknown. It was growing by leaps and bounds at such a rapid rate that it probably could not be estimated. He knew the power of money and the wisdom of

secrecy. He believed with religious fervor that the Jews were the "chosen people" and that God had promised them that they should rule the world.

We cannot know whether at that time he had in contemplation a Jewish world empire. Apparently this was a later development. There is good reason to believe that this ambitious enterprise was initiated by Theodore Herzl a short time before the publication of the protocols in 1905. Herzl was an active, ambitious Jewish rabbi-politician and an intense hater of the Gentiles. He was given credit for organizing modern Zionism at a conference of the leaders of the Hebrew race in Basle, Switzerland, in 1897. It is thought that at that time and at that meeting some of the protocols were adopted as precepts for the establishment of the contemplated Jewish empire.

Herzl probably organized two important Jewish organizations: (1) a secret super-organization to be composed of 300 men whose identity should be kept secret and who would constitute the super-government for the Jewish race; (2) a popular religious organization to be composed of 450 delegates selected by the rabbis and the Hebrew churches.

At that time the Rothschild estate had grown to enormous proportions but the family had grown soft with luxury and had deteriorated by inbreeding. Moreover the fortune at that time had already effected the emancipation of the Jews and established the Rothschild kingdom. Apparently it then had the power under efficient management to establish a Jewish empire. Apparently also the management of the vast political power of the estate needed to be reinforced with outside blood. It is likely that at that time and through Herzl's activities, the Secret Committee of 300 was established for the management of the political power of the huge estate with the consent of the Rothschilds. It is known that Theodore Herzl was an intimate personal friend of Lord Rothschild, II.

The protocols themselves, or the gist of them, appear to have existed for a long period of time prior to their publication in 1905. In fact the intent and purpose of them are in substance contained in the Talmud. They were also in substance stated in 1869 in the Funeral Oration of Rabbi Reichhorn (set out in Appendix II). They evince a clear conception of the weakness of Gentile governments and institutions, and the best method to attack and destroy them. They set out the most effective method of establishing a dictatorship of the proletariat, which is the first step toward World Empire.

The protocols themselves describe in great detail the powers of the King-Despot of their proposed empire, and the objectives of such empire. Stated briefly they are the absorption of the wealth of the Gentiles and their slavery,

both politically and economically. They have already accomplished the debt slavery of the goyim; their present objective is his political slavery.

V.

THE ROTHSCHILD DYNASTY

> *"Our power in the present tottering condition of all forms of power will be more invincible than any other, because it will remain invisible until the moment when it has gained such strength that no cunning can any longer undermine it."— From Protocol I.*

King Amschel Rothschild I, was succeeded upon his death by his third son, Nathan, of London, on account of his uncanny and unscrupulous financial ability, and because of his achievements. He had, prior to Amschel's death, established the private banking house of N. M. Rothschild & Sons, and added enormously to the family fortune. It appears that the elder brother, Mayer Amschel, jr., who continued in charge of the Frankfort branch, recognized the superior qualifications of Nathan and was willing to waive his right by virtue of primo geniture. Nathan was therefore chosen by the four brothers as his father's successor.

KING NATHAN ROTHSCHILD II.—1812-1836.

Nathan married the sister-in-law of Moses Montefiore, "thus coming into association with the heads of the Sephardic community then ruling the financial world of London through their connection with Amsterdam."[8] Nathan is described by the historian John Reeves, a Rothschild partisan, as being a very shrewd, unscrupulous and uncouth man, and exceedingly close-fisted. He says that "he never paid his employees a farthing more than was necessary for their bare subsistence or at least not a farthing more than they could compel him to pay."[9]

The Jew, Benjamin Disraeli, in his novel "Coningsby," denominates Nathan and also his son Lionel as "Sidonia." He says of the elder "Sidonia":

> *"He arrived here (London) after the peace of Paris with his large capital. He staked all that he was worth on the Waterloo loan and the event made him one of the greatest capitalists in Europe . . . He reaped the due reward of his sagacity. Europe did require*

[8] Jewish Ency., Vol. X, p. 494.

[9] "The Rothschilds,—Financial Rulers of Nations."

money and Sidonia was ready to lend it to Europe. France wanted some, Austria more, Prussia a little, Russia a few millions; Sidonia could furnish them all. The only country which he avoided was Spain; he was too well acquainted with its resources."

Disraeli says of him further:

"He established a brother or a near relative in whom he could confide, in most of the principal capitals. He was lord and master of the money markets of the world and of course virtually lord and master of everything else. He literally held the revenues of southern Italy in pawn, and monarchs and ministers of all countries courted his advice and were guided by his suggestions."

John Reeves, in his book "The Rothschilds," says:

"One cause of his (Nathan's) success was the secrecy with which he shrouded, and the tortuous policy with which he misled those who watched him the keenest." (P. 189).

And this principle, it may be added, has governed the management of the Rothschild fortune from its beginning to this hour.

The historian Reeves describes vividly how upon Nathan's return from near the battle of Waterloo (the Jews are usually observers of battles, not participants), he went post haste to the English Channel and there hired a boat at excessive cost and crossed the English channel in stormy weather, and from there rushed to the London stock exchange, appearing muddy and dejected, where he passed out the word that Wellington had been defeated at Waterloo, and reinforced this by ostentatiously dumping stocks on the market. This created a great panic upon the exchange and everybody dumped their stocks at sacrifice prices. In the meantime Nathan, through his agents, was secretly buying them.

There were no telegraphs or telephones or radios or fast posts in those days. It was several days before the news reached London that Wellington had won the battle of Waterloo. There was then great rejoicing and the stock market rebounded and stocks went to unprecedented heights, when Nathan unloaded his stocks.

This is precisely the method that the Rothschilds have followed since, and is one of the methods by which they have amassed their huge fortune. "Nathan

boasted that he had multiplied their capital 2500 times in the course of five years."[10]

If this is true, it means that at that time (about 1820) the capital of the English branch had been increased from $3,000,000 to about $7,500,000,000.

Nathan established the private banking firm of N. M. Rothschild & Sons in London, with branches in Paris, Berlin, Vienna and Naples. This firm operates on the exchanges, underwrites government and other loans; it is the agent and manager of banks, railways, steel, munitions, and other corporations. It has branches under many names. In America it is represented by Kuhn, Loeb & Co., and formerly by August Belmont & Co. It is probable also that J. P. Morgan & Co., Seligman & Co., Speyer & Co., Lehman & Co., and other private Jewish banks are its under-cover branches.

Lionel Rothschild, the eldest son of Nathan, succeeded him as the head and managing partner of N. M. Rothschild & Sons. He is described by his fellow tribesman, Disraeli, as follows:

> *"He perceived himself a lone being, alike without cares and without duties; his religion walled him out from the pursuits of a citizen . . . He was a man without affections . . . The only human quality that interested 'Sidonia' was intellect . . . No minister of state had such communication with secret agents and political spies as Sidonia; he held relations with all the clever outcasts of the world. The catalogue of his acquaintance in the shape of Greeks, Armenians, Moors, secret Jews, Tartars, gypsies, wandering Poles and Carbonari, would throw a curious light on those subterranean agencies of which the world in general knows so little, but which exercise so great an influence on public events."*[11]

[10] "The Rothschilds, Financial Rulers of Nations," p. 167.

[11] "Coningsby," by Benjamin Disraeli, p. 180-181.

The Jewish Encyclopedia states:

> *"Lionel was the friend and counselor of the Prince Consort and of Disraeli, whose Sidonia in "Coningsby" is an ideal portrait of him . . . that he brought about in 1858 the enactment of the disabilities bill which permitted the Jews to hold office in England . . .*
>
> *"He advanced the British government the money for the Irish famine loan (about $40,000,000) and also for the Crimean war (about $80,000,000), and that for twenty years he acted as agent for the Russian government.*
>
> *"He had a large share in the successful funding of the United States national debt, provided the funds for the immediate purchase of the Suez Canal shares; he was also active in facilitating the payment of the French indemnity to Germany, in directing the finances of the Austrian Empire, and the Egyptian loan of 8,500,000 pounds. (About $40,000,000)."*[12]

The statement is in error as to the funding of the United States National debt. This funding operation which was handled by the firm of Morgan & Company and the Rothschilds was the retirement of greenbacks during Cleveland's Administration. It brought about the hard times of that period. The "facilitating the payment of the French indemnity to Germany" was the demonetization of silver in 1873 which has been correctly called "the crime of '73."

Lionel was elected a Member of Parliament from Aylesbury but refused to take the oath of office upon a Bible containing the New Testament, and consequently was refused his seat. He ran and was elected a second time, with the same result. Upon his third election the oath was waived as to the New Testament and he was sworn in on the Old Testament. He was the first Jew to hold office in England. Thus began the pollution and deterioration of the British Government.

Lionel's eldest son, Nathan Mayer (Lord Rothschild 1st) succeeded him as head of N. M. Rothschild & Sons on his death in 1879. The Jewish Encyclopedia states that:

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[12] Jewish Encyclopedia, Vol. 10, p. 501-2.

"In 1885 he (Nathan) was raised to the peerage and was the first Jew to take his seat in the House of Lords, an event which was regarded as completing the emancipation of the Jews . . . Lord Rothschild is a governor of the Bank of England and a presiding officer of many great corporations . . . In 1902 he was appointed a member of the Royal Commission on Alien Immigration, an office that brought him in touch with the late Theodore Herzl."[13]

Nathan's promotion from the House of Commons to the peerage was recommended by Prime Minister Wm. E. Gladstone and Lord Grenville. Queen Victoria at first objected on the ground that "to make a Jew a peer is a step she could not consent to; it would be ill-taken and would do the government great harm."[14]

Unfortunately, she yielded against her woman's intuition and her sound judgment. This was the beginning of the transformation of the British House of Lords from a Gentile landed aristocracy to a Jewish plutocracy, and of the government from a Gentile to a Jewish government. It is reported that there are now sixty Jews in the House of Lords without counting the hybrids that should in fact be included.

The intermarriage of the impoverished landed aristocrats with rich Jewesses has polluted the bloodstream of the British aristocracy and to that extent weakened the government. While the Jews wish to preserve their racial integrity they also seek to have their women marry titles, for such marriages increase their prestige and power.

The Jew and the hybrid infest the House of Commons as well as the House of Lords. Many of the members of that body are Jewish owners of large estates elected by the tenants of such estates, as was Lionel. The present decadent British Empire and government (Churchill, Eden, Cooper, et al.) are due primarily to the Jew and Jewish blood pollution. It is a Jewish government.

The protocols were published by Nilus in 1905 but they themselves bear no date. They purport to be minutes of many meetings, some of which no doubt occurred long prior to 1905. Theodore Herzl is thought to be the author of one or more of them, which were promulgated at the Basle meeting of the Elders of Zion (Council of the Jewish Agency).

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[13] Jewish Ency. Vol. 10, p. 503.

[14] The Magnificent Rothschilds, p. 122.

Whether this is true or not, the protocols represent the moral and political philosophy of the rulers of the Rothschild fortune. Mayer Amschel Rothschild hated the Gentiles with an intense religious hatred and that hatred has been handed down from generation to generation. It is hatred that demands vengeance upon the Gentile race—"an eye for an eye and a tooth for a tooth." It is shown in every paragraph, every sentence and every word in the three codes of the family, viz., the Talmud, the protocols, and the code of the communists.

Perhaps in the beginning it was justified, for the age in which Mayer Amschel lived was a cruel age and the Jews were undoubtedly despised and oppressed by the various peoples among whom they lived; this was particularly true of the German and Russian peoples and governments. This hatred of the Gentile is still kept alive by the Council of the Jewish Agency, their protocols, and the rabbis and their Talmud.

Nathan Mayer Rothschild died in 1915 and was succeeded by his eldest son, Lionel Walter, the second Lord Rothschild, as the head of the banking firm N. M. Rothschild & Sons. He appears to have been a member of the Council of the Jewish Agency. He died in 1937 and was succeeded as head of the London branch of the banking firm by his eldest son, Nathan Mayer Victor (third Lord Rothschild) who is the present gold agent of the Bank of England.

The history of the second and third Lord Rothschild is current and not yet recorded. It may be safely assumed that all of the active male members of the Rothschild family are members of the Council of the Jewish Agency, for that is the agency that controls the political policy of the Rothschild fortune.

KING ROTHSCHILD, III (Baron James), 1836-1868.

Upon Nathan's death in 1836 the scepter and the line of descent passed from Nathan's eldest son Lionel, head of the London house, to James Rothschild, fifth son of Amschel, head of the Paris House. This despite the fact that Lionel was then 28 years old, had married in orthodox fashion his first cousin Carlotta, the daughter of his uncle Solomon, was the manager of the richest banking branch of the family, and was the ablest of them all. All of the Jewish historians agree that this change was made but none of them assign any reason.

Count Cherep-Spiridovich states the reason as follows:

> *"James Rothschild, born in 1792, misruled from 1836 until 1868. He married ugly Betty, the daughter of his brother Solomon of Vienna. Because of the "crime" of Nathan the latter's son Lionel*

was deprived of the World's Throne. James became Rothschild III, Thus decided Amschel (Anselm) Salomon, and Karl Rothschild, who all gathered in July 1836 at Frankfort in order to judge and presumably to execute Nathan, possibly the only Rothschild, who through total lack of principle, wished to become a Christian, only that he could the easier deceive and enslave the English people."[15]

All of the Jewish authorities agree that there was a general family reunion and a great banquet in Paris on the occasion of the marriage of Lionel; that Nathan was taken violently ill and seized with spasms indicating poisoning; that the doctors were unable to diagnose the trouble and that he died within a few hours. Whether he was poisoned or not, the kingship of the Rothschild fortune passed from Nathan's heirs to his brother James and his heirs.

History reveals but little about the reign of James. He appears to have been a cold, cruel, shrewd, unscrupulous man who contributed materially to the wealth of the Paris House. His personal wealth at the time of his death was estimated at 45,000,000 pounds,—or more than $200,000,000,—but this was only an estimate, since no inventory of his estate was filed.

KING ROTHSCHILD, IV., (Baron Alphonse D.) 1868 to------- .

The most recent history of the Rothschild family is that of the Jewish Cecil Roth, published in 1939. It brings the history of the English branch down to that date, but not that of the Paris branch. Therefore we can know but little about the reign of this monarch.

John Reeves, in his book published in 1887, said:

"The present head of the firm in Paris is Baron Alphonse D. Rothschild, the eldest son of Baron James. He inherits much of his father's financial talent and is acknowledged by the rest of his relatives as the shrewdest and most able man of business among them. He is the head of the family not only on account of his ability but on account of his seniority, as he is the oldest of Mayer Amschel's grandsons."[16]

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[15] "The Secret World Government, or The Hidden Hand," p. 138.

[16] "The Rothschilds, Financial Rulers of Nations," p. 54.

KING ROTHSCHILD V or VI (Jeroboam Rothschild, alias Georges Mandel).



Georges Mandel [Jeroboam Rothschild] and Paul Reynaud.

The reign of this monarch is current and therefore nothing is known of it except what is revealed by current literature. We do not know when it began or whether he succeeded Alphonse, or whether there is an intervening ancestor, but he appears to be the present head of the Paris House, and King of the

Rothschild fortune, and it appears that such was his position and power in 1918, when the Versailles Peace Treaty was written.

There is here presented a picture of him and his puppet Paul Reynaud, Premier of France, reproduced from the May 27, 1940, issue of "Time Magazine," a Jewish publication. His countenance reveals his character. He appears to be a crafty, cruel, greedy, mean man, with not a single redeeming virtue; He is the product of four generations of treachery and inbreeding, and a true descendant of "ugly Betty." We can now better understand the infamous peace treaty, the Brussels Financial Conference, the depressions of 1920, 1930 and 1937, the election of Franklin D. Roosevelt, the New Deal, and the present World War.

We do not know why he changed his name from Jeroboam Rothschild to Georges Mandel unless it was for the same reason that other Jews change their names, viz: to deceive. But why should he want to deceive unless it is to conceal the fact that he is the present ruler of the welfare of all of the people of the world?

We can understand why Isidore Isokowitz would change his name to Eddie Cantor. But the name Rothschild is eminently respectable and carries more weight than Mandel. Surely no Rothschild would be ashamed of a name that represents the political and financial power of the world, and that is graced by many honorary titles. The only apparent reason for his hiding behind a fictitious name is his inbred secretiveness, which is in keeping with the time-honored Rothschild system.

The author of "The Hidden Hand" states that Edward Rothschild of Paris, France, was at the date of the publication of his book in 1925, the ruler of the Rothschild fortune. I have not accepted this view for the reasons that Jeroboam Rothschild was at that time and prior and subsequent thereto, an influential member of the French cabinet and that he was Clemenceau's adviser when the Versailles peace treaty was written. This was an occasion of such great importance to the Jewish race that the head of the family would no doubt have officiated.

VI.

THE WEALTH OF THE ROTHSCHILD FAMILY

"Gold always has been and always will be the irresistible power. Handled by expert hands it always will be the most useful lever for those who possess it, and the object of envy for those who do not."—From "Funeral Oration of Rabbi Reichhorn."

According to the boast of Nathan Rothschild he increased the family fortune from $3,000,000 to about $7,500,000,000 within five years time, which would be in about 1820. In 1848 the Paris house was reckoned at 600,000,000 francs as against 362,000,000 for all of the other Paris bankers. We have no historical information as to the wealth of the Berlin, Vienna and Naples branches. We do, however, know that they were strong enough to dominate the money markets of those capitals.

At the rate of speed that Nathan traveled, viz., an increase of 500% a year, the fortune of the London branch alone would have been more than $100,000,000,000 by 1840. It is not likely, however, that he continued to multiply the family fortune 500% a year, but it is probable that he continued to increase it at the rate of 10% or more, annually. At this rate it would have amounted to approximately $20,000,000,000 by 1840, just 100 years ago.

The imagination can scarcely conceive the immensity and power of such a fortune. The three greatest American fortunes have been the Rockefeller, Carnegie, and Ford, which together would not exceed $2,000,000,000. If those fortunes should be loaned at 5% compound interest the mere accumulation of interest would in the course of time, and not a very long time at that, consume the wealth of the world. But compound interest is only a small element of the Rothschild fortune; it has been developed by speculation on the exchanges preceding and following wars and depressions as well as by the accumulation of interest.

We can take pencil and paper and figure accurately the increase of $20,000,000,000 at 5% compound interest in 100 years time, but it is impossible to even approximate the profits from the manipulation of the exchanges. The Rothschilds, during that entire period of 100 years, have been active manipulators of every important stock and commodity exchange of the world.

By virtue of their immense financial power they have been able to raise or lower prices at will, to create a boom or bring on a depression, to buy when stocks

and commodities are cheap, and to sell when they are high. It is by these crooked manipulations that they and the members of their race have acquired the greater part of the wealth of the world.

The authority mentioned[17] reports that from 1817 to 1848 they made loans to various countries, aggregating 654,487,200 pounds. It reports also that they financed both Napoleon and the allies during the Napoleonic wars, and that they financed the American wars.

> *"But in the two great wars Jewish financiers played a considerable role owing doubtless to their European connections. Hamym Solomon in the revolutionary war, while Seligman Brothers and Speyer & Company financed the North and Messrs. Erlanger the South in the great civil war. More recently, in the great development of railway finance the firm of Kuhn, Loeb & Company have taken a prominent part."*

It will shock the American people to learn that Hamyn Solomon, whom we have regarded as a revolutionary hero, was the agent of Rothschild, and that Rothschild financed both sides of the American Revolution and the civil war. This is true to form. They acknowledge allegiance to no country; they are out for the money, and it matters not how or where they get it; they wish to destroy all governments in order to establish their own, and their method is to promote and finance wars.

It was stated by the Russian Major General, Count Cherep-Spiridovich, that the Rothschild family fortune in 1925 was $300,000,000,000, and that they made $100,000,000,000 of that sum out of the late world war, now called World War I.[18]

This appears to be a very conservative estimate. We have had a number of minor wars since that (late and two major depressions, viz., the disaster of 1929-1930 and the Roosevelt debacle of 1937, as a result of which stocks have fluctuated violently in value. It is likely that the Rothschild family fortune is now in the neighborhood of $500,000,000,000, which is about twice the value of the wealth of all the people of the United States.

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[17] Jewish Ency., Vol 10, p. 493-495.

[18] "The Secret World Government, or The Hidden Hand."

The aggregate wealth of the present several hundred members of the family is only a matter of conjecture for it is kept as a sacred, profound secret. It is rare that we get even a glimpse of the wealth of any individual member of the family.

It is the history of the Rothschild family that all of its members conceal their wealth in every possible way. This is done not only in pursuance of the will of the founder of the fortune, but also to enable them to accomplish their purposes as set forth in the protocols.

It is estimated that the Jews have absorbed four-fifths of the wealth of Germany, Austria, Poland, and Czechoslovakia, and more than one-half of that of England, France, and Italy. They practically own the banks, railways, steel and munitions plants of these countries, to say nothing of the Press and other minor industries.

They undoubtedly own approximately one-half of the wealth of America. With one or two possible exceptions they own the huge New York banks (which implies the control of the New York Federal Reserve Bank), the insurance companies, the railroads, 70% of the steel and munitions industries, 80% of the metropolitan press, the news and advertising agencies, the cinema, and 80% of the radio broadcasting companies. Wherever there is a monopoly a Jew will likely be found in control of it.

J. P. Morgan & Company, with assets of $640,000,000, about one-half of which is cash and the other one-half tax exempt bonds, has always been regarded as a Gentile firm that was practically owned and controlled by the Morgan family. The recent testimony taken by the Temporary National Economic Committee discloses[19] the fact that J. P. Morgan only holds 9.1% interest in that firm; it also discloses that H. B. Davison had only 1.2%, George Whitney 1.9%, and that the other partners had interests of from 1/10 of 1% up to 6.1%, with the exception of the Chas. W. Steele Estate and Thos. W. Lamont who held 36.6% and 34.2% respectively.

J. P. Morgan is a man of great wealth; Thos. W. Lamont has never been regarded as a very rich man, and Chas. W. Steele was unknown to the public. In proportion to their interest in the Morgan firm they are due to be more than three times as wealthy as J. P. Morgan. It is not likely that Lamont and Steele own in their own right the percentages as shown. It is probable that these re-

[19] "Verbatim Record of the Proceedings of the Temporary National Economic Committee," Vol. X, No. 9, p. 262, Washington, D. C, Dec. 20, 1939.

spective interests are held in trust for the Rothschilds and that J. P. Morgan & Company is but a Rothschild "front." If true, it explains the fact that there is never any competition between Morgan & Company and Kuhn, Loeb & Company; on the other hand, there is always the closest cooperation.

It is a circumstance worthy of note that the Temporary National Economic Committee has not investigated the firm of Kuhn, Loeb & Company and that this firm was not investigated by the former senate investigating committee. Is it only an accidental circumstance that Kuhn, Loeb & Co. are always left out of the investigations? This firm is the author of most of the devilment and we are entitled to know about its secret operations, such as the financing of Lenin and Trotsky.

The firm of Kuhn, Loeb & Company is reported to be a Rothschild firm, owned "lock, stock and barrel" by the Rothschild interest. An investigation of this firm will no doubt reveal that fact; it will no doubt reveal the further fact that its capital is largely cash and tax exempt bonds. The Rothschilds appear to be willing, in order to appease the public demands for information, to sacrifice the bank wherein they have only a 70% interest, and to make it the "goat" for public investigations.

It appears from the former senate committee investigation that neither J. P. Morgan nor Thos. W. Lamont pay any income taxes. They adopt the scheme of selling securities at a loss just before the first of January to friends or relatives, which losses are offset against their profits, with the result that they have no profits. It is likely that the members of the Kuhn-Loeb firm do likewise. With the Gentiles paying income taxes and the Jews owning tax exempt bonds and dodging them, it will not be long until they absorb the greater part of the wealth of the country—if they have not already done so.

There are many other rich Jews in addition to the Rothschilds, but the huge Rothschild fortune represents the greater part of the wealth of all the Jews of the world. The authority mentioned says:

> *"The Rothschilds were not without competitors; other Jewish families, the Lazards, Sterns, Speyers, and Seligmans adopted the Rothschild plan."*[20]

The "Rothschild plan" referred to was to establish private branch banks in the capitals of Europe and America with some member of the family in charge of

[20] Jewish Ency. Vol. 2, p. 496.

these branches. It is likely that the Rothschilds finance and control the majority of these firms for they need many agencies to handle their immense fortune. The "Rothschild plan" is an excellent tax dodging scheme. There is no inheritance by heirs and hence no inheritance taxes. Moreover, the Rothschild interest will usually be found in control of the national treasury with the power to interpret and administer the tax laws.

VII.

THE MIGHTY ROTHSCHILD POWER

> *"Therefore we must not stop at bribery, deceit and treachery when they should serve towards the attainment of our end. In politics one must know how to seize the property of others without hesitation if by it we secure submission and sovereignty."— From Protocol 2.*

The first manifestation of the power of this concentrated wealth was to free the Jews from the bondage in which they had been held by the various governments of Europe. When William of Hesse placed his money in the hands of Mayer Amschel Rothschild the Jews were without the privilege of citizenship in Germany and all other countries, and were subject to all manner of burdensome taxes. It is said that they were the unofficial tax gatherers for the British kings during the reign of the Norman monarchy—the Jews squeezed the people and the kings squeezed the Jews.

The historian Reeves graphically states the achievements of the Rothschild fortune as follows:

> *"Little could Mayer Amschel have anticipated *** that his sons would in after years come to exercise such an unbounded sway that the peace of nations would depend upon their nod; that the powerful control they exercised on the European money markets would enable them to pose as the arbiters of peace and war, since they could at their pleasure withhold or furnish the pecuniary means required to carry on a campaign.*
>
> *"But this, incredible as it may seem, was what their vast influence, combined with their enormous wealth and unlimited credit, enabled them to do, for no firms existed strong enough to oppose them for any length of time, or rash enough to take up a business which the Rothschilds had refused. To reach this exalted position Mayer Amschel and his sons required the co-operation of the States, but, when once he had climbed over their backs and reached the height of his ambition, he was independent of all aid and could act with the greatest freedom, whilst the States remained in a suppliant attitude at his feet."*[21]

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[21] The Rothschilds," by John Reeves, p. 104-105.

This power brought about the establishment of the gold standard, first in the British Empire and then in other countries, as stated in a succeeding chapter of this volume. They acquired the controlling interest in the Bank of England for which the late Lord Rothschild acted as gold agent and governor. The Bank of England is one of their many "fronts." They no doubt have the controlling interest in most of the other central banks of issue.

In strict keeping with the secrecy, which has been one of the cardinal principles of the Rothschild rulers from the beginning, the Bank of England refuses to reveal its stockholders. There have been many investigations which have sought to gain this information, among others a direct order of Parliament, but it has never been disclosed. It is my information that the ownership of the other banks of issue of Europe is also kept a profound secret.

They sent one of the Rothschild agents, Paul Warburg, as their representative to America just prior to World War I, to change our banking systems. They knew that we would acquire the greater part of the gold of the world in payment of our exports and they wanted to sterilize this gold in order to control our economy and that of other countries. Under the pretense of organizing a credit expanding system to meet the demands of commerce, they in fact organized a credit contracting system to hold it in leash and to increase the power and value of money.

Through their ownership and control of their Morgan & Co., and Kuhn, Loeb & Co., private banks, they own and control the principal New York national banks and trust companies, and through them own and control the New York Federal Reserve Bank. This branch of the Federal Reserve System according to a recent statement has resources of $10,035,211,000 as against the resources of the other eleven F. R. banks of $11,744,034,000. It has gold certificates of $8,934,442,000 as against the gold certificates of the other eleven F. R. banks of $10,094,036,000.

According to pro-Jewish Senator Carter Glass this gold belongs to the certificate holders. It should be observed that the United States government issued gold certificates for the gold held by foreigners and the Reserve banks but did not issue such certificates for gold held by other banks or individuals; they received Federal Reserve Bank notes which are withdrawable and subject to cancellation at the pleasure of the Federal Reserve management.

The explanation is simple: Such certificates if issued to individuals and banks generally in the United States would be in circulation and therefore enhance the value of property and service and would cheapen money, but the certificates issued to the Federal Reserve Banks are locked in their vaults and there-

by kept out of circulation, and the certificates issued to foreigners are sent out of the country.

The Rothschilds, through the Sassoons (one of the female branches of their family), own and control the banks of China and India. They also own, control and operate the immensely profitable, illicit opium trade.

A number of rich Catholics undertook to organize a competitor bank to rival the Rothschild power. I have been unable to discover when this enterprise was launched, but it was sometime about 1830. The Rothschilds crushed it. The Jewish Encyclopedia admits that

> *"Following the failure of the Catholic bank, Union Generals, leaving the Rothschilds still more absolutely the undisputed leaders of French finance, but leaving also a legacy of hatred which had much influence on the growth of the anti-Semitic movement in France."*

It says further:

> *"It is a somewhat curious sequel to the attempt to set up a Catholic competitor to the Rothschilds that at the present time (1905) the latter are the guardians of the papal treasure."*[22]

If this latter statement is true the Rothschilds control in addition to their own fortune the immense liquid resource of the Catholic Church, which is second only to the Rothschilds' in wealth and power. It is probably not literally true since the private banking firm did not do commercial banking. It is likely that the papal treasure is deposited with the Bank of England or some other bank "front," but even so it contributes to the Rothschild power.

It should be observed from the above quotation that the Rothschilds brought on a major depression which provoked anti-Semitism. I identify this as the catastrophe of 1839-1840, known as the "hungry forties," which our American historians have wrongfully ascribed to the veto of the charter of the Second Bank of the United States by Andrew Jackson in 1836.

The next major depression in this country and throughout the world was in 1873—"the crime of '73." This was brought about by the demonetization of

[22] Jewish Ency. Vol. 2, p. 497.

silver. The Rothschilds had already brought about the demonetization of silver in Germany as a part of their plan to "facilitate the payment of the French indemnity to Germany," but it was necessary to the perfection of this plan that the gold standard be established in America. Through bribery, they caused to be clandestinely inserted a clause in the Coinage Act of 1873 that demonetized silver.

The next major depression in America and throughout the world was the panic of 1893 which was brought about by the competition between the Jewish House of Rothschild and the Jewish rival firm of Baring Brothers. The ruler of the Rothschilds determined to crush the Baring firm. The Jewish Encyclopedia says of this operation:

> *"Similarly it is stated that the financial crisis of Germany and Austria (and America and the world) was also a source of anti-Semitism because the shrewdness of the Jewish bankers had foreseen the crash and they were enabled to evade it."*[23]

The Jews are always able to foresee and evade these depressions because they create them. They not only evade these crises but they sell their securities in advance of them and buy them back when values have been destroyed, at a fraction of their former worth, and thereby make immense profits. It is by the repetition of this process from panic to panic that they have so rapidly acquired the wealth of the world. The Jews do not lose on a panic, for the word is passed down when it is to happen. They usually profit by it; a panic is their rich harvest.

The next major panic was that of 1907 which the Rothschild controlled banks created by refusing to pay their customers and their bank correspondents the money due them and which was held on deposit. They simply coldly and brutally said to the other bankers having deposits with them: We cannot and will not pay you your money, and you must take care of your own customers the best way you can. This resulted in all the banks throughout the country clamping down on their customers and refusing to pay them their money, which in turn resulted in checking all commercial enterprises and a great fall in the wage and price level and a disastrous panic.

It resulted also in the people and the bankers getting together for the purpose of organizing a currency and credit expanding system to prevent a recurrence

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[23] Vol. 2, p. 493.

of such a panic. And worst of all the outcome was that the Rothschilds organized this system for us and created one that they could manipulate in bringing about future panics and through which they could fix and regulate the wage and price level. That system has been responsible for the depressions of 1920, 1930 and the present Roosevelt depression of 1937 (still with us now, in 1940) which resulted in the "New Deal" and general bankruptcy.

We have had these depressions so frequently and regularly that we have come to regard them as natural phenomena. There are economists who attempted to predict them. They usually occur about every ten years, but F. D. Roosevelt was a little impatient to put over his "New Deal" and his communistic program, and he brought the last one on us ahead of time in order to complete the job which he started in 1933. They have all been manipulated, and for the same purpose, viz., thievery and robbery and to establish the Kingdom of Judah throughout the world.

As cruel and destructive as these panics are, they are not as bad as war. The Rothschild power was responsible for World War I and for the present world war, as will be shown later in this volume. They have been responsible for most of the wars that have occurred within the last 150 years. They usually finance both sides of these wars, not because they are interested in either side winning but because wars are demoralizing and destructive to the Gentiles and because they bring the Jews nearer their ultimate goal, viz., rulers of the world.

Wars are their shortest and quickest route to the throne. The accumulation of compound interest is entirely too slow for them. The robbery of the people through their manipulation of money and credit, as effective as it is, is also too slow. War, with all of its attendant human misery, is their surest and best route—and so we have wars and will continue to have them so long as this power dominates the world.

In 1844 "Sidonia" (Rothschild) said, in "Coningsby":

> *"No penal laws, no physical tortures, can effect that a superior race should be absorbed in an inferior, or be destroyed by it. The mixed persecuting races disappear; the pure persecuted race remains . . .*
>
> *"The first Jesuits were Jews; that mysterious Russian diplomacy which so alarms Western Europe is organized and principally carried on by Jews; that mighty revolution which is at this moment preparing in Germany . . . is entirely developing under the*

auspices of Jews, who almost monopolize the professorial chairs of Germany."

"Sidonia" further says:

"I had on my arrival (at St. Petersburg) an interview with the Russian Minister of Finance, Count Cancrin; I beheld the son of a Lithuanian Jew . . . I had an audience on my arrival at Madrid with the Spanish minister; I beheld one like myself, the son of a Nuovo Christiano, a Jew of Aragon. In consequence of what transpired at Madrid I went straight to consult the President of the French Council; I beheld the son of a French Jew . . . We fixed on Prussia . . . Count Arnim entered the cabinet, and I beheld a Prussian Jew. So you see, my dear Coningsby, that the world is governed by very different personages to what is imagined by those who are not behind the scenes."[24]

If Sidonia should now, in 1940, make the rounds of the capitals of Europe, he would find a considerable change in the situation. He would find the Jews struggling to maintain their political power and their sacrosanct gold standard, using Gentile "fronts" and Gentile armies and navies for that purpose.

He would find that Hitler had driven the Jews from the capitols of Germany, Austria, Czechoslovakia, Poland, Denmark, Norway, Holland, Belgium, France, and Roumania—and that he was engaged in a struggle to drive them from England. He would find that Mussolini had driven them from Italy, Albania, and Ethiopia. But he would still find them at the helm of the British Government-—and I regret to say the United States Government also.

A country engaged in war must buy from other countries many products required for its prosecution. That requires money that is acceptable to the seller, which has heretofore meant gold, because the moneys of the principal exporting countries have been based on gold. It has therefore been necessary to apply to the Rothschilds for this firm has, until recent years, been in control of the gold of the world, either directly or through their banks. They have therefore had the power to make or unmake wars. It is the universal gold standard coupled with their universal press ownership and coupled with the secrecy of their operations that have made them masters of the world.

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[24] "Coningsby" by Benjamin Disraeli, p. 207-209.

VIII.

THE "KEPT" PRESS

"In the hands of the States of today there is a great force that creates the movement of thought in the people, and that is the Press. The part played by the Press is to keep pointing out requirements supposed to be indispensable, to give voice to the complaints of the people, to express and to create discontent. It is in the Press that the triumph of freedom of speech finds its incarnation. But the goyim States have not known how to make use of this force; and it has fallen into our hands. Through the Press we have gained the power to influence while remaining ourselves in the shade; thanks to the Press we have got the gold in our hands, notwithstanding that we have had to gather it out of oceans of blood and tears. But it has paid us, though we have sacrificed many of our people. Each victim on our side is worth in the sight of God a thousand goyim."—From Protocol 2.

It is true that the Press in the "goyim States" has fallen into the hands of the Jews; it is also true that through the Press the Jews have "gained the power to influence while remaining in the shade." It is also true that they have "got the gold" in their hands and that they have "had to gather it out of oceans of blood and tears"—but not their blood and tears; they have gathered it from the "blood and tears" of the gullible and despised goyim. The only method by which they could have gained this gold, through the Press and through "blood and tears" is by creating wars, which the Press have helped create through their propaganda.

It is difficult to prove to what extent the Jews are directly interested in the Press, for they conceal it. They are reputed to own 100% of the metropolitan newspapers of both England and France, and likewise 100% of the news and advertising agencies and the cinema of these two countries.

In America the ownership is not so complete. It is estimated that the Jews own 80% of the metropolitan press and 100% of the news and advertising agencies and cinema. Fortunately, their ownership of the small daily papers and country papers appears to be negligible; their influence with these papers is through their news agencies from which the country press obtains news, and their advertising agencies through which they obtain advertisements.

The Jews also own about 80% of the radio broadcasting stations through their ownership of Columbia Broadcasting System, Radio Corporation of America,

and Mutual Broadcasting Company. The Jew Sarnoff is at the head of RCA which controls the National Broadcasting Company, and the Jew Paley is head of CBS, and the Jew Strauss is the reputed owner of the Mutual, The Jews have been acquiring the periodicals so rapidly in recent years that it is impossible to estimate their present holdings. They acquired the very informative and useful "Literary Digest" and junked it, and instead gave us the jazzy "Time" and "Life." They are reputed to have acquired the "Saturday Evening Post" and perverted its high standards and principles.

The Post was founded by Benjamin Franklin and it has always been free and independent and bold in its editorial expression. It was an outstanding critic of the New Deal and the perversion of the government by the Roosevelt Administration, but it has been silenced by its present Jew owners; they have put it to sleep permanently. There is not now in this broad land of ours a single periodical or metropolitan newspaper that stands for constitutional government as it has been handed down to us by our ancestors.

The Press has degenerated under Jewish control and influence into lying propaganda agencies whose chief mission appears to be to deceive and to befuddle the people. In Protocol 12 the Elders of Zion say of the Press:

> *"Not a single announcement will reach the public without our control. Even now this is already being attained by us inasmuch as all news items are received by a few agencies, in whose offices they are focused from all parts of the world. These agencies will then be already entirely ours and will give publicity only to what we dictate to them."*

It is literally true that all "news items are received by a few agencies." It is also true that these agencies are "entirely ours." It is also true that they only give publicity to "what we dictate to them." It is also true that all of the news that reaches us is under their control.

This protocol was promulgated prior to 1905. The situation there described is precisely the condition that now prevails. We are getting only such war news as they choose to give us, and they choose to give us only that which will favor England because they (the Jews) are waging this war through Britain for the Jews and their restoration of Poland and Czechoslovakia and for the maintenance of their gold standard and their power.

The British Press manifested its mighty power in Great Britain by overthrowing the Chamberlain government and establishing in place of it the pro-Jewish Churchill-Eden-Cooper government. The Press of England with one accord

demanded a more vigorous prosecution of the war and made Chamberlain the "goat" because of the reverses of the Allies in Norway. There is reason to believe that the people of the British Empire, like the people of America, don't want war but it is the Jews and their Press that are demanding it, and through their control of the government are waging it.

In the Funeral Oration of Rabbi Reichhorn pronounced in Prague in 1869 over the tomb of Grand Rabbi Simeon-ben-Ihuda, he said:

> *"The other great power is The Press. By repeating without cessation certain ideas, the Press succeeds in the end in having them accepted as actualities. The Theatre renders us analogous services. Everywhere the Press and the Theatre obey our orders."*

That furnishes an explanation of all of this war propaganda to which we are now being subjected. It will be observed that by repeating a falsehood from time to time they say it will be "in the end accepted as an actuality." We constantly have before us the proof of that statement.

Every member of the Congress who has any knowledge of the money question knows that the only remedy for the existing depression is what the Jews and their columnists and "kept" Press call inflation; they know that inflation means high prices and wages and cheap money, but there is not one of them who will dare publicly announce that he stands for inflation—not one. On the other hand he will hold his hands up in holy horror against it, will talk about its abuses in Germany, France, etc.

Why? Simply because the Jews have held inflation up to scorn so often and ridiculed it so repeatedly that it has become anathema, and it is accepted as an "actuality" that any sort of inflation would be a great misfortune; this, despite the fact that they know there can be no relief from deflation without it. It is fear of the Jew press.

Why have the Jews acquired the Press and other publicity agencies in America and other countries unless it is for the purposes as stated in the protocols? Has it just so happened without any sort of design that the Jews have acquired all the agencies in all of the countries of the world that direct and influence and control the "movement of thought in the people?" The Press is presumed to voice the sentiment of the people but it in fact voices only the sentiment of the Jews.

The Press has a very important influence in the election of our public officials. No man can be nominated or elected President of the United States without publicity, and he must go to the Jews and their Press, their cinema, and their radio to get it; it can be obtained nowhere else. He can't get to first base without it.

The result is that some of the presidents of the United States have been selected and elected by the Jews; that is true of at least two democratic presidents, but it may not be true of any of the republicans, except Hoover. The result is also that congress and the President are subservient to Jewish control. The result is also that no politician will dare criticize the Jewish race and that all with one accord praise it and denounce racial prejudice.

The power of the press was forcefully stated by Richard B. Sheridan in Parliament:

> *"Give me the Liberty of The Press and I will give to the minister a venal House of Peers; I will give him a corrupt and servile House of Commons; I will give him the full swing of the patronage of offices; I will give him the whole host of ministerial influence; I will give him ALL the power that place can confer upon him—to purchase submission and over-awe resistance.*
>
> *"Yes, armed with the Liberty of The Press, I will go forth undismayed; I will attack the very fabric of that mighty engine. I will shake down corruption from its height, and bury it beneath the ruins of the abuses it was meant to shelter."*

In Protocol 7 attached as an Appendix, they say, "We must compel the governments of the goyim to take action in the direction favoured by our widely conceived plan, already approaching the desired consummation," by that "great power, the press, which with a few exceptions that may be disregarded, is already entirely in our hands." That is precisely what they are now doing. They are seeking to compel all governments to join in their "widely conceived plan" of a universal war. Through the "oceans of blood and tears" of such a war they will again gather much gold and may seize political power and establish their "King-Despot of the blood of Zion."

We have the evidence here before our very eyes and yet we refuse to see and recognize it, and the danger of it. We know that the leading newspapers and magazines of this country are in Jewish hands. We know that most of the journalists are Jews and that Jews are the publicity agents of both political parties. We know that the Jews own and control the cinema and radio. We know that

the Jew press and the Jew columnist and the Jew radio and the Jew cinema are with one accord conducting a malignant campaign to involve us in the present war. Why? Is it to promote the public welfare? No. Is it to promote the Jewish "widely conceived plan"? Yes. There can be no other answer. Our officials are tongue-tied and bound hand and foot, and there appears to be no way to obtain legislative relief.

They say in the same protocol (No. 7), "the principal factor of success in the political is the secrecy of its undertakings." In other words, it is humbuggery and deception. How lamentably true. If we knew the truth and the whole truth we might correct it, but so long as they can deceive us there is but little chance for it. They conceal the fact that they own the leading newspapers and magazines and banking institutions. They hide behind corporate names and dummy stockholders. When the truth is stated they deny it.

In their protocols they say "with a few exceptions that may be disregarded, it (the press) is already entirely in our hands." This has reference to the press of the whole world. This was prior to 1905, but it appears to still be true, with the exception of Germany and Italy. (The governments of France and Romania have recently disfranchised the Jews and decreed that they shall have no sort of connection with the press). It is unthinkable that the Rothschild power manufactures public opinion throughout the entire world through their ownership of the press, and that they are using this power to create wars and gather gold from "oceans of blood and tears."

They say they own the press and the known facts verify the truth of that statement. They say they have acquired it "to compel the governments of the goyim in the direction favored by our widely conceived plan;" and they are using it for that purpose. They say that through it and through "oceans of blood and tears" they have acquired the gold of the world, and that is true. What stronger evidence can there be of the authenticity of the protocols? How long, oh how long, will we submit to the rule of this vicious alien power?

The following are some of the leading Jewish journalists:

> *F. P. Adams ("F.P.A."), Walter Lippmann, David Lawrence, Louis Lipsky, Isaac F, Marcosson, Charles Michaelson, Joseph Pulitzer, Marcus Eli Ravage, George E. Sokolsky, John L. Spivak, Herbert Bayard Swope, Walter Winchel, James Waterman Wise, Frederick William Wile, Morris Fishbein, Emil Ludwig-Cohen, and many others.*

The following are some of the known Jewish publishers:

"Moses Annenburg of Philadelphia; David A. Brown of Detroit; Lowell Brentano of New York; Paul Block; J. H. Biben of New York; Abraham Caban of New York; Levand Bros., of Kansas; Adler Chain, in Northwest; Eugene Meyer, of Washington, D. C.; Arthur Newman of New York Journal; Liberty's Bernarr McFadden of New York; J. David Stern of New York; Arthur Hays Sulzberger of New York Times; David Shapiro of New York. Editorial departments of the newspapers are controlled chiefly through Jewish advertising influence. Many Jews are in the Associated Press and United Press Assn., and the Hearsts papers are Jew-directed."[25]

There are also many other under-cover stockholders and bondholders.

The columnist, Boake Carter, stated in one of his syndicated articles that "recently a considerable block of stock was opened to public sale by the Chicago Daily News (Col. Knox's paper). Among the largest buyers was Kuhn, Loeb & Co." This reveals one of the methods by which the Jews have obtained control of the press. The Jews also own the International Paper Co., which extends credit to many newspapers and owns the stock and bonds of many of them. Whenever a leading newspaper gets in financial distress or comes on the market, the Jews grab it up.

It is a significant fact that every Jew columnist is for war against Germany and every Gentile columnist is against it; it is also significant that every Jew congressman is for war, and the Gentile congressmen are practically unanimously against it; it is also significant that the city Jew press is for war and the country Gentile press against it.

We Gentiles have not yet forgotten the ingratitude shown us by the Allies following World War I. They said that we did not win it, that they did. They said also that they were fighting for us and that we should bear the expenses of the war and they refused to pay the loans made them since the war, on that flimsy ground. They called us "Uncle Shylock" because we expected payment of these debts, amounting to over $12,000,000,000.

The present Prime Minister of England, Winston Churchill, published a statement saying that we did the Allies more harm than good by entering World War I, because they would have made peace two years sooner if we had not done so. Well, now "Uncle Shylock"—or at least the Gentile part of him—wants

[25] R. E. Edmondson Bulletin.

to decline to underwrite the present war. He disclaims all interest in it or responsibility for it.

Let them fight to their hearts content and make peace whenever it suits them. The chances are it would soon be made except that our humane (?) President encourages them to fight on, and they hope that by some hook or crook the Jews through their control of press and radio will influence us to the point that we will forget the past and again rush to the rescue.

If the real truth were known there would be no intervention sentiment in this country, and there would be very little pro-British sentiment. If the real Jewish names of these journalists and the fact that they are Jews were stated in connection with their columns, their views would carry but little weight; and if "our widely conceived plan" were widely understood, they would carry none.

The following is a list of some of our prominent cinema stars, viz:

> *Eddie Cantor (Isidore Isokowitz) ; Edward G. Robinson (Emanuel Goldenberg) ; Paul Muni (Muni Weisenfreund) ; Jack Benny (John Kubelsky) ; Ben Bernie (Benjamin Anzelovitz) ; John Garfield (Julius Garfinkle) ; Ricardo Cortez (Jack Krantz) ; George Burns (Nathan Birbaum) ; Bela Lugosi (Bela Blasko) ; Ed Wynn (Ed Leopold) ; Nick Stuart (Nikolas Pratza) ; Bert Lahr (Irving Lahrheim); George Sidney (Sammy Greenfield) ; Joe Penner (Joseph Pinter) ; Raquel Torres (Paula Osterman) ; Fanny Brice (Fanny Borach Arnstein Rosenberg) ; Sophie Tucker (Sophie Abuza) ; Harry Green (Harry Blitzer) ; Harry Richman (Henry Reichman) ; Ted Lewis (Theodore Friedman) ; Kenneth MacKenna (Leo Mielziner) ; Ina Clair (Fagan); Douglas Fairbanks, Jr. (Ullman) ; Sylvia Sidney (Jason) ; Al Jolson (Yoelson) ; Charlie Chaplin (Thonstein) ; Paulette Goddard (Levy) ; Elaine Barry (Jacobs) ; Ethel Merman (Zinnerman) ; Sybil Jason (Jacobs); Luise Rainer; Bobby Breen; Joseph Schildkraut; Lionel Stander; Gregory Ratoff; Tony Martin; Jack Pearl; George Jessel; Irving Pichel; Ritz Brothers, Marx Brothers, and many others.*

The movie stars in themselves are by no means so important as the journalists, but the Jewish degradation of the cinema is important. We and our children must be entertained with Jewish humor, reconciled to racial equality by Jewish propaganda, and deceived by Jewish lies. Our children would not find Eddie Cantor quite so entertaining if they knew that his real name is Isidore Isokowitz; nor would they find Edward G. Robinson's acting so thrilling if they knew him to be the Jew Emanuel Goldenberg.

The cinema is for war. Why? Because it is Jew-owned and controlled. The radio is for war. Why? For precisely the same reason. The metropolitan press is for war. Why? For identically the same reason. The Jew is for war. Why? It is for the prosecution of "our widely conceived plan;" it is to gather in more gold through "oceans of blood and tears;" it is for the destruction of the Gentiles and their governments.

The radio and cinema are not mentioned in the protocols for the very good reason that they were not then in use. As soon as these two methods of influencing the public mind and creating sentiment were developed, they were both acquired by the Jews—not only here in America but in every country of the world. Why?

This is not a mere accidental circumstance. It is in pursuance of their "widely conceived plan" and for the purpose of accomplishing it. And the radio and cinema are being used for that purpose continuously, consistently, and relentlessly.

There can be no reasonable doubt about the authenticity of the protocols. Every statement of fact contained in them is found to be true. The Jews own the gold, the exchanges and the press, as they claim. They have the political influence that they boastfully claim; they create wars as they propose, and world history and current events have developed and are developing in strict conformity with the plans outlined in the protocols.

IX.

THE MURDER GANG

"Death is the inevitable end for all. It is better to bring that end nearer to those who hinder our affairs than to our selves—the founders of this affair. We execute masons in such wise that none save the brotherhood can ever have a suspicion of it, not even the victims themselves of our death sentence, they all die when required as if from a normal kind of illness . . . Knowing this, even the brotherhood in its turn dare not protest. By such methods we have plucked out of the midst of masonry the very root of protest against our disposition. While preaching liberalism to the goyim we at the same time keep our own people and our agents in a state of unquestioning submission."—From Protocol 15.

It may be true, as the Jews claim, that they originated masonry. There are many signs and symbols of masonry, as we Americans know it, that indicate it, but our masonry, as has heretofore been pointed out, is entirely separate and different from theirs; theirs is a secret clannish political agency to preserve their solidarity, to act as a unit, and to carry into effect the orders of their rulers.

The B'nai B'rith appears to have been founded in America and to be the American branch of the Jewish continental masons; there is no occasion here for another openly avowed benevolent Masonic order since the Jews are permitted to join the American masons.

"What is the B'nai B'rith?"

"An international secret Jewish 'masonic order' known among the tribes as 'Sons of the Covenant' (circumcision), of which Henry Monsky of Chicago is President. It was founded in New York in 1843. Jewish Author Ludwig Lewisohn says 'B'nai B'rith represents Jewry the world over'."

"What are its objectives?"

"To promote what it calls 'The Jewish Common Purpose,' which is domination of Gentiledom. 'Kinship is to be found between the aims which President Roosevelt exemplifies, and the purposes for

which B'nai B'rith carries on,' said Jewish Gov. Henry Horner of Illinois, in B'nai B'rith Magazine for April 1934."[26]

The French Illuminati was also a branch through which they murdered Gentiles without discrimination and without mercy—men, women and children, in Paris during the French revolution. The Nihilists of Russia was reputed to be another branch through which they murdered the Czars of Russia and the rulers of other countries.

It was probably the Continental Masons who selected Herschel Grynszpan to murder Von Rath, the German attaché in France, for the Jews have made a hero of him; they have throughout the world applauded this dastardly act, raised huge sums of money and employed many lawyers for his defense. The Jewish French government never arraigned him for trial but the present government will likely do so. He proposed to volunteer to fight for France, which was headlined in the Jewish press all over the world. Adolf Hitler accepted this political assassination as being a racial murder in pursuance of their racial plans and accordingly imposed a fine of $400,000,000 on the Jewish race in Germany.

It is estimated that when the Jews obtained control of the Russian government they put to death 3,000,000 of the best and most important Gentile citizens of the Russian Empire, and later starved to death more than 20,000,000 of them. When the Jew Bela Kuhn (Aaron Cohn) obtained control of the Hungarian government, his first act was to murder 20,000 of the leading Gentiles of that country. It is reported that 700,000 Hungarians were killed during his 133 days of rule of Hungary and immediately preceding and following it.[27]

The same thing occurred in Germany. Adolf Hitler is authority for the statement that between 4,000 and 5,000 of the best people of Germany were promptly executed when the Jews obtained control of the government.

This is all in pursuance of their protocols and their Talmud and their communist code. Their Talmud teaches them that "the life of a goi and all his physical powers belong to a Jew," and their protocols tell them that death is the "inevitable end for all and that it is better to bring that end nearer to those who hinder our affairs than to ourselves—the founders of this affair."

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[26] R. E. Edmondson's Bulletin, "Counterfeit Americans," Apr. 15, 1940.

[27] "Answer to Father Coughlin's Critics," p. 119.

The Jews are descended from a nomadic Asiatic people who banded themselves together like packs of wolves, and roamed the plains of Palestine, Persia, Arabia and adjoining countries, and pillaged the people of those countries. Money is their God and it has been so since they repudiated the divine Law of Moses and bowed down before Aaron's golden calf. They have always imagined themselves superior to the peoples of the countries wherein they dwelt. They have outwitted and cheated and despoiled other peoples until it has become a part of their nature.

The present Jew is the product of his ancestors; he has inherited many of their characteristics. His civilization is but veneer, and a thin one at that. He ill-conceals his vanity and egotism and deceitfulness and cruelty and grasping nature.

Murder is difficult to prove at best, and it is impossible when it is done in such manner that "none save the brotherhood can even have a suspicion of it—not even the victims of our death sentence; they all die when required, as if from a normal kind of illness." This can explain the alleged murder of President Harding; and also the alleged murder of the late, blind Senator Schall of Minnesota who was an able and outstanding critic of the present Jew administration and "Jew Deal." He was run over on the street by a "hit and run" driver whose identity has never been discovered. It may also explain the alleged assassination of Senator Bronson Cutting who was also an able critic of the "New Deal," and likewise guilty of "hindering our affairs." He was killed in a plane crash. It was stated at the time that the plane had been tampered with and that an investigation would be made, but that was the end of it.

We have had a singular fatality among our Presidents. None of them was murdered during the approximate ninety years prior to the civil war when the Jewish influence was negligible; three and probably four of them have been murdered during the 75 years since: Lincoln by the Jew Booth; Garfield by Chas. Jules Guitau, nationality unknown; McKinney by the Jew Leon Czolgosz; and probably Harding.

During the years since the civil war the Jews have financed the campaigns of Woodrow Wilson and Franklin D. Roosevelt, and have consequently contributed very largely to the election of two of the three democratic presidents since the war. The Jews have not so far as known, financed and brought about the election of any of the republican presidents except Hoover,—and perhaps Coolidge who had his Jew sponsor, Stearn. Of the other five elected republican presidents three of them were murdered; a strange fatality of the non-Jewish republican presidents.

All of this may have just happened and not been brought about by any sinister organization or power. There is, however, at least one murder of a prominent senator who "hindered their affairs" that is definitely known—viz., the late Senator Huey Long of Louisiana who was shot down in the Louisiana State House. His friend, Governor Allen, who succeeded him and who was investigating his death, himself died "as from a normal kind of illness"—suddenly and mysteriously.

We also know that prior to Senator Long's death the Jewish federal government refused federal aid to the people of Louisiana, for relief or in any other form. Immediately after he was murdered the federal treasury was opened up and money flowed into Louisiana. It has been aptly called "the second Louisiana purchase."

At the time of Senator Long's murder a number of federal indictments were pending against Sol Weiss, his Jew treasurer, and other leaders in the Long political machine; soon after his death these indictments were dismissed. These men were evidently promised security and felt secure, because their misconduct afterward became so flagrant that they were re-indicted and have recently been tried and convicted.

It has been frequently stated in the press that the killing of Senator Long was an "inside job." It is probable that the dismissal of these indictments and his murder were arranged beforehand. He was killed by a man by the name of Weiss, supposedly a Jew and a relative of Sol Weiss, his treasurer.

Henry Ford first opened the eyes of the people of America to the Jew menace. He caused to be published three volumes entitled "The International Jew," which revealed the fact that the Jews are the real financial power that controls America. He also published "The Dearborn Independent," which was estimated to have a circulation of almost a million, and which informed its readers about the machinations of the Jews. Among other things, it attacked the Jew Aaron Shapiro because of his graft in connection with the organization of the farmer co-operatives. Shapiro filed suit against Mr. Ford for libel for several million dollars, his attorneys being the Jew firm of Untermeyer & Marshall, New York lawyers for the Rothschild interest.

Late one night while returning home from his office, a "hit and run" driver sideswiped Mr. Ford's car and forced it down a steep embankment and he was seriously but not fatally injured. Shortly thereafter he evidently compromised with the Jews on the basis of discontinuing the publication of The Dearborn Independent. The Shapiro suit was dismissed, the press ridicule of Mr. Ford ceased; they even speak of him kindly now.

The "hit and run" driver was never discovered. Mr. Ford probably received their "death sentence." If he had been killed it would have had the appearance of "a normal kind of accident," as the deaths of Senators Schall and Cutting appeared to be. We cannot know whether Mr. Ford saved his life by this settlement but we do know that he saved himself from a lot of Jewish persecution.

Martin Luther is credited with saying that the Jews are "liars, thieves, and murderers." They are taught to be by both their Talmud and their protocols. It is a terrific indictment against the Jewish race. It is undoubtedly true of the "Learned Elders of Zion." We prefer to believe that the Jews with whom we come in daily contact are different. But we cannot close our eyes to the disagreeable fact that this indictment is confirmed by the Talmud, the protocols and the history of the Jewish race.

We have just witnessed another tragic death of a great American Senator who "hindered our affairs," viz: Senator Lundeen of Minnesota. He was murdered in the same way they murdered Senator Cutting. They were both travelling in airplanes out of Washington, and in both cases the plane developed engine trouble a short distance out of the city. There were other passengers on both planes (24 on the last) but that small circumstance was a matter of no consequence to the murderers.

These are murders that appear to be from a "normal kind of accident," and they are well hidden, for there was no one left in either case to tell the story. They are not "normal" for the Cutting and Lundeen plane crashes are the only accidents of that character that have occurred in the fifteen years of passenger air travel.

There are not many senators of the Lundeen type left. Four of them have met violent deaths, viz: Senators Long, Schall, Cutting, and now Senator Lundeen. And one has been "purged" by the lavish use of money, viz: Senator Holt of West Virginia.

X.

WORLD WAR I

"We shall force the Christians into wars by exploiting their pride and their stupidity. They will massacre each other and clear the ground for us."—From Funeral Oration of Rabbi Reichhorn.

Kaiser Wilhelm of Germany was a very vain man who loved publicity and imagined himself an autocrat, but in fact he was only a figurehead, as King George VI of England now is, and as most of the European monarchs are now and were at that time. The Jews encouraged him in this delusion and fed his vanity, while they operated his government.

The important ministers of Germany—those that really ran the government—were all Jews. Bethmann Holweg, chancellor and spokesman, was a descendant of the Rothschilds, Walter Rathneau, treasurer, and Felix Warburg, head of the spy system, together with five other members of the Kaiser's cabinet, were Jews. The Jews in 1914 were more completely in control of the governments of Europe than they were in 1844 when Disraeli's "Sidonia" (Rothschild) visited the various capitals of Europe. Sidonia then with words of prophecy visioned the world war:

"That mighty revolution which is at this moment preparing in Germany . . . is entirely developing under the auspices of Jews who almost monopolize the professorial chairs of Germany."

It was, however, a world war that the Jews developed, and not a mere revolution. The assassination of Archduke Ferdinand and his wife was given as the excuse for it but that was not the cause; it was only a pretext. There was no redress or attempted redress of this assassination; the Duke and Duchess were soon forgotten. The real cause of the war was Jewish ambition and avarice; it had been planned for a long period of time; they merely seized upon this circumstance to fool the gullible goyim.

We are all presumed to intend the consequences of our acts. We judge the cause by the effect. The effect of the war was the League of Nations, the establishment of the gold standard throughout the world, and Palestine for the Jews. This would probably have been the effect of the war if Germany had won, for the Jews even in that case would have written the peace treaty just as they did at the conclusion of the victory of the Allies. The accomplishment of these three things was the purpose of World War I—and, with the exception of Palestine, is the purpose of World War II.

These things did not just happen by accident; they were all pre-arranged. The cunning of the Jew is uncanny. It is the result of centuries of imagined superiority and suppression and scheming and nursed vengeance.

The war-plotters knew in advance that practically all of Europe would be engulfed in World War I. They probably reckoned that they would inveigle America into it. They did not care who won. They knew that they would write the peace treaty and gather in the spoils.

The German government sought to alienate Russia from the Allies during World War I, and accomplished it through the Jews. The German Jew government furnished a train and transportation for Lenin and his gang through Germany to Moscow, and the Jews financed the enterprise. Among the Jews that put up the money were Paul Warburg, governor of our Federal Reserve System, and the Rothschild firm of Kuhn, Loeb & Co. These gentlemen now deny it. When their rascality is discovered the Jews always "deny the allegation and defy the allegator."

Father Coughlin made this charge in one of his radio addresses and it was challenged by Kuhn, Loeb & Co. In a book entitled "An Answer to Father Coughlin's Critics" the truth of this charge has been established beyond any reasonable doubt. This book further establishes beyond a reasonable doubt that the Jews not only overthrew the Czarist government in Russia, but that they executed the Czar and his family, and established their own government in place of it.

Of the 25 leaders of that revolution all of them were Jews except Lenin whose mother and wife are reputed to have been Jewesses—this would make him a hybrid and a "Jew-in-law."

The following are the names of the Jewish leaders of the Russian revolution as appears from the American Official Services Report, Section III:

Assumed Name	Real Name	Nationality
Lenin Oulianow	(Ulianoff)	Russian[28]
Trotsky	(Trotzky) Bronstein	Jewish
Steckloff	Nakhames	Jewish
Martoff	Zederbaum	Jewish
Zinovieff	Apfelbaum	Jewish
Kameneff	Rosenfeld	Jewish
Dan Gourevitch	(Yurewitsch)	Jewish
Ganetzky	Furstenberg	Jewish
Parvus	Helpfand	Jewish
Uritzky	Padomilsky	Jewish
Larin	Lurge	Jewish
Bohrin	Nathansohn	Jewish
Martinoff	Zibar	Jewish
Bogdanoff	Zilberstein	Jewish
Garin	Garfeld	Jewish
Suchanoff	Gimel	Jewish
Kairmelff	Goldmann	Jewish
Sagrersky	Krochmann	Jewish
Kiazanoff	Goldenbach	Jewish
Solutzeff	Bleichmann	Jewish
Piatnitzky	Ziwin	Jewish
Axelrod	Orthodox	Jewish
Glasunoff	Sehultze	Jewish
Zuriesain	Weinstein	Jewish
Lapinsky	Loewensohn	Jewish

It appears that the Jews deceive the Russians as to their identity by adopting Russian names, in the same way they deceive us by adopting English names.

The Jewish Russian revolution occurred in 1917 when we were in World War I and Russia was our ally. Paul Warburg, Jacob Schiff and other members of the firm of Kuhn, Loeb & Co., were naturalized citizens of the United States and therefore subject to prosecution for treason. They were guilty of high treason but the power of the Jew in our government at that time and since, was and is such that they have escaped the consequences of their crime. On the other

[28] The present writer wishes to add that some authors are convinced that Lenin's mother was a Jewess.

hand, despite this treasonable conduct the Jews were given Palestine upon President Wilson's insistence.

It has taken 22 years to find out the whole story of our betrayal into World War I. We are indebted to Senator Gerald P. Nye of North Dakota for digging into the records and bringing to light the Balfour-Lansing correspondence by which President Wilson is shown to have agreed to enter the war long prior to the sinking of the Lusitania.

This correspondence, however, did not disclose the real reason for our action, the motive for President Wilson's change of front and how the change was brought about. In his tireless effort to keep this country out of war, Senator Nye discovered and revealed the truth, and the real reason for President Wilson's change of front.

Prior to these revelations we thought we entered the war because of the sinking of the Lusitania and the violation of our rights as a neutral. That was the reason assigned by President Wilson in his dramatic message to Congress, but it was not the real reason, as conclusively shown by the Balfour-Lansing correspondence. It was only a pretext to secure the support of Congress and the people.

There can be no doubt about the fact that prior to President Wilson's second election in 1916 he "kept us out of the war." There can likewise be no doubt about the fact that he was reelected upon that slogan. Why did he change his position soon after his election? Why did he make an agreement with the British government to help the Allies? That has been, until now, an unexplained mystery.

The answer is the Jew and Palestine. "Believe it or not," President Wilson sacrificed 50,000 of the flower of our youth, caused 200,000 more to be maimed and crippled, and gave $50,000,000,000 of our wealth, in order to restore Palestine to the Jews—a small barren country that probably could have been bought for a billion dollars or less. Worse than that, he took us into the war for the purpose of treacherously taking the homeland from one of our own Allies, the Arabs, who were fighting side by side with our soldiers. Never have a brave, confiding people been so treacherously double-crossed.

In a speech in the Senate on April 25th, 1939,[29] Senator Nye said:

> *"There has been published a series of works under the title "The Next War.' One of the volumes in this series is entitled 'Propaganda in the Next War.' This particular volume was written by one Sidney Rogerson. I have been unable to obtain any trace of his background or of his connections; but the editor-in-chief of all these works, including" the one entitled 'Propaganda for the Next War,' is a man whose name is recognized the world over as an authority in Great Britain. He is none other than Capt. Liddell Hart, associated with the London Times, a writer and a military authority in Europe."*

The following are quotations from this authority:

> *"For some time the issue as to which side the United States would take hung in the balance, and the final result was a credit to our propaganda (meaning the British propaganda) . . .*
>
> *"There remain the Jews. It has been estimated that of the world Jew population of approximately 15,000,000, no fewer than 5,000,000 are in the United States; 25% of the inhabitants of New York are Jews. During the Great War we bought off this huge American Jewish public by the promise of the Jewish National Home in Palestine, held by Ludendorff to be the master stroke of allied propaganda, as it enabled us not only to appeal to Jews in America but to Jews in Germany as well."*

They "bought off the huge American Jewish public" with the promise of Palestine and with them they bought the powerful metropolitan Jewish press and the Wilson Administration. That is not my language, nor is it my assertion; it is the language and the statement of fact of an eminent British authority writing for the benefit of the British public, and particularly for the British propagandists of the "next war"—now in progress.

He says of this Propaganda for the Next War, that we (the American people) have been "fed up" on atrocities and that this form of attack will not work next time and that they must adopt new methods. He says that we are an emotional, gullible people and that despite the fact that there is now some prejudice against the British Government because of its refusal to pay its debt to us, that

[29] See Congressional Record, 76th Congress, Vol. 84, No. 82, pages 6597-6604.

we can again be worked provided the proper approach is used. He suggests the following:

> *"To persuade her (the United States) to take our part will be much more difficult, so difficult as to be unlikely to succeed. It will need a definite threat to America, a threat, moreover, which will have to be brought home by propaganda to every citizen, before the Republic will again take arms in an external quarrel . . .*
>
> *"The position will naturally be considerably eased if Japan were involved, and this might and probably would bring America in without further ado. At any rate, it would be a natural and obvious object of our propagandists to achieve this, just as during the Great War they succeeded in embroiling the United States with Germany.*
>
> *"Fortunately with America, our propaganda is on firm ground. We can be entirely sincere, as our main plank will be the old democratic one. We must clearly enunciate our belief in the democratic form of government and our firm resolve to adhere to it. Our minor propaganda will aim at attaching the support of important sections, such as the Jews, probably by the declaration of a clear-cut policy in Palestine, and of our intention, if victorious, to put an end to anti-Semitic persecutions; and of the Roman Catholic community in similar terms . . .*
>
> *"In the realm of the moving picture industry we may be able to depend on the natural bias of the United States film manufacturers in favor of Great Britain as opposed to Germany, Japan, or Italy, and on their command of the machinery of international film distribution. This will be an asset both with the stock entertainment picture and the news reels."*

So their plan was to line up the Jews and "Catholic community" by "promising" if victorious to "put an end to anti-Semitic persecutions; and of the Roman Catholic community in similar terms." The Jews, the Jew press, the Jew cinemas, and the Jew President and his Jew administration, are already lined up; no promises or propaganda were needed for that purpose.

But the protestant American has been badly burned, he has had enough of their wars, and it will be difficult to get him into another one by talk and propaganda—which they realize. They propose to appeal to his prejudices and fears by getting Japan in on the other side. The British Government will probably

adopt this course and provoke Japan to war in order to obtain the more powerful support of the United States.

The President has dispatched the fleet to the Pacific Ocean. This is for the purpose of war with Japan: It can be for no other purpose. If Japan will only torpedo one of these boats, the Jewish press, the Jewish radio, and the Jewish cinema will do the rest. The Jew Admiral Taussig stated to a Congressional Investigating Committee that "war with Japan is inevitable."

The worst of it is that these slick Jew war-makers will probably themselves torpedo the boat and blame the Japs through their press, cinema, etc., and the result will be the same. We may fight, and investigate later, and may again learn the truth twenty years afterward.

They also propose to appeal to us Protestants on the "old democratic plank" that they are democracies and "believe in the democratic form of government and our firm resolve to adhere to it." To hell with such democracies!

The British Empire is governed by a King and a Jewish Privy Council and a hereditary House of Lords, was acquired by conquest, is held together by military power, and is the greatest in area ever known,—upon which it is said the sun never sets. The French Empire, with a Rothschild in her cabinet, and governed ordinarily by a bunch of Jews,—was also acquired by conquest, and is the third largest area in the world.

The Jewish influence now governs the British Empire. They have many representatives in the House of Commons through the Labor party. In the House of Lords they predominate thru their purchase of titles and intermarriage with the nobility. Formerly a King selected and appointed his lords and nobles from his brave warriors and landed aristocracy; now he sells these titles to his rich subjects who are principally Jews, and this is a source of considerable revenue to the Crown. The present heads of the British cabinet, viz., Churchill, Eden, Cooper, et al., are all strongly pro-Jewish and are all intense haters of Hitler because he is anti-Semitic.

America is not a democracy and never has been, and God forbid that it ever shall be. It is a republic whose powers are clearly defined by the Constitution.

Referring to the propaganda by the British and German governments during the First World War, the writer correctly observes: "I repeat it is unthinkable that such a dog-fight between non-Americans will again be permitted in the United States." It is indeed "unthinkable," but such propaganda is nevertheless

being carried on right now by the Jews in the newspapers and cinemas and over their radios. It should be suppressed even if we must close them all up.

Senator Nye said of this book:

> *"I understand that this particular volume, Propaganda in the Next War, published last fall and placed in circulation, instead of having its circulation enlarged, now is suffering at the hands of those who desire to retire it from circulation. A few days ago I came on the floor of the Senate with the volume itself. I am sorry I have not it with me today. I am told that it is the only copy of Propaganda in the Next War available in the United States. It can be had; I can borrow it again if there is occasion and need for it in the Senate; but it is no longer easy to obtain. I wish the entire work might be read by every Member of the Senate."*

Apparently it is a semi-official book of the British government. The destruction of these copies of the book was probably by order of her Jew Secretary of War, Hore-Belisha, or other Jewish "Elders," following an ancient Jewish custom.

That is what they did to the protocols and to Pinckney's diary and probably also to the American Official Services Report mentioned above.

XI.

LEAGUE OF NATIONS

> *"By all these means we shall so wear down the goyim that they will be compelled to offer us international power of a nature that by its position will enable us without any violence gradually to absorb all the State forces of the world and to form a Super-Government. In place of the rulers of today we shall set up a bogey which will be called the Super-Government Administration."—From Protocol 5.*

When World War I ended, the Rothschilds and their agents were there to administer upon the wreckage. "Elder" Bernard Baruch, who succeeded E. M. House as President Wilson's advisor, induced the President, contrary to all precedent and the advice of his cabinet, to attend the peace conference in France in person. "Elder" Baruch was, during the entire period of the war, Chairman of the War Industries Board which was invested with despotic authority over the production and sale of everything.

In his memoirs, Ike Hoover, Chief Usher at the White House during ten administrations, including the Wilson administration, said:

> *"The President and Mrs. Wilson went to the country place rented by Mr. Baruch for lunch today (Sunday) and all of us scattered. The strange part is that each went alone, as if dodging the others. The fact is that we are all tired of looking at one another. At dinner time we had a good laugh when I charged them all with being bored with the others, and all manfully agreed."—Saturday Evening Post, July 7, 1934.*

Why should this wily Jewish gambler rent a house and make his headquarters near Versailles during the peace conference, which gave birth to the League of Nations,? What interest had he in the League of Nations?

The terms of the peace treaty and the League of Nations were ostensibly agreed upon and fixed by Woodrow Wilson representing the United States Government, Lloyd George representing the British Empire, and Georges Clemenceau representing the French Empire,—but they were in fact largely the work of men behind the scenes, viz., the "King-Despot of the blood of Zion" and his agents representing the Jewish race and money power. It is obvious that Baruch was then and is now the political representative of the Rothschilds in America. Ile was then President Wilson's adviser.

The Jew mentor of David Lloyd-George was Sir Philip A. G. D. Sassoon, Bart., a direct descendant of Mayer Amschel Rothschild, and a member of the British Privy Council. He served Lloyd-George during the peace conference as private secretary which enabled him to "sit in" on the secret deliberations of the conferees.[30] Jeroboam Rothschild (Mandel) appears to have held a similar position with Clemenceau. Baruch's position with Wilson was that of an intimate friend and adviser.

I quote the magazine "Time" as authority for the statement that Georges Mandel, (Jeroboam Rothschild), until recently France's Minister of the Interior, was Clemenceau's "right bower." It says:

> *"To the vital Ministry of the Interior, Premier Reynaud appointed energetic, 54-year-old Georges Mandel, till then Minister of Colonies. This was no new job for the sharp-nosed, stocky little Clemencist, who as the Tiger's chef de cabinet during the last war ran the country's domestic affairs and kept up civilian morale. Born Jeroboam Rothschild, Mandel has often been called France's Disraeli, is a super-politician in a country of politicians, lately showed in the Colonial (and Post Office) Ministry that he had lost none of the drive and administrative flare that made him indispensable to Clemenceau. He was so close to the Premier that the Rabelaisian Tiger once quipped: "Quand je pete, Mandel pue."*[31]

We can now properly appraise this treacherous, criminal peace treaty, out of which has grown the present war. It was not Wilson who betrayed the German government by the promise of his Fourteen Points, nor Lloyd George who was false to the promises made the Arabs to induce them to enter the war. It was Jeroboam Rothschild, Sir Philip Sassoon, and Bernard Baruch. Wilson, Lloyd George and Clemenceau are culpable only to the extent that they acted in obedience to a power that they did not dare oppose.

These three Jews, representing the money power of the Rothschild family, determined the essential provisions of the infamous peace treaty. They established the International Labor Board; they made provision for the Reparations Commission and the Brussels Financial Conference; they gave Palestine to the Jews; and established without our membership the League of Nations and the

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[30] Congressional Record, Aug. 21, 1940, p. 16368.

[31] *"Time," May 27, 1940, p. 34.

World Court. It was our refusal to join that prevented the consummation of their grandiose elaborate machine for the government of the world.

These three Jews are responsible for the abandonment of President Wilson's fourteen points and for the flagrant violation of the promises upon which Germany laid down her arms. If President Wilson's pledges had been observed we would have no World War II. Perhaps if we had joined the League of Nations there would be none, for we would be the subjects of this "King-Despot" who would rule us with an iron hand. They then and there sowed the seeds that have germinated into the present war.

Jeroboam Rothschild (Mandel) was a member of the Reynaud cabinet and resigned with him and fled with him when France refused to be "merged" into the British Empire but decided instead to surrender. The people of France now appear to realize, according to the press reports, that they are the victims of these warmongers.

It will be recalled that on his return to America President Wilson started upon a speaking tour to convert the American people to the League of Nations and that it was during this campaign that, fortunately for America, he had his break down; otherwise he might have put it over. It should also be recalled that due to the opposition of Senators Borah, Johnson, Lodge, Reed, and other stalwart Americans, this grandiose scheme was defeated. It should also be recalled with pride that there was enough Americanism left in the Senate, led by Borah and Johnson and Huey Long, to defeat our entry into the League of Nations through its back door, the so-called "World Court," during the Hoover administration and again during the Roosevelt administration, despite the powerful pressure brought to bear on the Senate by both of these presidents.

The League of Nations scheme did not originate with President Wilson. He made no such claim. Its precise origin is unknown, but the Jews claim credit for it. It is no doubt their baby, for it has all the ear-marks of their craftiness.

Its pretended purposes were to form a league or coalition of all the nations of the earth for the purpose of preventing future wars, but that was not its real purpose. It was a slick scheme to establish a Super-Government to which all the nations of the earth would be subordinate and subservient.

There was no authority under our constitution for our government to become a party to it, even though its purpose had been a worthy one. That small detail, however, "cut no ice" with the "Elders" and apparently none with President Wilson. The London Daily Mail said of it that it is "the most elaborate sham

which history has yet perpetrated." It has now discharged all of its employees and closed up its shop.

The peace conference appointed Gustav Cassel, a noted monetary authority of Stockholm, Sweden, to advise them, which he did. He wrote for that purpose two memoranda (published in his book entitled "World's Monetary Problems,") in which he set forth logically and conclusively that it was absolutely necessary to maintain high prices and wages and cheap money in order to enable the people and nations of the world to pay their debts. He showed convincingly that the restoration of the gold standard was impossible, that it would bankrupt the people and governments of all countries, create great distress and unrest and probably lead to war.

In the face of the solemn warning prepared especially for the Brussels Financial Conference, this conference decreed the return of the gold standard, with its cheap prices and wages. Professor Cassel told in words of prophecy precisely the results that have since happened. The shrewd monetary experts of the Brussels Conference knew what would happen without such advice and they intended the very consequences that followed and that now prevail.

Under the pretense of writing a peace treaty with Germany this peace conference established Palestine as a home for the Jews and invested the British Government with a mandate for the government of the country. The Jews have been at war with the Arabs since and the situation has become so intolerable that the British Government sought to divide the country between the Jews and Arabs and to surrender its responsibility, which pleased neither Jew nor Arab.

The Arabs want all of Palestine because it belongs to them and the Jews want it all, although they have not settled it and do not expect to do so. Less than 500,000 Jews have moved there during the twenty-two years since the establishment of this alleged Jewish home. Many of them, after locating there, have moved to America and other countries. More Jews have migrated to America during that period than have settled in Palestine. America is now the "Palestine" of the Jews. They don't want to be farmers and craftsmen;—that is not their ticket. They prefer that the "Goyim" do the work and themselves to live among them and trade with them and manipulate their currency systems.

The establishment of this "Jewish home" was not involved as an issue in the world war or in the peace treaty with Germany. The Arabs were our allies and they fought side by side with the soldiers of the allies. It was cold blooded, indefensible robbery perpetrated at the instance of the "Elders" by Lloyd George and Woodrow Wilson and Georges Clemenceau.

There would have been some justification for it if the British Government had acquired the lands of the Arabs with their consent, paying for them and buying lands sufficient for the whole Jewish race and had thereafter forced all the Jews from all countries to migrate there; that would have done more toward preserving the peace of the world than all of their mandates, the Brussels Financial Conference, the International Labor Board, and the League of Nations combined.

The worst of it is that the establishment of this "Jewish home" was cold blooded treachery to the Arab Government and people. The Arabs claim that they were induced to enter the war on the side of the allies by the promise that what is known as the Balfour Declaration would be rescinded and that the Arabians would not be molested in the peaceable ownership and possession of their country. This contention is not denied by the British Government, but the excuse is made that Woodrow Wilson insisted that the Jews be given this home and that Lloyd George consented as a matter of policy and in order to get some other things in the peace treaty that he desired. Palestine is now properly called the "twice promised land." It is likely that Germany also promised it in consideration of the Russian deal.

The defenseless Arabs were treacherously ravished by their comrades in arms. If the Jews want this or any other home, let them buy it. That is the honest way to get it, and they have plenty of money for that purpose. Palestine does not belong to them because their ancestors lived there more than fifteen hundred years ago. The most of them have no sentiment about it, for sentiment is not a Jewish characteristic;—with them it is always strictly business.

In any event, this home of the Jews was not involved in a peace settlement with Germany; nor was the establishment of an International Labor Board to regulate the wages and conditions of labor; nor was the restoration of the gold standard; nor was the League of Nations. These are not international subjects, but they are local to each country. It is the province of each and all of the countries of the world to define their own national policies regarding each and all of these important matters. They were all projected into the peace treaty by the Jews."

XII.

GOLD

"With gold we can buy the most rebellious consciences, can fix the rate of all values, the current price of all products, can subsidize all State loans, and thereafter hold the states at our mercy."—From Funeral Oration of Rabbi Reichhorn.

"You are aware that the gold standard has been the ruin of the States which adopted it, for it has not been able to satisfy the demands for money, the more so that we have removed gold from circulation as far as possible."—From Protocol 20.

The fixed policy of the management of the Rothschild fortune is and has always been monopoly. They brook no opposition and they fix the tolls of whatever business they engage in. In the beginning their operations were confined to government loans, not only for the profit involved but for the political power that it gave them. As the fortune grew their field of operations expanded until it embraced everything. Originally, the Rothschilds had competition for these government loans and consequently were not always able to fix the rate of discount, but this opposition was soon crushed or absorbed.

Among their early competitors was the Bank of England, which was chartered in 1694 for the purpose of financing the British Government. In consideration of a loan of 1,200,000 pounds the British government granted the Bank of England the exclusive privilege of issuing currency in the City of London and within a radius of 65 miles thereof. Originally it was granted an annuity of 100,000 pounds a year for handling the government's business, and its property and operations were exempted from taxation.

Adam Smith says of the Bank of England:

"She acts not only as an ordinary bank, but as a great engine of state. She receives and pays the greater part of the annuities which are due to the creditors of the public; she circulates Exchequer bills; and she advances to the Government the annual amount of the land and malt taxes which are frequently not paid till some years thereafter."

These functions were in line with the operations of the Rothschilds and consequently they coveted the bank. There is no record of when they acquired it or how much they paid for it, for that is not the Rothschild way; it is one of their

secrets. It was probably acquired by Nathan during the hey-day of his activity, sometime around 1830 and as a result of an assault that he himself made on it.

Pretending a grievance, Nathan Rothschild bought up its outstanding notes and personally presented them to the bank for payment day after day, and received coin in payment therefore until he practically exhausted the bank's supply. The management of the bank capitulated. From that time until this day the Bank of England has been one of the most effective agencies of the Rothschilds in promoting their plans.

The charter of the bank was amended eight times during the period from 1694 to 1844 when the Peel amendment was adopted; it has never been changed since. The original government loan of 1,200,000 pounds, instead of being paid, was increased from time to time until it had reached the sum of 11,015,000 pounds in 1844, when the Peel amendment was adopted.

This amendment provided in substance that the Bank of England might issue its currency notes up to 15 million pounds upon its general assets, and that all currency issued in excess of this sum must be secured by an equal amount of gold coin or bullion; it also provided that other banks of issue should thereafter increase the amount of their currency notes, and then as their charters expired the privilege of issuing currency should be cancelled.

The Peel amendment had far-reaching consequences apparent upon its face: (1) It demonetized silver, which theretofore circulated in England and throughout the world money; (2) it gave the Bank of England a monopoly of the rency of the British Empire; (3) it established the gold vertible note on the basis of a 100% gold coverage; (4) it made the Bank of England the clearing house of the British Empire and established the British pound as world currency; (5) it gave the management of the bank the power to fix and regulate prices and wages throughout the British Empire and to materially influence them throughout the world.

The Encyclopedia Britannica[32] states regarding the Peel amendment:

> *"It was indispensable, in attempting to obviate the defects inherent in our currency, to proceed cautiously, to respect, as far as possible, existing interests, and to avoid taking any step that might excite the fears or suspicions of the public; but the measures . . . were so skillfully contrived as to provoke little opposition, at*

[32] Vol. III, p. 323.

the same time that they effected most important and highly beneficial changes"

Sir Robert Peel was then Prime Minister of Great Britain and no doubt favored the amendment to the bank's charter which bears his name, but it was his bill only in the sense that the Federal Reserve Act is President Wilson's bill. The apostate Jew Benjamin Disraeli was then at the head of the opposition party which overthrew the Peel ministry in 1848. Disraeli was subsequently Prime Minister of England.

Disraeli was then the intimate friend of Lionel Rothschild whose family at that time owned and controlled the Bank of England and the greater part of the gold of the world. It will be noted that the authority mentioned states that the act and its adoption "were so skillfully contrived as to provoke little opposition." Evidently it had the support of the leaders of both political parties, and evidently it was not understood by the members of parliament and by the people generally, and evidently Disraeli had much to do with it, if he was not in fact its author.

It is a singular fact that the bill was put over by the Rothschild agents in precisely the same manner that they put over the Federal Reserve Act. The setting for it was the same, viz: the catastrophe of 1840, which the Rothschilds precipitated;—the Federal Reserve Act grew out of the panic of 1907, which the Rothschilds also precipitated. It was similar in its obscure meaning to our Federal Reserve Act. It was put over as a result of a coalition of both political parties,—as was our Federal Reserve Act. It gave the Rothschild management complete dominion over the welfare of the British Empire and our Federal Reserve Act gave it to them over the people of America.

It is worthy of note that the Peel amendment was adopted during the same year that Disraeli published his book "Coningsby," which was intended to exalt the Rothschilds and the Jews. Disraeli then said of Lionel Rothschild: "He was lord and master of the money markets of the world, and of course virtually the lord and master of everything else."

The so-called Peel amendment enormously magnified the Rothschild power. If there was any question about the head of the Rothschild fortune being "lord and master of everything else" prior to 1844, there can be none about his power since.This amendment made him the absolute "lord and master of everything" since 1844,—and that was the secret purpose of its real authors.

The gold standard was designed to limit the volume of currency in order to enhance the power and value of gold and its owners. The currency cannot ex-

pand beyond the quantity of gold in circulation and it therefore presents an absolute artificial limit to the expansion of currency and credit and of business, which is based thereon. As a result the currency systems based on it always break down when there is an unusual demand for currency and credit created by war. All the nations of the world were compelled to abandon the gold standard during World War I, and consequently the Rothschild interest sought to restore it immediately thereafter.

The conferees at the peace conference, Lloyd George, Clemenceau and President Wilson, created two subordinate committees to work out the details of their schemes:—one called the Economic Section and the other the Financial Committee. President Wilson appointed "Elder" Baruch as the American representative on the Economic Section and Thos. W. Lamont, a partner of J. P. Morgan & Co., as our representative on the Financial Committee; both of them Rothschild agents.

The committee of the Economic Section held its session at or about the time of the Versailles Conference but the Financial Conference was held later at Brussels. The Economic Section's committee fixed the German reparations at $12,000,000,000 in flagrant violation of the terms of surrender as proclaimed in President Wilson's fourteen points.

The Brussels Financial Conference in the face of the official advice of Professor Cassel decreed that the world should return to the gold standard. This necessarily meant that all monies, including the dollar, would be greatly enhanced in value, and prices and wages would be reduced accordingly. The dollar has in fact been enhanced from two- to three-fold, and prices and wages and values have been reduced to the same extent. It also necessarily meant that it would be impossible for Germany to pay the reparations fixed by the Economic Section, and for the Allies to pay the monies borrowed from America.

Following the decision of the Financial Conference, the "Elders" sent Professor Kemmerer and their other lackeys to the principal countries of the world to reorganize their financial systems upon a gold basis. They even established the gold standard in poor old defenseless China that had always been on a silver basis and with a limited currency volume of only about $2.50 per capita of silver and a negligible quantity of gold, with the result that millions of Chinese perished from starvation.

The victorious Allies turned Germany over to the tender mercies of the Jews. After having fixed the German reparations at an impossible figure under the gold standard, they drove another nail in the coffin of prostrate Germany in order to make assurance doubly sure. They not only re-established the curren-

cy of Germany upon a gold basis but they imposed upon the German people our infamous Federal Reserve System, calling it the "Dawes Plan," by which they gave the Elders the power to control the volume of currency and credit and the level of prices and wages.

They likewise made it impossible for our Allies, Britain, France and other countries, to repay the loans we made them. It was probably never intended that they should be repaid. Elder Baruch is primarily responsible for them for at the time they were made he was President Wilson's right hand man and was directing his foreign policy. There is no authority in our constitution for loans or gifts to the Allies. They were made in utter and flagrant violation of law. They were made for the purpose of enabling foreign countries to remain on the gold standard and pay their debts to the Rothschilds.

Thus, for the pretended purposes of writing a peace treaty that would establish permanent peace among the nations of the world and of collecting German reparations, the "Elders" partially established their League of Nations and their International Labor Bureau, and re-established the gold standard,—but for only a brief period.

All countries have since been compelled to abandon the gold standard, but this was not done until after it had impoverished the people of the world and impaired their morale. The people in their despair have overthrown their governments and created dictatorships and semi-dictatorships; nations are at war with each other; and a general war is on. This is all precisely according to the program of the Elders as set out in their protocols.

Thos. W. Lamont knew that the return to the gold standard would be the ruin of all of the States that attempted it, for that result was clearly pointed out to him by the report to the Brussels Financial Conference of his specialist, Professor Gustav Cassel of Sweden. He no doubt knew it apart from this report, but this report made it clear and certain.

Professor Cassel was appointed to advise the committee and he did advise them that the restoration of the gold standard would make it impossible for all of the nations of the world to pay their respective debts; that it meant bankruptcy and ruin for all of them. He made an unanswerable argument in support of his thesis and yet Mr. Lamont and his fellow conspirators decreed that the world should pay its debts and base its values upon Rothschild owned and manipulated gold.

There could be but one purpose in view and that was to destroy all of the States of the world, for that was the necessary effect and it was the known ef-

fect. Their purposes were poverty and suffering and unrest and communism and war, for these were the necessary and known results. It was for the purpose of destroying all governments and establishing their Jewish world empire with their "King-Despot of the Blood of Zion" as emperor, for that is the plan of their protocols.

The present war has now developed into a struggle for the preservation of the gold standard. In the beginning Hitler sought only the restoration of pre-war Germany, but it has now passed that stage. It appears to be his present purpose to destroy the Jewish Empire which is so interwoven with the British Empire that the two apparently must go down together. The hybrid Churchill is ready to sacrifice the last Englishman to preserve the Jewish Empire;—the British empire is only an incidental consideration. With victory within his grasp Hitler proposed to negotiate a peace on the basis of preserving the British Empire, which Churchill rejected.

It is the Jewish Empire that is of such deep concern to our hybrid President. He appears to be willing to sacrifice the youth and wealth of this nation to preserve it. It was for that purpose that he caused to be acquired and stored more than 20 billion dollars of gold; that he sent Sumner Welles on his scouting expedition; that Secretary Hull called the Havana conference; and that he is organizing a huge army and navy.

XIII.

WORLD WAR II

"We must be in a position to respond to every act of opposition by war with the neighbors of that country which dares to oppose us; but if these neighbors should also venture to stand collectively together against us, then we must offer resistance by a universal war."—From Protocol 7.

The First World War deposed the Kaiser and Bethmann Holweg, but did not depose Rathnau and the other Jews; it transformed the German government from a Jew-controlled monarchy to a Jew-controlled democracy. It is true there was a different set of Jews in control of the democracy; different men, but the same old Rothschild influence, Rothschild ideals, and Rothschild program.

Their first act was to debase the German currency, the reichsmark. They issued many billions of it and continued to issue it until it had no value. They sold vast quantities of this money at heavy discounts in America and other countries, and then made it utterly worthless, thereby fleecing real money from the people of the world. They bought German properties, factories, lands, etc., on time at high prices and paid their obligations in worthless money. After all of this wild inflation and after having acquired and paid for their properties with nothing, this same malign Jewish influence through the Dawes Commission brought about a reorganization of the German Reichsbank, a restoration of the gold standard, and deflation.

Thus the Jews have oppressed and impoverished the people of Germany. They have had a great picnic and very rich picking, and they are now paying for their fun. It was estimated by Adolf Hitler that the Jews owned four-fifths of the wealth of Germany. Think of it. This alien race comprising less than 1% of the population owned 80% of the wealth of the country. The worst of it is that they stole it by the manipulation of the German currency system—in the same way that they have stolen the wealth of our country. The wonder is that Hitler has been so patient and forbearing.

President Wilson proclaimed his famous fourteen points to Germany and the world as a basis for a truce and peace.In substance they assured Germany that if she would cease hostilities that the German people and government would not be penalized. The terms of the peace were formally accepted by the Kaiser, and accordingly an armistice was declared which was later followed by the Versailles treaty.

When Germany had laid down her arms and was prostrate and defenseless she was turned over to the Jews to be dissected and sterilized. In a radio speech made by Adolf Hitler a few months before World War II, he recited the promises that were made to induce the surrender of the German army by President Wilson in his famous fourteen points, the flagrant breach of those promises although impliedly guaranteed by the American Government, the dismemberment of the German Empire and the imposition of impossible penalties, and the great depth to which the Jewish Administration of the German government following the, war had reduced the people. Of this he said:

> *"Jewish parasites, on one hand, plundered the nation ruthlessly, and, on the other hand, incited the people when it had been reduced to misery. As the misfortune of our nation became the only aim and object of this race it was possible to breed among the growing army of unemployed suitable elements for Bolshevik revolution.*
>
> *"Decay of political order and confusion of public opinion by the irresponsible Jewish press led to ever stronger shocks to the economic life and, consequently, to increasing misery and to greater readiness to absorb subversive Bolshevik ideas. The army of Jewish World Revolution, as the army of unemployed was called, finally rose to almost seven million."*

That is precisely what they are now doing in America, and for precisely the same purpose. That is the manner by which they gained temporary control of the Austrian government. It is their method of operation. Our people have not yet sunk to the depth of poverty and misery and despair suffered by the German people, following World War I, but they are rapidly approaching that condition, and even now they provide fertile soil for the seeds of communism and revolution.

Hitler's speech was not one of an ambitious, saber-rattling braggart, but it was that of a sober, deliberate, determined man, with a mission to perform, who abhors war.

He said of the war-mongers:

> *"If the cry of 'Never another Munich!' is raised in the world today this simply confirms the fact that a peaceful solution of the problem appeared to be the most fatal thing that ever happened in the eyes of those war-mongers. They are sorry no blood was shed—not their blood of course—for these agitators are, of course, never*

to be found where shots are being fired, but only where money is being made! No, it is the blood of the nameless soldiers."

In his speech Adolf Hitler plainly and unequivocally said to Poland that Germany must have Danzig and the Polish Corridor, both formerly German, but he did not demand Silesia, also formerly German. He said that in the interest of World Peace he had made a treaty with France regarding Alsace, also formerly German, and he proposed to abide by it.

Hitler undertook to negotiate a treaty with Poland by which these fractions of Germany would be restored, by agreement. Pending these negotiations there was a pogrom against the resident Germans of Poland. Despite that fact Hitler made an appointment with the Jewish Polish foreign minister Beck to conclude the treaty, which Beck failed to keep. Instead of doing so he went to Downing Street in London for advice. Hitler then sent an army to suppress the Polish uprising and thereupon England and France declared war on Germany;—thus World War II began.

When war was declared the Allies sought to encircle Germany; to that end they sought to make an alliance with Soviet Russia and the Balkan states. Pending these negotiations Germany effected an alliance with Russia, the terms of which are not clear, but it appears to be an economic alliance and not a military one.

Both the Russian and German governments have been criticized for this alliance, which appears to be a misfit. The Germans claim that it was a matter of self-preservation on the part of Germany and that if she had not entered into an alliance with Russia the Allies would have done so,—which is probably true. The communists claim that it is entirely consistent with their principles, that it is to the advantage of communism to engulf the entire world in war and then administer on the wreckage,—which is also true, and which is in keeping with their principles and program. That no doubt accounts for the fact that communists of all countries approve this misalliance.

After conquering Poland Hitler again proposed to the Allies and to the world to make peace on the basis of restoring to Germany only that which was taken from her by the treaty of Versailles, with the exception of Alsace. The only difference in this and his original proposal was that it involved the return of the colonies which the treaty of Versailles awarded to Great Britain. The answer to this overture was that they would not treat with the Hitler government; that Hitler and Hitlerism (meaning anti-Semitism) must be destroyed.

True to her ancient strategy it was the policy of England to starve the enemy by blockade with her sea power. In violation of international law, which has been made largely by the British Empire, she imposed a blockade upon both German exports and imports. This Germany met with her submarines and air force, with the result that the starving has been "the other way round." Britain is now getting a dose of her own medicine and it Is evidently very distasteful to her.

Up to this time Germany has fought the war according to the rules of civilized warfare; she has not abused her superior power in the air by attacking with poison gas, as the British evidently expected; she has not attempted to assassinate any British leader; she has given shelter and transportation to the soldiers and seamen of Britain when her ships were destroyed.

There were a number of these prisoners of war on the "Altmark" which was anchored in a Norwegian port. By order of Churchill a British cruiser, in violation of the neutrality of Norway, attacked the Altmark, anchored in a Norwegian port, shot several of the crew who were unarmed and did not offer resistance, and released the prisoners. It is obvious that Germany could have left all of these prisoners to their fate when their ships were sunk. The dastardly, cowardly, murderous attack of the British upon the defenseless Altmark was applauded by the Jewish British and American press as a great British victory.

According to the Associated Press the distinguished Norwegian novelist, Knut Hamsun, addressing his countrymen, said of this banditry:

> *"When the Britishers in their prodigious savagery forced a passage into Jossing Fjord and infringed our neutrality, you did nothing about it. But when the Germans occupied Norway to prevent war in our country you did something: You conspired with our runaway King and his private government and mobilized. Norwegians! Throw away your rifles and return home. The Germans are fighting for us and now are crushing England's tyranny over us and all neutrals."*

Winston Churchill also violated the neutrality of Norway by mining her territorial waters.

It has been conclusively shown by official papers which fell into the hands of the Germans when they captured Oslo, as well as by other facts, that the British through the Jew Hambro, head of the Norwegian government, had previously arranged to send troops to Norway and to take charge of all of her strategic ports. They appear to have been actually en route when Germany, having

a shorter distance to travel, and superior generalship, landed her troops in Norway first. She "beat them to the draw." Norway capitulated and is now under the control of Germany.

The Allies were very much disturbed by this victory. The Jewish press demanded a more vigorous prosecution of the war. Despite the fact that Lord Admiral Churchill, then head of the War Board, had been primarily responsible for the Norwegian defeat, the British government retired Chamberlain, and Churchill was made Prime Minister. Churchill re-organized the cabinet, bringing into it two other pro-Jews and Hitler-haters,—Anthony Eden and Duff-Cooper. They boldly announced that the Allies would take the offensive and would attack Germany; about the same time they transferred the British fleet from Scapa Flow to the Mediterranean.

This meant one of two things: either that the Allies meant to attack Germany through the Balkans or that they had moved the fleet for the purpose of deceiving Hitler into the belief that they would do so, while their real purpose was to attack through Holland and Belgium. If the fleet was moved for the purpose of deception the ruse was an ineffective one and probably an unfortunate one for the Allies. Hitler was not deceived.

The Germans claim that the Allies had made arrangements with the governments of Holland and Belgium to make the attack through those countries, and Germany again "beat them to the draw." We don't know the truth. It will likely be revealed later.

The Allies have not won a single battle or diplomatic victory, with the possible exception that they bought the support of Turkey with a loan of $140,000,000 which has proven to be a barren victory. The Germans apparently have had superior equipment and they undoubtedly have had superior generalship and morale of soldiers. The most important of these requirements is the morale and fighting spirit of the soldier.

The cause and results of the present war prior to the surrender of France are graphically stated by Newton Jenkins of Chicago, as follows:

> *"What made Austria as an independent nation fall? Why did Czechoslovakia lose her independence? What made Poland pass out? What caused Denmark, Norway, Holland and Belgium to cease operations as free countries? Why are England and France likely to meet the same fate? German aggression, you say. Not at all. Organized Jewry is the answer.*

"Organized Jewry made Schushnigg and others in Austria pursue a mad policy of national suicide and Germany rescued that nation from the unholy alliance. Organized Jewry made Benes, young Massaryk and others in Czechoslovakia pursue a policy of sheer madness. They lost their country. Organized Jewry drove Negrin, Del Vayo and other leaders in Spain along their mad course until the people under Franco rescued that nation. Organized Jewry drove Beck, Smigly Ridz and other leaders in Poland along the same mad course toward destruction.

In Norway organized Jewry, working through the part Jewish Hambro, drove that nation along a path of pro-British sympathy and it ceased to exist as an independent nation. The King of Belgium and the Queen of Holland played the game of organized Jewry and now foreign troops are in command of their towns and cities.

"England and France for decades have become the nesting grounds of organized Jewry. The Churchills, Edens, Duff Coopers, Hore Belishas and many others in England, and the Reynauds, the Daladiers and others in France have been the pawns of the Rothschilds, the Sassoons and others. Many of the political leaders themselves have a mixture of base blood coursing through their veins in all of these countries[33]. These two great empires under the lash and whip of organized Jewry are tramping straight and inevitably to their doom.

"The American foreign policy of the Hoovers and the Roosevelts, the Hulls and the Tafts, the Landons and the Frank Knoxes and Key Pitmans are heading us straight down the same path of despair. The Baruchs, the Kuhn Loebs, the Morgenthaus and others in our land are lashing our weak political leaders to unwittingly destroy our nation in the same way that European nations have been destroyed. America will not follow the dance of death. America will throw off the rule of Jewry and her bailiffs. America will remain the same glorious republic she has always been."

The Germans have experienced defeat once. They have been administered on by the Jews once and they know that defeat means another Jewish administra-

[33] It is said that Churchill and Cooper are hybrids and that Eden's wife is a Jewess

tion and the dismemberment of Germany. They know this from the private to the general and by bitter experience. They are fighting for their freedom. "Thrice armed is he whose cause is just."

The British and French soldiers are good soldiers and brave men; it is in their blood and sinew and bone,—but they fought half-heartedly. They are beginning to learn, if they have not already done so, that this war is a Jew's war for Jewish power and purposes.

The defeat of the Jews is now apparent. The Germans are moving with irresistible power toward London and they will likely reach their destination before Roosevelt will be able to inveigle America into the war. The Jews, as stated in their protocols, have met Germany's "act of opposition by war" but they have not been able to "offer resistance by a universal war." In the same protocol they say that they "shall respond with the guns of America or China or Japan," but China and Japan are now otherwise engaged, and "Uncle Shylock" wants to stay out of it.

XIV.

OUR DESPOT OF THE BLOOD OF ZION

"However, it is probably all the same to the world who is its sovereign lord, whether the head of Catholicism or our despot of the blood of Zion! But to us the Chosen People, it is very far from being a matter of indifference."—From Protocol 5.

The people of America do not want a super-government or to be ruled by the pope of Rome or a "despot of the blood of Zion." We barely escaped it when the republicans, with the aid of "twelve willful" democrats defeated the League of Nations project by a very small margin; for the League of Nations meant that very thing.

The Jewish press informs us that one of the original objectives of the present war, called World War II, was the creation of the United States of Europe,—in fact Prime Minister Chamberlain stated the same purpose in one of his speeches,—but it has gotten beyond that stage. It is now a struggle to preserve the British Empire and the gold standard.

The Jews have bled the British Empire white. They have exploited all of the colonies, particularly India and South Africa, but Australia, New Zealand and Canada have not escaped them. They impoverished Ireland to the extent that that country revolted. It is significant that India and Ireland have not come to the rescue of the "mother country, England," in this her hour of peril, and that she has had no support from Arabia, her former ally. The Arabians have been fooled once with the promise of Palestine, and while this has been renewed in a modified form they did not fall for the bait.

Nor has England had any support from the Jews of Palestine so far as we have been informed by the Jewish press. It is certain that if they had raised a corps of thirty men the press would have heralded it all over the world. The Jews prefer that the Gentiles do all of the menial work and all of the fighting. When one of them is drafted he is usually a "conscientious objector" or he finds his way to the commissary department. One of the troubles with the Allies is the graft of the Jews in their Ordnance and Commissary Departments which are in Jewish hands.

If we must choose between being ruled by the Pope of Rome and a "despot of the blood of Zion," the Pope is preferable. He at least will let us live and will not enslave us.

But there does not appear to be any ground for the implied charge in the protocols that the Catholic hierarchy is actively seeking to recover its lost political power and to reestablish its temporal dominion. Undoubtedly the Pope would be delighted to see a Catholic government in America and in every other country of the world. But there is no evidence known to me that the Pope is seeking to gain these ends in the clandestine, subterranean manner as set out in the protocols or that he is cooperating with the Elders for such ends.

The Pope is now having great difficulty in maintaining the status of the church in its ancient strongholds, viz., Mexico and Czechoslovakia. It is hardly conceivable that under these circumstances he or the Catholic hierarchy would be actively at work undermining the governments of other countries through the impoverishment of the people and the destruction of their governments.

On the contrary there is evidence that the Pope does not approve the present Jewishized administration. The most effective and boldest critic of it has been Father Coughlin of Detroit. If the press is to be believed, (and I do not swear by it), the Pope actually approved Father Coughlin's campaign against the Roosevelt-Jewish-deflation administration.

The Catholic Church ruled practically all the countries of Europe for a period of more than a thousand years following the fall of the Roman Empire. It is the period known as the "dark ages." The people were ignorant, superstitious, and desperately poor, and the church was at no pains to enlighten them and to help them. The church has surrendered its temporal authority grudgingly and after much bloody strife. Even now it maintains the semblance of a political government at the Vatican, to which some nations send their ambassadors. Contrary to the policy and tradition of our government the President appointed Myron C. Taylor, Chairman of the Board of the United States Steel Corporation, as our ambassador to the Vatican.

There was a political party in most countries of Europe known as the "Catholic Party," which was devoted primarily to the interests of the church. The Order of the Jesuits was formerly the political organization of the church, which appears to have had a code of political morality as cynical as that of the Jewish "Learned Elders of Zion." The Jesuit organization does not appear to be active in America.

The present war is a death struggle between Hitlerism (anti-Semitism) and Jewish imperialism. It is not primarily for the restoration of Poland or Czechoslovakia or any other country except insofar as such restoration contributes to Jewish imperialism. It is primarily to destroy Hitler and Germany because

they are both anti-Semitic, and to preserve the gold standard because through it the Jews control the economic destiny of all countries.

Hitler abandoned the gold standard, since which date Germany has been prosperous and with no unemployment. Germany is fighting this war without gold and is thereby demonstrating to the world that it is not necessary to borrow gold from the Jews in order to wage war.

Hitler threatens the very foundations of the Jewish empire throughout the world and he now appears to seriously threaten the British navy which the Jews have used to preserve their empire. Our beloved (?) President Roosevelt is itching to get into this war to save world Jewry and to promote himself and not to save America. All of this war hysteria in the United States has been created by the Jewish press and F. D. Roosevelt to serve their fellow tribesmen and not to serve their fellow Americans.

In a speech delivered before the National Social Congress at Nurnberg, Germany, on Sept. 13, 1935, Dr. Joseph Goebbels, Mr. Hitler's assistant, said:

> *"Where are the men behind the scenes of this virulent world movement? Who are the inventors of all this madness? Who transplanted this ensemble into Russia and is today making the attempt to have it prevail in other countries? The answer to these questions discloses the actual secret of our anti-Jewish policy and our uncompromising fight against Jewry; for the Bolshevik International is in reality nothing less than a Jewish Internationale.*
>
> *"It was the Jew who discovered Marxism. It is the Jew who for decades past has endeavored to stir up world revolution through the medium of Marxism.. It is the Jew who is today at the head of Marxism in all the countries of the world. Only in the brain of a nomad who is without nation, race and country could this Satanism have been hatched. And only one possessed of a satanic malevolence could launch this revolutionary attack."*

Every word and every sentence of the above statement is true. It will bear reading a second time. It not only explains the "actual secret" of the anti-Jewish policy of Germany but it explains the "actual secret" of anti-Semitism in America and throughout the world.

The Jews have in times past been expelled from every country in Europe and some of those of Asia. They were expelled long before their scheme was

brought to light by the publication of the protocols and perhaps before any protocols were written, but not before the Talmud. They were expelled twice from France and were expelled and kept out of England for 400 years after their expulsion. Why? It was not because of the ignorance and brutality of all peoples in all ages but because the Jews have been what they are, with the same characteristics and the same ideals and purposes throughout the ages. These characteristics and ideals are reflected in their Talmud and protocols and communist code.

Before any World Empire can be established it is necessary first to destroy the American form of government. The plan of the protocols for that purpose is to impoverish the people, impair their morals and nullify their constitution. There can be no dictator or king or emperor so long as the people are happy and prosperous and patriotic and adhere to their established form of government. The method set out in detail in the protocols is the only possible way to subjugate the American people to the "Despot of the blood of Zion" or any other despot. The destruction of our government has been the principal objective of the "Jew Deal" and the present Jewish administration.

XV.

OUR UNDECLARED WAR AGAINST GERMANY

> *"We have harnessed them all to the task; each one of them on his own account is boring away at the last remnants of authority, is striving to overthrow all established form of order. By these acts all States are in torture; they exhort to tranquility, are ready to sacrifice everything for peace; but we will not give them peace until they openly acknowledge our international Super-Government, and with submissiveness . . . And the weapons in our hands are limitless ambitions, burning greediness, merciless vengeance, hatreds and malice."—From Protocol 9.*

Soon after the German order of fine and expulsion of the Jews, President Roosevelt withdrew our Ambassador to Germany for consultation, (as announced in the press), but he is still at home. Quite a lengthy consultation. This is an act of war; it is usually the first step preceding a declaration of war, but Hitler refused to accept the challenge for the obvious reason that he does not want war with us, despite the fact that we are wholly unprepared.

The treaty of Munich was a sad disappointment to International Jewry and to Franklin D. Roosevelt. Mr. Roosevelt showed his resentment by imposing a 25% tariff on German importations and attaching the monies of the Reichsbank on deposit in New York banks. These were overt acts of war which Hitler has met with firmness and dignity. He could do no less than withdraw his own Ambassador and impose a like tariff upon our exports to Germany. If he desired war with our country he has ample grounds for it. It is probably a disappointment to the President that he did not accept the challenge and declare war.

In his first message to the 76th Congress, the President said:

> *"Words may be futile, but war is not the only means of commanding a decent respect for the opinions of mankind. There are many methods short of war, but stronger and more effective than mere words, of bringing home to aggressor governments the aggregate sentiments of our own people."*

It is significant that no other country of the world has imposed such a tariff upon German imports. Germany can get along without our wheat and corn and cotton and meat and dairy exports as well as we can get along without her market for them, but both countries are being injured. This argument, howev-

er, has no force with men who are seeking to impoverish our people and to destroy our government.

Apparently the President made some sort of a secret military alliance with the governments of England and France. At a secret meeting with the Senate Military Affairs Committee he is reported to have said that the "frontiers of France are our frontiers." That is the traditional position of Great Britain.

He denounced this report as a "deliberate lie" but he would not release the members of the Military Affairs Committee from their pledge of secrecy, and he suppressed an investigation. Senator Lundeen of Minnesota, who is a member of this committee and attended this conference with the President, said in a speech in the Senate that the President's statement to this committee, if revealed, would "shock and stun" the American people.

The President pretends that he does not want war and that he is trying to avoid it. He made two dramatic appeals to Hitler to halt,—the first by radio, the second by message. In the second he proposed to act as mediator and to call a conference of the nations of the earth to enter into a ten-year truce. On the day preceding this message he denounced Hitler in a much publicized speech, as an aggressor and a disturber of world peace.

This was not the way to bring about a conference and a ten year truce. If Mr. Roosevelt really desired such conference and truce he would have submitted his offer in the usual way through diplomatic channels, and not by proclaiming it from the housetops. He desired that the offer should be rejected, and made it as offensively as he could. It was made for "home consumption" and to rally the people of America behind him.

He does not appear to have fooled many people. Dorothy Thompson (Levy) and the other war mongers, all with one accord clapped their hands and applauded—not because they thought his offer was a step in the direction of peace, but because they believed it to be a step in the direction of war. Nor did it fool Hitler and Mussolini. Mussolini's paper said of it:

> *"We deny the President any right to intervene in European questions because his country is not directly interested as well as because he personally has not the slightest claim to assuming the role of friendly and impartial mediator."*

The article said President Roosevelt's appeal evidently was for internal use. It charged him with wanting to divert American opinion from "the unemployment which grows day by day."

When the Allies declared war on Germany President Roosevelt immediately got busy. His first act was to create an international commission headed by Myron Taylor, Chairman of the Board of the United States Steel Corporation, to assist in the migration of the Jews. We do not know what this commission has done or is doing, but it is still at work and we are putting up the money, and the Jews are landing here by the ship-load.

No country except the United States,—not even Russia—has volunteered a home for the Jews. They have been sent to various South American countries and have been turned back. But we are sending our ships for them and their gold, and congress has recently appropriated $50,000,000 for their maintenance.

In defiance of our immigration laws, which are entirely too lax, the President and Madam Secretary Perkins are admitting Jews, without limit, to America. It was reported that 3,000 per day are now being received without restriction, and the balance of them on a six months visit, which means permanency—at least so far as this Administration is concerned. They are evidently coming now at an even faster rate.

The immigration law provides for quotas for all races and nationalities except the Jew; there is no limit as to Jews. The immigration authorities class the Jew as a religion and not a race, with the result that the great majority of the immigrants we are now receiving from all countries are Jews.

They are in fact an alien people with alien characteristics—mental, moral, and physical—which are always the same and remain the same whether they are German, Russian, Spanish, American, or what not. They don't merge in the melting pot or by intermarriage except to bequeath their Jewish characteristics to the offspring. They are as distinct in their characteristics and as undesirable as are the Japanese and Chinese, which we exclude. The Jews should be excluded for we already have too many of them.

America is now the haven and refuge for the Jews of the world. We have more Jews in the United States than there are in England, France, and Palestine combined. If it is true that there are only 15 million Jews in the world then we have about half of the Jewish population of the world for we now have within our borders between seven and eight million Jews.

It is said that in the Constitutional Convention both General Washington and Benjamin Franklin opposed the admission of Jews into America. Robt. E. Edmondson is authority for the following quotation from the diary of Charles Pinckney of South Carolina, a member of that convention. The Jews deny the authenticity of this historical memo but that is characteristic of the Jews. It is their custom to destroy documents of this type and then deny their authenticity. The statement is evidence of the vision and wisdom of Washington and Franklin:

" 'I agree fully with General Washington—that we must protect this young nation from an insidious influence and impenetration. That menace, gentlemen, is the Jew.

" 'In whatever country Jews have settled in any great numbers, they have lowered its moral tone; depreciated its commercial integrity; have segregated themselves and have not been assimilated; have sneered at and tried to undermine the Christian religion upon which that nation is founded by objecting to its restrictions; have built up a state within a state; and when opposed have tried to strangle that country to death financially, as in the case of Spain and Portugal.

" 'For over 1700 years the Jews have been bewailing their sad fate in that they have been exiled from their homeland, as they call Palestine. But, gentlemen, did the world today give it to them in fee simple they would at once find some cogent reason for not returning. Why? Because they are vampires, and vampires do not live on vampires. They cannot live only among themselves. They must subsist on Christians and other peoples not of their race.

" 'If you do not exclude them from these United States, in this Constitution, in less than 200 years they will have swarmed in such great numbers that they will dominate and devour the land, and change our form of government, for which we Americans have shed our blood, given our lives, our substance, and jeopardized our liberty.

" 'If you do not exclude them, in less than 200 years our descendants will be working in the fields to furnish them substance while they will be in the counting houses rubbing their hands. I warn you, gentlemen, if you do not exclude the Jews for all time, your children will curse you in your graves.

" 'Jews, gentlemen, are Asiatic, let them be born where they will, or how many generations they are away from Asia they never will be otherwise. Their ideas do not conform to an American's, and will not even though they live among us ten generations. A leopard cannot change its spots. Jews are Asiatic, are a menace to this country if permitted entrance, and should be excluded by this Constitution.'

"Pinckney is further quoted as saying: 'We were amazed at the words of Mr. Franklin, especially as there are only about 500 Jews in the country. I know Mr. Franklin may be right. In less than 200 years, if we admit them the scoundrels will be calling US their ANCESTORS'."

Every word of the above statement is true. It is a pity they were not heeded.

It is not for us to get excited about Germany's treatment of the Jews. If the German government thinks that they brought about World War I with its frightful consequences to the German people; if they believe that they are responsible for the present war; if they believe the murder of Ernst von Rath was the act of International Jewry; if for these or other reasons they consider the Jews undesirable and wish to fine and expel them,—that is their affair and not ours.

When World War II was declared the Americans in Europe hurried home. About 1500 of them were on the Athenia which was torpedoed and sunk in British waters. The Germans claim that they had no U-boats in that vicinity and that the ship was sunk by the British themselves for the purpose of influencing our government to declare war on Germany,—which Churchill denies.

There was no reason for Germany to sink the ship for it was en route to America, and it had no provisions or war supplies or soldiers on it. There was good reason, however, for the British to sink it because of the American passengers on it—which was the casus helium of our entry into World War I.

We cannot accept Mr. Churchill's statements at par. He is the Jewish-type of politician that only says and does those things that will promote his own purposes. In fact he has publicly stated, boastfully, that he only gives out such information as he thinks it is good for the public to know,—of which he is the exclusive judge.

President Roosevelt sent his envoy, Sumner Welles, abroad for the pretended purpose of sounding out the warring countries and the Pope of Rome on the subject of peace. There was much secrecy attending this mission. It was stated in the press that the President wanted to get first hand information about the situation and about the terms of peace. The real purpose was to effect a truce until we were better prepared for war.

More recently still the President, according to press reports, appealed to Mussolini not to enter the war. We do not know what he said to Mussolini and what Mussolini said in reply further than that he made a courteous reply. It may be that his last note to Mussolini contained a threat in accordance with suggestions of the British press,—that the United States would enter the war if Italy did so.

We do not know the truth. We do know, however, that Mr. Roosevelt is meddling in European affairs to the full extent of his ability, and that he is rendering every possible aid to Britain and is feverishly preparing to join her in the present war.

We know furthermore that Germany is not now threatening us with war and has never done so. Germany has not searched our mails or impounded our ships as have the British. In our whole history Germany has never made a warlike demonstration against this country,—while we have had two wars with Great Britain.

XVI.

PLAN OF MOBILIZATION

"It is only with a despotic ruler that plans can be elaborated extensively and clearly in such a way as to distribute the whole properly among the several parts of the machinery of the State; from this the conclusion is inevitable that a satisfactory form of government for any country is one that concentrates in the hands of one responsible person. Without an absolute despotism there can be no existence for civilization which is carried on not by the masses but by their guide, whosoever that person may be."—From Protocol 2.

We are now preparing for war on a gigantic scale. With an admitted national debt of $45,000,000,000, with the taxpayers taxed to the point that industry is no longer attractive, and with poverty and distress stalking throughout the land, Congress has authorized about 17 billions of dollars for war purposes.

In a speech in the United States Senate on March 6, 1939 (see Congressional Record of that date, page 3224), Senator Lynn Frazier of North Dakota said:

"No one can make me believe that all these war preparations are for defense. In my opinion they are preparations for war, and a foreign war at that. Does anyone know what nations are expected to attack us? Does anyone know who is going to invade our shores? Surely all the great nations of the world have their hands full at home at the present time, and there is no imminent danger of any attacks upon the United States . . .

"We have recently heard about secret conferences and secret sessions here at home. The question naturally arises, Are we ourselves already involved in foreign entanglements and secret treaties? Who knows? If there is anyone who knows, he will not tell, because we have been unable to find out what these secret agreements are, if any, and whether or not we have any."

Surely the members of the United States Senate should be advised of "foreign entanglements" and "secret treaties." The Constitution provides that they must be ratified by the senate. If the President made such commitments he has already assumed the powers of a dictator.

Upon conclusion of the military compact between England and France, England's King and Queen visited the President of France, which visit he later returned. Magnificent receptions of mediaeval splendor were held in both England and France. The King and Queen then came to America, visited President Roosevelt at the White House and also at his Hyde Park residence. These visits, both to Paris and Washington, were evidently arranged by the Jewish administrations of the three countries to effect the triple alliance they were attempting to make in preparation for the war.

It is likely that President Roosevelt is responsible for the Russian invasion of Finland. Soviet Russia sought in advance to obtain from Finland by negotiation, the territory that was taken from Russia by the Treaty of Versailles. This failed upon the advice of the Allies and upon their promises to help Finland in case of war. They no doubt made these promises believing that if Finland was attacked that the United States would come to her aid because Finland alone of all European countries had recognized her obligation to the United States to repay the moneys loaned her. They no doubt made them on assurances that had previously been given by the President.

Although deeply sympathizing with Finland, the people of America were not willing to go to war in her behalf. "Uncle Shylock" has become "gun shy;" he has been worked once too often. If it is true that Finland was made a sacrifice to get us into the war, as appears to be the case, then she is another "Athenia" and another victim of British diplomacy and duplicity.

Senator Frazier said further, in the speech mentioned:

> *"There is agitation for the passage of the so-called industrial mobilization bill. According to my information, the bill has not been introduced at this session of the Congress, but it was introduced at the last session, and a great deal was said about it. It was modified somewhat at the last session, and still there is much agitation about it . . .*
>
> *"This industrial mobilization bill was introduced in the last Congress—it was an administration measure—so that in the event of war the President of the United States would be given the power to draft about 4,000,000 young men for war purposes."*

This mobilization plan was gotten up about five years ago by the Secretary of War and the Secretary of the Navy, which indicates that they have been contemplating war for at least that length of time. Indeed, all of this regimentation

of the laborer and the farmer and the industrialist has been priming us for war, and with war as the objective.

The plan has been amended, making it a little less drastic, and in its final form appears in a government document called "Industrial Mobilization Plan, Revised 1936." As soon as war is declared a bill embodying it will be introduced in both houses of Congress and rushed through as an emergency measure under whip and spur of the Administration.

The following are some of its salient provisions:

> *"With respect to any product, foodstuff, material, real property, or right declared by him essentially for the national security and defense in the prosecution of war, to fix and establish just and reasonable maximum, minimum, or absolute prices or rates or rentals at which such product, foodstuff, material, commodity, real property, or right may be bought, sold, rented, or otherwise contracted for, whether such transaction be with the Government or between persons of the civilian population or between any other parties whatsoever . . .*
>
> *"(i) To regulate, limit, or prohibit the purchase, sale, use, IMPORT, EXPORT, * * * transportation, manufacture, or distribution of any product, foodstuff, material, commodity, real estate, or right;*
>
> *" (j) From time to time, whenever he shall find it essential to license the 'production, manufacture, sale, USE, IMPORT, EXPORT, storage, distribution, or transportation of any product, foodstuff, material, commodity, real property, or right . . .*
>
> *"(1) To requisition and take possession of any product, foodstuff, materials, commodity, real property, or right, and on such terms as he may deem advisable to sell or otherwise dispose of such product, foodstuff, material, commodity, real property, or right . . .*
>
> *"The power and authority conferred by this title upon the President may be exercised in whole or in part under his direction and during his pleasures by such agencies or offices of the United States as he may designate, and he shall have power to appoint an administrator or administrators to exercise such designated pow-*

ers. Such administrator or administrators shall receive salary or salaries of $10,000 per annum. The President is authorized to create or provide for such additional agencies of the Government as he may deem necessary to execute the functions authorized under this title, and to appoint and dismiss at pleasure such officers and employees and to fix their salaries and compensation."

"It is," said Congressman Shafer of Michigan, "the most astounding document ever published in a democracy."

If it does not mean a dictatorship, what does it mean? The President is given absolute dictatorial power to conscript the people of America and all of their possessions, which means that this power will be exercised by the bunch of Jews that are now in control of the executive department of our government. It means that our constitutional form of government has been discarded,—not temporarily but permanently.

Barney Baruch or some other Jew will be Chairman of the War Industries Board, and he will not relinquish this post when the war terminates; nor will our President relinquish any of his war powers. There will be no more elections. It will be goodbye to our constitutional form of government, to our state governments, and to our freedom.

It was stated in the press that Bernard Baruch had lunch with the President and had a conference with him regarding the war situation. Baruch was noncommittal after this conference as to whether or not they had discussed the subject of his being appointed chairman of a War Industries Board soon to be created. It is likely that he wants the job and that he will get it in due time.

It is a matter of some surprise to have my conclusions fully confirmed by no less an authority than General Hugh Johnson, the President's former administrator of the N. R. A., and Baruch's former associate. He knows both Roosevelt and Baruch intimately, and his words are entitled to great weight. In a syndicated article in the press of April 18, 1939, he said:

"Freedom of speech and press, the right of assembly and petition and practically every guaranty of the bill of rights would go down automatically . . .

"If war comes soon, the Administration which has advocated these trends, if not these objects, would be continued another term, be-

cause of war. Having attained these objects because of war, how many of them would be relinquished at the coming of peace?

"Woodrow Wilson gave up most of his war powers immediately after the Armistice—because he detested them. Would the present Administration give them up, having greatly desired them? Has it ever willingly given up a single extraordinary emergency power since March 4, 1933? It would give up nothing of power . . .

"No matter who wins, the next world war will permanently destroy the democracy of every nation that gets into it. If we want to save democracy for the world, we will keep out of European war."

This is the key that explains the Jew deal, the Roosevelt deflation, and every act of the Roosevelt Administration. Mr. Roosevelt has been "On Our Way" up to now, but when war is declared he will have reached his destination. Congress and the State governments will then be cast aside and our dictators will be handed down to us instead of elected.

Whether our sympathy is with the British or not, we must recognize that the probabilities are that the President will drag us into the war unless Germany wins a quick victory. Even if we escape this war there is cocky little Japan, ready and willing to fight us at any time we want to fight. The Jews are saying that such a war is inevitable. There will undoubtedly be plenty of provocation for it, and if Mr. Roosevelt gets his third term we will soon be up to our necks in war.

All of these elaborate preparations mean war, and war means that Roosevelt will be dictator with Baruch and Morgenthau as his assistants. It means the destruction of our republican form of government and the loss of our liberties. Indeed, it must be admitted that our own morale is at the lowest ebb in our history. Hunger stalks throughout the land, and hunger has no patriotism; the farmer and the laborer have been corrupted by gratuities; the rich are notorious cowards, and the poor are discouraged and beaten. These are the logical and intended consequences of the "Jew Deal."

By act of congress the State Militia (396,000 men) have been drafted into the United States Army. The act requires that they undergo one year of military training, and it authorizes the President to impress them into service at any place in the western hemisphere. These patriotic men enlisted into the State Militia for service in their respective states, and congress is without legal authority to force them into the United States Army in time of peace.

At this time (August 17, 1940) President Roosevelt, the Rothschild- power, and the Jewish press are endeavoring to drive through congress a conscription bill known as the Burke-Wadsworth bill. This measure appears to have been written by one Grenville Clark of the law firm of Root, Clark, Buckner & Ballentine,—Morgan attorneys, and to have been inspired by the Jew, Julius Ochs Adler, general manager of the New York Times.

It appears that on May 23, 1940 the said Morgan attorneys and Henry L. Stimsom (our present Secretary of War and then attorney for Kuhn, Loeb & Co.), Julius Ochs Adler and others held a conference at the Harvard Club in New York City and organized a drive for conscription.

> *"On the 3rd day of June they met again. They met to raise money . . . A quarter of a million dollars was raised at one time. Think of that—men raising a quarter of a million dollars to conscript boys in America."*[34]

The Record does not show who put up the quarter of a million dollars but it is a safe guess that a substantial part of it was subscribed by the Rothschilds' banks of Morgan & Co., and Kuhn, Loeb & Co. What for? What did they expect to buy with it? Not propaganda, for the Jew press are for conscription and no money was needed to obtain that support. Five thousand dollars would have been more than enough to have covered all legitimate expenses of presenting the bill and the arguments in support of it, to congress. Another $10,000 should have been ample to have paid for the telegrams that they showered upon congressmen.

This $15,000 ought to have covered also the taking of the Gallup poll. This poll showed that 67% of the American people favored conscription,—which is simply preposterous. One of two things is true: either no poll was taken except of the few employees constituting the so-called "Institute of Public Opinion," or else the poll was confined to the Jews.

This Gallup poll is one of the greatest hoaxes that the Jew press has perpetrated upon the American people. It is usually given front page publicity in the "Jewspapers." A poll is taken upon every subject that is of current interest to the public. Nobody knows anything about the voting until the result is announced. Nobody ever received a ballot or heard of anybody who received a ballot. To take a poll of our 131,000,000 American people would require several weeks time and many thousand dollars. Apparently these Gallup polls are

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[34] From Speech of Senator Holt, Congressional Record, Aug. 6, 1940, p. 15167.

taken in 30 minutes time with an expense of less than 30 cents, and the result announced is always as the Jew press desire it to be.

My estimate of $15,000 to cover the legitimate expenses of the conscription drive, plus the Gallup poll, may be a trifle conservative but surely they would not exceed $25,000, which leaves $225,000, for other purposes. What are those purposes?

The corrupt purpose of these conspirators is obvious. I do not know whether they could or did buy any congressional supports hope not. I do not care to comment on the subject further than to say that it is a horrible thing to sell the liberties of 12,000,000 men for $225,000. It is as cheap and as detestable as the betrayal of Christ for thirty pieces of silver; and the money appears to have been furnished in both instances by the Jews.

This amazing revelation was scarcely discussed by the senators. Perhaps they were shocked speechless. It has not yet been denied, despite the fact that our present Secretary of War was one of the conspirators. Senator Minton of Indiana defended the meeting and made a vicious personal attack on Senator Holt. Minton appears to have been supported by Barkley of Kentucky, Pepper of Florida, and Lee of Oklahoma. And thus the matter rests.

The original conscription bill as written by Mr. Clark called for the registration of all men between the ages of 18 and 65, estimated at 42,000,000 men. From this vast number the President was authorized to immediately impress into training and service 4,000,000 men.

The measure was materially modified by the Senate Military Affairs Committee who fixed the age limit at 21 to 31, and the estimated number of men at 12,000,000, all of whom are subject to draft for training and service for a period of ten years. The measure contemplates training 1,000,000 men a year, at an estimated cost of $1,000,000,000.00 per annum for each 1,000,000 men.

We have never had conscription in this country except during brief war periods. All of the requirements for the army and navy in peace-time have been filled by voluntary enlistment. Conscription will never be necessary to repel invasion. It is not necessary now, nor is it legal now.

Canada did not resort to conscription for the first twelve months of the present war. Her very recent conscription measure limits the period of enlistment and training to thirty days instead of twelve months, and Canada is now at war with Germany and we presumptively are not.

Senator Norris, who heretofore has been a consistent supporter of the New Deal, says this of the conscription bill;

> *"It will bring about a radical change in the historic course we have taken since the birth of our Nation. As I see it, Mr. President, that change, if it takes place, will inevitably lead us into a realm where we will have what we are complaining about in other nations—a dictatorship. I can see no escape from it. If we are to have compulsory military training in time of peace, we shall put ourselves on a level with the dictator nations of the world."*[35]

It is reassuring that so trusting a supporter of the New-Deal as Senator Norris has heretofore been, has finally caught the drift of it. It is precisely for that reason—a dictatorship—that Henry L. Stimson, Frank Knox, Kuhn, Loeb & Co., Morgan & Co., and Julius Ochs Adler are spending their money for conscription.

It is for that reason that the President of the United States has endorsed this bill and in employing the full power of his high office to put it over.

[35] Congressional Record, Aug. 12, 1940, p. 15535.

PART II.

THE SUBJUGATION OF AMERICA

XVII.

FRANKLIN D. ROOSEVELT

"In order that our scheme may produce this result we shall arrange elections in favor of such presidents as have in their past some dark, undiscovered stain, some "Panama" or other—then they will be trustworthy agents for the accomplishment of our plans out of fear of revelations and from the natural desire of everyone who has attained power, namely, the retention of the privileges, advantages and honor connected with the office of president."—From Protocol 10.

"The way we do things and not merely the way we say things is nearly always the test of our sincerity."-—Roosevelt's Speech, Butte, Mont., April 19, 1937.

There are certain unerring guides to a man's character, viz.: his associates and his work, "the way we do things." Generally speaking, a man is no better than the people he chooses for his companions, ("birds of a feather flock together,") and he should always be judged by what he does. None of us can be judged by our pretensions and our professions, and this is particularly true of politicians.

This chapter will discuss briefly the President and his pals; his work will be discussed in greater detail in later chapters. I do not personally know the President and his intimate associates, but the late Huey P. Long knew them well and intimately. His judgment of men and his estimate of them can be accepted with confidence, for he was fearless and honest, and capable in his appraisements. He was originally a strong Roosevelt man and he is said to have contributed more than any other one man to Roosevelt's first nomination;—indeed, such nomination appears to have been due largely to Mr. Long's support and effort. He often referred to this achievement as one of his greatest mistakes, regretfully saying that he swallowed Mr. Roosevelt with his blarney,—"hook, line and sinker."

He said of the President and his administration that it was but a continuation of the Hoover deflation administration under another name and in a slightly different form; that the difference between them was the difference between "tweedledum and tweedledee" and "low cockalorum and high cockalorum." He stated in an interview that was published throughout the country that President Roosevelt is a "liar and a four flusher" and he challenged an investigation by the United States Senate,—and no one accepted the challenge.

The "kitchen cabinet" is composed of the men behind the scene who actually run the government. The Roosevelt administration up to this hour has been directed by his "kitchen cabinet. No important step has been taken, no important appointment made, no important speech delivered, that has not first had the approval of one or more members of his "kitchen cabinet." They are here stated with their background, in the order of their apparent importance, as follows:

Barney Baruch, Jew; New York stock gambler;
Felix Frankfurter, Jew; New York; Judge U. S. Supreme Court;
Henry Morgenthau, Jew; New York; Secretary of U. S. Treasury;
Sam Roseman, Jew; New York judge; Roosevelt biographer;
Ben Cohen, Jew; New York attorney;
Harry L. Hopkins, New York; non-descript;
—all deflationists, warmongers, and un-American.

Baruch has often been called the assistant to the President. He is the most active and cunning of them all. It was reported that when Roosevelt was first elected Baruch planned to occupy one of the executive offices, but was advised against it; he had, however, just as well be there. Senator Long has furnished us a striking description of him and his methods:

"There is such a thing as a bird flying when he sees you are going to shoot at him. We boys used to go out in the woods and try to get another kind of bird that does :not wait for you to get ready to get a shot at him, but flies before you ever get a gun in your hand. I remember one time when I tried to shoot an old crow that I saw. I was riding along in a buggy and saw the crow on top of an old log off in the field, so I just rode up right behind a thicket so the crow could not see me at all, and reached into my buggy to get the gun to shoot, the crow. Thick as that thicket was, the minute my right hand got back near the gun the old crow flew away. (Laughter.) The minute Brother Barney Baruch saw this thing squiggling he "got his" and got out, and appeared before the committee and, oh, he was a good man, and we have not seen him since. (Laughter.) He stood with the Hoover Administration until it was wrecked, inside and out. Mr. Hoover was flattened out worse than a pancake, and took his crusade over to Palo Alto, Calif., where, under the shade of the umbrellas, and cooled by the breezes wafted by the palms, he could sit and watch the wreckage, as old Nero watched the burning of Rome,—but old Brother Baruch came right on back down to the White House and got hold of another President. "We have Presidents and Presidents, but Baruch goes on forever; and

his clique, Baruch and Morgan, have managed to see to it that, notwithstanding the prerogatives and rights that have been granted to them, none have been granted to the two or three million soldiers who saved their hides."—Congressional Record, 75th Congress, p. 7592.

Elder Baruch was chairman of the War Industries Board during the period of World War I, and as such enjoyed the power and the delights and perquisites of being our Industrial Dictator. This rich, slick, wily and ambitious Jew stock-gambler aspires to again be our dictator, with political as well as economic power. He could now be Secretary of the Treasury, according to a press report, but he prefers to let Elder Morgenthau hold that job, and to bide his time for a bigger one. There is reason to believe that he is the political agent of the Rothschilds.

Morgenthau holds the most powerful and important position in the cabinet, viz: Secretary of the Treasury. There is the foreign Viennese Jew, Felix Frankfurter, appointed Justice of the U. S. Supreme Court by Roosevelt. General Hugh Johnson said of him that he is "the most powerful single individual in the United States." He estimated that Frankfurter is "responsible for the appointment of 125 men to key position in the government." The Jew Ben Cohen is one of his nominees. He actually writes the reform bills that are designated as "Administration measures" and that are tendered to Congress with presidential endorsement and usually adopted without material changes.

The President is himself of Jewish extraction. He admits it. It is immaterial whether he is one-fourth or one-half Jew, for the taint of blood is like the "leaven that leaveneth the whole lump." It is a biological fact that the hybrid inherits the characteristics of both breeds,—and Mr. Roosevelt is no exception to that rule.

The mule provides a striking example of the truth of this law of nature. There was never a mule that did not have the long ears and general appearance of the jack. It is said of the mule that he is without "pride of ancestry or hope of posterity." It is impossible to reproduce a race horse from a combination of a scrub with a thoroughbred.

We indulgent Americans do not appreciate the importance of preserving the purity of our race. We think and speak indulgently of the "melting pot" but to the extent we melt and merge with inferior races we deteriorate. No one can imagine that a mulatto or a hybrid China-man would make a good ruler. It is not in the blood and it is impossible. We instinctively regard the mulatto as a Negro, no matter how white he may be in appearance. The hybrid Jew is like-

wise a Jew and should be so regarded. A celebrated authority says on that subject:

> *"Only one of (the great questions of the times) is of causal importance, that is, the question of the racial preservation of the nationality. In the blood alone there rests the strength as well as the weakness of man. As long as the people do not recognize and pay attention to the importance of their racial foundation, they resemble people who would like to teach the greyhound's qualities to poodles, without realizing that the greyhound's speed and the poodle's docility are qualities which are not taught, but are peculiar to the race . . . He who wants to redeem the people from the qualities and the vices which are alien to its original nature will have to redeem it first from the alien originators of these expressions. Without the clearest recognition of the race problem and, with it, of the Jewish question, there will be no rise of the German nation."*[36]

Mr. Hitler has resurrected the German nation upon that firm foundation. Even more than that he has redeemed practically all of Europe. He has created a new order that may become world-wide. His achievements would have been impossible upon the basis of Jew government and Jew finance such as we now have.

The Jews and Communists seek to destroy this purity of blood. They preach and practice racial equality. There is never a children's movie that does not have one or more Negro pickaninnies in it. Mrs. Eleanor Roosevelt is one of the leaders of the racial equality movement. She has had her picture taken with Negroes, entertains them in her home, and preaches Negro equality.

It was stated in the press that the President is the direct descendant of a Holland Jewish family named Rosenvelt. The President was, of course, not called upon to notice this slander, but he took the opportunity to do so. He said in substance, "What of it? The Jews are as good as anybody else."

It is unusual for a Gentile to admit Jewish blood. There was no reason for him to do so unless the charge was true. This taint of blood explains the President's Jewish companionships and Jewishized Administration. It explains many of his Jewish characteristics:—his bluff and his blarney, his "four-flushing" and

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[36] "'Mein Kampf," p. 469.

his duplicity, and his religious adherence to the program of the "Learned Elders of Zion."

The more important and unanswered question is whether or not he is, in fact, a communist. It will be recalled that Dr. Wirt, a reputable educator, published an interview in which he stated that by invitation he attended a secret meeting of the "brain trusters" in which the subject of "paving the way for a Communist Dictator" was freely and frankly discussed.

This caused a great "tempest in a teapot." The President was at the time on a fishing excursion in Southern seas on the private yacht, Normahal, with his friend Vincent Astor. He was met at the railroad station on his return by practically all of the democratic congressmen as a testimonial of their faith in him.

He made them one of his characteristic speeches in which he chided them with going from "Wirt to Wirt" in his absence. They appointed a Congressional Committee of Investigation, composed of the President's friends, who summoned before them several of the members of this meeting. They, of course, denied everything, the committee reported there was nothing to the charges, and the subject was laughed off. But it now appears from the report of the Dies Committee that there are more than 700 federal employees holding key positions who are members of a "communist front" organization, viz: the League for Peace and Democracy.

In a recent speech* Congressman Martin Dies, Chairman of the Dies Committee, said of this pretentious League:

> *"Conceived in Moscow, delivered in Amsterdam, nourished in its infancy in America by the famous French Communist, Henri Barbusse, the American League for Peace and Democracy has from its beginning served the interests of the Soviet Government. It has been the chief "transmission belt" for drawing "innocents" into the united front network of the Communist Party. It has fostered sabotage in our basic and war industries. It was intended to serve as a reserve force for the espionage activities of spies of the Soviet Government in the United States."*[37]

And so the brain-trusters, or a considerable number of them, are communists who are seeking to overthrow our government and to establish in place of it a dictatorship. In view of the disclosures of this report, the verdict of the Con-

[37] Congressional Record, Oct. 31, 1939.

gressional Committee exonerating these communist office-holders should be reexamined.

The testimony before that committee was uncontradicted that they did have a meeting and that Dr. Wirt was invited to this meeting and attended it. It was also uncontradicted that they did discuss the subject of dictatorship. The principal difference between Dr. Wirt's testimony and that of the other participants in the meeting who testified was that Dr. Wirt testified that they said that Roosevelt was the "Kerensky" who would pave the way for a real dictator—a Stalin—which they denied. In view of the fact that it is a part of the code of the communists to lie and deceive, (as was found by the Dies Committee) we should accept Dr. Wirt's testimony as true.

Despite the revelations of the Dies Committee we still have at least 680 communists in Washington on the government payroll who are "boring from within" and seeking the destruction of our government, and paving the way for a dictator. By a word President Roosevelt could have them all removed from office, but he has not spoken that word. Why does he tolerate these traitors and their nefarious work? There is and can be but one answer and that is that he is in sympathy with what they are doing. They are there to take over when the occasion arises. This throws some light upon the efforts of the President and his wife to suppress and discredit the work of this committee.

Mrs. Roosevelt is also a very decided "pink" or a red. She withdrew from the D. A. R. because one of its chapters refused the use of its hall to a Negro singer. She made a speech at the convention of one of the communist "front" organizations in Birmingham advocating Negro equality and the repeal of the Jim Crow law. She also defended the Jewish race in the Dec. 31, 1938, issue of "Liberty Magazine," arguing that the Jews are smarter than the Gentiles and that the Gentiles are envious of them and persecutes them for that reason.

Mrs. Roosevelt appeared before the Dies Committee with communist leaders who were summoned as witnesses by the committee and were there for the purpose of giving testimony. This unusual procedure on the part of the "First Lady" was for one of two purposes: either to show her disapproval of the action of the committee and to intimidate them, or else to give the communists the benefit of her sympathy and support, and to encourage them.

Mrs. Roosevelt's maiden name was also Roosevelt, she is the President's cousin as well as his wife, and has the same Jewish blood in her veins. At a recent convention of the National Youth Congress, composed of communists of all ages from youths in their teens to aged men and women, she appeared on the stage with them and entertained many of them as guests at the White House.

The President has been a politician all of the years of his life and has had Jewish support during that entire period of time. By profession he is a lawyer but has never distinguished himself in that capacity. So far as the record reveals, he has never had a client or tried a lawsuit.

For a time Mr. Roosevelt was vice president of a "fly-by-night" insurance company, and for another period of time he was president of United States Investors, Ltd., a swindling syndicate that sold the public worthless Jewish-manipulated German currency. He inherited a fortune that was acquired by his Jewish ancestry, some of whom were money lenders. When out of office he has lived with mamma and been supported by mamma on Granpa Rosenvelt's money. This is a condensed true story of the life of our glamorous, ambitious, warrior President.

XVIII.

THE REDS IN THE SADDLE

"We appear on the scene as alleged saviors of the worker from this oppression when we propose to him to enter the ranks of our fighting forces—Socialists, Anarchists, Communists— to whom we always give support in accordance with an alleged brotherly rule (of the solidarity of all humanity) of our social masonry. The aristocracy, which enjoyed by law the labor of the workers, was interested in seeing that the workers were well fed, healthy and strong. We are interested in just the opposite—in the diminution, the killing out of the Goyim."—From Protocol 3.

There can be no understanding of Communism and Bolshevism without an understanding of the Jewish question, for they emanate from the Jew as truly as does our banking and currency system. Karl Marx and Frederick Engels, the founders of Communism, were both Jews. Communism is an essential part of the program of the "Elders" for the conquest of the world; just as essential as gold. They employ their banking and currency system to create poverty and unrest, and communism to wreck and destroy.

This explains the riddle of the Lamont family. Thos. W. Lamont, a partner of J. P. Morgan & Co., was our representative to the Brussels financial conference that sought to establish the gold standard throughout the world. His son, Corliss Lamont, is an active communist. Both father and son are working for a dictatorship; the father laid the foundation for it, and the son carries on the active work.

I do not mean to imply that all communists are Jews or that all Jews are communists, but I do mean to say that the communist leaders are Jews and the Jew leaders communists. How otherwise can we explain the financing of Lenin and Trotsky by Schiff and Warburg? How otherwise can we explain the "Jew deal" which was concocted by Baruch, Frankfurter, et al., and put over by Roosevelt? Take the Jews and Jew money out of the communist party and you take out its living, propelling force; it would die overnight.

The active campaign to communize America began immediately following the treaty of recognition of Russia. This treaty provided, according to press reports, which may or may not be true, that the Soviets would not attempt to sovietize America, but that meant nothing to them. It is one of their boasted, cardinal principles, that the end sanctifies the means, and that they may lie, steal and murder to accomplish their ends. Prior thereto our government and

most of the governments of the world refused to recognize the Russian government because it supports the Third Internationale, a political organization for the propagation of communism. It is this organization which is financing the communist movement in this country, which means that the Russian government is doing so.

This infamous treaty was concluded between two Jewish communists, viz., Franklin D. Roosevelt and Maxim Litvinoff (Finkelstein), for the pretended purpose of trade but for the real purpose of undermining and destroying our republican form of government. It has not materially increased trade, but it has enormously increased communism and crime. Maxim Litvinoff is an avowed, full-blooded Jew, and a red communist; Roosevelt is a hybrid and a pink communist; the difference between them being only one of degree.

Mr. Roosevelt has recently made some important changes in his cabinet. He fired ex-Governor Woodring as Secretary of War because he was opposed to selling our army and navy war equipment to England, and was opposed to our declaring war against Germany. He appointed in his place, Henry L. Stimson of New York, for the reason that he favors our intervention in the war and our rendering every possible aid to England. He also appointed Col. Frank Knox of Illinois as Secretary of the Navy, for the same reason.

The following is Roosevelt's present cabinet, with their Jewish hook-up:

Secretary of State: Cordell Hull, Tennessee; wife, Rosie Mix, Jewess;
Secretary of the Treasury: Henry Morgenthau, New York, Jew;
Secretary of War: Henry L. Stimson, New York, attorney for Kuhn, Loeb & Co. (Rothschild Bank) ;
Secretary of the Navy: Frank Knox, Chicago; publisher Daily News (Rothschild paper);
Secretary of the Interior: Harold F. Ickes, Chicago; member "American Civil Liberties Union" (communistic);
Secretary of Labor: Madam Frances Perkins (nee Wutsky), New York; "pink;" nationality unknown;
Secretary of Commerce: Harry L. Hopkins, New York; "pink;" nondescript.

What a Rothschild aggregation! What a Jewish and pro-Jewish aggregation! What a warmonging aggregation! The cabinet is presumed to represent the people of the United States and to be selected from different sections of the country. Who is represented here except the Jews? And what sections except the cities of New York and Chicago?

What chance is there for us to keep out of the war with these Jews, Jew-in-laws and pro-Jews in charge of our government? The cards are stacked against us. It is not the people of England that they are seeking to rescue, but it is the Jews of Europe. It is not the British Empire they are trying to save, but it is the Jewish Empire they are seeking to preserve and promote. All of this war hysteria, war expenditure, and war taxes are primarily for that purpose.

It is reported that there are 18,000 Jews and many thousand communists holding government positions in Washington. It is not yet quite as bad as it was in Russia before the purge, where it said that 76% of the Jewish population held government jobs. The most outrageous of all the President's appointments was that of the Jew-Communist, Felix Frankfurter, to the Supreme bench. Frankfurter is the reputed author of the N. R. A. and other new deal legislation, and will, of course, as a judge, sustain their validity. Worse than that, he is an active "Elder" and an active member of the "American Civil Liberties Union," a communist organization whose object is to impair and destroy our government.

The United Mine Workers make the following report as to the purposes of the "American Civil Liberties Union":

> *"Active among the 'intellectual' classes of the country, and posing as a champion of the 'liberties of speech, press, and assembly,' is the American Civil Liberties Union at New York. This organization is working in harmony and unity with the Communist superstructure in America, engaged in the dissemination of radical utterances and propaganda, and conducting a nationwide campaign for the liberation of Bolshevik agents and disloyal agitators who have been convicted under the war-time laws, or the syndicalist laws of different states, for unpatriotic or revolutionary activities."*[38]

This report is fully sustained by the evidence reported by the Dies Committee. Roger Baldwin, the national director of this "Liberties Union," testified that it advocated the overthrow of our government "by force and violence," and "murder and assassination." It appears also from this evidence that both Felix Frankfurter and Harold Ickes are members of it. It also appears that it is allied with and supports the "International Labor Defense Organization" which is the legal department of the Communist Party. (See Report of the Dies Committee, pages 83-86.)

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[38] Quoted from Senate Doc. 14, 68th Congress, Page 7.

It is this latter organization that defended Mooney, and Sacco and Van Zetti and the murderers of the officers at Gastonia,—Marion, North Carolina, and the Negroes in the Scottsboro case. They were all convicted communist murderers, except the Negroes, who were convicted for the rape of a white woman. These dastardly convicted criminals have been lionized by the Jew press as if they were persecuted heroes.

The President appointed Kamerads Frankfurter and Ickes to two of the highest offices in our government. He must have known when he appointed them that they were communists and advocate the overthrow of our government. If he did not have this knowledge in the beginning he has it now, and he has not called for their resignations. He must have had it in the beginning, for they are his intimate bosom friends and are frequent visitors in his home.

In its report filed Jan. 3, 1940, the Dies Committee reports the following findings:

> *"According to one of the recent minutes of the Washington, D. C, branch of the American League, it was decided to 'set up League committees in the units of Government agencies with our present membership in those agencies as a nucleus.' These nuclei of the League are now formed in more than a score of Government agencies. H. C. Lamberton, chairman of the "Washington branch of the League, testified under oath before the committee that there are 700 Government employees who are members of the American League for Peace and Democracy."**

The committee further reports:

> *"American League for Peace and Democracy.—The committee finds on the basis of overwhelming and conclusive evidence that the American League for Peace and Democracy is a Communist "front" organization . . .*
>
> *"These self-styled Social Democrats pledged themselves to work for civil war in their respective countries in the event of another international conflict."*[39]

[39] Report 1476, House Representatives, 76th Congress, 3rd Session.

The committee further reports that this organization (American League for Peace and Democracy) is financed by the Communist Party. Thus it appears that this is a militant organization, not for peace but for war; that its real purpose is to promote a revolution to overthrow our government when we become entangled in war, which means that if Mr. Roosevelt inveigles us into World War II that this organization will then get actively to work to overthrow our government.

"There are 700 Government employees . . . in more than a score of Government agencies" who are set and ready to go when the occasion arises and the command is given. If Mr. Roosevelt did not know that these employees were communists and revolutionaries when they were appointed, he knows it now because this official report is available to him and his interest in the subject is such that he has undoubtedly read it.

The President has clandestinely subjected us to the jurisdiction of the "World Court," correctly called "the back door to the League of Nations," despite our refusal to join either the League or the Court. By proclamation issued August 24, 1924, the President accepted membership in the International Labor Organization on behalf of the United States.

This organization is a creature of the League of Nations, composed exclusively of members of the League. One of its purposes is to standardize the hours and wages of labor throughout the world, and its decisions are subject to review only by the world court and not by our Supreme Court.* It can hardly be called a coincidence that John L. Lewis now seeks to carry out in America the mandates of the I. L. O.

The President is now employing the full power of his office to communize the labor organizations of America. He called the officials of the A. F. L. and the C. I. 0. in conference at the White House and told them in substance to get together or else he would find means of forcing them to do so. So far the A. F. L. has bravely refused to yield to this pressure. Jno. P. Frey, a member of this conference, stated in the press that the terms of union offered the A. F. L, by the C. I. O. are precisely those proposed by the communists two years ago.

This is what the Special Committee of Investigation of the United Mine Workers of America said of the program of the Communists:

> *"The major points in this revolutionary program of the Communists are:*

(1) Overthrow and destruction of the Federal, state, and provincial governments, with the elimination of existing constitutional forms and foundations.

(2) Establishment of a Soviet dictatorship, absolute in its exercise of power, owing allegiance to, and conceding the authority only of the Communist, or Third International, at Moscow, as a "governmental" substitute.

(3) Destruction of all social, economic, and political institutions as they exist at this time.

(4) Seizure of all labor unions through a process of "boring from within' them, and utilizing them as a strategic instrument in fulfillment of their revolutionary designs upon organized and constitutional government." [40]

"The revolutionary leaders in America are making a nation-wide attempt to obtain control of the American Federation of Labor, reorganize the craft unions on the basis of 'one big union' in an industry, and weld them into the central revolutionary agency in America." (Senate Document No. 14, 68th Congress, pages 2 and 6.)

During this long and much publicized controversy between John L. Lewis and Wm. Green, we have heard a great deal about "one big union" and "crafts union"—Lewis' organization being a "one big union" organization and Green's a "crafts union." That is now, and has been from the beginning, the fundamental difference between them. But we did not know that the "one big union" is a communist scheme for sabotaging American institutions and the American government. This report of the United Mine Workers is cited with approval by the Dies Committee.

The Dies report mentioned says this of the C. I. O.

"With the formation of the C. I, O. the principal efforts of the Communists were turned in the direction of that organization . . . The evidence before the committee indicates, however, that the leadership of some 10 or 12 of the constituent unions of the C. I. O.

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[40] See Government Document No. 874 and Senate Joint Resolution—Congress.

out of a total of some 48 unions is more than tinged with communism. The evidence shows that some of their leaders are either card-holding members of the Communist Party or subservient followers of that party's 'line'."

It is Stalin's plan to overthrow the American government through one huge labor organization. In order to bring this about it is necessary to communize the A. F. L., which he has in the past vainly tried to do. He promoted the C. I. O. as a rival organization, but since it has been unable to absorb the A. F. L., the next best thing is to amalgamate the two, and through "boring from within" to finally communize organized labor.

Is not that also the purpose of the President of the United States? If that is not his purpose then why has he sought to bring about a coalition between two rival labor organizations, not once but repeatedly and persistently? The answer and the only answer is that it is the program of the protocols, of the Third Internationale, and of the Communist party. They seek to create one huge labor organization and to gain control of it, and through it to overthrow our government. Ezra Chase, a communist organizer, testified before the Dies Committee that the Communistic plan for subjugating America was to bring about a general strike in case of war, and thereby to bring about revolution.

And who will be our dictator? Who now, and for the past seven years has been working feverishly to obtain the powers of a dictator? Who has bankrupted our national government and the people of America in order to bring about revolution and dictatorship? None other than the man who arose from a bad dream in the middle of the night to inform the American people that he was not suited for the job of dictator,—when nobody had accused him of it. None other than the man who for the first time in the history of our country now seeks to be elected President for a third term.

XIX.

REPORT OF THE DIES COMMITTEE

"Who and what is in a position to overthrow an invisible force? And this is precisely what our force is. Gentile masonry, blindly serves as a screen for us and our objects, but the plan of action of our force, even its very abiding-place, remains for the whole people an unknown mystery."From Protocol 4.

The House of Representatives appointed a committee to investigate "Un-American activities," known as the Dies Committee. This committee is composed of the following members, viz:

Martin Dies, Chairman, (Texas) ;
Joe Starnes (Alabama) ;
John J. Dempsey (New Mexico) ;
Jerry Voorhis (California) ;
Jas. E. Casey (Massachusetts) ;
N. M. Mason (Illinois) ; and
J. Parnell Thomas (New Jersey).

The first four named are Democrats and the latter three Republicans, but the committee nevertheless filed a unanimous report.

The committee started out by investigating Nazi activities. It appears from their report that there is a "German American Bund" that has some connection with the German government. It states that Fritz Kuhn places the membership at 20,000 to 25,000, but that the Department of Justice estimated it at 6500 in 1937. There is also an "American Italian Black Shirt Legion," about 10,000 strong. While the committee finds that the German Bund "must be classified as an agent of a foreign government" there was no evidence or finding to the effect that it is seeking the overthrow of our government. On the other hand, the purpose of the German Bund appears to be to develop loyalty to both their fatherland and their adopted country.

So long as the committee confined its investigation to Nazi activities everything was fine and lovely, but when it turned to the Communist what a howl went up from the Jewish press and leaders—led by Franklin D. Roosevelt, Harold Ickes, and Madam Perkins. In the beginning it was,

"O noble judge! O excellent young man!
O wise and upright judge!
How much more elder art thou than thy looks!
"Ay, his breast:
So says the bond:—doth it not, noble judge?—
'Nearest his heart:' those are the very words."

But when the committee began to examine the record of the Communists, the President, from his high office, denounced and belittled them; something unprecedented in American history. Why? Answer that to your satisfaction if you still believe in the sincerity of Franklin D. Roosevelt. There is but one answer and that is that the President wanted to suppress the investigation of the Communists and to disparage the report of the committee.

Why should he want to do that? No answer except that he is a Communist and he does not want the truth revealed. He wants the Communists to succeed in their secret, nefarious work. Whatever else may be said of Mr. Roosevelt, he is no fool. He and his Jewish advisers know what they want and how to get it, and they are working adroitly and secretly and relentlessly to accomplish their ends. If the President and Secretary Perkins do not stand for sabotage and communism, why do they so steadfastly refuse to deport the alien red, Bridges, and others of his kind?

Be it said to the everlasting credit of the Dies Committee and the House of Representatives that the committee was not swayed or intimidated by this fulmination of the President, and that the House by an overwhelming majority re-appointed them, and by a vote of 320 to 27 appropriated sufficient funds to continue their work.

I quote from the report of the Dies Committee liberally because the subject is one of such vital importance to us all:

"We have shown that communism is a world-wide revolutionary movement aiming ultimately at the setting up of a world union of soviet socialist republics. This is a proposition which is beyond dispute. It is substantiated by voluminous literature of the Communists themselves . . .

"The Communist code of ethics not only permits, but actually glorifies as virtuous, such immoralities as perjury, destruction of property, the beating and maiming of workers who refuse to follow the dictates of the Communists, shootings, stabbings, kidnappings, and bombings. It is even a matter of boasting among

Communists that Stalin robbed banks in the days before the Communist regime was set up in Russia.

"To summarize: The Communist code of ethics is based upon the principle that the ends of revolution justify any means, no matter how lawless, violent, dishonest, or indecent from the standpoint of accepted American standards of morality."[41]

How familiar this sounds. This is the cruel, diabolical code of the "Elders" called the "Protocols." They represent the same plan for subjugating peoples and governments, and establishing their kingdom of the elders. They both originated in distorted Asiatic minds and are both founded upon the philosophy of the Talmud.[42]

The committee summarized their findings in part as follows:

"Whereas it once employed the frank slogan of "the Defense of the Soviet Union," it works today to embroil this country in a foreign war by the propagation of the doctrine of 'collective security.'

"It seeks ultimately the overthrow of the American form of government as established by the Constitution of the United States.

"It aims to set up a dictatorship of the proletariat in this country, notwithstanding its present tactical silence on this fundamental tenet of communism . . .

"It hides behind civil liberties in pursuing ends which will destroy civil liberties for all but the ruling few of the proletarian dictatorship . . .

"It stifles the creative impulses of the individual by its deadening regimentation . . .

"It seeks to sabotage and cripple our economy on every possible front, with a view to its profiting by the resulting economic crises . . .

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[41] House Report No. 2, 76th Congress, 1st Session, pages 26 and 29.

[42] See "The Talmud Unmasked," by Col. E. N. Sanctuary.

"It has penetrated the Government itself, with the result that some Communists hold hey positions in Federal agencies and projects . . .

"It aims to incite race war by its special agitation among the Negro population of this country . . .

"It seeks to silence all hostile criticism by charging its critics with red-baiting, while, at the same time, it viciously baits those who dare oppose it . . .

"It dangles the promise of economic security before the victims of economic distress, offering them a new slavery in the name of emancipation."[43]

That is precisely what the New Deal is now doing.

The findings read like a chapter taken from the protocols. They have the same philosophy, the same objective, and advocate the-same methods as set out in the protocols. They represent the plan of the Elders and the "Jew deal," and of the present Jew administration for the destruction of our government in order to pave the way for their soviet dictatorship. The committee in fact finds that it is the purpose of the communists to "overthrow the American form of government . . . in order to establish a dictatorship of the proletariat."

This Jew-deal "stifles the creative impulse of the individual by its deadly regimentation." It "seeks to sabotage our economy" by maintaining deflation. Through its Resettlement Administration it has organized "the Negro population" and is seeking to communize them and "promote race hatred." It "seeks to silence hostile criticism by charging its critics with red baiting while at the same time it viciously baits those who dare oppose it."

This Jew-deal administration has knowingly employed 700 communists in "key positions in federal agencies," paying them salaries of from $1200 to $7500 per annum because they are communists and for the purpose of communizing our government. In spite of the exposure of the Dies Committee, all of them, except twenty who resigned, are still at work "boring from within" and ready to take over at the appointed hour.

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[43] House Report No. 2, 76th Congress, 1st Session; pages 118-119.

The number of communists in the United States is variously estimated at from two to ten million. This report of the Dies Committee and the previous report of the Committee reveal the fact that the communists have many organizations under high-sounding and attractive names, in addition to the Communist Party which is avowedly communistic; that all of these organizations are abundantly supplied with money for their work, the greater part of which is furnished by Moscow.

It is reported that there are now 80 times as many communists in America as there were in Russia when the Russian government was overthrown, and three and one-half times more than there are in Russia today; that they have in the United States 800 national organizations with thousands of branches having an estimated membership of 6,500,000; that they have 600 newspapers and magazines printed in all languages and circulated regularly in the United States; that they own publishing houses, book stores, film laboratories and theatres, etc., that they maintain 200 national so-called cultural movements, 62 national communist youth movements and 33 national so-called defense movements; and that they spend an estimated $10,000,000 annually in the United States to promote civil war.[44]

In view of this menace to our country, it detracts from the report of the Dies Committee for it to devote several pages to a discussion of the German Bund and to classify this Bund with the communists. Even if it has 25,000 members, and even if they are actively at work (and the report of the committee does not disclose it) they are a mere bagatelle as compared with the activities of the communists. It is the contention of the Bund leaders that they are combating communism and that that is the purpose of their organization.

Undoubtedly George Deatheridge, Robt. E. Edmondson, James True, General George Van Horn Mosely, Col. E. N. Sanctuary, Gerald B. Winrod, Win. Dudley Pelley, and Chas. B. Hudson are fighting communism. They are not racketeers, as the committee intimates; they are not "selling religious and racial hatred," as the committee states. It does not add to the dignity and weight of this report for the committee to go out of its way to besmear these patriots who are endeavoring to render a service to their country in its hour of great peril.

General George Van Horn Mosely submitted a strong statement to the committes in which he showed conclusively that this communism that now confronts us and which the committee so clearly portrays and forcefully condemns is of Jewish origin and is financed and promoted by Jews. The committee

[44] See Report of Walter S. Steele, of the National Republic, Washington, D. C.

knows that this is true but they refused to accept General Mosely's carefully prepared and truthful statement to that effect. In their two reports there is not a word that reveals the real authors of the deviltry that they condemn. Why? It is because of the "invisible power and its abiding-place."

I do not wish to detract in the least from the committee's very able report. They have honestly and courageously revealed a threatening situation that we did not know existed. In passing judgment upon their work we should take into consideration the invisible power that rules our country and our government. Already this power has publicly threatened to contribute $250,000 to defeat Martin Dies, chairman of the committee, in his present race for re-election. This invisible force "whose abiding place is unknown" has the power to defeat any member of this committee for office, and the power to elect a president of the United States.

This power is manifested in the effort of President Roosevelt to suppress the work of the Dies Committee, in the propaganda of the press and radio to drag us into war, and the distress and poverty that pervades the land. Its "abiding place" has been in Paris, France, and in the directing head of the Rothschild fortune, to-wit: Jeroboam Rothschild alias Georges Mandel. All of this pernicious activity by many agencies to subvert our government, in the final analysis reaches back to that head.

No foreigner should be admitted to citizenship or to hold office, whether Jew or Gentile. We, the American people are the "chosen people," and not the Jews and the foreigners. We are capable of running our own government in our own way without their help; and they are not capable of doing so. They have not had the necessary training, and a few years of residency here does not imbue them with our spirit of morality and government. They cannot be changed over night by merely taking the oath of allegiance.

We should classify the Jews as a race and bar them from entering the United States. We have barred other Asiatics,—Japanese, Chinese, etc. Why not the Jews? They are less desirable than the Chinese and Japanese because they are shrewder, more destructive, and their goal is to fleece us and to destroy our government. All Jews who have migrated here since 1914 should be deported, together with their progeny.

The foreigners have polluted our citizenship and our government. They are our communists and our gangsters. They are the authors and promoters of the new deal.

The effect would be to relieve us of Mr. Justice Felix Frankfurter, the author of the N. R. A., etc.; Congressman Sabath, chairman of the powerful Rules Committee of the House; Congressman Dickstein, chairman of the Immigration Committee; Congressman Sol Bloom, Chairman of the House Foreign Relations Committee, and many other foreign-born officials holding key positions, that we can very well spare.

XX.

CORRUPTION, EVERYWHERE CORRUPTION

> *"We shall create an intensified centralization of government in order to grip in our hands all the forces of the community. We shall regulate mechanically all the actions of the political life of our subjects by new laws. These laws will withdraw one by one all the indulgences and liberties which have been permitted by the goyim, and our kingdom will be distinguished by a despotism of such magnificent proportions as to be at any moment and in every place in a position to wipe out any goyim who oppose us by deed or word."—From Protocol 5.*

Tammany Hall is not the good old Irish Catholic organization that it used to be. Corrupt as it has always been reputed to be, it is infinitely worse now. There was some limit to its graft, even in the days of Boss Tweed, but there is none now.

Jno. J. Hines, recently convicted of graft, was the dispenser of relief funds for the Roosevelt regime in New York City. He was an appropriate and an artistic administrator of these funds. The corruption was so foul and rotten that it appears to have turned the stomach of even so tough a politician and so loyal a friend as Jim Farley.

It is the philosophy of the Roosevelt regime to "tax, tax, tax, and spend, spend and spend, and elect, elect and elect." According to the press reports Harry Hopkins, our former relief administrator and present Secretary of Commerce, actually boasted of it,—which he of course denied. Whenever they make a slip and give us a glimpse of what they propose to do to us it is always a "damned lie" or a "deliberate lie."

Everywhere it is bribery and corruption. Senator Tobey, in a speech in the United States Senate, said:

> *"Shame on the American people! There is something the matter with us today. Are there any strings on us? Are we still free men? If so, we should cry out, 'Unclean! Unclean!' and determine that so far as lies within our power we will put the bars up against a repetition or recurrence of such practices."*

Never before this regime have we had anything like it. We have never before had a President whose family personally profited or sought to profit through

his prestige and power. The Roosevelt family are "out for the dough." They appear to be content for the balance of us to be poor, but for themselves they prefer "the fleshpots of Egypt."

The Saturday Evening Post (before the Jews bought it) published a series of articles revealing Col. Jimmy Roosevelt's enormous profits from the insurance firm of Sargent & Roosevelt. Insurance is a favorite method of graft because it is semi legitimate, easily concealed, and the "picking" is rich. A suit was filed by a firm of insurance brokers against a Boston bank for $25,000 for insurance premiums, alleging that they were entitled to these premiums and that the bank had diverted them corruptly to Roosevelt & Sargent in order to obtain favors from the Roosevelt administration.

The above quotation from Senator Tobey was about insurance that a shipbuilding company had been forced to place with the son of a powerful Washington official, without naming the father or the son. If it was not Jimmy there must be others in the same game, but the probability is that it was Jimmy.

Shortly before or after this exposure by the Saturday Evening Post, Jimmy was made secretary to the President and a Colonel in the Marines. The latter position is a sinecure since he performs no service, but it carries a salary of $10,000,—a rather generous gift from Dad, of the despised taxpayers money.

Jimmy held the position of secretary to the President only a short time when he resigned to become associated in some capacity with Samuel Goldwyn of the movies. (It is a matter of conjecture whether he resigned his position as Colonel of the Marines with its $10,000 salary.) The press reported that this change was made because of the affection recently developed between the Jew, Sam Goldwyn, and Colonel Jimmy. It appears to have been a case of love at first sight.

It has since developed that indictments were pending against Sam Goldwyn and others for violation of the anti-trust laws, and that Jimmy was made a defendant in these bills of indictment. Does anyone imagine for a moment that Jimmy will be prosecuted, convicted and punished? How can he be released without releasing the others? These slick Jews don't pay big salaries from love and affection; it is always quid pro quo with them. But Jimmy proved a disappointment. He did not get the anti-trust suit dismissed and the love match is over. Some coarse grained observer unfeelingly said that when Sam discovered that Jimmy was not president of the United States he fired him. Jimmy is now a producer on his own, or with his mother.

The Associated Press carried a story on August 6, 1940, that Jimmy and his mother (Eleanor) have been sued by the estate of Ernest Tollor (a notorious Jew communist who committed suicide) for using the play "Pastor Hall" without paying for the privilege. The play is an anti-Nazi propaganda play. It is evidently being produced for the purpose of promoting war hysteria and incidentally to realize a little coin in the operation, or vice versa.

When Col. Jimmy went with Sam he resigned his position with Sargent & Roosevelt; and his mother, Eleanor, was elected a director in his place; the business was too profitable to allow it to get out of the family. Mrs. Eleanor Roosevelt is writing a daily column for the press under the caption "My Day,"—and surely it is her day and also that of her family. It is a profitable day and they are all "making hay while the sun shines." She is periodically advertising a cosmetic over the radio. From these activities she is receiving large emoluments;—not by virtue of her ability, for she is mediocre, but because she is the wife of the President of the United States.

The President's second son, Elliot Roosevelt, made a deal with the Russian Government to sell the soviet 50 Douglas military planes, from which he received or was to receive a commission of $500,000. Mr. Fokker, in testifying before the senate committee investigating the munitions industry, explained that he thought the price excessive but that he had been persuaded by Elliot and his associate Mr. Stratton, that Elliot had enough influence with the Export-Import Bank and the Russian Purchasing Commission to swing the deal.[45]

The Roosevelt family is thrifty people; they overlook no opportunities. It is in the blood. The New Deal regime is rotten from top to bottom and from, center to circumference. It is an alien regime;-—alien to our code of morality, to our system of government, and to the spirit of our institutions. It is a typical Jewish Administration.

It is reported that when the President visited Brazil in November, 1936, he made a speech in which he said:

> *"I am leaving you tonight with great regret. There is one thing, however, that I shall remember, and that is that it was two people who invented the New Deal—the President of Brazil and the Pres-*

[45] See Speech of Congressman J. C. Shafer of Michigan; Congressional Record, Nov. 1, 1939.

ident of the United States."—From Congressional Record, March 17, 1939, p. 4805.

No, the Presidents of the United States and Brazil did not "invent the new deal" as Mr. Roosevelt boastfully says. It was handed to both of them by International Jewry, the "learned Elders of Zion." To Mr. Roosevelt through Elders Baruch and Frankfurter, and to Mr. Vargas through other Elders.

The President of Brazil was elected as a liberal. Soon after his election he overthrew the constitutional government of Brazil and assumed the role of a dictator. It was a mere "push over."

Two kindred spirits with the same plan and the same objective. The difference between them is that Vargas has got there and Mr. Roosevelt is still "On Our Way." We can well imagine what would have happened if the President had succeeded in his "purge" campaign; and it will happen anyway, if he is elected for a third term.

I fully endorse the sentiments expressed in the following anonymous verses:

"An applicant stood at the gates of hell,
And the devil himself had answered the bell.
He looked him over from head to toe
And said: "My friend, I'd like to know
What you have done in the line of sin
to entitle you to reside herein.'

"Then Hyde-Park D., with his kosher guile,
Stepped forth and flashed his toothy smile.
'When I took charge in Thirty-three,
A nation's fate was mine,' said he.
'I promised this, I promised that,
Then calmed 'em down with a fireside chat.

" 'I spent their money on fishing trips,
And fished from the decks of their battleships.
I gave them jobs on the W. P. A.,
Then I raised their taxes and took it away,
I bossed their wages and closed their shops,
I killed their pigs and burned their crops.

" 'I double-crossed both old and young,
And still the goofs my praises sung.
I brought back beer, and what do you think?
I taxed it so high that they couldn't drink.
I supplied them cash with government loans;
When they missed a payment, I took their homes.

" 'When I wanted to punish the folks, you know,
I'd put my She on the radio.
I paid them to let their farms lie still,
And imported food-stuffs from Brazil.
I curtailed crops when I felt real mean,
And shipped in beef from the Argentine.

" 'My workers worked with the speed of snails,
While taxpayers chewed their fingernails.
When the Red-Jew mobsters needed dough,
I closed up plants for the C. I. O.
I ruined jobs by my New Deal stealth
And put the screws on rich men's wealth!'

"Now Hyde-Park talked both long and loud,
While the devil stood and his head he bowed.
At last he said: 'Let's make it clear,
You'll have to go—you can't stay here.
For once you mingled with my mob,
I'd have to look for another job!"

Mr. Roosevelt has built on his Hyde Park estate in New York a mausoleum or sanctuary in which all of his personal papers will be stored and his remains interred, and which will be open to the public. Evidently he anticipates that he will be worshipped as the founder or a new order and that there will be pilgrimages to his tomb, as there are to Lenin's. "Vanity, vanity, all is vanity" and conceit. In the language of Puck: "O what fools these mortals be!"

We are now suffering from a transitional period when the Jews are attempting to create an "intensified centralization of government," and to "regulate mechanically all the actions of the political life by new laws." They are seeking to bring this change about by lies and corruption. Everything they propose is explained with a lie and often sugar-coated with corruption.

The most dastardly form of this corruption is that of the youth of the land. Rabbi Reichhorn said in his oration to the Jews:

"But above all let us monopolize Education. By this means we spread ideas that are useful to us, and shape the children's brains as suits us."[46]

When the Learned Elders came to write out their plan of conquest, for their own instruction and guidance, they said on that subject:

"We have got our hands . . . into education as being the corner-stone of a free existence. We have fooled, bemused and corrupted the youth of the goyim by rearing them in principles and theories which are known to us to be false, although it is by us that they have been inculcated."[47]

It is a fact of common knowledge that Jews and reds now occupy many of the chairs in our colleges and universities. They appear to specialize on the chair of Political Economy where the students are taught to believe in the infamous gold standard. Many of our leading institutions of learning are now properly regarded as hot-beds of communism.

Our fine inexperienced young men and women, eager for knowledge, receive and absorb this insidious poison and their minds and characters are warped by it. These false political and financial theories are all a part of their plan for the subjugation of the people of the world. It was the plan pursued in Germany, even in the age of Disraeli, which culminated in World War I and finally World War II. Sidonia (Rothschild) then observed that most of the "professorial chairs are now in our (Jew) hands" and that the result would be revolution and war. That situation prevails here today.

[46] See Appendix II.

[47] From Protocol 9.

XXI.

FEDERAL RESERVE SYSTEM

"The present issue of money in general does not correspond with the requirements per head, and cannot therefore satisfy all the needs of the workers. The issue of money ought to correspond with the growth of population and thereby children also must absolutely be reckoned as consumers of currency from the day of their birth. The revision of issue is a material question for the whole world."—From Protocol 20.

The expansion and contraction of currency and credit is the method of the Elders for absorbing the wealth of the world, and it is the surest and quickest plan. Compound interest would eventually do so except for the increasing supply of the precious metals and increasing wealth. This method, as certain as it is, is too slow for the "learned," greedy, and ambitious Elders. By expansion and contraction of currency and credit the rich are always made richer and the poor are made poorer; and the possessions of the weak are acquired by the strong, and thus great wealth and great poverty are created.

Obviously, a country cannot be subjected to currency and credit manipulation that has a sufficient quantity of money or currency in circulation, for credit is directly dependent on the quantity of money in circulation;—the more money the greater the basis of credit; the less money the less the basis of credit. Credit is, of course, dependent upon the will of both the man who seeks the credit and the one who extends it, but it will not be sought or extended if there is thought to be an inadequate volume of money for its redemption. It is essential in order to control at will the expansion and contraction of credit that there be some supreme authority with the power to increase or decrease at will the volume of money in circulation.

Prior to the regime of the Rothschilds this power resided in the kings and emperors of the world, for they were then the supreme authority. In our country our National Constitution vested this power in the Congress of the United States. At the time of the adoption of our National Constitution state banks issued their currency notes payable in gold and silver which circulated as currency, and this system continued until after the Civil War. This state bank currency added materially to the volume of money in circulation and to the stability of credit and of values. Since the Civil War and until recently National banks issued their currency notes, based upon United States bonds and redeemable by the national government, which circulated as currency and which

contributed materially to the supply of money and the stability of credit and of values.

Under the Rothschild influence the banking systems of the world were all radically changed. The supreme authority to issue money, as well as to extend credit, was transferred by the various governments to the bankers of their respective countries. The Bank of England became the model for other central banks of the world.

At the time of the establishment of the Federal Reserve System our government was the only one of any consequence that even pretended to exercise its sovereign right to issue and control the volume of money in circulation. The establishment of the Federal Reserve System operated as a complete surrender to the banking fraternity of the sovereign power of the American people to regulate values through their congressional representatives, as guaranteed to them by their national constitution.

The panic of 1907 was, like all of our other panics, a manipulated one. It was brought about by the refusal of the reserve banks of New York to pay currency to their country bank depositors, which in turn made it necessary for these banks to refuse to pay their depositors in currency. It was therefore due primarily to an insufficient quantity of currency in circulation and an inadequate method of increasing the supply.

There was universal demand for a change of the system and for an adequate volume of money to meet the demands of commerce. Congress appointed a committee, called the Monetary Commission, with Senator Nelson W. Aldrich of Rhode Island as chairman, to study the banking systems of the world and to report its findings. This committee made one or more trips to Europe and some two years after its appointment filed an exhaustive report of more than four thousand pages, which was never read by anybody. In the meantime the bankers and the various commercial bodies and the farmers and the laborers in their conventions, and the politicians and the press were all with one voice demanding a banking and currency system that would make future panics and depressions impossible.

The keynote of President Wilson's campaign for the presidency in 1912 was the reform of our banking and currency system and he was elected upon that issue. Immediately after his election he submitted that subject to Congress in a very strong message, pointing out the inadequacy of the existing system and the necessity for a system that would provide an adequate supply of currency and credit to meet the demands of industry and commerce and that would insure the full employment of labor, and high prices and wages. His message

and his campaign speeches all indicated that he had a keen understanding of the money question and that he desired to establish a system that would afford an adequate volume of money and credit, and would sustain high prices and wages.

There then followed a great struggle, feigned or real, between the big city bankers and the Administration. The bankers sought to establish a central bank with power to control currency and credit and with themselves in control of the bank. They threatened that if this was not done that they would denationalize and would have nothing whatever to do with the system. The Administration apparently sought to reserve to the government its sovereign power to issue money and to establish a decentralized banking system to supply credit. The question of the conditions under which new currency would be issued and whether or not the currency note should be a bank note or a government note were important issues in the struggle.

The original Federal Reserve Act emerged as a result of this controversy. The big banks without a single exception were satisfied and accepted this system. President Wilson and Secretary McAdoo were apparently satisfied with it. President Wilson said of it, that it was a charter of freedom to commerce and industry and that men could go forward with their undertakings with assurance and without fear that their possessions would be taken from them by the contraction of currency and credit.

In the midst of this campaign for the reform of our banking and currency system Paul Warburg, a German Jew, migrated from Frankfort-on-Main, the original home of the Rothschilds, to America. He was at the time a member of the Rothschild banking firm in Frankfort-on-Main and he became a member of Kuhn, Loeb & Company in New York, the American branch of the Rothschilds, upon his arrival here. The following is the Naval Secret Service report on him in December, 1918:

> *"Warburg, Paul, New York City, German; was naturalized an American citizen 1911, was decorated 1912 by the Kaiser; was vice-chairman of United States Federal Reserve Board; is a wealthy and influential banker; handled large sums furnished by Germany for Lenin and Trotsky; subject has a brother who is leader of the espionage system (of Germany)."*

The brother here mentioned was Felix, who afterward migrated here and was a member of Kuhn, Loeb & Co., and Chief of the American Elders. Soon after his arrival in New York Paul Warburg called in conference the leading New York bankers and submitted to them a plan for the reform of our banking and cur-

rency system, which they enthusiastically endorsed. It was then submitted to the Aldrich Monetary Commission and approved by the commission, despite the fact that they had spent two years of study and filed a four thousand page report on the subject. It was in its essential features the charter of the Bank of England. The Aldrich Monetary Commission submitted this plan to Congress in the form of a bill known as the Aldrich Bill.

The Democrats immediately arrayed themselves solidly against it. There was great opposition to it throughout the land, because it was openly and brazenly a centralized banking system that vested the bankers with the sovereign power to issue and control the volume of money, and because also of our very sad experience with the First and Second Banks of the United States. Upon this issue primarily the Republican Party was defeated and President Wilson and the Congressional Democratic candidates elected.

It thereupon became necessary to revise and rewrite the Aldrich Bill and to at least camouflage it in order to make it acceptable to the country. Frank A. Vanderlip, then President of the National City Bank, gives an account of this revision in his memoirs. It appears therefrom that he and Henry Davison of J. P. Morgan & Company, and Paul Warburg of Kuhn, Loeb & Company held a secret conference on Jekyll Island (how appropriate the name) near Savannah, Georgia, and that they then and there rewrote the bill conforming it in appearance to the requirements of President Wilson and the Democratic Party, but preserving the substance of the Aldrich Bill.

The honor, such as it is, for this iniquitous bill is claimed by many people. The Republicans claim it because it was in fact the Aldrich Bill in disguise, and the Democrats because it was in fact endorsed and adopted by a Democratic Administration. Carter Glass claims it because he was then Chairman of the House Banking and Currency Committee and it bore in part his name. Paul Warburg claimed it because it was in fact his baby and he acknowledged it as such. He supplied the frame work of it, which was colored and mildly altered by Vanderlip and Davison. But President Wilson and McAdoo and Glass had practically nothing to do with it except to pilot it through Congress.

The Federal Reserve System is the product of the Rothschilds and its adoption was secured in the same underground, deceptive manner that they always employ to obtain their objectives. Paul Warburg evidently came to America to reform our banking and currency system and evidently he and the Rothschild interest then anticipated the world war, although it did not come about until some three years later.

They, of course, knew that such war would necessarily produce great expansion of currency and credit and of values and that money would be cheapened accordingly and that a "killing" could be made by contracting it. They also knew that America as the producer and seller of food and war materials would receive vast quantities of gold in payment for them. They also knew that under our financial system as it then existed this great influx of gold would enormously increase our volume of money and basis of credit, that money would be correspondingly cheapened and values increased and that great and permanent prosperity in America would be the inevitable result, and that this inflation and prosperity would likely extend to all other countries. It was, therefore, necessary to their plans to sterilize this gold and to put the American banking and currency system on a credit basis and to bring it under their own control.

This is the sordid story of the greatest disaster that ever befell the American people. We then surrendered to Jeroboam Rothschild and his successors, complete dominion over our currency and credit, over prices and wages, and over our welfare and happiness. Prior thereto he had great influence through his Morgan & Co., and Kuhn, Loeb & Co., banks and their subsidiaries and affiliates, but now his authority is made supreme and unlimited. This surrender perfected his control over the economy of all the people of the world.

XXII.

DEFLATIONS OF 1920 AND 1930

"Economic crises have been produced by us for the goyim by no other means than the withdrawal of money from circulation. Huge capitals have stagnated, withdrawing money from States, which were constantly obliged to apply to those same stagnant capitals for loans. These loans burdened the finances of the State with the payment of interest and made them the bond-slaves of these capitals . . . The concentration of industry in the hands of capitalists out of the hands of small masters has drained away all of the juices of the peoples and with them also of the states."— From Protocol 20.

The language and the phrases of the original Federal Reserve act were so obscure and ambiguous, that President Wilson and Congress may have been deceived into believing that it was in fact what it pretended to be. It may be that the President accepted it as being in his judgment an improvement over the then existing system and as being the best bill he could then get. It may be that he expected to later perfect it by amendment and to make it the reliable servant of commerce and industry and of the people, and not their tyrannical master.

If such was the President's purpose it has operated "the other way around." It has been perfected, it is true, but it has been perfected as a central bank with the sovereign power in the "Federal Reserve Board" to "issue money and control the value thereof" in plain violation of our National Constitution.

Every perfecting amendment that the Elders have wanted has been adopted by a complaisant Congress until it now has infinitely more power than either the First or Second Banks of the United States ever had and more than the Aldrich Bill proposed, and it has abused such power shamefully and to the irreparable injury of the American people. Senator Glass may be entitled to credit for these perfecting amendments though they bear the earmarks of the Rothschilds. It is he who has sponsored and piloted them through the United States Senate and through Congress.

Upon the adoption of the bill President Wilson appointed Paul Warburg as deputy governor and a few months later as governor of the system. He held that position until 1919 when he resigned and his assistant, W. P. G. Harding, was made governor. In the meantime William G. McAdoo had resigned his position as Secretary of the Treasury and David Houston, Secretary of Agricul-

ture, had been appointed Secretary of the Treasury. In the meantime, also, Barney Baruch had supplanted Edward M. House as President Wilson's confidential adviser. This was the set-up when the deflation of 1920 was decreed.

It was a great shock to the bankers of the country when they found that they could not discount their "eligible" notes and bills at the Federal Reserve Banks. It had been proclaimed throughout the length and breadth of the land that agricultural and commercial notes could, by the endorsement and guaranty of member banks, be converted into currency ad libitum. The banks and the people were importuned by the treasury department and other government authorities to buy government bonds and to produce food in order to help win the war, and consequently the people had borrowed liberally and the banks had extended credit liberally, believing that the Federal Reserve System would extend credit if needed.

Then without previous warning the Federal Reserve management arbitrarily refused to extend credit to the member banks that served the commercial and agricultural interests of the country. The Federal Reserve authorities at first denied responsibility, claiming that the deflation was a natural reaction from high prices and wages that it originated in Japan, etc. After the publication of the minutes of the secret conference of May 15, 1920, of the Federal Advisory Council, Federal Reserve Board and the Governors of the Federal Reserve Banks, they then admitted that the job was theirs and admitted also that it was a mistake.

These minutes, which they thought no one could ever dig up, set out in detail what they proposed to do, the manner of doing it and the reasons therefore. They said in substance that the "vicious circle of increasing prices and wages must be checked;" that people were extravagant and that this must be corrected; and strange as it may now sound they said also that people were not working hard enough and not producing enough goods to meet the demands of the world!

They proposed to correct all of these things by refusing to issue currency and extend credit. Of seventy bankers, who attended this conference, only two voted against this unjust, illegal and destructive program, which demonstrates, if demonstration Is necessary, how unwise it is to invest an interested class, even as intelligent and righteous as the bankers profess to be, with the sovereign power to fix and regulate values and the prosperity of the country. No doubt some of the bankers who voted for this program suffered grievously as a consequence of it.

There followed one of the most destructive panics and depressions this country has even known. The borrowers who had extended their borrowings to meet the demands of their government, and the banks that extended credit most liberally for the same purpose, suffered most. Many of them became bankrupt and many of them, both borrowers and lenders, died by suicide and despondency and disease as a result thereof. Even government bonds were depreciated to such an extent that the original owners lost them and the banks that took them under foreclosure lost money on them.

The national wealth was estimated prior to this depression at from 500 to 600 billion, afterward at from 250 to 300 billion. This meant a general reduction in values of from 200 to 300 billion dollars. This huge sum is more than the expenses of our National Government, including all of its wars, from its establishment up to 1914.

With such terrible consequences and with proven and admitted responsibility for them it is difficult to believe that Congress would do nothing about it. But strange as it may seem no serious effort has ever been made to curtail the power that brought such disaster upon the country. On the other hand, it has been enlarged and amplified and legalized, as far as Congress can do so, by perfecting amendments;—always sponsored by Carter Glass.

It was, of course, necessary for the Federal Reserve banks to loosen up in order to prevent a debacle, with the result that there was considerable recovery in 1927, 1928 and 1929, and with the result also that there was considerable speculation in 1929 in anticipation of still further recovery. For the pretended purpose of checking this speculation the Federal Reserve management again decreed deflation, which they brought about in 1930 in precisely the same manner as in 1920, viz: by the contraction of currency and credit.

They made no "bones" about it this trip; it was done openly and above board and they have never denied it, Congress having condoned the crime once it was assumed it would do so again. And Congress not only condoned both crimes but it has legalized the methods employed; and not only that, it has granted an indefinite charter to the system and has given it additional power to deflate.

The 1930 deflation was a reproduction of 1920 with substantially the same results. Our national wealth which had increased during the ten years intervening to about 400 billion dollars was reduced 40 to 50 per cent. It bankrupted many men and many banks that had survived the depression of 1920 and many younger men who were in the midst of establishing themselves ; it transferred the property of the debtor to the creditor; it operated with the

greatest severity on the farmer and the laborer and their families; it reduced the value of farm products below the cost of production, in consequence of which many farmers lost their homes and means of living; it closed factories, and thereby about twelve million laborers lost their jobs and means of living and many of them lost their homes and became public charges.

Both of these depressions were far more serious in their results than the short lived manipulated panic of 1907. The panic of 1907 was over almost as soon as the banks resumed their ordinary function of paying the checks of their depositors in currency. At that time it was beyond the control of the Elders to force a substantially lower level of values because our banking system was then on a currency basis and not wholly on a credit basis as it was in 1920 and in 1930 and is now.

Organized ostensibly to supply an adequate volume of currency and credit the Federal Reserve System has been perverted into a vast money and credit hoarding machine; organized for the pretended purpose of preventing panics and depressions, it has been employed to create the three most disastrous ones in the history of our country. Obviously, the remedy for the panic of 1907 was for the government to put into circulation a greater volume of money and to outlaw as traitors the conspirators who brought it about. Obviously, the remedy was not to turn over to these pirates the sovereign function of issuing money, as the Federal Reserve Act did.

The remedy for the catastrophes of 1920 and of 1930 was and is now to get more money into circulation and to free the country from the control of this iniquitous Federal Reserve System. Obviously it was not to extend the power and charter of the system; and obviously also, it was not the "new deal." The remedies suggested are so clear and simple, and those adopted are so inadequate and grotesque that even a congressman ought to be able to see and understand the sham and hypocrisy of it all. The methods employed in putting over the English Bank Act were almost identical with those used here in perpetrating the Federal Reserve Bank hoax. The British people did not understand that they were contracting their currency by demonetizing silver, and that their government was forever abdicating its sovereign right to control currency and credit and values, any more than we understood these things.

They, however, obtained two important advantages that we did not get: (1) They were paid for the charter and for every one of its eight renewals, whereas we gave the Elders the charter and then renewed it indefinitely and we did not recieve a "thin dime" for this valuable monopoly; (2) The Bank of England (and for that matter the central banks of issue of all other countries) lends money direct at a low rate of interest to the people, whereas the Federal Re-

serve bank is authorized to lend only to member banks;—a "banker's bank" they call it, and so it is—"lock, stock, and barrel."

XXIII.

DEFLATION OF 1937

'"The principal factor of success in political is the secrecy of its undertakings; the word should not agree with the deed." —From Protocol 7.

It should always be remembered that the Federal Reserve System was created for the avowed purpose of supplying the country with an adequate volume of currency and credit. At the time of its consideration and adoption the commerce of the country was in the process of recovery from the panic of 1907. This panic was, as has been stated, a manipulated panic, precipitated by the central reserve banks of New York City, and primarily due to the fact that we did not have a sufficient volume of money in circulation; the system was changed for the purpose of supplying such volume.

There was universal demand for such change, led by the bankers of New York City. So eager were they for a change of system that the elder J. P. Morgan and the elder Geo. F. Baker (president of the First National Bank of New York) testified before the Pujo Committee that there was a "Money Trust" and that it was in the public interest that it be controlled. This admission was at the time a matter of great surprise; the purpose of it is now better understood. In the light of subsequent events and of our present knowledge, we are justified in suspecting that the panic of 1907 was brought about for the purpose of establishing the system we now have.

I prefer to believe in the integrity and sincerity of Woodrow Wilson. I supported him for the presidency, in ignorance, however, of the fact that his campaign was financed by Jews. Despite my bias, I must admit that the Wilson Administration was responsible for the deflation of 1920.

President Wilson appointed Paul Warburg, a member of the Rothschild banking firm, as deputy governor and later governor of the Federal Reserve System. Warburg was the real author of the act and was also author of the Aldrich bill. He openly advocated a central bank, and publicly testified that the system could be transformed by administration into a central bank, and he proceeded to so transform it. He proposed the amendment that gave the system the power of deflation, which President Wilson approved. Warburg, however, resigned before the deflation process was begun and thereby escaped the odium of it.

When the Federal Reserve Act was adopted the Democrats thought they had won a great victory, but nevertheless many well informed Republicans claimed

credit for the Act and that the bill was in fact the Aldrich Bill under a different name and in a different dress. The Democrats thought that the Federal Reserve Board was only a medium of contact between the twelve reserve banks and that the banks would be governed by their respective boards of directors and would function independently of it. It was originally provided that a member bank could at will convert its eligible notes into currency by simply endorsing them and sending them into the reserve bank of its district for discount; and the notes of the farmer and those given in the course of commerce were in the preferred class.

This method of issuing currency was intended to supply the adequate volume of currency and credit that the people of the country desired and were promised by the Democratic Party. It has all been changed since. The original purpose of the act has been entirely lost sight of and has been grossly perverted. Paul Warburg was right when he testified before the Senate Committee that the system could be transformed into a good system (for the Elders) by administration. It has in fact been transformed adroitly by administration but more radically by legislation.

Just prior to the panic of 1920 Congress adopted an amendment empowering the Federal Reserve Banks to limit the discount privileges of member banks and to refuse to discount eligible notes. This amendment changed the whole character of the system. It could no longer operate automatically in response to the demands of the people. Thereafter currency could only be issued at the discretion of the Federal Reserve Banks,—which was subsequently changed to the Federal Reserve Board.

The Federal Reserve Banks promptly exercised this power and promptly brought on the panic of 1920 in pursuance of the resolution adopted at the conference between their representatives and the members of the Federal Reserve Board on May 15, 1920. The depressions of 1920 and of 1930, and the present depression would not have been possible except for this change in the act.

Every step in the administration of the system and every act of Congress amending the law since its enactment, have been in the direction of a centralized banking authority with the power of life and death over commerce and industry. Without authority of law the Federal Reserve Board established an "open market committee" to fix and regulate the volume and value of money, with the Governor of the New York Federal Reserve Bank as chairman. It is and was the office of this committee to expand the currency by buying securities, etc., on the open market in New York and Chicago, and issuing in payment therefore the notes of the Federal Reserve banks. To contract the curren-

cy the process is reversed; they sell securities and receive currency in payment therefore, which is thereby withdrawn from circulation.

This supplanted the original system of issuing currency in payment of eligible notes discounted by member banks. The difference is that under the present system the "open market" committee determines how much currency is good for us; under the original system the demands of commerce and industry and the member banks determined the quantity of it; the one depends on the integrity and wisdom of the committee, the other responds automatically to the currency and credit needs of the people.

The depression of 1930 and the remedy for it was the issue in the 1932 campaign. Mr. Roosevelt charged that President Hoover was responsible for the depression and that he had adopted inadequate measures to restore prosperity. There was no demand by either political party or any candidate for office that the Federal Reserve System be converted into a centralized banking authority and that its powers be enlarged. No man could have been elected President of the United States on any such platform.

Under the pretense of protecting bank deposits and of creating a corporation for that purpose, for which there was some demand,—the Congress enacted the bill known as the "Banking Act of 1935." This bill completed and perfected the system as a centralized banking authority with much greater power than was provided in the original Aldrich Bill. Among other things it legalized the "open market committee" and provided that the members of the Federal Reserve Board and five members of the Federal Reserve banks (to be selected by their directors) should constitute this "open market committee."

The Bank Act of 1935 called for a new Governor, and new members of the Federal Reserve Board to be appointed by the president,—and Mr. Roosevelt named Marriner S. Eccles as Chairman of the Board and appointed an entirely new board. All of them were new members with the exception of Professor Miller who had been a consistent and trustworthy deflationist from the beginning.

The original Federal Reserve Act required the member banks to maintain reserves in the Federal Reserve Banks as follows: country banks and those in smaller cities, 7% of the amount of their deposits; banks in reserve cities, 10% ; and in central reserve cities, 13%. These reserves were not subject to check ad libitum by the banks, as under the former system, but could only be checked against "under the regulations and subject to the penalties, provided by the Federal Reserve Board." They were intended to be and were in fact, static and sterilized. To check against them meant the suspension of the bank,—and its

insolvency. They served no purpose except to sterilize and impound that much currency and credit, and the country did not suffer from them except to that extent. There was no need, or public demand for increasing them.

The "Banking Act of 1935" authorized the Federal Reserve Board "in order to prevent injurious credit expansion or contraction" to double these reserve requirements. Obviously there could be no "credit expansion" by doubling the amount of sterilized money and credit, and obviously it meant only to empower the Board to bring about credit contraction. Such delegation of power was wholly unnecessary because the Board had absolute power to expand and contract the volume of currency through the operations of the "open market committee," which involved the power to expand and contract credit, for credit is dependent wholly on the supply of currency to support it. Moreover the Board had fully demonstrated its power to "prevent injurious expansion" in the catastrophes of 1920 and 1930.

Evidently the purpose of this amendment was to provide a new method for bringing about deflation,—a different one from the old plan of refusing loans and advancing the discount rate. The old plan had come to be too thoroughly understood, and discredited by too frequent use. Since Mr. Roosevelt had been elected to correct the evils of the Hoover administration, he could not bring about the same character of deflation in the same manner without the risk of having the whole "Jew Deal" upset by Congress; he must employ a different method and a more subtle technique.

The Federal Reserve Board did not permit this power to remain dormant very long. On August 26, 1936, they advanced these reserve requirements 50%, but the result was not satisfactory to them. On January 30, 1937, they adopted the following resolution:

> *"Effective at the opening of business on March 1, 1937, the requirements as to reserves to be maintained by each member bank will be 75 per cent above the requirements prescribed by section 19 of the Federal Reserve Act, and effective at the opening of business May 1, 1937, the requirements as to reserves to be maintained by each member bank will be 100 per cent above the requirements prescribed by section 19 of the Federal Reserve Act."*

That did the job, and the Roosevelt depression soon followed and is still on, and prosperity is not "around the corner" as the Elders and their sycophants tell you it is. There is now sterilized and hoarded in the "reserve accounts" of the Federal Reserve Banks the huge sum of $13,863,000,000. This is more than ten times the volume of money we have in circulation. It would furnish a

sound basis for at least $70,000,000,000 of credit if this money was in circulation and in the vaults of the member banks. The depression would not have occurred if this money and credit had remained in circulation. It was withdrawn for the purpose of bringing on the depression.

This order of the Federal Reserve Board operates with the greatest severity on the small and weak banks. They, together with all other banks, have been forced by the Roosevelt Administration to subscribe for government bonds, with the result that they are loaded down with U. S. bonds. The government has now taken from them a large percentage of their liquid capital, which has left many of them with insufficient resources to meet the ordinary demands of their customers, or to earn reasonable profits. There is no precedent in other countries for such banking practice and for such abuse of governmental authority.

The "Bank Act of 1935," insofar as it provided for guaranteeing bank deposits, originated in the House and it was limited to that one subject. The amendments were added by Carter Glass when the bill reached the Senate. Glass was on the conference committee between the two bodies and succeeded in putting over these amendments and afterward boasted of the achievement in the press. This ever-faithful servant of the Elders is always on the job with his amendments when there is a banking or currency measure before the Senate, for it is much easier to tack them on to some popular measure than to get them through independently upon their own merit or lack of merit.

We may choose to believe in the good intentions of Mr. Roosevelt and to excuse him for this terrible crime, but we cannot close our eyes to the cold facts. The Federal Reserve Board is wholly of his selection and it has no doubt carried out his express orders. No official appointed by him will dare disobey him; should he do so he would be "fired," for Mr. Roosevelt brooks no opposition.

In one of his press conferences Mr. Roosevelt sought to excuse the order of the Federal Reserve Board on the ground that some unnamed prices were too high and out of "alignment," but even if that be true, it is a silly excuse for bringing such great distress upon the innocent people of the country. The fact is, some prices always have been and always will be out of "alignment" due to supply and demand.

There is this substantial difference between the Wilson 1920 deflation and the Roosevelt 1937 deflation: In 1920 prices and wages were high and money of course correspondingly cheap. We had $3 wheat, $2 corn, 40c cotton, $1.50 to $2 per hour wages, labor was fully employed and scarce.

In 1937 we had been suffering from the Hoover deflation for more than five years; we had spent billions of dollars upon Mr. Roosevelt's recommendations for the pretended purpose of relieving it; there was no substantial relief; prices and wages were still low and labor unemployed; we still had approximately 10,000,000 unemployed, and many millions on the dole. There was absolutely no excuse for the Roosevelt deflation. It was a deliberate effort on his part to wreck the country and to prepare the ground for revolution and dictatorship.

XXIV.

"ON OUR WAY"(WHITHER?)

"The political has nothing in common with the moral. The ruler who is governed by the moral is not a skilled politician, and is therefore unstable on his throne. He who wishes to rule must have recourse both to cunning and to make-believe. Great national qualities, like frankness and honesty, are vices in politics, for they bring down rulers from their thrones more effectively and more certainly than the most powerful enemy. Such qualities must be the attributes of the kingdoms of the goyim, but we must in no wise be guided by them."—From Protocol 1.

President Roosevelt, in his inaugural address on March 4th, 1933, said:

"Primarily this [the present depression] is because the rulers of exchange of mankind's goods have failed through their own stubbornness and their own incompetence, have admitted their failure, and have abdicated. Practices of the unscrupulous money changers stand indicted in the court of public opinion, rejected by the hearts and minds of men.

"True they have tried, but their efforts have been cast in the pattern of an outworn tradition. Faced by failure of credit they have proposed only the lending of more money. Stripped of the lure of profit by which to induce our people to follow their false leadership, they have resorted to exhortation, pleading tearfully for restored confidence. They only know the rules of a generation of self-seekers. They have no vision, and when there is no vision the people perish.

"Yes, the money changers have fled from their high seats in the temple of our civilization. We may now restore that temple to the ancient truths. The measure of the restoration lies in the extent to which we apply social values more noble than mere monetary profit , . . and there must be prevision for an adequate but sound currency."

Fine words, very, very fine, and very, very true. This was the program he deliberately promised the people of America in his inaugural address.

This message states clearly conditions that then existed, and the cause and the remedy therefor. There was great rejoicing among the people; for the people, while not understanding the money question, knew in a general way that their distressful situation was due to the corrupt management of our banking and currency system and here was promise of relief.

If the Elders believed the President's sincerity there must have been "weeping and wailing and gnashing of teeth" among them, for here was a man, whose election they had brought about, calling them selfish Shylocks and incompetents, and accusing them of responsibility for the deplorable conditions he so graphically depicted, and threatening to destroy their control of the system which had caused so much wreck and ruin.

On the day following the delivery of this splendid speech the farm leaders, John N. Simpson, et at., called on the President and asked him to explain what he meant by the phrase "There must be provision for an adequate but sound currency." The President said, according to press reports, that he meant that the government would exercise its constitutional duty to issue money and control its value, that he would promptly cause enough money to be issued and put into circulation to restore wages and markets and values and prosperity to the country, and give a job to every man in the land who wanted to work.

One of two things is true: either the President did not mean a word of his speech and of his clarifying statement to the farmers, or else he changed his mind on the following day, viz., March 6th. We cannot know which is true. It is difficult to believe that the President of the United States would make such statements with his fingers crossed and for the purpose of deceiving his friends and supporters; but it is equally inconceivable that he would change his mind upon this important subject, upon which he had deliberately spoken after having evidently given it great thought, within the short space of twenty-four hours time.

It is of course possible that Brother Baruch or some of the other Elders interviewed him shortly after the farmers and changed his purpose and his program, but it is not probable. His message turned out to be mere "cunning and make-believe" and it was no doubt intended as such. Whatever the truth may be, on the following day, March 6th, he issued a proclamation closing all the banks of the United States,—state as well as national, and good as well as bad. This was arbitrary, high handed, destructive, and illegal.

Upon the point of its legality he says in his book, "On Our Way," page four, that "a friend of mine (probably Frankfurter) suggested that some of the war emergency legislation of 1917 had not been repealed and found for me a sta-

tute of that year covering the point." Even so, such statute could not be applicable to peace conditions, for Congress has no power to suspend the Constitution and laws of the land except as a military measure, and its power even then is limited to military necessity.

Besides, there was then no necessity for the grant or the usurpation or the exercise of such power. The banks of the country were as a rule sound and well managed. The trouble with them was that many of their customers had been bankrupted by an illegal deflation or were near bankruptcy, and as a consequence their collateral had been impaired. It was the direct and intended consequence of the contraction of currency and credit by the Federal Reserve management in 1930. They suffered from the further trouble that there was not enough money in their vaults and in circulation to enable them to pay their depositors in currency. The only place that they could get the money was from the Federal Reserve banks, which had the exclusive power of issue, which it refused to exercise.

The clear remedy therefore was not the closing of the banks and the utter destruction of many of them, but it was for the government to take over the Federal Reserve System or compel it to perform the service for which it was organized, or for the government to exercise its constitutional power to issue and put into circulation a sufficient quantity of money. The obvious and quickest remedy was for the President to remove the Federal Reserve management and appoint one that would discount the eligible paper of the member banks and issue them currency and thereby enable them to meet the currency demands and credit requirements of their customers.

The obvious remedy was to reverse the deflation program of the Federal Reserve System and to bring about just and reasonable inflation through the expansion of currency and credit. The President knew this to be the remedy and he promised to employ it, both in his inaugural message and in his statement to the farm representatives. If he had done so there would have been no occasion or excuse for his extravagant and unconstitutional reforms and his subsequent attack upon the Constitution itself.

My own view is that Senator Long's estimate of the President is correct, and that he did not mean a word of what he said in his message and to the farmers. I think that he intended his so-called reforms from the beginning and that he needed a bewildered and poverty stricken people in order to put them over.

As Senator Long so graphically said, it was "high cockalorum Roosevelt and low cockalorum Hoover," the difference between them being only the differ-

ence between "tweedledum and tweedledee." Mr. Roosevelt is only a "skilled politician who has recourse to cunning and make-believe."

In 1929 there were more than 30,000 state and national banks. The number had been reduced by deflation to 19,163 in 1932. As a result of this order 4,541 banks or approximately one-third of the remainder were permanently closed and their deposits aggregating $4,356,799,000 were thereby frozen and a large percentage of them lost. (See Comptroller of the Currency Report of 1936, page 112.) The President thus ruthlessly destroyed the property of the several thousand stockholders of the closed banks and of their several million depositors in flagrant violation of law and of our National Constitution, and later boasted of this achievement in his book "On Our Way."

The effect of this order was further deflation, and to make bad matters worse. It froze the life savings of many thousand depositors and transferred them from a state of comfort to one of poverty. They could have been saved, and the country could have been saved the expense of their maintenance, by the mere act of correcting the crime of 1930 in a legal way, viz., by reversing the process by which it had been perpetrated. The worst of it is that the President then knew that this could be done and promised to do it.

This does not tell the whole story. The banks had already been reduced in number by the 1930 deflation (for which President Hoover is justly held responsible) from 30,000 to 19,163. This further reduced the number to 15,806, or about half the number that existed in 1929. The human imagination can scarcely conceive such ruthless and reckless destruction of men and of values and it cannot estimate the injuries that the people sustained. It meant that the fortunes of approximately one-half of the thrifty men and women of the nation were either utterly destroyed or badly impaired;—and the other half did not escape without serious injury.

On January 15, 1934, the President submitted a special message to Congress, as set out in his book "On Our Way," in which he said:

> *"Permit me once more to stress two principles. Our national currency must be maintained as a sound currency which, in so far as possible, will have a fairly constant standard of purchasing power and be adequate for the purposes of daily use and the establishment of credit.*
>
> *"The other principle is the inherent right of government to issue currency and to be the sole custodian and owner of the base or reserve of precious metals underlying that currency. With this goes*

the prerogative of government to determine from time to time the extent and nature of the metallic reserve."

John Stuart Mill or his disciple, David Ricardo, could not have stated the orthodox principles of monetary science more clearly and forcefully. The President cannot plead ignorance of the money question, for every message and speech that he has delivered on the subject shows that he understands it. There can be no restoration of values until there is a sufficient volume of money in circulation to support them. That is as certain and as inevitable as the law of gravitation. If this volume of money rests upon the discretion of the Federal Reserve Board then those values will be whatever this Board chooses to make them, and they will be as stable as the mind of the Board is stable.

Prior to the adoption of the Federal Reserve System the basis of our values rested upon the volume of money in circulation, and they were stable because the supply of money, except for hoarding, was stable,—but it has been unstable and erratic since, because it rests wholly upon credit and upon the discretion of selfish and designing men.

What has the President done to give effect to his brave promises? What has he done to wrest the control of our currency system from the Shylocks, charged in his inaugural speech with controlling it, except to leave them in control and to perfect their control ? What has he done toward increasing our currency supply in order to restore employment and prosperity except to further reduce it? What has he done to restore the solvency of our country except to enormously increase debts and taxes? Truly, the Elders have furnished us a ruler of their own kind, a "skilled politician who has recourse to cunning and make-believe," and whose "words do not agree with his deeds."

XXV.

LIARS AND THIEVES

"Gold always has been and always will be the irresistible power. Handled by expert hands it will always be the most useful lever for those who possess it, and the object of envy for those who do not. With gold we can buy the must rebellious consciences, can fix the rate of all values, the current prices of all products, can subsidize all State loans, and thereafter hold the states at our mercy."—From Funeral Oration of Rabbi Reichhorn.

The following is a facsimile copy of page 171 of the report of the Comptroller of the Currency for the year ending Oct. 31, 1938,—which is the latest published report:

"76th Annual Report of the Comptroller of the Currency covering the Year ended Oct. 31, 1938, (page 171). (Amounts stated in Thousands of Dollars)"

Stock of money in the United States, in the Treasury, in reporting banks, in Federal Reserve banks, and in general circulation, years ended June 30, 1914 to 1938

Year Ended June 30–	Coin and other money in the United States	Coin and other money in Treasury as assets[1]		Coin and other money in reporting banks[2]		Held by or for Federal Reserve banks and agents		In general circulation exclusive of amounts held by reporting banks, Federal Reserve banks and Treasury		
		Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Per capita
	Millions	*Millions*		*Millions*		*Millions*		*Millions*		
1914	*$3,797.8*	*$ 338.4*	*8.91*	*$1,630.0*	*42.92*	.....	.....	*$1,829.4*	*48.17*	*$18.46*
1915	4,050.8	348.2	8.60	1,447.9	35.74	$ 383.0	9.45	1,871.7	46.21	18.56
1916	4,541.7	299.1	6.59	1,472.2	32.41	593.3	13.06	2,177.1	47.94	21.24
1917	5,678.8	269.7	4.75	1,487.3	26.19	1,342.7	23.64	2,579.1	45.42	24.74
1918	6,906.2	363.5	5.27	882.7	12.78	2,061.0	29.84	3,599.0	52.11	33.97
1919	7,688.4	585.1	7.61	981.3	12.76	2,226.7	28.96	3,895.3	50.67	36.67
1920	8,158.5	490.7	6.01	1,047.3	12.84	2,200.2	26.97	4,420.3	54.18	41.50
1921	8,174.5	463.6	5.67	926.3	11.33	2,799.9	34.25	3,984.7	48.75	36.71
1922	8,276.1	406.1	4.91	814.0	9.84	3,406.8	41.16	3,649.2	44.09	33.18
1923	8,702.8	386.5	4.44	777.1	8.93	3,493.0	40.14	4,046.2	46.49	36.20
1924	8,846.5	359.4	4.06	900.8	10.18	3,637.8	41.12	3,948.5	44.64	34.69
1925	8,299.4	363.9	4.38	938.3	11.30	3,120.3	37.63	3,876.9	46.69	33.58
1926	8,429.0	353.2	4.19	975.2	11.57	3,190.5	37.85	3,910.1	46.39	33.35
1927	8,667.3	350.9	4.05	985.1	11.36	3,465.1	39.98	3,866.2	44.61	32.57
1928	8,118.1	351.3	4.33	866.5	10.67	2,970.2	36.59	3,930.1	48.41	32.72
1929	8,538.8	373.1	4.37	799.1	9.36	3,419.4	40.04	3,947.2	46.23	32.47
1930	8,306.6	247.2	2.98	853.8	10.28	3,537.3	42.58	3,668.2	44.16	29.76
1931	9,079.6	254.9	2.81	865.5	9.53	4,002.7	44.08	3,956.5	43.58	31.87
1932	9,004.4	278.2	3.09	774.1	8.60	3,031.1	33.66	4,921.0	54.65	39.41
1933	10,078.4	314.5	3.12	649.9	6.45	4,043.2	40.12	5,070.8	50.31	40.32
1934	13,634.4	2,955.9	21.68	689.6	5.06	5,305.0	38.91	4,683.9	34.35	37.03
1935	15,114.0	2,865.9	18.96	760.0	5.03	6,680.0	44.20	4,808.1	31.81	37.79
1936	17,402.5	2,496.4	14.35	987.7	5.68	8,664.9	49.79	5,253.5	30.19	40.89
1937	19,376.8	3,444.5	17.78	920.8	4.75	9,485.1	48.95	5,526.3	28.52	42.71
1938	*20,096.9*	*2,302.6*	*11.46*	*991.5*	*4.93*	*11,333.4*	*56.39*	*5,469.4*	*27.22*	*42.02*

1 Public money in national-bank depositories to the credit of the Treasurer of the United States not included

2 Money in banks of island possessions not included

NOTE —Population estimated at 123,250,000 in 1930 ; 124,135,800 in 1931 ; 124,881,806 in 1932: 125,753,206 in 1933; 126,485,606 in 1934; 127,233,106 in 1935; 128,475,000 in 1936; 129 399,000 in 1937, and 130, 147,000 in 1938

Please note the italicized figures opposite the years 1914 and 1938. They give you the detailed estimates of the Treasury Department of our stock of money for these years, and where it is located. You will observe that in 1914 all of the "reporting banks," which means all of the banks of the country except the Federal Reserve banks,—had in their vaults $1,630,000,000; and that in 1938 they had $991,500,000. Thus it appears that the banks had $638,500,000 more money in their vaults when the Federal Reserve System was established, 24 years ago, than they now have.

You will observe also under the last column of figures that they estimate that there was in "general circulation" $1,829,400,000,—or $18.46 per capita in 1914; and $5,469,400,000 or $42.02 per capita in 1938. You will observe also that they do not count money in the Treasury, in the reporting banks or in the Federal Reserve banks as being in "general circulation."

This method of estimating the money in "general circulation" is obviously true as to money in the Treasury and in the Federal Reserve banks, for these moneys are hoarded and are not subject to check. But it is obviously false as to the moneys in the "reporting banks" for these moneys are subject to check and they pass from the banks daily by check to the people, and are therefore in circulation.

Where is all of this money that they say is in "general circulation" and that they say is over and above the money that is in the Treasury and banks? There is only one place that it can be, to-wit: distributed among the people and in their "tills and pockets." Any man of common sense knows that the people have not now an average of $42.02 in their pockets, and that they did not have an average of $18.46 in 1914. Any man of common sense knows that now, with business stagnant and prostrate, and with half of the people in poverty that they do not now possess more than double the amount of money that they had in 1914, when people generally were prosperous.

The Treasury Department explains this obviously false report by saying that there has been no "corrected statement" of the money in general circulation since 1861 and that their estimate "includes all United States paper money in other lands, all money worn beyond possibility of redemption, and all money lost."

In other words, they count as money in circulation in the United States all moneys issued since 1861, whether in circulation or not. But even this lame explanation does not explain the fact that the moneys in the pockets of the people (according to the official report) have increased from $18.46 per capita in 1914 to $42.02 in 1938,—whereas during the same period the moneys in the banks have decreased from $16.30 per capita in 1914 to about $7.00 in 1938,—which is simply preposterous.

Vast quantities of money have been lost or destroyed by fire, ship wreck, and otherwise, in the 80 years since a "corrected statement" was made; and vast quantities of it are now in foreign lands. The all-important question to you and me is: how much of it is now in the hands of the people of this country?

And that is a matter of supreme importance to us for by all of the accepted authorities the quantity of money that circulates among the people, including the reporting banks determines all values and measures all values. Money is called the "yardstick of values"; the more money the higher values, and the less, the lower. We are entitled to know what that yardstick is, and to have a yardstick that will establish and maintain reasonable values.

Who can say what it is today? One man's guess is as good as another's. The only estimate that has ever come under my observation was made some years ago by a treasury expert by the name of McCoy who estimated it at $440,000,000, which at that time was about $4.00 per capita. It is probably less than that now, for the banks have less now than then, and conditions are much worse now than then, which indicate it.

You can make your own guess. What would you say the people have in their pockets in your town? Let us take for example a town of 1,000 population, with a bank and 20 business houses. It will be composed of about 300 men and women over 21 years of age, and 700 children less than 21 years. The 20 business houses may normally have an average of $50 each in their tills, amounting to $1,000; the 300 men and women may have $5 each, or 1,500; the 700 children may average $1 each, or 700.

A grand total of $3,200; or $3.20 per capita. If we add to that the cash in the vault of the bank, which I estimate at 5,000 we have a total volume of money in circulation in the town of $8,200 or $8.20 per capita.

But the Treasury Department does not count as money in circulation the $5,000 in the vault of the bank; they only count as money in circulation that which is in the hands of the people, and estimate it at $42.02 per capita. That estimate is not true and they know it. There is not a town or village or city in this broad land of ours where the people have an average of $42.02 of money in their pockets,—not one.

If their estimate is correct the figures given in the example above would be about fourteen times more. The 20 business men must have an average of $700 each, amounting to—$14,000; the 300 men and women must have an average of $70 each, or 21,000; and all the children, including the babies, must have $10 apiece, or 7,000.

This makes a total of $42,000 or $42 per capita for the people of the town. Would it not be fine if they had it! Talk about "buying power," the people would have it; of our surplus products and poverty and distress, there would be none.

"Oh," but they say, "Look at the $50,000,000,000 on deposit in the banks;" the banks are just "bulging with money." That is not money, and even the Treasury Department does not count it as such, it is only bank credit, which must be paid in money.

The banks, according to their sworn statements, only have $991,500,000 of real money with which to pay these 50 billion dollars,—which means that if all of them were called upon at one time they could only pay about 2 per cent of their deposits. They are in a helpless and precarious position, and they do not dare to extend credit liberally; too many of them have been ruined by doing so.

The moneys that measure values are bank notes and silver and gold and silver certificates,—primary money, as they call it. This primary money is our yardstick of value. We are entitled to know what this yardstick is. What is it? They have deceived Congress and the country with lying reports of it, to the very great injury of the people. Let us now have the truth, for "truth is mighty and will make us whole."

This report is true as to the monies in the banks on the respective dates mentioned, for it is based on the sworn reports of all the banks of the United States, which are in turn based on an actual count of the money.

In 1914 the people were prosperous and happy, and the dole and the C. C. C. camps were unknown,—and according to this official report the people then had in their pockets an average of $18.49. Now eleven million of our people are out of jobs, and one-third of our population (according to the President) is poorly housed and clothed and fed, and yet they have in their pockets (as stated by this official report) an average of $42.02.

I do not pretend to understand the trick or the system by which they count money in circulation that is not in circulation, but I do know that the people have not now and have never had an average of $42.02 per capita in their pockets. I assert that we now have in actual circulation less than $12 per capita, of which less than $4 is in the pockets of the people; and that there can never be any enduring prosperity or any stability of credit and values until this basis is broadened by an adequate volume of money in circulation.

This startling fact has been repeatedly called to the attention of the President and many members of Congress, but the lying statements of the Treasury and Comptroller of the Currency have been repeated from year to year since 1920 and accepted as true by Congress and the country. Prior to the creation of the infamous Federal Reserve System true and reliable reports were made. Evidently it is the purpose of the management of the system to deceive Congress and the country, and it has done so to our great injury.

They have recently taken a census of everything we have, including mortgages,—except our money. A census of the volume of money in circulation is the only information of any material importance to us; the other is all "fol-de-rol." A census or an inventory could just as easily be taken of the money in the pockets of the people, and would be of great value. It would show upon what an insecure and flimsy foundation all credit and values rest; it would blast the oft-repeated sophistry that there is plenty of money, that all we need is a little "confidence;" it would clearly reveal the absurdity of all the New Deal rot, for it would reveal the cause of our distress and the remedy therefore; it would, it is to be hoped, cause Congress to take the necessary steps to put in circulation a sufficient volume of money, with adequate measures to keep it in circulation.

If we had $42.02 per capita in actual circulation the prices of all products and wages—the price level—would be approximately that of 1920; we would have no relief rolls and C. C. C. camps, and no curtailment of production; no need for regulation of hours and wages, and no excuse for the destruction of our

National Constitution. Instead of being a money and credit expanding system to supply the ever-growing need of expanding population and commerce,—the Federal Reserve System is a vast currency and credit hoarding machine. With its true character and purpose clearly revealed, Congress gratuitously granted it an indefinite charter five years prior to the expiration of the original charter, and by the Bank Act of 1935 gave it carte blanche authority to regulate our welfare.

There can be no stability of values that are dependent wholly upon credit, for there is no foundation for such values other than the will of the creditor. When it is to his advantage to reduce them, thereby increasing the buying power of money, he will do so. It is always to his advantage to have cheap commodities and dear money, and so it is normally that way. Let Congress exercise its constitutional duty and cause an adequate volume of money to be paid into circulation and kept in circulation, and values will adjust themselves to such volume and will be high or low in proportion to the volume, without the operation of an "open market committee" or any other committee.

At the time Hoover left off with his deflation and Roosevelt took over the job, we had in circulation $730,435,000 of national bank notes. By 1936 we had none. All of them had been retired and cancelled by the compulsion of the Roosevelt Administration. (See Report of the Comptroller of the Currency for 1936, page 112.) This meant a cancellation of about $5.50 per capita, or about 50% of the sum of money we now have in circulation. It is but $257,265,000 less than all the banks of the country had in their vaults, of money of all kinds, on June 3, 1936.

If the members of Congress cannot understand this lying deception after reading this very simple explanation of it, let them investigate it themselves. Let them take a census of the money in their respective districts, or better still, let them cause a Congressional investigation to be made of the money in circulation in the United States.

We have, as a matter of fact, about $1,400,000,000, or $11.00 per capita in circulation, composed of $991,500,000 in the reporting banks, and three or $400,000,000 in the pockets of the people, for the money in the "reporting banks" less their legal reserves, is in circulation.

Outside of the banks there is between $3 and $4 per capita in circulation and not $42.02 as they report it. It is utterly impossible to have reasonable prices and wages and prosperity with such a limited volume. China has about $3 per capita, with the inevitable result that her mandarins are exceedingly rich and her peasantry exceeding poor. That is the objective of the "Elders" here in our

boasted "land of the free." All of this lying and deception is in accordance with the "law of our bank," viz: the protocols and the code of the communists.

They say that we now have $5,469,400,000 in circulation, or $42.02 per capita. If that were true, which it is not, we clearly haven't enough, for it has been insufficient to lift us out of the depression. We are entitled to have enough money in circulation to do so. Is there any sane reason why this right is denied us?

We now have $20,400,000,000 of gold and about $3,000,000,000 of silver stored in the United States Treasury vaults in Kentucky and elsewhere. Is there any sane reason why all or the greater part of this money should not be paid into circulation? It would give us more than $150 per capita, restore values and prosperity to the country, and by so doing render useless and unnecessary the entire New Deal with its regimentation. We are like the miser who starves to death while fingering his money and counting it.

It is beyond me to explain how it is possible for responsible treasury officials to make false reports as to the volume of money in circulation from year to year and administration to administration, and how Congress could be deceived by them. But it is obvious that such reports are false, that they are made knowingly and designedly, and that the members of Congress and people generally have been deceived by them. The worst of it is they will not believe the truth even when such falsity is proven beyond controversy. It demonstrates, if demonstration is necessary, the mighty Rothschild power in our government, whether it be a democratic or a republican administration.

The Jews have written several text books on political economy expounding what they call the "qualitative theory of money" in which they assert that gold is the only sound money because of its intrinsic value- If this doctrine is sound we should and would be the most prosperous people of the world because we have 80% of the gold of the world. Thirty years ago we had less than 10% and no dole, no unemployed and reasonable prices and wages and taxes.

It is another Jewish lie, and propagated for the purpose of deception and injury. In protocol 5 they say:

> *"The science of political economy invented by our learned elders has for long past been giving royal prestige to capital."*

And so it has. And it has given us the gold standard with its restricted volume of money and credit, and its attendant poverty and misery.

But they claim too much when they say "the science of political economy" was invented by their "learned elders." The true science of money was first discovered by Adam Smith and John Stuart Mill, both of whom were Gentiles. The false qualitative theory was invented by the Jews because until recently they owned and controlled the greater part of the gold of the world and because the gold standard gave them the power to regulate the welfare and destiny of the people of the world.

According to both Smith and Mill all values are fixed and determined by the quantity of money in circulation without regard to its quality. It is the sole and only yard-stick of value. But the Jew economists dispute the truth of this fundamental law, and in support of their argument point to the large volume which they falsely say we have in circulation, but which is not in circulation.

XXVI.

MISMANAGED CURRENCY

"All people are chained down to heavy toil by poverty more firmly than ever they were chained by slavery and serfdom; from these, one way and another, they might free themselves, these could be settled with, but from want they will never get away."—From Protocol 3.

We now have what is called a "managed currency system," with the Rothschild power doing the managing. Make no mistake about that. If it were possible for the people to do the managing the Rothschilds would not want that kind of system. We have had this system since the amendment to the Federal Reserve Act, which took away the right of the member banks to convert their "eligible" securities into currency, and invested the Federal Reserve Board with the discretionary power to issue money.

It is necessary to the success of this system that we have a limited quantity of money in circulation, otherwise they can't manage things; values will find their own level,—as they did prior to said amendment.

With the exception of a few "elder"-manipulated panics, we had a prosperous country up to the date of the establishment of this "managed currency"; we have had the three worst disasters in the history of our country, since. It was the management of our currency system that brought them all about, and that has brought about our present deplorable condition. The worst of it is, they were all brought about designedly, including the present Roosevelt debacle.

It is the Rothschild power that has controlled our financial policy and consequently the welfare of the American people since the Civil War. We call it "Wall Street" but "Wall Street" is only the representative of the Rothschild power. The part of it that is not Jewish is strongly pro-Jewish. Even if that were not true, no financier has ever yet dared to oppose the mighty Rothschild power, and no statesman has ever done so except Abraham Lincoln, and he was murdered.

The "Elders," with their press support, preach a "managed currency," for that is what they want. Congress appears to be sold on it. The very capable and persistent Senator Thomas of Oklahoma had a bill calling for the creation of a "monetary authority" with directions to maintain the price and wage level of 1929. Mr. Eccles, Chairman of the Federal Reserve Board, came out against it, arguing that it could not be done,—but it can be done, and he knows it.

It, however, will not be done by an authority that does not want to do it. Mr. Eccles does not want to do it because the Boss does not want it done; Eccles and his board brought the present disaster upon us because the Boss wanted it. The Boss has had this power for four years by virtue of a former Thomas bill,—known as the Thomas amendment, and has not used it except to further deflate, despite the fact that he has repeatedly said that he wanted to restore and maintain the price level of 1929.

We have had enough of managed currency. If we had Jesus Christ to manage our money and establish our price level it might work satisfactorily,—but never with a bunch of Jews in control of it. No man or set of men, Jew or Gentile, are wise enough or good enough to manage our welfare.

If Congress will only repeal the amendment establishing the managed currency system and thereby restore the power to the member banks to discount their eligible paper without limit, the commerce and the people of the country will do all of the managing that is necessary.

But a better plan still is to return to the system that prevailed before the establishment of the Federal Reserve banks. Let Congress resume its constitutional duty to issue money and regulate its value; and let Congress cause to be issued and paid into general circulation $42.02 per capita or more. No man can justly complain of that,—not even the "Elders," for they say it is now in circulation!

I undertake to say that an average of $42.02 in the hand of the people will restore the price and wage level of 1920; that it will automatically do away with the A. A. A., the C. C. C, and all of the other new deal agencies; that it will restore general prosperity to the people of our country, and it may preserve our constitutional government and rescue as from threatened sovietism.

The remedy for our present unfortunate condition is so simple and so plain, that I marvel that our representatives in Congress do not see it and adopt it. They must know that the deflations of 1920 and 1930 and 1937 were all caused by the management of the Federal Reserve System. The obvious remedy therefore is to destroy this system or curtail its power to destroy us.

This system brought about the three catastrophes mentioned, by the contraction of currency and credit. The obvious remedy therefore is to reverse the process and to expand the currency, which will carry with it an expansion of credit. Instead of adopting this remedy they have permitted the system to cancel and withdraw from circulation the greater part of our gold and silver certificates and national bank notes; they have sterilized and buried all of our gold, and much of our silver.

The first step toward recovery and toward peace, prosperity and happiness is to discard our mismanaged currency system; the second is to determine the price and wage level and the volume of circulating medium that the people need in order to pay their debts and taxes and be prosperous; third is to pay such volume into circulation, not in just New York and Chicago, but in such manner as it will reach the people throughout the length and breadth of the land; the fourth is to prohibit the banks and others from gathering in this money and cancelling it or hoarding it; the fifth is to check up on it from time to time and to issue additional currency when required, to take the place of money lost or destroyed or hoarded, and also to cover the increase in population and commerce.

Sad to relate, Congress re-enacted the Thomas Amendment, extending it until June 15, 1941. This bill in substance extends the 2 billion stabilization fund and the authority to purchase gold and silver ad libitum, and empowers the President to issue and pay into circulation 6 billion dollars of money which he refuses to do. In substance it transfers to the President the sole and exclusive power to "coin money and regulate its value," which is the sole and exclusive constitutional duty of Congress.

It was the original purpose of the author of the bill, Senator Thomas, to get into circulation such additional volume of money as would restore prosperity to our stricken land,—as shown from his several speeches on the subject.

But such has never been the purpose of the President, as shown from his administration of the measure. It was his purpose to prevent the issuance of such money by Congress, and the only sure way to do so was to get the power out of their hands and into his own.

The Senate Committee on Agriculture and Forestry filed an instructive report[48] pointing out the true and only remedy.

The following are the members of the committee: Messrs. Smith (chairman), Wheeler, Thomas of Oklahoma, McGill, Bankhead, Bulow, Mrs. Caraway, Pope, Hatch, Bilbo, Moore, Schweilenbach, Gillette, Ellender, Norris, McNary, Capper, Frazier and Shipstead. The Committee is composed of ten Democrats, seven Republicans and two Independents. It has among its members some of the ablest men of Congress, whose long records of service have proven them to be the true and reliable friends and champions of the "under-privileged" and of the "forgotten man." This report in substance says to the President of the

[48] Congressional Record, 75th Congress, p. 625.

United States:—Your farm relief bill and your other relief measures are all unnecessary; we have already invested you with the power to restore prosperity to the farmer and to all other classes of our people, and now it is up to you to do what we have authorized and instructed you to do. As to the devaluation of gold the Committee says:

> *"The first remedy applied was a monetary one—we went off gold and the dollar was devalued. In 2 months cotton went from 6.35 to 8.95 cents per pound, wheat from 45 to 75 cents, corn from 24 to 46 cents, and wool from 17 to 24 cents. Precisely the same effects had been previously felt in other countries leaving the gold standard, particularly in great agricultural producing countries like Australia, the Argentine, Canada, New Zealand, and Denmark. South Africa, the greatest gold producer in the world, went off gold because the pressure caused by staying on was too great for its agriculture."*

The further devaluation of gold will increase the export price of all commodities, for the reason that it increases the supply of gold and thereby cheapens the medium of payment for our exports, but it will only incidentally affect domestic prices. To the extent that our home market for our own product is controlled by the foreign market, it will increase the price of such commodity here, but it will not mean a general increase of our prices and wages. In order to accomplish that end, money must be cheapened in our own country by getting more of it in circulation.

The Committee calls the President's attention to the fact, which he already knew, that the Congress has already invested him with the power to increase prices and wages generally, and to restore employment and prosperity throughout the length and breadth of the land by "(b) open the mints for the free coinage of silver; and (c) have issued additional treasury notes." The President has had this power for the past four years and he has not used it. On the other hand he has employed every power granted him, with one single exception, to further deflate and to thereby carry out the policy which was initiated during the Hoover Administration. The exception is the power granted him to devaluate gold, which he only partially employed.

The delegation of such power to the President by Congress was in violation of Section 1, Art. 8, of the National Constitution, which imposes the duty upon Congress. The President sought this power, and Congress, relying upon his integrity and his good faith, granted it to him. It is evident that Congress would not have granted it except to be used, and it is also evident that the President did not seek it for that purpose. It is also evident that he sought and

obtained this delegation of power in order to "head off" Congress and to prevent Congress from relieving the country before he could "put over" his unconstitutional "reforms."

The Committee points out the true and only remedy, as follows:

> *"The power over the value of the dollar, now divided among various agencies and departments, public and private, should he coordinated and concentrated in one Federal agency with a definite congressional mandate to such agency to properly adjust and regulate the value of the dollar and thereafter to stabilize it at such adjusted value."*

Note the language: — "Congressional mandate to such agency to properly adjust and regulate the value of the dollar and thereafter to stabilize it at such adjusted value." That is precisely what the President has so often said in his messages and speeches that he wanted and intended to do. He has said repeatedly that he wanted to fix and adjust it at the 1926 price level, and to stabilize it at that level. And that is also precisely what he has had the power to do for more than four years, but has never yet done, nor taken an intelligent step in that direction.

The report of this committee is so convincing and comprehensive that it deserves to be published in full, but since I am endeavoring to be brief I give space only to the high points of it.

The Committee adopts in part the report of its predecessor on the Agricultural Adjustment Act of 1933, as follows:

> *"We report these facts and state that no substantial relief is possible for agriculture until the policy of deflation is not only checked but reversed and a substantial sum of actual money is admitted and, if need be, forced into circulation . . .*
>
> *"We report further that no just, substantial, reliable, or permanent relief can be provided agriculture or any other industry until the money question is considered and adjusted."*

The Committee then on its own behalf says:

> *"Now a new question has arisen, as follows: How cheap should the dollars be made and how high should prices be raised in order to serve the best interests of our people?*
>
> *"While the dollar was being cheapened and prices were going up, prosperity increased and all were happy. Since last March the dollar has increased in value from $1.13 to $1.19, causing prices to fall, unemployment to increase, depression to come again, and now business of all kinds has slowed down and a new depression is threatened.*
>
> *"In 1926, during the era of so-called Coolidge prosperity, the dollar was valued in all commodities at 100 cents. In 1929, when the depression came upon the country, the value of the dollar had gone up to $1.05. Today, with much higher taxes and an almost doubled national debt, the dollar value is $1.19.*
>
> *"The committee is of the opinion and reports that to date we have not cheapened the dollar sufficiently to raise the price level high enough to show sufficient profits upon which taxes are paid to balance the Budget.*
>
> *"A high price level produces high commodity prices, high wages, high farm income, high national income, and consequently high tax income to the Treasury. A high price level produces happiness, progress and prosperity. (As true as gospel.)*
>
> *"A low price level produces exactly the reverse results.*

"In 1919, with a high price level, we had incomes and values as follows:

National income	*$69,000,000,000*
Value of farm property	*66,000,000,000*
Value of farm income	*13,000,000,000*
Value of exports	*8,200,000,000*
Income to Treasury	*6,007,000,000*

"In 1932, with a low price level, we had incomes and values as follows:

National income	*$39,000,000,000*
Value of farm property	*36,000,000,000*
Value of farm income	*5,000,000,000*
Value of exports	*1,600,000,000*
Income to Treasury	*2,100,000,000*

"From the foregoing it is obvious that the price level has a controlling influence upon our domestic economy. The record shows that from 1919 to 1929 we had a price level sufficiently high to permit of the collection of taxes in sufficient sums to not only keep the Budget balanced but, in addition, to reduce the national debt in the sum of $1,000,000,000 per year.

"The committee is of the opinion and reports that the price level is now too low and recommends that existing powers be used and, if necessary, new legislation be enacted for the purpose, among others, of bringing about an increase in such price level to assist the farmers in securing parity prices for their products."

With this clear conception of the one and only remedy by the President and these distinguished Senators, it is difficult to understand or explain why such remedy has not been employed. Indeed, I can find no explanation for it except in the Protocols. This does not imply that the members of this committee or a majority of the members of Congress are the puppets of the Elders. On the other hand I believe in the integrity of Congress as a whole, and in the loyalty and patriotism of this committee. They accepted the President's farm bill as being the best that they could get at this time.

There are many excuses for the members of Congress that do not apply to the President. He and his Administration represent the leadership of the Democratic Party. It is considered mutiny for the members of the party to refuse to

follow his leadership. The Republican Party is now so poorly represented in Congress that it can scarcely be called an opposition party.

Moreover, there is the mighty power of the Jewish-owned press to be considered. There is scarcely an editor or columnist who does no decry and ridicule inflation. Many of them do not know what it means, but they do know that their bosses are opposed to it and that they are expected to voice the views of their pay-check. Our members of Congress live, year in and year out, in a political atmosphere created by this "kept" press. They are susceptible to its flattery and fear its ridicule.

Let a congressman stand for the interest of the masses of the people and he is a dangerous demagogue and an irresponsible radical. Let him stand for the program of the "Elders" and he is a great and wise statesman and a profound economist. They have boosted Carter Glass so much that he himself has come to think that he is wise and virtuous and knows more about the money question than John Stuart Mill ever knew. The Elders have made the word "inflation" a by-word and a term of reproach. No congressman will dare confess himself an inflationist. He may not want to be called a deflationist, and he may be willing to be termed a reflationist, but never an inflationist.

The Committee truly said in this report, and it took courage to say it in the Washington atmosphere, "a high price level (inflation) produces happiness, progress, and prosperity; a low price level produces exactly the reverse results." President Roosevelt and Barney Baruch know that is true. President Roosevelt has the power to create the "high price level"; he knows what to do, and how to do it,—but he refuses to act.

He listens to Barney Baruch and his gang, the bunch that financed his campaign, and not to the voice of the people who elected him and who are represented by their congressmen and senators. Barney Baruch's entire argument before the Senate Finance Committee was against inflation; he piously said that if inflation was the only remedy he would favor it, but he knew that it was not, that we had plenty of money waiting for employment and that all we need was "confidence," and he proposed the "new deal" as being the true remedy, outlining the program which the Roosevelt Administration has religiously followed up to this writing.

Congress should either exercise its power to fix and regulate the value of the dollar, or repeal the 10% tax on state bank notes so that the States may do so. If this tax should be repealed each State could issue its own state bank currency and thereby establish its own price level. This was the condition that existed prior to the war between the States.

XXVII.

BANKRUPTCY

"Every kind of loan proves infirmity in the State and a want of understanding of the rights of the State. Loans hang like a sword of Damocles over the heads of rulers, who, instead of taking from their subjects by a temporary tax, come begging with outstretched palm of our bankers. Foreign loans are leeches which there is no possibility of removing from the body of the State until they fall off of themselves or the State flings them off. But the goyim States do not tear them off; they go on persisting in putting more on to themselves so that they must inevitably perish, drained by voluntary bloodletting."— From Protocol 20.

If the language of the President in his message to Congress of January 15, 1934, has any meaning at all, it means that the President clearly understands that the Federal government can establish any level of value for money, goods, and service that it desires, by the employment of its sovereign power to issue money. Every man who has any knowledge of money knows that this is true. It means also that he recognizes that it is the "high prerogative" of government to issue and control the volume and value of money. It means also that he proposed to exercise this "high prerogative" and that he desired the necessary authority for that purpose. He has often expressed his purpose to restore the values of 1929, but has never yet taken an intelligent step in that direction.

Congress enacted the legislation that he desired and recommended. He has been in supreme command for the past seven years. What has he done about it? Has the Federal Reserve System been overthrown or taken over by the government? No. It still operates at the same old stand and in the same old way. Have the values of 1929 been restored and established upon the solid basis of an adequate volume of money? No, no, no; far from it.

In pursuance of the President's message Congress enacted the Connally bill devaluing gold to the extent of 40 per cent, which in terms of dollars increased our stock of gold correspondingly. If this measure had been followed by the increase of currency to the same extent, it would have depreciated the value of money and increased the value of goods and service correspondingly. In other words, it would have increased wages and the value of all products and of all property approximately 40 per cent, and to about the 1929 level.

But not one dollar of additional currency was put in circulation as a result of it. It did, however, increase the value of our export products that must be paid for

in gold or its equivalent. Congress also passed the Thomas bill which authorized the President to purchase silver and gold, and which sought to remonetize silver and thereby increase the volume of our circulating medium. The President was authorized by this act to purchase both gold and silver and to pay for the same with gold and silver certificates.

We have bought the huge sum of $8,660,000,000 of gold at $35 an ounce within the past four years, principally from Great Britain and Russia. This gold was worth, prior to its devaluation, $20.67 an ounce. The premium that we have paid for it amounts to $3,500,000,000. The reason we are getting all of it is the fact that we are paying the highest price for it. We are also getting large quantities, sent here for safe keeping, by foreign banks and foreign Jews.

The plan pursued is to sell U. S. bonds and thereby acquire the money to purchase the gold. This necessarily means that our good dollars are sent to Russia, Great Britain and other foreign countries in payment of their useless gold, and to that extent depletes our meager supply of dollars and their meager supply of gold. It should be remembered that this money although sent to foreign countries, is counted by the Treasury Department as being in circulation here and constitutes a part of our $42.02 per capita circulation.

The worst of this operation is that it has saddled the American people with a debt of $8,660,000,00 with an annual interest charge of about $200,000,000. If certificates had been issued against this gold as it was purchased and as was contemplated by Congress, the certificates and gold would offset each other, there would be no liability and no interest charge, and the gold would still be in circulation because the certificate holders could demand it. If certificates should now be issued against it we would have $8,660,000,000 of gold against which there would be $8,660,000,000 of bonds and $8,660,00000 of certificates and we would be out the huge sum of $8,660,000,000 plus interest.

Moreover if certificates had been issued against the gold as purchased there would be that much more money in circulation in the world, and world prices including our own would be higher, precisely to the same extent. As it is, the gold now lies dead and buried. It is of no earthly advantage to us or to the people of the world. The people of the world are poorer to that extent and we are poorer to the same extent plus $8,660,000,000 of bonds; and world prices are lower to precisely the same extent.

Suppose we acquire substantially all of the gold of the world, as appears to be the plan of this regime. Whether it is the plan or not, it is sure to happen if we continue to pay a 41 per cent premium. What then? Obviously we cannot sell

our excess products because the people of the world will have no money with which to buy them. Obviously we cannot sell our gold, for the same reason, and for the additional reason that most of the countries of the world already owe us debts that they cannot or will not pay.

Gold must perforce be abandoned as a medium of international exchange and some other medium adopted or else the people of the world must resort to the primitive cumbersome method of barter and exchange of goods. Germany has already been forced to do this very thing and she is doing it so successfully that her people are prosperous. Secretary Hull complains that she has thereby knocked out his reciprocal trade agreements;—a poor alibi is better than none.

We have bought $1,642,000,000 of silver, issuing silver certificates therefore, which have gone into circulation in the countries from which the silver was bought, including our own. This is in accord with the intent of Congress and of the law, and this is precisely what should have been done in the purchase of gold. These silver certificates would have added to our circulating medium except for the fact that the Federal Reserve management withdrew and cancelled a corresponding volume of Federal Reserve notes.

The net result of the operation of this law is to make a bad situation infinitely worse. We have got $8,660,000,000 of useless gold and issued and sold $8,660,000,000 of bonds that must be paid by the toiling masses. We have $1,642,000,000 of silver certificates but no more money, since they have cancelled the same quantity of Federal Reserve notes. In fact, we have less, for they have sent vast quantities of our money to England and other countries in payment of gold and silver.[49]

This infamous stabilization-fund bill passed the House by a strict party vote; all of the Democrats voting for it and all of the Republicans against it. The party management of the two parties must have "cracked the whip." It appears from the discussion that the Wall Street gang was on hand, as usual on money bills, urging the adoption of the bill. This means that the Rothschild power was behind the bill. If the Republicans had been in power the result would probably have been the same, viz: all of the Republicans would have voted for the bill and all of the Democrats against it. If the Rothschilds had needed a few Republican votes to pass the bill they would have found them.

[49] See Congressional Record, 76th Congress, April 20 and 21 1939, Pages 6366-8 and 6421-5.

It is estimated that as a result of the administration of this Act we now have, dead and buried, "sterilized" if you please, the huge sum of about $20,400,000,000 of gold and that we are acquiring it at the rate of $3,276,000,000 per annum. There is left only $7,462,000,000 in the balance of the world. At the rate we are going we will get it all in about two years. What then? Besides this, there is or may be another $2,000,000,000 that Congress gave Morgenthau for the stabilization of foreign exchange. It has passed out of sight; the Lord only knows what he has done with it. He reports that he made $10,000,000 on the purchase of French francs and kindred activities during his four years administration of the fund. If he had paid off government bonds instead of speculating with the fund he would have saved the taxpayers about $240,000,000 in interest. It was charged that he clandestinely loaned the greater part of the fund to England and France; and he very strenuously objected to an audit of it.

If all this money was resurrected and brought to life through putting it in circulation by the payment of government bonds or otherwise, it would not only reduce the national debt about $20,000,000,000 but it would establish a home market for substantially all of our products, restore the full employment of labor, and restore values and the solvency of men and governments, would automatically do away with all of the plausible excuses for the New Deal and there would be no need for Morgenthau's stabilization fund.

The late lamented Arthur Brisbane said of the burial of our cold: "It is enough to make angels laugh to see men of South Africa digging gold out of a hole, and Americans buying and burying the same gold in a hole!"

The President is now proposing to increase the national debt limit from $45,000,000,000 to $49,000,000,000 and to levy additional taxes. His chief aims have been from the beginning to create more debt and levy more taxes and bankrupt the country and he has pursued these aims consistently from the very beginning. Our national indebtedness, funded and unfunded, and including appropriations is now more than $70,000,000,000 and it is being increased at a very rapid rate.

It is reported that Roosevelt has created 51 new bureaucratic agencies with the power to legislate, to interpret, and to administer their own rules and regulations. During the seven years of his administration he has received $40,089,857,000 from taxes and spent $65,628,526,000,—leaving a deficit of $25,538,668,000, which has been funded into bonds. With the exception of the administration of President Wilson the total expenditures of our government from its beginning in 1776 up to the "Jew Deal" have been only $55,265,107,000. Thus it will be noted that he has spent more than

$10,000,000,000 in excess of the expenditures of all administrations from Washington's down,—with the single exception of Wilson's. This does not include the money recently authorized for alleged defense purposes amounting to about $17,000,000,000.

President Roosevelt and the Jew kept press and the Jew columnists are now whooping up a war scare. They have already stampeded Congress into authorizing about $7,000,000,000 for armaments when we are now in less danger of invasion by a foreign foe than in the past thirty years. Our most promising prospect is Japan, but she is busy in China and will be exhausted by the time she gets through with that job.

Germany is not even a remote prospect, for she is no longer ruled by Jews. Germany, even if she conquers Britain, will likely create a United States of Europe, which they said was their objective. It will be less aggressive than a United States of Europe under Jewish control for the German people are an industrious, home-loving, peaceful people, who acquire wealth by creating it, and not by manipulation of currencies and markets, as do the Jews.

Germany has never acquired or sought to acquire a foot of soil in our country, as have both Britain and France. She could not be more of a bully as mistress of the seas than Great Britain has proven herself to be.

Great Britain has, in flagrant violation of international law, declared a blockade of the entire world, from the Arctic Circle to Africa, to prevent the possibility of supplies reaching Germany. She has announced that she would not even allow the shipment of food to the famine-stricken people of Europe. This is all manufactured war hysteria for the purposes of getting more money to be squandered, and of bankrupting our country and of creating a dictatorship of the proletariat and of continuing Franklin D. Roosevelt in office as our dictator. It is either for these purposes or for intervention in the present war. IT IS NOT FOR DEFENSE.

Our national government and many of our city governments are now bankrupt. They have reached their limit of taxation. Real estate has become more of a liability than an asset and much of it has been sold for taxes. The national government has levied a heavy income tax on undistributed profits which is stifling small industries, retarding the expansion of the large ones, and discouraging the creation of new ones. And now they have made a flat increase of the rate that will crush many of the small industries. But few people care to invest in a new industry, assuming all the risk of loss if it is a failure, when the government will get most of the profits if it is a success.

President Roosevelt stated the situation that prevailed at the time of his election, on page 62 of his book "On Our Way," as follows:

> *"In talking with people about our basic economic troubles I have often drawn for them a picture showing two columns, one representing what the United States was worth in terms of dollars and the other representing what the United States owed in terms of dollars. The figure covered all property and all debts, public, corporate and individual. In 1929, the total of the assets in terms of dollars was much larger than the total of the debts. But, by the spring of 1933 while the total of the debts was still just as great, the total of the assets had shrunk to below that of the debts.*
>
> *"Two courses were open: to cut down the debts through bankruptcies and foreclosures to such a point that they would be below property values; or else to increase property values until they were greater than the debts. Obviously, the latter course was the only legitimate method of putting the country back on its feet without destroying human values."*

That condition is infinitely worse today. There has been no increase of our property values, but there has been a very great increase in our debts and taxes. Our situation is now more critical than ever before in the history of our country. Our national wealth is now estimated at about $250,000,000,000, which is too high, and our aggregate debts are estimated at about the same figure. We are insolvent and on the brink of a debacle. This is all in accord with the protocols and the code of the communists; "the law of our bank."

The only remedy is the cancellation of all bonds and mortgage debts. This can be done either by inflation or by law. The former is the method adopted by the Jews when they were in control of the German government, is the less painful, and therefore the best. The protocol quoted above says in substance that "debts are leeches" but that we haven't sense enough to "tear them off;" that if we do not do so we will "inevitably perish by voluntary bloodletting." The latter statement is true, but let us hope that we do have sense enough to "tear off the leeches" before it is too late to save ourselves and our government.

It is but just that these bonds and mortgages should be cancelled. They are owned largely by the Rothschild and other Jew institutions. They—the Rothschilds and their lackeys—have robbed us of our substance and exhausted our resources and forced us to borrow their money.

The cancellation of debts is by no means a novel experiment. It was adopted by the rulers of Rome and Greece, and history records the fact that by reason thereof the lives of both of these empires were prolonged. The Jews themselves had their "jubilee" year every fifty years, when they cancelled all mortgage debts and freed those of their own race who had themselves become bonded by debt.

XXVIII.

POVERTY AND DESPAIR

"The aristocracy, which enjoyed by law the labor of the workers, was interested in seeing that the workers were well fed, healthy and strong. We are interested in just the opposite—in the diminution, the killing out of the Goyim. Our power is in the chronic shortness of food and physical weakness of the worker because by all that this implies he is made the slave of our will, and he will not find in his own authorities either strength or energy to set against our will. Hunger creates the right of capital to rule the worker more surely than it was given the aristocracy by the legal authority of kings. By want and the envy and hatred which it engenders we shall move the mobs and with their hands we shall wipe out all those who hinder us on our way."—From Protocol 3.

In the administration of law we are conclusively presumed to intend the consequences of our acts. This standard applies to all of us, high and low, rich and poor, male and female, black and white; it is universal. We cannot commit murder or theft and be heard to say that our intentions were good. If this standard be applied to President Roosevelt—(and why should it not?)—we must conclude that the President has intended and still intends to bankrupt the government and people of the United States; to destroy local self-government and to create a Super-Government having sovereign power over all the activities of the people, intra-state as well as inter-state.

Why should the President do these wicked and terrible things to us, his trusting friends? Why such evil designs, and why does he pursue them so ruthlessly and so relentlessly? Why, oh why, does he preach the right remedy and adopt the wrong one? If the Protocols and the designs of the Elders are not the answer, then what is it?

I can find but one answer, namely, the Protocols, and the program of the Elders who financed his campaign and brought about his nomination for the presidency. They want a dictatorship and must have it in order to destroy our government and to establish their kingdom. A contented, happy people will not tolerate war except as a defensive measure, but a poverty stricken, discontented, restless people are ready for any change. Really, war, as destructive and horrible as it is, is not much worse than peace with deflation accompanied by its want and misery and degradation.

If war should be declared then all of the President's reforms, including the regimentation of industry, agriculture, and labor, would be legal and defensible as war measures and there would then be no need for packing the Supreme Court. The President would then be our dictator or king, and in his glory.

In his message to Congress, Jan. 3, 1940, the President said:

> *"You are well aware that Dictatorships have originated in almost every case in the necessity for drastic action to improve internal conditions where democratic action has failed to respond to modern demands."*

There are two routes to a dictatorship: one is poverty and despair and the other is war. The war road led to the dictatorship of Stalin and the very recent one of Winston Churchill; and the poverty route to the dictatorships of Hitler and Mussolini.

President Roosevelt has been pursuing both routes. He and the "kept" press have neglected no opportunities to create a war sentiment and at the same time he has been diligently and relentlessly paving the way for a dictatorship of the proletariat through poverty and distress. There may be some relief from it for a short period of time because of the huge expenditure on government armaments but the underlying conditions remain and our escape will only be temporary. Sooner or later there will be a revolt of such proportions in the form of strikes or otherwise as will enable the President to declare an emergency and himself as dictator.

The following is a comparative statement of the value of our money with that of other leading commercial nations:

FOREIGN EXCHANGE RATES

(Value of foreign currencies in terms of dollars and cents)

	1929	1940
England (pound)	$4.86	$3.15
France (franc)	039	.17 3/4
Canada (dollar)	99	.7880
Argentina (peso)	95	.2260
Mexico (peso)	48	.1690
Japan (yen)	46	.2348

The 1929 column represents the comparative values when we had reasonably high prices and wages and a reasonable degree of prosperity. The 1940 column represents the value when we have low prices and wages and 10,000,000 unemployed men.

The explanation is simple. It will be observed that our dollar is more than double the value of most foreign currencies. This necessarily means that the foreigner must pay $2 of his money to buy $1 of our products as measured by our money. It means also that he will buy from other countries that can supply him with the same products whose money is near a parity with his own and where he will not be required to pay this premium.

Conversely it means that the Jewish importers—and practically all of them are Jews—can buy $2 of foreign goods with $1 of our money. It means also that the foreign manufacturer can manufacture his goods at approximately half the cost of ours because he pays for his raw material, labor, taxes, etc., with cheaper money. It means also that the importer can sell the imported article at a less price than it can be produced in this country.

To illustrate further: With wheat at $1 per bushel a Canadian dollar would have bought one bushel of our wheat in 1929, it will now buy slightly more than three-fourths of a bushel; two Mexican pesos would have bought practically a bushel, it now requires six pesos; an Argentina peso would have bought a bushel, it now takes four; two Japanese yen would have then bought a bushel, it now takes four. The worst of it is that these two Japanese yen could in 1929 have bought a bushel of Argentine wheat, but now they can buy four bushels, which means that they will buy Argentine wheat in preference to ours.

Congress extended the life of the Hull reciprocal trade program by a strict party vote; a majority of the democrats voting for the extension and all the republicans against it. This means that the American producer cannot have the advantage of even his home market. It also necessarily means his bankruptcy and the unemployment of labor. These two New Deal policies taken together will drive the final spikes in the coffin of the American producer, whether farmer or manufacturer. They are fine things for the comparatively few Jewish importers, but they will complete the ruin and destruction of the American farmer, industrialists and laborers. They pave the way for the dictatorship of the proletariat, and they were intended for that purpose. The following lines from an unknown author describe present conditions:

"Mr. Roosevelt is my shepherd And I am in want;
He maketh me to lie down on park benches,
He leadeth me beside still factories,
He disturbeth my soul.
He leadeth me in the paths of destitution for his party's sake.
Yea, though I walk through the valley of the shadow of the depression,
I anticipate no recovery, for he is with me;
His policies, his diplomacies, they frighten me;
He prepareth a reduction in my income,
And in the presence of mine enemies
He anointeth my small income with taxes.
My expenses runneth over,—
Surely, unemployment, want, and poverty shall follow me all the days of my life.
And I shall dwell in a mortgaged home forever."

It is likely that the reciprocal trade agreements will not prove to be as injurious as they were intended to be. Der Fuehrer has cancelled by conquest the agreements negotiated with France, Belgium, Poland, Czechoslovakia, Holland, and Luxembourg.

No matter what the outcome may be the ominous fact is that we now have, and will in the future have, a very limited market for our surplus products, for three reasons: (1) We have alienated most of the countries of Europe and Asia by boycotts and threats of war; (2) they have no gold or American dollars with which to pay; (3) they will be forced to adopt and will adopt a different currency system that will render our hoarded gold useless. Dorothy Thompson stated in one of her syndicated articles that Hitler plans to establish the "United States of Europe," to destroy tariff barriers and to create an independent currency system. It is the logical result of our ownership of 80% of the gold of the world.

There are also two kinds of dictatorships: the one of the Gentile called "fascist," such as the dictatorships of Italy and Germany which were brought about to preserve law and order and the rights of property, and as a protection against the usurpation of the commune. The other, the dictatorship of the Jew, called "communism," such as that of Russia, and more recently of England. The latter is a destructive type of dictatorship,—destructive of law, religion, and freedom, and accompanied by all forms of lawlessness and murder; the latter is Semitic, the former is anti-Semitic.

The excuse for Churchill's dictatorship was the Norway disaster, but it was only an excuse, for Churchill himself was responsible for the disaster and not Chamberlain. The Churchill appointment precipitated the attack on Holland and Belgium which may result in the destruction of the British Empire, but Churchill will continue as dictator despite the disaster, so long as the Jews can keep him there. He has faithfully followed the program of Stalin. His first act was to imprison all anti-Semitics, classing them as "Fifth Columnists," and now he has provided for the death penalty for them. The last report we have is that they are secretly trying Sir Oswald Mosely, which means that he will be convicted and condemned to death; otherwise there would be no occasion for secrecy.

Under the pretense of meeting a grave emergency, viz: a threatened invasion by Germany, President Roosevelt sent a message to congress asking that the bond limit be increased and that additional taxes be imposed. Congressman Andrew Anderson of Minnesota naively observed that this is the sixty-third emergency that has confronted this administration.

The President told Congress in substance to enact this legislation and turn the money over to him to spend and then adjourn and go home; that they couldn't do anything but talk and that they might be in his way. A subservient Congress has already increased the income tax a flat 10%, and provided for a large increase of the tax rate of the little taxpayer, and a small increase of the big one, and they have voted to increase the bond limit from 45 to 49 billion dollars. But the republicans have led a revolt against adjournment and it has been postponed for a time at least.

Germany financed the building of the greatest mechanized war machine in the history of the world without gold and without bonds. With 80% of the gold in the world and the greatest resources of any country, Mr. Roosevelt must have $4,000,000,000 of bonds and an approximate 40% increase in income taxes in order to even make a start. What the bonds and taxes will be by the time he is through no man can foresee. He has not yet even made a suggestion to lighten the tax burden by cheapening the dollar. He is not likely to do so for the simple reason that such act would automatically abolish his W. P. A. and other hand-outs, jeopardize his campaign fund and his dictatorship prospects.

The Wilson administration financed the last war, plus the gifts to the Allies of about $15,000,000,000, with bonds. This was wholly unnecessary and a colossal crime against the American people but we can give that Administration credit for a little breathing spell of about eighteen months of cheap money. Mr. Roosevelt does not propose to give us any respite whatever. His evident pur-

pose is to hold our "feet to the fire" until we are ready to concede him all the power he covets.

As desperate as our financial situation is now, this Administration can finance the whole armament program by simply cheapening the dollar. Mr. Roosevelt knows that this is true, and many members of Congress know it is true. We can pay the bonded indebtedness of $45,000,000,000 plus $10,000,000,000 for armaments with gold certificates having a 40 % gold reserve, which according to all of the orthodox authorities is more than sufficient. Such act would afford instant and complete relief to all of the impoverished people of this stricken land, for it would cheapen money to the extent that they could pay their debts and taxes.

All of the pending bills will place the burden on the poor who do not want war but who must do the fighting. The cheapening of money would put it on the rich, many of whom want war and will profit by it, and few of whom will do any fighting. Unfortunately, the richest of them will escape taxes in any event through their ownership of government tax-exempt bonds and their stock-selling devices.

And now the President proposes that the R. F. C. be authorized to lend the South American countries $500,000,000 against the products of their farms and ranches in order to impound them and to keep them from being sold to Germany. This is just a starter; it is only a white chip. It will require many times that amount and then the scheme will be a failure.

The people of the several countries of South America will not sell us their products unless it is to their advantage to do so. That is a cinch. Germany can and will pay more for them than we can afford to pay. That is also a cinch. It is true we have more gold than Germany, but Germany can manufacturer goods cheaper than we can. That is another cinch. In the last analysis international trade is an exchange of goods. Gold is only the medium of affecting such exchange.

Germany has no bonded indebtedness and we are mortgaged up to the limit "and then some." Our national, state and city governments and our railroads, farms and industries are heavily mortgaged and these mortgages must be paid in interest and taxes. About one-half of our cost of production is composed of interest and taxes. We can't compete with the producers of a country that is free of such burden. We must cancel our debts or we perish. We must free the people from the slavery of debt.

There is no other way.

XXIX.

AMERICA ENTERS THE WAR

"In a word, to sum up our system of keeping the government of the goyim in Europe in check, we shall show our strength to one of them by terrorist attempts and to all, if we allow the possibility of a general rising against us, we shall respond with the guns of America or China or Japan." —From Protocol 7.

The President has at last inveigled us into war. Without authority from Congress and with Congress in session, he authorized the War Department to transfer vast quantities of our arms, munitions, and war equipment to private corporations for the express purpose of being re-sold by them to the Allies, and thereby evading the law. This was done in order to avoid the agreements of the Hague convention of 1907 and the United States Neutrality Act of 1918 which made it illegal for a nation not at war "to furnish any belligerent with troops, ships, munitions of war, money, or with commodities of direct or indirect use in war." These laws apply to nations and not to individuals, and hence this miserable subterfuge.

A few days later, to-wit: on June 10, 1940, President Roosevelt said in a speech at Charlottesville, Va., "We will extend to the opponents of force (the Allies) the material resources of this nation." He thus boldly proclaimed that he would do openly what he first sought to do by indirection and subterfuge. In flagrant disregard of international law and of our own solemn treaty and of our own neutrality law, he pledged without limit the resources of this nation to the Allies. This includes arms, munitions, money, ships, food and supplies of every kind and character that may be required. It means that he has on behalf of our nation, assumed the burden of supporting the war of England when we ourselves are on the verge of bankruptcy, if not bankrupt.

In its ultimate consequences it means much more than that. General Hugh S. Johnson said of the first clandestine transfer of our war supplies: "This is no action short of war. It is war. In defiance of Congress and of the constitution the President by a slick trick . . . has committed us to war." And now he has the cold nerve to boastfully proclaim it to the world. The next step will be to send our ships with munitions and supplies and convoys to the Allies; and the next will be our soldiers; and then as surely as night follows the day, the next will be the destruction of our government, the loss of our liberties, and a dictatorship.

A few days later Roosevelt said in response to an appeal from Premier Reynaud for more help, that he was "doing everything he could for them and that

he would continue to do so as long as they would hold out; but that Congress alone had authority to declare war." This promise plainly encouraged them to fight to the bitter end, and told them that they can depend on him for everything in his power, except a declaration of war, for the reason that he was without that authority.

Mr. Churchill explained this appeal to the House of Commons in a speech a few days later. He said that when Reynaud informed him that it would be necessary for France to surrender, he advised Reynaud to appeal to President Roosevelt to now enter the war. What right had either of them to assume that Roosevelt would declare war on their request? Reynaud did appeal and when Roosevelt said he could do no more at this time but advised him to continue the fight,—then it was that France surrendered. Paul Reynaud and his backer, Georges Mandel (Jeroboam Rothschild) then fled the country to escape the wrath of an outraged and deeply injured people.

Now Britain is facing certain defeat with great destruction of life and property. Churchill, Duff-Cooper and Anthony Eden have repeatedly spoken to the English people over the radio in order to allay their fears and resentment. They have promised them that America would soon actively join them and have encouraged them to fight until this help arrives.

Why all of this reliance on America if there has been no promise of help? It all goes back to the peaceful settlement at Munich when Roosevelt led the chorus of "never another Munich." It goes back to the pledges of Bullitt and Kennedy to Poland, France, and England.

The radio commentator, Edwin C. Hill, stated that Roosevelt actually conferred with a few of his friends about himself declaring war, with Congress in session! They no doubt advised against it, and wisely so.

> *"Upon what meat doth this our Caesar feed,*
> *That he is grown so great?"*

Congress is now at last evidently afraid of him, for after having tentatively agreed to adjourn on June 22nd the decision was revoked.

We are now at war with Germany and Italy. This war may be extended later to Japan and Spain. Russia may keep out of it in order to be better prepared to administer upon the wreckage when the warring countries are exhausted. We now have in prospect the universal war for which the "Learned Elders of Zion" have been scheming and working since they failed to establish their Super-

Government through the League of Nations. It may result in the kingdom of the "Despot of the blood of Zion" with Roosevelt or Jeroboam Rothschild as such "King-Despot."

The President has already practically assumed the office of dictator, with only an occasional protest from Congress. He has led us into war, with Congress in session, and despite the recent assurances of the majority of the members of Congress that under no circumstances would they permit our country to become involved in the present war except for defense upon our own shores.

It was recently reported in the press that a contract had been made with the Ford Motor Company to manufacture airplane engines for the British Empire and America. Mr. Henry Ford denied the report. He said that his company was willing to make these engines for the defense of America but not for the prosecution of the war by the British. Mr. Knudsen, on behalf of the "Council for National Defense," answered that the contract involved making engines for both governments, and the Committee cancelled the contract because of Mr. Ford's refusal to manufacture engines for the British Empire.

This controversy reveals the following facts: (1) That our alleged "Council for National Defense" is now engaged in buying war equipment for the British Government; (2) that they are more interested in buying for the British Government than for ourselves; (3) that they are making these purchases for the joint account of the United States and the British Governments; (4) it is a fair inference from these facts, that this Committee will make payment for this equipment out of the $5,000,000,000 fund that Congress has provided for that purpose. Thus it appears that we are being taxed to the point of confiscation of property, to support the tottering British Empire and the Rothschild family fortune.

We are in. Make no mistake about that. And we will stay in until our government is destroyed, if Franklin D. Roosevelt is continued in office. And we are not in for the defense of our country; we are in for its destruction.

It is now reasonably clear that England will soon be taken by the Germans,—but that may not end the war. It would end it except for our intervention. It was Churchill himself who said that we did the Allies more harm than good in the last war, because by entering it we delayed the peace for two years. He criticized us for then doing what he now begs us to do. Our entering the war would now do the people of the British Empire more harm than good, for many of them and their possessions will be destroyed if the war is prolonged.

The Senate Naval Affairs Committee, of which Senator David Walsh of Massachusetts is chairman, investigated the rumor that our government had transferred 23 of our war vessels to Great Britain. Mr. Lewis Compton, acting Secretary of the Navy, at first denied that such transfer had been made, but later admitted it; he admitted also that the vessels were not obsolete, and his own responsibility. When the President was advised of this, he contradicted Mr. Compton and informed the committee that he alone was responsible for the transfer. This was probably done in order to prevent further investigation and to save further disclosures.

This transfer is in plain violation of Chap. 30 Title V 3, 40 Stat. 222, U. S. C. A., which prohibits the transfer of a war vessel to a belligerent nation. The President again violated the law by giving Britain 50 of our destroyers with their guns and ammunition and that cost us more than $100,000,000.00,—as proposed by "Sir" John Pershing—This was a pretended exchange for air bases, at first denied but later justified on the ground that it was a good trade. The consideration paid for these 99-year leases of a few thousand acres of cheap land is so grossly exorbitant that it can only be considered a gift and an under-cover entry into the war. This was done by our dictator without the consent of Congress, and with Congress in session. It is either a flagrant violation of our own law; punishable by fine and imprisonment, or it is war. If we are in fact engaged in war with Germany and Italy it is legal and defensible, otherwise it is not. It is evidently intended by the President as an under-cover, back-door entry into the war.

Mr. Churchill recently stated in a speech in the House of Commons that in case Hitler invaded and conquered England that the government would move to Canada and with our help they would continue the fight. In anticipation of such contingency the President made a trip to Canada a few years ago and there made a speech in which he assured the Canadians that the United States would extend the Monroe Doctrine to Canada and would protect them.

This was an unprecedented and unwarranted and unauthorized extension of the Monroe Doctrine. It was never intended to apply to any part of the British Empire, but only to the weak and defenseless countries of South America. It was to prevent future foreign absorption of South America. When this doctrine was first announced Canada was a part of the British Empire and was accepted as such.

It is obvious that this assurance on the part of the President was a premeditated one, in pursuance of a carefully premeditated plan, and in anticipation of the war that the "Elders" then planned and that we now have. They "planned it that way."

They have been preparing the ground for this war for many years. It is evident that Mr. Roosevelt has participated in this conspiracy. That is the explanation of the New Deal with all of its regimentation, the purchase of the gold and silver of the world, the stabilization fund, the extension of the Monroe Doctrine, and of his frantic desire to get us into the war.

If Mr. Hitler is the blood-thirsty, ambitious villain that the Jew press represent him to be, he will declare war on us and he will do it now while we are unprepared and unarmed. He will not wait two or three years until we can gear up our industries and replenish our depleted war equipment. He has more sense than that; he will do it now while he is ready and we are not.

The Mexican government is a vacillating unreliable one that is sometimes friendly to us and sometimes not, according to their interest of the moment; the same is true of Brazil. Offered sufficient inducement, either of them will turn against us. President Vargas recently made a speech in which he in substance welcomed the new order that would accompany German victory and would supplant the decaying civilization of Britain and France, as he described them.

He may be right about it, for they both have the "Jew-rot," which is a combination of graft, bribery, and of great wealth and great poverty. Their inefficiency in war is due primarily to this disease. We suffer from the same cancerous disease gnawing at our vitals, and we will suffer the same fate if we do not eradicate the germs of it.

It is at least a possibility that Brazil will welcome Hitler. In that case, what will become of the steel plant we propose, according to press reports, to build in that country? (Ostensibly, of course, as a defensive measure.) There is now pending in Congress a bill with administration support, to enlarge the powers of the R. F. C. in order to enable it to furnish the required capital. There appears to be no constitutional limitation whatever upon the activities of this vicious administration of our government and of this vicious corporation.

It is at least debatable whether we are justified in going to war to enforce the Monroe Doctrine, and particularly to protect a state that does not ask or want our protection. If it is our fixed policy to enforce this doctrine then we should ourselves respect it.

The Monroe Doctrine demands America for Americans.—but concedes Europe for Europeans and Asia for Asiatics. That is the present position of Japan and Germany and Italy. Japan proposes to enforce it in Asia; Hitler and Mussolini in Europe. However much we may wish to preserve the status quo in the East

Indies and the British Empire, it is none of our affair, and there is nothing we can do about it except to go to war and probably destroy ourselves.

> *The people of these countries can solve their own problems in their own way, as they have heretofore done,—without our help. Our position should continue to be—as it has always been into maintain friendly relations with whatever governments they establish.*

It must be conceded that both Hitler and Mussolini have ample provocation for war. The President has called them names and made faces at them. He said of Mussolini that he was an assassin who "stabbed his neighbor in the back,"—but if he had declared himself on the side of the Allies he would have had the benedictions of the President. It is not incumbent on them to declare war on us, for we first begun war on them by pledging our unlimited support to the Allies. Mr. Roosevelt declared an economic war on Germany more than a year ago by his boycott; and challenged Hitler to arms by withdrawing our Ambassador.

I do not believe that Hitler wants to make war on us or wants anything on this side of the Atlantic Ocean. He certainly does not want our Jews, and he has managed to get along very well without our gold. If we should make the mistake of reelecting Roosevelt for a third term, he may construe this as a ratification of Roosevelt's war-like demonstrations and he may conclude that war is inevitable sooner or later. In that case he may accept Mr. Roosevelt's challenge and wage it while we are unprepared.

No matter what opinion we may have of Mr. Hitler, we must concede that he has been forced into this war; that he was ready to make peace on the basis of restoring to Germany the territory wrongfully taken from her by the peace treaty; and that he has conducted the war according to the rules of civilized warfare.

Mr. Hitler has stated on many occasions that this war is primarily with the Jews, whom he holds responsible for it. They have now been overthrown in all of the countries of Europe except England, their ancient stronghold.

They are now fleeing to this country from all of Europe and our Jew administration has, in violation of law, opened wide our ports to them. They expect to continue their war from here. They have already responded with "the guns of America" and they are working over-time to get our boys into it. They understood their power over our government better than we Americans, for none of us believed they could involve us.

XXX.

SKULDUGGERY

"By our intrigues we shall tangle up all the threads which we have stretched into the cabinets of all States by means of the political, by economic treaties, or loan obligations. . . . In this way the peoples and governments of the goyim, whom we have taught to look only at the outside of whatever we present to their notice, will still continue to accept us as the benefactors and saviors of the human race."—From Protocol 7.

Why have we entered this destructive war upon the losing side? War involves great sacrifice and suffering. It is never justified except for self-defense. The warmongers seek to justify it upon that ground. They tell us that the British navy is our first line of defense. It has never been so used, and neither we nor Great Britain have so regarded it heretofore. But even if that were true it would be far cheaper and more dependable for us to provide our own navy. That is precisely what the government is now proposing to do and for which it has authorized immense appropriations. If our own country is in danger of attack the place to defend it is in our own waters and on our own shores and not in foreign waters and on foreign shores.

On June 10, 1940, there was published in all the leading newspapers of the country a full page advertisement over the signatures of about thirty well known Americans, headed by William Allen White of Emporia, Kansas, with the flaring headline, "Stop Hitler Now." It was followed by an argument advocating our immediate entry into the war. According the press reports, Mr. Roosevelt read the advertisement "and found it to be a great piece of work and extremely educational for the people of the country." Yes, a "great piece of work and extremely educational" for war. This advertisement was paid for by the Rothschild banks of Morgan & Co., Kuhn, Loeb & Co-, and their affiliates.[50]

There are very obvious reasons why "our bank" would like to get America into war.

Until recently the argument was made that we should enter the war on behalf of France because she helped us in our war for independence against Great Britain. This was also one of the arguments for our entering World War I,

[50] Congressional Record, July 11, 1940, p. 14359-14360.

which resulted so disastrously for the entire world. This argument, however, no longer obtains, since England is now at war with France.

False Albion treacherously turned upon her former ally, France, and destroyed many of her ships and killed more than 1200 of her seamen. The battle, if it may be so dignified, is thus described by the magazine "Time":

> *"In the night of July 2-3 (1940) at various ports of England and Scotland, armed parties of British officers and men quietly boarded all major French ships berthed with the home fleet, mostly at Portsmouth and Plymouth."*

They were not able to do this at Oran, which is in French waters, and so they slipped up in the night and mined the waters around the French ships while they were riding peacefully and unsuspectingly at anchor. The British commander then demanded their surrender and upon being refused opened up a murderous fire without warning that destroyed and damaged a number of French ships and killed 1200 men. The British sustained no losses for the reason that the French did not expect an attack by their former ally, their ships were not steamed up and consequently they were in no position to maneuver their guns and to fight.

This was another great British victory (?) and so hailed by the Jew press of England and America. It was another Altmark victory. The only two British victories in this war to date have been against an unarmed foe and in violation of the rules of civilized warfare. No savage would have attacked a prostrate friend without provocation.

French Foreign Minister Baudouin said of it: "Mr. Churchill is guilty of an act of aggression, which is without precedent in the history of the world;" that Britain "must shoulder the blame for the loss of the war for she selfishly thought of the defense of the British Isles and provided only a minimum military aid to France." He later stated that France had furnished three million men and Britain only two hundred thousand.

Baudouin said further that "the British saved four-fifths of their troops from Flanders, embarking them from Dunkerque, while the French lost half of their forces; that the British furnished only 14,000 troops for rear guard operation and the rest of the 200,000 were French." He might have added that the French lost 1,900,000 men in killed, injured and prisoners, which is nine times the number of soldiers furnished by Britain, and more than forty times British casualties.

And now the British have several French ships bottled up in the French Martinique port. Our government has sent four of our destroyers down there. What for? Is it to help our traditional friend and ally, the French? No, no, far from it. Why should we turn against the country that helped us win our independence? A little while ago it was said we owed it to France and to LaFayette to help her. And now she is our enemy? Why? Can it be because the French government refused to allow the city of Paris to be destroyed in order to get us into the war? Can it be because France surrendered after the loss of two-thirds of her army? No, no. These are not the reasons. Whatever the true reason may be we have not entered this war to help France.

We do not yet know the whole truth about all of this war propaganda and the President's activities to involve us in the war, but some of it has come to light. When Germany captured Warsaw, the capital of Poland, she also captured the official archives, and among them a transcript of the negotiations between our government and the Polish government leading up to the war.

It appears therefrom that our ambassador to France, the Jew Bullitt,—just before sailing for Paris "with a whole trunk full of instruments and conversations and directions from President Roosevelt and the State Department and senators who belonged to the Committee on Foreign Affairs,"—held a conference with the Polish Ambassador (to the U. S.) Count Potoki. This conference was reported by Count Potoki to his government in part as follows:

> *"3. It is the decided opinion of the President that France and Britain must put an end to any sort of compromise with the totalitarian countries. They must not let themselves in for any discussions aiming at any kind of territorial changes.*
>
> *"4. They have the moral assurance that the United States will leave the policy of isolation and be prepared to intervene actively on the side of Britain and France in case of war. America is ready to place its whole wealth of money and raw materials at their disposal."*[51]

It appears further from these official notes that the President was quite urgent that Poland should reject Germany's demand for return of the Danzig Corridor and that Britain and France should support Poland in this position and should declare war on Germany if she (Germany) undertook to take it by force. Beck refused to keep his engagement with Hitler. This was followed by Hitler's inva-

[51] Congressional Record, July 11, 1940, p. 14371.

sion of Poland and a declaration of war on the part of Britain and France against Germany, as pointed out in a previous chapter.

Thus it appears that President Roosevelt is himself primarily responsible for the war. We can now understand why Reynaud on Churchill's advice, issued his distress call to Roosevelt to come in. We can see why the President said in substance in reply: fight on to the end; I am doing everything I can.

This explains also the speeches that are being made from time to time by Churchill, Duff-Cooper and Eden, encouraging the people of England to continue the fight on the ground that the United States will later enter the war. It explains their oftrepeated published statement that this is our war and that they are fighting it for us.

It is not our war. It is the war of our Jews, of French Jews, and British Jews. The French Jews have been overthrown and have fled the country. The British Jews are still in power, and so are ours. It is a war to save the Jew Empire and the gold standard and to destroy our government and to enslave us. It is a war to establish the "King despot of the blood of Zion." England can make peace now without the immense destruction of life and property that will soon follow, but she cannot save the Jewish empire. It is doomed.

Nor can we save it. Roosevelt is still working feverishly to that end but the result here will be what it has been in Europe. They have not yet initiated pogroms in Europe but the people of France, Hungary, Romania and Spain have disfranchised the Jews, barred them from holding office, and from their newspaper activities. That must be done here. If it is not done the activities of the President and his Jewish administration will bring upon us the death and destruction that he has already caused in Europe.

Our imperial President is now organizing us and the western hemisphere for war. Our new Secretary of War Stimson is endeavoring to ramrod a compulsory conscription bill through Congress that will involve an additional estimated annual expense of $1,100,000,000.

Suppose we now had one million trained soldiers fully armed and equipped and a powerful two-ocean navy, does anyone doubt for a moment that we would be up to our ears in this war? There are but two things that will keep us out when we are fully prepared: one is Roosevelt's defeat; the other that the war will be over.

The war would now be over but for the interference of President Roosevelt. He is now telling Churchill the same story he told Reynaud: "fight on, I am doing all I can." They would not continue this losing fight except for the fact that both of our presidential candidates are committed to war and we are making preparations to get into it at the earliest possible moment.

England will likely soon surrender but the Churchill plan is to remove the British government to Canada and to continue the fight from there. The President is now seeking to line up the South American countries in order to mobilize a solid western hemisphere front against Europe and Asia, and to do so is offering them $500,000,000 in some concealed form as a token of good faith. They appear to be suspicious of him,—and with good cause.

The Argentine representative, Mr. Melo, expressed opposition to "sacrificing his country's jurisdictional principles." He said very properly that the question of the disposition of the French and other islands should be left to the people of such islands and that the United States and the South American countries had no right to assume a "collective trusteeship" over them. He said also,—and congress should take note of it—that the "proper time to cross a bridge is when it is reached," and that no action should be taken which is "based on a mere hypothesis."

A face-saving compromise was finally agreed upon which was signed by Mexico, Chile, Bolivia, Colombia, Venezuela, Peru, and Argentina, subject to the approval of their respective legislative bodies. Interpreted, it means that if they hereafter find it to their advantage to work with the United States they will do so, otherwise they will not. It means precisely nothing; the conference was a fizzle. But that small circumstance does not restrain the Administration. Mr. Roosevelt still insists in flagrant violation of our national constitution that congress authorize the Export- Import Bank to lend the South American countries $500,000,000 which they will no doubt accept and which we will likely lose.

The real purpose of the conference was not apparent on the surface. It was not primarily to establish a cartel for the purpose of acquiring and disposing of the products of the Americas; nor to establish a "collective trusteeship" over the foreign-controlled islands of the western hemisphere. These were probably incidental objectives but they were not the moving cause of the Jews who brought about this conference. The true purpose of it was to weld the Americas and Canada together into a compact fighting unit and to preserve the gold standard. It was a Jew scheme concocted by the Jew Adolph Berle, Assistant Secretary of State, in furtherance of their purpose to destroy our government.

The reason is war. The conference was held in anticipation of the British moving their government to Canada, for there can be no long war otherwise. It was a step to incorporate the Americas into the British Empire, for otherwise the British have no means to prolong the war when they get here. Apparently the South American countries understand the true import of it and they don't want it.

XXXI.

PARTY GOVERNMENT

"By the ceaseless praise of Democratic Rule we shall divide the Christians into political parties, we shall destroy the unity of their nations, we shall sow discord everywhere. Reduced to impotence, they will bow before the Law of Our Bank, always united, and always devoted to our Cause."—From Funeral Oration of Rabbi Reichhorn. (Addendum to Protocols.)

It is shocking to learn that the Jews are responsible for the creation of political parties and that they have caused them to be organized for the purpose of promoting discord and confusion, and to subject us to the "law of our bank." The rule of political parties has until recent years been universal throughout the world even in those countries where the head of the nation was a king or an emperor. They have within the past few years been abolished in Germany, Italy, Spain, and Hungary, and more recently in Romania and France, together with the Jewish Continental free masonry and B'nai B'rith. These governments are now called "totalitarian" in contra-distinction to those ruled by the Jews and political parties called "democratic."

We have all prided ourselves more or less on our party loyalty and regularity. We boast that we have never "scratched the ticket" and that our fathers before us were democrats or republicans, as the case may be. We all believe that our party stands for sound economic and political policies and that the opposition party is against them, and we are always ready to defend the party's principles as proclaimed in its platform.

Observe the phrase "law of our bank." It indicates that there is one law and one bank. There is in fact but one Jewish law and one Jewish bank and it is "always united and always devoted to our cause." Observe also the possessive, "our bank." It is a direct recognition of the fact that this bank (the Rothschild bank) belongs to the Jewish race, and that the objective of this bank is the objective of the Jewish race.

At the time of this Funeral Oration in 1869 the Jews generally were desperately poor, without citizenship, and living in squalor in the ghettos of the various cities of Europe. There are now many wealthy Jews but the wealth of many of them has stemmed from the Rothschild root. The Rothschild fortune, magnified as it has been during the years since it was founded, with all of its branches and affiliates, is still "united and devoted to our cause." It was de-

voted to that purpose by its founder, old Amschel, and it has been so employed ever since.

The "law of our bank" represents the ruthless law that has governed what we call "high finance" or "Wall Street" since the civil war. It represents the law that controls the Bank of England and other Rothschild banks. The record of the money power for the past 100 years demonstrates the truth of the conclusion that it is "always united and always devoted to our cause," and that "cause" is the subjugation and enslavement of the Gentiles and the elevation and enthronement of the Jews. That is the present objective of Jeroboam Rothschild and his secret 300 Elders of Zion.

They have sought to incorporate this international banking power and to give it a legal status by establishing the Bank of International Settlements but to date the undertaking has not proven to be very successful. Under the pretense of providing a clearing house for the settlement of German reparations an international conference was held by government appointed representatives that resulted in the creation of this bank with a capital of $100,000,000.

President Hoover appointed Thos. W. Lamont and Owen D. Young as our representatives to this conference. J. P. Morgan & Co. subscribed $25,000,000 of the capital, the balance of the stock being subscribed by the Bank of England and other central banks. It is strictly a Rothschild super-bank for the purpose of regulating the economy and welfare of the people of the world.

The "law of our bank" is also the law of the Jewish rabbi and the Jewish leaders. The Rothschilds and their Council of the Jewish Agency (the 300 Learned Elders of Zion) are the despotic rulers of the Jewish race. The despot of Zion is already established so far as the Jews are concerned. Some of them are not active Zionists but they are all obedient, and most of them are sympathetic.

This address of Rabbi Reichhorn was a carefully prepared statement of the plans and purposes of the Jewish race, made by a distinguished Jewish leader on a solemn occasion, in honor of a departed leader. It sets them forth with clarity and precision. It is copied in full in Appendix II at the end of this book.

We have been divided into two political parties here in America, viz: the democratic and republican, and the Rothschild banking interest through Baruch, Lamont, et al., and the lavish use of money has acquired control of both of them. There is never any division between the parties where the vital interest of this malign power is concerned.

A striking example of the truth of this statement is afforded by the enactment of the Federal Reserve Act. It was first attempted through the Republican Party and having failed because of democratic opposition, the Republican Party was defeated and it was then put over in disguise and by deception through the Democratic Party.

We have just had two party conventions and the two parties have announced their platforms. There is a shade of difference between them but not enough to enthuse over. In their essentials they are the same. They both pretend isolationism but they both nominate interventionist candidates. They both stand for a continuation of the New Deal, for Secretary Hull's reciprocal trade agreements, and for the regimentation of the people of America.

The nominees of both parties are satisfactory to the Rothschild interest. The British and the Jews and the Jew press hail Willkie's nomination as a great victory for the warmongers,—and so it was. They could afford to spend $100,000,000 to bring about his nomination, and they may have done so. Who knows? We do know that from the date of his announcement he was given great and favorable publicity by the Jew press, the Jew radio, and the Jew cinema. Whenever his name was mentioned in the convention hall the packed Jew galleries responded with great applause. With a good radio one could distinguish the Yiddish accent and the Soviet yell.

The republicans could have won the election "hands down" with Dewey or Vandenberg or any other respectable non-interventionist, but republican victory meant nothing to Baruch, Lamont, Lippman and the other Jew politicians. They want war. It is true the republican platform declares against war, but platforms mean nothing to a Jew warmonger or a Jew sponsored candidate. He will do exactly as the Jews want him to do,—as Roosevelt has done. If he values his life he will not dare double-cross the Rothschild power.

The sponsors of the Willkie campaign were Barney Baruch representing the Kuhn, Loeb interest and Thomas W. Lamont representing Morgan & Co. They were powerfully aided by the Jew press, radio, etc., and such columnists as Walter Lippman, Dorothy Thompson and other warmongers. Some of these sponsors were likewise sponsors for Roosevelt's third term. They no doubt prefer Roosevelt but fear their ability to elect him and they have therefore selected an opposition candidate who has pledged himself to carry out his and their program.

> *"The Day," calling itself "The National Jewish Daily," printed in Yiddish at 183 East Broadway, New York City, Rabbi Samuel Margoshes, Editor, born in Galicia, published in English on July 7,*

1940, the following amazing interview with Republican Presidential Nominee Wendell L. Willkie, in the Editor's column:

"I regard anti-Semitism in America as a criminal movement and every anti-Semite as a traitor to America. I spoke over the radio making clear my attitude toward the Jews, long before I even thought of becoming a candidate for the Presidency. I am glad to have an opportunity of expressing my sentiments again . . . What we require are laws by means of which we shall be enabled to eliminate those who would transplant on American soil the poisonous growth from Germany and other countries."[52]

Mr. Willkie's secret commitment to the Jews sheds a flood of light upon the Jewish enthusiasm for him as shown in their press and the thousands of telegrams sent to the republican national convention delegates and the boisterous gallery applause.

If the law that Mr. Willkie advocates is enacted then the author of this book is a traitor and is made a criminal, although every word contained in it is the truth. It is not the conclusions here stated that create anti-Semitism but it is the conduct and purposes of the Jewish leaders that create it. The Jews have enough power without such a law. They have the power to persecute and to injure any man who dares criticize them and they exercise it ruthlessly,—and yet the truth must be told if conditions here pointed out are ever to be corrected by peaceful methods.

So far as the Rothschild interest in concerned, it appears to be safe with either Roosevelt or Willkie. They no doubt prefer Roosevelt because he has proven to be their faithful and dependable servant but they will support Willkie if they think he stands the best chance of election. As to the balance of us, it is the difference between tweedledum and tweedledee.

Senator McNary, republican nominee for Vice President, is decidedly preferable to Wallace. He appears to be an honest, straight-forward, courageous and capable man. He is at least a genuine friend of the farmer, as shown by the McNary-Haugen bill. This proposed bill would guarantee the farmer the American market and profitable prices for his products, and it would relieve him of the petty and endless regimentation to which he is now subjected.

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[52] R. E. Edmondson's Bulletin, July 8, 1940.

The Chicago democratic convention was a convention of job-holders and was a cut and dried affair; the most of the delegates to it had been selected by job-holders. Mr. Roosevelt and everyone else knew long before the convention was held that he would be the nominee, and yet he chose to remain silent about his acceptance until after he was nominated. He then dramatically accepted it as a call to service, stating that he had "no desire or purpose" to hold the office for a third term. He is in error. It has been his "desire and purpose" from the beginning, otherwise the convention would not have been stacked. It is simply Mr. Roosevelt's way of doing things, to-wit: to say one thing and mean another.

We must abolish political parties. This is not such a radical suggestion as it appears to be, but only a common sense one. There is no reason why any man should not be permitted to run for any office on his own platform, just as he does for a party nomination. There is no reason—absolutely none—for two elections, one for a party nomination and the other to be elected.

The father of our country, George Washington, gave us good advice upon this subject, as well as upon the subject of foreign entanglements. He strongly condemned party government. If we had only listened to his words of wisdom instead of the sly suggestions of the Jews we would not be in our present deplorable situation. We must destroy the shackles that curb our freedom and that we have forged upon ourselves.

Congress should elect the President. This was the French system and is an improvement over our effete electoral college. It may require a constitutional amendment. This system will minimize many of the evils of a presidential election.

For one thing it will not permit the "Elders" to select for us a candidate satisfactory for their schemes,—a man with "a dark stain, a 'Panama' in his past." For another, it will avoid the tremendous expense of a presidential campaign and thereby void the bribery involved in huge campaign contributions. For still another it will minimize the constant and ever increasing encroachment of the Executive upon the powers of Congress, for the President will be accountable to Congress. And for still another, it will tend to neutralize the power of the foreign vote of the large cities in the election of the President, since it will give all of the small states the advantage of two senatorial votes.

This will, as stated, involve a constitutional amendment, but the constitution itself makes provision for its amendment. The process is a laborious and difficult one, but even so it is far better than the plan of the New Deal, viz: to change the constitution through the interpretations of a handpicked court.

Political parties were designed by the Jews to enable them to corrupt and control governments, and they have been useful instruments in their hands. Through them they can indirectly buy the members of a political party when they could not reach them directly.

We now have the sorry spectacle of southern political leaders such as Barkley, Bankhead and Rayburn blindly supporting all of the vagaries and extravagances and unconstitutional reforms of the New Deal in violation of their professed political principles of a life time. It may be that none of these men could be bought directly and individually by Rothschild gold, but the party can be bought, and they can and are delivered by such purchase.

The results are the same. Their country is "sold down the river" just as effectively and as completely as if each and every one of them had been personally corrupted. This is not peculiar to the Democratic Party. The Republican Party is for sale and is sold like a sack of potatoes, and the leaders of the party are delivered like a sack of potatoes. We have become so inured and blind to party government that many of our politicians openly proclaim their fealty to party over their convictions and their loyalty to their country.

This is not peculiar to America and to our system of government. The same has until recently been true of every country of the world. It is through the corruption of political parties that the Jews have ruled the world; it is their brand of their boasted "democracy." It was evidently true in England when the Peel amendment was adopted. It was true when the McDonald (labor party) government was in power; there was no substantial difference between it and the preceding and succeeding conservative governments. It is true now in England.

The government of the British Empire is today as strongly Jewish as our own; and this control was obtained in the same corrupt manner that they obtained their power here, viz: by the corruption of political parties. The Jews and their propaganda agencies are riding the English and American people hard at this time but they are riding for a fall. We are at last beginning to understand the secret of the power that has misgoverned us so long, and this understanding will make us free, for the truth is mighty.

XXXII.

"KING FRANKLIN, 1ST"

"Ever since that time we have been leading the peoples from one disenchantment to another, so that in the end they should turn also from us in favor of that King-Despot of the blood of Zion, whom we are preparing for the world.

"When the hour strikes for our Sovereign Lord of the entire World to be crowned, it is these same hands (want and envy and hatred) which will sweep away everything that might be a hindrance thereto."—From Protocol 3.

The Rothschilds and their League of Nations will soon transfer their headquarters to our shores. The most of their gold is already stored in the Kentucky vaults, and the President has sent our ships for Jewish refugees and for the balance of it upon the pretext of moving Americans.

The Associated Press reported that "of the 1914 passengers aboard the incoming liner Manhattan, 862 are aliens, mostly Jewish refugees." It was also reported in the press about the same time that several hundred Americans were stranded in Europe because they did not have enough money to pay their passage home. They are of course just plain Americans,—not Jews. We are justified in suspecting that the ship was sent over to afford American protection for the removal of rich Jews with their gold to America. The press only affords us an occasional glimpse of what is transpiring daily.

The "Despot of the blood of Zion" whose ancestors have ruled the British Empire for the past 100 years, clandestinely but with an iron hand, is now headed for America with his gold. It may be that he has already arrived, for I may be in error in my conclusion that Jeroboam is the present ruler of the Rothschild fortune. It is the view of Count Cherep-Spiridovich that it is Edward Rothschild, and if that be true he is now here. On the following page is a reproduction of his picture as it appeared in the daily press with the comment thereon. It was stated in that connection that the $1,000,000 of jewelry was classed as personal property and that he did not pay any duty on it. In appearance he is not much of an improvement over Jeroboam.

The last report on Jeroboam Rothschild (Georges Mandel) is that he fled to Spanish Morocco and that the government of Spain turned him over to the French government to be tried for treason. The United Press of July 29th, 1940, carried the report that the French government has created a special high

court of "seven magistrates who will be designated because of their independence of all political ties," for the trial of these alleged traitors.

"REFUGEE ROTHSCHILD ARRIVES WITH MILLION IN GEMS"



"Seventy-year-old Baron Edward Rothschild, internationally famous banker of Paris, is pictured as he arrived at La Guardia field, New York, Wednesday, from Europe aboard the Yankee clipper. The fabulously rich financier is holding a small handbag containing $1,000,000 in jewelry. The baron and his family left Paris on May 20 for Switzerland, made their way to Bordeaux and Spain and then motored to Lisbon to get the clipper. They will go to some suburban retreat in this country for a rest, it was said."

It is further stated in this report that the death penalty will be sought for Mandel (Jeroboam Rothschild) who will be charged with "plotting against the state's security," but that Leon Blum and the other Jewish members will only face "political charges" which involve the penalty of life imprisonment. Let us hope that this will end the ambitious mighty empire founded by the will of Amschel Mayer Rothschild. It is a pity that the French court is without jurisdiction to try the other conspirators who brought about this terrible war.

In his Charlottesville speech on June 10th, 1940, the President, in his discussion of isolationists, said:

> *"Such an island represents to me and to the overwhelming majority of Americans today a helpless nightmare of a people without freedom, a people lodged in prison, handcuffed, hungry, and fed through the bars from day to day by the contemptuous, unpitying masters of other countries."*

Mr. Roosevelt is mistaken about it. Isolationism does not present any such picture to "the overwhelming majority of Americans." We have been isolationists all of our lives; it is the traditional policy our government, and we have never before feared the loss of our freedom and "an unpitying master." A dictatorship does offer such a prospect but we have no fear of a foreign dictator. We do fear, and with good reason, that Franklin D. Roosevelt will convert the Jew-deal into a Jew-dictatorship.

This is merely inflammatory propaganda for the purpose of creating war sentiment. It is a gruesome, doleful picture that is calculated to scare us into anything. Suppose he gets us into war and becomes our dictator, what assurances have we that he will be any better than "the contemptuous unpitying masters of other continents"?

Churchill has not proven himself to be a better dictator than Hitler. He has imprisoned as "fifth columnists" the anti-Semitics and the critics of his administration, and he has provided for the death penalty for them and has probably killed many of them. The "unpitying masters of other continents" could do no worse. Hitler has treated the Jews no worse. The Flanders retreat which Mr. Churchill ordered after honorable and reasonable terms of surrender had been proposed was a massacre, the extent of which is not unknown.

In the face of certain defeat Churchill appears to be willing to fight until the last Christian is killed. And for what? Not for the soldiers who are fighting a losing battle, nor for their families;—but to preserve an empire that is decayed with "Jewrot" and that is operated "by, of, and for" the Jews.

Another sample of Mr. Churchill's cruelty and ruthlessness has just been revealed by the press report from France of June 15, 1940, as follows:

> *"Commenting on the French decision not to defend Paris, authorized spokesmen said: —*
>
> *" 'For the first time reason prevailed, and for the first time the French acted against the will of the British who wanted a destroyed Paris for propaganda purposes."*
>
> *"The French are beginning to see they always are called upon to pay the bill.' "*

It appears that the French cabinet split upon this very rock. Reynaud, Handel, Blum, and the other Jews in the government agreed to the British scheme but Marshall Petain and the Gentiles refused. The Jewish members became exiles and the French government, after suffering losses of 1,900,000 men in dead, wounded and prisoners, surrendered. And now the British government through a renegade (DeGaulle) has organized an opposition government and is nightly bombing French cities. Our government has also turned on her former ally (?) and has seized her gold stored in the Kentucky vaults and her ships that are in our ports.

We can now very well believe that the Germans are right in claiming that Churchill sank the "Athenia" for propaganda purposes. If he sought the destruction of the great city of Paris with the thousands of helpless men, women and children who would necessarily be in it, for propaganda purposes, he would not balk at the destruction of a ship with a few hundred people on it.

The Associated Press of July 25th, 1940, reports that former Premier Daladier, Mandel (Rothschild) and sixteen others were arrested on their return from French Morocco, where they fled two days before the armistice "was signed. The report states that they will be tried for treason for plunging the country into war, and that in the "name of justice those responsible" for the calamity of France will be punished, and that "on the day of their trial our dead will be present among the accusers."

The government of France now recognizes that the former Jewish government is responsible for the war, and not Germany. In their published statement they say "we are buried under the ruins of a liberal parliamentary capitalist regime. You have lived on lies. The hour of truth now has sounded." We will soon know the names of the conspirators who brought about this frightful destructive

war. I fear that our beloved (?) humane (?) President Roosevelt will be found near the top of the list.

We must stop the warmongers and their war clamor. We must remove the filthy, hairy hands of the Jews from our press, cinema, radio, and the throats of the people, even if it is necessary to confiscate their property and expel them from our country. The remedy, it must be admitted is a radical one, but their conduct and the conditions that prevail make necessary this or some other radical remedy. We have passed the stage when homeopathic remedies will do any good; it takes a major operation.

They will of course set up a great howl that the remedy is unconstitutional and will invoke the protection of a constitution they are now seeking to destroy; Mr. Roosevelt can suspend the constitution in case of war against a foreign foe or an emergency against a domestic foe. It can always be suspended for the preservation of our government. We can and must suspend it, if it is necessary to that end.

Unprepared as we are for war, he still seeks to provoke it. He appears to be still working to destroy this nation in order to rule it and to promote the Rothschild power. Despite the fact that the people of this country want to live in peace, he persists in his insane effort to involve them in war. His appointment of warmongers Henry L. Stimson as Secretary of War, and Frank Knox as Secretary of the Navy, means war. He forced the resignation of Secretary Woodring because Woodring was opposed to war and to giving Great Britain our airplanes, munitions, etc.[53]

His appointee Col. Frank Knox furnishes us with an apt description of Mr. Roosevelt's character and duplicity. He says that as a "matter of tactics he will not avow his aim." And to reach it he is ready to "bow, smile, agree, assert, evade, deny, distort, distract, delay, retreat, startle, dazzle, juggle, sidestep, and circumvent." This is what Col. Knox said of him in his newspaper before his appointment as Secretary of the Navy. He said of him further that "he is no more bound by precedent than by his own statements; It is bad enough to have for president in time of peace a man who is over-confident, incautious, self-willed, uncertain and unreliable. In time of war it would be disastrous."[54]

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[53] See Congressional Record, June 21, 1940, p. 13331 et seq.

[54] Congressional Record, June 21, 1940, p. 13859.

This is what the protocols call "cunning and make-believe," the qualities of an ideal Jewish ruler. That is a true pen-portrait of "King Franklin, 1st," our present pseudo dictator and our future "King-Despot" by his present Secretary of the Navy. The dictatorship is almost within his grasp. All that is needed is another emergency (the 65th) which he can and will declare at the first opportunity. Congress is the only bulwark that stands between us and the slavery that he so graphically described in his Charlottesville speech.

In concluding the Charlottesville speech Mr. Roosevelt truly said, (for he sometimes inadvertently tells the truth):

> *"And the love of freedom is still fierce and steady in the nation today."*

We have inborn in us the spirit of freedom and we will not "take our medicine lying down." It may mean much suffering to us but it is certain to mean that we will rid ourselves in the end of the undesirable Jew, the Jew-in-law, and the hybrid.

We have many minor problems that should be solved righteously, but this Administration is incapable of acting in that manner. The two major problems that confront us are: (1) Shall we cancel the bonded mortgage debts that we cannot pay? (2) Shall the Jew financial buccaneers and communists continue to rule us?

We have lived in a fool's paradise in ignorance of our real ruler and his designs. We have worshipped our political parties that he fostered. We have had faith in our lying newspapers that he controls. We have swallowed his propaganda about an invasion and we are getting ready for war on a huge scale. We are preparing to exercise our choice between the two presidential candidates he has provided for us. We have accepted with fortitude all of the poverty and suffering that he has brought upon us. The mighty power of truth will free us from our bondage.

The Jews are now coming to this country in great numbers from all Europe, including the British Empire. We are in fact sending our ships for them. Congress appropriated $50,000,000 for the relief of refugees, the most of whom are Jews; and Roosevelt, without authority, has appropriated another $50,000,000.

We are offering the Jews a home, despite the fact that they have betrayed our hospitality and that of every country in which they have lived. This immigra-

tion must be stopped. The pending election (November, 194-0) presents to every voter the opportunity to do his or her part to that end, and to save our government from their rule and thereby save ourselves.

Hitler's paper recently stated that when the war is won some area remote from Europe would be set apart for Jews and the continent would be cleared of them. French Madagascar is said to be an ideal place for them. If this plan is carried out it will mean a new world; it will be a long step in the direction of the millennium to which our Christians look forward.

XXXIII.

TRAITORS

"I pass now to the method of confirming the dynastic roots of King David to the last strata of the earth . . . Certain members of the seed of David will prepare the kings and their heirs, selecting not by right of heritage but by eminent capacities, inducting them into the most secret mysteries of the political, into schemes of government, but providing always that none may come to knowledge of the secrets . . .

"Direct heirs will often be set aside from ascending the Throne if in their time of training they exhibit frivolity, softness and other qualities that are the ruin of authority, which render them incapable of governing and in themselves dangerous for kingly office. Only those who are unconditionally capable for firm, even if it be to cruelty, direct rule, will receive the reins of rule from our learned elders." From Protocol 24.

The Associated Press of August 18, 1940 quoted an amazing agreement made on that date between Franklin D. Roosevelt as President of the United States, and W. L. Mackenzie King as Prime Minister of the Dominion of Canada. The following is the text of the agreement as reported:

"It has been agreed that a permanent joint board of defense shall be set up at once by the two countries . . . It will consider in the broad sense, the defense of the north half of the Western Hemisphere."

This agreement is in very broad terms and is subject to almost any interpretation one chooses to place upon it. The mildest interpretation that can be placed upon it is that it constitutes a military alliance between the United States and the Dominion of Canada at a time when Canada is engaged in war with the totalitarian powers.

There has been some speculation in the press as to whether or not the agreement involves the transfer to Canada of fifty of our American destroyers to be used by Britain in her war with Germany and Italy. This transfer was previously recommended by "Sir" John J. Pershing, and within a few days thereafter (less than a week) we had a Gallup poll upon it showing 62% of the American people favoring the transfer.

It has been stated in the press that the President has advised with Attorney General Jackson and other subordinates who have informed him that it is not necessary to refer this coalition to Congress for confirmation. Up to this hour the President has not done so. It is extremely doubtful if he will. He is not likely to do so unless he receives previous assurance that it will be confirmed.

This agreement, like all other Jew schemes that have been perpetrated upon the American people, is not what it purports to be. It has been represented as affording us air bases in Canada and other British possessions for the defense of the United States, and that it is but an extension of the Monroe Doctrine and does not commit the United States to war except for defense of the western hemisphere. But that is not the interpretation that has been placed upon it by the British Government. Mr. Churchill and his associates understand its true meaning, and they were so rejoiced over it that they could not refrain from giving us a slight glimpse of it. It has a meaning that the President and the Jew press would not dare expose to Congress and to the American people.

The following is a quotation from the Associated Press report from London of August 20, 1940:

> *"Utterly confident, Prime Minister Churchill used his disclosure of the plan for air-naval base leases to declare that the British Empire and the United States 'will have to be mixed together in some of their affairs for mutual and general advantage.'*
>
> *"'No one can stop it!' he cried.'Like the Mississippi, it just keeps rolling along, let it roll! Let it roll on full flood, irresistible, to broader lands and better days' "*
>
> *"Tumult from the House of Commons steep and crowded benches almost smothered the Prime Minister's last words."*

Does anyone imagine for a moment that the mere leasing of air-bases, or a military pact for the protection of the United States would have occasioned the burst of eloquence of Prime Minister Churchill and the tumult and enthusiasm of the House of Commons?

The former Jew war minister, Mr. Hore-Belisha, let the cat out of the bag in his statement regarding the matter, which the Associated Press of the same date quotes as follows:

"In the House of Commons tonight Leslie Hore-Belisha, the former War Secretary, raised the possibility of 'an eventual common citizenship' of Britain and the United States, and said this alone would almost compensate for 'the evils of war.' Such a union, Hore-Belisha recalled, was offered, in vain, to France in the hour of the third Republic's collapse."

Observe that he says that they offered the same thing "to France in the hour of the third Republic's collapse." That offer was to absorb France into the British Empire. Observe also that Hore-Belisha states that this innocent appearing pact "would almost compensate (Britain) for the evils of war." These shrewd Jews always know the "low down," and they are so conceited that they cannot refrain from bragging.

Thus, according to the views of Messrs. Churchill and Hore-Belisha, the true meaning of this agreement is that we have sacrificed our independence as a nation and have been merged into the British Empire as one of its dominions. And thus, without consulting Congress or the American people, we have become not only a part of the British Empire, but we have entered the war against the totalitarian powers.

This program is not a new scheme just invented by President Roosevelt and his "kitchen cabinet." It is the adopted plan of the Elders and the managers of the Rothschild Trust to establish their world empire. They control, and have for many years controlled the British Empire. It has been ruled ostensibly by a king and his cabinet, but in fact by the Jews.

This plan is set out in detail in the Col. E. M. House letter.[55] The real author of this letter is unknown, and because of that fact the letter itself was discredited. Evidently the author was not Col. House, nor was it Dr. Wm. J. Maloney.[56]

The letter shows upon its face that it was written by a Jew and by a person holding a high official position with the British Government at the time (June 10, 1919). It was written upon the stationery of the British consulate of New York City and addressed to the Hon. David Lloyd-George, then Prime Minister of England. It was probably written either by the Jew, Sir Wm. Wiseman, who was at that time "British Intelligence Representative and now with Kuhn, Loeb

[55] Congressional Record, Oct. 11, 1939, p. 598-603.

[56] Congressional Record Oct. 18, 1939.

& Co.,"[57] or by the Jew, Lord Northcliffe, who was at that time head of the British Propaganda Department. While there is doubt as to the identity of the actual author, there can be none as to the authenticity of the letter. The Jew can always be depended upon to hide his identity and to destroy the proof of it, if it is possible to do so.

Because of the length of the letter it is not reproduced in its entirety. I trust that the following excerpts will be sufficient to show its verity and its character. The letter reveals the powerful forces that are now at work to overthrow this government and to bring it back into the British Empire as a dominion, and it reveals the traitors who are cooperating with the British the the Jews to that end. I quote the following paragraphs from it:

> *"'Our thanks are due to Messrs. Taft and Polk, who elaborated with us our German-Irish plot programme. To Mr. Baker and the innumerable library committees who banned from the camps the anti-British books on our index expurgatorious. To Mr. Gregory, who lent punitive force to our wishes regarding spoken and written speeches. And Messrs. Pierpont Morgan, Rockefeller, Cleveland Dodge, Wanamaker, Hamlin, Childs, DuPont, Ryan, Insull, Doheny, and others of our friends who financed our 'Americanization' campaign. I would especially call attention to the beneficence of Messrs. Insull, and Doheny, who were the generous supporters of the diversion, devised by Messrs. Taft and O'Connor, entitled, 'Ireland Stabbed England in the Back.' These contributors doubtless will be, or have been, appropriately rewarded by His Majesty's Government."*

The Mr. Baker referred to in this paragraph was then our Secretary of War, and the Mr. Gregory was our Attorney General. I do not know whether any of these gentlemen "have been appropriately rewarded by His Majesty's Government."

> *"Through the Red Cross, the Scout movement, the Y. M. C. A., the church, and other humane, religious, and quasi-religious organizations, we have created an atmosphere of international effort which strengthens the idea of unity of the English-speaking world. In the coordination of this work, Mr. Raymond Fosdick, formerly of the Rockefeller Foundation, has been especially conspicuous. I would like to mention President Nicholas Murray Butler of Co-*

[57] Congressional Record, Oct. 18, 1939, p. 981.

lumbia University, who has eloquently advocated this form of internationalism and carefully emphasized its distinction from the false internationalism which is infecting the proletariat."

It is well known that Nicholas Murray Butler is an Anglophile, but Mr. Raymond Fosdick's position has not been so conspicuous. The distinction between the form of true internationalism and false internationalism is imperceptible, but all of it is bad, and none of it fits in with our scheme of government.

"To all ages and classes, to every phase of human activity, by all channels of human communications, our propaganda permeates. Our command over the cables and press, the schools and the universities, the pulpit and the tribunes, will tend to increase. Soon we should be in a position to control at will the reading, the hearing, and the seeing of the inhabitants so that such ideas as are not truly British may be met with a barrier, 'They shall not pass.' "

That states a truth that has already been commented upon. It states a truth which should be apparent to all of us, every day of our lives; we get nothing from either the press or the radio or the cinema that does not favor the British. They let "nothing pass" that tends to present any other point of view.

"May I also call your attention to the services of Prof. Richard Gotthell, of Columbia University (the one who pinned the medal on F. D. Roosevelt in 1937 for his distinguished service to world Jewry), in our campaign against the Hindus, and of Miss Elisabeth Marbury and Messrs. Charles McCarthy and Karl Watters in that against the Irish . . .

"The cost of converting an American into a colonist of His Majesty is now 63 cents. Our expenses we have met by a levy on the population."

The statement made in parenthesis about the Roosevelt medal evidently is comment and not a part of the so-called House letter.

While we appear to be cheap, particularly in the eyes of the Jews, I do not believe that the American people can be bought at the rate of 53 cents a head. If that were true we would have been a part of the British Empire long ago. It is a part of the Jew character to over-estimate himself and his money, and to under-estimate the "goi."

"In the financial world the Anglo-American alliance is a well-established fact. And as the consortium for China, and the security company for Mexico show, our brokers and their aids have become the unchallenged financiers of the world. We have been particularly fortunate in our fiscal agents here, Messrs. Pierpont Morgan & Co. . . .

"Their services in putting this country into the war may not have been altruistic, but they were nonetheless effective. They contributed liberally to our Americanization campaign. They ousted Miss Boardman, and through Messrs. Taft and H. P. Davidson they nationalized and directed the American Red Cross, and then internationalized it under the direction of Mr. H. P. Davidson. Through Mr. Thomas Lamont they purchased Harpers Magazine and the New York Evening Post. Through advertisers they control, they have exerted widespread influence on newspaper policy.

"Messrs. Lamont and Davidson gave you valuable aid at the peace conference. They loaned $200,000,000 to Japan that our ally might build a fleet to compete with America on the Pacific carrying routes. Their attempts to retain for us control of the international mercantile marine are well known to you."

The Anglo-American finance alliance has been heretofore pointed out. It is the ownership of our principal financial institutions through the Rothschild money trust. We know about the services of Morgan & Co., in getting us into the war; about Mr. Davidson's direction of the Red Cross, and about Mr. Lamont's valuable aid at the peace conference; but we did not know that "they loaned $200,000,000 that Britain's ally (Japan) might build a fleet to compete with America on the Pacific carrying routes."

That is rank treason to our country on the part of the firm of Morgan & Co. It is rank treason to America on the part of its ally, the British Government. And it is this same British Government that is now pleading with us to rescue them from their own machinations and infamy.

Please note the statement that "our brokers and their aids have become the unchallenged financiers of the world." These "brokers" are N. M. Rothschild & Sons and they have been the "unchallenged" financiers of the world for more than a hundred years. The firm of Morgan & Co. is not an "aid" but a branch.

Observe also their purchase of Harpers Magazine and the New York Evening Post, and particularly note that the British regards the firm as its agency,—

"our broker." It is, however, the "other way round"; the British Government is the agency of "our brokers."

> *"With moneys lent to us by the American Government for war purposes, we have, acting through quasi-American companies, by the aid of Mr. Connor Guthrie, obtained control of the large oil fields in California and in Costa Rica. And through the nationalization by His Majesty's Government of the Cowdray, Person, and Royal Dutch Shell interests in Mexico, we, having become masters of the Mexican, Canadian, Romanian, Armenian, Persian, and lesser oil fields, now largely control the oil fuel of the world and thereby the world's transportation and industry. We have not yet succeeded in controlling the pipe lines owned by the Standard Oil Co. and its subsidiaries, for those companies have long been established."*

This is also a revealing statement. We knew in a general way that "His Majesty's Government had acquired large oil interests in Mexico and other countries," but we did not know that the $4,000,000,000.00 we loaned Britain was used to acquire these oil interests and to obtain a monopoly of the oil resources of the world.

> *"This control (of world's oil supply) would enable us to exert such pressure as would make American industrial interests amenable to His Majesty's pleasure. But it would be unwise to make disciplinary use of our fuel power before we secure remission of our $4,000,000,000.00 debt. Otherwise, the American industrial interests might retaliate by forcing the United States Government to exact from us the agreed interest, to maintain tariff barriers against our merchandise, and to withdraw support from the rate of exchange, which would make our labor and resources for years pay tribute to this country (United States), an unnatural, unfilial, and unthinkable proceeding.*

> *"We are conducting a vigorous campaign for the cancellation of this war debt, on the grounds (a) that we fought America's fight for her for 2 years, while she was prospering in cowardice; and (b) that at least the material burdens should be distributed justly, if the world is to be made safe for democracy. Synchronously with this agitation for the remission of our debt, we are agitating for further loans of American money to rebuild our markets in Europe . . . In these agitations we are receiving valuable, if not whol-*

ly disinterested, aid from our financial auxiliaries and fiscal agents."

If this is not treachery of the basest sort, what do you call it? They've got our money, used it to buy up the oil properties of the world, and are seeking to escape payment of it. When they have accomplished that, they propose to make "disciplinary use of our fuel power in order to make American industrial interests amenable to His Majesty's pleasure." They add insult to injury by the statement that

"We fought America's fight for her for 2 years while she was prospering in cowardice."

And the grounds here stated are the grounds upon which they are seeking to cancel their debt to us,—leaving out of course the word "cowardice."

However, we are quietly continuing our work in Mexico until the United States Government shall be put in a position to take it over. An American war with Mexico would cost us nothing; it would satisfy certain American industrial interests; it would guarantee our title to the Mexican oil fields; it would humble, by impoverishing, this purse-proud people; it would give us an opportunity to show the American that he —isolated in the world—needs our protection against our ally, Japan; and while America was busy warring we would enjoy a clear field in the European, African, and Asiatic trade, together with the monopoly of the markets of a South America hostile to the Monroe Doctrinaries of democracy. For these reasons our press is fully reporting Mexican outrages, but a strange apathy seems to have fallen on the people, an apathy from which only border raids or special atrocities will arouse them."

Thus it appears that Britain has been seeking to promote war between us and Mexico because it would "cost us nothing .. . it would guarantee our title to the Mexican oil fields . . . it would humble, by impoverishing, this purse-proud (American) people; it would give us an opportunity to show the American that he—isolated in the world—needs our protection against our ally, Japan."

"Below that level, imperial unity cannot be securely established upon the debris of the Constitution here (in America). We will not passively permit this unity to be now menaced when it is all but perfect. Has not America, while still maintaining an outward show of independence, yielded to our wishes in the Panama Canal

tolls and Canadian fisheries' disputes, as was fitting and filial? Was not America happy to fight our war in Europe? Was not America, like Canada, willing not only to pay her own war expenses but also to loan us money for ours? Was not America, like Canada, content to seek nothing in return for her war duty, so long as the mother-land was completely indemnified in Egypt and the rest of Africa, in Persia, Mesopotamia, Syria, and elsewhere? Was not America as proud to be honored by knighthood and lesser titular distinctions, as Canada was, or, rather, more proud? Has not President Wilson canceled the big Navy program and dutifully conceded to us the command of the seas, confident that we shall defend America against all future foes that may threaten our supremacy, just as we defended America and Canada, against Germany?"

Alas, all of these achievements have been accomplished. They have been sugar-coated in such way that our people did not know they were serving the purposes of the British, but thought that they were doing the right thing.

"But I regret to inform you that our Committee on American Elections has reported (Appendix 38) that no matter how lavishly we finance the next election, the Wilson administration will pass, and with it, perchance, that absolute administrative control over the Legislature, which has meant so much to us. Willful, wanton, and wicked men will unite in the next election with labor and those industrialists whose profit-patriotism ratio has been allowed to fall below the threshold of loyalty to imperial unity. These combined forces of disorder will seek to elect a Legislature which will attempt to make the administration responsible to it, instead of to us and our auxiliaries, and will strive to rend the bonds which bind this colony to the mother-land, for the sole, selfish, and seditious purpose of erecting a separate, national, economic unit independent of us—and even, perhaps, competing with us. We must, therefore, hasten to remove from this Legislature, with the aid of our supporters here, such of its powers as could be used against imperial unity. "In other words, we must quickly act to transfer its dangerous sovereignty from this colony to the custody of the Crown. We must, in short, now bring America within the Empire. God helping us, we can do no other. The first visible step in this direction has been taken; President Wilson has accepted and sponsored the plan for a League of Nations which we prepared for him. We have wrapped this plan in the peace treaty so that the world must accept from us the League or a continuance of the

war. The League is in substance the Empire with America admitted on the same basis as our other colonies."

And so the British Government has a "Committee on American Elections" and they finance these elections even "lavishly" where there is a chance to win; otherwise they refuse to put up the money. They can afford to spend money "lavishly" for they are playing for high stakes, viz: to cancel a $4,000,000,000.00 debt and to save the tottering Jewish-British Empire. This financing is obviously done through "our broker" (N. M. Rothschild & Sons). We do not know with certainty who compose the "Committee on American Elections," but I think I can name three of its members, viz: "Sir" Thomas W. Lamont, Sir William Wisemann, and Sir (?) B. M. Baruch. Unfortunately for the schemes of these conspirators, the Democratic Party was thrown out of power, and unfortunately for them also, Congress refused to ratify the League of Nations.

Their intimate knowledge of President Wilson and his weaknesses, and of the best method of approach, is uncanny:

"Our best policy, therefore, would be to appoint President Wilson first president of the League . . .

"He is easily slighted and remarkably vindictive. It is the highest degree desirable that any traces of resentment his mind may be harboring against us should be radically removed before he returns. I would, therefore, suggest that the work of adulation planned in appendix 32 should be intensively continued. The adulators, however, should be instructed to consult the inventories I have prepared (appendices 45-83), which show that he is now surfeited with diamond stomachers, brooches, and bracelets, Gobelin tapestries, mosaics, and vases, gold caskets, and plates . . .

"The pressing need of our embassy at Washington is not so much an ambassador as a gentleman in waiting to the President.

"I would suggest that his powers as President of the League of Nations be left undefined for the present. He may be trusted to assume what power he can and to use it in the interest of the Crown.

"A grant of a privy purse of $100,000,000 would prove most acceptable to him, and would be useful for private espionage, private wars, Siberian railroads, etc. His appointment should be for

life, and you might definitely promise him that any instruction he may care to convey concerning his successor will receive the most careful attention of His Majesty's Government.

"No one understands this peculiarity (hero worship) of the native behavior better than Mr. Wilson, which accounts largely for his exceptional usefulness to us. He knows that Americans will not scrutinize any performance closely, provided their faith in the performer has been adequately established. Mr. Wilson has since made the transfer amid American acclamation. In the same way he will now be able to satisfy them that far from surrendering their independence to the League they are actually extending their sovereignty by it."

They made the naive suggestion:

"I would suggest that as soon as the President is settled once more in the White House, the visit should be returned by His Royal Highness, the Prince of Wales, who would be an admirable representative of His Royal Sire, and would satisfy President Wilson's sense of fitness. It is perhaps unfortunate that there is not a Presidential daughter of the Prince's age, for such a union would have greatly advanced our purpose not only with the American people, but also with a President who feels that lese majeste should be punishable with 20 years' imprisonment, and who acts as if he considered his son-in-law, Mr. McAdoo, as his heir apparent."

The Prince of Wales referred to is the present Duke of Windsor.

"Would you, however, kindly give instructions to the publishers of Whittaker Almanac, and of the Official Register to delete, in their next issue, from their list of British knights, the names of Sir John Biddle, Sir Tasker Bliss, Sir P. D. Lechridge, Sir Peyton March, Sir John Pershing, Sir Hugh Rodman, Sir William Sims, Sir Joseph Strauss, and the other American knights, as their inclusion in the 1919 issue has tended to shake the American faith in our Mr. Low's ingenuity."

I do not understand the reference to "Mr. Low's ingenuity." All of the "Sirs" listed here, including "Sir John Pershing," were knighted by the King of England and their names appear in the semi-official register which is Whittaker Almanac.

"Nevertheless, it would be well quickly to reinforce him (President Wilson) in the presidency of the League of Nations by staging the first session of the League in Washington. This will convince these simple people that they are the League and its power resides in them. Their pride in this power should be exalted. Perhaps you, yourself, might condescend to visit this country. Or, if that be impracticable, you might send such noble statesmen, and stately noblemen, as will suffice to make of the first League session a spectacle of unsurpassed brilliance,"

This is Jewish ingenuity with a vengeance. They themselves are great advertisers and great hands to put on a show, and they think that "these simple people" (meaning Americans) will be over-awed by such a spectacle!

They give us a glimpse of the character of government we are to have when we become a dominion of the British Empire, or a member of the League of Nations, which they consider the same thing:

"By these means we hope smoothly to overcome all effective opposition on the part of our colony, America, to entering the League—that is, the Empire. As soon as the League is. functioning properly, His Majesty, in response to loyal and repeated solicitation, might graciously be pleased to consent to restore to this people their ancient right to petition at the foot of the throne; to confer the ancient rank and style of governor general upon our Ambassador, that this colony may enjoy a status inferior to no other colony's; to establish the primacy of the metropolitan see, with the Right Reverend Dr. Manning as first primate; to appoint Mr. Elihu Root lord chief justice of the colony, and to nominate Messrs. W. H. Taft, Nicholas Murray Butler, J. P. Morgan, Elisabeth Marbury, Adolph Ochs, and Thomas Lamont to the colonial privy council; as a special mark of royal and imperial condescension, to rename the Federal Capital of the colony Georgetown, and lest section jealousy be thereby excited, to grant royal charters to the cities of Boston and Chicago entitling them thereafter to style themselves, respectively, Kingston and Guelf—concisely to bestow in time and in measure such tokens of the bounty of the Crown as the fealty of the colonists merit."

Mr. Roosevelt had his hand in bringing about this war, if he is not in fact the prime mover. It was his purpose to bring about a League of Nations. He has frequently stated that he would assist in writing the peace treaty. The "United States of Europe" is none of our affair, but a League of Nations in which we are

a member is a matter of importance to us. The League of Nations would probably begin as a British Empire and it would inevitably end as a Jewish Empire.

> *"The object of Cecil Rhodes is almost attained. The day prophesied by Mr. Carnegie is near at hand, the day when the American Colonies will be in all things one with the motherland, one and indivisible. Only the last great battle remains to be fought—the battle to compel her acceptance of the terms of the League of Nations. I have frankly stated the difficulties which confront us, and the vital necessity of the League to the British Nation."*

These two huge foundations, viz: the Carnegie and the Rhodes, were established for the avowed purpose of destroying our government and re-establishing our status as a dominion of the British Empire. But far more menacing than that fact is the fact that it is also the secret purpose of the managers of the Rothschild money trust.

The prime objective on the part of the conspirators, who brought about the present war, was to establish the League of Nations. The prime object of President Roosevelt was to be president of this League. If it had been established he would undoubtedly have gotten the job. He met the requirements of the protocols far better than President Wilson who was slated for it, for Wilson was an idealist with a sense of right and wrong. These characteristics are utterly foreign to Roosevelt's nature; he is a "diplomat" who rules by "cunning and make-believe." A life tenure at $100,000,000.00 a year is an attractive prospect for him and his thrifty family.

So far as the facts stated in the alleged House letter are known to me, they are true. I do not know whether the Morgan firm financed the building of the Japanese Navy, nor do I know whether the British used the $4,000,000,000.00 we loaned it, in acquiring an oil monopoly. These are facts, however, that can be easily proven if true, or disproven if untrue.

The letter quoted contains too much truth and the truth is too important to us to reject it on the mere ground that the author is unknown. It is, I submit, an authentic letter and it contains the authentic, well defined plan of the conspirators for the destruction of our government. If its statements are true, every man engaged in this conspiracy should be prosecuted and punished for high treason, the penalty for which is death and confiscation of property. Such prosecution may save the lives and fortunes of millions of innocent men and women.

There is a Rothschild Money Trust. It has grown in magnitude and power ever since it was established in 1812. It threatens the destruction of our government and of our civilization. The Jewish author of the alleged House letter was the representative of this Trust and thoroughly understood its plans and objectives and the best method of accomplishing them. It now controls the British Empire and the American Government. It must be destroyed or we lose our freedom.

We are indebted to Congressman J. Thorkelson of Montana (whom they defeated), for the publication in the Congressional Record of the so-called "House letter." He stoutly insisted upon its publication in the face of strong democratic opposition.

Congressman Thorkelson states that this letter was first published in the "Geneva Hearings" and later by the Washington Pub. Co., but he does not understake to name the real author of it. No Jew would subscribe his real name to such a revealing letter; they are all too slick to commit such an indiscretion.

XXXIV.

SLAVERY

"The flooding of the United States with cheap coolie labor will reduce wages, thus gradually making it more difficult for the man in ordinary circumstances to spare enough money to support his children during the time they should be in school, and thereby making it necessary for children's education to be reduced to the level of the children of the poor in England, which would tend in a very short time to make for a sharp class distinction or 'illiterate rabble.' This latter class is regarded as very desirable in England, as the more ignorant the lower classes, the more easily they are controlled." From Congressional Record, Aug. 21, 1940, p. 16378.

The text quoted above could very well have been taken from the protocols or the Talmud, for it contains the philosophy of both, viz: the enslavement of the people. It is, however, a quotation from an article by Lillian Scott Troy, published in The San Francisco Leader in February 1912, and re-published by Congressman J. Thorkelson in the Congressional Record.

The author states that it is in substance a quotation from a "book written by Lieutenant Colonel Lowther, military secretary and official mouthpiece of the Duke of Connaught." It is a frank explanation of the sordid poverty that now prevails in England and that has existed since the enactment of the Peel amendment and the repeal of the Corn laws (tariff) in 1844. This was the date the Rothschilds obtained control of the economic welfare of the people of England through the Peel amendment.

The reader should note the fact that "sharp class distinction or illiterate rabble" have been produced in England designedly. They are in fact the direct result of banker controlled prices and wages, free labor and free trade. The fact should also be noted that this poverty is regarded as "very desirable" by the Jewish plutocrats in England for the reason that "the more ignorant the lower classes, the more easily they are controlled."

We have the same powerful forces at work in this country, viz: banker control of our economy and free labor and free trade, called internationalism. These forces are producing precisely the same results that they have produced in England, and for precisely the same purposes. These results represent the philosophy of Morgan & Co., Kuhn, Loeb & Co., Franklin D. Roosevelt, and Wendell Willkie. They represent the philosophy of the Jew Deal and the objec-

tives of the Jew Deal Administration. It is the common purpose of all of them to elevate themselves and to enslave the people through poverty.

We have burdened ourselves with a debt of $15,000,000,000 and have entered the war through the back door to save this brand of "democracy," viz: a democracy that exalts the rich and oppresses the poor. Our plutocrats are seeking to restore our country to the British Empire in order that they may become lords, barons, counts, and sirs, and that the mass of the people may be the "illiterate rabble" and consequently "the more easily controlled."

Unfortunately, the election of Mr. Willkie promises no relief. The Jew press applauded his statement to the effect that he could not promise much hope, that we must all make sacrifices, and that we must recover the ground we have lost "the hard way." It can't be done. His acceptance speech was a ratification of the New Deal, including deflation, its reciprocal trade treaties, its conscription of an army in peacetime, and its gift of fifty of our destroyers to the British. He appears to be only a dummy candidate in order to insure the election of Roosevelt.

Messrs. Willkie and Roosevelt, however, do not themselves propose to travel "the hard way." The greatest achievement of Wendell Willkie is that he sold his power plants to the Jew Deal Administration at an exorbitant price, to-wit: $76,000,000, and that he resigned an annual salary of $75,000 to become a presidential candidate.

The Roosevelt Administration has been distinguished by the fact that it has been an exceedingly profitable one to the Roosevelt family. The Chicago Tribune estimates that the President and his family have made $2,750,000 during his seven years in office. (It would be interesting to know how much of that has been paid out in income taxes.)

Both President Roosevelt and Wendell Willkie are second rate New York lawyers. They both appear, however, to have been first-rate promoters. They are both presidential candidates hand-picked for us by the Rothschild interest. It is not of much consequence to the Rothschilds or to the British plutocracy which one is elected, for their interests will be safe with either. The chances are that they prefer Roosevelt because he is the smarter of the two.

The leading feature of Willkie's acceptance speech was his challenge to Roosevelt to debate. What issue? Not the tariff issue; they stand together on that. Not the destruction of the Rothschild control of our economy (which is the most important issue) ; they stand together on that. Not "taxing, lending, and spending"; they stand together on that. Not internationalism; they stand to-

gether on that. Not conscription; they stand together on that. Not the gift of our destroyers to Great Britain; they stand together on that. Not the issue of intervention in the present war; they stand together on that.

Apparently the only issue between them is which one can best administer the New Deal, which, interpreted, means which one can best serve the Rothschild interest, Roosevelt has made a pretty good job of it and there appears to be no valid reason for the Rothschilds to want a change. Indeed, it is doubtful if there will be, because if Mr. Roosevelt finds that he will likely be defeated he will declare the election off, and will be supported by his Attorney General, our democratic representatives in congress, and Willkie will accept the situation with good grace.

Mr. Willkie is reported to have said that he did not desire the support of Father Coughlin or of any other anti-Semitic. This Willkie is not worthy to touch the hem of Father Coughlin's garment. Father Coughlin is everything that Willkie is not, and Willkie is everything that Father Coughlin is not. The difference between them is the difference between daylight and darkness, between a bold patriot and a time-serving politician, between a man who seeks to elevate the masses and one who is willing to serve the selfish interests of the classes.

I appeal to the members of Congress: Many of the facts stated in these pages are probably unknown to you, but as far as you know them you must know that they are true. The facts you do not know are also true. You may wish to ignore the "House letter," but it contains too much truth to permit you to do so. You should resolve any doubt you may have regarding it, in favor of your country. You have been misled by the Jew press and by lies and subterfuges, but it is not too late to correct your errors.

The people have elected you to represent them and they look to you for guidance. If you fail them, if you permit the destruction of our government, you are traitors to your duty and to your country. You will be hated by your constituents and despised by the men who have used you. I appeal to the red-blooded Americans among you, of both parties, to get together and organize a party that stands for America and the American people, and against war and internationalism; and to nominate true American candidates for president, senators, and congressmen. Such a ticket will sweep the country.

I appeal to the American people to support your ticket. In the last analysis it all gets back to us, the people. Do we intend to surrender our liberty without a protest and without a fight? It is within our power to redeem our government by the ballot, and without bloodshed and revolution. We know that the election of either Roosevelt or Willkie means war and a dictatorship, and probably

the submerging of our government into the British Empire. Shall we permit Roosevelt and Willkie and Morgan & Co., Kuhn, Loeb & Co., and the Rothschild trust to take over our government?

We must throw off the shackles that bind us. We must defeat our subservient congressmen. We must support any man, no matter upon what ticket, who stands for America. We must put country above party. We have the chance to save ourselves and our country in the election in November,—and this may be our last chance.

How long, oh how long, will we stand for the corrupt rule of the Rothschild trust through the two political parties? WAKE UP, AMERICANS, before it is too late!

APPENDIX I.

Protocol No. 7

"The intensification of armaments, the increase of police forces—all essential for the completion of the aforementioned plans. What we have to get at is that there should be in all the States of the world, besides ourselves, only the masses of the proletariat, a few millionaires devoted to our interests, police and soldiers.

"Throughout all Europe, and by means of relations with Europe, in other continents also, we must create ferments, discords and hostility. Therein we gain a double advantage. In the first place we keep in check all countries, for they well know that we have the power whenever we like to create disorders or to restore order. All these countries are accustomed to see in us an indispensable force of coercion. In the second place, by our intrigues we shall tangle up all the threads which we have stretched into the cabinets of all States by means of the political, by economic treaties, or loan obligations. In order to succeed in this we must use great cunning and penetration during negotiations and agreements, but, as regards what is called the "official language," we shall keep to the opposite tactics and assume the mask of honesty and compliancy. In this way the peoples and governments of the goyim, whom we have taught to look only at the outside whatever we present to their notice, will still continue to accept us as the benefactors and saviors of the human race.

"We must be in a position to respond to every act of opposition by war with the neighbors of that country which dares to oppose us; but if these neighbors should also venture to stand collectively together against us, then we must suffer resistance by a universal war.

"The principal factor of success in the political is the secrecy of its undertakings; the word should not agree with the deeds of the diplomat.

"We must compel the governments of the goyim to take action in the direction favored by our widely-conceived plan, already approaching the desired consummation, by what we shall represent as public opinion, secretly prompted by us through the means of that so-called "Great Power"—the Press, which, with a few exceptions that may be disregarded, is already entirely in our hands.

"In a word, to sum up our system of keeping the governments of the goyim in Europe in check, we shall show our strength to one of them by terrorist at-

tempts and to all, if we allow the possibility of a general rising against us, we shall respond with the guns of America or China or Japan.

APPENDIX II.

"Funeral Oration"

The Fatal Discourse of Rabbi Reichhorn

["(In its issue of 21 October, 1920 (No. 195) La Vieille France published an extremely important Russian document in which the following passage occurs:

" 'There is a striking analogy between the Protocols of the Elders of Zion and the discourse of the Rabbi Reichhorn, pronounced in Prague in 1869 over the tomb of the Grand Rabbi Simeon-ben-Ihuda, and published by Readcliffe, who paid with his life for the divulgation. Sonol, who had taken Readcliffe to hear Reichhorn, was killed in a duel some time afterwards. The general ideas formulated by the Rabbi are found fully developed in the Protocols,' (which were published about 35 years later).

"In its issue of 10 March, 1921, (No. 214) La Vieille France gives the version of this funeral oration which was published in La Russie Juive. It is perfectly clear that the funeral oration and the Protocols of the Elders of Zion come from one and the same mint. Both are prophetic; and the power which made the prophecies has been able to bring about their fulfillment. There can no longer be any doubt as to whose is the power which is disturbing the world, creating World Unrest, and at the same time reaping all of the profits. Jewry is enslaving all Christian peoples of the earth. There IS a Jew World Plot and it now stands finally and completely unmasked).]

"1. Every hundred years, We, the Sages of Israel, have been accustomed to meet in Sanhedrin in order to examine our progress towards the domination of the world which Jehovah has promised us, and our conquests over the enemy, Christianity.

"2. This year, united over the tomb of our reverend Simeonben-Ihuda, we can state with pride that the past century has brought us very near to our goal, and that this goal will be very soon attained.

"3. Gold always has been and always will be the irresistible power. Handled by expert hands it will always be the most useful lever for those who possess it, and the object of envy for those who do not. With gold we can buy the most rebellious consciences, can fix the rate of all values, the current prices of all products, can subsidize all State loans, and thereafter hold the states at our mercy.

"4. Already the principal banks, the exchanges of the entire world, the credits of all governments, are in our hands.

"5. The other great power is THE PRESS. By repeating without cessation certain ideas, the Press succeeds in the end in having them accepted as actualities. The Theatre renders us analogous services. Everywhere the Press and the Theatre obey our orders.

"6. By the ceaseless praise of DEMOCRATIC RULE we shall divide the Christians into political parties, we shall destroy the unity of their nations, we shall sow discord everywhere. Reduced to impotence, they will bow before the LAW of OUR BANK, always united, and always devoted to our Cause.

"7. We shall force the Christians into wars by exploiting their pride and their stupidity. They will massacre each other, and clear the ground for us to put our people into.

"8. The possession of the land has always brought influence and power. In the name of social Justice and Equality we shall parcel out the great estates; we shall give the fragments to the peasants who covet them with all their powers, and who will soon be in debt to us by the expense of cultivating them.

Our capital will make us their masters. We in our turn shall become the great proprietors, and the possession of the land will assure the power to us.

"9. Let us try to replace the circulation of gold with paper money; our chests will absorb the gold, and we shall regulate the value of the paper which will make us masters of all the positions.

"10. We count among us plenty of orators capable of feigning enthusiasm and of persuading mobs. We shall spread them among the people to announce changes which should secure the happiness of the human race. By gold and by flattery we shall gain the proletariat which will charge itself with annihilating Christian capitalism. We shall promise workmen salaries of which they have never dared to dream, but we shall also raise the price of necessities so that our profits will be greater still.

"11. In this manner we shall prepare Revolutions which the Christians will make themselves, and of which we shall reap the fruit.

"12. By our mockeries and our attacks upon them we shall make their priests ridiculous then odious, and their religion as ridiculous and as odious as their

clergy. Then we shall be masters of their souls. For our pious attachment to our own religion, to our own worship, will prove the superiority of our religion and the superiority of our souls.

"13. We have established our own men in all important positions. We must endeavor to provide the Goyim with lawyers and doctors; the lawyers are au courant with all interests; doctors, once in the house, become confessors and directors of consciences.

"14. But above all let us monopolize Education. By this means we spread ideas that are useful to us, and shape the children's brains as suits us.

"15. If one of our people should unhappily fall into the hands of justice amongst the Christians, we must rush to help him; find as many witnesses as he needs to save him from his judges, until we become judges ourselves.

"16. The monarchs of the Christian world, swollen with ambition and vanity, surround themselves with luxury and with numerous armies. We shall furnish them with all the money their folly demands, and so shall keep them in leash.

"17. Let us take care not to hinder the marriage of our men with Christian girls, for through them we shall get our foot into the most closely locked circles. If our daughters marry Goyim they will be no less useful, for the children of a Jewish mother are ours. Let us foster the idea of free love, that we may destroy among Christian women attachment to the principles and practices of their religion.

"18. For ages past the sons of Israel, despised and persecuted, have been working to open up a path to power. They are hitting the mark. They control the economic life of the accursed Christians; their influence preponderates over politics and over manners.

"19. At the wished for hour, fixed in advance, we shall let loose the Revolution, which by ruining all classes of Christianity, will definitely enslave the Christian to US. Thus will be accomplished the promise of God made to His people."

ROTHSCHILD MONEY TRUST

BY
GEORGE ARMSTRONG

PREFACE

Mayer Amschel Rothschild, the founder of the Rothschild fortune, at the time of his death in 1812, created a trust of his estate, by will, for the elevation of the Jewish race and the establishment of a Jewish World Empire. The cardinal principles of the trust were secrecy, that the estate should be kept intact as a unit, that the heirs and their heirs should have only a communal interest in it, and that the estate as a whole should be governed by the eldest son of the eldest son unless a majority of the heirs determined otherwise.

The estate has been preserved and managed since his death as a unit in pursuance of the provisions of his will. There are now several hundred heirs, for the family is a prolific one, but the estate is communal and still under the management of one head. So far as known, the provisions of the wills of the members of the family still contain in substance the directions of the founder of the fortune.

History affords but meager information regarding the rulers of this fortune and the extent of it, because of their secretive methods. No inventory has ever been filed and no division has ever been sought by any heir.

Most of the histories of the Rothschild family are either Jewish or strongly pro-Jewish. While they are extravagant in praise of the virtues of the different members of the Rothschild family, they are rather meager in facts. The facts herein related have been gleaned from many sources and are based on information believed to be reliable.

We do not know the extent of the founder's fortune at the time of his death in 1812, nor do we know the present magnitude of it, but apparently it represents about one-half of the wealth of the world.

This huge fortune has been devoted with great shrewdness and energy to the purpose of exploiting the Gentiles in all the countries of the globe. The methods employed are the manipulation of currencies, speculations on the exchanges, and wars. The Rothschilds by these operations profit enormously because they have the power by virtue of their immense wealth and po-

litical power, to put prices up or down at pleasure. It is for these reasons that we have had most of our wars and depressions.

The protocols and the communists code, which are identical in purpose and intent, represent their plan for the conquest of the world. Both of these codes were published subsequent to Mayer Amschel's death, but some of the protocols appear to have been in existence prior thereto. They, however, represent his principles as shown by all that we know of him.

This book is not written in a spirit of anti-Semitism, for I have Jewish friends that I do not wish to injure. It is written in the hope that it may be helpful in solving our Jewish problem peaceably and by appropriate legislation. To the extent that the remedies herein suggested may contribute to that end they will be helpful to the Jews as well as to the balance of us, for it is certain that the people of this country will never meekly submit to slavery.

In writing and publishing this book I am inspired by no other motive than to render a service to my country. I realize that I am taking some risk in doing so—at least that of persecution. Adequate provision has been made for the publication and distribution of this book regardless of the author.

September 12, 1940. George Armstrong

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PART I

THE ROTHSCHILD EMPIRE

I.

The Protocols

> "For ages past the sons of Israel, despised and persecuted, have been working to open up a path to power. They are hitting the mark. They control the economic life of the accursed Christians; their influence preponderates over politicians and over manners."-—From "Funeral Oration of Rabbi Reichhorn."

Professor Serge Nilus of Russia published the Jewish "Protocols" in 1905. They purport to represent the minutes of secret meetings of the leading men of the Jewish race, and to set forth their plans for acquiring the'wealth of the peoples of the world, for the overthrow of all governments, and for the creation of the Kingdom of the Jews with a Jewish king. It is stated in the introduction of the booklet that the protocols means "minutes of the proceedings of the Learned Elders of Zion and that these protocols give the substance of addresses delivered to the innermost circles of the rulers of Zion."

It is also stated that "the presumption is strong that the protocols were issued or re-issued at the first Zionist Congress held at Basle (Switzerland) in 1897 under the presidency of the father of modern Zionism, the late Theodore Herzl." It is also stated that the names of the present elders are a profound secret, that they are the "Hidden Hand" that rules the world, and that they probably consist of "three hundred men, each of whom knows all of the others, govern the fate of the European continent, and they elect their successors from their entourage." (Quoting the late Walter Rathnau, a Jew of Germany, as authority.)

The "Learned Elders of Zion" was probably a religious order in the beginning, as indicated by the name. But if such was the original foundation of the order, its character, and likewise its name, has since been changed. It is now purely a political racial organization and its present name is the "Council of the Jewish Agency." It is likely that the name was changed on account of the exposure by Nilus.

This order must be distinguished from "Elders of the Synagogue" and "Elders of Israel," which are purely religious organizations. It must also be distinguished from the "Zionist

Congress" and "Zionist General Council." These two latter organizations are semi-religious and semi-political and they are also semi-secret and semi-public. They are composed wholly of members of the Zionist church, but not all Jews by any means are church-men.

It is also to be distinguished from the ancient Jewish Symarium or San Hedrin which was the supreme judicial and administrative authority during the reign of the Roman Herod, when Christ was crucified. It was composed of their "Chief Priests, rulers, scribes, and Elders." and was at that time the supreme judicial and political Jewish authority.

A recent convention of the "Zionist Congress" was held in Zurich, Switzerland, for the purpose of considering the partition of Palestine, which was attended by 480 delegates, from all countries. It appears from the proceedings of this convention that Professor Chaim Weinzmann, formerly of Russia but now of England, was re-elected as president of this international congress ; that Rabbi Wise of New York is president of the American branch; that an executive committee of eleven was appointed with full authority to act; that the "Zionist General Council" was increased from 54 to 70, the additional members being appointed by the convention.

It appears also from the proceedings of this convention that it defined the policy of the Zionist Church toward the partition of Palestine, subject to the approval of the "Council of the Jewish Agency" the final authority—the present "Learned Elders of Zion," the secret three hundred, the "Hidden Hand." It appears also that the Royal Commission of the British Government made its report regarding the partition of Palestine to Lord Rothschild as a member of the "Council of the Jewish Agency" and not to Professor Weinzmann as the head of the "Zionist Congress." It appears also that the reason therefor is the fact that the "Council of the Jewish Agency" is the authorized agency of the Jewish race—sectarian and non-sectarian.

Thus the supreme authority of this "Jewish Agency" is officially recognized by both the British Government and the Zionist Congress, although the latter is composed of regularly elected delegates from all countries of the world. What is it? Who are its present members? By what authority does it act? What are its purposes? And why all of this secrecy if its purposes are honest and legitimate?

We cannot know much about this order because of its secret character and its secret methods. We know that Lord Rothschild was until his recent death a member of it, and that Lord Melchett of England is now said to be its chairman. We may assume that the Rothschild family have dominated it since the time of Amschel Rothschild. It is the government of the financial power of the Jewish race that rules the world, including America. It is the cabal of the leading Jewish bankers and politicians who were formerly called the "Elders of Zion" and now the "Council of the Jewish Agency."

Whatever may have been the original character and purposes of the "Learned Elders of Zion" there can be no doubt about the fact that there was such an organization, that it now exists in some form, and that it is seeking to carry out the program set out in the protocols and according to the plan of the protocols. There is no other explanation of the secret "Council of the Jewish Agency" and its achievements. There is no other explanation of the Versailles peace treaty, the League of Nations, the Bank of International Settlements, the International Labor Board, the deliberate impoverishment of the people of the world by the manipulations of the Elders, and for the present wars and past wars. This is all a definite program with a definite purpose, and that program and purpose are truly set out with brutal frankness in the protocols.

II.

The Protocols Are Authentic

" 'Per me reges requant.' 'It is through me that kings reign.' And it was said by the prophets that we were chosen by God himself to rule over the whole earth. God has endowed us with genius that we may he equal to our task."—From Protocol 5.

The Jews, of course, deny the authenticity of the Protocols. It is natural that they should do so. To admit it would be to defeat the purposes of their scheme. Moreover, the plan itself calls for such secrecy and duplicity.

The program is so cruel, so inhuman, so diabolical, and the objects to be accomplished appear so fantastic and remote that it is difficult to believe that this program still obtains. It should, however, be remembered that since the publications of the protocols a great and powerful nation, Russia, has been conquered by a handful of Jews; that Kuhn, Loeb & Co., Paul Warburg, and other Jews, financed the coup de etat by which the Jews secured control of the Russian government; and that the cruel and inhuman methods set out in the protocols were followed mercilessly in Russia by its Jewish government. It should be also remembered that the Jewish Second and Third Internationals of Russia are now actively organizing the forces of communism in every country of the world, including our own.

There are more Jews in America today than there were in Russia when the government was overthrown, and they are much more powerful and aggressive. It is estimated that there are now 80 times more communists in America than there were in Russia at that time. The same methods that were employed for the overthrow of the Czarist regime are being pursued here, viz: political corruption and class hatred.

As cruel and inhuman and incredible as are the protocols, they are no more so than the Talmud, whose authenticity the Jews admit. In fact the spirit and philosophy of the protocols permeate the Talmud, and vice versa. They are both founded upon the false premise that the Jews are a superior people and that they are the "chosen" people. They both breathe the same hatred and contempt for the Christian Gentile whom they call the 'goyim.' They both not only justify but advocate the exploitation and enslavement of the despised 'goyim.'

The Talmud is the law and gospel of the Jews. It is their bible and civil law as defined and interpreted by their chief priests and Rabbis.

> "It must be admitted by every critical student of history that the Talmud has not merely been the means of keeping alive the religious idea among the Jews, but has formed their strongest bond of union."*

It is not the Talmud but the rabbi that has kept alive the racial and religious solidarity and bigotry and intolerance of the Jews.

The following brief quotations from "The Talmud Unmasked"** are examples of it:

> "The life of a Goi and all his powers belong to a Jew." (A. Rohl. Die Polem. p. 20)." (P. 71).
>
> "In Choschen Ham. (266.1) it says: 'A Jew may keep anything he finds which belongs to the Akum, for it is written: Return to thy brethren what is lost (Deuter. XXII, 3). For he who returns lost property (to Christians) sins against the Law by increasing the power of the transgressors of the Law.'" (P. 72).
>
> "In Midrasch Talpioth (fol. 225d) it says: 'God created them in the form of men for the glory of Israel. But Akum were created for the sole end of ministering unto them (the Jews) day and night. Nor can they ever be relieved of this service. It is becoming to the son of a king (an Israelite) that animals in their natural form, and animals in the form of human beings should minister unto him'." (P. 50).
>
> "And in Eben Haezer (44, 8) : 'If a Jew enters into marriage with an Akum (Christian), or with his servant, the marriage is null. For they are not capable of entering into matrimony. Likewise if an Akum or a servant enter into matrimony with a Jew, the marriage is null'." (P. 51).

Many of these dicta are ancient but have never been repudiated or repealed and the spirit of them still prevails. They still constitute the law for the Jews, both civil and ecclesiastical. The Talmud is made up of the decisions and interpretations of the rabbis, in the same manner that our common law has been formed by our judges and commentators. No matter how ancient the dictum, it is the law until overruled by a contrary one.

*Encyclopedia Britannica, Vol. 23, p. 38.

**"The Talmud Unmasked" by Rev. I. B. Prainatis, Copyrighted by Col. E. N. Sanctuary, 156 Fifth Avenue, New York, N. Y.

The Jewish Encyclopedia, Vol 4, p. 294-296, defines the rabbis' functions as follows:

> "Rabbi (my master); function to teach the scriptures and the oral and traditional laws . . . In the Jewish religion the rabbi is no priest, no apostle, he has no hierarchical authority. He is a teacher, one who unfolds and explains religion, teaches the young in the school, the old from the pulpit, and both by his writings."

The reader should observe the intermingling of their civil and religious laws. Both appear to be based on their interpretation of the old testament (see reference to Deuter. XXII, 3 above). They are so confused that it is impossible to determine where their religion ends and their civil law begins.

It is clear, however, that both in a civil and religious sense they regard themselves as a "chosen" people, a superior race who are entitled to rule us (the 'goyim'), and are entitled to our services and to everything we have. We Gentiles were created for the purpose of serving them, of being their slaves. Although in the form of "human beings" we are no better than animals. We are not worthy of marrying one of them, either man or woman, and if we do, such marriage is illegal and void. They have adhered to this law rather religiously throughout the ages and in all countries.

The author sums up their estimate of us (the goyim) as follows:

> "They are idolaters, the worst kind of people, much worse than the Turks, murderers, fornicators, impure animals, like dirt, unworthy to be called men, beasts in human form, worthy of the name of beasts, cows, asses, pigs, dogs, worse than dogs; that they propagate after the manner of beasts, that they have a diabolic origin, that their souls come from the devil and return to the devil in hell after death; and that even the body of a dead Christian is nothing different from that of an animal."*

The following are samples of their estimate of Christians and of our Savior, Jesus Christ:

> "In Hilkhoth Akum" (X, 1) it says: 'Do not eat with idolaters, nor permit them to worship their idols; for it is written: Make no covenant with them, nor show mercy unto them (Deuter. ch. 7); 2). Either turn them away from their idols or kill them.'

*The Talmud Unmasked. P. 46.

"Ibidem (X, 7) : 'In places where Jews are strong, no idolater must be allowed to remain'."**

"The book Zohar, III (282) tells us that Jesus died like a beast and was buried in that 'dirt heap . . . where they throw the dead bodies of dogs and asses, and where the sons of Esau (the Christians) and of Ismael (the Turks), also Jesus and Mahommad, uncircumcized and unclean like dead dogs, are buried."***

The author sums up their verdict as follows:

"The Talmud teaches that Jesus Christ was illegitimate arid was conceived during menstruation; that he had the soul of Esau; that he was a fool, a conjurer, a seducer; that he was crucified, buried in hell and set up as an idol ever since by his followers." (P. 30).

They call this a religion and they insist on their privilege to worship God as they choose, and they decry our intolerance and bigotry. The Christian religion is based upon love and charity and repentance and the forgiveness of sin. There is no charity, no love, no repentance here; there is nothing but pride, intolerance, and hatred.

The Christian religion is everything the Talmud is not, and the Talmud is everything the Christian religion is not; it and its devotees are the anti-Christ. We have the spectacle now of a Jewish rabbi, a Catholic priest and a Protestant preacher going about over the country at Jewish expense preaching tolerance; a virtue that is utterly foreign to the Jewish religion and the Jewish character.

The chief priests and rabbis who wrote the various and numerous dissertations set forth in the Talmud could have written the protocols. They are of kindred nature and expression; they are made of the same cloth and patterned in the same fashion.

We prefer to think that the Talmud and the protocols misrepresent the viewpoint of the Jews that we know and with whom we come in daily contact, and that may be true of many of them. However that may be, we know that the Jews hold themselves as a race apart and that they adhere religiously to their ancient racial customs and rituals and organizations. We know also that they blindly "follow the leader," and that their rabbis and Learned Elders are their leaders. They believe in their

** p. 83.

*** p. 36.

Talmud and obey its edicts—indeed they must do so or suffer racial ostracism; and they worship the Rothschilds and the Rothschild power that rules them.

These and similar proclamations as set forth in the Talmud, constitute the "bond" that has held the race together. They explain the fact that the Jew does not assimilate with other races. They are based on the false assumption that the Jews are a "chosen" and superior people.

The Talmud is mistaken. The Jews are not a "chosen" or a superior people. God never made any such mistake as that. The history of the race is not one of achievement of anything except money. It is one of chiselling and of defrauding the peoples of the various countries in which they have resided, which has often been followed by their own alleged persecution. In this life we usually reap what we sow, or in common parlance, "get what is coming to us." The history of Judaism is proof of the truth of this proverb.

It may be conceded that the Jew is more shrewd and cunning, and a better trader and manipulator of money than the Gentile—but that represents the limit of his superiority and achievements. The Jew has contributed but little to science, invention, art, to the wealth of nations, or to the advancement of civilization.

I hope that I am not intolerant and anti-Semitic, but I confess that I have no patience with a religion that denounces Christ as a bastard, an imposter and a cheat, and that glories in his crucifixion; and I am against a race that holds me as an inferior being and seeks to enslave me. I nevertheless wish to be fair and just, as well as candid and plain-spoken, in my discussion of the subject.

I can make allowance for the fact that the Jews feel, and probably righteously so, an ancient grievance against the Gentiles because of past oppressions, which is kept alive by their rabbis and Learned Elders and their protocols and Talmud. But it is high time for them to get over it, to forget their vengeance and to abandon their ambitious designs, particularly here in America where we do not want to harm them, and wish to accord them all of the rights and privileges we enjoy.

The renegade Gentiles who cooperate with them in furthering their villainous scheme, viz., to enslave the peoples of the world, are no better than the Jews. They are in fact worse, for

they are without the excuse of race or religion. They are simply unmitigated scoundrels. They will herein be designated for descriptive purposes as Jewish. This term will be used also in describing hybrids and those suspected of Jewish blood.

III.

The Jews Defense

> "For what purpose then have we invented this whole policy and insinuated it into the minds of the goys without giving them any chance to examine its underlying meaning? For what, indeed, if not in order to obtain in a roundabout way what is for our scattered tribe unattainable by the direct road? It is this which has served as the basis for our organization of secret masonry which is not known to, and aims which are not even so much as suspected by these goy cattle, attracted by us into the "show" army of masonic lodges in order to throw dust in the eyes of their fellows."—From Protocol 11.

The Liberty Magazine (Feb. 10 and 17, 1940) published two articles under the heading "The Jews and Free Masonry—Exploding the Myth of a World Conspiracy," written by Louis B. Davidson and Frederic L. Collins. These articles represent the flimsy and threadbare defense of the Jews that has been published from time to time in various forms. They purport to contain a synopsis of the testimony given in the trial at Berne, Switzerland, where the trial court found the defendant booksellers guilty and declared the protocols to be "forgery, plagiarism, and obscene literature."

There is some historical truth in this story, mixed as it is with much that is false, but the conclusions based upon this admixture are wholly false. It is true as they assert, that "there is no international organization of Free-masonry, and the organization of each nation is independent of all others." The continental masonry is composed wholly of Jews and hybrids. While the Jews are permitted to be masons in America (Catholics are excluded), they do not dominate the order and it is not a racial one and is not communistic. It is a non-political fraternal benevolent organization, while continental masonry is a political, malevolent one.

No one claims, except the authors of these articles, that "the noble order of Freemasons should be drawn into this campaign or calumny," or "links free masonry with world Jewry in a mythical conspiracy to rule the world." It is admitted, as these authors allege, that the "Illuminati" founded by the Jew Adam Weishaupt was a branch of the continental masons and that "the chief aim of this organization . . . was the destruction of all forms of religion, government, property, marriage, and all

civil rights," which is likewise the present chief aim of the "Learned Elders of Zion," and of the Jewish communist party.

It is also admitted, as they allege, that the Illuminati "played a major role in bringing on the bloody days of 1789 (French Revolution), that it was founded and reputedly financed by Jews," and that the "great House of Rothschild was then just rising to the financial heights." There is evidence that it was in fact financed by the "great House of Rothschild;" and the French revolution was in fact brought about by the Jews. It was the final act that freed the Jews from their political and civil disabilities in France.

It is also true, as they allege, that the "Kerensky government in 1917 confiscated the entire issue (of the protocols) except one volume which had been sent to the British museum. It is said that the Jew Kerensky not only destroyed all of the copies to be found in Russia but that every Gentile found in possession of one was murdered. What stronger proof of guilt could there be? Men do not fear lies and forgeries; it is the truth that the guilty always want to suppress.

The copy that was sent to the British Museum was translated by Victor Marsden, a representative of the London Morning Post, who had previously resided in Russia for many years. It is true, as they allege, that the protocols have been translated into French, Italian, Arabic, German, Japanese and Scandinavian languages. It is said that their circulation is second only to that of the bible.

I have no means of knowing whether the protocols are responsible for the pogroms in Russia, as detailed in the articles mentioned. They have undoubtedly created a profound impression throughout the world, which is evidence that people believe them despite the Jewish control of the press, and their ridicule and their denials.

"Are they authentic? Shouted the alarmed editor of the (Jewish owned) London Times in May 1920," according to these authors. "What malevolent society made these schemes and is now triumphing over their realization? Are they forged? From where does the weird gift of prophecy spring that partly has come true and is partly to be realized? . . . Have we escaped a German peace by straining all our national resources only to submit to a Jewish peace?" (Which is precisely what hapened). The above quotation is from the Liberty article. They do

not tell us what the Jewish owners did to this "alarmed editor." They probably crucified him.

It is not true that Nilus was a "briefless avocat" in Russia and it is not true that he wrote the protocols to "find favor with the Grand Duchess Elizabeth." Even the authors of the Liberty articles do not vouch for this fantastic story. Why then mention it? On the contrary, Nilus was a reputable educator and author of unimpeachable integrity. He believed that the "Hidden Hand" was the author of the protocols, and such was also the belief of Victor Marsden the translator, and such is also the belief of millions of people in all countries.

Assuming that the authors have correctly quoted the various paragraphs from "Maurice Joly's Dialogues in Hell," it must be admitted that there is evident plagiarism by the real author of the protocols. But that does not prove that Nilus was the plagiarist. If the "dialogues in hell" truly represented the hellish plans of the Elders it is but natural that they should adopt them and use them. In that case they are the plagiarists.

The weakest part of the whole argument is the statement of the evidence upon which the Berne trial court predicated its judgment. It is in substance as follows: The Princess Catherine Radziwill testified that she knew "the Paris agent of the Russian secret police and that she knew Golovinsky, very well;" that Golovinsky had access to Joly's Dialogues, that he "came to her home with parts of the script which he showed and read to her; . . . that his job was to prove to the Czar that the Jews had formed an international plot to conquer the world."

She was asked, "Could you describe Golovinsky's draft?" She replied, "Yes, as he kept reading passages to me I became familiar with the entire script. He later showed me the completed manuscript. It was identical with the Protocols of Zion, which I later saw in the various Nilus editions. It was written in French in a variety of handwritings. It was on yellowish paper; there was a big circular blue ink blot on the first page."

"This description was confirmed by the Count du Chayla, who described the text as unidiomatic and showing every sign of having been written by a foreigner on cheap yellowish paper —and said that on the first page was a circular ink blot."

It should be remembered that this trial was in 1935, just thirty years after the publication of the protocols in 1905. It must be conceded that these two witnesses who were able to re-

member the contents of a lengthy document that did not concern them, and an ink spot thereon, for such a long period of time, had most remarkable memories. It is obviously manufactured testimony, but if all they said were true it does not prove that Nilus forged the protocols or that they are spurious.

The decision of the Bern trial court was reversed by the appellate court, which the said Liberty authors failed to mention. This reversal is not surprising in view of the utter lack of competent and credible evidence. It should be also remembered that the Jews selected their own court in which to file their suit. It is a cinch that they selected a Jewish or pro-Jewish one. They wanted to be able to proclaim to the world, as they do, that the courts have adjudged that the protocols are spurious.

In passing judgment on the Jews and their denials, it should always be remembered that the Talmud enjoins them to deceive the Christians, to lie to them and to cheat them. It is their law and their religion, and it is the part of it that many of them observe industriously and enthusiastically. We "goyim" are as dumb and gullible as they believe us to be if we accept such flimsy explanations at par.

The succeeding chapters of this book will prove conclusively that the "Learned Elders of Zion"—the present Council of the Jewish Agency are now ceaselessly and relentlessly pursuing their ancient plan to enslave the people of the world and to establish their world empire. There can be no proof of such a secret conspiracy other than by its fruits. There can be no explanation of current events or of the worlds history for the past 150 years except the machinations of the financial power that has governed it during that period of time.

It will be hereafter proven with reasonable certainty that the protocols contain the law of the Rothschild money power that now rules every country of the world, including our own. The protocols are the "law of our bank" to which Rabbi Reichhorn referred in his funeral oration (see Appendix II). They are the law of the Bank of England, the Bank of France, the New York Federal Reserve Bank, the Washington Federal Reserve Board, J. P. Morgan & Co., and Kuhn, Loeb & Co., and of N. M. Rothschild & Sons and of Georges Mandel (Jeroboam Rothschild).

They are the key that explains the political maneuverings of this malign power. When it is once clearly understood that

these immense financial institutions are all controlled by the "King-Despot of the blood of Zion" who is none other than the present head of the Rothschild family, we can better understand the turmoil of the world and our own distressed condition.

It should be observed that the protocol quoted at the beginning of this chapter states that there are two kinds of masonry, viz: "secret masonry" and "show masonry;" that the "aims" of the secret masonry are known only to themselves and that they are not even suspected by the "goy cattle" who compose the "show masonry."

The secret masonry in France was the "Illuminati," and in Russia and the balance of Europe, the Nihilists, and in America the B'nai B'rith. It should be also observed that the protocols make the distinction between the ignorant "goy cattle" who are members of the "show" lodges, and their own wise sect who belong to their secret orders. The Illuminati and Nihilists were destroyers and killers. The B'nai B'rith is a modern secret order and has no history behind it; all we know of it is that it is a secret racial organization to promote racial "aims."

IV.

Mayer Amschel Rothschild First King of the Jews

"The King of the Jews will be the real Pope of the Universe, the patriarch of an international church."

—From Protocol 17.

MAYER AMSCHEL ROTHSCHILD, 1—1790-1812.

Mayer Amschel was born in 1743 and died Sept. 29, 1812. He married Gutter Schnaper in 1770. They had a large family consisting of five sons and five daughters. He was educated as a rabbi and in his early life was both a rabbi and a junk and coin dealer. He became a money lender and in that connection acted as agent for William IX, Landgrave of Hesse-Cassel.

There is much obscurity in the history of the Rothschild family, due to the fact that their operations are always secret and the historians are either Semitic or anti-Semitic, the majority being Semitic. The conclusions here presented are based principally on Jewish or pro-Jewish history. I shall quote liberally from the Jewish Encyclopedia because it was, as stated in its preface, "prepared by more than 400 scholars and specialists" all of whom were Jews.* It was published in 1905 and re-published in 1909. While it is a partisan history, it is on the whole, accurate in its statements of fact—it at least presents the Jew version of the facts.

The authority mentioned says:

"In a latter connection (money lender) he became an agent of William IX, Landgrave cf Hesse-Cassel, who on his father's death in 1785 had inherited the largest private fortune in Europe (estimated at $40,000,000) derived mainly from the hire of troops to the British government for the putting down of the revolution in the United States . . . After the battle qf June in 1806 the Landgrave fled to Denmark, leaving 600,000 pounds (about $3,000,000) with Mayer Rothschild for safe keeping."

It states further:

"According to legend this money was hidden away in wine casks and escaping the search of Napoleon's soldiers when they entered Frankfort, was restored intact in the same casks in 1814 when the elector returned to the electorate. The facts are somewhat less romantic and more business-like."

*Jewish Ency. Vol. X, p. 499 et seq.

The facts are entirely "less romantic and more business-like," (from the Jewish standpoint). Mayer Amschel Rothschild embezzled the money. This money was tainted from its very origin. It was paid by the British government to the Landgrave for the services of his soldiers, used to suppress the American revolution, and the soldiers were morally entitled to it. It was first embezzled by William of Hesse and then by Mayer Amschel.

This twice-stolen money is the foundation of the huge Rothschild fortune. It has ever since been true to its origin. There is not an honestly acquired dollar in the hundreds of billions now possessed by the Rothschild family.

Instead of putting the money in wine casks, Mayer Rothschild sent the entire sum, with his son Nathan, to London, and then and there established the London branch of the family.

> "Nathan . . . invested it in 800,000,000 pounds of gold from the East India Company, knowing that it would be needed for Wellington's peninsula campaign. He made no less than four profits: (1) on the sale of Wellington's paper (which he bought at 50c on the dollar and collected at par); (2) on the sale of gold to Wellington; (3) on its re-purchase; and (4) on forwarding it to Portugal. This was the beginning of the great fortune." (p. 494).

This was indeed much "less romantic and more business-like." With this vast sum of money, branches of the House of Rothschild were established in Berlin, Paris, Vienna and Naples, with one of the brothers in charge of each of them. AH of these houses were exceedingly prosperous, particularly the London and Paris branches.

The founder of this huge fortune, Mayer Amschel Rothschild, established four fundamental principles for its government, which the sons and their descendents have observed, viz:

(1) The eldest son of the eldest son to be the head and ruler of the fortune. He became the head by virtue of his seniority unless the majority of the members of the family decided otherwise. There have been only two exceptions to this rule so far as revealed by history, and that was the appointment of Nathan, the third son of Mayer Amschel, as its head, and later the appointment of James the fifth son. By reason of his achievements Nathan was appointed the head of the fortune upon Mayer Amschel's death in 1812.

(2) The inter-marriage of cousins. This was for the pur-

pose of preserving the family fortune intact and in the family. This rule has not been strictly observed, particularly by the female members of the family, due no doubt partially to rebellion on the part of some members of the family and partially to the fact that other Jews have become very rich and by reason of marriage the family fortune has been enhanced rather than depleted.

> "The number of marriages between cousins in the late history of the family is remarkable . . . Of 58 marriages, 29, or exactly one-half, have been between first cousins. It is noteworthy that these marriages have been fertile and that most of the children have been girls, which is what is anticipated by biological science."

(3) The unity of the family fortune and its concealment. No copy of Mayer Amschel's will has been published by any of the historians of the family. All that we are permitted to know about it is what the historians say of it, by the record of the family and by the reference to it in the will of one of his grandsons, Anselm, of Vienna. It contains the following provision:

> "In accordance with the exhortations of my father, the grandfather who so sincerely loved them (Anselm's children), as contained in Clause 15 of his will, may they and their descendants remain constantly true to their ancestral Jewish faith.
>
> "I forbid them most explicitly, in any circumstances whatever, to have any public inventory made by the courts, or otherwise, of my estate . . . Also I forbid any legal action, and any publication of the value of the inheritance . . . Anyone who disregards these provisions and takes any kind of action which conflicts with them shall immediately be regarded as having disputed the will, and shall suffer the penalties for so doing."*

(4) A perpetual family partnership. At the time of Mayer Amschel's death, his entire estate was in the form of a partnership composed of himself and his five sons, each having an equal interest, under the firm name of M. A. Rothschild & Sons. Both the partnership agreement and Mayer Amschel's will provided that the partners and their male descendants should forever constitute the firm and manage it. The will provided also that the female members of the family and their heirs and husbands should have no part in the management of the firm and that they should receive their interest in the estate subject to the management of the male members; and that if any of them should con-

*The Reign of the House of Rothschild, p. 405.

test this arrangement that they would lose their interest in the estate.

Later, Nathan organized the London firm of N. M. Rothschild & Sons on the same plan. This firm was probably owned in equal proportions by him and his brothers and governed in the same manner as the parent partnership.

Originally the partnership agreement provided that no important decision should be made without the approval of all the partners. As the fortune grew in magnitude it became impractical to hold partners conferences upon its numerous undertakings. It is probable that Nathan's firm was organized in part to meet that situation and for the purpose of separating the activities of the London house from those of the continental houses.

It was probably Mayer Amschel's purpose in the beginning to establish a Jewish dynasty with his male descendants as rulers. Whether that was his purpose or not, it was the effect of his will. He established the kingdom of the Jews that has since been governed by his male descendants. Wherever a Jew is located, whatever nationality he may claim, he is a subject of this kingdom; his allegiance and duty to it supersedes his allegiance and duty to the country in which he dwells.

If a conflict develops between the government of his adopted country and his racial government, the Jew will always be found on the side of his race. He may not know the personnel of his racial government, its decisions may be unwritten, but they will reach him in some form, through his rabbis and through secret societies, and he is always obedient to them. That fact furnishes the explanation of all this Jewish war propaganda which is supported blindly and without dissent by all Jews.

At the time of Mayer Amschel's death he was by far the richest man in the world or that had ever lived. The magnitude of his fortune at that time is unknown. It was growing by leaps and bounds at such a rapid rate that it probably could not be estimated. He knew the power of money and the wisdom of secrecy. He believed with religious fervor that the Jews were the "chosen people" and that God had promised them that they should rule the world.

We cannot know whether at that time he had in contemplation a Jewish world empire. Apparently this was a later development. There is good reason to believe that this ambitious enterprise was initiated by Theodore Herzl a short time before

the publication of the protocols in 1905. Herzl was an active, ambitious Jewish rabbi-politician and an intense hater of the Gentiles. He was given credit for organizing modern Zionism at a conference of the leaders of the Hebrew race in Basle, Switzerland, in 1897. It is thought that at that time and at that meeting some of the protocols were adopted as precepts for the establishment of the contemplated Jewish empire.

Herzl probably organized two important Jewish organizations: (1) a secret super-organization to be composed of 300 men whose identity should be kept secret and who would constitute the super-government for the Jewish race; (2) a popular religious organization to be composed of 450 delegates selected by the rabbis and the Hebrew churches.

At that time the Rothschild estate had grown to enormous proportions but the family had grown soft with luxury and had deteriorated by inbreeding. Moreover the fortune at that time had already effected the emancipation of the Jews and established the Rothschild kingdom. Apparently it then had the power under efficient management to establish a Jewish empire. Apparently also the management of the vast political power of the estate needed to be reinforced with outside blood. It is likely that at that time and through Herzl's activities, the Secret Committee of 300 was established for the management of the political power of the huge estate with the consent of the Rothschilds. It is known that Theodore Herzl was an intimate personal friend of Lord Rothschild, II.

The protocols themselves, or the gist of them, appear to have existed for a long period of time prior to their publication in 1905. In fact the intent and purpose of them are in substance contained in the Talmud. They were also in substance stated in 1869 in the Funeral Oration of Rabbi Reichhorn (set out in Appendix II). They evince a clear conception of the weakness of Gentile governments and institutions, and the best method to attack and destroy them. They set out the most effective method of establishing a dictatorship of the proletariat, which is the first step toward world empire.

The protocols themselves describe in great detail the powers of the King-Despot of their proposed empire, and the objectives of such empire. Stated briefly they are the absorption of the wealth of the Gentiles and their slavery, both politically and economically. They have already accomplished the debt slavery of the goyim; their present objective is his political slavery.

V.

The Rothschild Dynasty

> "Our power in the present tottering condition of all forms of power will be more invincible than any other, because it will remain invisible until the moment when it has gained such strength that no cunning can any longer undermine it."—From Protocol I.

King Amschel Rothschild I, was succeeded upon his death by his third son, Nathan, of London, on account of his uncanny and unscrupulous financial ability, and because of his achievements. He had, prior to Amschel's death, established the private banking house of N. M. Rothschild & Sons, and added enormously to the family fortune. It appears that the elder brother, Mayer Amschel, jr., who continued in charge of the Frankfort branch, recognized the superior qualifications of Nathan and was willing to waive his right by virtue of primo geniture. Nathan was therefore chosen by the four brothers as his father's successor.

KING NATHAN ROTHSCHILD II.—1812-1836.

Nathan married the sister-in-law of Moses Montefiore, "thus coming into association with the heads of the Sephardic community then ruling the financial world of London through their connection with Amsterdam."* Nathan is described by the historian John Reeves, a Rothschild partisan, as being a very shrewd, unscrupulous and uncouth man, and exceedingly close-fisted. He says that "he never paid his employees a farthing more than was necessary for their bare subsistence or at least not a farthing more than they could compel him to pay."**

The Jew, Benjamin Disraeli, in his novel "Coningsby," denominates Nathan and also his son Lionel as "Sidonia." He says of the elder "Sidonia":

> "He arrived here (London) after the peace of Paris with his large capital. He staked all that he was worth on the Waterloo loan and the event made him one of the greatest capitalists in Europe . . . He reaped the due reward of his sagacity. Europe did require money and Sidonia was ready to lend it to Europe. France wanted some, Austria more, Prussia a little, Russia a few millions; Sidonia could furnish them all. The only country which he avoided was Spain; he was too well acquainted with its resources."

*Jewish Ency., Vol. X, p. 494.

**"The Rothschilds,—Financial Rulers of Nations."

Disraeli says of him further:

> "He established a brother or a near relative in whom he could confide, in most of the principal capitals. He was lord and master of the money markets of the world and of course virtually lord and master of everything else. He literally held the revenues of southern Italy in pawn, and monarcha and ministers of all countries courted his advice and were guided by his suggestions."

John Reeves, in his book "The Rothschilds," says:

> "One cause of his (Nathan's) success was the secrecy with which he shrouded, and the tortuous policy with which he misled those who watched him the keenest." (P. 189).

And this principle, it may be added, has governed the management of the Rothschild fortune from its beginning to this hour.

The historian Reeves describes vividly how upon Nathan's return from near the battle of Waterloo (the Jews are usually observers of battles, not participants), he went post haste to the English Channel and there hired a boat at excessive cost and crossed the English channel in stormy weather, and from there rushed to the London stock exchange, appearing muddy and dejected, where he passed out the word that Wellington had been defeated at Waterloo, and reinforced this by ostentatiously dumping stocks on the market. This created a great panic upon the exchange and everybody dumped their stocks at sacrifice prices. In the meantime Nathan, through his agents, was secretly buying them.

There were no telegraphs or telephones or radios or fast posts in those days. It was several days before the news reached London that Wellington had won the battle of Waterloo. There was then great rejoicing and the stock market rebounded and stocks went to unprecedented heights, when Nathan unloaded his stocks.

This is precisely the method that the Rothschilds have followed since, and is one of the methods by which they have amassed their huge fortune. "Nathan boasted that he had multiplied their capital 2500 times in the course of five years."*

If this is true, it means that at that time (about 1820) the capital of the English branch had been increased from $3,000,000 to about $7,500,000,000.

*"The Rothschilds, Financial Rulers of Nations," p. 167.

Nathan established the private banking firm of N. M. Rothschild & Sons in London, with branches in Paris, Berlin, Vienna and Naples. This firm operates on the exchanges, underwrites government and other loans; it is the agent and manager of banks, railways, steel, munitions, and other corporations. It has branches under many names. In America it is represented by Kuhn, Loeb & Co., and formerly by August Belmont & Co. It is probable also that J. P. Morgan & Co., Seligman & Co., Speyer & Co., Lehman & Co., and other private Jewish banks are its under-cover branches.

Lionel Rothschild, the eldest son of Nathan, succeeded him as the head and managing partner of N. M. Rothschild & Sons. He is described by his fellow tribesman, Disraeli, as follows:

> "He perceived himself a lone being, alike without cares and without duties; his religion walled him out from the pursuits of a citizen . . . He was a man without affections . . . The only human quality that interested 'Sidonia' was intellect . . . No minister of state had such communication with secret agents and political spies as Sidonia; he held relations with all the clever outcasts of the world. The catalogue of his acquaintance in the shape of Greeks, Armenians, Moors, secret Jews, Tartars, gypsies, wandering Poles and Carbonari, would throw a curious light on those subterranean agencies of which the world in general knows so little, but which exercise so great an influence on public events."**

The Jewish Encyclopedia states:

> "Lionel was the friend and counselor of the Prince Consort and of Disraeli, whose Sidonia in "Coningsby" is an ideal portrait of him . . . that he brought about in 1858 the enactment of the disabilities bill which permitted the Jews to hold office in England . . .
>
> "He advanced the British government the money for the Irish famine loan (about $40,000,000) and also for the Crimean war (about $80,000,000), and that for twenty years he acted as agent for the Russian government.
>
> "He had a large share in the successful funding of the United States national debt, provided the funds for the immediate purchase of the Suez Canal shares; he was also active in facilitating the payment of the French indemnity to Germany, in directing the finances of the Austrian Empire, and the Egyptian loan of 8,500,000 pounds. (About $40,000,000)."*

The statement is in error as to the funding of the United States National debt. This funding operation which was handled

**"Coningsby," by Benjamin Disraeli, p. 180-181.

*Jewish Encyclopedia, Vol. 10, p. 501-2.

by the firm of Morgan & Company and the Rothschilds was the retirement of greenbacks during Cleveland's Administration. It brought about the hard times of that period. The "facilitating the payment of the French indemnity to Germany" was the demonetization of silver in 1873 which has been correctly called "the crime of '73."

Lionel was elected a member of Parliament from Aylesbury but refused to take the oath of office upon a Bible containing the New Testament, and consequently was refused his seat. He ran and was elected a second time, with the same result. Upon his third election the oath was waived as to the New Testament and he was sworn in on the Old Testament. He was the first Jew to hold office in England. Thus began the pollution and deterioration of the British Government.

Lionel's eldest son, Nathan Mayer (Lord Rothschild 1st) succeeded him as head of N. M. Rothschild & Sons on his death in 1879. The Jewish Encyclopedia states that:

> "In 1885 he (Nathan) was raised to the peerage and was the first Jew to take his seat in the House of Lords, an event which was regarded as completing the emancipation of the Jews . . . Lord Rothschild is a governor of the Bank of England and a presiding officer of many great corporations . . . In 1902 he was appointed a member of the Royal Commission on Alien Immigration, an office that brought him in touch with the late Theodore Herzl."*

Nathan's promotion from the House of Commons to the peerage was recommended by Prime Minister Wm. E. Gladstone and Lord Grenville. Queen Victoria at first objected on the ground that "to make a Jew a peer is a step she could not consent to; it would be ill-taken and would do the government great harm."**

Unfortunately, she yielded against her woman's intuition and her sound judgment. This was the beginning of the transformation of the British House of Lords from a Gentile landed aristocracy to a Jewish plutocracy, and of the government from a Gentile to a Jewish government. It is reported that there are now sixty Jews in the House of Lords without counting the hybrids that should in fact be included.

The intermarriage of the impoverished landed aristocrats with rich Jewesses has polluted the bloodstream of the British aristocracy and to that extent weakened the government. While

*Jewish Ency. Vol. 10, p. 503.

**The Magnificent Rothschilds, p. 122.

the Jews wish to preserve their racial integrity they also seek to have their women marry titles, for such marriages increase their prestige and power.

The Jew and the hybrid infest the House of Commons as well as the House of Lords. Many of the members of that body are Jewish owners of large estates elected by the tenants of such estates, as was Lionel. The present decadent British Empire and government (Churchill, Eden, Cooper, et al.) are due primarily to the Jew and Jewish blood pollution. It is a Jewish government.

The protocols were published by Nilus in 1905 but they themselves bear no date. They purport to be minutes of many meetings, some of which no doubt occurred long prior to 1905. Theodore Herzl is thought to be the author of one or more of them, which were promulgated at the Basle meeting of the Elders of Zion (Council of the Jewish Agency).

Whether this is true or not, the protocols represent the moral and political philosophy of the rulers of the Rothschild fortune. Mayer Amschel Rothschild hated the Gentiles with an intense religious hatred, and that hatred has been handed down from generation to generation. It is a hatred that demands vengeance upon the Gentile race—"an eye for an eye and a tooth for a tooth." It is shown in every paragraph, every sentence and every word in the three codes of the family, viz., the Talmud, the protocols, and the code of the communists.

Perhaps in the beginning it was justified, for the age in which Mayer Amschel lived was a cruel age and the Jews were undoubtedly despised and oppressed by the various peoples among whom they lived; this was particularly true of the German and Russian peoples and governments. This hatred of the Gentile is still kept alive by the Council of the Jewish Agency, their protocols, and the rabbis and their Talmud.

Nathan Mayer Rothschild died in 1915 and was succeeded by his eldest son, Lionel Walter, the second Lord Rothschild, as the head of the banking firm N. M. Rothschild & Sons. He appears to have been a member of the Council of the Jewish Agency. He died in 1937 and was succeeded as head of the London branch of the banking firm by his eldest son, Nathan Mayer Victor (third Lord Rothschild) who is the present gold agent of the Bank of England.

The history of the second and third Lord Rothschild is current and not yet recorded. It may be safely assumed that all

of the active male members of the Rothschild family are members of the Council of the Jewish Agency, for that is the agency that controls the political policy of the Rothschild fortune.

KING ROTHSCHILD, III (Baron James), 1836-1868. Upon Nathan's death in 1836 the sceptre and the line of descent passed from Nathan's eldest son Lionel, head of the London house, to James Rothschild, fifth son of Amschel, head of the Paris House. This despite the fact that Lionel was then 28 years old, had married in orthodox fashion his first cousin Carlotta, the daughter of his uncle Solomon, was the manager of the richest banking branch of the family, and was the ablest of them all. All of the Jewish historians agree that this change was made but none of them assign any reason.

Count Cherep-Spiridovich states the reason as follows:

> "James Rothschild, born in 1792, misruled from 1836 until 1868. He married ugly Betty, the daughter of his brother Solomon of Vienna. Because of the "crime" of Nathan the latter's son Lionel was deprived of the World's Throne. James became Rothschild III, Thus decided Amschel (Anselm) Salomon, and Karl Rothschild, who all gathered in July 1836 at Frankfort in order to judge and presumably to execute Nathan, possibly the only Rothschild, who through total lack of principle, wished to become a Christian, only that he could the easier deceive and enslave the English people."*

All of the Jewish authorities agree that there was a genoral family reunion and a great banquet in Paris on the occasion of the marriage of Lionel; that Nathan was taken violently ill and seized with spasms indicating poisoning; that the doctors were unable to diagnose the trouble and that he died within a few hours. Whether he was poisoned or not, the kingship of the Rothschild fortune passed from Nathan's heirs to his brother James and his heirs.

History reveals but little about the reign of James. He appears to have been a cold, cruel, shrewd, unscrupulous man who contributed materially to the wealth of the Paris House. His personal wealth at the time of his death was estimated at 45,000,000 pounds,—or more than $200,000,000,—but this was only an estimate, since no inventory of his estate was filed.

KING ROTHSCHILD, IV., (Baron Alphonse D.) 1868 to-------.

The most recent history of the Rothschild family is that of the Jewish Cecil Roth, published in 1939. It brings the history

*"The Secret World Government, or The Hidden Hand," p. 138.

of the English branch down to that date, but not that of the Paris branch. Therefore we can know but little about the reign of this monarch.

John Reeves, in his book published in 1887, said:

> "The present head of the firm in Paris is Baron Alphonse D. Rothschild, the eldest son of Baron James. He inherits much of his father's financial talent and is acknowledged by the rest of his relatives as the shrewdest and most able man of business among them. He is the head of the family not only on account of his ability but on account of his seniority, as he is the oldest of Mayer Amschel's grandsons."*

KING ROTHSCHILD V or VI (Jeroboam Rothschild, alias Georges Mandel).

The reign of this monarch is current and therefore nothing is known of it except what is revealed by current literature. We do not know when it began or whether he succeeded Alphonse, or whether there is an intervening ancestor, but he appears to be the present head of the Paris House, and King of the Rothschild fortune, and it appears that such was his position and power in 1918, when the Versailles Peace Treaty was written.

There is here presented a picture of him and his puppet Paul Reynaud, Premier of France, reproduced from the May 27, 1940, issue of "Time Magazine," a Jewish publication. His countenance reveals his character. He appears to be a crafty, cruel, greedy, mean man, with not a single redeeming virtue,

He is the product of four generations of treachery and inbreeding, and a true descendant of "ugly Betty." We can now better understand the infamous peace treaty, the Brussels Financial Conference, the depressions of 1920, 1930 and 1937, the election of Franklin D. Roosevelt, the New Deal, and the present World War.

We do not know why he changed his name from Jeroboam Rothschild to Georges Mandel unless it was for the same reason that other Jews change their names, viz: to deceive. But why should he want to deceive unless it is to conceal the fact that he is the present ruler of the welfare of all of the people of the world?

We can understand why Isidore Isokowitz would change his name to Eddie Cantor. But the name Rothschild is eminently respectable and carries more weight than Mandel. Surely no Rothschild would be ashamed of a name that represents the

*"The Rothschilds, Financial Rulers of Nations," p. 54.



Georges Mandel [Jeroboam Rothschild] and Paul Reynaud.

political and financial power of the world, and that is graced by many honorary titles. The only apparent reason for his hiding behind a fictitious name is his inbred secretiveness, which is in keeping with the time-honored Rothschild system.

The author of "The Hidden Hand" states that Edward Rothschild of Paris, France, was at the date of the publication of his book in 1925, the ruler of the Rothschild fortune. I have not accepted this view for the reasons that Jeroboam Rothschild was at that time and prior and subsequent thereto, an influential member of the French cabinet and that he was Clemenceau's adviser when the Versailles peace treaty was written. This was an occasion of such great importance to the Jewish race that the head of the family would no doubt have officiated.

VI.

The Wealth of the Rothschild Family

> "Gold always has been and always will be the irresistible power. Handled by expert hands it always will be the most useful lever for those who possess it, and the object of envy for those who do not."—From "Funeral Oration of Rabbi Reichhorn."

According to the boast of Nathan Rothschild he increased the family fortune from $3,000,000 to about $7,500,000,000 within five years time, which would be in about 1820. In 1848 the Paris house was reckoned at 600,000,000 francs as against 362,000,000 for all of the other Paris bankers. We have no historical information as to the wealth of the Berlin, Vienna and Naples branches. We do, however, know that they were strong enough to dominate the money markets of those capitals.

At the rate of speed that Nathan traveled, viz., an increase of 500% a year, the fortune of the London branch alone would have been more than $100,000,000,000 by 1840. It is not likely, however, that he continued to multiply the family fortune 500% a year, but it is probable that he continued to increase it at the rate of 10% or more, annually. At this rate it would have amounted to approximately $20,000,000,000 by 1840, just 100 years ago.

The imagination can scarcely conceive the immensity and power of such a fortune. The three greatest American fortunes have been the Rockefeller, Carnegie, and Ford, which together would not exceed $2,000,000,000. If those fortunes should be loaned at 5% compound interest the mere accumulation of interest would in the course of time, and not a very long time at that, consume the wealth of the world. But compound interest is only a small element of the Rothschild fortune; it has been developed by speculation on the exchanges preceding and following wars and depressions as well as by the accumulation of interest.

We can take pencil and paper and figure accurately the increase of $20,000,000,000 at 5% compound interest in 100 years time, but it is impossible to even approximate the profits from the manipulation of the exchanges. The Rothschilds, during that entire period of 100 years, have been active manipulators of every important stock and commodity exchange of the world.

By virtue of their immense financial power they have been able to raise or lower prices at will, to create a boom or bring on a depression, to buy when stocks and commodities are cheap, and to sell when they are high. It is by these crooked manipulations that they and the members of their race have acquired the greater part of the wealth of the world.

The authority mentioned* reports that from 1817 to 1848 they made loans to various countries, aggregating 654,487,200 pounds. It reports also that they financed both Napoleon and the allies during the Napoleonic wars, and that they financed the American wars.

> "But in the two great wars Jewish financiers played a considerable role owing doubtless to their European connections. Hamym Solomon in the revolutionary war, while Seligman Brothers and Speyer & Company financed the North and and Messrs. Erlanger the South in the great civil war. More recently, in the great development of railway finance the firm of Kuhn, Loeb & Company have taken a prominent part."

It will shock the American people to learn that Hamyn Solomon whom we have regarded as a revolutionary hero, was the agent of Rothschild, and that Rothschild financed both sides of the American revolution and the civil war. This is true to form. They acknowledge allegiance to no country; they are out for the money, and it matters not how or where they get it; they wish to destroy all governments in order to establish their own, and their method is to promote and finance wars.

It was stated by the Russian Major General, Count Cherep-Spiridovich, that the Rothschild family fortune in 1925 was $300,000,000,000, and that they made $100,000,000,000 of that sum out of the late world war, now called World War I.**

This appears to be a very conservative estimate. We have had a number of minor wars since that (late and two major depressions, viz., the disaster of 1929-1930 and the Roosevelt debacle of 1937, as a result of which stocks have fluctuated violently in value. It is likely that the Rothschild family fortune is now in the neighborhood of $500,000,000,000, which is about twice the value of the wealth of all the people of the United States.

The aggregate wealth of the present several hundred members of the family is only a matter of conjecture for it is kept as a sacred, profound secret. It is rare that we get even a glimpse

*Jewish Ency., Vol 10, p. 493-495.

**"The Secret World Government, or The Hidden Hand."

of the wealth of any individual member of the family.

It is the history of the Rothschild family that all of its members conceal their wealth in every possible way. This is done not only in pursuance of the will of the founder of the fortune, but also to enable them to accomplish their purposes as set forth in the protocols.

It is estimated that the Jews have absorbed four-fifths of the wealth of Germany, Austria, Poland, and Czecho Slovakia, and more than one-half of that of England, France, and Italy. They practically own the banks, railways, steel and munition plants of these countries, to say nothing of the Press and other minor industries.

They undoubtedly own approximately one-half of the wealth of America. With one or two possible exceptions they own the huge New York banks (which implies the control of the New York Federal Reserve Bank), the insurance companies, the railroads, 70% of the steel and munition industries, 80% of the metropolitan press, the news and advertising agencies, the cinema, and 80% of the radio broadcasting companies. Wherever there is a monopoly a Jew will likely be found in control of it.

J. P. Morgan & Company, with assets of $640,000,000, about one-half of which is cash and the other one-half tax exempt bonds, has always been regarded as a Gentile firm that was practically owned and controlled by the Morgan family. The recent testimony taken by the Temporary National Economic Committee discloses* the fact that J. P. Morgan only holds 9.1% interest in that firm; it also discloses that H. B. Davison had only 1.2%, George Whitney 1.9%, and that the other partners had interests of from 1/10 of 1% up to 6.1%, with the exception of the Chas. W. Steele Estate and Thos. W. Lamont who held 36.6% and 34.2% respectively.

J. P. Morgan is a man of great wealth; Thos. W. Lamont has never been regarded as a very rich man, and Chas. W. Steele was unknown to the public. In proportion to their interest in the Morgan firm they are due to be more than three times as wealthy as J. P. Morgan. It is not likely that Lamont and Steele own in their own right the percentages as shown. It is probable that these respective interests are held in trust for the

*"Verbatim Record of the Proceedings of the Temporary National Economic Committee," Vol. X, No. 9, p. 262, Washington, D. C, Dec. 20, 1939.

Rothschilds and that J. P. Morgan & Company is but a Rothschild "front." If true, it explains the fact that there is never any competition between Morgan & Company and Kuhn, Loeb & Company; on the other hand, there is always the closest co-operation.

It is a circumstance worthy of note that the Temporary National Economic Committee has not investigated the firm of Kuhn, Loeb & Company and that this firm was not investigated by the former senate investigating committee. Is it only an accidental circumstance that Kuhn, Loeb & Co. are always left out of the investigations? This firm is the author of most of the devilment and we are entitled to know about its secret operations, such as the financing of Lenin and Trotzsky.

The firm of Kuhn, Loeb & Company is reported to be a Rothschild firm, owned "lock, stock and barrel" by the Rothschild interest. An investigation of this firm will no doubt reveal that fact; it will no doubt reveal the further fact that its capital is largely cash and tax exempt bonds. The Rothschilds appear to be willing, in order to appease the public demands for information, to sacrifice the bank wherein they have only a 70% interest, and to make it the "goat" for public investigations.

It appears from the former senate committee investigation that neither J. P. Morgan nor Thos. W. Lamont pay any income taxes. They adopt the scheme of selling securities at a loss just before the first of January to friends or relatives, which losses are offset against their profits, with the result that they have no profits. It is likely that the members of the Kuhn-Loeb firm do likewise. With the Gentiles paying income taxes and the Jews owning tax exempt bonds and dodging them, it will not be long until they absorb the greater part of the wealth of the country—if they have not already done so.

There are many other rich Jews in addition to the Rothschilds, but the huge Rothschild fortune represents the greater part of the wealth of all the Jews of the world. The authority mentioned says:

> "The Rothschilds were not without competitors; other Jewish families, the Lazards, Sterns, Speyers, and Seligmans adopted the Rothschild plan."*

The "Rothschild plan" referred to was to establish private branch banks in the capitals of Europe and America with some

*Jewish Ency. Vol. 2, p. 496.

member of the family in charge of these branches. It is likely that the Rothschilds finance and control the majority of these firms for they need many agencies to handle their immense fortune. The "Rothschild plan" is an excellent tax dodging scheme. There is no inheritance by heirs and hence no inheritance taxes. Moreover, the Rothschild interest will usually be found in control of the national treasury with the power to interpret and administer the tax laws.

VII.

The Mighty Rothschild Power

> "Therefore we must not stop at bribery, deceit and treachery when they should serve towards the attainment of our end. In politics one must know how to seize the property of others without hesitation if by it we secure submission and sovereignty."—From Protocol 2.

The first manifestation of the power of this concentrated wealth was to free the Jews from the bondage in which they had been held by the various governments of Europe. When William of Hesse placed his money in the hands of Mayer Amschel Rothschild the Jews were without the privilege of citizenship in Germany and all other countries, and were subject to all manner of burdensome taxes. It is said that they were the unofficial tax gatherers for the British kings during the reign of the Norman monarchy—the Jews squeezed the people and the kings squeezed the Jews.

The historian Reeves graphically states the achievements of the Rothschild fortune as follows :

> "Little could Mayer Amschel have anticipated *** that his sons would in after years come to exercise such an unbounded sway that the peace of nations would depend upon their nod; that the powerful control they exercised on the European money markets would enable them to pose as the arbiters of peace and war, since they could at their pleasure withhold or furnish the pecuniary means required to carry on a campaign.
>
> "But this, incredible as it may seem, was what their vast influence, combined with their enormous wealth and unlimited credit, enabled them to do, for no firms existed strong enough to oppose them for any length of time, or rash enough to take up a business which the Rothschilds had refused. To reach this exalted position Mayer Amschel and his sons required the co-operation of the States, but, when once he had climbed over their backs and reached the height of his ambition, he was independent of all aid and could act with the greatest freedom, whilst the States remained in a suppliant attitude at his feet."**

This power brought about the establishment of the gold standard, first in the British Empire and then in other countries, as stated in a succeeding chapter of this volume. They acquired the controlling interest in the Bank of England for which the late Lord Rothschild acted as gold agent and gover-

**"The Rothschilds," by John Reeves, p. 104-105.

nor. The Bank of England is one of their many "fronts." They no doubt have the controlling interest in most of the other central banks of issue.

In strict keeping with the secrecy, which has been one of the cardinal principles of the Rothschild rulers from the beginning, the Bank of England refuses to reveal its stockholders. There have been many investigations which have sought to gain this information, among others a direct order of Parliament, but it has never been disclosed. It is my information that the ownership of the other banks of issue of Europe is also kept a profound secret.

They sent one of the Rothschild agents, Paul Warburg, as their representative to America just prior to World War I, to change our banking systems. They knew that we would acquire the greater part of the gold of the world in payment of our exports and they wanted to sterilize this gold in order to control our economy and that of other countries. Under the pretense of organizing a credit expanding system to meet the demands of commerce, they in fact organized a credit contracting system to hold it in leash and to increase the power and value of money.

Through their ownership and control of their Morgan & Co., and Kuhn, Loeb & Co., private banks, they own and control the principal New York national banks and trust companies, and through them own and control the New York Federal Reserve Bank. This branch of the Federal Reserve System according to a recent statement has resources of $10,035,211,000 as against the resources of the other eleven F. R. banks of $11,-744,034,000. It has gold certificates of $8,934,442,000 as against the gold certificates of the other eleven F. R. banks of $10,-094,036,000.

According to pro-Jewish Senator Carter Glass this gold belongs to the certificate holders. It should be observed that the United States government issued gold certificates for the gold held by foreigners and the Reserve banks but did not issue such certificates for gold held by other banks or individuals; they received Federal Reserve Bank notes which are withdrawable and subject to cancellation at the pleasure of the Federal Reserve management.

The explanation is simple: Such certificates if issued to individuals and banks generally in the United States would be in circulation and therefore enhance the value of property and

service and would cheapen money, but the certificates issued to the Federal Reserve Banks are locked in their vaults and thereby kept out of circulation, and the certificates issued to foreigners are sent out of the country.

The Rothschilds, through the Sassoons (one of the female branches of their family), own and control the banks of China and India. They also own, control and operate the immensely profitable, illicit opium trade.

A number of rich Catholics undertook to organize a competitor bank to rival the Rothschild power. I have been unable to discover when this enterprise was launched, but it was sometime about 1830. The Rothschilds crushed it. The Jewish Encyclopedia admits that

> "Following the failure of the Catholic bank, Union Generals, leaving the Rothschilds still more absolutely the undisputed leaders of French finance, but leaving also a legacy of hatred which had much influence on the growth of the anti-Semitic movement in France."*

It says further:

> "It is a somewhat curious sequel to the attempt to set up a Catholic competitor to the Rothschilds that at the present time (1905) the latter are the guardians of the papal treasure."**

If this latter statement is true the Rothschilds control in addition to their own fortune the immense liquid resource of the Catholic Church, which is second only to the Rothschilds' in wealth and power. It is probably not literally true since the private banking firm did not do commercial banking. It is likely that the papal treasure is deposited with the Bank of England or some other bank "front," but even so it contributes to the Rothschild power.

It should be observed from the above quotation that the Rothschilds brought on a major depression which provoked anti-Semitism. I identify this as the catastrophe of 1839-1840, known as the "hungry forties," which our American historians have wrongfully ascribed to the veto of the charter of the Second Bank of the United States by Andrew Jackson in 1836.

The next major depression in this country and throughout the world was in 1873—"the crime of '73." This was brought about by the demonetization of silver. The Rothschilds had already brought about the demonetization of silver in Germany

** Jewish Ency. Vol. 2, p. 497.

as a part of their plan to "facilitate the payment of the French indemnity to Germany," but it was necessary to the perfection of this plan that the gold standard be established in America. Through bribery, they caused to be clandestinely inserted a clause in the Coinage Act of 1873 that demonetized silver.

The next major depression in America and throughout the world was the panic of 1893 which was brought about by the competition between the Jewish House of Rothschild and the Jewish rival firm of Baring Brothers. The ruler of the Rothschilds determined to crush the Baring firm. The Jewish Encyclopedia says of this operation:

> "Similarly it is stated that the financial crisis of Germany and Austria (and America and the world) was also a source of anti-Semitism because the shrewdness of the Jewish bankers had forseen the crash and they were enabled to evade it."*

The Jews are always able to foresee and evade these depressions because they create them. They not only evade these crises but they sell their securities in advance of them and buy them back when values have been destroyed, at a fraction of their former worth, and thereby make immense profits. It is by the repetition of this process from panic to panic that they have so rapidly acquired the wealth of the world. The Jews do not lose on a panic, for the word is passed down when it is to happen. They usually profit by it; a panic is their rich harvest.

The next major panic was that of 1907 which the Rothschild controlled banks created by refusing to pay their customers and their bank correspondents the money due them and which was held on deposit. They simply coldly and brutally said to the other bankers having deposits with them: We cannot and will not pay you your money, and you must take care of your own customers the best way you can. This resulted in all the banks throughout the country clamping down on their customers and refusing to pay them their money, which in turn resulted in checking all commercial enterprises and a great fall in the wage and price level and a disastrous panic.

It resulted also in the people and the bankers getting together for the purpose of organizing a currency and credit expanding system to prevent a recurrence of such a panic. And worst of all the outcome was that the Rothschilds organized this system for us and created one that they could manipulate in

*Vol. 2, p. 493.

bringing about future panics and through which they could fix and regulate the wage and price level. That system has been responsible for the depressions of 1920, 1930 and the present Roosevelt depression of 1937 (still with us now, in 1940) which resulted in the "New Deal" and general bankruptcy.

We have had these depressions so frequently and regularly that we have come to regard them as natural phenomena. There are economists who attempted to predict them. They usually occur about every ten years, but F. D. Roosevelt was a little impatient to put over his "New Deal" and his communistic program, and he brought the last one on us ahead of time in order to complete the job which he started in 1933. They have all been manipulated, and for the same purpose, viz., thievery and robbery and to establish the Kingdom of Judah throughout the world.

As cruel and destructive as these panics are, they are not as bad as war. The Rothschild power was responsible for World War I and for the present world war, as will be shown later in this volume. They have been responsible for most of the wars that have occurred within the last 150 years. They usually finance both sides of these wars, not because they are interested in either side winning but because wars are demoralizing and destructive to the Gentiles and because they bring the Jews nearer their ultimate goal, viz., rulers of the world.

Wars are their shortest and quickest route to the throne. The accumulation of compound interest is entirely too slow for them. The robbery of the people through their manipulation of money and credit, as effective as it is, is also too slow. War, with all of its attendant human misery, is their surest and best route—and so we have wars and will continue to have them so long as this power dominates the world.

In 1844 "Sidonia" (Rothschild) said, in "Coningsby":

> "No penal laws, no physical tortures, can effect that a superior race should be absorbed in an inferior, or be destroyed by it. The mixed persecuting races disappear; the pure persecuted race remains . . .
>
> "The first Jesuits were Jews; that mysterious Russian diplomacy which so alarms Western Europe is organized and principally carried on by Jews; that mighty revolution which is at this moment preparing in Germany . . . is entirely developing under the auspices of Jews, who almost monopolize the professorial chairs of Germany."

"Sidonia" further says:

> "I had on my arrival (at St. Petersburg) an interview with the Russian Minister of Finance, Count Cancrin; I beheld the son of a Lithuanian Jew . . . I had an audience on my arrival at Madrid with the Spanish minister; I beheld one like myself, the son of a Nuovo Christiano, a Jew of Aragon. In consequence of what transpired at Madrid I went straight to consult the President of the French Council; I beheld the son of a French Jew . . . We fixed on Prussia . . . Count Arnim entered the cabinet, and I beheld a Prussian Jew. So you see, my dear Coningsby, that the world is governed by very different personages to what is imagined by those who are not behind the scenes."**

If Sidonia should now, in 1940, make the rounds of the capitals of Europe, he would find a considerable change in the situation. He would find the Jews struggling to maintain their political power and their sacrosanct gold standard, using Gentile "fronts" and Gentile armies and navies for that purpose.

He would find that Hitler had driven the Jews from the capitols of Germany, Austria, Czecho Slovakia, Poland, Denmark, Norway, Holland, Belgium, France, and Roumania—and that he was engaged in a struggle to drive them from England. He would find that Mussolini had driven them from Italy, Albania, and Ethiopia. But he would still find them at the helm of the British Government-—and I regret to say the United States Government also.

A country engaged in war must buy from other countries many products required for its prosecution. That requires money that is acceptable to the seller, which has heretofore meant gold, because the moneys of the principal exporting countries have been based on gold. It has therefore been necessary to apply to the Rothschilds for this firm has, until recent years, been in control of the gold of the world, either directly or through their banks. They have therefore had the power to make or unmake wars. It is the universal gold standard coupled with their universal press ownership and coupled with the secrecy of their operations that have made them masters of the world.

**"Coningsby" by Benjamin Disraeli, p. 207-209.

VIII.

The "Kept" Press

> "In the hands of the States of today there is a great force that creates the movement of thought in the people, and that is the Press. The part played by the Press is to keep pointing out requirements supposed to be indispensable, to give voice to the complaints of the people, to express and to create discontent. It is in the Press that the triumph of freedom of speech finds its incarnation. But the goyim States have not known how to make use of this force; and it has fallen into our hands. Through the Press we have gained the power to influence while remaining ourselves in the shade; thanks to the Press we have got the gold in our hands, notwithstanding that we have had to gather it out of oceans of blood and tears. But it has paid us, though we have sacrificed many of our people. Each victim on our side is worth in the sight of God a thousand goyim."—From Protocol 2.

It is true that the Press in the "goyim States" has fallen into the hands of the Jews; it is also true that through the Press the Jews have "gained the power to influence while remaining in the shade." It is also true that they have "got the gold" in their hands and that they have "had to gather it out of oceans of blood and tears"—but not their blood and tears; they have gathered it from the "blood and tears" of the gullible and despised goyim. The only method by which they could have gained this gold, through the Press and through "blood and tears" is by creating wars, which the Press have helped create through their propaganda.

It is difficult to prove to what extent the Jews are directly interested in the Press, for they conceal it. They are reputed to own 100% of the metropolitan newspapers of both England and France, and likewise 100% of the news and advertising agencies and the cinema of these two countries.

In America the ownership is not so complete. It is estimated that the Jews own 80% of the metropolitan press and 100% of the news and advertising agencies and cinema. Fortunately, their ownership of the small daily papers and country papers appears to be negligible; their influence with these papers is through their news agencies from which the country press obtain news, and their advertising agencies through which they obtain advertisements.

The Jews also own about 80% of the radio broadcasting stations through their ownership of Columbia Broadcasting Svs-

tern, Radio Corporation of America, and Mutual Broadcasting Company. The Jew Sarnoff is at the head of RCA which controls the National Broadcasting Company, and the Jew Paley is head of CBS, and the Jew Strauss is the reputed owner of the Mutual, The Jews have been acquiring the periodicals so rapidly in recent years that it is impossible to estimate their present holdings. They acquired the very informative and useful "Literary Digest" and junked it, and instead gave us the jazzy "Time" and "Life." They are reputed to have acquired the "Saturday Evening Post" and perverted its high standards and principles.

The Post was founded by Benjamin Franklin and it has always been free and independent and bold in its editorial expression. It was an outstanding critic of the New Deal and the perversion of the government by the Roosevelt Administration, but it has been silenced by its present Jew owners; they have put it to sleep permanently. There is not now in this broad land of ours a single periodical or metropolitan newspaper that stands for constitutional government as it has been handed down to us by our ancestors.

The Press has degenerated under Jewish control and influence into lying propaganda agencies whose chief mission appears to be to deceive and to befuddle the people. In Protocol 12 the Elders of Zion say of the Press:

> "Not a single announcement will reach the public without our control. Even now this is already being attained by us inasmuch as all news items are received by a few agencies, in whose offices they are focused from all parts of the world. These agencies will then be already entirely ours and will give publicity only to what we dictate to them."

It is literally true that all "news items are received by a few agencies." It is also true that these agencies are "entirely ours." It is also true that they only give publicity to "what we dictate to them." It is also true that all of the news that reaches us is under their control.

This protocol was promulgated prior to 1905. The situation there described is precisely the cpndition that now prevails. We are getting only such war news as they choose to give us, and they choose to give us only that which will favor England because they (the Jews) are waging this war through Britain for the Jews and their restoration of Poland and Czecho Slovakia and for the maintenance of their gold standard and their power.

The British Press manifested its mighty power in Great

Britain by overthrowing the Chamberlain government and establishing in place of it the pro-Jewish Churchill-Eden-Cooper government. The Press of England with one accord demanded a more vigorous prosecution of the war and made Chamberlain the "goat" because of the reverses of the Allies in Norway. There is reason to believe that the people of the British Empire, like the people of America, don't want war but it is the Jews and their Press that are demanding it, and through their control of the government are waging it.

In the Funeral Oration of Rabbi Reichhorn pronounced in Prague in 1869 over the tomb of Grand Rabbi Simeon-ben-Ihuda, he said:

> "The other great power is The Press. By repeating without cessation certain ideas, the Press succeeds in the end in having them accepted as actualities. The Theatre renders us analogous services. Everywhere the Press and the Theatre obey our orders."

That furnishes an explanation of all of this war propaganda to which we are now being subjected. It will be observed that by repeating a falsehood from time to time they say it will be "in the end accepted as an actuality." We constantly have before us the proof of that statement.

Every member of the Congress who has any knowledge of the money question knows that the only remedy for the existing depression is what the Jews and their columnists and "kept" Press call inflation; they know that inflation means high prices and wages and cheap money, but there is not one of them who will dare publicly announce that he stands for inflation—not one. On the other hand he will hold his hands up in holy horror against it, will talk about its abuses in Germany, France, etc.

Why? Simply because the Jews have held inflation up to scorn so often and ridiculed it so repeatedly that it has become anathema, and it is accepted as an "actuality" that any sort of inflation would be a great misfortune; this, despite the fact that they know there can be no relief from deflation without it. It is fear of the Jew press.

Why have the Jews acquired the Press and other publicity agencies in America and other countries unless it is for the purposes as stated in the protocols? Has it just so happened without any sort of design that the Jews have acquired all the agencies in all of the countries of the world that direct and influence and control the "movement of thought in the people?" The

Press is presumed to voice the sentiment of the people but it in fact voices only the sentiment of the Jews.

The Press has a very important influence in the election of our public officials. No man can be nominated or elected President of the United States without publicity, and he must go to the Jews and their Press, their cinema, and their radio to get it; it can be obtained no where else. He can't get to first base without it.

The result is that some of the presidents of the United States have been selected and elected by the Jews; that is true of at least two democratic presidents, but it may not be true of any of the republicans, except Hoover. The result is also that congress and the President are subservient to Jewish control. The result is also that no politician will dare criticize the Jewish race, and that all with one accord praise it and denounce racial prejudice.

The power of the press was forcefully stated by Richard B. Sheridan in Parliament:

> "Give me the Liberty of The Press and I will give to the minister a venal House of Peers; I will give him a corrupt and servile House of Commons; I will give him the full swing of the patronage of offices; I will give him the whole host of ministerial influence; I will give him ALL the power that place can confer upon him—to purchase submission and over-awe resistance.
>
> "Yes, armed with the Liberty of The Press, I will go forth undismayed; I will attack the very fabric of that mighty engine. I will shake down corruption from its height, and bury it beneath the ruins of the abuses it was meant to shelter."

In Protocol 7 attached as an Appendix, they say, "We must compel the governments of the goyim to take action in the direction favoured by our widely conceived plan, already approaching the desired consummation," by that "great power, the press, which with a few exceptions that may be disregarded, is already entirely in our hands." That is precisely what they are now doing. They are seeking to compel all governments to join in their "widely conceived plan" of a universal war. Through the "oceans of blood and tears" of such a war they will again gather much gold and may seize political power and establish their "King-Despot of the blood of Zion."

We have the evidence here before our very eyes and yet we refuse to see and recognize it, and the danger of it. We know that

the leading newspapers and magazines of this country are in Jewish hands. We know that most of the journalists are Jews and that Jews are the publicity agents of both political parties. We know that the Jews own and control the cinema and radio. We know that the Jew press and the Jew columnist and the Jew radio and the Jew cinema are with one accord conducting a malignant campaign to involve us in the present war. Why? Is it to promote the public welfare? No. Is it to promote the Jewish "widely conceived plan"? Yes. There can be no other answer. Our officials are tongue-tied and bound hand and foot, and there appears to be no way to obtain legislative relief.

They say in the same protocol (No. 7), "the principal factor of success in the political is the secrecy of its undertakings." In other words, it is humbuggery and deception. How lamentably true. If we knew the truth and the whole truth we might correct it, but so long as they can deceive us there is but little chance for it. They conceal the fact that they own the leading newspapers and magazines and banking institutions. They hide behind corporate names and dummy stockholders. When the truth is stated they deny it.

In their protocols they say "with a few exceptions that may be disregarded, it (the press) is already entirely in our hands." This has reference to the press of the whole world. This was prior to 1905, but it appears to still be true, with the exception of Germany and Italy. (The governments of France and Roumania have recently disfranchised the Jews and decreed that they shall have no sort of connection with the press). It is unthinkable that the Rothschild power manufactures public opinion throughout the entire world through their ownership of the press, and that they are using this power to create wars and gather gold from "oceans of blood and tears."

They say they own the press and the known facts verify the truth of that statement. They say they have acquired it "to compel the governments of the goyim in the direction favoured by our widely conceived plan;" and they are using it for that purpose. They say that through it and through "oceans of blood and tears" they have acquired the gold of the world, and that is true. What stronger evidence can there be of the authenticity of the protocols? How long, oh how long, will we submit to the rule of this vicious alien power?

The following are some of the leading Jewish journalists:

F. P. Adams ("F.P.A."), Walter Lippmann, David Lawrence, Louis Lipsky, Isaac F, Marcosson, Charles Michaelson, Joseph Pulitzer, Marcus Eli Ravage, George E. Sokolsky, John L. Spivak, Herbert Bayard Swope, Walter Winchel, James Waterman Wise, Frederick William Wile, Morris Fishbein, Emil Ludwig-Cohen, and many others.

The following are some of the known Jewish publishers:

"Moses Annenburg of Philadelphia; David A. Brown of Detroit; Lowell Brentano of New York; Paul Block; J. H. Biben of New York; Abraham Caban of New York; Levand Bros., of Kansas; Adler Chain, in Northwest; Eugene Meyer, of Washington, D. C.; Arthur Newman of New York Journal; Liberty's Bernarr McFadden of New York; J. David Stern of New York; Arthur Hays Sulzberger of New York Times; David Shapiro of New York. Editorial departments of the newspapers are controlled chiefly through Jewish advertising influence. Many Jews are in the Associated Press and United Press Assn., and the Hearsts papers are Jew-directed."*

There are also many other under-cover stockholders and bondholders.

The columnist, Boake Carter, stated in one of his syndicated articles that "recently a considerable block of stock was opened to public sale by the Chicago Daily News (Col. Knox's paper). Among the largest buyers was Kuhn, Loeb & Co." This reveals one of the methods by which the Jews have obtained control of the press. The Jews also own the International Paper Co., which extends credit to many newspapers and owns the stock and bonds of many of them. Whenever a leading newspaper gets in financial distress or comes on the market, the Jews grab it up.

It is a significant fact that every Jew columnist is for war against Germany and every Gentile columnist is against it; it is also significant that every Jew congressman is for war, and the Gentile congressmen are practically unanimously against it; it is also significant that the city Jew press is for war and the country Gentile press against it.

We Gentiles have not yet forgotten the ingratitude shown us by the Allies following World War I. They said that we did not win it, that they did. They said also that they were fighting for us and that we should bear the expenses of the war and they refused to pay the loans made them since the war, on that flimsy

*R. E. Edmondson Bulletin.

ground. They called us "Uncle Shylock" because we expected payment of these debts, amounting to over $12,000,000,000.

The present Prime Minister of England, Winston Churchill, published a statement saying that we did the Allies more harm than good by entering World War I, because they would have made peace two years sooner if we had not done so. Well, now "Uncle Shylock"—or at least the Gentile part of him—wants to decline to underwrite the present war. He disclaims all interest in it or responsibility for it.

Let them fight to their hearts content and make peace whenever it suits them. The chances are it would soon be made except that our humane (?) President encourages them to fight on, and they hope that by some hook or crook the Jews through their control of press and radio will influence us to the point that we will forget the past and again rush to the rescue.

If the real truth were known there would be no intervention sentiment in this country, and there would be very little pro-British sentiment. If the real Jewish names of these journalists and the fact that they are Jews, were stated in connection with their columns, their views would carry but little weight; and if "our widely conceived plan" were widely understood, they would carry none.

The following is a list of some of our prominent cinema stars, viz:

Eddie Cantor (Isidore Isokowitz) ; Edward G. Robinson (Emanuel Goldenberg) ; Paul Muni (Muni Weisenfreund) ; Jack Benny (John Kubelsky) ; Ben Bernie (Benjamin Anzelovitz) ; John Garfield (Julius Garfinkle) ; Ricardo Cortez (Jack Krantz) ; George Burns (Nathan Birbaum) ; Bela Lugosi (Bela Blasko) ; Ed Wynn (Ed Leopold) ; Nick Stuart (Nikolas Pratza) ; Bert Lahr (Irving Lahrheim); George Sidney (Sammy Greenfield) ; Joe Penner (Joseph Pinter) ; Raquel Torres (Paula Osterman) ; Fanny Brice (Fanny Borach Arnstein Rosenberg) ; Sophie Tucker (Sophie Abuza) ; Harry Green (Harry Blitzer) ; Harry Richman (Henry Reichman) ; Ted Lewis (Theodore Friedman) ; Kenneth MacKenna (Leo Mielziner) ; Ina Clair (Fagan); Douglas Fairbanks, Jr. (Ullman) ; Sylvia Sidney (Jason) ; Al Jolson (Yoelson) ; Charlie Chaplin (Thonstein) ; Paulette Goddard (Levy) ; Elaine Barry (Jacobs) ; Ethel Merman (Zinnerman) ; Sybil Jason (Jacobs); Luise Rainer; Bobby Breen; Joseph Schildkraut; Lionel Stander; Gregory Ratoff; Tony Martin; Jack Pearl; George Jessel; Irving Pichel; Ritz Brothers, Marx Brothers, and many others.

The movie stars in themselves are by no means so important as the journalists, but the Jewish degradation of the cinema is important. We and our children must be entertained with Jewish humour, reconciled to racial equality by Jewish propaganda, and deceived by Jewish lies. Our children would not find Eddie Cantor quite so entertaining if they knew that his real name is Isidore Isokowitz; nor would they find Edward G. Robinson's acting so thrilling if they knew him to be the Jew Emanuel Goldenberg.

The cinema is for war. Why? Because it is Jew-owned and controlled. The radio is for war. Why? For precisely the same reason. The metropolitan press is for war. Why? For identically the same reason. The Jew is for war. Why? It is for the prosecution of "our widely conceived plan;" it is to gather in more gold through "oceans of blood and tears;" it is for the destruction of the Gentiles and their governments.

The radio and cinema are not mentioned in the protocols for the very good reason that they were not then in use. As soon as these two methods of influencing the public mind and creating sentiment were developed, they were both acquired by the Jews—not only here in America but in every country of the world. Why?

This is not a mere accidental circumstance. It is in pursuance of their "widely conceived plan" and for the purpose of accomplishing it. And the radio and cinema are being used for that purpose continuously, consistently, and relentlessly.

There can be no reasonable doubt about the authenticity of the protocols. Every statement of fact contained in them is found to be true. The Jews own the gold, the exchanges and the press, as they claim. They have the political influence that they boastfully claim; they create wars as they propose, and world history and current events have developed and are developing in strict conformity with the plans outlined in the protocols.

IX.

The Murder Gang

"Death is the inevitable end for all. It is better to bring that end nearer to those who hinder our affairs than to our selves—the founders of this affair. We execute masons in such wise that none save the brotherhood can ever have a suspicion of it, not even the victims themselves of our death sentence, they all die when required as if from a normal kind of illness . . . Knowing this, even the brotherhood in its turn dare not protest. By such methods we have plucked out of the midst of masonry the very root of protest against our disposition. While preaching liberalism to the goyim we at the same time keep our own people and our agents in a state of unquestioning submission."—From Protocol 15.

It may be true, as the Jews claim, that they originated masonry. There are many signs and symbols of masonry, as we Americans know it, that indicate it, but our masonry, as has heretofore been pointed out, is entirely separate and different from theirs; theirs is a secret clannish political agency to preserve their solidarity, to act as a unit, and to carry into effect the orders of their rulers.

The B'nai B'rith appears to have been founded in America and to be the American branch of the Jewish continental masons; there is no occasion here for another openly avowed benevolent masonic order since the Jews are permitted to join the American masons.

"What is the B'nai B'rith?"

"An international secret Jewish 'masonic order' known among the tribes as 'Sons of the Covenant' (circumcision), of which Henry Monsky of Chicago is President. It was founded in New York in 1843. Jewish Author Ludwig Lewisohn says 'B'nai B'rith represents Jewry the world over'."

"What are its objectives?"

"To promote what it calls 'The Jewish Common Purpose,' which is domination of Gentiledom. 'Kinship is to be found between the aims which President Roosevelt exemplifies, and the purposes for which B'nai B'rith carries on,' said Jewish Gov. Henry Horner of Illinois, in B'nai B'rith Magazine for April 1934."*

The French Illuminati was also a branch through which they murdered Gentiles without discrimination and without

*R. E. Edmondson's Bulletin, "Counterfeit Americans," Apr. 15, 1940.

mercy—men, women and children, in Paris during the French revolution. The Nihilists of Russia was reputed to be another branch through which they murdered the Czars of Russia and the rulers of other countries.

It was probably the Continental Masons who selected Herschel Grynszpan to murder Von Rath, the German attache in France, for the Jews have made a hero of him; they have throughout the world applauded this dastardly act, raised huge sums of money and employed many lawyers for his defense. The Jewish French government never arraigned him for trial but the present government will likely do so. He proposed to volunteer to fight for France, which was headlined in the Jewish press all over the world. Adolf Hitler accepted this political assassination as being a racial murder in pursuance of their racial plans and accordingly imposed a fine of $400,000,000 on the Jewish race in Germany.

It is estimated that when the Jews obtained control of the Russian government they put to death 3,000,000 of the best and most important Gentile citizens of the Russian Empire, and later starved to death more than 20,000,000 of them. When the Jew Bela Kuhn (Aaron Cohn) obtained control of the Hungarian government, his first act was to murder 20,000 of the leading Gentiles of that country. It is reported that 700,000 Hungarians were killed during his 133 days of rule of Hungary and immediately preceeding and following it.*

The same thing occurred in Germany. Adolf Hitler is authority for the statement that between 4,000 and 5,000 of the best people of Germany were promptly executed when the Jews obtained control of the government.

This is all in pursuance of their protocols and their Talmud and their communist code. Their Talmud teaches them that "the life of a goi and all his physical powers belong to a Jew," and their protocols tell them that death is the "inevitable end for all and that it is better to bring that end nearer to those who hinder our affairs than to ourselves—the founders of this affair."

The Jews are descended from a nomadic Asiatic people who banded themselves together like packs of wolves, and roamed the plains of Palestine, Persia, Arabia and adjoining countries, and pillaged the people of those countries. Money is their God

*"Answer to Father Coughlin's Critics," p. 119.

and it has been so since they repudiated the divine law of Moses and bowed down before Aaron's golden calf. They have always imagined themselves superior to the peoples of the countries wherein they dwelt. They have outwitted and cheated and despoiled other peoples until it has become a part of their nature.

The present Jew is the product of his ancestors; he has inherited many of their characteristics. His civilization is but veneer, and a thin one at that. He ill-conceals his vanity and egotism and deceitfulness and cruelty and grasping nature.

Murder is difficult to prove at best, and it is impossible when it is done in such manner that "none save the brotherhood can even have a suspicion of it—not even the victims of our death sentence; they all die when required, as if from a normal kind of illness." This can explain the alleged murder of President Harding; and also the alleged murder of the late, blind Senator Schall of Minnesota who was an able and outstanding critic of the present Jew administration and "Jew Deal." He was run over on the street by a "hit and run" driver whose identity has never been discovered. It may also explain the alleged assassination of Senator Bronson Cutting who was also an able critic of the "New Deal," and likewise guilty of "hindering our affairs." He was killed in a plane crash. It was stated at the time that the plane had been tampered with and that an investigation would be made, but that was the end of it.

We have had a singular fatality among our Presidents. None of them was murdered during the approximate ninety years prior to the civil war when the Jewish influence was negligible; three and probably four of them have been murdered during the 75 years since: Lincoln by the Jew Booth; Garfield by Chas. Jules Guitau, nationality unknown; McKinney by the Jew Leon Czolgosz; and probably Harding.

During the years since the civil war the Jews have financed the campaigns of Woodrow Wilson and Franklin D. Roosevelt, and have consequently contributed very largely to the election of two of the three democratic presidents since the war. The Jews have not so far as known, financed and brought about the election of any of the republican presidents except Hoover,—and perhaps Coolidge who had his Jew sponsor, Stearn. Of the other five elected republican presidents three of them were murdered; a strange fatality of the non-Jewish republican presidents.

All of this may have just happened and not been brought

about by any sinister organization or power. There is, however, at least one murder of a prominent senator who "hindered their affairs" that is definitely known—viz., the late Senator Huey Long of Louisiana who was shot down in the Louisiana State House. His friend, Governor Allen, who succeeded him and who was investigating his death, himself died "as from a normal kind of illness"—suddenly and mysteriously.

We also know that prior to Senator Long's death the Jewish federal government refused federal aid to the people of Louisiana, for relief or in any other form. Immediately after he was murdered the federal treasury was opened up and money flowed into Louisiana. It has been aptly called "the second Louisiana purchase."

At the time of Senator Long's murder a number of federal indictments were pending against Sol Weiss, his Jew treasurer, and other leaders in the Long political machine; soon after his death these indictments were dismissed. These men were evidently promised security and felt secure, because their misconduct afterward became so flagrant that they were re-indicted and have recently been tried and convicted.

It has been frequently stated in the press that the killing of Senator Long was an "inside job." It is probable that the dismissal of these indictments and his murder were arranged beforehand. He was killed by a man by the name of Weiss, supposedly a Jew and a relative of Sol Weiss, his treasurer.

Henry Ford first opened the eyes of the people of America to the Jew menace. He caused to be published three volumes entitled "The International Jew," which revealed the fact that the Jews are the real financial power that controls America. He also published "The Dearborn Independent," which was estimated to have a circulation of almost a million, and which informed its readers about the machinations of the Jews. Among other things, it attacked the Jew Aaron Shapiro because of his graft in connection with the organization of the farmer co-operatives. Shapiro filed suit against Mr. Ford for libel for several million dollars, his attorneys being the Jew firm of Untermeyer & Marshall, New York lawyers for the Rothschild interest.

Late one night while returning home from his office, a "hit and run" driver sideswiped Mr. Ford's car and forced it down a steep embankment and he was seriously but not fatally injured.

Shortly thereafter he evidently compromised with the Jews on the basis of discontinuing the publication of The Dearborn Independent. The Shapiro suit was dismissed, the press ridicule of Mr. Ford ceased; they even speak of him kindly now.

The "hit and run" driver was never discovered. Mr. Ford probably received their "death sentence." If he had been killed it would have had the appearance of "a normal kind of accident," as the deaths of Senators Schall and Cutting appeared to be. We can not know whether Mr. Ford saved his life by this settlement but we do know that he saved himself from a lot of Jewish persecution.

Martin Luther is credited with saying that the Jews are "liars, thieves, and murderers." They are taught to be by both their Talmud and their protocols. It is a terrific indictment against the Jewish race. It is undoubtedly true of the "Learned Elders of Zion." We prefer to believe that the Jews with whom we come in daily contact are different. But we can not close our eyes to the disagreeable fact that this indictment is confirmed by the Talmud, the protocols and the history of the Jewish race.

We have just witnessed another tragic death of a great American Senator who "hindered our affairs," viz: Senator Lundeen of Minnesota. He was murdered in the same way they murdered Senator Cutting. They were both travelling in airplanes out of Washington, and in both cases the plane developed engine trouble a short distance out of the city. There were other passengers on both planes (24 on the last) but that small circumstance was a matter of no consequence to the murderers.

These are murders that appear to be from a "normal kind of accident," and they are well hidden, for there was no one left in either case to tell the story. They are not "normal" for the Cutting and Lundeen plane crashes are the only accidents of that character that have occurred in the fifteen years of passenger air travel.

There are not many senators of the Lundeen type left. Four of them have met violent deaths, viz: Senators Long, Schall, Cutting, and now Senator Lundeen. And one has been "purged" by the lavish use of money, viz: Senator Holt of West Virginia.

X.

World War I

> "We shall force the Christians into wars by exploiting their pride and their stupidity. They will massacre each other and clear the ground for us."—From Funeral Oration of Rabbi Reichhorn.

Kaiser Wilhelm of Germany was a very vain man who loved publicity and imagined himself an autocrat, but in fact he was only a figurehead, as King George VI of England now is, and as most of the European monarchs are now and were at that time. The Jews encouraged him in this delusion and fed his vanity, while they operated his government.

The important ministers of Germany—those that really ran the government—were all Jews. Bethmann Holweg, chancellor and spokesman, was a descendant of the Rothschilds, Walter Rathneau, treasurer, and Felix Warburg, head of the spy system, together with five other members of the Kaiser's cabinet, were Jews. The Jews in 1914 were more completely in control of the governments of Europe than they were in 1844 when Disraeli's "Sidonia" (Rothschild) visited the various capitals of Europe. Sidonia then with words of prophecy visioned the world war:

> "That mighty revolution which is at this moment preparing in Germany . . . is entirely developing under the auspices of Jews who almost monopolize the professorial chairs of Germany."

It was, however, a world war that the Jews developed, and not a mere revolution. The assassination of Archduke Ferdinand and his wife was given as the excuse for it but that was not the cause; it was only a pretext. There was no redress or attempted redress of this assassination; the Duke and Duchess were soon forgotten. The real cause of the war was Jewish ambition and avarice; it had been planned for a long period of time; they merely seized upon this circumstance to fool the gullible goyim.

We are all presumed to intend the consequences of our acts. We judge the cause by the effect. The effect of the war was the League of Nations, the establishment of the gold standard throughout the world, and Palestine for the Jews. This would probably have been the effect of the war if Germany had won, for the Jews even in that case would have written the peace treaty just as they did at the conclusion of the victory of the

Allies. The accomplishment of these three things was the purpose of World War I—and, with the exception of Palestine, is the purpose of World War II.

These things did not just happen by accident; they were all pre-arranged. The cunning of the Jew is uncanny. It is the result of centuries of imagined superiority and suppression and scheming and nursed vengeance.

The war-plotters knew in advance that practically all of Europe would be engulfed in World War I. They probably reckoned that they would inveigle America into it. They did not care who won. They knew that they would write the peace treaty and gather in the spoils.

The German government sought to alienate Russia from the Allies during World War I, and accomplished it through the Jews. The German Jew government furnished a train and transportation for Lenin and his gang through Germany to Moscow, and the Jews financed the enterprise. Among the Jews that put up the money were Paul Warburg, governor of our Federal Reserve System, and the Rothschild firm of Kuhn, Loeb & Co. These gentlemen now deny it. When their rascality is discovered the Jews always "deny the allegation and defy the allegator."

Father Coughlin made this charge in one of his radio addresses and it was challenged by Kuhn, Loeb & Co. In a book entitled "An Answer to Father Coughlin's Critics" the truth of this charge has been established beyond any reasonable doubt. This book further establishes beyond a reasonable doubt that the Jews not only overthrew the Czarist government in Russia, but that they executed the Czar and his family, and established their own government in place of it.

Of the 25 leaders of that revolution all of them were Jews except Lenin whose mother and wife are reputed to have been Jewesses—this would make him a hybrid and a "Jew-in-law." The following are the names of the Jewish leaders of the Russian revolution as appears from the American Official Services Report, Section III:

Assumed Name	Real Name	Nationality
Lenin	Oulianow (Ulianoff)	Russian*
Trotsky (Trotzky)	Bronstein	Jewish
Steckloff	Nakhames	Jewish

*The present writer wishes to add that some authors are convinced that Lenin's mother was a Jewess.

Martoff	Zederbaum	Jewish
Zinovieff	Apfelbaum	Jewish
Kameneff	Rosenfeld	Jewish
Dan	Gourevitch (Yurewitsch)	Jewish
Ganetzky	Furstenberg	Jewish
Parvus	Helpfand	Jewish
Uritzky	Padomilsky	Jewish
Larin	Lurge	Jewish
Bohrin	Nathansohn	Jewish
Martinoff	Zibar	Jewish
Bogdanoff	Zilberstein	Jewish
Garin	Garfeld	Jewish
Suchanoff	Gimel	Jewish
Kairmelff	Goldmann	Jewish
Sagersky	Krochmann	Jewish
Kiazanoff	Goldenbach	Jewish
Solutzeff	Bleichmann	Jewish
Piatnitzky	Ziwin	Jewish
Axelrod	Orthodox	Jewish
Glasunoff	Sehultze	Jewish
Zuriesain	Weinstein	Jewish
Lapinsky	Loewensohn	Jewish

It appears that the Jews deceive the Russians as to their identity by adopting Russian names, in the same way they deceive us by adopting English names.

The Jewish Russian revolution occurred in 1917 when we were in World War I and Russia was our ally. Paul Warburg, Jacob Schiff and other members of the firm of Kuhn, Loeb & Co., were naturalized citizens of the United States and therefore subject to prosecution for treason. They were guilty of high treason but the power of the Jew in our government at that time and since, was and is such that they have escaped the consequences of their crime. On the other hand, despite this treasonable conduct the Jews were given Palestine upon President Wilson's insistence.

It has taken 22 years to find out the whole story of our betrayal into World War I. We are indebted to Senator Gerald P. Nye of North Dakota for digging into the records and bringing to light the Balfour-Lansing correspondence by which President Wilson is shown to have agreed to enter the war long prior to the sinking of the Lusitania.

This correspondence, however, did not disclose the real reason for our action, the motive for President Wilson's change of front and how the change was brought about. In his tireless effort to keep this country out of war, Senator Nye dis-

covered and revealed the truth, and the real reason for President Wilson's change of front.

Prior to these revelations we thought we entered the war because of the sinking of the Lusitania and the violation of our rights as a neutral. That was the reason assigned by President Wilson in his dramatic message to Congress, but it was not the real reason, as conclusively shown by the Balfour-Lansing correspondence. It was only a pretext to secure the support of Congress and the people.

There can be no doubt about the fact that prior to President Wilson's second election in 1916 he "kept us out of the war." There can likewise be no doubt about the fact that he was re-elected upon that slogan. Why did he change his position soon after his election? Why did he make an agreement with the British government to help the Allies? That has been, until now, an unexplained mystery

The answer is, the Jew and Palestine. "Believe it or not," President Wilson sacrificed 50,000 of the flower of our youth, caused 200,000 more to be maimed and crippled, and gave $50,000,000,000 of our wealth, in order to restore Palestine to the Jews—a small barren country that probably could have been bought for a billion dollars or less. Worse than that, he took us into the war for the purpose of treacherously taking the homeland from one of our own Allies, the Arabs, who were fighting side by side with our soldiers. Never have a brave, confiding people been so treacherously double-crossed.

In a speech in the Senate on April 25th, 1939,* Senator Nye said:

> "There has been published a series of works under the title "The Next War.' One of the volumes in this series is entitled 'Propaganda in the Next War.' This particular volume was written by one Sidney Rogerson. I have been unable to obtain any trace of his background or of his connections; but the editor-in-chief of all these works, including" the one entitled 'Propaganda for the Next War,' is a man whose name is recognized the world over as an authority in Great Britain. He is none other than Capt. Liddell Hart, associated with the London Times, a writer and a military authority in Europe."

The following are quotations from this authority:

> "For some time the issue as to which side the United States would take hung in the balance, and the final result

*See Congressional Record, 76th Congress, Vol. 84, No. 82, pages 6597-6604.

was a credit to our propaganda (meaning the British propaganda) . . .

"There remain the Jews. It has been estimated that of the world Jew population of approximately 15,000,000, no fewer than 5,000,000 are in the United States; 25% of the inhabitants of New York are Jews. During the Great War we bought off this huge American Jewish public by the promise of the Jewish National Home in Palestine, held by Ludendorff to be the master stroke of allied propaganda, as it enabled us not only to appeal to Jews in America but to Jews in Germany as well."

They "bought off the huge American Jewish public" with the promise of Palestine, and with them they bought the powerful metropolitan Jewish press and the Wilson Administration. That is not my language, nor is it my assertion; it is the language and the statement of fact of an eminent British authority writing for the benefit of the British public, and particularly for the British propagandists of the "next war"—now in progress.

He says of this Propaganda for the Next War, that we (the American people) have been "fed up" on atrocities and that this form of attack will not work next time and that they must adopt new methods. He says that we are an emotional, gullible people and that despite the fact that there is now some prejudice against the British Government because of its refusal to pay its debt to us, that we can again be worked provided the proper approach is used. He suggests the following:

"To persuade her (the United States) to take our part will be much more difficult, so difficult as to be unlikely to succeed. It will need a definite threat to America, a threat, moreover, which will have to be brought home by propaganda to every citizen, before the Republic will again take arms in an external quarrel . . .

"The position will naturally be considerably eased if Japan were involved, and this might and probably would bring America in without further ado. At any rate, it would be a natural and obvious object of our propagandists to achieve this, just as during the Great War they succeeded in embroiling the United States with Germany.

"Fortunately with America, our propaganda is on firm ground. We can be entirely sincere, as our main plank will be the old democratic one. We must clearly enunciate our belief in the democratic form of government and our firm resolve to adhere to it. Our minor propaganda will aim at attaching the support of important sections, such as the Jews, probably by the declaration of a clear-cut policy in Pales-

tine, and of our intention, if victorious, to put an end to anti-Semitic persecutions; and of the Roman Catholic community in similar terms . . .

"In the realm of the moving picture industry we may be able to depend on the natural bias of the United States film manufacturers in favor of Great Britain as opposed to Germany, Japan, or Italy, and on their command of the machinery of international film distribution. This will be an asset both with the stock entertainment picture and the news reels."

So their plan was to line up the Jews and "Catholic community" by "promising" if victorious to "put an end to anti-Semitic persecutions; and of the Roman Catholic community in similar terms." The Jews, the Jew press, the Jew cinemas, and the Jew President and his Jew administration, are already lined up; no promises or propaganda were needed for that purpose.

But the protestant American has been badly burned, he has had enough of their wars, and it will be difficult to get him into another one by talk and propaganda—which they realize. They propose to appeal to his prejudices and fears by getting Japan in on the other side. The British Government will probably adopt this course and provoke Japan to war in order to obtain the more powerful support of the United States

The President has dispatched the fleet to the Pacific Ocean. This is for the purpose of war with Japan: It can be for no other purpose. If Japan will only torpedo one of these boats, the Jewish press, the Jewish radio, and the Jewish cinema will do the rest. The Jew Admiral Taussig stated to a Congressional Investigating Committee that "war with Japan is inevitable."

The worst of it is that these slick Jew war-makers will probably themselves torpedo the boat and blame the Japs through their press, cinema, etc., and the result will be the same. We may fight, and investigate later, and may again learn the truth twenty years afterward.

They also propose to appeal to us protestants on the "old democratic plank" that they are democracies and "believe in the democratic form of government and our firm resolve to adhere to it." To hell with such democracies!

The British Empire is governed by a King and a Jewish Privy Council and a hereditary House of Lords, was acquired by conquest, is held together by military power, and is the greatest in area ever known,—upon which it is said the sun never

sets. The French Empire, with a Rothschild in her cabinet, and governed ordinarily by a bunch of Jews,—was also acquired by conquest, and is the third largest area in the world.

The Jewish influence now governs the British Empire. They have many representatives in the House of Commons through the Labor party. In the House of Lords they predominate thru their purchase of titles and intermarriage with the nobility. Formerly a King selected and appointed his lords and nobles from his brave warriors and landed aristocracy; now he sells these titles to his rich subjects who are principally Jews, and this is a source of considerable revenue to the Crown. The present heads of the British cabinet, viz., Churchill, Eden, Cooper, et al., are all strongly pro-Jewish and are all intense haters of Hitler because he is anti-Semitic.

America is not a democracy and never has been, and God forbid that it ever shall be. It is a republic whose powers are clearly defined by the Constitution.

Referring to the propaganda by the British and German governments during the first world war, the writer correctly observes: "I repeat it is unthinkable that such a dog-fight between non-Americans will again be permitted in the United States." It is indeed "unthinkable," but such propaganda is nevertheless being carried on right now by the Jews in the newspapers and cinemas and over their radios. It should be suppressed even if we must close them all up.

Senator Nye said of this book:

> "I understand that this particular volume, Propaganda in the Next War, published last fall and placed in circulation, instead of having its circulation enlarged, now is suffering at the hands of those who desire to retire it from circulation. A few days ago I came on the floor of the Senate with the volume itself. I am sorry I have not it with me today. I am told that it is the only copy of Propaganda in the Next War available in the United States. It can be had; I can borrow it again if there is cccasion and need for it in the Senate; but it is no longer easy to obtain. I wish the entire work might be read by every Member of the Senate."

Apparently it is a semi-official book of the British government. The destruction of these copies of the book was probably by order of her Jew Secretary of War, Hore-Belisha, or other Jewish "Elders," following an ancient Jewish custom.

That is what they did to the protocols and to Pinckney's diary and probably also to the American Official Services Report mentioned above.

XI.

League of Nations

> "By all these means we shall so wear down the goyim that they will be compelled to offer us international power of a nature that by its position will enable us without any violence gradually to absorb all the State forces of the world and to form a Super-Government. In place of the rulers of today we shall set up a bogey which will be called the Super-Government Administration."—From Protocol 5.

When World War I ended, the Rothschilds and their agents were there to administer upon the wreckage. "Elder" Bernard Baruch, who succeeded E. M. House as President Wilson's advisor, induced the President, contrary to all precedent and the advice of his cabinet, to attend the peace conference in France in person. "Elder" Baruch was, during the entire period of the war, Chairman of the War Industries Board which was invested with despotic authority over the production and sale of everything.

In his memoirs, Ike Hoover, Chief Usher at the White House during ten administrations, including the Wilson administration, said:

> "The President and Mrs. Wilson went to the country place rented by Mr. Baruch for lunch today (Sunday) and all of us scattered. The strange part is that each went alone, as if dodging the others. The fact is that we are all tired of looking at one another. At dinner time we had a good laugh when I charged them all with being bored with the others, and all manfully agreed."—Saturday Evening Post, July 7, 1934.

Why should this wily Jewish gambler rent a house and make his headquarters near Versailles during the peace conference, which gave birth to the League of Nations,? What interest had he in the League of Nations?

The terms of the peace treaty and the League of Nations were ostensibly agreed upon and fixed by Woodrow Wilson representing the United States Government, Lloyd George representing the British Empire, and Georges Clemenceau representing the French Empire,—but they were in fact largely the work of men behind the scenes, viz., the "King-Despot of the blood of Zion" and his agents representing the Jewish race and money power. It is obvious that Baruch was then and is now the political representative of the Rothschilds in America. Ile was then President Wilson's adviser.

The Jew mentor of David Lloyd-George was Sir Philip A. G. D. Sassoon, Bart., a direct descendant of Mayer Amschel Rothschild, and a member of the British Privy Council. He served Lloyd-George during the peace conference as private secretary which enabled him to "sit in" on the secret deliberations of the conferees.** Jereboam Rothschild (Mandel) appears to have held a similar position with Clemenceau. Baruch's position with Wilson was that of an intimate friend and adviser.

I quote the magazine "Time" as authority for the statement that Georges Mandel, (Jeroboam Rothschild), until recently France's Minister of the Interior, was Clemenceau's "right bower." It says:

> "To the vital Ministry of the Interior, Premier Reynaud appointed energetic, 54-year-old Georges Mandel, till then Minister of Colonies. This was no new job for the sharp-nosed, stocky little Clemencist, who as the Tiger's chef de cabinet during the last war ran the country's domestic affairs and kept up civilian morale. Born Jeroboam Rothschild, Mandel has often been called France's Disraeli, is a super-politician in a country of politicians, lately showed in the Colonial (and Post Office) Ministry that he had lost none of the drive and administrative flare that made him indispensable to Clemenceau. He was so close to the Premier that the Rabelaisian Tiger once quipped: "Quand je pete, Mandel pue."*

We can now properly appraise this treacherous, criminal peace treaty, out of which has grown the present war. It was not Wilson who betrayed the German government by the promise of his Fourteen Points, nor Lloyd George who was false to the promises made the Arabs to induce them to enter the war. It was Jeroboam Rothschild, Sir Philip Sassoon, and Bernard Baruch. Wilson, Lloyd George and Clemenceau are culpable only to the extent that they acted in obedience to a power that they did not dare oppose.

These three Jews, representing the money power of the Rothschild family, determined the essential provisions of the infamous peace treaty. They established the International Labor Board; they made provision for the Reparations Commission and the Brussels Financial Conference; they gave Palestine to the Jews; and established without our membership the League of Nations and the World Court. It was our refusal to join that

**Congressional Record, Aug. 21, 1940, p. 16368.
*"Time," May 27, 1940, p. 34.

prevented the consummation of their grandiose elaborate machine for the government of the world.

These three Jews are responsible for the abandonment of President Wilson's fourteen points and for the flagrant violation of the promises upon which Germany laid down her arms. If President Wilson's pledges had been observed we would have no World War II. Perhaps if we had joined the League of Nations there would be none, for we would be the subjects of this "King-Despot" who would rule us with an iron hand. They then and there sowed the seeds that have germinated into the present war.

Jeroboam Rothschild (Mandel) was a member of the Reynaud cabinet and resigned with him and fled with him when France refused to be "merged" into the British Empire but decided instead to surrender. The people of France now appear to realize, according to the press reports, that they are the victims of these warmongers.

It will be recalled that on his return to America President Wilson started upon a speaking tour to convert the American people to the League of Nations and that it was during this campaign that, fortunately for America, he had his break down; otherwise he might have put it over. It should also be recalled that due to the opposition of Senators Borah, Johnson, Lodge, Reed, and other stalwart Americans, this grandiose scheme was defeated. It should also be recalled with pride that there was enough Americanism left in the Senate, led by Borah and Johnson and Huey Long, to defeat our entry into the League of Nations through its back door, the so-called "World Court," during the Hoover administration and again during the Roosevelt administration, despite the powerful pressure brought to bear on the Senate by both of these presidents.

The League of Nations scheme did not originate with President Wilson. He made no such claim. Its precise origin is unknown, but the Jews claim credit for it. It is no doubt their baby, for it has all the ear-marks of their craftiness.

Its pretended purposes was to form a league or coalition of all the nations of the earth for the purpose of preventing future wars, but that was not its real purpose. It was a slick scheme to establish a Super-Government to which all the nations of the earth would be subordinate and subservient.

There was no authority under our constitution for our gov-

eminent to become a party to it, even though its purpose had been a worthy one. That small detail, however, "cut no ice" with the "Elders" and apparently none with President Wilson. The London Daily Mail said of it that it is "the most elaborate sham which history has yet perpetrated." It has now discharged all of its employees and closed up its shop.

The peace conference appointed Gustav Cassel, a noted monetary authority of Stockholm, Sweden, to advise them, which he did. He wrote for that purpose two memoranda (published in his book entitled "World's Monetary Problems,") in which he set forth logically and conclusively that it was absolutely necessary to maintain high prices and wages and cheap money in order to enable the people and nations of the world to pay their debts. He showed convincingly that the restoration of the gold standard was impossible, that it would bankrupt the people and governments of all countries, create great distress and unrest and probably lead to war.

In the face of the solemn warning prepared especially for the Brussels Financial Conference, this conference decreed the return of the gold standard, with its cheap prices and wages. Professor Cassel told in words of prophecy precisely the results that have since happened. The shrewd monetary experts of the Brussels Conference knew what would happen without such advice and they intended the very consequences that followed and that now prevail.

Under the pretense of writing a peace treaty with Germany this peace conference established Palestine as a home for the Jews and invested the British Government with a mandate for the government of the country. The Jews have been at war with the Arabs since and the situation has become so intolerable that the British Government sought to divide the country between the Jews and Arabs and to surrender its responsibility, which pleased neither Jew nor Arab.

The Arabs want all of Palestine because it belongs to them and the Jews want it all, although they have not settled it and do not expect to do so. Less than 500,000 Jews have moved there during the twenty-two years since the establishment of this alleged Jewish home. Many of them, after locating there, have moved to America and other countries. More Jews have migrated to America during that period than have settled in Palestine. America is now the "Palestine" of the Jews. They don't want

to be farmers and craftsmen;—that is not their ticket. They prefer that the "Goyim" do the work, and themselves to live among them and trade with them and manipulate their currency systems.

The establishment of this "Jewish home" was not involved as an issue in the world war or in the peace treaty with Germany. The Arabs were our allies and they fought side by side with the soldiers of the allies. It was cold blooded, indefensible robbery perpetrated at the instance of the "Elders" by Lloyd George and Woodrow Wilson and Georges Clemenceau.

There would have been some justification for it if the British Government had acquired the lands of the Arabs with their consent, paying for them and buying lands sufficient for the whole Jewish race and had thereafter forced all the Jews from all countries to migrate there; that would have done more toward preserving the peace of the world than all of their mandates, the Brussels Financial Conference, the International Labor Board, and the League of Nations combined.

The worst of it is that the establishment of this "Jewish home" was cold blooded treachery to the Arab Government and people. The Arabs claim that they were induced to enter the war on the side of the allies by the promise that what is known as the Balfour Declaration would be rescinded and that the Arabians would not be molested in the peaceable ownership and possession of their country. This contention is not denied by the British Government, but the excuse is made that Woodrow Wilson insisted that the Jews be given this home and that Lloyd George consented as a matter of policy and in order to get some other things in the peace treaty that he desired. Palestine is now properly called the "twice promised land." It is likely that Germany also promised it in consideration of the Russian deal.

The defenseless Arabs were treacherously ravished by their comrades in arms. If the Jews want this or any other home, let them buy it. That is the honest way to get it, and they have plenty of money for that purpose. Palestine does not belong to them because their ancestors lived there more than fifteen hundred years ago. The most of them have no sentiment about it, for sentiment is not a Jewish characteristic;—with them it is always strictly business.

In any event, this home of the Jews was not involved in a peace settlement with Germany; nor was the establishment of

an International Labor Board to regulate the wages and conditions of labor; nor was the restoration of the gold standard; nor was the League of Nations. These are not international subjects, but they are local to each country. It is the province of each and all of the countries of the world to define their own national policies regarding each and all of these important matters. They were all projected into the peace treaty by the Jews."

XII.

Gold

> "With gold we can buy the most rebellious consciences, can fix the rate of all values, the current price of all products, can subsidize all State loans, and thereafter hold the states at our mercy."—From Funeral Oration of Rabbi Reichhorn.
>
> "You are aware that the gold standard has been the ruin of the States which adopted it, for it has not been able to satisfy the demands for money, the more so that we have removed gold from circulation as far as possible."—From Protocol 20.

The fixed policy of the management of the Rothschild fortune is and has always been, monopoly. They brook no opposition and they fix the tolls of whatever business they engage in. In the beginning their operations were confined to government loans, not only for the profit involved but for the political power that it gave them. As the fortune grew their field of operations expanded until it embraced everything. Originally, the Rothschilds had competition for these government loans and consequently were not always able to fix the rate of discount, but this opposition was soon crushed or absorbed.

Among their early competitors was the Bank of England, which was chartered in 1694 for the purpose of financing the British Government. In consideration of a loan of 1,200,000 pounds the British government granted the Bank of England the exclusive privilege of issuing currency in the City of London and within a radius of 65 miles thereof. Originally it was granted an annuity of 100,000 pounds a year for handling the government's business, and its property and operations were exempted from taxation.

Adam Smith says of the Bank of England:

> "She acts not only as an ordinary bank, but as a great engine of state. She receives and pays the greater part of the annuities which are due to the creditors of the public; she circulates Exchequer bills; and she advances to the Government the annual amount of the land and malt taxes which are frequently not paid till some years thereafter."

These functions were in line with the operations of the Rothschilds and consequently they coveted the bank. There is no record of when they acquired it or how much they paid for it, for that is not the Rothschild way; it is one of their secrets. It was probably acquired by Nathan during the hey-day of his

activity, sometime around 1830 and as a result of an assault that he himself made on it.

Pretending a grievance, Nathan Rothschild bought up its outstanding notes and personally presented them to the bank for payment day after day, and received coin in payment therefor until he practically exhausted the bank's supply. The management of the bank capitulated. From that time until this day the Bank of England has been one of the most effective agencies of the Rothschilds in promoting their plans.

The charter of the bank was amended eight times during the period from 1694 to 1844 when the Peel amendment was adopted; it has never been changed since. The original government loan of 1,200,000 pounds, instead of being paid, was increased from time to time until it had reached the sum of 11,-015,000 pounds in 1844, when the Peel amendment was adopted.

This amendment provided in substance that the Bank of England might issue its currency notes up to 15 million pounds upon its general assets, and that all currency issued in excess of this sum must be secured by an equal amount of gold coin or bullion; it also provided that other banks of issue should thereafter increase the amount of their currency notes, and then as their charters expired the privilege of issuing curreny should be cancelled.

The Peel amendment had far-reaching consequences apparent upon its face: (1) It demonetized silver, which theretofore circulated in England and throughout the world money; (2) it gave the Bank of England a monopoly of the rency of the British Empire; (3) it established the gold vertible note on the basis of a 100% gold coverage; (4) it made the Bank of England the clearing house of the British Empire and established the British pound as world currency; (5) it gave the management of the bank the power to fix and regulate prices and wages throughout the British Empire and to materially influence them throughout the world.

The Encyclopedia Britannica* states regarding the Peel amendment:

> "It was indispensable, in attempting to obviate the defects inherent in our currency, to proceed cautiously, to respect, as far as possible, existing interests, and to avoid taking any step that might excite the fears or suspicions of the public; but the

*Vol. III, p. 323.

> measures . . . were so skilfully contrived as to provoke little opposition, at the same time that they effected most important and highly beneficial changes"

Sir Robert Peel was then Prime Minister of Great Britain and no doubt favored the amendment to the bank's charter which bears his name, but it was his bill only in the sense that the Federal Reserve Act is President Wilson's bill. The apostate Jew Benjamin Disraeli was then at the head of the opposition party whihc overthrew the Peel ministry in 1848. Disraeli was subsequently Prime Minister of England.

Disraeli was then the intimate friend of Lionel Rothschild whose family at that time owned and controlled the Bank of England and the greater part of the gold of the world. It will be noted that the authority mentioned states that the act and its adoption "were so skillfully contrived as to provoke little opposition." Evidently it had the support of the leaders of both political parties, and evidently it was not understood by the members of parliament and by the people generally, and evidently Disraeli had much to do with it, if he was not in fact its author.

It is a singular fact that the bill was put over by the Rothschild agents in precisely the same manner that they put over the Federal Reserve Act. The setting for it was the same, viz: the catastrophe of 1840, which the Rothschilds precipitated;—the Federal Reserve Act grew out of the panic of 1907, which the Rothschilds also precipitated. It was similar in its obscure meaning to our Federal Reserve Act. It was put over as a result of a coalition of both political parties,—as was our Federal Reserve Act. It gave the Rothschild management complete dominion over the welfare of the British Empire and our Federal Reserve Act gave it to them over the people of America.

It is worthy of note that the Peel amendment was adopted during the same year that Disraeli published his book "Coningsby," which was intended to exalt the Rothschilds and the Jews. Disraeli then said of Lionel Rothschild: "He was lord and master of the money markets of the world, and of course virtually the lord and master of everything else."

The so-called Peel amendment enormously magnified the Rothschild power. If there was any question about the head of the Rothschild fortune being "lord and master of everything else" prior to 1844, there can be none about his power since. This amendment made him the absolute "lord and master of

everything" since 1844,—and that was the secret purpose of its real authors.

The gold standard was designed to limit the volume of currency in order to enhance the power and value of gold and its owners. The currency cannot expand beyond the quantity of gold in circulation and it therefore presents an absolute artificial limit to the expansion of currency and credit and of business, which is based thereon. As a result the currency systems based on it always break down when there is an unusual demand for currency and credit created by war. All the nations of the world were compelled to abandon the gold standard during World War I, and consequently the Rothschild interest sought to restore it immediately thereafter.

The conferees at the peace conference, Lloyd George, Clemenceau and President Wilson, created two subordinate committees to work out the details of their schemes:—one called the Economic Section and the other the Financial Committee. President Wilson appointed "Elder" Baruch as the American representative on the Economic Section and Thos. W. Lamont, a partner of J. P. Morgan & Co., as our representative on the Financial Committee; both of them Rothschild agents.

The committee of the Economic Section held its session at or about the time of the Versailles Conference but the Financial Conference was held later at Brussels. The Economic Section's committee fixed the German reparations at $12,000,000,000 in flagrant violation of the terms of surrender as proclaimed in President Wilson's fourteen points.

The Brussels Financial Conference in the face of the official advice of Professor Cassel decreed that the world should return to the gold standard. This necessarily meant that all monies, including the dollar, would be greatly enhanced in value, and prices and wages would be reduced accordingly. The dollar has in fact been enhanced from two- to three-fold, and prices and wages and values have been reduced to the same extent. It also necessarily meant that it would be impossible for Germany to pay the reparations fixed by the Economic Section, and for the Allies to pay the monies borrowed from America.

Following the decision of the Financial Conference, the "Elders" sent Professor Kemmerer and their other lackeys to the principal countries of the world to reorganize their financial

systems upon a gold basis. They even established the gold standard in poor old defenseless China that had always been on a silver basis and with a limited currency volume of only about $2.50 per capita of silver and a negligible quantity of gold, with the result that millions of Chinese perished from starvation.

The victorious Allies turned Germany over to the tender mercies of the Jews. After having fixed the German reparations at an impossible figure under the gold standard, they drove another nail in the coffin of prostrate Germany in order to make assurance doubly sure. They not only re-established the currency of Germany upon a gold basis but they imposed upon the German people our infamous Federal Reserve System, calling it the "Dawes Plan," by which they gave the Elders the power to control the volume of currency and credit and the level of prices and wages.

They likewise made it impossible for our Allies, Britain, France and other countries, to repay the loans we made them. It was probably never intended that they should be repaid. Elder Baruch is primarily responsible for them for at the time they were made he was President Wilson's right hand man and was directing his foreign policy. There is no authority in our constitution for loans or gifts to the Allies. They were made in utter and flagrant violation of law. They were made for the purpose of enabling foreign countries to remain on the gold standard and pay their debts to the Rothschilds.

Thus, for the pretended purposes of writing a peace treaty that would establish permanent peace among the nations of the world and of collecting German reparations, the "Elders" partially established their League of Nations and their International Labor Bureau, and re-established the gold standard,—but for only a brief period.

All countries have since been compelled to abandon the gold standard, but this was not done until after it had impoverished the people of the world and impaired their morale. The people in their despair have overthrown their governments and created dictatorships and semi-distatorships; nations are at war with each other; and a general war is on. This is all precisely according to the program of the Elders as set out in their protocols.

Thos. W. Lamont knew that the return to the gold standard would be the ruin of all of the States that attempted it, for

that result was clearly pointed out to him by the report to the Brussels Financial Conference of his specialist, Professor Gustav Cassel of Sweden. He no doubt knew it apart from this report, but this report made it clear and certain.

Professor Cassel was appointed to advise the committee and he did advise them that the restoration of the gold standard would make it impossible for all of the nations of the world to pay their respective debts; that it meant bankruptcy and ruin for all of them. He made an unanswerable argument in support of his thesis and yet Mr. Lamont and his fellow conspirators decreed that the world should pay its debts and base its values upon Rothschild owned and manipulated gold.

There could be but one purpose in view and that was to destroy all of the States of the world, for that was the necessary effect and it was the known effect. Their purposes were poverty and suffering and unrest and communism and war, for these were the necessary and known results. It was for the purpose of destroying all governments and establishing their Jewish world empire with their "King-Despot of the Blood of Zion" as emperor, for that is the plan of their protocols.

The present war has now developed into a struggle for the preservation of the gold standard. In the beginning Hitler sought only the restoration of pre-war Germany, but it has now passed that stage. It appears to be his present purpose to destroy the Jewish Empire which is so interwoven with the British Empire that the two apparently must go down together. The hybrid Churchill is ready to sacrifice the last Englishman to preserve the Jewish Empire;—the British empire is only an incidental consideration. With victory within his grasp Hitler proposed to negotiate a peace on the basis of preserving the British Empire, which Churchill rejected.

It is the Jewish Empire that is of such deep concern to our hybrid President. He appears to be willing to sacrifice the youth and wealth of this nation to presedve it. It was for that purpose that he caused to be acquired and stored more than 20 billion dollars of gold; that he sent Sumner Welles on his scouting expedition ; that Secretary Hull called the Havana conference; and that he is organizing a huge army and navy.

XIII.

World War II

"We must be in a position to respond to every act of opposition by war with the neighbors of that country which dares to oppose us; but if these neighbors should also venture to stand collectively together against us, then we must offer resistance by a universal war."—From Protocol 7.

The first world war deposed the Kaiser and Bethmann Holweg, but did not depose Rathnau and the other Jews; it transformed the German government from a Jew-controlled monarchy to a Jew-controlled democracy. It is true there was a different set of Jews in control of the democracy; different men, but the same old Rothschild influence, Rothschild ideals, and Rothschild program.

Their first act was to debase the German currency, the reichsmark. They issued many billions of it and continued to issue it until it had no value. They sold vast quantities of this money at heavy discounts in America and other countries, and then made it utterly worthless, thereby fleecing real money from the people of the world. They bought German properties, factories, lands, etc., on time at high prices and paid their obligations in worthless money. After all of this wild inflation and after having acquired and paid for their properties with nothing, this same malign Jewish influence through the Dawes Commission brought about a reorganization of the German Reichbank, a restoration of the gold standard, and deflation.

Thus the Jews have oppressed and impoverished the people of Germany. They have had a great picnic and very rich picking, and they are now paying for their fun. It was estimated by Adolf Hitler that the Jews owned four-fifths of the wealth of Germany. Think of it. This alien race comprising less than 1% of the population owned 80% of the wealth of the country. The worst of it is that they stole it by the manipulation of the German currency system—in the same way that they have stolen the wealth of our country. The wonder is that Hitler has been so patient and forbearing.

President Wilson proclaimed his famous fourteen points to Germany and the world as a basis for a truce and peace. In substance they assured Germany that if she would cease hostilities that the German people and government would not be

penalized. The terms of the peace were formally accepted by the Kaiser, and accordingly an armistice was declared which was later followed by the Versailles treaty.

When Germany had laid down her arms and was prostrate and defenseless she was turned over to the Jews to be dissected and sterilized. In a radio speech made by Adolf Hitler a few months before World War II, he recited the promises that were made to induce the surrender of the German army by President Wilson in his famous fourteen points, the flagrant breach of those promises although impliedly guaranteed by the American Government, the dismemberment of the German Empire and the imposition of impossible penalties, and the great depth to which the Jewish Administration of the German government following the, war had reduced the people. Of this he said:

> "Jewish parasites, on one hand, plundered the nation ruthlessly, and, on the other hand, incited the people when it had been reduced to misery. As the misfortune of our nation became the only aim and object of this race it was possible to breed among the growing army of unemployed suitable elements for Bolshevik revolution.
>
> "Decay of political order and confusion of public opinion by the irresponsible Jewish press led to ever stronger shocks to the economic life and, consequently, to increasing misery and to greater readiness to absorb subversive Bolshevik ideas. The army of Jewish World Revolution, as the army of unemployed was called, finally rose to almost seven million."

That is precisely what they are now doing in America, and for precisely the same purpose. That is the manner by which they gained temporary control of the Austrian government. It is their method of operation. Our people have not yet sunk to the depth of poverty and misery and despair suffered by the German people, following World War I, but they are rapidly approaching that condition, and even now they provide fertile soil for the seeds of communism and revolution.

Hitler's speech was not one of an ambitious, sabre-rattling braggart, but it was that of a sober, deliberate, determined man, with a mission to perform, who abhors war.

He said of the war-mongers:

> "If the cry of 'Never another Munich!' is raised in the world today this simply confirms the fact that a peaceful solution of the problem appeared to be the most fatal thing that ever happened in the eyes of those war-mongers. They are sorry no blood was shed—not their blood of course-—for

these agitators are, of course, never to be found where shots are being fired, but only where money is being made! No, it is the blood of the nameless soldiers."

In his speech Adolf Hitler plainly and unequivocally said to Poland that Germany must have Danzig and the Polish Corridor, both formerly German, but he did not demand Silesia, also formerly German. He said that in the interest of World Peace he had made a treaty with France regarding Alsace, also formerly German, and he proposed to abide by it.

Hitler undertook to negotiate a treaty with Poland by which these fractions of Germany would be restored, by agreement. Pending these negotiations there was a pogrom against the resident Germans of Poland. Despite that fact Hitler made an appointment with the Jewish Polish foreign minister Beck to conclude the treaty, which Beck failed to keep. Instead of doing so he went to Downing Street in London for advice. Hitler then sent an army to suppress the Polish uprising and thereupon England and France declared war on Germany;—thus World War II began.

When war was declared the Allies sought to encircle Germany; to that end they sought to make an alliance with Soviet Russia and the Balkan states. Pending these negotiations Germany effected an alliance with Russia, the terms of which are not clear, but it appears to be an economic alliance and not a military one.

Both the Russian and German governments have been criticized for this alliance, which appears to be a misfit. The Germans claim that it was a matter of self-preservation on the part of Germany and that if she had not entered into an alliance with Russia the Allies would have done so,—which is probably true. The communists claim that it is entirely consistent with their principles, that it is to the advantage of communism to engulf the entire world in war and then administer on the wreckage,—which is also true, and which is in keeping with their principles and program. That no doubt accounts for the fact that communists of all countries approve this misalliance.

After conquering Poland Hitler again proposed to the Allies and to the world to make peace on the basis of restoring to Germany only that which was taken from her by the treaty of Versailles, with the exception of Alsace. The only difference in this and his original proposal was that it involved the return of the

colonies which the treaty of Versailles awarded to Great Britain. The answer to this overture was that they would not treat with the Hitler government; that Hitler and Hitlerism (meaning anti-Semitism) must be destroyed.

True to her ancient strategy it was the policy of England to starve the enemy by blockade with her sea power. In violation of international law, which has been made largely by the British Empire, she imposed a blockade upon both German exports and imports. This Germany met with her submarines and air force, with the result that the starving has been "the other way round." Britain is now getting a dose of her own medicine and it Is evidently very distasteful to her.

Up to this time Germany has fought the war according to the rules of civilized warfare; she has not abused her superior power in the air by attacking with poison gas, as the British evidently expected; she has not attempted to assassinate any British leader; she has given shelter and transportation to the soldiers and seamen of Britain when her ships were destroyed.

There were a number of these prisoners of war on the "Altmark" which was anchored in a Norwegian port. By order of Churchill a British cruiser, in violation of the neutrality of Norway, attacked the Altmark, anchored in a Norwegian port, shot several of the crew who were unarmed and did not offer resistance, and released the prisoners. It is obvious that Germany could have left all of these prisoners to their fate when their ships were sunk. The dastardly, cowardly, murderous attack of the British upon the defenseless Altmark was applauded by the Jewish British and American press as a great British victory.

According to the Associated Press the distinguished Norwegian novelist, Knut Hamsun, addressing his countrymen, said of this banditry:

> "When the Britishers in their prodigious savagery forced a passage into Jossing Fjord and infringed our neutrality, you did nothing about it. But when the Germans occupied Norway to prevent war in our country you did something: You conspired with our runaway King and his private government and mobilized. Norwegians! Throw away your rifles and return home. The Germans are fighting for us and now are crushing England's tyranny over us and all neutrals."

Winston Churchill also violated the neutrality of Norway by mining her territorial waters.

It has been conclusively shown by official papers which fell into the hands of the Germans when they captured Oslo, as well as by other facts, that the British through the Jew Hambro, head of the Norwegian government, had previously arranged to send troops to Norway and to take charge of all of her strategic ports. They appear to have been actually en route when Germany, having a shorter distance to travel, and superior generalship, landed her troops in Norway first. She "beat them to the draw." Norway capitulated and is now under the control of Germany.

The Allies were very much disturbed by this victory. The Jewish press demanded a more vigorous prosecution of the war. Despite the fact that Lord Admiral Churchill, then head of the War Board, had been primarily responsible for the Norwegian defeat, the British government retired Chamberlain, and Churchill was made Prime Minister. Churchill re-organized the cabinet, bringing into it two other pro-Jews and Hitler-haters,—Anthony Eden and Duff-Cooper. They boldly announced that the Allies would take the offensive and would attack Germany; about the same time they transferred the British fleet from Scapa Flow to the Mediterranean.

This meant one of two things: either that the Allies meant to attack Germany through the Balkans or that they had moved the fleet for the purpose of deceiving Hitler into the belief that they would do so, while their real purpose was to attack through Holland and Belgium. If the fleet was moved for the purpose of deception the ruse was an ineffective one and probably an unfortunate one for the Allies. Hitler was not deceived.

The Germans claim that the Allies had made arrangements with the governments of Holland and Belgium to make the attack through those countries, and Germany again "beat them to the draw." We don't know the truth. It will likely be revealed later.

The Allies have not won a single battle or diplomatic victory, with the possible exception that they bought the support of Turkey with a loan of $140,000,000 which has proven to be a barren victory. The Germans apparently have had superior equipment and they undoubtedly have had superior generalship and morale of soldiers. The most important of these requirements is the morale and fighting spirit of the soldier.

The cause and results of the present war prior to the sur-

render of France are graphically stated by Newton Jenkins of Chicago, as follows:

> "What made Austria as an independent nation fall? Why did Czechoslovakia lose her independence? What made Poland pass out? What caused Denmark, Norway, Holland and Belgium to cease operations as free countries? Why are England and France likely to meet the same fate? German aggression, you say. Not at all. Organized Jewry is the answer.
>
> "Organized Jewry made Schushnigg and others in Austria pursue a mad policy of national suicide and Germany rescued that nation from the unholy alliance. Organized Jewry made Benes, young Massaryk and others in Czechoslovakia pursue a policy of sheer madness. They lost their country. Organized Jewry drove Negrin, Del Vayo and other leaders in Spain along their mad course until the people under Franco rescued that nation. Organized Jewry drove Beck, Smigly Ridz and other leaders in Poland along the same mad course toward destruction. In Norway organized Jewry, working through the part Jewish Hambro, drove that nation along a path of pro-British sympathy and it ceased to exist as an independent nation. The King of Belgium and the Queen of Holland played the game of organized Jewry and now foreign troops are in command of their towns and cities.
>
> "England and France for decades have become the nesting grounds of organized Jewry. The Churchills, Edens, Duff Coopers, Hore Belishas and many others in England, and the Reynauds, the Daladiers and others in France have been the pawns of the Rothschilds, the Sassoons and others. Many of the political leaders themselves have a mixture of base blood coursing through their veins in all of these countries.* These two great empires under the lash and whip of organized Jewry are tramping straight and inevitably to their doom.
>
> "The American foreign policy of the Hoovers and the Roosevelts, the Hulls and the Tafts, the Landons and the Frank Knoxes and Key Pitmans are heading us straight down the same path of despair. The Baruchs, the Kuhn Loebs, the Morgenthaus and others in our land are lashing our weak political leaders to unwittingly destroy our nation in the same way that European nations have been destroyed. America will not follow the dance of death. America will throw off the rule of Jewry and her bailiffs. America will remain the same glorious republic she has always been."

The Germans have experienced defeat once. They have been administered on by the Jews once and they know that defeat means another Jewish administration and the dismemberment of Germany. They know this from the private to the general and

> It is said that Churchill and Cooper are hybrids and that Eden's wife is a Jewess.

by bitter experience. They are fighting for their freedom. "Thrice armed is he whose cause is just."

The British and French soldiers are good soldiers and brave men; it is in their blood and sinew and bone,—but they fought half-heartedly. They are beginning to learn, if they have not already done so, that this war is a Jew's war for Jewish power and purposes.

The defeat of the Jews is now apparent. The Germans are moving with irresistible power toward London and they will likely reach their destination before Roosevelt will be able to inveigle America into the war. The Jews, as stated in their protocols, have met Germany's "act of opposition by war" but they have not been able to "offer resistance by a universal war," In the same protocol they say that they "shall respond with the guns of America or China or Japan," but China and Japan are now otherwise engaged, and "Uncle Shylock" wants to stay out of it.

XIV.

"Our Despot of the Blood of Zion"

> "However, it is probably all the same to the world who is its sovereign lord, whether the head of Catholicism or our despot of the blood of Zion! But to us the Chosen People, it is very far from being a matter of indifference."—From Protocol 5.

The people of America do not want a super-government or to be ruled by the pope of Rome or a "despot of the blood of Zion." We barely escaped it when the republicans, with the aid of "twelve willful" democrats defeated the League of Nations project by a very small margin; for the League of Nations meant that very thing.

The Jewish press informs us that one of the original objectives of the present war, called World War II, was the creation of the United States of Europe,—in fact Prime Minister Chamberlain stated the same purpose in one of his speeches,—but it has gotten beyond that stage. It is now a struggle to preserve the British Empire and the gold standard.

The Jews have bled the British Empire white. They have exploited all of the colonies, particularly India and South Africa, but Australia, New Zealand and Canada have not escaped them. They impoverished Ireland to the extent that that country revolted. It is significant that India and Ireland have not come to the rescue of the "mother country, England," in this her hour of peril, and that she has had no support from Arabia, her former ally. The Arabians have been fooled once with the promise of Palestine, and while this has been renewed in a modified form they did not fall for the bait.

Nor has England had any support from the Jews of Palestine so far as we have been informed by the Jewish press. It is certain that if they had raised a corps of thirty men the press would have heralded it all over the world. The Jews prefer that the Gentiles do all of the menial work and all of the fighting. When one of them is drafted he is usually a "conscientious objector" or he finds his way to the commissary department. One of the troubles with the Allies is the graft of the Jews in their Ordnance and Commissary Departments which are in Jewish hands.

If we must choose between being ruled by the Pope of Rome

and a "despot of the blood of Zion," the Pope is preferable. He at least will let us live and will not enslave us.

But there does not appear to be any ground for the implied charge in the protocols that the Catholic hierarchy is actively seeking to recover its lost political power and to reestablish its temporal dominion. Undoubtedly the Pope would be delighted to see a Catholic government in America and in every other country of the world. But there is no evidence known to me that the Pope is seeking to gain these ends in the clandestine, subterranean manner as set out in the protocols or that he is cooperating with the Elders for such ends.

The Pope is now having great difficulty in maintaining the status of the church in its ancient strongholds, viz., Mexico and Czecho Slovakia. It is hardly conceivable that under these circumstances he or the Catholic hierarchy would be actively at work undermining the governments of other countries through the impoverishment of the people and the destruction of their governments.

On the contrary there is evidence that the Pope does not approve the present Jewishized administration. The most effective and boldest critic of it has been Father Coughlin of Detroit. If the press is to be believed, (and I do not swear by it), the Pope actually approved Father Coughlin's campaign against the Roosevelt-Jewish-deflation administration.

The Catholic church ruled practically all the countries of Europe for a period of more than a thousand years following the fall of the Roman Empire. It is the period known as the "dark ages." The people were ignorant, superstitious, and desperately poor, and the church was at no pains to enlighten them and to help them. The church has surrendered its temporal authority grudgingly and after much bloody strife. Even now it maintains the semblance of a political government at the Vatican, to which some nations send their ambassadors. Contrary to the policy and tradition of our government the President appointed Myron C. Taylor, Chairman of the Board of the United States Steel Corporation, as our ambassador to the Vatican.

There was a political party in most countries of Europe known as the "Catholic Party," which was devoted primarily to the interests of the church. The Order of the Jesuits was formerly the political organization of the church, which appears to have had a code of political morality as cynical as that of the

Jewish "Learned Elders of Zion." The Jesuit organization does not appear to be active in America.

The present war is a death struggle between Hitlerism (anti-Semitism) and Jewish imperialism. It is not primarily for the restoration of Poland or Czecho Slovakia or any other country except insofar as such restoration contributes to Jewish imperialism. It is primarily to destroy Hitler and Germany because they are both anti-Semitic, and to preserve the gold standard because through it the Jews control the economic destiny of all countries.

Hitler abandoned the gold standard, since which date Germany has been prosperous and with no unemployment. Germany is fighting this war without gold and is thereby demonstrating to the world that it is not necessary to borrow gold from the Jews in order to wage war.

Hitler threatens the very foundations of the Jewish empire throughout the world and he now appears to seriously threaten the British navy which the Jews have used to preserve their empire. Our beloved (?) President Roosevelt is itching to get into this war to save world Jewry and to promote himself and not to save America. All of this war hysteria in the United States has been created by the Jewish press and F. D. Roosevelt to serve their fellow tribesmen and not to serve their fellow Americans.

In a speech delivered before the National Social Congress at Nurnberg, Germany, on Sept. 13, 1935, Dr. Joseph Goebbels, Mr. Hitler's assistant, said:

> "Where are the men behind the scenes of this virulent world movement? Who are the inventors of all this madness? Who transplanted this ensemble into Russia and is today making the attempt to have it prevail in other countries? The answer to these questions discloses the actual secret of our anti-Jewish policy and our uncompromising fight against Jewry; for the Bolshevik International is in reality nothing less than a Jewish Internationale.
>
> "It was the Jew who discovered Marxism. It is the Jew who for decades past has endeavored to stir up world revolution through the medium of Marxism.. It is the Jew who is today at the head of Marxism in all the countries of the world. Only in the brain of a nomad who is without nation, race and country could this satanism have been hatched. And only one possessed of a satanic malevolence could launch this revolutionary attack."

Every word and every sentence of the above statement is true. It will bear reading a second time. It not only explains the "actual secret" of the anti-Jewish policy of Germany but it explains the "actual secret" of anti-Semitism in America and throughout the world.

The Jews have in times past been expelled from every country in Europe and some of those of Asia. They were expelled long before their scheme was brought to light by the publication of the protocols and perhaps before any protocols were written, but not before the Talmud. They were expelled twice from France and were expelled and kept out of England for 400 years after their expulsion. Why? It was not because of the ignorance and brutality of all peoples in all ages but because the Jews have been what they are, with the same characteristics and the same ideals and purposes throughout the ages. These characteristics and ideals are reflected in their Talmud and protocols and communist code.

Before any World Empire can be established it is necessary first to destroy the American form of government. The plan of the protocols for that purpose is to impoverish the people, impair their morals and nullify their constitution. There can be no dictator or king or emperor so long as the people are happy and prosperous and patriotic and adhere to their established form of government. The method set out in detail in the protocols is the only possible way to subjugate the American people to the "Despot of the blood of Zion" or any other despot. The destruction of our government has been the principal objective of the "Jew Deal" and the present Jewish administration.

XV.

Our Undeclared War Against Germany

> "We have harnessed them all to the task; each one of them on his own account is boring away at the last remnants of authority, is striving to overthrow all established form of order. By these acts all States are in torture; they exhort to tranquility, are ready to sacrifice everything for peace; but we will not give them peace until they openly acknowledge our international Super-Government, and with submissiveness . . . And the weapons in our hands are limitless ambitions, burning greediness, merciless vengeance, hatreds and malice."—From Protocol 9.

Soon after the German order of fine and expulsion of the Jews, President Roosevelt withdrew our Ambassador to Germany for consultation, (as announced in the press), but he is still at home. Quite a lengthy consultation. This is an act of war; it is usually the first step preceding a declaration of war, but Hitler refused to accept the challenge for the obvious reason that he does not want war with us, despite the fact that we are wholly unprepared.

The treaty of Munich was a sad disappointment to International Jewry and to Franklin D. Roosevelt. Mr. Roosevelt showed his resentment by imposing a 25% tariff on German importations and attaching the monies of the Reichbank on deposit in New York banks. These were overt acts of war which Hitler has met with firmness and dignity. He could do no less than withdraw his own Ambassador and impose a like tariff upon our exports to Germany. If he desired war with our country he has ample grounds for it. It is probably a disappointment to the President that he did not accept the challenge and declare war.

In his first message to the 76th Congress, the President said:

> "Words may be futile, but war is not the only means of commanding a decent respect for the opinions of mankind. There are many methods short of war, but stronger and more effective than mere words, of bringing home to aggressor governments the aggregate sentiments of our own people."

It is significant that no other country of the world has imposed such a tariff upon German imports. Germany can get along without our wheat and corn and cotton and meat and dairy exports as well as we can get along without her market for them,

but both countries are being injured. This argument, however, has no force with men who are seeking to impoverish our people and to destroy our government.

Apparently the President made some sort of a secret military alliance with the governments of England and France. At a secret meeting with the Senate Military Affairs Committee he is reported to have said that the "frontiers of France are our frontiers." That is the traditional position of Great Britain.

He denounced this report as a "deliberate lie" but he would not release the members of the Military Affairs Committee from their pledge of secrecy, and he suppressed an investigation. Senator Lundeen of Minnesota, who is a member of this committee and attended this conference with the President, said in a speech in the Senate that the President's statement to this committee, if revealed, would "shock and stun" the American people.

The President pretends that he does not want war and that he is trying to avoid it. He made two dramatic appeals to Hitler to halt,—the first by radio, the second by message. In the second he proposed to act as mediator and to call a conference of the nations of the earth to enter into a ten-year truce. On the day preceding this message he denounced Hitler in a much publicized speech, as an aggressor and a disturber of world peace.

This was not the way to bring about a conference and a ten-year truce. If Mr. Roosevelt really desired such conference and truce he would have submitted his offer in the usual way through diplomatic channels, and not by proclaiming it from the housetops. He desired that the offer should be rejected, and made it as offensively as he could. It was made for "home consumption" and to rally the people of America behind him.

He does not appear to have fooled many people. Dorothy Thompson (Levy) and the other war mongers, all with one accord clapped their hands and applauded—not because they thought his offer was a step in the direction of peace, but because they believed it to be a step in the direction of war. Nor did it fool Hitler and Mussolini. Mussolini's paper said of it:

> "We deny the President any right to intervene in European questions because his country is not directly interested as well as because he personally has not the slightest claim to assuming the role of friendly and impartial mediator."

The article said President Roosevelt's appeal evidently was

for internal use. It charged him with wanting to divert American opinion from "the unemployment which grows day by day."

When the Allies declared war on Germany President Roosevelt immediately got busy. His first act was to create an international commission headed by Myron Taylor, Chairman of the Board of the United States Steel Corporation, to assist in the migration of the Jews. We do not know what this commission has done or is doing, but it is still at work and we are putting up the money, and the Jews are landing here by the ship-load.

No country except the United States,—not even Russia—has volunteered a home for the Jews. They have been sent to various South American countries and have been turned back. But we are sending our ships for them and their gold, and congress has recently appropriated $50,000,000 for their maintenance.

In defiance of our immigration laws, which are entirely too lax, the President and Madam Secretary Perkins are admitting Jews, without limit, to America. It was reported that 3,000 per day are now being received without restriction, and the balance of them on a six months visit, which means permanency—at least so far as this Administration is concerned. They are evidently coming now at an even faster rate.

The immigration law provides for quotas for all races and nationalities except the Jew; there is no limit as to Jews. The immigration authorities class the Jew as a religion and not a race, with the result that the great majority of the immigrants we are now receiving from all countries are Jews.

They are in fact an alien people with alien characteristics—mental, moral, and physical—which are always the same and remain the same whether they are German, Russian, Spanish, American, or what not. They don't merge in the melting pot or by intermarriage except to bequeath their Jewish characteristics to the offspring. They are as distinct in their characteristics and as undesirable as are the Japanese and Chinese, which we exclude. The Jews should be excluded for we already have too many of them.

America is now the haven and refuge for the Jews of the world. We have more Jews in the United States than there are in England, France, and Palestine combined. If it is true that there are only 15 million Jews in the world then we have about

half of the Jewish population of the world for we now have within our borders between seven and eight million Jews.

It is said that in the Constitutional Convention both General Washington and Benjamin Franklin opposed the admission of Jews into America. Robt. E. Edmondson is authority for the following quotation from the diary of Charles Pinckney of South Carolina, a member of that convention. The Jews deny the authenticity of this historical memo but that is characteristic of the Jews. It is their custom to destroy documents of this type and then deny their authenticity. The statement is evidence of the vision and wisdom of Washington and Franklin :

" 'I agree fully with General Washington—that we must protect this young nation from an insidious influence and impenetration. That menace, gentlemen, is the Jew.

" 'In whatever country Jews have settled in any great numbers, they have lowered its moral tone; depreciated its commercial integrity; have segregated themselves and have not been assimilated; have sneered at and tried to undermine the Christian religion upon which that nation is founded by objecting to its restrictions; have built up a state within a state; and when opposed have tried to strangle that country to death financially, as in the case of Spain and Portugal.

" 'For over 1700 years the Jews have been bewailing their sad fate in that they have been exiled from their homeland, as they call Palestine. But, gentlemen, did the world today give it to them in fee simple they would at once find some cogent reason for not returning. Why? Because they are vampires, and vampires do not live on vampires. They cannot live only among themselves. They must subsist on Christians and other peoples not of their race.

" 'If you do not exclude them from these United States, in this Constitution, in less than 200 years they will have swarmed in such great numbers that they will dominate and devour the land, and change our form of government, for which we Americans have shed our blood, given our lives, our substance, and jeopardized our liberty.

" 'If you do not exclude them, in less than 200 years our descendants will be working in the fields to furnish them substance while they will be in the counting houses rubbing their hands. I warn you, gentlemen, if you do not exclude the Jews for all time, your children will curse you in your graves.

" 'Jews, gentlemen, are Asiatics, let them be born where they will, or how many generations they are away from Asia they never will be otherwise. Their ideas do not conform to an American's, and will not even though they live among us ten generations. A leopard cannot change its spots. Jews are Asiatics, are a menace to this country if permitted entrance, and should be excluded by this Constitution.'

> "Pinckney is further quoted as saying: 'We were amazed at the words of Mr. Franklin, especially as there are only about 500 Jews in the country. I trow Mr. Franklin may be right. In less than 200 years, if we admit them the scoundrels will be calling US their ANCESTORS'."

Every word of the above statement is true. It is a pity they were not heeded.

It is not for us to get excited about Germany's treatment of the Jews. If the German government thinks that they brought about World War I with its frightful consequences to the German people; if they believe that they are responsible for the present war; if they believe the murder of Ernst von Rath was the act of International Jewry; if for these or other reasons they consider the Jews undesirable and wish to fine and expel them,—that is their affair and not ours.

When World War II was declared the Americans in Europe hurried home. About 1500 of them were on the Athenia which was torpedoed and sunk in British waters. The Germans claim that they had no U-boats in that vicinity and that the ship was sunk by the British themselves for the purpose of influencing our government to declare war on Germany,—which Churchill denies.

There was no reason for Germany to sink the ship for it was en route to America, and it had no provisions or war supplies or soldiers on it. There was good reason, however, for the British to sink it because of the American passengers on it—which was the casus helium of our entry into World War I.

We cannot accept Mr. Churchill's statements at par. He is the Jewish-type of politician that only says and does those things that will promote his own purposes. In fact he has publicly stated, boastfully, that he only gives out such information as he thinks it is good for the public to know,—of which he is the exclusive judge.

President Roosevelt sent his envoy, Sumner Welles, abroad for the pretended purpose of sounding out the warring countries and the Pope of Rome on the subject of peace. There was much secrecy attending this mission. It was stated in the press that the President wanted to get first hand information about the situation and about the terms of peace. The real purpose was to effect a truce until we were better prepared for war.

More recently still the President, according to press reports, appealed to Mussolini not to enter the war. We do not know what he said to Mussolini and what Mussolini said in reply further than that he made a courteous reply. It may be that his last note to Mussolini contained a threat in accordance with suggestions of the British press,—that the United States would enter the war if Italy did so.

We do not know the truth. We do know, however, that Mr. Roosevelt is meddling in European affairs to the full extent of his ability, and that he is rendering every possible aid to Britain and is feverishly preparing to join her in the present war.

We know furthermore that Germany is not now threatening us with war and has never done so. Germany has not searched our mails or impounded our ships as have the British. In our whole history Germany has never made a war-like demonstration against this country,—while we have had two wars with Great Britain.

XVI.

Plan of Mobilization

> "It is only with a despotic ruler that plans can be elaborated extensively and clearly in such a way as to distribute the whole properly among the several parts of the machinery of the State; from this the conclusion is inevitable that a satisfactory form of government for any country is one that concentrates in the hands of one responsible person. Without an absolute despotism there can be no existence for civilization which is carried on not by the masses but by their guide, whosoever that person may be."—From Protocol 2.

We are now preparing for war on a gigantic scale. With an admitted national debt of $45,000,000,000, with the taxpayers taxed to the point that industry is no longer attractive, and with poverty and distress stalking throughout the land, Congress has authorized about 17 billions of dollars for war purposes.

In a speech in the United States Senate on March 6, 1939 (see Congressional Record of that date, page 3224), Senator Lynn Frazier of North Dakota said:

> "No one can make me believe that all these war preparations are for defense. In my opinion they are preparations for war, and a foreign war at that. Does anyone know what nations are expected to attack us? Does anyone know who is going to invade our shores? Surely all the great nations of the world have their hands full at home at the present time, and there is no imminent danger of any attacks upon the United States . . .
>
> "We have recently heard about secret conferences and secret sessions here at home. The question naturally arises, Are we ourselves already involved in foreign entanglements and secret treaties? Who knows? If there is anyone who knows, he will not tell, because we have been unable to find out what these secret agreements are, if any, and whether or not we have any."

Surely the members of the United States Senate should be advised of "foreign entanglements" and "secret treaties." The Constitution provides that they must be ratified by the senate. If the President made such commitments he has already assumed the powers of a dictator.

Upon conclusion of the military compact between England and France, England's King and Queen visited the President of France, which visit he later returned. Magnificent receptions of mediaeval splendor were held in both England and France. The

King and Queen then came to America, visited President Roosevelt at the White House and also at his Hyde Park residence. These visits, both to Paris and Washington, were evidently arranged by the Jewish administrations of the three countries to effect the triple alliance they were attempting to make in preparation for the war.

It is likely that President Roosevelt is responsible for the Russian invasion of Finland. Soviet Russia sought in advance to obtain from Finland by negotiation, the territory that was taken from Russia by the Treaty of Versailles. This failed upon the advice of the Allies and upon their promises to help Finland in case of war. They no doubt made these promises believing that if Finland was attacked that the United States would come to her aid because Finland alone of all European countries had recognized her obligation to the United States to repay the moneys loaned her. They no doubt made them on assurances that had previously been given by the President.

Although deeply sympathizing with Finland, the people of America were not willing to go to war in her behalf. "Uncle Shylock" has become "gun shy;" he has been worked once too often. If it is true that Finland was made a sacrifice to get us into the war, as appears to be the case, then she is another "Athenia" and another victim of British diplomacy and duplicity.

Senator Frazier said further, in the speech mentioned:

> "There is agitation for the passage of the so-called industrial mobilization bill. According to my information, the bill has not been introduced at this session of the Congress, but it was introduced at the last session, and a great deal was said about it. It was modified somewhat at the last session, and still there is much agitation about it . . .
>
> "This industrial mobilization bill was introduced in the last Congress—it was an administration measure—so that in the event of war the President of the United States would be given the power to draft about 4,000,000 young men for war purposes."

This mobilization plan was gotten up about five years ago by the Secretary of War and the Secretary of the Navy, which indicates that they have been contemplating war for at least that length of time. Indeed, all of this regimentation of the laborer and the farmer and the industrialist has been priming us for war, and with war as the objective.

The plan has been amended, making it a little less drastic, and in its final form appears in a government document called

"Industrial Mobilization Plan, Revised 1936." As soon as war is declared a bill embodying it will be introduced in both houses of Congress and rushed through as an emergency measure under whip and spur of the Administration.

The following are some of its salient provisions:

> "With respect to any product, foodstuff, material, real property, or right declared by him essentially for the national security and defense in the prosecution of war, to fix and establish just and reasonable maximum, minimum, or absolute prices or rates or rentals at which such product, foodstuff, material, commodity, real property, or right may be bought, sold, rented, or otherwise contracted for, whether such transaction be with the Government or between persons of the civilian population or between any other parties whatsoever . . .
>
> "(i) To regulate, limit, or prohibit the purchase, sale, use, IMPORT, EXPORT, * * * transportation, manufacture, or distribution of any product, foodstuff, material, commodity, real estate, or right;
>
> "(j) From time to time, whenever he shall find it essential to license the 'production, manufacture, sale, USE, IMPORT, EXPORT, storage, distribution, or transportation of any product, foodstuff, material, commodity, real property, or right . . .
>
> "(1) To requisition and take possession of any product, foodstuff, materials, commodity, real property, or right, and on such terms as he may deem advisable to sell or otherwise dispose of such product, foodstuff, material, commodity, real property, or right . . .
>
> "The power and authority conferred by this title upon the President may be exercised in whole or in part under his direction and during his pleasures by such agencies or offices of the United States as he may designate, and he shall have power to appoint an administrator or administrators to exercise such designated powers. Such administrator or administrators shall receive salary or saralies of $10,000 per annum. The President is authorized to create or provide for such additional agencies of the Government as he may deem necessary to execute the functions authorized under this title, and to appoint and dismiss at pleasure such officers and employees and to fix their salaries and compensation."

"It is," said Congressman Shafer of Michigan, "the most astounding document ever published in a democracy."

If it does not mean a dictatorship, what does it mean? The President is given absolute dictatorial power to conscript the people of America and all of their possessions, which means that

this power will be exercised by the bunch of Jews that are now in control of the executive department of our government. It means that our constitutional form of government has been discarded,—not temporarily but permanently.

Barney Baruch or some other Jew will be Chairman of the War Industries Board, and he will not relinquish this post when the war terminates; nor will our President relinquish any of his war powers. There will be no more elections. It will be goodbye to our constitutional form of government, to our state governments, and to our freedom.

It was stated in the press that Bernard Baruch had lunch with the President and had a conference with him regarding the war situation. Baruch was non-committal after this conference as to whether or not they had discussed the subject of his being appointed chairman of a War Industries Board soon to be created. It is likely that he wants the job and that he will get it in due time.

It is a matter of some surprise to have my conclusions fully confirmed by no less an authority than General Hugh Johnson, the President's former administrator of the N. R. A., and Baruch's former associate. He knows both Roosevelt and Baruch intimately, and his words are entitled to great weight. In a syndicated article in the press of April 18, 1939, he said:

> "Freedom of speech and press, the right of assembly and petition and practically every guaranty of the bill of rights would go down automatically . . .
>
> "If war comes soon, the Administration which has advocated these trends, if not these objects, would be continued another term, because of war. Having attained these objects because of war, how many of them would be relinquished at the coming of peace?
>
> "Woodrow Wilson gave up most of his war powers immediately after the Armistice—because he detested them. Would the present Administration give them up, having greatly desired them? Has it ever willingly given up a single extraordinary emergency power since March 4, 1933? It would give up nothing of power . . .
>
> "No matter who wins, the next world war will permanently destroy the democracy of every nation, that gets into it. If we want to save democracy for the world, we will keep out of European war."

This is the key that explains the Jew deal, the Roosevelt deflation, and every act of the Roosevelt Administration. Mr.

Roosevelt has been "On Our Way" up to now, but when war is declared he will have reached his destination. Congress and the State governments will then be cast aside and our dictators will be handed down to us instead of elected.

Whether our sympathy is with the British or not, we must recognize that the probabilities are that the President will drag us into the war unless Germany wins a quick victory. Even if we escape this war there is cocky little Japan, ready and willing to fight us at any time we want to fight. The Jews are saying that such a war is inevitable. There will undoubtedly be plenty of provocation for it, and if Mr. Roosevelt gets his third term we will soon be up to our necks in war.

All of these elaborate preparations mean war, and war means that Roosevelt will be dictator with Baruch and Morgenthau as his assistants. It means the destruction of our republican form of government and the loss of our liberties. Indeed, it must be admitted that our own morale is at the lowest ebb in our history. Hunger stalks throughout the land, and hunger has no patriotism; the farmer and the laborer have been corrupted by gratuities; the rich are notorious cowards, and the poor are discouraged and beaten. These are the logical and intended consequences of the "Jew Deal."

By act of congress the State Militia (396,000 men) have been drafted into the United States Army. The act requires that they undergo one year of military training, and it authorizes the President to impress them into service at any place in the western hemisphere. These patriotic men enlisted into the State Mliitia for service in their respective states, and congress is without legal authority to force them into the United States Army in time of peace.

At this time (August 17, 1940) President Roosevelt, the Rothschild- power, and the Jewish press are endeavoring to drive through congress a conscription bill known as the Burke-Wadsworth bill. This measure appears to have been written by one Grenville Clark of the law firm of Root, Clark, Buckner & Ballentine,—Morgan attorneys, and to have been inspired by the Jew, Julius Ochs Adler, general manager of the New York Times.

It appears that on May 23, 1940 the said Morgan attorneys and Henry L. Stimsom (our present Secretary of War and then attorney for Kuhn, Loeb & Co.), Julius Ochs Adler and others

held a conference at the Harvard Club in New York City and organized a drive for conscription.

> "On the 3rd day of June they met again. They met to raise money . . . A quarter of a million dollars was raised at one time. Think of that—men raising a quarter of a million dollars to conscript boys in America."*

The Record does not show who put up the quarter of a million dollars but it is a safe guess that a substantial part of it was subscribed by the Rothschilds' banks of Morgan & Co., and Kuhn, Loeb & Co. What for? What did they expect to buy with it? Not propaganda, for the Jew press are for conscription and no money was needed to obtain that support. Five thousand dollars would have been more than enough to have covered all legitimate expenses of presenting the bill and the arguments in support of it, to congress. Another $10,000 should have been ample to have paid for the telegrams that they showered upon congressmen.

This $15,000 ought to have covered also the taking of the Gallup poll. This poll showed that 67% of the American people favored conscription,—which is simply preposterous. One of two things is true: either no poll was taken except of the few employees constituting the so-called "Institute of Public Opinion," or else the poll was confined to the Jews.

This Gallup poll is one of the greatest hoaxes that the Jew press have perpetrated upon the American people. It is usually given front page publicity in the "Jewspapers." A poll is taken upon every subject that is of current interest to the public. Nobody knows anything about the voting until the result is announced. Nobody ever received a ballot or heard of anybody who received a ballot. To take a poll of our 131,000,000 American people would require several weeks time and many thousand dollars. Apparently these Gallup polls are taken in 30 minutes time with an expense of less than 30 cents, and the result announced is always as the Jew press desire it to be.

My estimate of $15,000 to cover the legitimate expenses of the conscription drive, plus the Gallup poll, may be a trifle conservative but surely they would not exceed $25,000, which leaves $225,000, for other purposes. What are those purposes?

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*From Speech of Senator Holt, Congressional Record, Aug. 6, 1940, p. 15167.

The corrupt purpose of these conspirators is obvious. I do not know whether they could or did buy any congressional supports hope not. I do not care to comment on the subject further than to say that it is a horrible thing to sell the liberties of 12,-000,000 men for $225,000. It is as cheap and as detestable as the betrayal of Christ for thirty pieces of silver; and the money appears to have been furnished in both instances by the Jews.

This amazing revelation was scarcely discussed by the senators. Perhaps they were shocked speechless. It has not yet been denied, despite the fact that our present Secretary of War was one of the conspirators. Senator Minton of Indiana defended the meeting and made a vicious personal attack on Senator Holt. Minton appears to have been supported by Barkley of Kentucky, Pepper of Florida, and Lee of Oklahoma. And thus the matter rests.

The original conscription bill as written by Mr. Clark called for the registration of all men between the ages of 18 and 65, estimated at 42,000,000 men. From this vast number the President was authorized to immediately impress into training and service 4,000,000 men.

The measure was materially modified by the Senate Military Affairs Committee who fixed the age limit at 21 to 31, and the estimated number of men at 12,000,000, all of whom are subject to draft for training and service for a period of ten years. The measure contemplates training 1,000,000 men a year, at an estimated cost of $1,000,000,000.00 per annum for each 1,000,000 men.

We have never had conscription in this country except during brief war periods. All of the requirements for the army and navy in peace-time have been filled by voluntary enlistment. Conscription will never be necessary to repel invasion. It is not necessary now, nor is it legal now.

Canada did not resort to conscription for the first twelve months of the present war. Her very recent conscription measure limits the period of enlistment and training to thirty days instead of twelve months, and Canada is now at war with Germany and we presumptively are not.

Senator Norris, who heretofore has been a consistant supporter of the New Deal, says this of the conscription bill;

> "It will bring about a radical change in the historic course we have taken since the birth of our Nation. As I see it, Mr. President, that change, if it takes place, will inevitably lead

> us into a realm where we will have what we are complaining about in other nations—a dictatorship. I can see no escape from it. If we are to have compulsory military training in time of peace, we shall put ourselves on a level with the dictator nations of the world."*

It is reassuring that so trusting a supporter of the New-Deal as Senator Norris has heretofore been, has finally caught the drift of it. It is precisely for that reason—a dictatorship—that Henry L. Stimson, Frank Knox, Kuhn, Loeb & Co., Morgan & Co., and Julius Ochs Adler are spending their money for conscription. It is for that reason that the President of the United States has endorsed this bill and in employing the full power of his high office to put it over.

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* Congressional Record, Aug. 12, 1940, p. 15535.

PART II.

THE SUBJUGATION OF AMERICA

XVII.

Franklin D. Roosevelt

"In order that our scheme may produce this result we shall arrange elections in favour of such presidents as have in their past some dark, undiscovered stain, some "Panama" or other—then they will be trustworthy agents for the accomplishment of our plans out of fear of revelations and from the natural desire of everyone who has attained power, namely, the retention of the privileges, advantages and honour connected with the office of president."—From Protocol 10.

"The way we do things and not merely the way we say things is nearly always the test of our sincerity."—Roosevelt's Speech, Butte, Mont., April 19, 1937.

There are certain unerring guides to a man's character, viz.: his associates and his work, "the way we do things." Generally speaking, a man is no better than the people he chooses for his companions, ("birds of a feather flock together,") and he should always be judged by what he does. None of us can be judged by our pretensions and our professions, and this is particularly true of politicians.

This chapter will discuss briefly the President and his pals; his work will be discussed in greater detail in later chapters. I do not personally know the President and his intimate associates, but the late Huey P. Long knew them well and intimately. His judgment of men and his estimate of them can be accepted with confidence, for he was fearless and honest, and capable in his appraisements. He was originally a strong Roosevelt man and he is said to have contributed more than any other one man to Roosevelt's first nomination;—indeed, such nomination appears to have been due largely to Mr. Long's support and effort. He often referred to this achievement as one of his greatest mis-Lakes, regretfully saying that he swallowed Mr. Roosevelt with his blarney,—"hook, line and sinker."

He said of the President and his administration that it was but a continuation of the Hoover deflation administration under another name and in a slightly different form; that the difference between them was the difference between "tweedledum and tweedledee" and "low cockalorum and high cockalorum." He stated in an interview that was publishd throughout the country that President Roosevelt is a "liar and a four-

flusher" and he challenged an investigation by the United States Senate,—and no one accepted the challenge.

The "kitchen cabinet" is composed of the men behind the scene who actually run the government. The Roosevelt administration up to this hour has been directed by his "kitchen cabinet. No important step has been taken, no important appointment made, no important speech delivered, that has not first had the approval of one or more members of his "kitchen cabinet." They are here stated with their background, in the order of their apparent importance, as follows:

Barney Baruch, Jew; New York stock gambler;
Felix Frankfurter, Jew; New York; Judge U. S. Supreme Court;
Henry Morgenthau, Jew; New York; Secretary of U. S. Treasury;
Sam Roseman, Jew; New York judge; Roosevelt biographer;
Ben Cohen, Jew; New York attorney;
Harry L. Hopkins, New York; non-descript;
—all deflationists, warmongers, and un-American.

Baruch has often been called the assistant to the President. He is the most active and cunning of them all. It was reported that when Roosevelt was first elected Baruch planned to occupy one of the executive offices, but was advised against it; he had, however, just as well be there. Senator Long has furnished us a striking description of him and his methods:

> "There is such a thing as a bird flying when he sees you are going to shoot at him. We boys used to go out in the woods and try to get another kind of bird that does :not wait for you to get ready to get a shot at him, but flies before you ever get a gun in your hand. I remember one time when I tried to shoot an old crow that I saw. I was riding along in a buggy and saw the crow on top of an old log off in the field, so I just rode up right behind a thicket so the crow could not see me at all, and reached into my buggy to get the gun to shoot, the crow. Thick as that thicket was, the minute my right hand got back near the gun the old crow flew away. (Laughter.) The minute Brother Barney Baruch saw this thing squiggling he "got his" and got out, and appeared before the committee and, oh, he was a good man, and we have not seen him since. (Laughter.) He stood with the Hoover Administration until it was wrecked, inside and out. Mr. Hoover was flattened out worse than a pancake, and took his crusade over to Palo Alto, Calif., where, under the shade of the umbrellas, and cooled by the breezes wafted by the palms, he could sit and watch the wreckage, as old Nero watched the burning of Rome,—but old Brother Baruch came right on back down to the White House and got hold of another President.

> "We have Presidents and Presidents, but Baruch goes on forever; and his clique, Baruch and Morgan, have managed to see to it that, notwithstanding the prerogatives and rights that have been granted to them, none have been granted to the two or three million soldiers who saved their hides."—Congresssional Record, 75th Congress, p. 7592.

Elder Baruch was chairman of the War Industries Board during the period of World War I, and as such enjoyed the power and the delights and perquisites of being our Industrial Dictator. This rich, slick, wily and ambitious Jew stock-gambler aspires to again be our dictator, with political as well as economic power. He could now be Secretary of the Treasury, according to a press report, but he prefers to let Elder Morgenthau hold that job, and to bide his time for a bigger one. There is reason to believe that he is the political agent of the Rothschilds.

Morgenthau holds the most powerful and important position in the cabinet, viz: Secretary of the Treasury. There is the foreign Viennese Jew, Felix Frankfurter, appointed Justice of the U. S. Supreme Court by Roosevelt. General Hugh Johnson said of him that he is "the most powerful single individual in the United States." He estimated that Frankfurter is "responsible for the appointment of 125 men to key position in the government." The Jew Ben Cohen is one of his nominees. He actually writes the reform bills that are designated as "Administration measures" and that are tendered to Congress with presidential endorsement and usually adopted without material changes.

The President is himself of Jewish extraction. He admits it. It is immaterial whether he is one-fourth or one-half Jew, for the taint of blood is like the "leaven that leaveneth the whole lump." It is a biological fact that the hybrid inherits the characteristics of both breeds,—and Mr. Roosevelt is no exception to that rule.

The mule provides a striking example of the truth of this law of nature. There was never a mule that did not have the long ears and general appearance of the jack. It is said of the mule that he is without "pride of ancestry or hope of posterity." It is impossible to reproduce a race horse from a combination of a scrub with a thoroughbred.

We indulgent Americans do not appreciate the importance of preserving the purity of our race. We think and speak indulgently of the "melting pot" but to the extent we melt and merge

with inferior races we deteriorate. No one can imagine that a mulatto or a hybrid China-man would make a good ruler. It is not in the blood and it is impossible. We instinctively regard the mulatto as a Negro, no matter how white he may be in appearance. The hybrid Jew is likewise a Jew and should be so regarded. A celebrated authority says on that subject:

> "Only one of (the great questions of the times) is of causal importance, that is, the question of the racial preservation of the nationality. In the blood alone there rests the strength as well as the weakness of man. As long as the people do not recognize and pay attention to the importance of their racial foundation, they resemble people who would like to teach the greyhound's qualities to poodles, without realizing that the greyhound's speed and the poodle's docility are qualities which are not taught, but are peculiar to the race . . . He who wants to redeem the people from the qualities and the vices which are alien to its original nature will have to redeem it first from the alien originators of these expressions. Without the clearest recognition of the race problem and, with it, of the Jewish question, there will be no rise of the German nation."*

Mr. Hitler has resurrected the German nation upon that firm foundation. Even more than that he has redeemed practically all of Europe. He has created a new order that may become world-wide. His achievements would have been impossible upon the basis of Jew government and Jew finance such as we now have.

The Jews and Communists seek to destroy this purity of blood. They preach and practice racial equality. There is never a children's movie that does not have one or more Negro pickaninnies in it. Mrs. Eleanor Roosevelt is one of the leaders of the racial equality movement. She has had her picture taken with Negroes, entertains them in her home, and preaches Negro equality.

It was stated in the press that the President is the direct descendant of a Holland Jewish family named Rosenvelt. The President was, of course, not called upon to notice this slander, but he took the opportunity to do so. He said in substance, "What of it? The Jews are as good as anybody else."

It is unusual for a Gentile to admit Jewish blood. There was no reason for him to do so unless the charge was true. This taint of blood explains the President's Jewish companionships

*"'Mein Kampf," p. 469.

and Jewishized Administration. It explains many of his Jewish characteristics:—his bluff and his blarney, his "four-flushing" and his duplicity, and his religious adherence to the program of the "Learned Elders of Zion."

The more important and unanswered question is whether or not he is, in fact, a communist. It will be recalled that Dr. Wirt, a reputable educator, published an interview in which he stated that by invitation he attended a secret meeting of the "brain trusters" in which the subject of "paving the way for a Communist Dictator" was freely and frankly discussed.

This caused a great "tempest in a teapot." The President was at the time on a fishing excursion in Southern seas on the private yacht, Normahal, with his friend Vincent Astor. He was met at the railroad station on his return by practically all of the democratic congressmen as a testimonial of their faith in him.

He made them one of his characteristic speeches in which he chided them with going from "Wirt to Wirt" in his absence. They appointed a Congressional Committee of Investigation, composed of the President's friends, who summoned before them several of the members of this meeting. They, of course, denied everything, the committee reported there was nothing to the charges, and the subject was laughed off. But it now appears from the report of the Dies Committee that there are more than 700 federal employees holding key positions who are members of a "communist front" organization, viz: the League for Peace and Democracy.

In a recent speech* Congressman Martin Dies, Chairman of the Dies Committee, said of this pretentious League:

> "Conceived in Moscow, delivered in Amsterdam, nourished in its infancy in America by the famous French Communist, Henri Barbusse, the American League for Peace and Democracy has from its beginning served the interests of the Soviet Government. It has been the chief "transmission belt" for drawing "innocents" into the united front network of the Communist Party. It has fostered sabotage in our basic and war industries. It was intended to serve as a reserve force for the espionage activities of spies of the Soviet Government in the United States."*

And so the brain-trusters, or a considerable number of them, are communists who are seeking to overthrow our government

*Congressional Record, Oct. 31, 1939.

and to establish in place of it a dictatorship. In view of the disclosures of this report, the verdict of the Congressional Committee exonerating these communist office-holders should be re-examined.

The testimony before that committee was uncontradicted that they did have a meeting and that Dr. Wirt was invited to this meeting and attended it. It was also uncontradicted that they did discuss the subject of dictatorship. The principal difference between Dr. Wirt's testimony and that of the other participants in the meeting who testified was that Dr. Wirt testified that they said that Roosevelt was the "Kerensky" who would pave the way for a real dictator—a Stalin—which they denied. In view of the fact that it is a part of the code of the communists to lie and deceive, (as was found by the Dies Committee) we should accept Dr. Wirt's testimony as true.

Despite the revelations of the Dies Committee we still have at least 680 communists in Washington on the government payroll who are "boring from within" and seeking the destruction of our government, and paving the way for a dictator. By a word President Roosevelt could have them all removed from office, but he has not spoken that word. Why does he tolerate these traitors and their nefarious work? There is and can be but one answer, and that is that he is in sympathy with what they are doing. They are there to take over when the occasion arises. This throws some light upon the efforts of the President and his wife to suppress and discredit the work of this committee.

Mrs. Roosevelt is also a very decided "pink" or a red. She withdrew from the D. A. R. because one of its chapters refused the use of its hall to a Negro singer. She made a speech at the convention of one of the communist "front" organizations in Birmingham advocating Negro equality and the repeal of the Jim Crow law. She also defended the Jewish race in the Dec. 31, 1938, issue of "Liberty Magazine," arguing that the Jews are smarter than the Gentiles and that the Gentiles are envious of them and persecute them for that reason.

Mrs. Roosevelt appeared before the Dies Committee with communist leaders who were summoned as witnesses by the committee and were there for the purpose of giving testimony. This unusual procedure on the part of the "First Lady" was for one of two purposes: either to show her disapproval of the action of the committee and to intimidate them, or else to give

the communists the benefit of her sympathy and support, and to encourage them.

Mrs. Roosevelt's maiden name was also Roosevelt, she is the President's cousin as well as his wife, and has the same Jewish blood in her veins. At a recent convention of the National Youth Congress, composed of communists of all ages from youths in their teens to aged men and women, she appeared on the stage with them and entertained many of them as guests at the White House.

The President has been a politician all of the years of his life and has had Jewish support during that entire period of time. By profession he is a lawyer but has never distinguished himself in that capacity. So far as the record reveals, he has never had a client or tried a lawsuit.

For a time Mr. Roosevelt was vice president of a "fly-by-night" insurance company, and for another period of time he was president of United States Investors, Ltd., a swindling syndicate that sold the public worthless Jewish-manipulated German currency. He inherited a fortune that was acquired by his Jewish ancestry, some of whom were money lenders. When out of office he has lived with mamma and been supported by mamma on Granpa Rosenvelt's money. This is a condensed true story of the life of our glamorous, ambitious, warrior President.

XVIII.

The Reds in the Saddle

> "We appear on the scene as alleged saviors of the worker from this oppression when we propose to him to enter the ranks of our fighting forces—Socialists, Anarchists, Communists—to whom we always give support in accordance with an alleged brotherly rule (of the solidarity of all humanity) of our social masonry. The aristocracy, which enjoyed by law the labour of the workers, was interested in seeing that the workers were well fed, healthy and strong. We are interested in just the opposite—in the diminution, the killing out of the Goyim."—From Protocol 3.

There can be no understanding of Communism and Bolshevism without an understanding of the Jewish question, for they emanate from the Jew as truly as does our banking and currency system. Karl Marx and Frederick Engels, the founders of Communism, were both Jews. Communism is an essential part of the program of the "Elders" for the conquest of the world; just as essential as gold. They employ their banking and currency system to create poverty and unrest, and communism to wreck and destroy.

This explains the riddle of the Lamont family. Thos. W. Lamont, a partner of J. P. Morgan & Co., was our representative to the Brussels financial conference that sought to establish the gold standard throughout the world. His son, Corliss Lamont, is an active communist. Both father and son are working for a dictatorship; the father laid the foundation for it, and the son carries on the active work.

I do not mean to imply that all communists are Jews or that all Jews are communists, but I do mean to say that the communist leaders are Jews and the Jew leaders communists. How otherwise can we explain the financing of Lenin and Trotsky by Schiff and Warburg? How otherwise can we explain the "Jew deal" which was concocted by Baruch, Frankfurter, et al., and put over by Roosevelt? Take the Jews and Jew money out of the communist party and you take out its living, propelling force; it would die overnight.

The active campaign to communize America began immediately following the treaty of recognition of Russia. This treaty provided, according to press reports, which may or may not be true, that the Soviets would not attempt to sovietize

America, but that meant nothing to them. It is one of their boasted, cardinal principles, that the end sanctifies the means, and that they may lie, steal and murder to accomplish their ends. Prior thereto our government and most of the governments of the world refused to recognize the Russian government because it supports the Third Internationale, a political organization for the propagation of communism. It is this organization which is financing the communist movement in this country, which means that the Russian government is doing so.

This infamous treaty was concluded between two Jewish communists, viz., Franklin D. Roosevelt and Maxim Litvinoff (Finkelstein), for the pretended purpose of trade but for the real purpose of undermining and destroying our republican form of government. It has not materially increased trade, but it has enormously increased communism and crime. Maxim Litvinoff is an avowed, full-blooded Jew, and a red communist; Roosevelt is a hybrid and a pink communist; the difference between them being only one of degree.

Mr. Roosevelt has recently made some important changes in his cabinet. He fired ex-Governor Woodring as Secretary of War because he was opposed to selling our army and navy war equipment to England, and was opposed to our declaring war against Germany. He appointed in his place, Henry L. Stimson of New York, for the reason that he favors our intervention in the war and our rendering every possible aid to England. He also appointed Col. Frank Knox of Illinois as Secretary of the Navy, for the same reason.

The following is Roosevelt's present cabinet, with their Jewish hook-up:

Secretary of State: Cordell Hull, Tennessee; wife, Rosie Mix, Jewess;

Secretary of the Treasury: Henry Morgenthau, New York, Jew;

Secretary of War: Henry L. Stimson, New York, attorney for Kuhn, Loeb & Co. (Rothschild Bank) ;

Secretary of the Navy: Frank Knox, Chicago; publisher Daily News (Rothschild paper) ;

Secretary of the Interior: Harold F. Ickes, Chicago; member "American Civil Liberties Union" (communistic) ;

Secretary of Labor: Madam Frances Perkins (nee Wutsky), New York; "pink;" nationality unknown;

Secretary of Commerce: Harry L. Hopkins, New York; "pink;" nondescript.

What a Rothschild aggregation! What a Jewish and pro-Jewish aggregation! What a warmonging aggregation! The cabinet is presumed to represent the people of the United States and to be selected from different sections of the country. Who is represented here except the Jews? And what sections except the cities of New York and Chicago ?

What chance is there for us to keep out of the war with these Jews, Jew-in-laws and pro-Jews in charge of our government? The cards are stacked against us. It is not the people of England that they are seeking to rescue, but it is the Jews of Europe. It is not the British Empire they are trying to save, but it is the Jewish Empire they are seeking to preserve and promote. All of this war hysteria, war expenditure, and war taxes are primarily for that purpose.

It is reported that there are 18,000 Jews and many thousand communists holding government positions in Washington. It is not yet quite as bad as it was in Russia before the purge, where it said that 76% of the Jewish population held government jobs. The most outrageous of all the President's appointments was that of the Jew-Communist, Felix Frankfurter, to the Supreme bench. Frankfurter is the reputed author of the N. R. A. and other new deal legislation, and will, of course, as a judge, sustain their validity. Worse than that, he is an active "Elder" and an active member of the "American Civil Liberties Union," a communist organization whose object is to impair and destroy our government.

The United Mine Workers make the following report as to the purposes of the "American Civil Liberties Union":

> "Active among the 'intellectual' classes of the country, and posing as a champion of the 'liberties of speech, press, and assembly,' is the American Civil Liberties Union at New York. This organization is working in harmony and unity with the Communist super-structure in America, engaged in the dissemination of radical utterances and propaganda, and conducting a nationwide campaign for the liberation of Bolshevik agents and disloyal agitators who have been convicted under the war-time laws, or the syndicalist laws of different states, for unpatriotic or revolutionary activities."*

This report is fully sustained by the evidence reported by the Dies Committee. Roger Baldwin, the national director of this "Liberties Union," testified that it advocated the overthrow

*Quoted from Senate Doc. 14, 68th Congress, Page 7.

of our government "by force and violence," and "murder and assassination." It appears also from this evidence that both Felix Frankfurter and Harold Ickes are members of it. It also appears that it is allied with and supports the "International Labor Defense Organization" which is the legal department of the Communist Party. (See Report of the Dies Committee, pages 83-86.)

It is this latter organization that defended Mooney, and Sacco and Van Zetti and the murderers of the officers at Gastonia,—Marion, North Carolina, and the Negroes in the Scottsboro case. They were all convicted communist murderers, except the Negroes, who were convicted for the rape of a white woman. These dastardly convicted criminals have been lionized by the Jew press as if they were persecuted heroes.

The President appointed Kamerads Frankfurter and Ickes to two of the highest offices in our government. He must have known when he appointed them that they were communists and advocate the overthrow of our government. If he did not have this knowledge in the beginning he has it now, and he has not called for their resignations. He must have had it in the beginning, for they are his intimate bosom friends and are frequent visitors in his home.

In its report filed Jan. 3, 1940, the Dies Committee reports the following findings:

> "According to one of the recent minutes of the Washington, D. C, branch of the American League, it was decided to 'set up League committees in the units of Government agencies with our present membership in those agencies as a nucleus.' These nuclei of the League are now formed in more than a score of Government agencies. H. C. Lamberton, chairman of the "Washington branch of the League, testified under oath before the committee that there are 700 Government employees who are members of the American League for Peace and Democracy."*

The committee further reports:

> "American League for Peace and Democracy.—The committee finds on the basis of overwhelming and conclusive evidence that the American League for Peace and Democracy is a Communist "front" organization . . .
>
> "These self-styled Social Democrats pledged themselves to work for civil war in their respective countries in the event of another international conflict."*

*Report 1476, House Representatives, 76th Congress, 3rd Session.

The committee further reports that this organization (American League for Peace and Democracy) is financed by the Communist Party. Thus it appears that this is a militant organization, not for peace but for war; that its real purpose is to promote a revolution to overthrow our government when we become entangled in war, which means that if Mr. Roosevelt inveigles us into World War II that this organization will then get actively to work to overthrow our government.

"There are 700 Government employees . . . in more than a score of Government agencies" who are set and ready to go when the occasion arises and the command is given. If Mr. Roosevelt did not know that these employees were communists and revolutionaries when they were appointed, he knows it now because this official report is available to him and his interest in the subject is such that he has undoubtedly read it.

The President has clandestinely subjected us to the jurisdiction of the "World Court," correctly called "the back door to the League of Nations," despite our refusal to join either the League or the Court. By proclamation issued August 24, 1924, the President accepted membership in the International Labor Organization on behalf of the United States.

This organization is a creature of the League of Nations, composed exclusively of members of the League. One of its purposes is to standardize the hours and wages of labor throughout the world, and its decisions are subject to review only by the world court and not by our Supreme Court.* It can hardly be called a coincidence that John L. Lewis now seeks to carry out in America the mandates of the I. L. O.

The President is now eniploying the full power of his office to communize the labor organizations of America. He called the officials of the A. F. L. and the C. I. 0. in conference at the White House and told them in substance to get together or else he would find means of forcing them to do so. So far the A. F. L. has bravely refused to yield to this pressure. Jno. P. Frey, a member of this conference, stated in the press that the terms of union offered the A. F. L, by the C. I. O. are precisely those proposed by the communists two years ago.

This is what the Special Committee of Investigation of the United Mine Workers of America said of the program of the Communists:

"The major points in this revolutionary program of the Communists are:

(1) Overthrow and destruction of the Federal, state, and provincial governments, with the elimination of existing constitutional forms and foundations.

(2) Establishment of a Soviet dictatorship, absolute in its exercise of power, owing allegiance to, and conceding the authority only of the Communist, or Third International, at Moscow, as a "governmental" substitute.

(3) Destruction of all social, economic, and political institutions as they exist at this time.

(4) Seizure of all labor unions through a process of "boring from within' them, and utilizing them as a strategic instrument in fulfillment of their revolutionary designs upon organized and constitutional government." * * *

"The revolutionary leaders in America are making a nation-wide attempt to obtain control of the American Federation of Labor, reorganize the craft unions on the basis of 'one big union' in an industry, and weld them into the central revolutionary agency in America." (Senate Document No. 14, 68th Congress, pages 2 and 6.)

During this long and much publicized controversy between John L. Lewis and Wm. Green, we have heard a great deal about "one big union" and "crafts union"—Lewis' organization being a "one big union" organization and Green's a "crafts union." That is now, and has been from the beginning, the fundamental difference between them. But we did not know that the "one big union" is a communist scheme for satbotaging American institutions and the American government. This report of the United Mine Workers is cited with approval by the Dies Committee.

The Dies report mentioned says this of the C. I. O.

"With the formation of the C. I, O. the principal efforts of the Communists were turned in the direction of that organization . . . The evidence before the committee indicates, however, that the leadership of some 10 or 12 of the constituent unions of the C. I. O. out of a total of some 48 unions is more than tinged with communism. The evidence shows that some of their leaders are either card-holding members of the Communist Party or subservient followers of that party's 'line'."

It is Stalin's plan to overthrow the American government through one huge labor organization. In order to bring this about it is necessary to communize the A. F. L., which he has in the past vainly tried to do. He promoted the C. I. 0. as a

*See Government Document No. 874 and Senate Joint Resolution 131.—Congress.

rival organization, but since it has been unable to absorb the A. F. L., the next best thing is to amalgamate the two, and through "boring from within" to finally communize organized labor.

Is not that also the purpose of the President of the United States? If that is not his purpose then why has he sought to bring about a coalition between two rival labor organizations, not once but repeatedly and persistently? The answer and the only answer is that it is the program of the protocols, of the Third Internationale, and of the Communist party. They seek to create one huge labor organization and to gain control of it, and through it to overthrow our government. Ezra Chase, a communist organizer, testified before the Dies Committee that the Communistic plan for subjugating America was to bring about a general strike in case of war, and thereby to bring about revolution.

And who will be our dictator? Who now, and for the past seven years has been working feverishly to obtain the powers of a dictator? Who has bankrupted our national government and the people of America in order to bring about revolution and dictatorship? None other than the man who arose from a bad dream in the middle of the night to inform the American people that he was not suited for the job of dictator,—when nobody had accused him of it. None other than the man who for the first time in the history of our country now seeks to be elected President for a third term.

XIX.

Report of the Dies Committee

"Who and what is in a position to overthrow an invisible force? And this is precisely what our force is. Gentile masonry, blindly serves as a screen for us and our objects, but the plan of action of our force, even its very abiding-place, remains for the whole people an unknown mystery."From Protocol 4.

The House of Representatives appointed a committee to investigate "Un-American activities," known as the Dies Committee. This committee is composed of the following members, viz:

Martin Dies, Chairman, (Texas) ;
Joe Starnes (Alabama) ;
John J. Dempsey (New Mexico) ;
Jerry Voorhis (California) ;
Jas. E. Casey (Massachusetts) ;
N. M. Mason (Illinois) ; and
J. Parnell Thomas (New Jersey).

The first four named are Democrats and the latter three Republicans, but the committee nevertheless filed a unanimous report.

The committee started out by investigating Nazi activities. It appears from their report that there is a "German American Bund" that has some connection with the German government. It states that Fritz Kuhn places the membership at 20,000 to 25,000, but that the Department of Justice estimated it at 6500 in 1937. There is also an "American Italian Black Shirt Legion," about 10,000 strong. While the committee finds that the German Bund "must be classified as an agent of a foreign government" there was no evidence or finding to the effect that it is seeking the overthrow of our government. On the other hand, the purpose of the German Bund appears to be to develop loyalty to both their fatherland and their adopted country.

So long as the committee confined its investigation to Nazi activities everything was fine and lovely, but when it turned to the Communist what a howl went up from the Jewish press and leaders—led by Franklin D. Roosevelt, Harold Ickes, and Madam Perkins. In the beginning it was,

"O noble judge! O excellent young man!
O wise and upright judge!
How much more elder art thou than thy looks!
"Ay, his breast:
So says the bond:—doth it not, noble judge?—
'Nearest his heart:' those are the very words."

But when the committee began to examine the record of the Communists, the President, from his high office, denounced and belittled them; something unprecedented in American history. Why? Answer that to your satisfaction if you still believe in the sincerity of Franklin D. Roosevelt. There is but one answer and that is that the President wanted to suppress the investigation of the Communists and to disparage the report of the committee.

Why should he want to do that? No answer except that he is a Communist and he does not want the truth revealed. He wants the Communists to succeed in their secret, nefarious work. Whatever else may be said of Mr. Roosevelt, he is no fool. He and his Jewish advisers know what they want and how to get it, and they are working adroitly and secretly and relentlessly to accomplish their ends. If the President and Secretary Perkins do not stand for sabotage and communism, why do they so steadfastly refuse to deport the alien red, Bridges, and others of his kind?

Be it said to the everlasting credit of the Dies Committee and the House of Representatives that the committee was not swayed or intimidated by this fulmination of the President, and that the House by an overwhelming majority re-appointed them, and by a vote of 320 to 27 appropriated sufficient funds to continue their work.

I quote from the report of the Dies Committee liberally because the subject is one of such vital importance to us all:

> "We have shown that communism is a world-wide revolutionary movement aiming ultimately at the setting up of a world union of soviet socialist republics. This is a proposition which is beyond dispute. It is substantiated by voluminous literature of the Communists themselves . . .
>
> "The Communist code of ethics not only permits, but actually glorifies as virtuous, such immoralities as perjury, destruction of property, the beating and maiming of workers who refuse to follow the dictates of the Communists, shootings, stabbings, kidnappings, and bombings. It is even a matter of boasting among Communists that Stalin robbed banks in the days before the Communist regime was set up in Russia.
>
> "To summarize: The Communist code of ethics is based upon the principle that the ends of revolution justify any means, no matter how lawless, violent, dishonest, or indecent from the standpoint of accepted American standards of morality."*
>
> *House Report No. 2, 76th Congress, 1st Session, pages 26 and 29.

How familiar this sounds. This is the cruel, diabolical code of the "Elders" called the "Protocols." They represent the same plan for subjugating peoples and governments, and establishing their kingdom of the elders. They both originated in distorted Asiatic minds and are both founded upon the philosophy of the Talmud.*

The committee summarized their findings in part as follows:

> "Whereas it once employed the frank slogan of "the Defense of the Soviet Union," it works today to embroil this country in a foreign war by the propagation of the doctrine of 'collective security.'
>
> "It seeks ultimately the overthrow of the American form of government as established by the Constitution of the United States.
>
> "It aims to set up a dictatorship of the proletariat in this country, notwithstanding its present tactical silence on this fundamental tenet of communism . . .
>
> "It hides behind civil liberties in pursuing ends which will destroy civil liberties for all but the ruling few of the proletarian dictatorship . . .
>
> "It stifles the creative impulses of the individual by its deadening regimentation . . .
>
> "It seeks to sabotage and cripple our economy on every possible front, with a view to its profiting by the resulting economic crises . . .
>
> "It has penetrated the Government itself, with the result that some Communists hold hey positions in Federal agencies and projects . . .
>
> "It aims to incite race war by its special agitation among the Negro population of this country . . .
>
> "It seeks to silence all hostile criticism by charging its critics with red-baiting, while, at the same time, it viciously baits those who dare oppose it . . .
>
> "It dangles the promise of economic security before the victims of economic distress, offering them a new slavery in the name of emancipation."**

That is precisely what the New Deal is now doing.

The findings read like a chapter taken from the protocols. They have the same philosophy, the same objective, and advocate the-same methods as set out in the protocols. They represent the plan of the Elders and the "Jew deal," and of the present Jew administration for the destruction of our government in order to pave the way for their soviet dictatorship. The committee in

*See "The Talmud Unmasked," by Col. E. N. Sanctuary.

**House Report No. 2, 76th Congress, 1st Session; pages 118-119.

fact finds that it is the purpose of the communists to "overthrow the American form of government . . . in order to establish a dictatorship of the proletariat."

This Jew-deal "stifles the creative inpulse of the individual by its deadly regimentation." It "seeks to sabotage our economy" by maintaining deflation. Through its Resettlement Administration it has organized "the Negro population" and is seeking to communize them and "promote race hatred." It "seeks to silence hostile crticism by charging its critics with red baiting while at the same time it viciously baits those who dare oppose it."

This Jew-deal administration has knowingly employed 700 communists in "key positions in federal agencies," paying them salaries of from $1200 to $7500 per annum because they are communists and for the purpose of communizing our government. In spite of the exposure of the Dies Committee, all of them, except twenty who resigned, are still at work "boring from within" and ready to take over at the appointed hour.

The number of communists in the United States is variously estimated at from two to ten million. This report of the Dies Committee and the previous report of the Committee reveal the fact that the communists have many organizations under high-sounding and attractive names, in addition to the Communist Party which is avowedly communistic; that all of these organizations are abundantly supplied with money for their work, the greater part of which is furnished by Moscow.

It is reported that there are now 80 times as many communists in America as there were in Russia when the Russian government was overthrown, and three and one-half times more than there are in Russia today; that they have in the United States 800 national organizations with thousands of branches having an estimated membership of 6,500,000; that they have 600 newspapers and magazines printed in all languages and circulated regularly in the United States; that they own publishing houses, book stores, film laboratories and theatres, etc., that they maintain 200 national so-called cultural movements, 62 national communist youth movements and 33 national so-called defense movements; and that they spend an estimated $10,000,000 annually in the United States to promote civil war.*

*See Report of Walter S. Steele, of the National Republic, Washington, D. C.

In view of this menace to our country, it detracts from the report of the Dies Committee for it to devote several pages to a discussion of the German Bund and to classify this Bund with the communists. Even if it has 25,000 members, and even if they are actively at work (and the report of the committee does not disclose it) they are a mere bagatelle as compared with the activities of the communists. It is the contention of the Bund leaders that they are combatting communism and that that is the purpose of their organization.

Undoubtedly George Deatheridge, Robt. E. Edmondson, James True, General George Van Horn Mosely, Col. E. N. Sanctuary, Gerald B. Winrod, Win. Dudley Pelley, and Chas. B. Hudson are fighting communism. They are not racketeers, as the committee intimates; they are not "selling religious and racial hatred," as the committee states. It does not add to the dignity and weight of this report for the committee to go out of its way to besmear these patriots who are endeavoring to render a service to their country in its hour of great peril.

General George Van Horn Mosely submitted a strong statement to the committes in which he showed conclusively that this communism that now confronts us and which the committee so clearly portrays and forcefully condemns, is of Jewish origin and is financed and promoted by Jews. The committee knows that this is true but they refused to accept General Mosely's carefully prepared and truthful statement to that effect. In their two reports there is not a word that reveals the real authors of the deviltry that they condemn. Why? It is because of the "invisible power and its abiding-place."

I do not wish to detract in the least from the committee's very able report. They have honestly and courageously revealed a threatening situation that we did not know existed. In passing judgment upon their work we should take into consideration the invisible power that rules our country and our government. Already this power has publicly threatened to contribute $250,000 to defeat Martin Dies, chairman of the committee, in his present race for re-election. This invisible force "whose abiding place is unknown" has the power to defeat any member of this committee for office, and the power to elect a president of the United States.

This power is manifested in the effort of President Roosevelt to suppress the work of the Dies Committee, in the propa-

ganda of the press and radio to drag us into war, and the distress and poverty that pervades the land. Its "abiding place" has been in Paris, France, and in the directing head of the Rothschild fortune, to-wit: Jeroboam Rothschild alias Georges Mandel. All of this pernicious activity by many agencies to subvert our government, in the final analysis reaches back to that head.

No foreigner should be admitted to citizenship or to hold office, whether Jew or Gentile. We, the American people are the "chosen people," and not the Jews and the foreigners. We are capable of running our own government in our own way without their help; and they are not capable of doing so. They have not had the necessary training, and a few years of residency here does not imbue them with our spirit of morality and government. They can not be changed over night by merely taking the oath of allegiance.

We should classify the Jews as a race and bar them from entering the United States. We have barred other Asiatics,—Japanese, Chinese, etc. Why not the Jews? They are less desirable than the Chinese and Japanese because they are shrewder, more destructive, and their goal is to fleece us and to destroy our government. All Jews who have migrated here since 1914 should be deported, together with their progeny.

The foreigners have polluted our citizenship and our government. They are our communists and our gangsters. They are the authors and promoters of the new deal.

The effect would be to relieve us of Mr. Justice Felix Frankfurter, the author of the N. R. A., etc.; Congressman Sabath, chairman of the powerful Rules Committee of the House; Congressman Dickstein, chairman of the Immigration Committee; Congressman Sol Bloom, Chairman of the House Foreign Relations Committee, and many other foreign-born officials holding key positions, that we can very well spare.

XX.

Corruption, Everywhere Corruption

> "We shall create an intensified centralization of government in order to grip in our hands all the forces of the community. We shall regulate mechanically all the actions of the political life of our subjects by new laws. These laws will withdraw one by one all the indulgences and liberties which have been permitted by the goyim, and our kingdom will be distinguished by a despotism of such magnificent proportions as to be at any moment and in every place in a position to wipe out any goyim who oppose us by deed or word."—From Protocol 5.

Tammany Hall is not the good old Irish Catholic organization that it used to be. Corrupt as it has always been reputed to be, it is infinitely worse now. There was some limit to its graft, even in the days of Boss Tweed, but there is none now.

Jno. J. Hines, recently convicted of graft, was the dispenser of relief funds for the Roosevelt regime in New York City. He was an appropriate and an artistic administrator of these funds. The corruption was so foul and rotten that it appears to have turned the stomach of even so tough a politician and so loyal a friend as Jim Farley.

It is the philosophy of the Roosevelt regime to "tax, tax, tax, and spend, spend and spend, and elect, elect and elect." According to the press reports Harry Hopkins, our former relief administrator and present Secretary of Commerce, actually boasted of it,—which he of course denied. Whenever they make a slip and give us a glimpse of what they propose to do to us it is always a "damned lie" or a "deliberate lie."

Everywhere it is bribery and corruption. Senator Tobey, in a speech in the United States Senate, said:

> "Shame on the American people! There is something the matter with us today. Are there any strings on us? Are we still free men? If so, we should cry out, 'Unclean! Unclean!' and determine that so far as lies within our power we will put the bars up against a repetition or recurrence of such practices."

Never before this regime have we had anything like it. We have never before had a President whose family personally profited or sought to profit through his prestige and power. The Roosevelt family are "out for the dough." They appear to be content for the balance of us to be poor, but for themselves they prefer "the fleshpots of Egypt."

The Saturday Evening Post (before the Jews bought it) published a series of articles revealing Col. Jimmy Roosevelt's enormous profits from the insurance firm of Sargent & Roosevelt. Insurance is a favorite method of graft because it is semi-legitimate, easily concealed, and the "picking" is rich. A suit was filed by a firm of insurance brokers against a Boston bank for $25,000 for insurance premiums, alleging that they were entitled to these premiums and that the bank had diverted them corruptly to Roosevelt & Sargent in order to obtain favors from the Roosevelt administration.

The above quotation from Senator Tobey was about insurance that a ship-building company had been forced to place with the son of a powerful Washington official, without naming the father or the son. If it was not Jimmy there must be others in the same game, but the probability is that it was Jimmy.

Shortly before or after this exposure by the Saturday Evening Post, Jimmy was made secretary to the President and a Colonel in the Marines. The latter position is a sinecure since he performs no service, but it carries a salary of $10,000,—a rather generous gift from Dad, of the despised taxpayers money.

Jimmy held the position of secretary to the President only a short time when he resigned to become associated in some capacity with Samuel Goldwyn of the movies. (It is a matter of conjecture whether he resigned his position as Colonel of the Marines with its $10,000 salary.) The press reported that this change was made because of the affection recently developed between the Jew, Sam Goldwyn, and Colonel Jimmy. It appears to have been a case of love at first sight.

It has since developed that indictments were pending against Sam Goldwyn and others for violation of the anti-trust laws, and that Jimmy was made a defendant in these bills of indictment. Does anyone imagine for a moment that Jimmy will be prosecuted, convicted and punished? How can he be released without releasing the others? These slick Jews don't pay big salaries from love and affection; it is always quid pro quo with them. But Jimmy proved a disappointment. He did not get the anti-trust suit dismissed and the love match is over. Some coarse grained observer unfeelingly said that when Sam discovered that Jimmy was not president of the United States he fired him. Jimmy is now a producer on his own, or with his mother.

The Associated Press carried a story on August 6, 1940, that Jimmy and his mother (Eleanor) have been sued by the estate of Ernest Tollor (a notorious Jew communist who committed suicide) for using the play "Pastor Hall" without paying for the privilege. The play is an anti-Nazi propoganda play. It is evidently being produced for the purpose of promoting war hysteria and incidentally to realize a little coin in the operation, or vice versa.

When Col. Jimmy went with Sam he resigned his position with Sargent & Roosevelt; and his mother, Eleanor, was elected a director in his place; the business was too profitable to allow it to get out of the family. Mrs. Eleanor Roosevelt is writing a daily column for the press under the caption "My Day,"—and surely it is her day and also that of her family. It is a profitable day and they are all "making hay while the sun shines." She is periodically advertising a cosmetic over the radio. From these activities she is receiving large emoluments;—not by virtue of her ability, for she is mediocre, but because she is the wife of the Presdient of the United States.

The President's second son, Elliot Roosevelt, made a deal with the Russian Government to sell the soviet 50 Douglas military planes, from which he received or was to receive a commission of $500,000. Mr. Fokker, in testifying before the senate committee investigating the munitions industry, explained that he thought the price excessive but that he had been persuaded by Elliot and his associate Mr. Stratton, that Elliot had enough influence with the Export-Import Bank and the Russion Purchasing Commission to swing the deal.*

The Roosevelt family are thrifty people; they overlook no opportunities. It is in the blood. The New Deal regime is rotten from top to bottom and from, center to circumference. It is an alien regime;-—alien to our code of morality, to our system of government, and to the spirit of our institutions. It is a typical Jewish Administration.

It is reported that when the President visited Brazil in November, 1936, he made a speech in which he said:

> "I am leaving you tonight with great regret. There is one thing, however, that I shall remember, and that is that it was two people who invented the New Deal—the President of Brazil and the President of the United States."—From Congressional Record, March 17, 1939, p. 4805.

*See Speech of Congressman J. C. Shafer of Michigan; Congressional Record, Nov. 1, 1939.

No, the Presidents of the United States and Brazil did not "invent the new deal" as Mr. Roosevelt boastfully says. It was handed to both of them by International Jewry, the "learned Elders of Zion." To Mr. Roosevelt through Elders Baruch and Frankfurter, and to Mr. Vargas through other Elders.

The President of Brazil was elected as a liberal. Soon after his election he overthrew the constitutional government of Brazil and assumed the role of a dictator. It was a mere "push over."

Two kindred spirits with the same plan and the same objective. The difference between them is that Vargas has got there and Mr. Roosevelt is still "On Our Way." We can well imagine what would have happened if the President had succeeded in his "purge" campaign; and it will happen anyway, if he is elected for a third term.

I fully endorse the sentiments expressed in the following anonymous verses:

"An applicant stood at the gates of hell,
And the devil himself had answered the bell.
He looked him over from head to toe
And said: "My friend, I'd like to know
What you have done in the line of sin
to entitle you to reside herein.'

"Then Hyde-Park D., with his kosher guile,
Stepped forth and flashed his toothy smile.
'When I took charge in Thirty-three,
A nation's fate was mine,' said he.
'I promised this, I promised that,
Then calmed 'em down with a fireside chat.

" 'I spent their money on fishing trips,
And fished from the decks of their battleships.
I gave them jobs on the W. P. A.,
Then I raised their taxes and took it away,
I bossed their wages and closed their shops,
I killed their pigs and burned their crops.

" 'I double-crossed both old and young,
And still the goofs my praises sung.
I brought back beer, and what do you think?
I taxed it so high that they couldn't drink.
I supplied them cash with government loans;
When they missed a payment, I took their homes.

" 'When I wanted to punish the folks, you know,
I'd put my She on the radio.
I paid them to let their farms lie still,
And imported food-stuffs from Brazil.
I curtailed crops when I felt real mean,
And shipped in beef from the Argentine.

" 'My workers worked with the speed of snails,
While taxpayers chewed their fingernails.
When the Red-Jew mobsters needed dough,
I closed up plants for the C. I. O.
I ruined jobs by my New Deal stealth
And put the screws on rich men's wealth!'

"Now Hyde-Park talked both long and loud,
While the devil stood and his head he bowed.
At last he said: 'Let's make it clear,
You'll have to go—you can't stay here.
For once you mingled with my mob,
I'd have to look for another job!"

Mr. Roosevelt has built on his Hyde Park estate in New-York a mausoleum or sanctuary in which all of his personal papers will be stored and his remains interred, and which will be open to the public. Evidently he anticipates that he will be worshipped as the founder or a new order and that there will be pilgrimages to his tomb, as there are to Lenin's. "Vanity, vanity, all is vanity" and conceit. In the language of Puck: "O what fools these mortals be!"

We are now suffering from a transitional period when the Jews are attempting to create an "intensified centralization of government," and to "regulate mechanically all the actions of the political life by new laws." They are seeking to bring this change about by lies and corruption. Everything they propose is explained with a lie and often sugar-coated with corruption.

The most dastardly form of this corruption is that of the youth of the land. Rabbi Reichhorn said in his oration to the Jews:

> "But above all let us monopolize Education. By this means we spread ideas that are useful to us, and shape the children's brains as suits us."*

When the Learned Elders came to write out their plan of conquest, for their own instruction and guidance, they said on that subject:

> "We have got our hands . . . into education as being the corner-stone of a free existence. We have fooled, bemused and

*See Appendix II.

> corrupted the youth of the goyim by rearing them in principles and theories which are known to us to be false, although it is by us that they have been inculcated."**

It is a fact of common knowledge that Jews and reds now occupy many of the chairs in our colleges and universities. They appear to specialize on the chair of Political Economy where the students are taught to believe in the infamous gold standard. Many of our leading institutions of learning are now properly regarded as hot-beds of communism.

Our fine inexperienced young men and women, eager for knowledge, receive and absorb this insidious poison and their minds and characters are warped by it. These false political and financial theories are all a part of their plan for the subjugation of the people of the world. It was the plan pursued in eGrmany, even in the age of Disraeli, which culminated in World War I and finally World War II. Sidonia (Rothschild) then observed that most of the "professorial chairs are now in our (Jew) hands" and that the result would be revolution and war. That situation prevails here today.

**From Protocol 9.

XXI.

Federal Reserve System

> "The present issue of money in general does not correspond with the requirements per head, and cannot therefore satisfy all the needs of the workers. The issue of money ought to correspond with the growth of population and thereby children also must absolutely be reckoned as consumers of currency from the day of their birth. The revision of issue is a material question for the whole world."—From Protocol 20.

The expansion and contraction of currency and credit is the method of the Elders for absorbing the wealth of the world, and it is the surest and quickest plan. Compound interest would eventually do so except for the increasing supply of the precious metals and increasing wealth. This method, as certain as it is, is too slow for the "learned," greedy, and ambitious Elders. By expansion and contraction of currency and credit the rich are always made richer and the poor are made poorer; and the possessions of the weak are acquired by the strong, and thus great wealth and great poverty are created.

Obviously, a country can not be subjected to currency and credit manipulation that has a sufficient quantity of money or currency in circulation, for credit is directly dependent on the quantity of money in circulation;—the more money the greater the basis of credit; the less money the less the basis of credit. Credit is, of course, dependent upon the will of both the man who seeks the credit and the one who extends it, but it will not be sought or extended if there is thought to be an inadequate volume of money for its redemption. It is essential in order to control at will the expansion and contraction of credit that there be some supreme authority with the power to increase or decrease at will the volume of money in circulation.

Prior to the regime of the Rothschilds this power resided in the kings and emperors of the world, for they were then the supreme authority. In our country our National Constitution vested this power in the Congress of the United States. At the time of the adoption of our National Constitution state banks issued their currency notes payable in gold and silver which circulated as currency, and this system continued until after the Civil War. This state bank currency added materially to the volume of money in circulation and to the stability of credit and of values. Since the Civil War and until recently National

banks issued their currency notes, based upon United States bonds and redeemable by the national government, which circulated as currency and which contributed materially to the supply of money and the stability of credit and of values.

Under the Rothschild influence the banking systems of the world were all radically changed. The supreme authority to issue money, as well as to extend credit, was transferred by the various governments to the bankers of their respective countries. The Bank of England became the model for other central banks of the world.

At the time of the establishment of the Federal Reserve System our government was the only one of any consequence that even pretended to exercise its sovereign right to issue and control the volume of money in circulation. The establishment of the Federal Reserve System operated as a complete surrender to the banking fraternity of the sovereign power of the American people to regulate values through their congressional representatives, as guaranteed to them by their national constitution.

The panic of 1907 was, like all of our other panics, a manipulated one. It was brought about by the refusal of the reserve banks of New York to pay currency to their country bank depositors, which in turn made it necessary for these banks to refuse to pay their depositors in currency. It was therefore due primarily to an insufficient quantity of currency in circulation and an inadequate method of increasing the supply.

There was universal demand for a change of the system and for an adequate volume of money to meet the demands of commerce. Congress appointed a committee, called the Monetary Commission, with Senator Nelson W. Aldrich of Rhode Island as chairman, to study the banking systems of the world and to report its findings. This committee made one or more trips to Europe and some two years after its appointment filed an exhaustive report of more than four thousand pages, which was never read by anybody. In the meantime the bankers and the various commercial bodies and the farmers and the laborers in their conventions, and the politicians and the press were all with one voice demanding a banking and currency system that would make future panics and depressions impossible.

The keynote of President Wilson's campaign for the presidency in 1912 was the reform of our banking and currency system and he was elected upon that issue. Immediately after his

election he submitted that subject to Congress in a very strong message, pointing out the inadequacy of the existing system and the necessity for a system that would provide an adequate supply of currency and credit to meet the demands of industry and commerce and that would insure the full employment of labor, and high prices and wages. His message and his campaign speeches all indicated that he had a keen understanding of the money question and that he desired to establish a system that would afford an adequate volume of money and credit, and would sustain high prices and wages.

There then followed a great struggle, feigned or real, between the big city bankers and the Administration. The bankers sought to establish a central bank with power to control currency and credit and with themselves in control of the bank. They threatened that if this was not done that they would denationalize and would have nothing whatever to do with the system. The Administration apparently sought to reserve to the government its sovereign power to issue money and to establish a decentralized banking system to supply credit. The question of the conditions under which new currency would be issued and whether or not the currency note should be a bank note or a government note were important issues in the struggle.

The original Federal Reserve Act emerged as a result of this controversy. The big banks without a single exception were satisfied and accepted this system. President Wilson and Secretary McAdoo were apparently satisfied with it. President Wilson said of it, that it was a charter of freedom to commerce and industry and that men could go forward with their undertakings with assurance and without fear that their possessions would be taken from them by the contraction of currency and credit.

In the midst of this campaign for the reform of our banking and currency system Paul Warburg, a German Jew, migrated from Frankfort-on-Main, the original home of the Rothschilds, to America. He was at the time a member of the Rothschild banking firm in Frankfort-on-Main and he became a member of Kuhn, Loeb & Company in New York, the American branch of the Rothschilds, upon his arrival here. The following is the Naval Secret Service report on him in December, 1918:

> "Warburg, Paul, New York City, German; was naturalized an American citizen 1911, was decorated 1912 by the Kaiser; was vice-chairman of United States Federal Reserve Board; is a wealthy and influential banker; handled large

> sums furnished by Germany for Lenin and Trotsky; subject has a brother who is leader of the espionage system (of Germany)."

The brother here mentioned was Felix, who afterward migrated here and was a member of Kuhn, Loeb & Co., and Chief of the American Elders. Soon after his arrival in New York Paul Warburg called in conference the leading New York bankers and submitted to them a plan for the reform of our banking and currency system, which they enthusiastically endorsed. It was then submitted to the Aldrich Monetary Commission and approved by the commission, despite the fact that they had spent two years of study and filed a four thousand page report on the subject. It was in its essential features the charter of the Bank of England. The Aldrich Monetary Commission submitted this plan to Congress in the form of a bill known as the Aldrich Bill.

The Democrats immediately arrayed themselves solidly against it. There was great opposition to it throughout the land, because it was openly and brazenly a centralized banking system that vested the bankers with the sovereign power to issue and control the volume of money, and because also of our very sad experience with the First and Second Banks of the United States. Upon this issue primarily the Republican Party was defeated and President Wilson and the Congressional Democratic candidates elected.

It thereupon became necessary to revise and rewrite the Aldrich Bill and to at least camouflage it in order to make it acceptable to the country. Frank A. Vanderlip, then President of the National City Bank, gives an account of this revision in his memoirs. It appears therefrom that he and Henry Davison of J. P. Morgan & Company, and Paul Warburg of Kuhn, Loeb & Company held a secret conference on Jekyll Island (how appropriate the name) near Savannah, Georgia, and that they then and there rewrote the bill conforming it in appearance to the requirements of President Wilson and the Democratic Party, but preserving the substance of the Aldrich Bill.

The honor, such as it is, for this iniquitous bill is claimed by many people. The Republicans claim it because it was in fact the Aldrich Bill in disguise, and the Democrats because it was in fact endorsed and adopted by a Democratic Administration. Carter Glass claims it because he was then Chairman of the House Banking and Currency Committee and it bore in part his

name. Paul Warburg claimed it because it was in fact his baby and he acknowledged it as such. He supplied the frame work of it, which was colored and mildly altered by Vanderlip and Davison. But President Wilson and McAdoo and Glass had practically nothing to do with it except to pilot it through Congress.

The Federal Reserve System is the product of the Rothschilds and its adoption was secured in the same underground, deceptive manner that they always employ to obtain their objectives. Paul Warburg evidently came to America to reform our banking and currency system and evidently he and the Rothschild interest then anticipated the world war, although it did not come about until some three years later.

They, of course, knew that such war would necessarily produce great expansion of currency and credit and of values and that money would be cheapened accordingly and that a "killing" could be made by contracting it. They also knew that America as the producer and seller of food and war materials would receive vast quantities of gold in payment for them. They also knew that under our financial system as it then existed this great influx of gold would enormously increase our volume of money and basis of credit, that money would be correspondingly cheapened and values increased and that great and permanent prosperity in America would be the inevitable result, and that this inflation and prosperity would likely extend to all other countries. It was, therefore, necessary to their plans to sterilize this gold and to put the American banking and currency system on a credit basis and to bring it under their own control.

This is the sordid story of the greatest disaster that ever befell the American people. We then surrendered to Jeroboam Rothschild and his successors, complete dominion over our currency and credit, over prices and wages, and over our welfare and happiness. Prior thereto he had great influence through his Morgan & Co., and Kuhn, Loeb & Co., banks and their subsidiaries and affiliates, but now his authority is made supreme and unlimited. This surrender perfected his control over the economy of all the people of the world.

XXII.

Deflations of 1920 and 1930

> "Economic crises have been produced by us for the goyim by no other means than the withdrawal of money from circulation. Huge capitals have stagnated, withdrawing money from States, which were constantly obliged to apply to those same stagnant capitals for loans. These loans burdened the finances of the State with the payment of interest and made them the bond-slaves of these capitals . . . The concentration of industry in the hands of capitalists out of the hands of small masters has drained away all of the juices of the peoples and with them also of the states."—From Protocol 20.

The language and the phrases of the original Federal Reserve act were so obscure and ambiguous, that President Wilson and Congress may have been deceived into believing that it was in fact what it pretended to be. It may be that the President accepted it as being in his judgment an improvement over the then existing system and as being the best bill he could then get. It may be that he expected to later perfect it by amendment and to make it the reliable servant of commerce and industry and of the people, and not their tyrannical master.

If such was the President's purpose it has operated "the other way around." It has been perfected, it is true, but it has been perfected as a central bank with the sovereign power in the "Federal Reserve Board" to "issue money and control the value thereof" in plain violation of our National Constitution.

Every perfecting amendment that the Elders have wanted has been adopted by a complaisant Congress until it now has infinitely more power than either the First or Second Banks of the United States ever had and more than the Aldrich Bill proposed, and it has abused such power shamefully and to the irreparable injury of the American people. Senator Glass may be entitled to credit for these perfecting amendments though they bear the earmarks of the Rothschilds. It is he who has sponsored and piloted them through the United States Senate and through Congress.

Upon the adoption of the bill President Wilson appointed Paul Warburg as deputy governor and a few months later as governor of the system. He held that position until 1919 when he resigned and his assistant, W. P. G. Harding, was made governor. In the meantime William G. McAdoo had resigned his position as Secretary of the Treasury and David Houston, Sec-

retary of Agriculture, had been appointed Secretary of the Treasury. In the meantime, also, Barney Baruch had supplanted Edward M. House as President Wilson's confidential adviser. This was the set-up when the deflation of 1920 was decreed.

It was a great shock to the bankers of the country when they found that they could not discount their "eligible" notes and bills at the Federal Reserve Banks. It had been proclaimed throughout the length and breadth of the land that agricultural and commercial notes could, by the endorsement and guaranty of member banks, be converted into currency ad libitum. The banks and the people were importuned by the treasury department and other government authorities to buy government bonds and to produce food in order to help win the war, and consequently the people had borrowed liberally and the banks had extended credit liberally, believing that the Federal Reserve System would extend credit if needed.

Then without previous warning the Federal Reserve management arbitrarily refused to extend credit to the member banks that served thp commercial and agricultural interests of the country. The Federal Reserve authorities at first denied responsibility, claiming that the deflation was a natural reaction from high prices and wages, that it originated in Japan, etc. After the publication of the minutes of the secret conference of May 15, 1920, of the Federal Advisory Council, Federal Reserve Board and the Governors of the Federal Reserve Banks, they then admitted that the job was theirs and admitted also that it was a mistake.

These minutes, which they thought no one could ever dig up, set out in detail what they proposed to do, the manner of doing it and the reasons therefor. They said in substance that the "vicious circle of increasing prices and wages must be checked;" that people were extravagant and that this must be corrected; and strange as it may now sound they said also that people were not working hard enough and not producing enough goods to meet the demands of the world!

They proposed to correct all of these things by refusing to issue currency and extend credit. Of seventy bankers, who attended this conference, only two voted against this unjust, illegal and destructive program, which demonstrates, if demonstration Is necessary, how unwise it is to invest an interested class, even as intelligent and righteous as the bankers profess to

be, with the sovereign power to fix and regulate values and the prosperity of the country. No doubt some of the bankers who voted for this program suffered grievously as a consequence of it.

There followed one of the most destructive panics and depressions this country has even known. The borrowers who had extended their borrowings to meet the demands of their government, and the banks that extended credit most liberally for the same purpose, suffered most. Many of them became bankrupt and many of them, both borrowers and lenders, died by suicide and despondency and disease as a result thereof. Even government bonds were depreciated to such an extent that the original owners lost them and the banks that took them under foreclosure lost money on them.

The national wealth was estimated prior to this depression at from 500 to 600 billion, afterward at from 250 to 300 billion. This meant a general reduction in values of from 200 to 300 billion dollars. This huge sum is more than the expenses of our National Government, including all of its wars, from its establishment up to 1914.

With such terrible consequences and with proven and admitted responsibility for them it is difficult to believe that Congress would do nothing about it. But strange as it may seem no serious effort has ever been made to curtail the power that brought such disaster upon the country. On the other hand, it has been enlarged and amplified and legalized, as far as Congress can do so, by perfecting amendments;—always sponsored by Carter Glass.

It was, of course, necessary for the Federal Reserve banks to loosen up in order to prevent a debacle, with the result that there was considerable recovery in 1927, 1928 and 1929, and with the result also that there was considerable speculation in 1929 in anticipation of still further recovery. For the pretended purpose of checking this speculation the Federal Reserve management again decreed deflation, which they brought about in 1930 in precisely the same manner as in 1920, viz: by the contraction of currency and credit.

They made no "bones" about it this trip; it was done openly and above board and they have never denied it, Congress having condoned the crime once it was assumed it would do so again. And Congress not only condoned both crimes but it has

legalized the methods employed; and not only that, it has granted an indefinate charter to the system and has given it additional power to deflate.

The 1930 deflation was a reproduction of 1920 with substantially the same results. Our national wealth which had increased during the ten years intervening to about 400 billion dollars, was reduced 40 to 50 per cent. It bankrupted many men and many banks that had survived the depression of 1920 and many younger men who were in the midst of establishing themselves ; it transferred the property of the debtor to the creditor; it operated with the greatest severity on the farmer and the laborer and their families; it reduced the value of farm products below the cost of production, in consequence of which many farmers lost their homes and means of living; it closed factories, and thereby about twelve million laborers lost their jobs and means of living and many of them lost their homes and became public charges.

Both of these depressions were far more serious in their results than the short lived manipulated panic of 1907. The panic of 1907 was over almost as soon as the banks resumed their ordinary function of paying the checks of their depositors in currency. At that time it was beyond the control of the Elders to force a substantially lower level of values because our banking system was then on a currency basis and not wholly on a credit basis as it was in 1920 and in 1930 and is now.

Organized ostensibly to supply an adequate volume of currency and credit the Federal Reserve System has been perverted into a vast money and credit hoarding machine; organized for the pretended purpose of preventing panics and depressions, it has been employed to create the three most disastrous ones in the history of our country. Obviously, the remedy for the panic of 1907 was for the government to put into circulation a greater volume of money and to outlaw as traitors the conspirators who brought it about. Obviously, the remedy was not to turn over to these pirates the sovereign function of issuing money, as the Federal Reserve Act did.

The remedy for the catastrophes of 1920 and of 1930 was and is now to get more money into circulation and to free the country from the control of this iniquitous Federal Reserve System. Obviously it was not to extend the power and charter of the system; and obviously also, it was not the "new deal." The

remedies suggested are so clear and simple, and those adopted are so inadequate and grotesque that even a congressman ought to be able to see and understand the sham and hypocrisy of it all. The methods employed in putting over the English Bank Act were almost identical with those used here in perpetrating the Federal Reserve Bank hoax. The British people did not understand that they were contracting their currency by demonetizing silver, and that their government was forever abdicating its sovereign right to control currency and credit and values, any more than we understood these things.

They, however, obtained two important advantages that we did not get: (1) They were paid for the charter and for every one of its eight renewals, whereas we gave the Elders the charter and then renewed it indefinitely and we did not recieve a "thin dime" for this valuable monopoly; (2) The Bank of England (and for that matter the central banks of issue of all other countries) lends money direct at a low rate of interest to the people, whereas the Federal Reserve bank is authorized to lend only to member banks;—a "banker's bank" they call it, and so it is—"lock, stock, and barrel."

XXIII.

Deflation of 1937

"'The principal factor of success in political is the secrecy of its undertakings; the word should not agree with the deed." —From Protocol 7.

It should always be remembered that the Federal Reserve System was created for the avowed purpose of supplying the country with an adequate volume of currency and credit. At the time of its consideration and adoption the commerce of the country was in the process of recovery from the panic of 1907. This panic was, as has been stated, a manipulated panic, precipitated by the central reserve banks of New York City, and primarily due to the fact that we did not have a sufficient volume of money in circulation; the system was changed for the purpose of supplying such volume.

There was universal demand for such change, led by the bankers of New York City. So eager were they for a change of system that the elder J. P. Morgan and the elder Geo. F. Baker (president of the First National Bank of New York) testified before the Pujo Committee that there was a "Money Trust" and that it was in the public interest that it be controlled. This admission was at the time a matter of great surprise; the purpose of it is now better understood. In the light of subsequent events and of our present knowledge, we are justified in suspecting that the panic of 1907 was brought about for the purpose of establishing the system we now have.

I prefer to believe in the integrity and sincerity of Woodrow Wilson. I supported him for the presidency, in ignorance, however, of the fact that his campaign was financed by Jews. Despite my bias, I must admit that the Wilson Administration was responsible for the deflation of 1920.

President Wilson appointed Paul Warburg, a member of the Rothschild banking firm, as deputy governor and later governor of the Federal Reserve System. Warburg was the real author of the act and was also author of the Aldrich bill. He openly advocated a central bank, and publicly testified that the system could be transformed by administration into a central bank,—and he proceeded to so transform it. He proposed the amendment that gave the system the power of deflation, which President Wilson approved. Warburg, however, resigned before the

deflation process was begun and thereby escaped the odium of it.

When the Federal Reserve Act was adopted the Democrats thought they had won a great victory, but nevertheless many well informed Republicans claimed credit for the Act and that the bill was in fact the Aldrich Bill under a different name and in a different dress. The Democrats thought that the Federal Reserve Board was only a medium of contact between the twelve reserve banks and that the banks would be governed by their respective boards of directors and would function independently of it. It was originally provided that a member bank could at will convert its eligible notes into currency by simply endorsing them and sending them into the reserve bank of its district for discount; and the notes of the farmer and those given in the course of commerce were in the preferred class.

This method of issuing currency was intended to supply the adequate volume of currency and credit that the people of the country desired and were promised by the Democratic Party. It has all been changed since. The original purpose of the act has been entirely lost sight of and has been grossly perverted. Paul Warburg was right when he testified before the Senate Committee that the system could be transformed into a good system (for the Elders) by administration. It has in fact been transformed adroitly by administration but more radically by legislation.

Just prior to the panic of 1920 Congress adopted an amendment empowering the Federal Reserve Banks to limit the discount privileges of member banks and to refuse to discount eligible notes. This amendment changed the whole character of the system. It could no longer operate automatically in response to the demands of the people. Thereafter currency could only be issued at the discretion of the Federal Reserve Banks,—which was subsequently changed to the Federal Reserve Board.

The Federal Reserve Banks promptly exercised this power and promptly brought on the panic of 1920 in pursuance of the resolution adopted at the conference between their representatives and the members of the Federal Reserve Board on May 15, 1920. The depressions of 1920 and of 1930, and the present depression would not have been possible except for this change in the act.

Every step in the administration of the system and every act of Congress amending the law since its enactment, have been

in the direction of a centralized banking authority with the power of life and death over commerce and industry. Without authority of law the Federal Reserve Board established an "open market committee" to fix and regulate the volume and value of money, with the Governor of the New York Federal Reserve Bank as chairman. It is and was the office of this committee to expand the currency by buying securities, etc., on the open market in New York and Chicago, and issuing in payment therefor the notes of the Federal Reserve banks. To contract the currency the process is reversed; they sell securities and receive currency in payment therefor, which is thereby withdrawn from circulation.

This supplanted the original system of issuing currency in payment of eligible notes discounted by member banks. The difference is that under the present system the "open market" committee determines how much currency is good for us; under the original system the demands of commerce and industry and the member banks determined the quantity of it; the one depends on the integrity and wisdom of the committee, the other responds automatically to the currency and credit needs of the people.

The depression of 1930 and the remedy for it was the issue in the 1932 campaign. Mr. Roosevelt charged that President Hoover was responhible for the depression and that he had adopted inadequate measures to restore prosperity. There was no demand by either political party or any candidate for office that the Federal Reserve System be converted into a centralized banking authority and that its powers be enlarged. No man could have been elected President of the United States on any such platform.

Under the pretense of protecting bank deposits and of creating a corporation for that purpose, for which there was some demand,—the Congress enacted the bill known as the "Banking Act of 1935." This bill completed and perfected the system as a centralized banking authority with much greater power than was provided in the original Aldrich Bill. Among other things it legalized the "open market committee" and provided that the members of the Federal Reserve Board and five members of the Federal Reserve banks (to be selected by their directors) should constitute this "open market committee."

The Bank Act of 1935 called for a new Governor, and new members of the Federal Reserve Board to be appointed by the

President,—and Mr. Roosevelt named Marriner S. Eccles as Chairman of the Board and appointed an entirely new board. All of them were new members with the exception of Professor Miller who had been a consistent and trustworthy deflationist from the beginning.

The original Federal Reserve Act required the member banks to maintain reserves in the Federal Reserve Banks as follows: country banks and those in smaller cities, 7% of the amount of their deposits; banks in reserve cities, 10% ; and in central reserve cities, 13%. These reserves were not subject to check ad libitum by the banks, as under the former system, but could only be checked against "under the regulations and subject to the penalties, provided by the Federal Reserve Board." They were intended to be and were in fact, static and sterilized. To check against them meant the suspension of the bank,—and its insolvency. They served no purpose except to sterilize and impound that much currency and credit, and the country did not suffer from them except to that extent. There was no need, or public demand for increasing them.

The "Banking Act of 1935" authorized the Federal Reserve Board "in order to prevent injurious credit expansion or contraction" to double these reserve requirements. Obviously there could be no "credit expansion" by doubling the amount of sterilized money and credit, and obviously it meant only to empower the Board to bring about credit contraction. Such delegation of power was wholly unnecessary because the Board had absolute power to expand and contract the volume of currency through the operations of the "open market committee," which involved the power to expand and contract credit, for credit is dependent wholly on the supply of currency to support it. Moreover the Board had fully demonstrated its power to "prevent injurious expansion" in the catastrophes of 1920 and 1930.

Evidently the purpose of this amendment was to provide a new method for bringing about deflation,—a different one from the old plan of refusing loans and advancing the discount rate. The old plan had come to be too thoroughly understood, and discredited by too frequent use. Since Mr. Roosevelt had been elected to correct the evils of the Hoover administration, he could not bring about the same character of deflation in the same manner without the risk of having the whole "Jew Deal" upset by Congress; he must employ a different method and a more subtle technique.

The Federal Reserve Board did not permit this power to remain dormant very long. On August 26, 1936, they advanced these reserve requirements 50%, but the result was not satisfactory to them. On January 30, 1937, they adopted the following resolution:

> "Effective at the opening of business on March 1, 1937, the requirements as to reserves to be maintained by each member bank will be 75 per cent above the requirements prescribed by section 19 of the Federal Reserve Act, and effective at the opening of business May 1, 1937, the requirements as to reserves to be maintained by each member bank will be 100 per cent above the requirements prescribed by section 19 of the Federal Reserve Act."

That did the job, and the Roosevelt depression soon followed and is still on, and prosperity is not "around the corner" as the Elders and their sycophants tell you it is. There is now sterilized and hoarded in the "reserve accounts" of the Federal Reserve Banks the huge sum of $13,863,000,000. This is more than ten times the volume of money we have in circulation. It would furnish a sound basis for at least $70,000,000,000 of credit if this money was in circulation and in the vaults of the member banks. The depression would not have occurred if this money and credit had remained in circulation. It was withdrawn for the purpose of bringing on the depression.

This order of the Federal Reserve Board operates with the greatest severity on the small and weak banks. They, together with all other banks, have been forced by the Roosevelt Administration to subscribe for government bonds, with the result that they are loaded down with U. S. bonds. The government has now taken from them a large percentage of their liquid capital, which has left many of them with insufficient resources to meet the ordinary demands of their customers, or to earn reasonable profits. There is no precedent in other countries for such banking practice and for such abuse of governmental authority.

The "Bank Act of 1935," insofar as it provided for guaranteeing bank deposits, originated in the House and it was limited to that one subject. The amendments were added by Carter Glass when the bill reached the Senate. Glass was on the conference committee between the two bodies and succeeded in putting over these amendments and afterward boasted of the achievement in the press. This ever-faithful servant of the Elders is always on the job with his amendments when there is a banking or currency

measure before the Senate, for it is much easier to tack them on to some popular measure than to get them through independently upon their own merit or lack of merit.

We may choose to believe in the good intentions of Mr. Roosevelt and to excuse him for this terrible crime, but we cannot close our eyes to the cold facts. The Federal Reserve Board is wholly of his selection and it has no doubt carried out his express orders. No official appointed by him will dare disobey him; should he do so he would be "fired," for Mr. Roosevelt brooks no opposition.

In one of his press conferences Mr. Roosevelt sought to excuse the order of the Federal Reserve Board on the ground that some unnamed prices were too high and out of "alignment," but even if that be true, it is a silly excuse for bringing such great distress upon the innocent people of the country. The fact is, some prices always have been and always will be out of "alignment" due to supply and demand.

There is this substantial difference between the Wilson 1920 deflation and the Roosevelt 1937 deflation: In 1920 prices and wages were high and money of course correspondingly cheap. We had $3 wheat, $2 corn, 40c cotton, $1.50 to $2 per hour wages, labor was fully employed and scarce.

In 1937 we had been suffering from the Hoover deflation for more than five years; we had spent billions of dollars upon Mr. Roosevelt's recommendations for the pretended purpose of relieving it; there was no substantial relief; prices and wages were still low and labor unemployed; we still had approximately 10,000,000 unemployed, and many millions on the dole. There was absolutely no excuse for the Roosevelt deflation. It was a deliberate effort on his part to wreck the country and to prepare the ground for revolution and dictatorship.

XXIV.

"On Our Way"

(Whither?)

"The political has nothing in common with the moral. The ruler who is governed by the moral is not a skilled politician, and is therefore unstable on his throne. He who wishes to rule must have recourse both to cunning and to make-believe. Great national qualities, like frankness and honesty, are vices in politics, for they bring down rulers from their thrones more effectively and more certainly than the most powerful enemy. Such qualities must be the attributes of the kingdoms of the goyim, but we must in no wise be guided by them."—From Protocol 1.

President Roosevelt, in his inaugural address on March 4th, 1933, said:

"Primarily this [the present depression] is because the rulers of exchange of mankind's goods have failed through their own stubbornness and their own incompetence, have admitted their failure, and have abdicated. Practices of the unscrupulous money changers stand indicted in the court of public opinion, rejected by the hearts and minds of men.

"True they have tried, but their efforts have been cast in the pattern of an outworn tradition. Faced by failure of credit they have proposed only the lending of more money. Stripped of the lure of profit by which to induce our people to follow their false leadership, they have resorted to exhortation, pleading tearfully for restored confidence. They only know the rules of a generation of self-seekers. They have no vision, and when there is no vision the people perish.

"Yes, the money changers have fled from their high seats in the temple of our civilization. We may now restore that temple to the ancient truths. The measure of the restoration lies in the extent to which we apply social values more noble than mere monetary profit , . . and there must be prevision for an adequate but sound currency."

Fine words, very, very fine, and very, very true. This was the program he deliberately promised the people of America in his inaugural address.

This message states clearly conditions that then existed, and the cause and the remedy therefor. There was great rejoicing among the people; for the people, while not understanding the money question, knew in a general way that their destressful situation was due to the corrupt management of our banking and currency system and here was promise of relief.

If the Elders believed the President's sincerity there must have been "weeping and wailing and gnashing of teeth" among

them, for here was a man, whose election they had brought about, calling them selfish Shylocks and incompetents, and accusing them of responsibility for the deplorable conditions he so graphically depicted, and threatening to destroy their control of the system which had caused so much wreck and ruin.

On the day following the delivery of this splendid speech the farm leaders, John N. Simpson, et at., called on the President and asked him to explain what he meant by the phrase "There must be provision for an adequate but sound currency." The President said, according to press reports, that he meant that the government would exercise its constitutional duty to issue money and control its value, that he would promptly cause enough money to be issued and put into circulation to restore wages and markets and values and prosperity to the country, and give a job to every man in the land who wanted to work.

One of two things is true: either the President did not mean a word of his speech and of his clarifying statement to the farmers, or else he changed his mind on the following day, viz., March 6th. We cannot know which is true. It is difficult to believe that the President of the United States would make such statements with his fingers crossed and for the purpose of deceiving his friends and supporters; but it is equally inconceivable that he would change his mind upon this important subject, upon which he had deliberately spoken after having evidently given it great thought, within the short space of twenty-four hours time.

It is of course possible that Brother Baruch or some of the other Elders interviewed him shortly after the farmers and changed his purpose and his program, but it is not probable. His message turned out to be mere "cunning and make-believe" and it was no doubt intended as such. Whatever the truth may be, on the following day, March 6th, he issued a proclamation closing all the banks of the United States,—state as well as national, and good as well as bad. This was arbitrary, high handed, destructive, and illegal.

Upon the point of its legality he says in his book, "On Our Way," page four, that "a friend of mine (probably Frankfurter) suggested that some of the war emergency legislation of 1917 had not been repealed and found for me a statute of that year covering the point." Even so, such statute could not be applicable to peace conditions, for Congress has no power to suspend the Con-

stitution and laws of the land except as a military measure, and its power even then is limited to military necessity.

Besides, there was then no necessity for the grant or the usurpation or the exercise of such power. The banks of the country were as a rule sound and well managed. The trouble with them was that many of their customers had been bankrupted by an illegal deflation or were near bankruptcy, and as a consequence their collateral had been impaired. It was the direct and intended consequence of the contraction of currency and credit by the Federal Reserve management in 1930. They suffered from the further trouble that there was not enough money in their vaults and in circulation to enable them to pay their depositors in currency. The only place that they could get the money was from the Federal Reserve banks, which had the exclusive power of issue, which it refused to exercise.

The clear remedy therefore was not the closing of the banks and the utter destruction of many of them, but it was for the government to take over the Federal Reserve System or compel it to perform the service for which it was organized, or for the government to exercise its constitutional power to issue and put into circulation a sufficient quantity of money. The obvious and quickest remedy was for the President to remove the Federal Reserve management and appoint one that would discount the eligible paper of the member banks and issue them currency and thereby enable them to meet the currency demands and credit requirements of their customers.

The obvious remedy was to reverse the deflation program of the Federal Reserve System and to bring about just and reasonable inflation through the expansion of currency and credit. The President knew this to be the remedy and he promised to employ it, both in his inaugural message and in his statement to the farm representatives. If he had done so there would have been no occasion or excuse for his extravagant and unconstitutional reforms and his subsequent attack upon the Constitution itself.

My own view is that Senator Long's estimate of the President is correct, and that he did not mean a word of what he said in his message and to the farmers. I think that he intended his so-called reforms from the beginning and that he needed a bewildered and poverty stricken people in order to put them over. As Senator Long so graphically said, it was "high cockalorum Roosevelt and low cockalorum Hoover," the difference between

them being only the difference between "tweedledum and tweedledee." Mr. Roosevelt is only a "skilled politician who has recourse to cunning and make-believe."

In 1929 there were more than 30,000 state and national banks. The number had been reduced by deflation to 19,163 in 1932. As a result of this order 4,541 banks or approximately one-third of the remainder were permanently closed and their deposits aggregating $4,356,799,000 were thereby frozen and a large percentage of them lost. (See Comptroller of the Currency Report of 1936, page 112.) The President thus ruthlessly destroyed the property of the several thouand stockholders of the closed banks and of their several million depositors in flagrant violation of law and of our National Constitution, and later boasted of this achievement in his book "On Our Way."

The effect of this order was further deflation, and to make bad matters worse. It froze the life savings of many thousand depositors and transferred them from a state of comfort to one of poverty. They could have been saved, and the country could have been saved the expense of their maintenance, by the mere act of correcting the crime of 1930 in a legal way, viz., by reversing the process by which it had been perpetrated. The worst of it is that the President then knew that this could be done and promised to do it.

This does not tell the whole story. The banks had already been reduced in number by the 1930 deflation (for which President Hoover is justly held responsible) from 30,000 to 19,163. This further reduced the number to 15,806, or about half the number that existed in 1929. The human imagination can scarcely conceive such ruthless and reckless destruction of men and of values and it cannot estimate the injuries that the people sustained. It meant that the fortunes of approximately one-half of the thrifty men and women of the nation were either utterly destroyed or badly impaired;—and the other half did not escape without serious injury.

On January 15, 1934, the President submitted a special message to Congress, as set out in his book "On Our Way," in which he said:

> "Permit me once more to stress two principles. Our national currency must be maintained as a sound currency which, in so far as possible, will have a fairly constant standard of purchasing power and be adequate for the purposes of daily use and the establishment of credit.

> "The other principle is the inherent right of government to issue currency and to be the sole custodian and owner of the base or reserve of precious metals underlying that currency. With this goes the prerogative of government to determine from time to time the extent and nature of the metallic reserve."

John Stuart Mill or his disciple, David Ricardo, could not have stated the orthodox principles of monetary science more clearly and forcefully. The President cannot plead ignorance of the money question, for every message and speech that he has delivered on the subject shows that he understands it. There can be no restoration of values until there is a sufficient volume of money in circulation to support them. That is as certain and as inevitable as the law of gravitation. If this volume of money rests upon the discretion of the Federal Reserve Board then those values will be whatever this Board chooses to make them, and they will be as stable as the mind of the Board is stable.

Prior to the adoption of the Federal Reserve System the basis of our values rested upon the volume of money in circulation, and they were stable because the supply of money, except for hoarding, was stable,—but it has been unstable and erratic since, because it rests wholly upon credit and upon the discretion of selfish and designing men.

What has the President done to give effect to his brave promises? What has he done to wrest the control of our currency system from the Shylocks, charged in his inaugural speech with controlling it, except to leave them in control and to perfect their control ? What has he done toward increasing our currency supply in order to restore employment and prosperity except to further reduce it? What has he done to restore the solvency of our country except to enormously increase debts and taxes? Truly, the Elders have furnished us a ruler of their own kind, a "skilled politician who has recourse to cunning and make-believe," and whose "words do not agree with his deeds."

XXV.

Liars and Thieves

"Gold always has been and always will be the irresistible power. Handled by expert hands it will always be the most useful lever for those who possess it, and the object of envy for those who do not. With gold we can buy the must rebellious consciences, can fix the rate of all values, the current prices of all products, can subsidise all State loans, and thereafter hold the states at our mercy."—From Funeral Oration of Rabbi Reichhorn.

The following is a fac simile copy of page 171 of the report of the Comptroller of the Currency for the year ending Oct. 31, 1938,—which is the latest published report:

"76th Annual Report of the Comptroller of the Currency
covering the Year ended Oct. 31, 1938, (page 171).
{Amounts stated in Thousands of Dollars)"

Stock of money in the United States, in the Treasury, in reporting banks, in Federal Reserve banks, and in general circulation, years ended June 30, 1914 to 1938

Year Ended June 30–	Coin and other money in the United States	Coin and other money in Treasury as assets[1]		Coin and other money in reporting banks[2]		Held by or for Federal Reserve banks and agents		In general circulation exclusive of amounts held by reporting banks, Federal Reserve banks and Treasury		
		Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Amount	Per-cent	Per capita
	Millions	*Millions*		*Millions*		*Millions*		*Millions*		
1914	*$3,797.8*	*$ 338.4*	*8.91*	*$1,630.0*	*42.92*	.....	.....	*$1,829.4*	*48.17*	*$18.46*
1915	4,050.8	348.2	8.60	1,447.9	35.74	$ 383.0	9.45	1,871.7	46.21	18.56
1916	4,541.7	299.1	6.59	1,472.2	32.41	593.3	13.06	2,177.1	47.94	21.24
1917	5,678.8	269.7	4.75	1,487.3	26.19	1,342.7	23.64	2,579.1	45.42	24.74
1918	6,906.2	363.5	5.27	882.7	12.78	2,061.0	29.84	3,599.0	52.11	33.97
1919	7,688.4	585.1	7.61	981.3	12.76	2,226.7	28.96	3,895.3	50.67	36.67
1920	8,158.5	490.7	6.01	1,047.3	12.84	2,200.2	26.97	4,420.3	54.18	41.50
1921	8,174.5	463.6	5.67	926.3	11.33	2,799.9	34.25	3,984.7	48.75	36.71
1922	8,276.1	406.1	4.91	814.0	9.84	3,406.8	41.16	3,649.2	44.09	33.18
1923	8,702.8	386.5	4.44	777.1	8.93	3,493.0	40.14	4,046.2	46.49	36.20
1924	8,846.5	359.4	4.06	900.8	10.18	3,637.8	41.12	3,948.5	44.64	34.69
1925	8,299.4	363.9	4.38	938.3	11.30	3,120.3	37.63	3,876.9	46.69	33.58
1926	8,429.0	353.2	4.19	975.2	11.57	3,190.5	37.85	3,910.1	46.39	33.35
1927	8,667.3	350.9	4.05	985.1	11.36	3,465.1	39.98	3,866.2	44.61	32.57
1928	8,118.1	351.3	4.33	866.5	10.67	2,970.2	36.59	3,930.1	48.41	32.72
1929	8,538.8	373.1	4.37	799.1	9.36	3,419.4	40.04	3,947.2	46.23	32.47
1930	8,306.6	247.2	2.98	853.8	10.28	3,537.3	42.58	3,668.2	44.16	29.76
1931	9,079.6	254.9	2.81	865.5	9.53	4,002.7	44.08	3,956.5	43.58	31.87
1932	9,004.4	278.2	3.09	774.1	8.60	3,031.1	33.66	4,921.0	54.65	39.41
1933	10,078.4	314.5	3.12	649.9	6.45	4,043.2	40.12	5,070.8	50.31	40.32
1934	13,634.4	2,955.9	21.68	689.6	5.06	5,305.0	38.91	4,683.9	34.35	37.03
1935	15,114.0	2,865.9	18.96	760.0	5.03	6,680.0	44.20	4,808.1	31.81	37.79
1936	17,402.5	2,496.4	14.35	987.7	5.68	8,664.9	49.79	5,253.5	30.19	40.89
1937	19,376.8	3,444.5	17.78	920.8	4.75	9,485.1	48.95	5,526.3	28.52	42.71
1938	*20,096.9*	*2,302.6*	*11.46*	*991.5*	*4.93*	*11,333.4*	*56.39*	*5,469.4*	*27.22*	*42.02*

[1] Public money in national-bank depositories to the credit of the Treasurer of the United States not included.

[2] Money in banks of island possessions not included.

NOTE.—Population estimated at 123,250,000 in 1930 ; 124,135,800 in 1931 ; 124,881,806 in 1932: 125,753,206 in 1933; 126,485,606 in 1934; 127,233,106 in 1935; 128,475,000 in 1936; 129.399,000 in 1937, and 130, 147,000 in 1938.

Please note the italicized figures opposite the years 1914 and 1938. They give you the detailed estimates of the Treasury Department of our stock of money for these years, and where it is located. You will observe that in 1914 all of the "reporting banks," which means all of the banks of the country except the Federal Reserve banks,—had in their vaults $1,630,000,000; and that in 1938 they had $991,500,000. Thus it appears that the banks had $638,500,000 more money in their vaults when the Federal Reserve system was established, 24 years ago, than they now have.

You will observe also under the last column of figures that they estimate that there was in "general circulation" $1,829,-400,000,—or $18.46 per capita in 1914; and $5,469,400,000 or $42.02 per capita in 1938. You will observe also that they do not count money in the Treasury, in the reporting banks or in the Federal Reserve banks as being in "general circulation."

This method of estimating the money in "general circulation" is obviously true as to money in the Treasury and in the Federal Reserve banks, for these moneys are hoarded and are not subject to check. But it is obviously false as to the moneys in the "reporting banks" for these moneys are subject to check and they pass from the banks daily by check to the people, and are therefore in circulation.

Where is all of this money that they say is in "general circulation" and that they say is over and above the money that is in the Treasury and banks? There is only one place that it can be, to-wit: distributed among the people and in their "tills and pockets." Any man of common sense knows that the people have not now an average of $42.02 in their pockets, and that they did not have an average of $18.46 in 1914. Any man of common sense knows that now, with business stagnant and prostrate, and with half of the people in poverty that they do not now possess more than double the amount of money that they had in 1914, when people generally were prosperous.

The Treasury Department explains this obviously false report by saying that there has been no "corrected statement" of the money in general circulation since 1861 and that their estimate "includes all United States paper money in other lands, all money worn beyond possibility of redemption, and all money lost."

In other words, they count as money in circulation in the

United States all moneys issued since 1861, whether in circulation or not. But even this lame explanation does not explain the fact that the moneys in the pockets of the people (according to the official report) have increased from $18.46 per capita in 1914 to $42.02 in 1938,—whereas during the same period the moneys in the banks have decreased from $16.30 per capita in 1914 to about $7.00 in 1938,—which is simply preposterous.

Vast quantities of money have been lost or destroyed by fire, ship wreck, and otherwise, in the 80 years since a "corrected statement" was made; and vast quantities of it are now in foreign lands. The all-important question to you and me is: how much of it is now in the hands of the people of this country?

And that is a matter of supreme importance to us for by all of the accepted authorities the quantity of money that circulates among the people, including the reporting banks determines all values and measures all values. Money is called the "yardstick of values"; the more money the higher values, and the less, the lower. We are entitled to know what that yardstick is, and to have a yardstick that will establish and maintain reasonable values.

Who can say what it is today? One man's guess is as good as another's. The only estimate that has ever come under my observation was made some years ago by a treasury expert by the name of McCoy who estimated it at $440,000,000, which at that time was about $4.00 per capita. It is probably less than that now, for the banks have less now than then, and conditions are much worse now than then, which indicate it.

You can make your own guess. What would you say the people have in their pockets in your town? Let us take for example a town of 1,000 population, with a bank and 20 business houses. It will be composed of about 300 men and women over 21 years of age, and 700 children under 21 years. The 20 business houses may normally have an average of $50 each in their tills, amounting to..... $1,000;
the 300 men and women may have $5 each, or 1,500
the 700 children may average $1 each, or..... 700

A grand total of $3,200;
or $3.20 per capita. If we add to that the cash in the vault of the bank, which I estimate at..... 5,000

we have a total volume of money in circulation in the town of ____ $8,200
or $8.20 per capita.

But the Treasury Department does not count as money in circulation the $5,000 in the vault of the bank; they only count as money in circulation that which is in the hands of the people, and estimate it at $42.02 per capita. That estimate is not true and they know it. There is not a town or village or city in this broad land of ours where the people have an average of $42.02 of money in their pockets,—not one.

If their estimate is correct the figures given in the example above would be about fourteen times more. The 20 business men must have an average of $700 each, amounting to—$14,000; the 300 men and women must have an average of $70 each, or ..... 21,000; and all the children, including the babies, must have $10 apiece, or ..... 7,000.

This makes a total of $42,000
or $42 per capita for the people of the town. Would it not be fine if they had it! Talk about "buying power," the people would have it; of our surplus products and poverty and distress, there would be none.

"Oh," but they say, "look at the $50,000,000,000 on deposit in the banks;" the banks are just "bulging with money." That is not money, and even the Treasury Department does not count it as such, it is only bank credit, which must be paid in money.

The banks, according to their sworn statements, only have $991,500,000 of real money with which to pay this 50 billion dollars,—which means that if all of them were called upon at one time they could only pay about 2 per cent of their deposits. They are in a helpless and precarious position, and they do not dare to extend credit liberally; too many of them have been ruined by doing so.

The moneys that measure values are bank notes and silver and gold and silver certificates,—primary money, as they call it. This primary money is our yardstick of value. We are entitled to know what this yardstick is. What is it? They have deceived Congress and the country with lying reports of it, to the very great injury of the people. Let us now have the truth, for "truth is mighty and will make us whole."

This report is true as to the monies in the banks on the respective dates mentioned, for it is based on the sworn reports of all the banks of the United States, which are in turn based on an actual count of the money.

In 1914 the people were prosperous and happy, and the dole and the C. C. C. camps were unknown,—and according to this official report the people then had in their pockets an average of $18.49. Now eleven million of our people are out of jobs, and one-third of our population (according to the President) is poorly housed and clothed and fed, and yet they have in their pockets (as stated by this official report) an average of $42.02.

I do not pretend to understand the trick or the system by which they count money in circulation that is not in circulation, but I do know that the people have not now and have never had an average of $42.02 per capita in their pockets. I assert that we now have in actual circulation less than $12 per capita, of which less than $4 is in the pockets of the people; and that there can never be any enduring prosperity or any stability of credit and values until this basis is broadened by an adequate volume of money in circulation.

This startling fact has been repeatedly called to the attention of the President and many members of Congress, but the lying statements of the Treasury and Comptroller of the Currency have been repeated from year to year since 1920 and accepted as true by Congress and the country. Prior to the creation of the infamous Federal Reserve System true and reliable reports were made. Evidently it is the purpose of the management of the system to deceive Congress and the country, and it has done so to our great injury.

They have recently taken a census of everything we have, including mortgages,—except our money. A census of the volume of money in circulation is the only information of any material importance to us; the other is all "fol-de-rol." A census or an inventory could just as easily be taken of the money in the pockets of the people, and would be of great value. It would show upon what an insecure and flimsy foundation all credit and values rest; it would blast the oft-repeated sophistry that there is plenty of money, that all we need is a little "confidence;" it would clearly reveal the absurdity of all the New Deal rot, for it would reveal the cause of our distress and the

remedy therefor; it would, it is to be hoped, cause Congress to take the necessary steps to put in circulation a sufficient volume of money, with adequate measures to keep it in circulation.

If we had $42.02 per capita in actual circulation the prices of all products and wages—the price level—would be approximately that of 1920; we would have no relief rolls and C. C. C. camps, and no curtailment of production; no need for regulation of hours and wages, and no excuse for the destruction of our National Constitution. Instead of being a money and credit expanding system to supply the ever-growing need of expanding population and commerce,—the Federal Reserve System is a vast currency and credit hoarding machine. With its true character and purpose clearly revealed, Congress gratuitously granted it an indefinite charter five years prior to the expiration of the original charter, and by the Bank Act of 1935 gave it carte blanche authority to regulate our welfare.

There can be no stability of values that are dependent wholly upon credit, for there is no foundation for such values other than the will of the creditor. When it is to his advantage to reduce them, thereby increasing the buying power of money, he will do so. It is always to his advantage to have cheap commodities and dear money, and so it is normally that way. Let Congress exercise its constitutional duty and cause an adequate volume of money to be paid into circulation and kept in circulation, and values will adjust themselves to such volume and will be high or low in proportion to the volume, without the operation of an "open market committee" or any other committee.

At the time Hoover left off with his deflation and Roosevelt took over the job, we had in circulation $730,435,000 of national bank notes. By 1936 we had none. All of them had been retired and cancelled by the compulsion of the Roosevelt Administration. (See Report of the Comptroller of the Currency for 1936, page 112.) This meant a cancellation of about $5.50 per capita, or about 50% of the sum of money we now have in circulation. It is but $257,265,000 less than all the banks of the country had in their vaults, of money of all kinds, on June 3, 1936.

If the members of Congress cannot understand this lying deception after reading this very simple explanation of it, let them investigate it themselves. Let them take a census of the money in their respective districts, or better still, let them cause

a Congressional investigation to be made of the money in circulation in the United States.

We have, as a matter of fact, about $1,400,000,000, or $11.00 per capita in circulation, composed of $991,500,000 in the reporting banks, and three or $400,000,000 in the pockets of the people, for the money in the "reporting banks" less their legal reserves, is in circulation.

Outside of the banks there is between $3 and $4 per capita in circulation and not $42.02 as they report it. It is utterly impossible to have reasonable prices and wages and prosperity with such a limited volume. China has about $3 per capita, with the inevitable result that her mandarins are exceedingly rich and her peasantry exceeding poor. That is the objective of the "Elders" here in our boasted "land of the free." All of this lying and deception is in accordance with the "law of our bank," viz: the protocols and the code of the communists.

They say that we now have $5,469,400,000 in circulation, or $42.02 per capita. If that were true, which it is not, we clearly haven't enough, for it has been insufficient to lift us out of the depression. We are entitled to have enough money in circulation to do so. Is there any sane reason why this right is denied us?

We now have $20,400,000,000 of gold and about $3,000,000,-000 of silver stored in the United States Treasury vaults in Kentucky and elsewhere. Is there any sane reason why all or the greater part of this money should not be paid into circulation? It would give us more than $150 per capita, restore values and prosperity to the country, and by so doing render useless and unnecessary the entire New Deal with its regimentation. We are like the miser who starves to death while fingering his money and counting it.

It is beyond me to explain how it is possible for responsible treasury officials to make false reports as to the volume of money in circulation from year to year and administration to administration, and how Congress could be deceived by them. But it is obvious that such reports are false, that they are made knowingly and designedly, and that the members of Congress and people generally have been deceived by them. The worst of it is they will not believe the truth even when such falsity is proven beyond controversy. It demonstrates, if demonstration is necessary,

the mighty Rothschild power in our government, whether it be a democratic or a republican administration.

The Jews have written several text books on political economy expounding what they call the "qualitative theory of money" in which they assert that gold is the only sound money because of its intrinsic value- If this doctrine is sound we should and would be the most prosperous people of the world because we have 80% of the gold of the world. Thirty years ago we had less than 10% and no dole, no unemployed, and reasonable prices and wages and taxes.

It is another Jewish lie, and propagated for the purpose of deception and injury. In protocol 5 they say:

> "The science of political economy invented by our learned elders has for long past been giving royal prestige to capital."

And so it has. And it has given us the gold standard with its restricted volume of money and credit, and its attendant poverty and misery.

But they claim too much when they say "the science of political economy" was invented by their "learned elders." The true science of money was first discovered by Adam Smith and John Stuart Mill, both of whom were Gentiles. The false qualitative theory was invented by the Jews because until recently they owned and controlled the greater part of the gold of the world and because the gold standard gave them the power to regulate the welfare and destiny of the people of the world.

According to both Smith and Mill all values are fixed and determined by the quantity of money in circulation without regard to its quality. It is the sole and only yard-stick of value. But the Jew economists dispute the truth of this fundamental law, and in support of their argument point to the large volume which they falsely say we have in circulation, but which is not in circulation.

XXVI.

Mismanaged Currency

> "All people are chained down to heavy toil by poverty more firmly than ever they were chained by slavery and serfdom; from these, one way and another, they might free themselves, these could be settled with, but from want they will never get away."—From Protocol 3.

We now have what is called a "managed currency system," with the Rothschild power doing the managing. Make no mistake about that. If it were possible for the people to do the managing the Rothschilds would not want that kind of system. We have had this system since the amendment to the Federal Reserve Act, which took away the right of the member banks to convert their "eligible" securities into currency, and invested the Federal Reserve Board with the discretionary power to issue money.

It is necessary to the success of this system that we have a limited quantity of money in circulation, otherwise they can't manage things; values will find their own level,—as they did prior to said amendment.

With the exception of a few "elder"-manipulated panics, we had a prosperous country up to the date of the establishment of this "managed currency"; we have had the three worst disasters in the history of our country, since. It was the management of our currency system that brought them all about, and that has brought about our present deplorable condition. The worst of it is, they were all brought about designedly, including the present Roosevelt debacle.

It is the Rothschild power that has controlled our financial policy and consequently the welfare of the American people since the Civil War. We call it "Wall Street" but "Wall Street" is only the representative of the Rothschild power. The part of it that is not Jewish is strongly pro-Jewish. Even if that were not true, no financier has ever yet dared to oppose the mighty Rothschild power, and no statesman has ever done so except Abraham Lincoln, and he was murdered.

The "Elders," with their press support, preach a "managed currency," for that is what they want. Congress appears to be sold on it. The very capable and persistent Senator Thomas of Oklahoma had a bill calling for the creation of a "monetary authority" with directions to maintain the price and wage level

of 1929. Mr. Eccles, Chairman of the Federal Reserve Board, came out against it, arguing that it could not be done,—but it can be done, and he knows it.

It, however, will not be done by an authority that does not want to do it. Mr. Eccles does not want to do it because the Boss does not want it done; Eccles and his board brought the present disaster upon us because the Boss wanted it. The Boss has had this power for four years by virtue of a former Thomas bill,—known as the Thomas amendment, and has not used it except to further deflate, despite the fact that he has repeatedly said that he wanted to restore and maintain the price level of 1929.

We have had enough of managed currency. If we had Jesus Christ to manage our money and establish our price level it might work satisfactorily,—but never with a bunch of Jews in control of it. No man or set of men, Jew or Gentile, are wise enough or good enough to manage our welfare.

If Congress will only repeal the amendment establishing the managed currency system and thereby restore the power to the member banks to discount their eligible paper without limit, the commerce and the people of the country will do all of the managing that is necessary.

But a better plan still is to return to the system that prevailed before the establishment of the Federal Reserve banks. Let Congress resume its constitutional duty to issue money and regulate its value; and let Congress cause to be issued and paid into general circulation $42.02 per capita or more. No man can justly complain of that,—not even the "Elders," for they say it is now in circulation!

I undertake to say that an average of $42.02 in the hand of the people will restore the price and wage level of 1920; that it will automatically do away with the A. A. A., the C. C. C, and all of the other new deal agencies; that it will restore general prosperity to the people of our country, and it may preserve our constitutional government and rescue as from threatened sovietism.

The remedy for our present unfortunate condition is so simple and so plain, that I marvel that our representatives in Congress do not see it and adopt it. They must know that the deflations of 1920 and 1930 and 1937 were all caused by the management of the Federal Reserve system. The obvious remedy therefore is to destroy this system or curtail its power to destroy us.

This system brought about the three catastrophies mentioned, by the contraction of currency and credit. The obvious remedy therefore is to reverse the process and to expand the currency, which will carry with it an expansion of credit. Instead of adopting this remedy they have permitted the system to cancel and withdraw from circulation the greater part of our gold and silver certificates and national bank notes; they have sterilized and buried all of our gold, and much of our silver.

The first step toward recovery and toward peace, prosperity and happiness is to discard our mismanaged currency system; the second is to determine the price and wage level and the volume of circulating medium that the people need in order to pay their debts and taxes and be prosperous; third is to pay such volume into circulation, not in just New York and Chicago, but in such manner as it will reach the people throughout the length and breadth of the land; the fourth is to prohibit the banks and others from gathering in this money and cancelling it or hoarding it; the fifth is to check up on it from time to time and to issue additional currency when required, to take the place of money lost or destroyed or hoarded, and also to cover the increase in population and commerce.

Sad to relate, Congress re-enacted the Thomas Amendment, extending it until June 15, 1941. This bill in substance extends the 2 billion stabilization fund and the authority to purchase gold and silver ad libitum, and empowers the President to issue and pay into circulation 6 billion dollars of money which he refuses to do. In substance it transfers to the President the sole and exclusive power to "coin money and regulate its value," which is the sole and exclusive constitutional duty of Congress.

It was the original purpose of the author of the bill, Senator Thomas, to get into circulation such additional volume of money as would restore prosperity to our stricken land,—as shown from his several speeches on the subject.

But such has never been the purpose of the President, as shown from his administration of the measure. It was his purpose to prevent the issuance of such money by Congress, and the only sure way to do so was to get the power out of their hands and into his own.

The Senate Committee on Agriculture and Forestry filed an instructive report* pointing out the true and only remedy.

* Congressional Record, 75th Congress, p. 625.

The following are the members of the committee: Messrs. Smith (chairman), Wheeler, Thomas of Oklahoma, McGill, Bankhead, Bulow, Mrs. Caraway, Pope, Hatch, Bilbo, Moore, Schweilenbach, Gillette, Ellender, Norris, McNary, Capper, Frazier and Shipstead. The Committee is composed of ten Democrats, seven Republicans and two Independents. It has among its members some of the ablest men of Congress, whose long records of service have proven them to be the true and reliable friends and champions of the "under-privileged" and of the "forgotten man." This report in substance says to the President of the United States:—Your farm relief bill and your other relief measures are all unnecessary; we have already invested you with the power to restore prosperity to the farmer and to all other classes of our people, and now it is up to you to do what we have authorized and instructed you to do. As to the devaluation of gold the Committee says:

> "The first remedy applied was a monetary one—we went off gold and the dollar was devalued. In 2 months cotton went from 6.35 to 8.95 cents per pound, wheat from 45 to 75 cents, corn from 24 to 46 cents, and wool from 17 to 24 cents. Precisely the same effects had been previously felt in other countries leaving the gold standard, particularly in great agricultural producing countries like Australia, the Argentine, Canada, New Zealand, and Denmark. South Africa, the greatest gold producer in the world, went off gold because the pressure caused by staying on was too great for its agriculture."

The further devaluation of gold will increase the export price of all commodities, for the reason that it increases the supply of gold and thereby cheapens the medium of payment for our exports, but it will only incidentally affect domestic prices. To the extent that our home market for our own product is controlled by the foreign market, it will increase the price of such commodity here, but it will not mean a general increase of our prices and wages. In order to accomplish that end, money must be cheapened in our own country by getting more of it in circulation.

The Committee calls the President's attention to the fact, which he already knew, that the Congress has already invested him with the power to increase prices and wages generally, and to restore employment and prosperity throughout the length and breadth of the land by "(b) open the mints for the free coinage of silver; and (c) have issued additional treasury notes." The President has had this power for the past four years and he

has not used it. On the other hand he has employed every power granted him, with one single exception, to further deflate and to thereby carry out the policy which was initiated during the Hoover Administration. The exception is the power granted him to devaluate gold, which he only partially employed.

The delegation of such power to the President by Congress was in violation of Section 1, Art. 8, of the National Constitution, which imposes the duty upon Congress. The President sought this power, and Congress, relying upon his integrity and his good faith, granted it to him. It is evident that Congress would not have granted it except to be used, and it is also evident that the President did not seek it for that puspose. It is also evident that he sought and obtained this delegation of power in order to "head off" Congress and to prevent Congress from relieving the country before he could "put over" his unconstitutional "reforms."

The Committee points out the true and only remedy, as follows:

> "The power over the value of the dollar, now divided among various agencies and departments, public and private, should he coordinated and concentrated in one Federal agency with a definite congressional mandate to such agency to prop erly adjust and regulate the value of the dollar and thereafter to stablilize it at such adjusted value."

Note the language: — "Congressional mandate to such agency to properly adjust and regulate the value of the dollar and thereafter to stabilize it at such adjusted value." That is precisely what the President has so often said in his messages and speeches that he wanted and intended to do. He has said repeatedly that he wanted to fix and adjust it at the 1926 price level, and to stabilize it at that level. And that is also precisely what he has had the power to do for more than four years, but has never yet done, nor taken an intelligent step in that direction.

The report of this committee is so convincing and comprehensive that it deserves to be published in full, but since I am endeavoring to be brief I give space only to the high points of it.

The Committee adopts in part the report of its predecessor on the Agricultural Adjustment Act of 1933, as follows:

> "We report these facts and state that no substantial relief is possible for agriculture until the policy of deflation is not only checked but reversed and a substantial sum of actual money is admitted and, if need be, forced into circulation . . .

"We report further that no just, substantial, reliable, or permanent relief can be provided agriculture or any other industry until the money question is considered and adjusted."

The Committee then on its own behalf says:

"Now a new question has arisen, as follows: How cheap should the dollars be made and how high should prices be raised in order to serve the best interests of our people?

"While the dollar was being cheapened and prices were going up, prosperity increased and all were happy. Since last March the dollar has increased in value from $1.13 to $1.19, causing prices to fall, unemployment to increase, depression to come again, and now business of all kinds has slowed down and a new depression is threatened.

"In 1926, during the era of so-called Coolidge prosperity, the dollar was valued in all commodities at 100 cents. In 1929, when the depression came upon the country, the value of the dollar had gone up to $1.05. Today, with much higher taxes and an almost doubled national debt, the dollar value is $1.19.

"The committee is of the opinion and reports that to date we have not cheapened the dollar sufficiently to raise the price level high enough to show sufficient profits upon which taxes are paid to balance the Budget.

"A high price level produces high commodity prices, high wages, high farm income, high national income, and consequently high tax income to the Treasury. A high price.level produces happiness, progress and prosperity. (As true as gospel.)

"A low price level produces exactly the reverse results.

"In 1919, with a high price level, we had incomes and values as follows:

National income	$69,000,000,000
Value of farm property	66,000,000,000
Value of farm income	13,000,000,000
Value of exports	8,200,000,000
Income to Treasury	6,007,000,000

"In 1932, with a low price level, we had incomes and values as follows:

National income	$39,000,000,000
Value of farm property	36,000,000,000
Value of farm income	5,000,000,000
Value of exports	1,600,000,000
Income to Treasury	2,100,000,000

"From the foregoing it is obvious that the price level has a controlling influence upon our domestic economy. The record shows that from 1919 to 1929 we had a price level sufficiently high to permit of the collection of taxes in sufficient sums to not only keep the Budget balanced but, in addition, to reduce

the national debt in the sum of $1,000,000,000 per year.

"The committee is of the opinion and reports that the price level is now too low and recommends that existing powers be used and, if necessary, new legislation be enacted for the purpose, among others, of bringing about an increase in such price level to assist the farmers in securing parity prices for their products."

With this clear conception of the one and only remedy by the President and these distinguished Senators, it is difficult to understand or explain why such remedy has not been employed. Indeed, I can find no explanation for it except in the Protocols. This does not imply that the members of this committee or a majority of the members of Congress are the puppets of the Elders. On the other hand I believe in the integrity of Congress as a whole, and in the loyalty and patriotism of this committee. They accepted the President's farm bill as being the best that they could get at this time.

There are many excuses for the members of Congress that do not apply to the President. He and his Administration represent the leadership of the Democratic Party. It is considered mutiny for the members of the party to refuse to follow his leadership. The Republican Party is now so poorly represented in Congress that it can scarcely be called an opposition party.

Moreover, there is the mighty power of the Jewish-owned press to be considered. There is scarcely an editor or columnist who does no decry and ridicule inflation. Many of them do not know what it means, but they do know that their bosses are opposed to it and that they are expected to voice the views of their pay-check. Our members of Congress live, year in and year out, in a political atmosphere created by this "kept" press. They are susceptible to its flattery and fear its ridicule.

Let a congressman stand for the interest of the masses of the people and he is a dangerous demagogue and an irresponsible radical. Let him stand for the program of the "Elders" and he is a great and wise statesman and a profound economist. They have boosted Carter Glass so much that he himself has come to think that he is wise and virtuous and knows more about the money question than John Stuart Mill ever knew. The Elders have made the word "inflation" a by-word and a term of reproach. No congressman will dare confess himself an inflationist. He may not want to be called a deflationist, and he may be willing to be termed a reflationist, but never an inflationist.

The Committee truly said in this report, and it took courage to say it in the Washington atmosphere, "a high price level (inflation) produces happiness, progress, and prosperity; a low price level produces exactly the reverse results." President Roosevelt and Barney Baruch know that is true. President Roosevelt has the power to create the "high price level"; he knows what to do, and how to do it,—but he refuses to act.

He listens to Barney Baruch and his gang, the bunch that financed his campaign, and not to the voice of the people who elected him and who are represented by their congressmen and senators. Barney Baruch's entire argument before the Senate Finance Committee was against inflation; he piously said that if inflation was the only remedy he would favor it, but he knew that it was not, that we had plenty of money waiting for employment and that all we need was "confidence," and he proposed the "new deal" as being the true remedy, outlining the program which the Roosevelt Administration has religiously followed up to this writing.

Congress should either exercise its power to fix and regulate the value of the dollar, or repeal the 10% tax on state bank notes so that the States may do so. If this tax should be repealed each State could issue its own state bank currency and thereby establish its own price level. This was the condition that existed prior to the war between the States.

XXVII.

Bankruptcy

> "Every kind of loan proves infirmity in the State and a want of understanding of the rights of the State. Loans hang like a sword of Damocles over the heads of rulers, who, instead of taking from their subjects by a temporary tax, come begging with outstretched palm of our bankers. Foreign loans are leeches which there is no possibility of removing from the body of the State until they fall off of themselves or the State flings them off. But the goyim States do not tear them off; they go on persisting in putting more on to themselves so that they must inevitably perish, drained by voluntary blood-letting."—From Protocol 20.

If the language of the President in his message to Congress of January 15, 1934, has any meaning at all, it means that the President clearly understands that the Federal government can establish any level of value for money, goods, and service, that it desires, by the employment of its sovereign power to issue money. Every man who has any knowledge of money knows that this is true. It means also that he recognizes that it is the "high prerogative" of government to issue and control the volume and value of money. It means also that he proposed to exercise this "high prerogative" and that he desired the necessary authority for that purpose. He has often expressed his purpose to restore the values of 1929, but has never yet taken an intelligent step in that direction.

Congress enacted the legislation that he desired and recommended. He has been in supreme command for the past seven years. What has he done about it? Has the Federal Reserve System been overthrown or taken over by the government? No. It still operates at the same old stand and in the same old way. Have the values of 1929 been restored and established upon the solid basis of an adequate volume of money? No, no, no; far from it.

In pursuance of the President's message Congress enacted the Connally bill devaluing gold to the extent of 40 per cent, which in terms of dollars increased our stock of gold correspondingly. If this measure had been followed by the increase of currency to the same extent, it would have depreciated the value of money and increased the value of goods and service correspondingly. In other words, it would have increased wages and the

value of all products and of all property approximately 40 per cent, and to about the 1929 level.

But not one dollar of additional currency was put in circulation as a result of it. It did, however, increase the value of our export products that must be paid for in gold or its equivalent. Congress also passed the Thomas bill which authorized the President to purchase silver and gold, and which sought to remonetize silver and thereby increase the volume of our circulating medium. The President was authorized by this act to purchase both gold and silver and to pay for the same with gold and silver certificates.

We have bought the huge sum of $8,660,000,000 of gold at $35 an ounce within the past four years, principally from Great Britain and Russia. This gold was worth, prior to its devaluation, $20.67 an ounce. The premium that we have paid for it amounts to $3,500,000,000. The reason we are getting all of it is the fact that we are paying the highest price for it. We are also getting large quantities, sent here for safe keeping, by foreign banks and foreign Jews.

The plan pursued is to sell U. S. bonds and thereby acquire the money to purchase the gold. This necessarily means that our good dollars are sent to Russia, Great Britain and other foreign countries in payment of their useless gold, and to that extent depletes our meager supply of dollars and their meager supply of gold. It should be remembered that this money although sent to foreign countries, is counted by the Treasury Department as being in circulation here and constitutes a part of our $42.02 per capita circulation.

The worst of this operation is that it has saddled the American people with a debt of $8,660,000,00 with an annual interest charge of about $200,000,000. If certificates had been issued against this gold as it was purchased and as was contemplated by Congress, the certificates and gold would offset each other, there would be no liability and no interest charge, and the gold would still be in circulation because the certificate holders could demand it. If certificates should now be issued against it we would have $8,660,000,000 of gold against which there would be $8,660,000,000 of bonds and $8,660,00000 of certificates and we would be out the huge sum of $8,660,000,000 plus interest.

Moreover if certificates had been issued against the gold as purchased there would be that much more money in circulation in the world, and world prices including our own would be

higher, precisely to the same extent. As it is, the gold now lies dead and buried. It is of no earthly advantage to us or to the people of the world. The people of the world are poorer to that extent and we are poorer to the same extent plus $8,660,000,000 of bonds; and world prices are lower to precisely the same extent.

Suppose we acquire substantially all of the gold of the world, as appears to be the plan of this regime. Whether it is the plan or not, it is sure to happen if we continue to pay a 41 per cent premium. What then? Obviously we cannot sell our excess products because the people of the world will have no money with which to buy them. Obviously we cannot sell our gold, for the same reason, and for the additional reason that most of the countries of the world already owe us debts that they cannot or will not pay.

Gold must perforce be abandoned as a medium of international exchange and some other medium adopted or else the people of the world must resort to the primitive cumbersome method of barter and exchange of goods. Germany has already been forced to do this very thing and she is doing it so successfully that her people are prosperous. Secretary Hull complains that she has thereby knocked out his reciprocal trade agreements ;—a poor alibi is better than none.

We have bought $1,642,000,000 of silver, issuing silver certificates therefor, which have gone into circulation in the countries from which the silver was bought, including our own. This is in accord with the intent of Congress and of the law, and this is precisely what should have been done in the purchase of gold. These silver certificates would have added to our circulating medium except for the fact that the Federal Reserve management withdrew and cancelled a corresponding volume of Federal Reserve notes.

The net result of the operation of this law is to make a bad situation infinitely worse. We have got $8,660,000,000 of useless gold and issued and sold $8,660,000,000 of bonds that must be paid by the toiling masses. We have $1,642,000,000 of silver certificates but no more money, since they have cancelled the same quantity of Federal Reserve notes. In fact, we have less, for they have sent vast quantities of our money to England and other countries in payment of gold and silver.*

*See Congressional Record, 76th Congress, April 20 and 21 1939, Pages 6366-8 and 6421-5.

This infamous stabilization-fund bill passed the House by a strict party vote; all of the Democrats voting for it and all of the Republicans against it. The party management of the two parties must have "cracked the whip." It appears from the discussion that the Wall Street gang was on hand, as usual on money bills, urging the adoption of the bill. This means that the Rothschild power was behind the bill. If the Republicans had been in power the result would probably have been the same, viz: all of the Republicans would have voted for the bill and all of the Democrats against it. If the Rothschilds had needed a few Republican votes to pass the bill they would have found them.

It is estimated that as a result of the administration of this Act we now have, dead and buried, "sterilized" if you please, the huge sum of about $20,400,000,000 of gold and that we are acquiring it at the rate of $3,276,000,000 per annum. There is left only $7,462,000,000 in the balance of the world. At the rate we are going we will get it all in about two years. What then? Besides this, there is or may be another $2,000,000,000 that Congress gave Morgenthau for the stabilization of foreign exchange. It has passed out of sight; the Lord only knows what he has done with it. He reports that he made $10,000,000 on the purchase of French francs and kindred activities during his four years administration of the fund. If he had paid off government bonds instead of speculating with the fund he would have saved the taxpayers about $240,000,000 in interest. It was charged that he clandestinely loaned the greater part of the fund to England and France; and he very strenuously objected to an audit of it.

If all this money was resurrected and brought to life through putting it in circulation by the payment of government bonds or otherwise, it would not only reduce the national debt about $20,000,000,000 but it would establish a home market for substantially all of our products, restore the full employment of labor, and restore values and the solvency of men and governments, would automatically do away with all of the plausible excuses for the New Deal and there would be no need for Morgenthau's stabilization fund.

The late lamented Arthur Brisbane said of the burial of our cold: "It is enough to make angels laugh to see men of South Africa digging gold out of a hole, and Americans buying and burying the same gold in a hole!"

The President is now proposing to increase the national debt limit from $45,000,000,000 to $49,000,000,000 and to levy additional taxes. His chief aims have been from the beginning to create more debt and levy more taxes and bankrupt the country and he has pursued these aims consistently from the very begining. Our national indebtedness, funded and unfunded, and including appropriations is now more than $70,000,000,000 and it is being increased at a very rapid rate.

It is reported that Roosevelt has created 51 new bureaucratic agencies with the power to legislate, to interpret, and to administer their own rules and regulations. During the seven years of his administration he has received $40,089,857,000 from taxes and spent $65,628,526,000,—leaving a deficit of $25,-538,668,000, which has been funded into bonds. With the exception of the administration of President Wilson the total expenditures of our government from its beginning in 1776 up to the "Jew Deal" have been only $55,265,107,000. Thus it will be noted that he has spent more than $10,000,000,000 in excess of the expenditures of all administrations from Washington's down,—with the single exception of Wilson's. This does not include the money recently authorized for alleged defense purposes amounting to about $17,000,000,000.

President Roosevelt and the Jew kept press and the Jew columnists are now whooping up a war scare. They have already stampeded Congress into authorizing about $7,000,000,000 for armaments when we are now in less danger of invasion by a foreign foe than in the past thirty years. Our most promising prospect is Japan, but she is busy in China and will be exhausted by the time she gets through with that job.

Germany is not even a remote prospect, for she is no longer ruled by Jews. Germany, even if she conquers Britain, will likely create a United States of Europe, which they said was their objective. It will be less aggressive than a United States of Europe under Jewish control for the German people are an industrious, home-loving, peaceful people, who acquire wealth by creating it, and not by manipulation of currencies and markets, as do the Jews.

Germany has never acquired or sought to acquire a foot of soil in our country, as have both Britain and France. She could not be more of a bully as mistress of the seas than Great Britain has proven herself to be.

Great Britain has, in flagrant violation of international law, declared a blockade of the entire world, from the Arctic Circle to Africa, to prevent the possibility of suppiles reaching Germany. She has announced that she would not even allow the shipment of food to the famine-stricken people of Europe. This is all manufactured war hysteria for the purposes of getting more money to be squandered, and of bankrupting our country and of creating a dictatorship of the proletariat and of continuing Franklin D. Roosevelt in office as our dictator. It is either for these purposes or for intervention in the present war. IT IS NOT FOR DEFENSE.

Our national government and many of our city governments are now bankrupt. They have reached their limit of taxation. Real estate has become more of a liability than an asset and much of it has been sold for taxes. The national government has levied a heavy income tax on undistributed profits which is stifling small industries, retarding the expansion of the large ones, and discouraging the creation of new ones. And now they have made a flat increase of the rate that will crush many of the small industries. But few people care to invest in a new industry, assuming all the risk of loss if it is a failure, when the government will get most of the profits if it is a success.

President Roosevelt stated the situation that prevailed at the time of his election, on page 62 of his book "On Our Way," as follows:

> "In talking with people about our basic economic troubles I have often drawn for them a picture showing two columns, one representing what the United States was worth in terms of dollars and the other representing what the United States owed in terms of dollars. The figure covered all property and all debts, public, corporate and individual. In 1929, the total of the assets in terms of dollars was much larger than the total of the debts. But, by the spring of 1933 while the total of the debts was still just as great, the total of the assets had shrunk to below that of the debts.
>
> "Two courses were open: to cut down the debts through bankruptcies and foreclosures to such a point that they would be below property values; or else to increase property values until they were greater than the debts. Obviously, the latter course was the only legitimate method of putting the country back on its feet without destroying human values."

That condition is infinitely worse today. There has been no increase of our property values, but there has been a very

great increase in our debts and taxes. Our situation is now more critical than ever before in the history of our country. Our national wealth is now estimated at about $250,000,000,000, which is too high, and our aggregate debts are estimated at about the same figure. We are insolvent and on the brink of a debacle. This is all in accord with the protocols and the code of the communists ; "the law of our bank."

The only remedy is the cancellation of all bonds and mortgage debts. This can be done either by inflation or by law. The former is the method adopted by the Jews when they were in control of the German government, is the less painful, and therefore the best. The protocol quoted above says in substance that "debts are leeches" but that we haven't sense enough to "tear them off;" that if we do not do so we will "inevitably perish by voluntary bloodletting." The latter statement is true, but let us hope that we do have sense enough to "tear off the leeches" before it is too late to save ourselves and our government.

It is but just that these bonds and mortgages should be cancelled. They are owned largely by the Rothschild and other Jew institutions. They—the Rothschilds and their lackeys—have robbed us of our substance and exhausted our resources and forced us to borrow their money.

The cancellation of debts is by no means a novel experiment. It was adopted by the rulers of Rome and Greece, and history records the fact that by reason thereof the lives of both of these empires were prolonged. The Jews themselves had their "jubilee" year every fifty years, when they cancelled all mortgage debts and freed those of their own race who had themselves become bonded by debt.

XXVIII.

Poverty and Despair

> "The aristocracy, which enjoyed by law the labour of the workers, was interested in seeing that the workers were well fed, healthy and strong. We are interested in just the opposite —in the diminution, the killing out of the Goyim. Our power is in the chronic shortness of food and physical weakness of the worker because by all that this implies he is made the slave of our will, and he will not find in his own authorities either strength or energy to set against our will. Hunger creates the right of capital to rule the worker more surely than it was given the aristocracy by the legal authority of kings. By want and the envy and hatred which it engenders we shall move the mobs and with their hands we shall wipe out all those who hinder us on our way."—From Protocol 3.

In the administration of law we are conclusively presumed to intend the consequences of our acts. This standard applies to all of us, high and low, rich and poor, male and female, black and white; it is universal. We cannot commit murder or theft and be heard to say that our intentions were good. If this standard be applied to President Roosevelt—(and why should it not?)—we must conclude that the President has intended and still intends to bankrupt the government and people of the United States; to destroy local self-government and to create a Super-Government having sovereign power over all the activities of the people, intra-state as well as inter-state.

Why should the President do these wicked and terrible things to us, his trusting friends? Why such evil designs, and why does he pursue them so ruthlessly and so relentlessly ? Why, oh why, does he preach the right remedy and adopt the wrong one? If the Protocols and the designs of the Elders are not the answer, then what is it?

I can find but one answer, namely, the Protocols, and the program of the Elders who financed his campaign and brought about his nomination for the presidency. They want a dictatorship and must have it in order to destroy our government and to establish their kingdom. A contented, happy people will not tolerate war except as a defensive measure, but a poverty stricken, discontented, restless people are ready for any change. Really, war, as destructive and horrible as it is, is not much worse than peace with deflation accompanied by its want and misery and degradation.

If war should be declared then all of the President's reforms, including the regimentation of industry, agriculture, and labor, would be legal and defensible as war measures and there would then be no need for packing the Supreme Court. The President would then be our dictator or king, and in his glory.

In his message to Congress, Jan. 3, 1940, the President said:

> "You are well aware that Dictatorships have originated in almost every case in the necessity for drastic action to improve internal conditions where democratic action has failed to respond to modern demands."

There are two routes to a dictatorship: one is poverty and despair and the other is war. The war road led to the dictatorship of Stalin and the very recent one of Winston Churchill; and the poverty route to the dictatorships of Hitler and Mussolini.

President Roosevelt has been pursuing both routes. He and the "kept" press have neglected no opportunities to create a war sentiment and at the same time he has been diligently and relentlessly paving the way for a dictatorship of the proletariat through poverty and distress. There may be some relief from it for a short period of time because of the huge expenditure on government armaments but the underlying conditions remain and our escape will only be temporary. Sooner or later there will be a revolt of such proportions in the form of strikes or otherwise as will enable the President to declare an emergency and himself as dictator.

The following is a comparative statement of the value of our money with that of other leading commercial nations:

FOREIGN EXCHANGE RATES

(Value of foreign currencies in terms of dollars and cents)

	1929	1940
England (pound)	$4.86	$3.15
France (franc)	.039	.17 3/4
Canada (dollar)	.99	.7880
Argentina (peso)	.95	.2260
Mexico (peso)	.48	.1690
Japan (yen)	.46	.2348

The 1929 column represents the comparative values when we had reasonably high prices and wages and a reasonable degree of prosperity. The 1940 column represents the value when we have low prices and wages and 10,000,000 unemployed men.

The explanation is simple. It will be observed that our

dollar is more than double the value of most foreign currencies. This necessarily means that the foreigner must pay $2 of his money to buy $1 of our products as measured by our money. It means also that he will buy from other countries that can supply him with the same products whose money is near a parity with his own and where he will not be required to pay this premium.

Conversely it means that the Jewish importers—and practically all of them are Jews—can buy $2 of foreign goods with $1 of our money. It means also that the foreign manufacturer can manufacture his goods at approximately half the cost of ours because he pays for his raw material, labor, taxes, etc., with cheaper money. It means also that the importer can sell the imported article at a less price than it can be produced in this country.

To illustrate further: With wheat at $1 per bushel a Canadian dollar would have bought one bushel of our wheat in 1929, it will now buy slightly more than three-fourths of a bushel; two Mexican pesos would have bought practically a bushel, it now requires six pesos; an Argentina peso would have bought a bushel, it now takes four; two Japanese yen would have then bought a bushel, it now takes four. The worst of it is that these two Japanese yen could in 1929 have bought a bushel of Argentine wheat, but now they can buy four bushels, which means that they will buy Argentine wheat in preference to ours.

Congress extended the life of the Hull reciprocal trade program by a strict party vote; a majority of the democrats voting for the extension and all the republicans against it. This means that the American producer cannot have the advantage of even his home market. It also necessarily means his bankruptcy and the unemployment of labor. These two New Deal policies taken together will drive the final spikes in the coffiin of the American producer, whether farmer or manufacturer. They are fine things for the comparatively few Jewish importers, but they will complete the ruin and destruction of the American farmer, industrialists and laborers. They pave the way for the dictatorship of the proletariat, and they were intended for that purpose. The following lines from an unknown author describe present conditions:

"Mr. Roosevelt is my shepherd
And I am in want;

He maketh me to lie down on park benches,
He leadeth me beside still factories,
He disturbeth my soul.
He leadeth me in the paths of destitution for his party's sake.
Yea, though I walk through the valley of the shadow of the depression
X anticipate no recovery, for he is with me;
His policies, his diplomacies, they frighten me;
He prepareth a reduction in my income,
And in the presence of mine enemies
He anointeth my small income with taxes.
My expenses runneth over,—
Surely, unemployment, want, and poverty shall follow me all the days of my life
And I shall dwell in a mortgaged home forever."

It is likely that the reciprocal trade agreements will not prove to be as injurious as they were intended to be. Der Fuehrer has cancelled by conquest the agreements negotiated with France, Belgium, Poland, Czecho Slovakia, Holland, and Luxembourg.

No matter what the outcome may be the ominous fact is that we now have, and will in the future have, a very limited market for our surplus products, for three reasons: (1) We have alienated most of the countries of Europe and Asia by boycotts and threats of war; (2) they have no gold or American dollars with which to pay; (3) they will be forced to adopt and will adopt a different currency system that will render our hoarded gold useless. Dorothy Thompson stated in one of her syndicated articles that Hitler plans to establish the "United States of Europe," to destroy tariff barriers and to create an independent currency system. It is the logical result of our ownership of 80% of the gold of the world.

There are also two kinds of dictatorships: the one of the Gentile called "fascist," such as the dictatorships of Italy and Germany which were brought about to preserve law and order and the rights of property, and as a protection against the usurpation of the commune. The other, the dictatorship of the Jew, called "communism," such as that of Russia, and more recently of England. The latter is a destructive type of dictatorship,—destructive of law, religion, and freedom, and accompanied by all forms of lawlessness and murder; the latter is Semitic, the former is anti-Semitic.

The excuse for Churchill's dictatorship was the Norway disaster, but it was only an excuse, for Churchill himself was

responsible for the disaster and not Chamberlain. The Churchill appointment precipitated the attack on Holland and Belgium which may result in the destruction of the British Empire, but Churchill will continue as dictator despite the disaster, so long as the Jews can keep him there. He has faithfully followed the program of Stalin. His first act was to imprison all anti-Semitics, classing them as "Fifth Columnists," and now he has provided for the death penalty for them. The last report we have is that they are secretly trying Sir Oswald Mosely, which means that he will be convicted and condemned to death, otherwise there would be no occasion for secrecy.

Under the pretense of meeting a grave emergency, viz: a threatened invasion by Germany, President Roosevelt sent a message to congress asking that the bond limit be increased and that additional taxes be imposed. Congressman Andrew Anderson of Minnesota naively observed that this is the sixty-third emergency that has confronted this administration.

The President told Congress in substance to enact this legislation and turn the money over to him to spend and then adjourn and go home; that they couldn't do anything but talk and that they might be in his way. A subservient Congress has already increased the income tax a flat 10%, and provided for a large increase of the tax rate of the little taxpayer, and a small increase of the big one, and they have voted to increase the bond limit from 45 to 49 billion dollars. But the republicans have led a revolt against adjournment and it has been postponed for a time at least.

Germany financed the building of the greatest mechanized war machine in the history of the world without gold and without bonds. With 80% of the gold in the world and the greatest resources of any country, Mr. Roosevelt must have $4,000,000,000 of bonds and an approximate 40% increase in income taxes in order to even make a start. What the bonds and taxes will be by the time he is through no man can foresee. He has not yet even made a suggestion to lighten the tax burden by cheapening the dollar. He is not likely to do so for the simple reason that such act would automatically abolish his W. P. A. and other hand-outs, jeopardize his campaign fund and his dictatorship prospects.

The Wilson administration financed the last war, plus the gifts to the Allies of about $15,000,000,000, with bonds. This

was wholly unnecessary and a colossal crime against the American people but we can give that Administration credit for a little breathing spell of about eighteen months of cheap money. Mr, Roosevelt does not propose to give us any respite whatever. His evident purpose is to hold our "feet to the fire" until we are ready to concede him all the power he covets.

As desperate as our financial situation is now, this Administration can finance the whole armament program by simply cheapening the dollar. Mr. Roosevelt knows that this is true, and many members of Congress know it is true. We can pay the bonded indebtedness of $45,000,000,000 plus $10,000,000,000 for armaments with gold certificates having a 40 % gold reserve, which according to all of the orthodox authorities is more than sufficient. Such act would afford instant and complete relief to all of the impoverished people of this stricken land, for it would cheapen money to the extent that they could pay their debts and taxes.

All of the pending bills will place the burden on the poor who do not want war but who must do the fighting. The cheapening of money would put it on the rich, many of whom want war and will profit by it, and few of whom will do any fighting. Unfortunately, the richest of them will escape taxes in any event through their ownership of government tax-exempt bonds and their stock-selling devices.

And now the President proposes that the R. F. C. be authorized to lend the South American countries $500,000,000 against the products of their farms and ranches in order to impound them and to keep them from being sold to Germany. This is just a starter; it is only a white chip. It will require many times that amount and then the scheme will be a failure.

The people of the several countries of South America will not sell us their products unless it is to their advantage to do so. That is a cinch. Germany can and will pay more for them than we can afford to pay. That is also a cinch. It is true we have more gold than Germany, but Germany can manufacturer goods cheaper than we can. That is another cinch. In the last analysis international trade is an exchange of goods. Gold is only the medium of effecting such exchange.

Germany has no bonded indebtedness and we are mortgaged up to the limit "and then some." Our national, state and city governments and our railroads, farms and industries are

heavily mortgaged and these mortgages must be paid in interest and taxes. About one-half of our cost of production is composed of interest and taxes. We can't compete with the producers of a country that is free of such burden. We must cancel our debts or we perish. We must free the people from the slavery of debt. There is no other way.

XXIX.

America Enters the War

> "In a word, to sum up our system of keeping the government of the goyim in Europe in check, we shall show our strength to one of them by terrorist attempts and to all, if we allow the possibility of a general rising against us, we shall respond with the guns of America or China or Japan." —From Protocol 7.

The President has at last inveigled us into war. Without authority from Congress and with Congress in session, he authorized the War Department to transfer vast quantities of our arms, munitions, and war equipment to private corporations for the express purpose of being re-sold by them to the Allies, and thereby evading the law. This was done in order to avoid the agreements of the Hague convention of 1907 and the United States Neutrality Act of 1918 which made it illegal for a nation not at war "to furnish any belligerent with troops, ships, munitions of war, money, or with commodities of direct or indirect use in war." These laws apply to nations and not to individuals, and hence this miserable subterfuge.

A few days later, to-wit: on June 10, 1940, President Roosevelt said in a speech at Charlottesville, Va., "We will extend to the opponents of force (the Allies) the material resources of this nation." He thus boldly proclaimed that he would do openly what he first sought to do by indirection and subterfuge. In flagrant disregard of international law and of our own solemn treaty and of our own neutrality law, he pledged without limit the resources of this nation to the Allies. This includes arms, munitions, money, ships, food and supplies of every kind and character that may be required. It means that he has on behalf of our nation, assumed the burden of supporting the war of England when we ourselves are on the verge of bankruptcy, if not bankrupt.

In its ultimate consequences it means much more than that. General Hugh S. Johnson said of the first clandestine transfer of our war supplies: "This is no action short of war. It is war. In defiance of Congress and of the constitution the President by a slick trick . . . has committed us to war." And now he has the cold nerve to boastfully proclaim it to the world. The next step will be to send our ships with munitions and supplies and convoys to the Allies; and the next will be our soldiers; and then

as surely as night follows the day, the next will be the destruction of our government, the loss of our liberties, and a dictatorship.

A few days later Roosevelt said in response to an appeal from Premier Reynaud for more help, that he was "doing everything he could for them and that he would continue to do so as long as they would hold out; but that Congress alone had authority to declare war." This promise plainly encouraged them to fight to the bitter end, and told them that they can depend on him for everything in his power, except a declaration of war, for the reason that he was without that authority.

Mr. Churchill explained this appeal to the House of Commons in a speech a few days later. He said that when Reynaud informed him that it would be necessary for France to surrender, he avdised Reynaud to appeal to President Roosevelt to now enter the war. What right had either of them to assume that Roosevelt would declare war on their request? Reynaud did appeal and when Roosevelt said he could do no more at this time but advised him to continue the fight,—then it was that France surrendered. Paul Reynaud and his backer, Georges Mandel (Jeroboam Rothschild) then fled the country to escape the wrath of an outraged and deeply injured people.

Now Britain is facing certain defeat with great destruction of life and property. Churchill, Duff-Cooper and Anthony Eden have repeatedly spoken to the English people over the radio in order to allay their fears and resentment. They have promised them that America would soon actively join them and have encouraged them to fight until this help arrives.

Why all of this reliance on America if there has been no promise of help? It all goes back to the peaceful settlement at Munich when Roosevelt led the chorus of "never another Munich." It goes back to the pledges of Bullitt and Kennedy to Poland, France, and England.

The radio commentator, Edwin C. Hill, stated that Roosevelt actually conferred with a few of his friends about himself declaring war, with Congress in session! They no doubt advised against it, and wisely so.

"Upon what meat doth this our Caesar feed,
That he is grown so great?"

Congress is now at last evidently afraid of him, for after

having tentatively agreed to adjourn on June 22nd the decision was revoked.

We are now at war with Germany and Italy. This war may be extended later to Japan and Spain. Russia may keep out of it in order to be better prepared to administer upon the wreckage when the warring countries are exhausted. We now have in prospect the universal war for which the "Learned Elders of Zion" have been scheming and working since they failed to establish their Super-Government through the League of Nations. It may result in the kingdom of the "Despot of the blood of Zion" with Roosevelt or Jeroboam Rothschild as such "King-Despot."

The President has already practically assumed the office of dictator, with only an occasional protest from Congress. He has led us into war, with Congress in session, and despite the recent assurances of the majority of the members of Congress that under no circumstances would they permit our country to become involved in the present war except for defense upon our own shores.

It was recently reported in the press that a contract had been made with the Ford Motor Company to manufacture airplane engines for the British Empire and America. Mr. Henry Ford denied the report. He said that his company was willing to make these engines for the defense of America but not for the prosecution of the war by the British. Mr. Knudsen, on behalf of the "Council for National Defense," answered that the contract involved making engines for both governments, and the Committee cancelled the contract because of Mr. Ford's refusal to manufacture engines for the British Empire.

This controversy reveals the following facts: (1) That our alleged "Council for National Defense" is now engaged in buying war equipment for the British Government; (2) that they are more interested in buying for the British Government than for ourselves; (3) that they are making these purchases for the joint account of the United States and the British Governments; (4) it is a fair inference from these facts, that this Committee will make payment for this equipment out of the $5,000,000,000 fund that Congress has provided for that purpose. Thus it appears that we are being taxed to the point of confiscation of property, to support the tottering British Empire and the Rothschild family fortune.

We are in. Make no mistake about that. And we will stay in until our government is destroyed, if Franklin D. Roosevelt is continued in office. And we are not in for the defense of our country; we are in for its destruction.

It is now reasonably clear that England will soon be taken by the Germans,—but that may not end the war. It would end it except for our intervention. It was Churchill himself who said that we did the Allies more harm than good in the last war, because by entering it we delayed the peace for two years. He criticized us for then doing what he now begs us to do. Our entering the war would now do the people of the British Empire more harm than good, for many of them and their possessions will be destroyed if the war is prolonged.

The Senate Naval Affairs Committee, of which Senator David Walsh of Massachusetts is chairman, investigated the rumor that our government had transferred 23 of our war vessels to Great Britain. Mr. Lewis Compton, acting Secretary of the Navy, at first denied that such transfer had been made, but later admitted it; he admitted also that the vessels were not obsolete, and his own responsibility. When the President was advised of this, he contradicted Mr. Compton and informed the committee that he alone was responsible for the transfer. This was probably done in order to prevent further investigation and to save further disclosures.

This transfer is in plain violation of Chap. 30 Title V 3, 40 Stat. 222, U. S. C. A., which prohibits the transfer of a war vessel to a belligerent nation. The President again violated the law by giving Britain 50 of our destroyers with their guns and ammunition and that cost us more than $100,000,000.00,—as proposed by "Sir" John Pershing- This was a pretended exchange for air bases, at first denied but later justified on the ground that it was a good trade. The consideration paid for these 99-year leases of a few thousand acres of cheap land is o grossly exorbitant that it can only be considered a gift and an under-cover entry into the war. This was done by our dictator without the consent of Congress, and with Congress in session. It is either a flagrant violation of our own law, punishable by fine and imprisonment, or it is war. If we are in fact engaged in war with Germany and Italy it is legal and defensible, otherwise it is not. It is evidently intended by the President as an under-cover, back-door entry into the war.

Mr. Churchill recently stated in a speech in the House of Commons that in case Hitler invaded and conquered England that the government would move to Canada and with our help they would continue the fight. In anticipation of such contingency the President made a trip to Canada a few years ago and there made a speech in which he assured the Canadians that the United States would extend the Monroe Doctrine to Canada and would protect them.

This was an unprecedented and unwarranted and unauthorized extension of the Monroe Doctrine. It was never intended to apply to any part of the British Empire, but only to the weak and defenseless countries of South America. It was to prevent future foreign absorption of South America. When this doctrine was first announced Canada was a part of the British Empire and was accepted as such.

It is obvious that this assurance on the part of the President was a premeditated one, in pursuance of a carefully premeditated plan, and in anticipation of the war that the "Elders" then planned and that we now have. They "planned it that way."

They have been preparing the ground for this war for many years. It is evident that Mr. Roosevelt has participated in this conspiracy. That is the explanation of the New Deal with all of its regimentation, the purchase of the gold and silver of the world, the stabilization fund, the extension of the Monroe Doctrine, and of his frantic desire to get us into the war.

If Mr. Hitler is the blood-thirsty, ambitious villain that the Jew press represent him to be, he will declare war on us and he will do it now while we are unprepared and unarmed. He will not wait two or three years until we can gear up our industries and replenish our depleted war equipment. He has more sense than that; he will do it now while he is ready and we are not.

The Mexican government is a vacillating unreliable one that is sometimes friendly to us and sometimes not, according to their interest of the moment; the same is true of Brazil. Offered sufficient inducement, either of them will turn against us. President Vargas recently made a speech in which he in substance welcomed the new order that would accompany German victory and would supplant the decaying civilization of Britain and France, as he described them.

He may be right about it, for they both have the "Jew-rot,"

which is a combination of graft, bribery, and of great wealth and great poverty. Their inefficiency in war is due primarily to this disease. We suffer from the same cancerous disease gnawing at our vitals, and we will suffer the same fate if we do not eradicate the germs of it.

It is at least a possibility that Brazil will welcome Hitler. In that case, what will become of the steel plant we propose, according to press reports, to build in that country? (Ostensibly, of course, as a defensive measure.) There is now pending in Congress a bill with administration support, to enlarge the powers of the R. F. C. in order to enable it to furnish the required capital. There appears to be no constitutional limitation whatever upon the activities of this vicious administration of our government and of this vicious corporation.

It is at least debatable whether we are justified in going to war to enforce the Monroe Doctrine, and particularly to protect a state that does not ask or want our protection. If it is our fixed policy to enforce this doctrine then we should ourselves respect it.

The Monroe Doctrine demands America for Americans.—but concedes Europe for Europeans, and Asia for Asiatics. That is the present position of Japan and Germany and Italy. Japan proposes to enforce it in Asia; Hitler and Mussolini in Europe. However much we may wish to preserve the status quo in the East Indies and the British Empire, it is none of our affair, and there is nothing we can do about it except to go to war and probably destroy ourselves.

> The people of these countries can solve their own problems in their own way, as they have heretofore done,—without our help. Our position should continue to be—as it has always been into maintain friendly relations with whatever governments they establish.

It must be conceded that both Hitler and Mussolini have ample provocation for war. The President has called them names and made faces at them. He said of Mussolini that he was an assassin who "stabbed his neighbor in the back,"—but if he had declared himself on the side of the Allies he would have had the benedictions of the President. It is not incumbent on them to declare war on us, for we first begun war on them by pledging our unlimited support to the Allies. Mr. Roosevelt declared an economic war on Germany more than a year ago

by his boycott; and challenged Hitler to arms by withdrawing our Ambassador.

I do not believe that Hitler wants to make war on us or wants anything on this side of the Atlantic Ocean. He certainly does not want our Jews, and he has managed to get along very well without our gold. If we should make the mistake of re-electing Roosevelt for a third term, he may construe this as a ratification of Roosevelt's war-like demonstrations and he may conclude that war is inevitable sooner or later. In that case he may accept Mr. Roosevelt's challenge and wage it while we are unprepared.

No matter what opinion we may have of Mr. Hitler, we must concede that he has been forced into this war; that he was ready to make peace on the basis of restoring to Germany the territory wrongfully taken from her by the peace treaty; and that he has conducted the war according to the rules of civilized warfare.

Mr. Hitler has stated on many occasions that this war is primarily with the Jews, whom he holds responsible for it. They have now been overthrown in all of the countries of Europe except England, their ancient stronghold.

The are now fleeing to this country from all of Europe and our Jew administration has, in violation of law, opened wide our ports to them. They expect to continue their war from here. They have already responded with "the guns of America" and they are working over-time to get our boys into it. They understood their power over our government better than we Americans, for none of us believed they could involve us.

XXX.

Skulduggery

> "By our intrigues we shall tangle up all the threads which we have stretched into the cabinets of all States by means of the political, by economic treaties, or loan obligations. . . . In this way the peoples and governments of the goyim, whom we have taught to look only at the outside of whatever we present to their notice, will still continue to accept us as the benefactors and saviors of the human race."—From Protocol 7.

Why have we entered this destructive war upon the losing side? War involves great sacrifice and suffering. It is never justified except for self-defense. The warmongers seek to justify it upon that ground. They tell us that the British navy is our first line of defense. It has never been so used, and neither we nor Great Britain have so regarded it heretofore. But even if that were true it would be far cheaper and more dependable for us to provide our own navy. That is precisely what the government is now proposing to do and for which it has authorized immense appropriations. If our own country is in danger of attack the place to defend it is in our own waters and on our own shores and not in foreign waters and on foreign shores.

On June 10, 194,0, there was published in all the leading newspapers of the country a full page advertisement over the signatures of about thirty well known Americans, headed by William Allen White of Emporia, Kansas, with the flaring headline, "Stop Hitler Now." It was followed by an argument advocating our immediate entry into the war. According the press reports, Mr. Roosevelt read the advertisement "and found it to be a great piece of work and extremely educational for the people of the country." Yes, a "great piece of work and extremely educational" for war. This advertisement was paid for by the Rothschild banks of Morgan & Co., Kuhn, Loeb & Co-, and their affiliates.*

There are very obvious reasons why "our bank" would like to get America into war.

Until recently the argument was made that we should enter the war on behalf of France because she helped us in our war for independence against Great Britain. This was also one of the arguments for our entering World War I, which resulted so disastrously for the entire world. This argument, however,

* Congressional Record, July 11, 1940, p. 14359-14360.

no longer obtains, since England is now at war with France.

False Albion treacherously turned upon her former ally, France, and destroyed many of her ships and killed more than 1200 of her seamen. The battle, if it may be so dignified, is thus described by the magazine "Time" :

> "In the night of July 2-3 (1940) at various ports of England and Scotland, armed parties of British officers and men quietly boarded all major French ships berthed with the home fleet, mostly at Portsmouth and Plymouth."

They were not able to do this at Oran, which is in French waters, and so they slipped up in the night and mined the waters around the French ships while they were riding peacefully and unsuspectingly at anchor. The British commander then demanded their surrender and upon being refused opened up a murderous fire without warning that destroyed and damaged a number of French ships and killed 1200 men. The British sustained no losses for the reason that the French did not expect an attack by their former ally, their ships were not steamed up and consequently they were in no position to maneuver their guns and to fight.

This was another great British victory (?) and so hailed by the Jew press of England and America. It was another Altmark victory. The only two British victories in this war to date have been against an unarmed foe and in violation of the rules of civilized warfare. No savage would have attacked a prostrate friend without provocation.

French Foreign Minister Baudouin said of it: "Mr. Churchill is guilty of an act of aggression, which is without precedent in the history of the world;" that Britain "must shoulder the blame for the loss of the war for she selfishly thought of the defense of the British Isles and provided only a minimum military aid to France." He later stated that France had furnished three million men and Britain only two hundred thousand.

Baudouin said further that "the British saved four-fifths of their troops from Flanders, embarking them from Dunkerque, while the French lost half of their forces; that the British furnished only 14,000 troops for rear guard operation and the rest of the 200,000 were French." He might have added that the French lost 1,900,000 men in killed, injured and prisoners, which is nine times the number of soldiers furnished by Britain, and more than forty times British casualties.

And now the British have several French ships bottled up

in the French Martinique port. Our government has sent four of our destroyers down there. What for? Is it to help our traditional friend and ally, the French? No, no, far from it. Why should we turn against the country that helped us win our independence? A little while ago it was said we owed it to France and to LaFayette to help her. And now she is our enemy? Why? Can it be because the French government refused to allow the city of Paris to be destroyed in order to get us into the war? Can it be because France surrendered after the loss of two-thirds of her army? No, no. These are not the reasons. Whatever the true reason may be we have not entered this war to help France.

We do not yet know the whole truth about all of this war propaganda and the President's activities to involve us in the war, but some of it has come to light. When Germany captured Warsaw, the capital of Poland, she also captured the official archives, and among them a transcript of the negotiations between our government and the Polish government leading up to the war.

It appears therefrom that our ambassador to France, the Jew Bullitt,—just before sailing for Paris "with a whole trunkfull of instruments and conversations and directions from President Roosevelt and the State Department and senators who belonged to the Committee on Foreign Affairs,"—held a conference with the Polish Ambassador (to the U. S.) Count Potoki. This conference was reported by Count Potoki to his government in part as follows:

> "3. It is the decided opinion of the President that France and Britain must put an end to any sort of compromise with the totalitarian countries. They must not let themselves in for any discussions aiming at any kind of territorial changes.
>
> "4. They have the moral assurance that the United States will leave the policy of isolation and be prepared to intervene actively on the side of Britain and France in case of war. America is ready to place its whole wealth of money and raw materials at their disposal."*

It appears further from these official notes that the President was quite urgent that Poland should reject Germany's demand for return of the Danzig Corridor and that Britain and France should support Poland in this position and should declare war on Germany if she (Germany) undertook to take it

*Congressional Eecord, July 11, 1940, p. 14371.

by force. Beck refused to keep his engagement with Hitler. This was followed by Hitler's invasion of Poland and a declaration of war on the part of Britain and France against Germany, as pointed out in a previous chapter.

Thus it appears that President Roosevelt is himself primarily responsible for the war. We can now understand why Reynaud on Churchill's advice, issued his distress call to Roosevelt to come in. We can see why the President said in substance in reply: fight on to the end, I am doing everything I can.

This explains also the speeches that are being made from time to time by Churchill, Duff-Cooper and Eden, encouraging the people of England to continue the fight on the ground that the United States will later enter the war. It explains their oft-repeated published statement that this is our war and that they are fighting it for us.

It is not our war. It is the war of our Jews, of French Jews, and British Jews. The French Jews have been overthrown and have fled the country. The British Jews are still in power, and so are ours. It is a war to save the Jew empire and the gold standard and to destroy our government and to enslave us. It is a war to establish the "King despot of the blood of Zion." England can make peace now without the immense destruction of life and property that will soon follow, but she cannot save the Jewish empire. It is doomed.

Nor can we save it. Roosevelt is still working feverishly to that end but the result here will be what it has been in Europe. They have not yet initiated pogroms in Europe but the people of France, Hungary, Roumania and Spain have disfranchised the Jews, barred them from holding office, and from their newspaper activities. That must be done here. If it is not done the activities of the President and his Jewish administration will bring upon us the death and destruction that he has already caused in Europe.

Our imperial President is now organizing us and the western hemisphere for war. Our new Secretary of War Stimson is endeavoring to ramrod a compulsory conscription bill through Congress that will involve an additional estimated annual expense of $1,100,000,000.

Suppose we now had one million trained soldiers fully armed and equipped and a powerful two-ocean navy, does anyone doubt for a moment that we would be up to our ears in this

war? There are but two things that will keep us out when we are fully prepared: one is Roosevelt's defeat; the other that the war will be over.

The war would now be over but for the interference of President Roosevelt. He is now telling Churchill the same story he told Reynaud: "fight on, I am doing all I can." They would not continue this losing fight except for the fact that both of our presidential candidates are committed to war and we are making preparations to get into it at the earliest possible moment.

England will likely soon surrender but the Churchill plan is to remove the British government to Canada and to continue the fight from there. The President is now seeking to line up the South American countries in order to mobilize a solid western hemisphere front against Europe and Asia, and to do so is offering them $500,000,000 in some concealed form as a token of good faith. They appear to be suspicious of him,—and with good cause.

The Argentine representative, Mr. Melo, expressed opposition to "sacrificing his country's jurisdictional principles." He said very properly that the question of the disposition of the French and other islands should be left to the people of such islands and that the United States and the South American countries had no right to assume a "collective trusteeship" over them. He said also,—and congress should take note of it—that the "proper time to cross a bridge is when it is reached," and that no action should be taken which is "based on a mere hypothesis."

A face-saving compromise was finally agreed upon which was signed by Mexico, Chile, Bolivia, Colombia, Venezuela, Peru, and Argentina, subject to the approval of their respective legislative bodies. Interpreted, it means that if they hereafter find it to their advantage to work with the United States they will do so, otherwise they will not. It means precisely nothing; the conference was a fizzle. But that small circumstance does not restrain the Administration. Mr. Roosevelt still insists in flagrant violation of our national constitution that congress authorize the Export- Import Bank to lend the South American countries $500,000,000 which they will no doubt accept and which we will likely lose.

The real purpose of the conference was not apparent on the surface. It was not primarily to establish a cartel for the pur-

pose of acquiring and disposing of the products of the Americas; nor to establish a "collective trusteeship" over the foreign-controlled islands of the western hemisphere. These were probably incidental objectives but they were not the moving cause of the Jews who brought about this conference. The true purpose of it was to weld the Americas and Canada together into a compact fighting unit and to preserve the gold standard. It was a Jew scheme concocted by the Jew Adolph Berle, Assistant Secretary of State, in furtherance of their purpose to destroy our government.

The reason is war. The conference was held in anticipation of the British moving their government to Canada, for there can be no long war otherwise. It was a step to incorporate the Americas into the British Empire, for otherwise the British have no means to prolong the war when they get here. Apparently the South American countries understand the true import of it and they don't want it.

XXXI.

Party Government

> "By the ceaseless praise of Democratic Rule we shall divide the Christians into political parties, we shall destroy the unity of their nations, we shall sow discord everywhere. Reduced to impotence, they will bow before the Law of Our Bank, always united, and always devoted to our Cause." —From Funeral Oration of Rabbi Reichhorn. (Addendum to Protocols.)

It is shocking to learn that the Jews are responsible for the creation of political parties and that they have caused them to be organized for the purpose of promoting discord and confusion, and to subject us to the "law of our bank." The rule of political parties has until recent years been universal throughout the world even in those countries where the head of the nation was a king or an emperor. They have within the past few years been abolished in Germany, Italy, Spain, and Hungary, and more recently in Roumania and France, together with the Jewish Continental free masonry and B'nai B'rith. These governments are now called "totalitarian" in contra-distinction to those ruled by the Jews and political parties called "democratic."

We have all prided ourselves more or less on our party loyalty and regularity. We boast that we have never "scratched the ticket" and that our fathers before us were democrats or republicans, as the case may be. We all believe that our party stands for sound economic and political policies and that the opposition party is against them, and we are always ready to defend the party's principles as proclaimed in its platform.

Observe the phrase "law of our bank." It indicates that there is one law and one bank. There is in fact but one Jewish law and one Jewish bank and it is "always united and always devoted to our cause." Observe also the possessive, "our bank." It is a direct recognition of the fact that this bank (the Rothschild bank) belongs to the Jewish race, and that the objective of this bank is the objective of the Jewish race.

At the time of this Funeral Oration in 1869 the Jews generally were desperately poor, without citizenship, and living in squalor in the ghettos of the various cities of Europe. There are now many wealthy Jews but the wealth of many of them has stemmed from the Rothschild root. The Rothschild fortune,

magnified as it has been during the years since it was founded, with all of its branches and affiliates, is still "united and devoted to our cause." It was devoted to that purpose by its founder, old Amschel, and it has been so employed ever since.

The "law of our bank" represents the ruthless law that has governed what we call "high finance" or "Wall Street" since the civil war. It represents the law that controls the Bank of England and other Rothschild banks. The record of the money power for the past 100 years demonstrates the truth of the conclusion that it is "always united and always devoted to our cause," and that "cause" is the subjugation and enslavement of the Gentiles and the elevation and enthronement of the Jews. That is the present objective of Jeroboam Rothschild and his secret 300 Elders of Zion.

They have sought to incorporate this international banking power and to give it a legal status by establishing the Bank of International Settlements but to date the undertaking has not proven to be very successful. Under the pretense of providing a clearing house for the settlement of German reparations an international conference was held by government appointed representatives that resulted in the creation of this bank with a capital of $100,000,000.

President Hoover appointed Thos. W. Lamont and Owen D. Young as our representatives to this conference. J. P. Morgan & Co. subscribed $25,000,000 of the capital, the balance of the stock being subscribed by the Bank of England and other central banks. It is strictly a Rothschild super-bank for the purpose of regulating the economy and welfare of the people of the world.

The "law of our bank" is also the law of the Jewish rabbi and the Jewish leaders. The Rothschilds and their Council of the Jewish Agency (the 300 Learned Elders of Zion) are the despotic rulers of the Jewish race. The despot of Zion is already established so far as the Jews are concerned. Some of them are not active Zionists but they are all obedient, and most of them are sympathetic.

This address of Rabbi Reichhorn was a carefully prepared statement of the plans and purposes of the Jewish race, made by a distinguished Jewish leader on a solemn occasion, in honor of a departed leader. It sets them forth with clarity and precision. It is copied in full in Appendix II at the end of this book.

We have been divided into two political parties here in America, viz: the democratic and republican, and the Rothschild banking interest through Baruch, Lamont, et al., and the lavish use of money has acquired control of both of them. There is never any division between the parties where the vital interest of this malign power is concerned.

A striking example of the truth of this statement is afforded by the enactment of the Federal Reserve Act. It was first attempted through the republican party and having failed because of democratic opposition, the republican party was defeated and it was then put over in disguise and by deception through the democratic party.

We have just had two party conventions and the two parties have announced their platforms. There is a shade of difference between them but not enough to enthuse over. In their essentials they are the same. They both pretend isolationism but they both nominate interventionist candidates. They both stand for a continuation of the New Deal, for Secretary Hull's reciprocal trade agreements, and for the regimentation of the people of America.

The nominees of both parties are satisfactory to the Rothschild interest. The British and the Jews and the Jew press hail Willkie's nomination as a great victory for the warmongers,—and so it was. They could afford to spend $100,000,000 to bring about his nomination, and they may have done so. Who knows? We do know that from the date of his announcement he was given great and favorable publicity by the Jew press, the Jew radio, and the Jew cinema. Whenever his name was mentioned in the convention hall the packed Jew galleries responded with great applause. With a good radio one could distinguish the Yiddish accent and the soviet yell.

The republicans could have won the election "hands down" with Dewey or Vandenberg or any other respectable non-interventionist, but republican victory meant nothing to Baruch, Lamont, Lippman and the other Jew politicians. They want war. It is true the republican platform declares against war, but platforms mean nothing to a Jew warmonger or a Jew sponsored candidate. He will do exactly as the Jews want him to do, —as Roosevelt has done. If he values his life he will not dare doublecross the Rothschild power.

The sponsors of the Willkie campaign were Barney Baruch representing the Kuhn, Loeb interest and Thomas W. Lamont

representing Morgan & Co. They were powerfully aided by the Jew press, radio, etc., and such columnists as Walter Lippman, Dorothy Thompson and other warmongers. Some of these sponsors were likewise sponsors for Roosevelt's third term. They no doubt prefer Roosevelt but fear their ability to elect him and they have therefore selected an opposition candidate who has pledged himself to carry out his and their program.

> "The Day," calling itself "The National Jewish Daily," printed in Yiddish at 183 East Broadway, New York City, Rabbi Samuel Margoshes, Editor, born in Galicia, published in English on July 7, 1940, the following amazing interview with Republican Presidential Nominee Wendell L. Willkie, in the Editor's column:
>
> "I regard anti-Semitism in America as a criminal movement and every anti-Semite as a traitor to America. I spoke over the radio making clear my attitude toward the Jews, long before I even thought of becoming a candidate for the Presidency. I am glad to have an opportunity of expressing my sentiments again . . . What we require are laws by means of which we shall be enabled to eliminate those who would transplant on American soil the poisonous growth from Germany and other countries."*

Mr. Willkie's secret commitment to the Jews sheds a flood of light upon the Jewish enthusiasm for him as shown in their press and the thousands of telegrams sent to the republican national convention delegates and the boisterous gallery applause.

If the law that Mr. Willkie advocates is enacted then the author of this book is a traitor and is made a criminal, although every word contained in it is the truth. It is not the conclusions here stated that create anti-Semitism but it is the conduct and purposes of the Jewish leaders that create it. The Jews have enough power without such a law. They have the power to persecute and to injure any man who dares criticize them and they exercise it ruthlessly,—and yet the truth must be told if conditions here pointed out are ever to be corrected by peaceful methods.

So far as the Rothschild interest in concerned, it appears to be safe with either Roosevelt or Willkie. They no doubt prefer Roosevelt because he has proven to be their faithful and dependable servant but they will support Willkie if they think he stands the best chance of election. As to the balance of us, it is the difference between tweedledum and tweedledee.

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*R. E. Edmondson's Bulletin, July 8, 1940.

Senator McNary, republican nominee for Vice President, is decidedly preferable to Wallace. He appears to be an honest, straight-forward, courageous and capable man. He is at least a genuine friend of the farmer, as shown by the McNary-Haugen bill. This proposed bill would guarantee the farmer the American market and profitable prices for his products, and it would relieve him of the petty and endless regimentation to which he is now subjected.

The Chicago democratic convention was a convention of job-holders and was a cut and dried affair; the most of the delegates to it had been selected by job-holders. Mr. Roosevelt and everyone else knew long before the convention was held that he would be the nominee, and yet he chose to remain silent about his acceptance until after he was nominated. He then dramatically accepted it as a call to service, stating that he had "no desire or purpose" to hold the office for a third term. He is in error. It has been his "desire and purpose" from the beginning, otherwise the convention would not have been stacked. It is simply Mr. Roosevelt's way of doing things, to-wit: to say one thing and mean another.

We must abolish political parties. This is not such a radical suggestion as it appears to be, but only a common sense one. There is no reason why any man should not be permitted to run for any office on his own platform, just as he does for a party nomination. There is no reason—absolutely none—for two elections, one for a party nomination and the other to be elected.

The father of our country, George Washington, gave us good advice upon this subject, as well as upon the subject of foreign entanglements. He strongly condemned party government. If we had only listened to his words of wisdom instead of the sly suggestions of the Jews we would not be in our present deplorable situation. We must destroy the shackles that curb our freedom and that we have forged upon ourselves.

Congress should elect the President. This was the French system and is an improvement over our effete electoral college. It may require a constitutional amendment. This system will minimize many of the evils of a presidential election.

For one thing it will not permit the "Elders" to select for us a candidate satisfactory for their schemes,—a man with "a dark stain, a 'Panama' in his past." For another, it will avoid the tremendous expense of a presidential campaign and thereby

void the bribery involved in huge campaign contributions. For still another it will minimize the constant and ever increasing encroachment of the Executive upon the powers of Congress, for the President will be accountable to Congress. And for still another, it will tend to neutralize the power of the foreign vote of the large cities in the election of the President, since it will give all of the small states the advantage of two senatorial votes.

This will, as stated, involve a constitutional amendment, but the constitution itself makes provision for its amendment. The process is a laborious and difficult one, but even so it is far better than the plan of the New Deal, viz: to change the constitution through the interpretations of a hand picked court.

Political parties were designed by the Jews to enable them to corrupt and control governments, and they have been useful instruments in their hands. Through them they can indirectly buy the members of a political party when they could not reach them directly.

We now have the sorry spectacle of southern political leaders such as Barkley, Bankhead and Rayburn blindly supporting all of the vagaries and extravagances and unconstitutional reforms of the New Deal in violation of their professed political principles of a life time. It may be that none of these men could be bought directly and individually by Rothschild gold, but the party can be bought, and they can and are delivered by such purchase.

The results are the same. Their country is "sold down the river" just as effectively and as completely as if each and every one of them had been personally corrupted. This is not peculiar to the democratic party. The republican party is for sale and is sold like a sack of potatoes, and the leaders of the party are delivered like a sack of potatoes. We have become so inured and blind to party government that many of our politicians openly proclaim their fealty to party over their convictions and their loyalty to their country.

This is not peculiar to America and to our system of government. The same has until recently been true of every country of the world. It is through the corruption of political parties that the Jews have ruled the world; it is their brand of their boasted "democracy." It was evidently true in England when the Peel amendment was adopted. It was true when the Mc-

Donald (labor party) government was in power; there was no substantial difference between it and the preceding and succeeding conservative governments. It is true now in England. The government of the British Empire is today as strongly Jewish as our own; and this control was obtained in the same corrupt manner that they obtained their power here, viz: by the corruption of political parties. The Jews and their propaganda agencies are riding the English and American people hard at this time but they are riding for a fall. We are at last beginning to understand the secret of the power that has misgoverned us so long, and this understanding will make us free, for the truth is mighty.

XXXII.

"King Franklin, 1st"

> "Ever since that time we have been leading the peoples from one disenchantment to another, so that in the end they should turn also from us in favour of that King-Despot of the blood of Zion, whom we are preparing for the world.
>
> "When the hour strikes for our Sovereign Lord of all the World to be crowned, it is these same hands (want and envy and hatred) which will sweep away everything that might be a hindrance thereto."—From Protocol 3.

The Rothschilds and their League of Nations will soon transfer their headquarters to our shores. The most of their gold is already stored in the Kentucky vaults, and the President has sent our ships for Jewish refugees and for the balance of it upon the pretext of moving Americans.

The Associated Press reported that "of the 1914 passengers aboard the incoming liner Manhattan, 862 are aliens, mostly Jewish refugees." It was also reported in the press about the same time that several hundred Americans were stranded in Europe because they did not have enough money to pay their passage home. They are of course just plain Americans,—not Jews. We are justified in suspecting that the ship was sent over to afford American protection for the removal of rich Jews with their gold to America. The press only affords us an occasional glimpse of what is transpiring daily.

The "Despot of the blood of Zion" whose ancestors have ruled the British Empire for the past 100 years, clandestinely but with an iron hand, is now headed for America with his gold. It may be that he has already arrived, for I may be in error in my conclusion that Jeroboam is the present ruler of the Rothschild fortune. It is the view of Count Cherep-Spiridovich that it is Edward Rothschild, and if that be true he is now here. On the following page is a reproduction of his picture as it appeared in the daily press with the comment thereon. It was stated in that connection that the $1,000,000 of jewelry was classed as personal property and that he did not pay any duty on it. In appearance he is not much of an improvement over Jeroboam.

The last report on Jeroboam Rothschild (Georges Mandel) is that he fled to Spanish Morocco and that the government of Spain turned him over to the French government to be tried for treason. The United Press of July 29th, 1940, carried the

"REFUGEE ROTHSCHILD ARRIVES WITH MILLION IN GEMS"



"Seventy-year-old Baron Edward Rothschild, internationally famous banker of Paris, is pictured as he arrived at La Guardia field, New York, Wednesday, from Europe aboard the Yankee clipper. The fabulously rich financier is holding a small handbag containing $1,000,000 in jewelry. The baron and his family left Paris on May 20 for Switzerland, made their way to Bordeaux and Spain and then motored to Lisbon to get the clipper. They will go to some suburban retreat in this country for a rest, it was said."

report that the French government has created a special high court of "seven magistrates who will be designated because of their independence of all political ties," for the trial of these alleged traitors.

It is further stated in this report that the death penalty will be sought for Mandel (Jeroboam Rothschild) who will be charged with "plotting against the state's security," but that Leon Blum and the other Jewish members will only face "political charges" which involve the penalty of life imprisonment. Let us hope that this will end the ambitious mighty empire founded by the will of Amschel Mayer Rothschild. It is a pity that the French court is without jurisdiction to try the other conspirators who brought about this terrible war.

In his Charlottesville speech on June 10th, 1940, the President, in his discussion of isolationists, said:

> "Such an island represents to me and to the overwhelming majority of Americans today a helpless nightmare of a people without freedom, a people lodged in prison, handcuffed, hungry, and fed through the bars from day to day by the contemptuous, unpitying masters of other countries."

Mr. Roosevelt is mistaken about it. Isolationism does not present any such picture to "the overwhelming majority of Americans." We have been isolationists all of our lives; it is the traditional policy our government, and we have never before feared the loss of our freedom and "an unpitying master." A dictatorship does offer such a prospect but we have no fear of a foreign dictator. We do fear, and with good reason, that Franklin D. Roosevelt will convert the Jew-deal into a Jew-dictatorship.

This is merely inflammatory propaganda for the purpose of creating war sentiment. It is a gruesome, doleful picture that is calculated to scare us into anything. Suppose he gets us into war and becomes our dictator, what assurance have we that he will be any better than "the contemptuous unpitying masters of other continents"?

Churchill has not proven himself to be a better dictator than Hitler. He has imprisoned as "fifth columnists" the anti-Semitics and the critics of his administration, and he has provided for the death penalty for them and has probably killed many of them. The "unpitying masters of other continents" could do no worse. Hitler has treated the Jews no worse. The Flanders retreat which Mr. Churchill ordered after honorable

and reasonable terms of surrender had been proposed, was a massacre, the extent of which is not unknown.

In the face of certain defeat Churchill appears to be willing to fight until the last Christian is killed. And for what? Not for the soldiers who are fighting a losing battle, nor for their families;—but to preserve an empire that is decayed with "Jew-rot" and that is operated "by, of, and for" the Jews.

Another sample of Mr. Churchill's cruelty and ruthlessness has just been revealed by the press report from France of June 15, 1940, as follows:

> "Commenting on the French decision not to defend Paris, authorized spokesmen said: —
>
> " 'For the first time reason prevailed, and for the first time the French acted against the will of the British who wanted a destroyed Paris for propaganda purposes.
>
> " "The French are beginning to see they always are called upon to pay the bill.' "

It appears that the French cabinet split upon this very rock. Reynaud, Handel, Blum, and the other Jews in the government agreed to the British scheme but Marshall Petain and the Gentiles refused. The Jewish members became exiles and the French government, after suffering losses of 1,900,000 men in dead, wounded and prisoners, surrendered. And now the British government through a renegade (DeGaulle) has organized an opposition government and is nightly bombing French cities. Our government has also turned on her former ally (?) and has seized her gold stored in the Kentucky vaults and her ships that are in our ports.

We can now very well believe that the Germans are right in claiming that Churchill sank the "Athenia" for propaganda purposes. If he sought the destruction of the great city of Paris with the thousands of helpless men, women and children who would necessarily be in it, for propaganda purposes, he would not balk at the destruction of a ship with a few hundred people on it.

The Associated Press of July 25th, 1940, reports that former Premier Daladier, Mandel (Rothschild) and sixteen others were arrested on their return from French Morocco, where they fled two days before the armistice "was signed. The report states that they will be tried for treason for plunging the country into war, and that in the "name of justice those responsible" for the calam-

ity of France will be punished, and that "on the day of their trial our dead will be present among the accusers."

The government of France now recognizes that the former Jewish government is responsible for the war, and not Germany. In their published statement they say "we are buried under the ruins of a liberal parliamentary capitalist regime. You have lived on lies. The hour of truth now has sounded." We will soon know the names of the conspirators who brought about this frightful destructive war. I fear that our beloved (?) humane (?) President Roosevelt will be found near the top of the list.

We must stop the warmongers and their war clamor. We must remove the filthy, hairy hands of the Jews from our press, cinema, radio, and the throats of the people, even if it is necessary to confiscate their property and expel them from our country. The remedy, it must be admitted is a radical one, but their conduct and the conditions that prevail make necessary this or some other radical remedy. We have passed the stage when homeopathic remedies will do any good; it takes a major operation.

They will of course set up a great howl that the remedy is unconstitutional and will invoke the protection of a constitution they are now seeking to destroy, Mr. Roosevelt can suspend the constitution in case of war against a foreign foe or an emergency against a domestic foe. It can always be suspended for the preservation of our government. We can and must suspend it, if it is necessary to that end.

Unprepared as we are for war, he still seeks to provoke it. He appears to be still working to destroy this nation in order to rule it and to promote the Rothschild power. Despite the fact that the people of this country want to live in peace, he persists in his insane effort to involve them in war. His appointment of warmongers Henry L. Stimson as Secretary of War, and Frank Knox as Secretary of the Navy, means war. He forced the resignation of Secretary Woodring because Woodring was opposed to war and to giving Great Britain our airplanes, munitions, etc.*

His appointee Col. Frank Knox furnishes us with an apt description of Mr. Roosevelt's character and duplicity. He says that as a "matter of tactics he will not avow his aim." And to

*See Congressional Record, June 21, 1940, p. 13331 et seq.

reach it he is ready to "bow, smile, agree, assert, evade, deny, distort, distract, delay, retreat, startle, dazzle, juggle, sidestep, and circumvent." This is what Col. Knox said of him in his newspaper before his appointment as Secretary of the Navy. He said of him further that "he is no more bound by precedent than by his own statements , .. It is bad enough to have for president in time of peace a man who is over-confident, incautious, self-willed, uncertain and unreliable. In time of war it would be disastrous."**

This is what the protocols call "cunning and make-believe," the qualities of an ideal Jewish ruler. That is a true pen-portrait of "King Franklin, 1st," our present pseudo dictator and our future "King-Despot" by his present Secretary of the Navy. The dictatorship is almost within his grasp. All that is needed is another emergency (the 65th) which he can and will declare at the first opportunity. Congress is the only bulwark that stands between us and the slavery that he so graphically described in his Charlottesville speech.

In concluding the Charlottesville speech Mr. Roosevelt truly said, (for he sometimes inadvertently tells the truth) :

> "And the love of freedom is still fierce and steady in the nation today."

We have inborn in us the spirit of freedom and we will not "take our medicine lying down." It may mean much suffering to us but it is certain to mean that we will rid ourselves in the end of the undesirable Jew, the Jew-in-law, and the hybrid.

We have many minor problems that should be solved righteously, but this Administration is incapable of acting in that manner. The two major problems that confront us are: (1) Shall we cancel the bonded mortgage debts that we cannot pay? (2) Shall the Jew financial buccaneers and communists continue to rule us?

We have lived in a fool's paradise in ignorance of our real ruler and his designs. We have worshipped our political parties that he fostered. We have had faith in our lying newspapers that he controls. We have swallowed his propaganda about an invasion and we are getting ready for war on a huge scale. We are preparing to exercise our choice between the two presidential candidates he has provided for us. We have accepted with fortitude all of the poverty and suffering that he has

**Congressional Record, June 21, 1940, p. 13859.

brought upon us. The mighty power of truth will free us from our bondage.

The Jews are now coming to this country in great numbers from all Europe, including the British Empire. We are in fact sending our ships for them. Congress appropriated $50,000,000 for the relief of refugees, the most of whom are Jews; and Roosevelt, without authority, has appropriated another $50,000,000.

We are offering the Jews a home, despite the fact that they have betrayed our hospitality and that of every country in which they have lived. This immigration must be stopped. The pending election (November, 194-0) presents to every voter the opportunity to do his or her part to that end, and to save our government from their rule and thereby save ourselves.

Hitler's paper recently stated that when the war is won some area remote from Europe would be set apart for Jews and the continent would be cleared of them. French Madagascar is said to be an ideal place for them. If this plan is carried out it will mean a new world; it will be a long step in the direction of the millenium to which our Christians look forward.

XXXIII.

Traitors

> "I pass now to the method of confirming the dynastic roots of King David to the last strata of the earth . . . Certain members of the seed of David will prepare the kings and their heirs, selecting not by right of heritage but by eminent capacities, inducting them into the most secret mysteries of the political, into schemes of government, but providing always that none may come to knowledge of the secrets . . .
>
> "Direct heirs will often be set aside from ascending the Throne if in their time of training they exhibit frivolity, softness and other qualities that are the ruin of authority, which render them incapable of governing and in themselves dangerous for kingly office. Only those who are unconditionally capable for firm, even if it be to cruelty, direct rule, will receive the reins of rule from our learned elders." From Protocol 24,

The Associated Press of August 18, 1940 quoted an amazing agreement made on that date between Franklin D. Roosevelt as President of the United States, and W. L. Mackenzie King as Prime Minister of the Dominion of Canada. The following is the text of the agreement as reported:

> "It has been agreed that a permanent joint board of defense shall be set up at once by the two countries . . . It will consider in the broad sense, the defense of the north half of the Western Hemisphere."

This agreement is in very broad terms and is subject to almost any interpretation one chooses to place upon it. The mildest interpretation that can be placed upon it is that it constitutes a military alliance between the United States and the Dominion of Canada at a time when Canada is engaged in war with the totalitarian powers.

There has been some speculation in the press as to whether or not the agreement involves the transfer to Canada of fifty of our American destroyers to be used by Britain in her war with Germany and Italy. This transfer was previously recommended by "Sir" John J. Pershing, and within a few days thereafter (less than a week) we had a Gallup poll upon it showing 62% of the American people favoring the transfer.

It has been stated in the press that the President has advised with Attorney General Jackson and other subordinates who have informed him that it is not necessary to refer this coalition to Congress for confirmation. Up to this hour the President has

not done so. It is extremely doubtful if he will. He is not likely to do so unless he receives previous assurance that it will be confirmed.

This agreement, like all other Jew schemes that have been perpetrated upon the American people, is not what it purports to be. It has been represented as affording us air bases in Canada and other British possessions for the defense of the United States, and that it is but an extension of the Monroe Doctrine and does not commit the United States to war except for defense of the western hemisphere. But that is not the interpretation that has been placed upon it by the British Government. Mr. Churchill and his associates understand its true meaning, and they were so rejoiced over it that they could not refrain from giving us a slight glimpse of it. It has a meaning that the President and the Jew press would not dare expose to Congress and to the American people.

The following is a quotation from the Associated Press report from London of August 20, 1940:

> "Utterly confident, Prime Minister Churchill used his disclosure of the plan for air-naval base leases to declare that the British Empire and the United States 'will have to be mixed together in some of their affairs for mutual and general advantage.'
>
> "'No one can stop it!' he cried. 'Like the Mississippi, it just keeps rolling along, let it roll! Let it roll on full flood, irresistible, to broader lands and better days' "
>
> "Tumult from the House of Commons steep and crowded benches almost smothered the Prime Minister's last words."

Does anyone imagine for a moment that the mere leasing of air-bases, or a military pact for the protection of the United States would have occasioned the burst of eloquence of Prime Minister Churchill and the tumult and enthusiasm of the House of Commons?

The former Jew war minister, Mr. Hore-Belisha, let the cat out of the bag in his statement regarding the matter, which the Associated Press of the same date quotes as follows:

> "In the House of Commons tonight Leslie Hore-Belisha, the former War Secretary, raised the possibility of 'an eventual common citizenship' of Britain and the United States, and said this alone would almost compensate for 'the evils of war.' Such a union, Hore-Belisha recalled, was offered, in vain, to France in the hour of the third Republic's collapse."

... Observe that he says that they offered the same thing "to France in the hour of the third Republic's collapse." That offer

was to absorb France into the British Empire. Observe also that Hore-Belisha states that this innocent appearing pact "would almost compensate (Britain) for the evils of war." These shrewd Jews always know the "low down," and they are so conceited that they cannot refrain from bragging.

Thus, according to the views of Messrs. Churchill and Hore-Belisha, the true meaning of this agreement is that we have sacrificed our independence as a nation and have been merged into the British Empire as one of its dominions. And thus, without consulting Congress or the American people, we have become not only a part of the British Empire, but we have entered the war against the totalitarian powers.

This program is not a new scheme just invented by President Roosevelt and his "kitchen cabinet." It is the adopted plan of the Elders and the managers of the Rothschild Trust to establish their world empire. They control, and have for many years controlled the British Empire. It has been ruled ostensibly by a king and his cabinet, but in fact by the Jews.

This plan is set out in detail in the Col. E. M. House letter.* The real author of this letter is unknown, and because of that fact the letter itself was discredited. Evidently the author was not Col. House, nor was it Dr. Wm. J. Maloney.**

The letter shows upon its face that it was written by a Jew and by a person holding a high official position with the British Government at the time (June 10, 1919). It was written upon the stationery of the British consulate of New York City and addressed to the Hon. David Lloyd-George, then Prime Minister of England. It was probably written either by the Jew, Sir Wm. Wiseman, who was at that time "British Intelligence Representative and now with Kuhn, Loeb & Co.,"*** or by the Jew, Lord Northcliffe, who was at that time head of the British Propaganda Department. While there is doubt as to the identity of the actual author, there can be none as to the authenticity of the letter. The Jew can always be depended upon to hide his identity and to destroy the proof of it, if it is possible to do so.

Because of the length of the letter it is not reproduced in its entirety. I trust that the following excerpts will be suf-

*Congressional Record, Oct. 11, 1939, p. 598-603.
**Congressional Record Oct. 18, 1939.
***Congressional Record, Oct. 18, 1939, p. 981.

ficient to show its verity and its character. The letter reveals the powerful forces that are now at work to overthrow this government and to bring it back into the British Empire as a dominion, and it reveals the traitors who are cooperating with the British the the Jews to that end. I quote the following paragraphs from it:

> "'Our thanks are due to Messrs. Taft and Polk, who elaborated with us our German-Irish plot programme. To Mr. Baker and the innumerable library committees who banned from the camps the anti-British books on our index expurgatorious. To Mr. Gregory, who lent punitive force to our wishes regarding spoken and written speeches. And Messrs. Pierpont Morgan, Rockefeller, Cleveland Dodge, Wanamaker, Hamlin, Childs, DuPont, Ryan, Insull, Doheny, and others of our friends who financed our 'Americanization' campaign. I would especially call attention to the beneficence of Messrs. Insull, and Doheny, who were the generous supporters of the diversion, devised by Messrs. Taft and O'Connor, entitled, 'Ireland Stabbed England in the Back.' These contributors doubtless will be, or have been, appropriately rewarded by His Majesty's Government."

The Mr. Baker referred to in this paragraph was then our Secretary of War, and the Mr. Gregory was our Attorney General. I do not know whether any of these gentlemen "have been appropriately rewarded by His Majesty's Government."

> "Through the Red Cross, the Scout movement, the Y. M. C. A., the church, and other humane, religious, and quasi-religious organizations, we have created an atmosphere of international effort which strengthens the idea of unity of the English-speaking world. In the coordination of this work, Mr. Raymond Fosdick, formerly of the Rockefeller Foundation, has been especially conspicuous. I would like to mention President Nicholas Murray Butler of Columbia University, who has eloquently advocated this form of internationalism and carefully emphasized its distinction from the false internationalism which is infecting the proletariat."

It is well known that Nicholas Murray Butler is an Anglophile, but Mr. Raymond Fosdick's position has not been so conspicuous. The distinction between the form of true internationalism and false internationalism is imperceptible, but all of it is bad, and none of it fits in with our scheme of government.

> "To all ages and classes, to every phase of human activity, by all channels of human communications, our propaganda permeates. Our command over the cables and press, the schools and the universities, the pulpit and the tribunes, will tend to increase. Soon we should be in a position to control at will the reading, the hearing, and the seeing of the inhabitants

so that such ideas as are not truly British may be met with a barrier, 'They shall not pass.' "

That states a truth that has already been commented upon. It states a truth which should be apparent to all of us, every day of our lives; we get nothing from either the press or the radio or the cinema that does not favor the British. They let "nothing pass" that tends to present any other point of view.

"May I also call your attention to the services of Prof. Richard Gotthell, of Columbia University (the one who pinned the medal on F. D. Roosevelt in 1937 for his distinguished service to world Jewry), in our campaign against the Hindus, and of Miss Elisabeth Marbury and Messrs. Charles McCarthy and Karl Watters in that against the Irish . . .

"The cost of converting an American into a colonist of His Majesty is now 63 cents. Our expenses we have met by a levy on the population."

The statement made in parenthesis about the Roosevelt medal evidently is comment and not a part of the so-called House letter.

While we appear to be cheap, particularly in the eyes of the Jews, I do not believe that the American people can be bought at the rate of 53 cents a head. If that were true we would have been a part of the British Empire long ago. It is a part of the Jew character to over-estimate himself and his money, and to under-estimate the "goi."

"In the financial world the Anglo-American alliance is a well-established fact. And as the consortium for China, and the security company for Mexico show, our brokers and their aids have become the unchallenged financiers of the world. We have been particularly fortunate in our fiscal agents here, Messrs. Pierpont Morgan & Co. . . .

"Their services in putting this country into the war may not have been altruistic, but they were nonetheless effective. They contributed liberally to our Americanization campaign. They ousted Miss Boardman, and through Messrs. Taft and H. P. Davidson they nationalized and directed the American Red Cross, and then internationalized it under the direction of Mr. H. P. Davidson. Through Mr. Thomas Lamont they purchased Harpers Magazine and the New York Evening Post. Through advertisers they control, they have exerted widespread influence on newspaper policy.

"Messrs. Lamont and Davidson gave you valuable aid at the peace conference. They loaned $200,000,000 to Japan that our ally might build a fleet to compete with America on the Pacific carrying routes. Their attempts to retain for us control of the international mercantile marine are well known to you."

The Anglo-American finance alliance has been heretofore pointed out. It is the ownership of our principal financial institutions through the Rothschild money trust. We know about the services of Morgan & Co., in getting us into the war; about Mr. Davidson's direction of the Red Cross, and about Mr. Lamont's valuable aid at the peace conference; but we did not know that "they loaned $200,000,000 that Britain's ally (Japan) might build a fleet to compete with America on the Pacific carrying routes."

That is rank treason to our country on the part of the firm of Morgan & Co. It is rank treason to America on the part of its ally, the British Government. And it is this same British Government that is now pleading with us to rescue them from their own machinations and infamy.

Please note the statement that "our brokers and their aids have become the unchallenged financiers of the world." These "brokers" are N. M. Rothschild & Sons and they have been the "unchallenged" financiers of the world for more than a hundred years. The firm of Morgan & Co. is not an "aid" but a branch. Observe also their purchase of Harpers Magazine and the New York Evening Post, and particularly note that the British regards the firm as its agency,—"our broker." It is, however, the "other way round"; the British Government is the agency of "our brokers."

> "With moneys lent to us by the American Government for war purposes, we have, acting through quasi-American companies, by the aid of Mr. Connor Guthrie, obtained control of the large oil fields in California and in Costa Rica. And through the nationalization by His Majesty's Government of the Cowdray, Person, and Royal Dutch Shell interests in Mexico, we, having become masters of the Mexican, Canadian, Roumanian, Armenian, Persian, and lesser oil fields, now largely control the oil fuel of the world and thereby the world's transportation and industry. We have not yet succeeded in controlling the pipe lines owned by the Standard Oil Co. and its subsidiaries, for those companies have long been established."

This is also a revealing statement. We knew in a general way that "His Majesty's Government had acquired large oil interests in Mexico and other countries," but we did not know that the $4,000,000,000.00 we loaned Britain was used to acquire these oil interests and to obtain a monopoly of the oil resources of the world.

> "This control (of world's oil supply) would enable us to exert such pressure as would make American industrial interests amenable to His Majesty's pleasure. But it would be unwise to make disciplinary use of our fuel power before we secure remission of our $4,000,000,000.00 debt. Otherwise, the American industrial interests might retaliate by forcing the United States Government to exact from us the agreed interest, to maintain tariff barriers against our merchandise, and to withdraw support from the rate of exchange, which would make our labor and resources for years pay tribute to this country (United States), an unnatural, unfilial, and unthinkable proceeding.
>
> "We are conducting a vigorous campaign for the cancellation of this war debt, on the grounds (a) that we fought America's fight for her for 2 years, while she was prospering in cowardice; and (b) that at least the material burdens should be distributed justly, if the world is to be made safe for democracy. Synchronously with this agitation for the remission of our debt, we are agitating for further loans of American money to rebuild our markets in Europe ... In these agitations we are receiving valuable, if not wholly disinterested, aid from our financial auxiliaries and fiscal agents."

If this is not treachery of the basest sort, what do you call it? They've got our money, used it to buy up the oil properties of the world, and are seeking to escape payment of it. When they have accomplished that, they propose to make "disciplinary use of our fuel power in order to make American industrial interests amenable to His Majesty's pleasure." They add insult to injury by the statement that

> "We fought America's fight for her for 2 years while she was prospering in cowardice."

And the grounds here stated are the grounds upon which they are seeking to cancel their debt to us,—leaving out of course the word "cowardice."

> However, we are quietly continuing our work in Mexico until the United States Government shall be put in a position to take it over. An American war with Mexico would cost us nothing; it would satisfy certain American industrial interests; it would guarantee our title to the Mexican oil fields; it would humble, by impoverishing, this purse-proud people; it would give us an opportunity to show the American that he —isolated in the world—needs our protection against our ally, Japan; and while America was busy warring we would enjoy a clear field in the European, African, and Asiatic trade, together with the monopoly of the markets of a South America hostile to the Monroe Doctrinaries of democracy. For these reasons our press is fully reporting Mexican outrages, but a

> strange apathy seems to have fallen on the people, an apathy from which only border raids or special atrocities will arouse them."

Thus it appears that Britain has been seeking to promote war between us and Mexico because it would "cost us nothing .. . it would guarantee our title to the Mexican oil fields ... it would humble, by impoverishing, this purse-proud (American) people; it would give us an opportunity to show the American that he—isolated in the world—needs our protection against our ally, Japan."

> "Below that level, imperial unity cannot be securely established upon the debris of the Constitution here (in America). We will not passively permit this unity to be now menaced when it is all but perfect. Has not America, while still maintaining an outward show of independence, yielded to our wishes in the Panama Canal tolls and Canadian fisheries' disputes, as was fitting and filial? Was not America happy to fight our war in Europe? Was not America, like Canada, willing not only to pay her own war expenses but also to loan us money for ours? Was not America, like Canada, content to seek nothing in return for her war duty, so long as the mother-land was completely indemnified in Egypt and the rest of Africa, in Persia, Mesopotamia, Syria, and elsewhere? Was not America as proud to be honored by knighthood and lesser titulary distinctions, as Canada was, or, rather, more proud? Has not President Wilson canceled the big Navy program and dutifully conceded to us the command of the seas, confident that we shall defend America against all future foes that may threaten our supremacy, just as we defended America and Canada, against Germany?"

Alas, all of these achievements have been accomplished. They have been sugar-coated in such way that our people did not know they were serving the purposes of the British, but thought that they were doing the right thing.

> "But I regret to inform you that our Committee on American Elections has reported (Appendix 38) that no matter how lavishly we finance the next election, the Wilson administration will pass, and with it, perchance, that absolute administrative control over the Legislature, which has meant so much to us. Willful, wanton, and wicked men will unite in the next election with labor and those industrialists whose profit-patriotism ratio has been allowed to fall below the threshold of loyalty to imperial unity. These combined forces of disorder will seek to elect a Legislature which will attempt to make the administration responsible to it, instead of to us and our auxiliaries, and will strive to rend the bonds which bind this colony to the mother-land, for the sole, selfish, and seditious purpose of

erecting a separate, national, economic unit independent of us—and even, perhaps, competing with us. We must, therefore, hasten to remove from this Legislature, with the aid of our supporters here, such of its powers as could be used against imperial unity.

"In other words, we must quickly act to transfer its dangerous sovereignty from this colony to the custody of the Crown. We must, in short, now bring America within the Empire. God helping us, we can do no other. The first visible step in this direction has been taken; President Wilson has accepted and sponsored the plan for a League of Nations which we prepared for him. We have wrapped this plan in the peace treaty so that the world must accept from us the League or a continuance of the war. The League is in substance the Empire with America admitted on the same basis as our other colonies."

And so the British Government has a "Committee on American Elections" and they finance these elections even "lavishly" where there is a chance to win; otherwise they refuse to put up the money. They can afford to spend money "lavishly" for they are playing for high stakes, viz: to cancel a $4,000,000,-000.00 debt and to save the tottering Jewish-British Empire. This financing is obviously done through "our broker" (N. M. Rothschild & Sons). We do not know with certainty who compose the "Committee on American Elections," but I think I can name three of its members, viz: "Sir" Thomas W. Lamont, Sir William Wisemann, and Sir (?) B. M. Baruch. Unfortunately for the schemes of these conspirators, the democratic party was thrown out of power, and unfortunately for them also, Congress refused to ratify the League of Nations.

Their intimate knowledge of President Wilson and his weaknesses, and of the best method of approach, is uncanny:

"Our best policy, therefore, would be to appoint President Wilson first president of the League . . .

"He is easily slighted and remarkably vindictive. It is the highest degree desirable that any traces of resentment his mind may be harboring against us should be radically removed before he returns. I would, therefore, suggest that the work of adulation planned in appendix 32 should be intensively continued. The adulators, however, should be instructed to consult the inventories I have prepared (appendices 45-83), which show that he is now surfeited with diamond stomachers, brooches, and bracelets, Gobelin tapestries, mosaics, and vases, gold caskets, and plates . . .

"The pressing need of our embassy at Washington is not

so much an ambassador as a gentleman in waiting to the President.

"I would suggest that his powers as President of the League of Nations be left undefined for the present. He may be trusted to assume what power he can and to use it in the interest of the Crown.

"A grant of a privy purse of $100,000,000 would prove most acceptable to him, and would be useful for private espionage, private wars, Siberian railroads, etc. His appointment should be for life, and you might definitely promise him that any instruction he may care to convey concerning his successor will receive the most careful attention of His Majesty's Government . . .

"No one understands this peculiarity (hero worship) of the native behavior better than Mr. Wilson, which accounts largely for his exceptional usefulness to us. He knows that Americans will not scrutinize any performance closely, provided their faith in the performer has been adequately established. Mr. Wilson has since made the transfer amid American acclamation. In the same way he will now be able to satisfy them that far from surrendering their independence to the League they are actually extending their sovereignty by it."

They made the naive suggestion:

"I would suggest that as soon as the President is settled once more in the White House, the visit should be returned by His Royal Highness, the Prince of Wales, who would be an admirable representative of His Royal Sire, and would satisfy President Wilson's sense of fitness. It is parhaps unfortunate that there is not a Presidential daughter of the Prince's age, for such a union would have greatly advanced our purpose not only with the American people, but also with a President who feels that lese majeste should be punishable with 20 years' imprisonment, and who acts as if he considered his son-in-law, Mr. McAdoo, as his heir apparent."

The Prince of Wales referred to is the present Duke of Windsor.

"Would you, however, kindly give instructions to the publishers of Whittaker Almanac, and of the Official Register to delete, in their next issue, from their list of British knights, the names of Sir John Biddle, Sir Tasker Bliss, Sir P. D. Lechridge, Sir Peyton March, Sir John Pershing, Sir Hugh Rodman, Sir William Sims, Sir Joseph Strauss, and the other American knights, as their inclusion in the 1919 issue has tended to shake the American faith in our Mr. Low's ingenuity."

I do not understand the reference to "Mr. Low's ingenuity." All of the "Sirs" listed here, including "Sir John Pershing,"

were knighted by the King of England and their names appear in the semi-official register which is Whittaker Almanac.

> "Nevertheless, it would be well quickly to reinforce him (President Wilson) in the presidency of the League of Nations by staging the first session of the League in Washington. This will convince these simple people that they are the League and its power resides in them. Their pride in this power should be exalted. Perhaps you, yourself, might condescend to visit this country. Or, if that be impracticable, you might send such noble statesmen, and stately noblemen, as will suffice to make of the first League session a spectacle of unsurpassed brilliance,"

This is Jewish ingenuity with a vengeance. They themselves are great advertisers and great hands to put on a show, and they think that "these simple people" (meaning Americans) will be over-awed by such a spectacle!

They give us a glimpse of the character of government we are to have when we become a dominion of the British Empire, or a member of the League of Nations, which they consider the same thing:

> "By these means we hope smoothly to overcome all effective opposition on the part of our colony, America, to entering the League—that is, the Empire. As soon as the League is. functioning properly, His Majesty, in response to loyal and repeated solicitation, might graciously be pleased to consent to restore to this people their ancient right to petition at the foot of the throne; to confer the ancient rank and style of governor general upon our Ambassador, that this colony may enjoy a status inferior to no other colony's; to establish the primacy of the metropolitan see, with the Right Reverend Dr. Manning as first primate; to appoint Mr. Elihu Root lord chief justice of the colony, and to nominate Messrs. W. H. Taft, Nicholas Murray Butler, J. P. Morgan, Elisabeth Marbury, Adolph Ochs, and Thomas Lamont to the colonial privy council; as a special mark of royal and imperial condescension, to rename the Federal Capital of the colony Georgetown, and lest section jealousy be thereby excited, to grant royal charters to the cities of Boston and Chicago entitling them thereafter to style themselves, respectively, Kingston and Guelf—concisely to bestow in time and in measure such tokens of the bounty of the Crown as the fealty of the colonists merit."

Mr. Roosevelt had his hand in bringing about this war, if he is not in fact the prime mover. It was his purpose to bring about a League of Nations. He has frequently stated that he would assist in writing the peace treaty. The "United States of Europe" is none of our affair, but a League of Nations in which

we are a member is a matter of importance to us. The League of Nations would probably begin as a British Empire and it would inevitably end as a Jewish Empire.

> "The object of Cecil Rhodes is almost attained. The day prophesied by Mr. Carnegie is near at hand, the day when the American Colonies will be in all thinge one with the mother-land, one and indivisible. Only the last great battle remains to be fought—the battle to compel her acceptance of the terms of the League of Nations. I have frankly stated the difficulties which confront us, and the vital necessity of the League to the British Nation."

These two huge foundations, viz: the Carnegie and the Rhodes, were established for the avowed purpose of destroying our government and re-establishing our status as a dominion of the British Empire. But far more menacing than that fact is the fact that it is also the secret purpose of the managers of the Rothschild money trust.

The prime objective on the part of the conspirators who brought about the present war, was to establish the League of Nations. The prime object of President Roosevelt was to be president of this League. If it had been established he would undoubtedly have gotten the job. He met the requirements of the protocols far better than President Wilson who was slated for it, for Wilson was an idealist with a sense of right and wrong. These characteristics are utterly foreign to Roosevelt's nature; he is a "diplomat" who rules by "cunning and make-believe." A life tenture at $100,000,000.00 a year is an attractive prospect for him and his thrifty family.

So far as the facts stated in the alleged House letter are known to me, they are true. I do not know whether the Morgan firm financed the building of the Japanese Navy, nor do I know whether the British used the $4,000,000,000.00 we loaned it, in acquiring an oil monopoly. These are facts, however, that can be easily proven if true, or disproven if untrue.

The letter quoted contains too much truth and the truth is too important to us to reject it on the mere ground that the author is unknown. It is, I submit, an authentic letter and it contains the authentic, well defined plan of the conspirators for the destruction of our government. If its statements are true, every man engaged in this conspiracy should be prosecuted and punished for high treason, the penalty for which is death and confiscation of property. Such prosecution may save the lives

and fortunes of millions of innocent men and women.

There is a Rothschild Money Trust. It has grown in magnitude and power ever sinec it was established in 1812. It threatens the destruction of our government and of our civilization. The Jewish author of the alleged House letter was the representative of this Trust and thoroughly understood its plans and objectives and the best method of accomplishing them. It now controls the British Empire and the American Government. It must be destroyed or we lose our freedom.

> We are indebted to Congressman J. Thorkelson of Montana (whom they defeated), for the publication in the Congressional Record of the so-called "House letter." He stoutly-insisted upon its publication in the face of strong democratic opposition.
>
> Congressman Thorkelson states that this letter was first published in the "Geneva Hearings" and later by the Washington Pub. Co., but he does not understake to name the real author of it. No Jew would subscribe his real name to such a revealing letter; they are all too slick to commit such an indiscretion.

XXXIV.

Slavery

> "The flooding of the United States with cheap coolie labor will reduce wages, thus gradually making it more difficult for the man in ordinary circumstances to spare enough money to support his children during the time they should be in school, and thereby making it necessary for children's education to be reduced to the level of the children of the poor in England, which would tend in a very short time to make for a sharp class distinction or 'illiterate rabble.' This latter class is regarded as very desirable in England, as the more ignorant the lower classes, the more easily they are controlled." From Congressional Record, Aug. 21, 1940, p. 16378.

The text quoted above could very well have been taken from the protocols or the Talmud, for it contains the philosophy of both, viz: the enslavement of the people. It is, however, a quotation from an article by Lillian Scott Troy, published in The San Francisco Leader in February 1912, and re-published by Congressman J. Thorkelson in the Congressional Record.

The author states that it is in substance a quotation from a "book written by Lieutenant Colonel Lowther, military secretary and official mouthpiece of the Duke of Connaught." It is a frank explanation of the sordid poverty that now prevails in England and that has existed since the enactment of the Peel amendment and the repeal of the Corn laws (tariff) in 1844. This was the date the Rothschilds obtained control of the economic welfare of the people of England through the Peel amendment.

The reader should note the fact that "sharp class distinction or illiterate rabble" have been produced in England designedly. They are in fact the direct result of banker controlled prices and wages, free labor and free trade. The fact should also be noted that this poverty is regarded as "very desirable" by the Jewish plutocrats in England for the reason that "the more ignorant the lower classes, the more easily they are controlled."

We have the same powerful forces at work in this country, viz: banker control of our economy and free labor and free trade, called internationalism. These forces are producing precisely the same results that they have produced in England, and for precisely the same purposes. These results represent the philosophy of Morgan & Co., Kuhn, Loeb & Co., Franklin D.

Roosevelt, and Wendell Willkie. They represent the philosophy of the Jew Deal and the objectives of the Jew Deal Administration. It is the common purpose of all of them to elevate themselves and to enslave the people through poverty.

We have burdened ourselves with a debt of $15,000,000,000 and have entered the war through the back door to save this brand of "democracy," viz: a democracy that exalts the rich and oppresses the poor. Our plutocrats are seeking to restore our country to the British Empire in order that they may become lords, barons, counts, and sirs, and that the mass of the people may be the "illiterate rabble" and consequently "the more easily controlled."

Unfortunately, the election of Mr. Willkie promises no relief. The Jew press applauded his statement to the effect that he could not promise much hope, that we must all make sacrifices, and that we must recover the ground we have lost "the hard way." It can't be done. His acceptance speech was a ratification of the New Deal, including deflation, its reciprocal trade treaties, its conscription of an army in peacetime, and its gift of fifty of our destroyers to the British. He appears to be only a dummy candidate in order to insure the election of Roosevelt.

Messrs. Willkie and Roosevelt, however, do not themselves propose to travel "the hard way." The greatest achievement of Wendell Willkie is that he sold his power plants to the Jew Deal Administration at an exorbitant price, to-wit: $76,000,000, and that he resigned an annual salary of $75,000 to become a presidential candidate.

The Roosevelt Administration has been distinguished by the fact that it has been an exceedingly profitable one to the Roosevelt family. The Chicago Tribune estimates that the President and his family have made $2,750,000 during his seven years in office. (It would be interesting to know how much of that has been paid out in income taxes.)

Both President Roosevelt and Wendell Willkie are second-rate New York lawyers. They both appear, however, to have been first-rate promoters. They are both presidential candidates hand-picked for us by the Rothschild interest. It is not of much consequence to the Rothschilds or to the British plutocracy which one is elected, for their interests will be safe with either.

The chances are that they prefer Roosevelt because he is the smarter of the two.

The leading feature of Willkie's acceptance speech was his challenge to Roosevelt to debate. What issue? Not the tariff issue; they stand together on that. Not the destruction of the Rothschild control of our economy (which is the most important issue) ; they stand together on that. Not "taxing, lending, and spending"; they stand together on that. Not internationalism; they stand together on that. Not conscription; they stand together on that. Not the gift of our destroyers to Great Britain; they stand together on that. Not the issue of intervention in the present war; they stand together on that.

Apparently the only issue between them is which one can best administer the New Deal, which, interpreted, means which one can best serve the Rothschild interest, Roosevelt has made a pretty good job of it and there appears to be no valid reason for the Rothschilds to want a change. Indeed, it is doubtful if there will be, because if Mr. Roosevelt finds that he will likely be defeated he will declare the election off, and will be supported by his Attorney General, our democratic representatives in congress, and Willkie will accept the situation with good grace.

Mr. Willkie is reported to have said that he did not desire the support of Father Coughlin or of any other anti-Semitic. This Willkie is not worthy to touch the hem of Father Coughlin's garment. Father Coughlin is everything that Willkie is not, and Willkie is everything that Father Coughlin is not. The difference between them is the difference between daylight and darkness, between a bold patriot and a time-serving politician, between a man who seeks to elevate the masses and one who is willing to serve the selfish interests of the classes.

I appeal to the members of Congress: Many of the facts stated in these pages are probably unknown to you, but as far as you know them you must know that they are true. The facts you do not know are also true. You may wish to ignore the "House letter," but it contains too much truth to permit you to do so. You should resolve any doubt you may have regarding it, in favor of your country. You have been mis-led by the Jew press and by lies and subterfuges, but it is not too late to correct your errors.

The people have elected you to represent them and they look to you for guidance. If you fail them, if you permit the destruction of our government, you are traitors to your duty and to your country. You will be hated by your constituents and despised by the men who have used you. I appeal to the red-blooded Americans among you, of both parties, to get together and organize a party that stands for America and the American people, and against war and internationalism; and to nominate true American candidates for president, senators, and congressmen. Such a ticket will sweep the country.

I appeal to the American people to support your ticket. In the last analysis it all gets back to us, the people. Do we intend to surrender our liberty without a protest and without a fight? It is within our power to redeem our government by the ballot, and without bloodshed and revolution. We know that the election of either Roosevelt or Willkie means war and a dictatorship, and probably the submerging of our government into the British Empire. Shall we permit Roosevelt and Willkie and Morgan & Co., Kuhn, Loeb & Co., and the Rothschild trust to take over our government?

We must throw off the shackles that bind us. We must defeat our subservient congressmen. We must support any man, no matter upon what ticket, who stands for America. We must put country above party. We have the chance to save ourselves and our country in the election in November,—and this may be our last chance.

How long, oh how long, will we stand for the corrupt rule of the Rothchild trust through the two political parties? WAKE UP, AMERICANS, before it is too late!

APPENDIX I.

Protocol No. 7

"The intensification of armaments, the increase of police forces—all essential for the completion of the aforementioned plans. What we have to get at is that there should be in all the States of the world, besides ourselves, only the masses of the proletariat, a few millionaires devoted to our interests, police and soldiers.

"Throughout all Europe, and by means of relations with Europe, in other continents also, we must create ferments, discords and hostility. Therein we gain a double advantage. In the first place we keep in check all countries, for they well know that we have the power whenever we like to create disorders or to restore order. All these countries are accustomed to see in us an indispensable force of coercion. In the second place, by our intrigues we shall tangle up all the threads which we have stretched into the cabinets of all States by means of the political, by economic treaties, or loan obligations. In order to succeed in this we must use great cunning and penetration during negotiations and agreements, but, as regards what is called the "official language," we shall keep to the opposite tactics and assume the mask of honesty and compliancy. In this way the peoples and governments of the goyim, whom we have taught to look only at the outside whatever we present to their notice, will still continue to accept us as the benefactors and saviours of the human race.

"We must be in a position to respond to every act of opposition by war with the neighbors of that country which dares to oppose us; but if these neighbors should also venture to stand collectively together against us, then we must suffer resistance by a universal war.

"The principal factor of success in the political is the secrecy of its undertakings; the word should not agree with the deeds of the diplomat.

"We must compel the governments of the goyim to take action in the direction favoured by our widely-conceived plan, already approaching the desired consummation, by what we shall represent as public opinion, secretly prompted by us through the means of that so-called "Great Power"—the Press, which, with a few exceptions that may be disregarded, is already entirely in our hands.

"In a word, to sum up our system of keeping the governments of the goyim in Europe in check, we shall show our strength to one of them by terrorist attempts and to all, if we allow the possibility of a general rising against us, we shall respond with the guns of America or China or Japan.

APPENDIX II.

"Funeral Oration"
The Fatal Discourse of Rabbi Reichhorn

["(In its issue of 21 October, 1920 (No. 195) La Vieille France published an extremely important Russian document in which the following passage occurs:

" 'There is a striking analogy between the Protocols of the Elders of Zion and the discourse of the Rabbi Reichhorn, pronounced in Prague in 1869 over the tomb of the Grand Rabbi Simeon-ben-Ihuda, and published by Readcliffe, who paid with his life for the divulgation. Sonol, who had taken Readcliffe to hear Reichhorn, was killed in a duel some time afterwards. The general ideas formulated by the Rabbi are found fully developed in the Protocols,' (which were published about 35 years later).

"In its issue of 10 March, 1921, (No. 214) La Vieille France gives the version of this funeral oration which was published in La Russie Juive. It is perfectly clear that the funeral oration and the Protocols of the Elders of Zion come from one and the same mint. Both are prophetic; and the power which made the prophecies has been able to bring about their fulfillment. There can no longer be any doubt as to whose is the power which is disturbing the world, creating World Unrest, and at the same time reaping all of the profits. Jewry is enslaving all Christian peoples of the earth. There IS a Jew World Plot and it now stands finally and completely unmasked).]

"1. Every hundred years, We, the Sages of Israel, have been accustomed to meet in Sanhedrin in order to examine our progress towards the domination of the world which Jehovah has promised us, and our conquests over the enemy, Christianity.

"2. This year, united over the tomb of our reverend Simeon-ben-Ihuda, we can state with pride that the past century has brought us very near to our goal, and that this goal will be very soon attained.

"3. Gold always has been and always will be the irresistible power. Handled by expert hands it will always be the most useful lever for those who possess it, and the object of envy for those who do not. With gold we can buy the most rebellious consciences, can fix the rate of all values, the current prices of all products, can subsidize all State loans, and thereafter hold the states at our mercy.

"4. Already the principal banks, the exchanges of the entire world, the credits of all governments, are in our hands.

"5. The other great power is THE PRESS. By repeating without cessation certain ideas, the Press succeeds in the end in having them accepted as actualities. The Theatre renders us analogous services. Everywhere the Press and the Theatre obey our orders.

"6. By the ceaseless praise of DEMOCRATIC RULE we shall divide the Christians into political parties, we shall destroy the unity of their nations, we shall sow discord everywhere. Reduced to impotence, they will bow before the LAW of OUR BANK, always united, and always devoted to our Cause.

"7. We shall force the Christians into wars by exploiting their pride and their stupidity. They will massacre each other, and clear the ground for us to put our people into.

"8. The possession of the land has always brought influence and power. In the name of social Justice and Equality we shall parcel out the great estates; we shall give the fragments to the peasants who covet them with all their powers, and who will soon be in debt to us by the expense of cultivating them. Our capital will make us their masters. We in our turn shall become the great proprietors, and the possession of the land will assure the power to us.

"9. Let us try to replace the circulation of gold with paper money; our chests will absorb the gold, and we shall regulate the value of the paper which will make us masters of all the positions.

"10. We count among us plenty of orators capable of feigning enthusiasm and of persuading mobs. We shall spread them among the people to announce changes which should secure the happiness of the human race. By gold and by flattery we shall gain the proletariat which will charge itself with annihilating Christian capitalism. We shall promise workmen salaries of which they have never dared to dream, but we shall also raise

the price of necessities so that our profits will be greater still.

"11. In this manner we shall prepare Revolutions which the Christians will make themselves, and of which we shall reap the fruit.

"12. By our mockeries and our attacks upon them we shall make their priests ridiculous then odious, and their religion as ridiculous and as odious as their clergy. Then we shall be masters of their souls. For our pious attachment to our own religion, to our own worship, will prove the superiority of our religion and the superiority of our souls.

"13. We have established our own men in all important positions. We must endeavor to provide the Goyim with lawyers and doctors; the lawyers are au courant with all interests; doctors, once in the house, become confessors and directors of consciences.

"14. But above all let us monopolize Education. By this means we spread ideas that are useful to us, and shape the children's brains as suits us.

"15. If one of our people should unhappily fall into the hands of justice amongst the Christians, we must rush to help him; find as many witnesses as he needs to save him from his judges, until we become judges ourselves.

"16. The monarchs of the Christian world, swollen with ambition and vanity, surround themselves with luxury and with numerous armies. We shall furnish them with all the money their folly demands, and so shall keep them in leash.

"17. Let us take care not to hinder the marriage of our men with Christian girls, for through them we shall get our foot into the most closely locked circles. If our daughters marry Goyim they will be no less useful, for the children of a Jewish mother are ours. Let us foster the idea of free love, that we may destroy among Christian women attachment to the principles and practices of their religion.

"18. For ages past the sons of Israel, despised and persecuted, have been working to open up a path to power. They are hitting the mark. They control the economic life of the accursed Christians; their influence preponderates over politics and over manners.

"19. At the wished for hour, fixed in advance, we shall let loose the Revolution, which by ruining all classes of Christianity, will definitely enslave the Christian to US. Thus will be accomplished the promise of God made to His people."

Friday, August 8, 2014

Meet Julian Assange, Limited Hangout Artist

Julian Assange created waves when he appeared a few ago threatening to expose secrets of the oppressive statist governments which rule the world. It turns out that he is nothing more than a limited hangout artist sponsored by the Rothschilds.

We admitted that we were quietly optimistic that Assange would reveal enough information to awaken Americans from their endless, hopeless, stupor, but we were disappointed. We were also disappointed that more revelations were not forthcoming from the self styled renegade intelligence connoisseur. However, we finally discovered his links to the Rothschilds, dispelling the mists of optimism for truth telling.

An interesting video published by TheGetjiggy on YouTube reveals the connections of Assange to Jewry and the Satanic Rothschilds. In a remarkable moment of candor and truth telling, the video refers to Evelyn Rothschild as "This piece of shit" earning our confidence about his story.

The producers document the elite and powerful Rothschild owned law firm Fox Rothschild, LLP as the firm which owns the United State Senate which in fact obeyed Rothschild's demands to deliver TARP funds to bail out Rothschild financial interests in the wake of the planned Lehman Brothers attack in 2008.

So after a lot of rambling, the producers show that Jemima Kahn, who through lineage is a Goldsmith, which family is tightly intertwined through marriage to the Rothschilds, used the Fox Rothschild law firm to over turn a ruling from a British judge to shutdown Assange's website leaking information.

At the same time, the Rothschild owned *The Economist* gave its New Media Award to Assange in 2008. Also, Mark Stephens of Finers Stephens Innocents, an advisor to the Rothschild firm Waddesdon Trust, was lawyer for Assange.

And to tie it all up, we have learned from *Veterans Today* that Julian Assange is a great admirer of genocide artist, murderer, and butcher Benjamin Netanyahu. So we have Rothschild family and agents defending Assange, and Assange who is a great admirer of an Israeli mass murderer who is head of state of the Rothschild colony of Israel. It seems that the circle is unbroken.

One of the interesting points of the Assange affair is the degree to which the Rothschilds have access to American - indeed worldwide - government secrets and cables. Assange was sent forth to put all governments on notice, particularly the American, who was boss, and one of those oligarchs is Evelyn Rothschild.

The other point of the Assange affair was to create a fake hero of the people, to throw them a bone to satisfy their outrage at the criminal enterprise which is the Rothschild Empire. This wicked web of satrapies is served by a skein of constituents including the Rockefeller Nazis and Bush Crime Syndicate, to name just a very few.

At the end of the day, Assange was a messenger to world leaders to instruct them to fall into line, especially the Americans. And so they did when they passed TARP, and have ever since.

http://theamericanchronicle.blogspot.com/2014/08/meet-julian-assange-limited-hangout.html

The Rothschild Dynasty





By the author of
The Committee of 300

Dr. John Coleman

Dr. John Coleman, author of The Committee of 300, tells how Mayer Amschel, the founder of the"Red Shield"dynasty acquired his first fortune. It is a far cry from the myths and legends that still surround the man who began as a rag and bone merchant and pawnbroker, working out of a small house on Judenstrasse, Frankfurt on the Main, Germany, where he lived with his wife and family.

The events attributed to history are often caused by a "hidden hand" pulling the strings of kings, princes and potentates from behind the scenes. The phenomena is explained and the legends that have grown up around the Rothschilds are demolished by this book that also reveals the Rothschild's intriguing that brought down men like Napoleon and Tsar Alexander II of Russia. Legends has it that Mayer Amschel Rothschild's "genius and financial skills" were inherited by his sons, but the truth is quite a different story, as Dr. Coleman makes very clear in this well documented account that goes far beyond the best known legends cloaking the true character of the family.

Exactly how Mayer Amschel Rothschild "stuck it lucky" and the steps he took that brought the family from obscurity to "virtual rulers of all Europe," makes fascinating reading.

This outstanding book is not only about the past, it is also about the present and the future. It will help to explain many of the events that perplex the ordinary people like the war in Iraq and the war threats against Iran.

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FOREWORD

The Rothschild family generally taken to mean the father and his five sons is truly a story of opportunity seized; a determined will to carry out its gains and its entry into a world of the aristocracy that did not want them. Some might consider it effrontery to talk about the huge fortune that fell into the hands and the control of Mayer Amschel Rothschild as an "opportunity," while others regard it as nothing less than misappropriation of funds entrusted to his care, hardly an "opportunity" in the generally accepted meaning of the word.

Nevertheless, for Mayer Amschel it was a godsend that lifted him out of a life of pawn-broking and selling second-hand goods, to the highest echelons of power, a remarkable achievement when one considers the history of the period, in which Jews were constrained by many civil laws designed to act as a permanent barrier between them and the people of the principalities and nations in which they lived. Class distinction was another huge barrier, which would have been daunting for even a non-Jew who was not a part of the ruling aristocracy.

Mobility of classes was unheard of and separation was harsh and strictly enforced, especially in Frankfurt on the Main, Germany, where the Rothschild dynasty began its remarkable history. Mayer Amschel Rothschild had little if any formal education; his family did not have a motto, but what he did have was tenacity of purpose and a strong belief in his religion. His was a bourgeois home, an "alien" home in the alien ghetto of Frankfurt.

Through guile, and what some unkind critics called "innate cunning," Mayer Amschel Rothschild reached right into the heady world of aristocratic families who shunned him, and who indeed, despised him. But for the "good fortune" (or "misfortune" — depending on which side one is on) of meeting

the Landgrave of Hesse, Mayer Amschel Rothschild would have remained an obscure pawnbroker and peddler of rags and bones for the rest of his life. It was not necessary for him to identify himself as a Jew, of which descent he was proud, nor did Mayer Amschel ever attempt to hide his origin. On the contrary, he was proud of it, even in the face of relentless opposition to the Jews of Frankfurt, which extended to all the nations of Europe.

England, the most "civilized" of European nations as history will have us believe, was particularly fierce in its opposition to Jews. Even its leading figures, educated men, were not averse to referring to Jews in the most unflattering of terms. For instance, Lord Gladstone often referred to Disraeli, the "valet" of the Rothschilds, as "that loathsome Jew" according to Gladstone's biographer, Edward Freeman. Bishop Wilberforce called Disraeli "an Eastern Jew" in an unflattering manner. Bismarck called him "the Hebrew conjurer" and Carlyle labeled him as "the absurd Jew boy."

I mention these things as examples to show what tremendous odds were faced by Jews, even the educated among them who aspired to power in the business and financial world of the 18th and 19th centuries. Some historians and writers charge that the Rothschilds fabricated their history and their achievements to ascend to power. Their compelling presence has made a vast difference to history and it can be rightly proclaimed that no major event in the political and economic life of the nations of Europe did not somehow or somewhere involve the Rothschilds, even though deeply hidden and however indirect it may have been.

In the minds of many, the Rothschilds will always be associated with immense wealth, but it is the power, brought by that wealth, which is not as well recognized as it ought to be. For the Rothschilds did not seek a vast fortune just to be able to live a life of ease. They sought wealth for what it would bring in the way of control of the leading power brokers of all nations, through whom they exercised control of nations, which extends even to this day. The Rothschilds did not live in a vacuum; rather they affected millions of lives. Lionel Rothschild liked to think of himself as unique, and perhaps this is true. It is true that like his brothers, he was uniquely rich, but how rich was never made

public. One thing is not true; the Rothschilds did not make a fortune out of inflation of the currency of the nations among whom they lived. There are no real benchmarks to guide us into the true character of the members of the Rothschild family and what drove them to an obsession with money and insatiable appetites for power.

For the most part we are left to guess at what went on in the minds of this powerful family who were determined to become the hidden rulers of Europe and Great Britain, and indeed, the world. It was not that they were aided by good looks or a pleasing manner of speech like the natural attributes of the Irish race. On the contrary, they were by all accounts distinctly ugly in appearance and coarse in manner. Meyer Amschel spoke in guttural Frankfurt Yiddish, a mixture of Polish and German with expressions drawn from the Hebrew language.

The education he gave his children did not extend beyond the rudimentary synagogue school they attended. Intellectualism was in any case prohibited to the Jews of Frankfurt who were not allowed to share in the Age of Enlightenment that swept Europe.

Mayer Amschel remained true to the instructions of the Talmud and honored all of its traditions, instructing his children to do likewise. He in no way altered his life style once fame and fortune was his. The clothes he and his sons wore were often worn until threadbare.

There are very unkind references to this fact in many of the papers and documents in the British Museum, some of them highly derogatory. It is alleged in one account by Cherep-Spiridovich that Mayer Amschel never changed his underwear and wore the same garments "until they fell off him." Writers like John Reeves, Demachy and Spiridovich conclude, in the words of the latter, that to the "political phases of this sinister and fatal family could be attributed at least one half of the all the bloodshed and calamities that have befallen the nations since 1770."

Others, like the Editor of the Chicago Tribune who knew something was going on, but could not put names to it, wrote on July 22, 1922:

> Our statesmen are children compared with theirs. A foremost place in world affairs is offered us time and again. It is thrown into our laps, and through plain stupidity, we reject it.

The question is: "Did we reject it, or did some hidden force prevent us from seizing the initiative?" Nietzsche, the German philosopher in his work The Dawn of Day wrote:

> One of the spectacles which the next century will invite us to witness is the decision regarding the fate of the Jews. It is quite obvious now that they have cast their die and crossed the Rubicon; the only thing that remains for them is to either become the masters of Europe or to lose Europe, as they once lost Egypt, where they were confronted by similar alternatives. . . Europe may some day fall into their hands like ripe fruit, if they do not clutch it too eagerly.

Those who have researched Nietzsche say he was referring to the Rothschilds, but I could find no evidence to back up this claim, although it would seem to fit the pattern of that famous family.

Many of their secrets remained totally hidden and may never be revealed. The frustration with such secrecy is revealed in the words of the French statesman, Lamartine:

> We wish to break every kind of yoke, yet there is one that is unseen, yet weighs on us. Whence comes it? Where is it? No one knows, or at least, no one tells. The association is secret even for us, the veterans of secret societies.

The French Minister for Foreign Affairs, G. Hanotoux wrote in 1878 of this hidden hand as a "mysterious force ruling politics and muddling the cards of diplomacy."

Many of these mysteries were fully cleared up by Disraeli in his novel Coningsby, which was but a thinly veiled account of the doings of the Rothschilds. Disraeli had to disguise

many of the facts as fiction, lest the wrath of men should explode upon the revelations it contained. "Sidonia" was undoubtedly Lionel Rothschild and Coningsby, but a fictionalized account of his deeds:

> When he was nineteen, Sidonia who had then resided with his uncle at Naples, made a long visit to another of his father's relatives at Frankfurt. Between Paris and Naples, Sidonia passed two years. It was impossible to penetrate him. His frankness was strictly limited to the surface. He observed everything, though over-cautious, but avoided serious discussion. He was a man without affection.

Karl Rothschild lived in Naples, and Mayer Amschel lived in Frankfurt, so it does not take much to conclude, that "Sidonia" was Lionel Rothschild, and thus concluding, we obtain from Coningsby, one of the best and most accurate detailed accounts of the Rothschilds and their rise to power possibly ever written.

The Rothschild Dynasty Note of Explanation

Please note that sources and references are mentioned in the text. I felt that this would make reference easy and obviate having to search through a separate list of notes, with a loss of continuity.

In this I have followed the method and style of several authors of the Victorian era who found it the best way to continue with the narrative without the necessity of having to stop and consult and find the particular source. I hope that you too, will find this method easy to follow rather, than the traditional method.

One other important point: I want it to be understood that this work should not and cannot be construed as "anti-Jewish" or "anti-Semitic." It is neither. Rather it is a factual account of a family that happened to be Jews, and who themselves, made no secret of it. To write otherwise, would be like attempting to write an account of the Zulu King Chaka, with out saying that Chaka was a black African king.

CHAPTER 1

HOW A RAG AND BONE MERCHANT BECAME ONE OF THE RICHEST MEN IN THE WORLD

There is probably no name in international banking as well known as the Rothschild name, and yet so little of the true history of this family is known. There are many legends, myths and fanciful tales, but not much of the true character of this family, that changed the course of history who bought and sold statesman, kings, dukes and bishops, as if they were mere commodities, to be cast aside like worn out shoes and old clothes when they had served their purposes. The family is said to have caused revolutions, wars and upheavals that altered the face of Europe, the Far East and the United States, forever. The purpose of this book is to explore the Rothschild history and to come to grips with what their plan was for the world. The Rothschilds are Jews, a fact they never sought to conceal or downplay.

Throughout history, from India to Babylon to Palestine in ancient times, money matters have always been principally the trade of the Jews. In the money markets of Frankfurt, London, New York and Hong Kong, the Jewish financier predominated. By 1917 they were strung out across the world. On the stock exchanges of London, Paris and New York, Jewish brokers are the back bone of the business. The movement of precious metals, diamonds and currency throughout the world has always been under Jewish control. We recite these facts as facts in themselves and not to in any way infer anything derogatory. The Jews themselves admit to this. When preparations were being made by Britain to wage war against Germany in 1910, the international Jewish

financiers were stationed in key locations, -- and at the head of international financing around the world stood the Rothschilds and their associated banking houses. In France it was Rothschild, Fould, Camondo, Pereira and Bischoffheim; in Germany, Rothschild, Warschauer, Mendelssohn, Bleichroder; in England, Sassoon, Stern, Rothschild and Montague; ~ in the Far East it was Sassoon; in Russia it was Gunzburg; in the United States it was J.P. Morgan, Kuhn Loeb and Co., Seligman and Co., Speyer and Co., Warburg and Lazard Freres.

Above all, dwarfing and overshadowing them was the House of Rothschild. Critics of the Rothschilds say that Morgan and Kuhn Loeb were merely fronts for the Rothschilds, and that all of the famous banking houses were affiliated with the Rothschild banks.

These banking houses weathered many storms due to their cautious approach to speculation and their close brotherhood and kinship to the Rothschilds and each other. The founder of the House of Rothschild was Mayer Anselm Bauer (Rothschild), the son of Anselm Moses Bauer, a merchant of Frankfurt. The father sold new and used goods and old coins, and did pawn broking under the sign of a red shield, from which the name Rothschild, German language for red shield, evolved. Rothschild became their adopted and official family name. The business was located on Judenstrasse, quite literally "Jew Street" in a ghetto in Frankfurt, numbering about 550 families.

Mayer Amschel (Rothschild) was born in 1743. The family had been in Frankfurt for generations, indeed there is a record in the British Museum that they dated back to the beginning of the 16th century. By the 18th century they were quite a large group.

I identified twenty antecedents of Mayer Amschel, the eldest of three sons whose parents were in the business of dealing in money, both buying and selling, in which he assisted from the age of ten. The small business was really a

type of foreign money-exchange since at that time Germany consisted of 350 principalities, each with its own currency. Apparently they were forbidden to follow the professions open to all non-Jews in Frankfurt. There is no doubt that Jews were subject to all sorts of restrictions, some of which were rather unjust. The family home was a mock-Gothic wooden hut where Mayer Amschel lived with his mother and father and three brothers until 1775, when a massive epidemic of smallpox swept Europe, taking the lives of both of Mayer's parents. Mayer's relatives enrolled him in rabbinical school at Furth. But he did not have the patience or the liking for the long years of study needed to qualify, and after three years at Furth, at the age of thirteen, Mayer Amschel struck out on his own.

One can only admire the courage it must have taken for one so young to take such a step. Proceeding to Hanover, the young man was given a small, insignificant "charity" job at the House of Oppenheimer's bank, where within six months of his arrival he was made an apprentice. It did not take him long to conclude that to succeed at banking, one needed the protection of one of the leading princes. After six years he left Hanover and went back to Frankfurt where he married Gudule Schnapper in 1770.

Mayer and Gudule (Gutta) occupied the first floor above a shop from where Mayer bought and sold new and used goods, as his father had done before him. Many items, such as pictures and furniture, were displayed on the sidewalk. This was the home, the starting place of the "barons of banking," who were to control the world's finances and great leaders, statesmen and kings. Gudule bore Mayer five sons. Discussions with his five sons were always around a "dirty wooden table," a description given by Spiridovich in Unrevealed in History, where the family gathered for meals and talks.

The distribution of the financial world among the sons was one of the favorite topics of discussion. Their father

talked about the four grandsons of Charlemagne, how the Emperors of the Romans had ruled the world and his vision for his sons. His five daughters were never included in such talks. Charles the Great (Charlemagne) (771-814) was a typical German, over six feet tall and a superb athlete who spoke Greek and Latin. He was King of the Franks and became the Emperor of Rome from 800-814 BC. Yet in spite of his veneration of Charlemagne, Mayer Amschel swore a violent hatred for all things of "Roma," which in later years he described as "the great foe of Bolshevism," according to Sir Alfred Mond in World Battle of the Jews. Samuel Gompers, writing in The Chicago Tribune of May 1, 1922 said of Bolshevism, in reference to Mayer Amschel:

> Nothing would constitute a more needless and base betrayal of civilization than the recognition of the Bolshevik tyranny. The policy of the German and Anglo-American bankers is the most dangerous element in the whole chain of Bolshevik efforts. The Bolsheviks funds amounted to millions of dollars.

The hatred displayed by Mayer might have sprung from the fact, that since 1762, Frankfurt on the Main had been the city of the election and coronations of the Holy Roman Emperors, something Mayer Amschel detested because he knew that the Catholic Church was an implacable enemy of the Bolsheviks. Some historians say that his hatred was directed to Russia, because it was the largest Christian nation in Europe and that under several of its rulers, Jews had endured many hardships and persecution.

Around the table, Mayer would warn his sons to keep their wealth in the family and never marry outside of it. He explained the Hebrew law of "neshek" meaning literally, "a bite," the word for interest and "how it was to be applied outside of, and not to, the Hebrews." Secrecy was to be paramount; no one outside of the family was ever to know

how much money they had. According to author John Reeves who in his book, The Rothschilds: Financial Rulers of Nations, quotes MacGregor, author of The Kahbalaha Unmasked:

> The five sons started in business in five European capitals, but were acting in concert with each other. The business of the Rothschilds since 1812 has been so immense, and the bonds linking the different members of the family together interwoven, that to unravel them appears to be well nigh hopeless. The success achieved by the founder was due to the disturbed state of the world. Mayer Amschel was a child of fortune equally with Napoleon.

Mayer Amschel had five sons and five daughters:

Anselem Mayer, born 1773 married Eva Hannau

Salomon Mayer, born 1774 married Caroline Stern

Nathan Mayer, born 1777 married Hannah Levi Barnet Cohen 1806

Karl, born 1788 married Adelaide Herz

Jacob (James), born 1792 married niece Betty, daughter of his brother Salomon, Anselem his oldest son, received the signal honor of becoming a member of the Royal Prussian Privy Council of Commerce, Bavarian Consul and Court banker.

It may not seem like anything of great moment today, where there is no class distinction, but the rigid cast system in operation at the time made it impossible for a "commoner" to hold such positions, always reserved for the titled classes, and Jews were expressly excluded from such

high office. Salomon Mayer was somehow able to force his way into the inner and most intimate circle of Prince Mettemich, the virtual ruler of Austria.

The five daughters got no shares in the business nor did they have any say in the running of it, in fact, being totally excluded. Mostly, they married under "arranged marriages." According to author John Reeves:

> The movements of the Rothschilds are carefully watched and are as important to the public as those of any Ministers. One enthusiastic enquirer was informed that it was impossible to name all the members of the family as a pedigree did not exist. (The Rothschild Financial Rulers)

At his deathbed, Mayer Amschel read from the Talmud and then compelled his children to swear a solemn oath that they would always stick together and never undertake to do anything separately, this according to Major General Count Cherep-Spiridovich, The Unrevealed in History and papers in the British Museum in London.

CHAPTER 2

MAYER AMSCHEL AND FIVE SONS MEET SINGULAR GOOD FORTUNE

While at the Oppenheimer Bank, Amschel had the singular good fortune to meet Lieutenant General Baron von Estorff, an aristocrat closest to the Landgrave of Hesse-Cassell, an extremely important family with an ancestry dating back hundreds of years.

In The Rothschild Money Trust by Armstrong, it is stated that the Landgrave was William IX: "He became a money lender and agent for William IX, Landgrave of Hesse-Cassel." The much decorated historian, soldier and writer, Count Cherep-Spiridovich describes it merely as "Amschel became the manager for the Landgrave of Hesse-Cassel."

It is said that Mayer did some service for von Estorff at the expense of Oppenheim bank, the exact details of which are not known to this day.

According to my research in the British Museum, the approach was first made through the financial adviser to Wilhelm, one Karl Budurus: "Rothschild, similar in their ambitions, formidably tenacious, patient and secret, had a meeting of the minds and decided to enter into an arrangement of mutual assistances."

The details of the scheme they worked out have never been revealed. However, the Jewish Encyclopedia of 1905 and 1909 Vo. X, page 499 throws some light on it:

> In a latter connection he (Amschel) became an agent for William IX, Landgrave of Hesse-Cassel, who, on

his father's death inherited the largest private fortune in Europe (estimated at $40,000,000) derived mainly from the hire of troops to the British Government for putting down the revolution in the United States.. .

After the battle in June 1806 the Landgrave fled to Denmark, leaving 600,000 pounds (about $3,000,000) with Mayer Rothschild for safekeeping. According to legend, this money was hidden away in wine casks, and escaped the search of Napoleon's soldiers when they entered Frankfurt, was restored intact to the electorate. The facts are less romantic and more business-like.

The papers I examined show that the "Elector," as he became known was none too scrupulous himself as to the origin of money that flowed into his coffers. Hessian mercenaries were his stock-in-trade, hired to those who had the most money to pay for them.

The Hessians had developed their contract with the ruler, which made it clear that the Prince would receive a large down payment at the start of military operations for which they had been hired. Then, there was to be a supplementary payment to the soldiers, some extras for wounded and three times the amount if killed in battle. This was to go to the mercenaries or their dependants and not to the Prince. Moreover, the agreement-for-hire did not expire when peace was declared, but only one full year after the peace and only when the mercenaries had returned home.

The British Government was the biggest customer, "renting" about 15,000-17,000 Hessians each year. Although there is no direct proof that Amschel and Budurus were the authors of the following scheme, it seems very likely that they were. Instead of the lump sum and payments being sent to Kassel, the home of the Prince, the money was retained in England where it was invested. The interest thereon

(negotiated by Amschel) was paid to the Landgrave in drafts. That portion of the money actually transferred to Kassel was then used to provide high interest loans to other needy princes. This resulted in a tremendous movement of funds in and out of Kassel with substantial income for the Landgrave, who had taken up with the Von Turn and Taxis family who held the postal monopoly for all of Europe. The mercenaries, who had done the most to earn the money, got nothing, but the bare promised amounts, as they were not privy to the "private" side-agreement done behind their backs.

The Princes of Von Thurn and Taxis (members of the Committee of 300) were happy to have a share in the booty in exchange for acting as intelligence agents for the Landgrave, and later for the Rothschilds. They did this by opening important mail as directed, reading the contents and advising the Landgrave what they had seen, and on his orders, either expediting or delaying delivery of the letters to the benefit of the Landgrave and Mayer Amschel — and to the detriment of their debtors.

(For further details of the Von Thurn and Taxis family, please refer to The Conspirators' Hierarchy, The Committee of 300, 4th Edition)

These facts are indeed far from the romantic notions of how Amschel got his start, and more fully disclosed than anything that has appeared in print before. Critics say that the facts are far from those suggested in the Encyclopedia. Cherep-Spiridovich says bluntly, that the money was not returned to the Landgrave and was in fact stolen by Amschel. In The Rothschild Money Trust, author Armstrong states:

> The facts are entirely 'less romantic.' Mayer Amschel Rothschild embezzled the money. This money was tainted from its origin. It was paid by the British Government to the Landgrave for the service of his

> soldiers; used to suppress the American Revolution, and the soldiers were morally entitled to it. It was first embezzled by William of Hesse and then by Mayer Amschel. This twice-stolen money is the foundation of the huge Rothschild fortune. It has ever since been true to its origin. There is not an honestly acquired dollar in the hundreds of billions now possessed by the Rothschild family. Instead of putting the money in wine casks, Mayer Amschel Rothschild sent the entire sum to his son Nathan in London, and where he established the London branch of the family.

This was most probably the money used by Nathan to open N.M. Rothschild and Sons, the family banking house. Armstrong continued:

> For his extra-curricular services, Amschel was appointed as Imperial Agent of the Crown, a title that allowed him to travel freely without hindrances. His 'partnership' with the Princes of Von Thurn and Taxis brought valuable 'intelligence' information giving an edge on all moneylenders in competition with him. Nathan Rothschild invested it in 800,000,000 of gold (meaning worth that much and not by weight) from the East India Company, knowing that it would be needed for Wellington's peninsula campaign.

He made no less than four profits:

> 1. On the sale of Wellington's paper which he bought for 50 cents on the dollar and collected at par.
>
> 2. On the sale of gold to Wellington.

3. On its re-purchase.

4. On forwarding it to Portugal.

This was the beginning of the great fortune. How a still relatively obscure bank clerk was able to cross the gulf of social barriers that separated their classes is a classic in its own right. According to documents in the British Museum:

> . . . The prince was very greedy and stingy, and did not care much concerning the means through which his fortune, left to him by his father, Wilhelm VIII (the brother of the King of Sweden) was increased. Frederic, hearing from von Estorff about the ability and unscrupulousness of Amschel, became interested in procuring a 'man of straw' (a front man) for his doubtful procurements.

Amschel concealed his relationship with Frederic II behind a modest facade, but there is no doubt that he used his influence with the old Landgrave to gain millions as well as political advancement. He became the agent for the Landgrave of Hesse and the first government loan he arranged was in 1802, when the Danish government borrowed ten million thalers. Although it was not known at the time, the money came from the vast fortune of the Landgrave family.

To curry favor, Amschel said he would give his share of the profits to Frederic II, but never did so. From this deal, the destiny of the Rothschilds was set to become one of the most astonishing success stories in the history of financing and loans.

Frederick II was succeeded by this son, Wilhelm IX, who became Elector Wilhelm I in 1785. At this time Amschel had been something of a "Minister of Finance" to the deceased Frederick II and knew every one of the family secrets.

The two hit it of at once. Both were born in 1743. Amschel kept his true wealth from Elector Wilhelm I, always wearing the same clothes and pretending to be poor. From the time he became the manager of the fortune of Elector Wilhelm I, Amschel's fortune increased as his employer's decreased. In 1794 there occurred an event that caused Elector Wilhelm I to flee. It happened when the French General Hoche captured Coblenz. Fearing that his corrupt practices would be revealed (actually the schemes of Amschel the "front man") by the occupation, Elector Wilhelm I fled, having signed over control to Amschel.

This is the true account of how the Rothschilds got their money. It was not by pawn brokering, smart speculation or any other of the widely accepted fairy tales that sound so romantic. The genius of the sons can be traced to the fortune of the Landgrave of Hesse and not to the fanciful "genius" of the five brothers! It was a case of "theft by conversion," plain and simple. Mayer died at Frankfurt on December 12, 1812, leaving his legacy to five sons and a lesser amount for his five daughters.

CHAPTER 3

THE ROTHSCHILDS GAIN ENTRY INTO EUROPE'S HIGH SOCIETY

The manner in which Mayer left the bulk of his money to his five sons and much less to his daughters, was the hallmark of how he and his forbears regarded women as the weak link in the chain. Females were to be used for arranged marriages inside the family, for business. In other words, marriages were to be arranged with an eye to business advantages.

There was no thought of "equality" of male and female in Mayer's mind. The modern-day, Socialist-led drive for equal rights for women was something that arrived more than one hundred years later, and was largely confined to equal rights for non-Jewish women. Amschel parceled out the nations of Europe like loaves of bread, allocating his sons Germany, Austria, Britain, Italy and France as "their territories."

Later he sent one of his family relatives, a man by the name of Schoeneberg to the United States under the assumed name August Belmont. He became the hidden hand that secretly pushed through legislation to enable the Federal Reserve to become law.

The interests of the Rothschild sons became international finance and banking and they established branch offices in the major capitals of Europe, Paris, Naples, Vienna and London, each under close supervision of one of the five sons, while "Belmont" became heavily engaged in banking

and Democrat Party politics in America. In a relatively short period of time the Rothschilds were able to bring all of Europe into their orbit and under their influence. They bought officials and made friends with the monarchs and princes of Europe, all the while ensuring that no outsiders came into the family. When one of the daughters began a "love relationship," it was ruthlessly crushed. She was told that the brothers regarded marriage as a business affair and that they would arrange marriages for partnerships.

It took only a generation of planning, intriguing and manipulation of public opinion to make the Rothschilds the greatest force and influence, not in only the affairs of Europe, but also in the Far East and later the United States. Intermarriages welded the family into a cohesive, solid front. By 1815, Austria led the way by granting the five brothers hereditary titles, "baron" with land ownership to go with it. Their meteoric rise to fame, fortune and power was astonishing to behold. They never made any decision or moves without close consultation with their "communication agent" and "inside information source," the Von Thurn and Taxis.

If positions of political power could not be realized, they were bought. Mayer Amschel in charge of Frankfurt, for instance, bought a seat on the Prussian Privy Council of Commerce. This was a position that in the past was open only to royalty, and his success shook the Prussian aristocracy, causing much alarm and consternation.

Following the restoration of the Bourbons (in which the Rothschilds played no small part), the youngest of the brothers, James (Jacob) was given a charter to establish a branch of the Rothschild bank in Paris.

Quick to realize the importance of railroads, James financed many of the new lines and made a huge fortune. He lent the Bourbons, always profligate spenders, millions of francs. Nathan was the genius of the five brothers. Third in line he was the one the others turned to for guidance. When

the brothers decided to establish themselves in England, they sent Nathan to settle in Manchester, a grimy northern industrial town, rather than in London. The reason was that the Rothschilds had important commercial plans for the cloth trade there, which they intended to exploit to the full before moving their operation to London. Most of the fabric needed to make uniforms for the British Army and Navy originally came from Germany. Thanks to the "postal intelligence" provided by the Von Thurn and Taxis mail monopoly, the Rothschilds learned that war with Napoleon was imminent. Nathan was quickly dispatched to Germany to buy up all stocks of such cloth.

When the Manchester manufactures were given contracts by the British Government to make uniforms for the army and navy, they sent their agents to Germany to secure the necessary fabric stocks, as they had always done, only to learn that all production had already been sold to Nathan Rothschild, from whom they were now obliged to buy.

When the news reached Manchester, there followed violent uproar. At one stage Nathan feared for his safety. After five years in Manchester, in 1805 Nathan moved to London. Actually, "fled" would be a better description as indeed he was forced to do when public wrath against his dealings began to mount.

One of the principle reasons for Nathan's great success was that he realized that fast communication was the key to beating out competitors. He employed the fastest riders, ships and even carrier pigeons to communicate. He avidly sought "inside information," which he kept from his competitors and from governments. He had his secret agents in all of the capital cities of Europe.

This loyal group never hesitated to ride through the night, winter and summer. They kept the best breed of carrier pigeons and sailed on the fastest packet boats, sometimes buying all passages between France and England to block competitors.

Nathan's greatest principle of expertise was of buying government bonds that were defaulted, or about to be defaulted, at huge discounts. After a suitable time, great pressure was exerted on the governments concerned to redeem the bonds at face value, netting Nathan incredible profits. In this way he became the financial agent for more than half the governments of Europe. Some very notable people in the past declared that "civilization came to an end in 1790," among them H.G. Wells, the famous British establishment writer who said in the New York American, (July 27, 1924) that the mental and moral progress of the human race ended with the 18th century.

Wells was well thought of by the Rothschilds, who liked his idea of the League of Nations, what Wells called "a world state," which he said was inevitable. The Erlangers donated $3,000 to this purpose, as did N.M. Rothschild.

George Bernard Shaw, the Irish playwright, told Hillaire Belloc: "Something enormous happened in 1790." This was reported in the New York Times:

> There is reason to believe that they were referring to the great revolutionary movements that began between the middle and the end of the 18th century when in 1779 Amschel Rothschild became the master of the richest man on Earth, the Landgrave of Hesse Cassel.

CHAPTER 4

THE WALLS OFJERICO [FRANKFURT] COME TUMBLING DOWN

Earlier I referred to the fact that only five hundred Jewish families were allowed to live in Frankfurt Germany. The manner in which Mayer Amschel handled the problem was to become his trademark. On the birth of Napoleon's son, Grand Duke Dalberg of Frankfurt wanted to go to Paris and pay his respects, but none of the banks would lend him the money to make the trip.

Old Amschel however, saw the possibilities of putting Dalberg in his debt, and lent him eighty thousand gulden at five percent. No pressure was put on the Grand Duke to repay the loan as long as the interest was paid, but at the same time, there was no favor asked by the Rothschilds that the Grand Duke could or did refuse.

Amschel and his family were engaged in extensive smuggling operations in defiance of the French boycott of England out of which the Rothschilds made a great deal of money. Suspicion fell on Amschel, and a raid was set for May 1809.

Dalberg, who never missed a chance to borrow money from Amschel at lenient rates, tipped him off about the pending raid through his executive Commissioner of Police, von Eitzlein. Frantic activity placed contraband and incriminating documents with reliable friends, so that when

Inspector Savagner and his men arrived they found old Mayer Amschel in bed, and a search failed to turn up anything incriminating. Although Napoleon's Trade Boycott inspectors had come up empty-handed, Amschel was nevertheless still fined 20,000 francs, a mere pittance, but he escaped going to prison, which would have happened had the contraband been discovered by the inspectors.

When the fuss had died down, Amschel tackled the problem of restrictions on the number of Jewish families allowed to reside in Frankfurt. He approached Dalberg, who still owed him the principle sum of the loan.

By law, each Jewish family had to pay an annual fee of 22,000 gulden to remain in the city. Amschel and one of his partners, a certain Gumprecht, persuaded the Grand Duke to accept one lump sum that would give the Jews citizenship rights in Frankfurt, the very thing so strongly opposed by the Christian majority. More than that, Amschel demanded not only equal citizenship, but in addition, the Jews would be allowed to establish their own ruling bodies and councils.

The greedy Dalberg demanded that the lump sum proposed by Amschel be twenty times the total annual fee. Amschel and his friends met the demand with 294,000 gulden in cash and the balance in bearer debentures.

In a letter to the Grand Duke confirming the arrangement and terms, Amschel showed that when humble obsequious behavior was necessary he was a master of the art:

> If I could be the messenger of the good news, as soon as it has been signed by His Royal Highness our most excellent Lord and Great Duke, in favor, and that I can inform my nation of their great joy, you will graciously inform me of it through the post, confess I abuse your goodness and grace, but I do not doubt that your Highness and your honored family have to await great heavenly rewards and will receive much happiness and blessing because in truth our whole

> Jewry, if they have the happiness to obtain equal rights will gladly pay with great pleasures all dues the citizens have to pay.

Note how Amschel boldly asserted that the Jews of Frankfurt were a separate nation. The agreement was some time in getting passed, but when it did, Amschel immediately announced the establishment of the Governing Body of the Israelite Religions Community with von Eitzlein (a Jew) the first president, perhaps rewarded for tipping Amschel to the planned raid for contraband in May 1809. The Senate and the Christians were furious and immediately attacked the agreement as giving special privileges to the Jews.

Rumors flew thick and fast that Dalberg had received a substantial payment, which he had not made public. Feeling against Dalberg and the Jews reached fever pitch. Accusations of bribery for exchange for equal rights filled the air. With the fall of Napoleon, Dalberg was deposed and replaced by Baron von Hugel of the Hessians.

Amschel was not afraid of Austria or Prussia, he had their governments in the palm of his hand, but he feared that when the Congress of Vienna decided the status of Frankfurt in 1814, the Dalberg agreement would not be honored. He sent Jacob Baruch and a certain Gompers as his representatives, but the Vienna police had them under surveillance as revolutionaries and ordered them to be expelled.

However, Prince Metternich, who had been created by Nathan Rothschild, just as Adam Weishaupt, Napoleon, Disraeli and Bismarck were all mere puppet-creations (or "valets") of the Rothschilds, cancelled the order. Bribery and corruption were quite openly practiced.

Humbold was offered three beautiful emerald rings worth a fortune, plus four thousand ducats, which he refused. Metternich's secretary, Frederick von Gentz however accepted the bribes offered, and was forever thereafter a most

valuable conduit to the powerful Austrian nobility and political leaders for the Rothschilds.

When news of Napoleon having landed on French soil from his exile in St. Helena reached the Congress, the "Jewish question," had to be shelved. The Congress of Vienna was the first world conference to be dominated by the international bankers, and the Rothschilds contributed very heavily to the control the banker's exercised over the decisions that were taken.

CHAPTER 5

THE ROTHSCHILDS PLUNDER THE FIVE GREAT POWERS

Count Buol-Schauenstein, Austria's representative, was outraged by the Dalberg-Rothschild deal with Frankfurt's Jews:

> Trade is still the only means of livelihood the Jews adopt. This nation, which never amalgamates with any other, but always hangs together to pursue its own ends will soon overshadow Christian firms; and with their terribly rapid increase in population they will soon spread over the whole city, so that a Jewish trading city will gradually arise beside our venerable cathedral.

I spent considerable time researching documents in the British Museum, which in any way referred to the family in order to qualify to write about the rise of the Rothschild dynasty, much of what came from that source. Baron James became a great personality. Kings and ministers were obliged to reckon with him and he justified this by financing a loan of 520 million francs to the Government of the Restoration, which needed the money after the great wars of the Revolution and of the Empire. In his Juifs de l'Epoque Toussenei wrote:

> One can take the fatal year 1815 as the era of new power; though prior to this date the coalition of

> bankers who bought great upset the campaign of Moscow and Waterloo — these are to remembered for the interference of Jews in our (French) national affairs. . . In 1815 France was condemned to pay 1,500 million francs in war indemnity became the prey of international financiers of Frankfurt, London and Vienna who became as one to exploit her calamity. James Rothschild paid for each government bond of 100 francs only 50 francs and received five francs as interest, which made ten percent on the money, loaned and the following year the principle began to return twofold. James became the lender of Kings. This added to his speculation on the Exchange where he was able to influence the rise and fall of stocks swelled the baron's earnings into millions.
>
> Between 1815 and 1830, the Rothschilds were simply plundering the five great powers; England, Russia, France, Austria and Prussia. Thus Prussia contracted a 5% loan of 5,000,000 pounds sterling, but received for its government bonds only 3,500,000 or 70%, making the actual interest rate over 7%. But the chief point of it was that the bonds had to be redeemed in a few years at 100%. The Rothschilds made a profit of 1,500,000 pounds sterling, plus the interest. In 1823 James took up the whole of the French loan.

According to Professor Werner Sombart in his work The Jews and Modern Capitalism: The period of 1820 onwards became the age of the Rothschilds, so that by the middle of the century it was common dictum, there is only one power in Europe, and that is the Rothschilds. As previously explained, the work of fiction, Coningsby, by Disraeli was a thinly disguised account of the life of Nathan Rothschild II, and extremely revealing:

> His father [Nathan Rothschild] had established a brother in most of the principal capitals. Here he was lord and master of the money markets of the world, and, of course, virtually lord and master of everything else. He literally held the revenues of Southern Italy in pawn [through Karl Rothschild in Naples] and monarchs and ministers of all countries courted his advice and were guided by his suggestions. Between Paris and Naples, Sidonia [Lionel] passed two years. Sidonia has no heart; he is a man without affections.

This was the work dictated to Disraeli by Nathan Rothschild and put out as fiction, but there is no history of the Rothschilds more accurate than this. Who was Disraeli?

In La Vielle France N-216, Bismarck said that Disraeli was a mere tool of the Rothschilds and that it was Disraeli and the Rothschilds who formulated the plan to dismember the United States through a massive Civil War. Disraeli was only one of their creations whom they brought from obscurity to fame. His grandfather, Benjamin D'Israeli, arrived in England in 1748. His son, Isaac D'Israeli was born in 1766 and soon became a Bolshevik. One of his works was called Against Commerce.

Of his father Disraeli said: He lived with learned men. The learned men were Nathan Rothschild and his circle. Incidentally, "El-Israeli" (D'israeli?) is an Arabic name of Turkish origin used in the Middle East to denote people of Jewish descent. It is likely that his father's family came from Turkey to Italy and most likely, settled in Ancona or Cento. Isaac's field was writing and like many a researcher before him, he frequented the British Museum. He was also an importer of straw hats, marble and alum, but Isaac longed to write.

In 1788 his father sent him to study in France, Italy and Germany. He returned to England in 1789 and wrote The

Curiosities of Literature, which was published by the Socialist, John Murray. A literary success, it ran to thirteen editions. Benjamin probably inherited his writing skills from his father. Born in 1804 into a family of moderate means, Benjamin was circumcised on the eighth day according to the Jewish custom, and grew up in the Jewish faith. Although proud of it, we are led to believe that he knew at an early age that as far as public office, his "Jewishness" would be a drawback because in England at that time, Jews were barred by religion from becoming members of any political party.

But on the orders of Nathan Rothschild, at the age of thirteen Benjamin was baptized on July 31, 1817 as a Christian so that he might penetrate English society and the political establishment, which at the time was closed to Jews by the Test Acts. His orders from Nathan Rothschild were to break down every barrier against the Jews.

At one time he told Lord Melbourne, the Home Secretary: "I am going to be the Prime Minister of England," which Melbourne thought fanciful and impossible. Of course Melbourne did not know at that time about Disraeli's "Rothschild" connection. But first, the necessary financing had to come from somewhere. At twenty-two he began "speculating" on the Stock Market, a highly unlikely occupation for a man who was always without any money.

A certain Thomas Jones — more than likely an assumed name - came up with two thousand pounds to start with, increasing to nine thousand pounds — a huge sum of money at the time to invest in a penniless writer of no experience! It does not take much imagination to come to the conclusion that "Thomas Jones" was Nathan Rothschild.

As was the case with the biographers of Napoleon I, Bismarck, Mettemich, Marshal Soult (who betrayed Napoleon at Waterloo), Karl Marx, Bombelles, Lassalle, Hertz, Kerensky and Trotsky praise for Disraeli, a former non-entity, was lavish. J.G. Lockhart, Sir Walter Scott's son-in-law, was beside himself when in 1825 he wrote:

> I may frankly say that I never met a young man with greater promise. He is a scholar, a hard student, a deep thinker, a great energy, equal perseverance, an indefatigable application, and a complete man of business. His knowledge of human nature and the practical tendency of all of his ideas, have often surprised me in a young man who has hardly passed his twentieth year.

Another bedazzled friend wrote:

> He had no rank, no important friends, no wealth, but he was an able scholar who dazzled the establishment with his audacity of conception, brilliant triumphs. He had that supreme confidence in himself, which amounts to virtual genius. He never showed discouragement. Of course! Backed by Nathan Rothschild he had the world at his feet. If only history could be rewritten!

> The English aristocracy was not destroyed by the "French" Revolution and they remained implacably opposed to the Jews until Disraeli on behalf of the Rothschilds, defeated them. Disraeli was the Trojan Horse, slipped into the very heart of English society and its political establishment.
> (Count Cherep-Spiridovich and British Museum papers)

In December 1922, the British Guardian published an article by Dr. John Clarke, which is worth quoting:

> And how this potent firm [the Rothschilds] governs the Government of France and England alike may be gathered from two recent incidents. The French Secretary of the Legation, M. Thierry at the Embassy

> of London some months ago married a Jewess of the Rothschild clan. And now the hidden mentors of Bonar Law's [the British Prime Minister who promised to follow the policies of Disraeli] new 'Conservative' Government induced him to send as Ambassador to Paris a non-diplomatic 'Liberal,' the Marquise of Crewe, whose wife is the daughter of Hannah Rothschild, Countess of Roseberry. Here we have the actual basis of the Franco-British Entente — 'R.F.' meaning Rothschild Freres, the Rothschild brothers, covers the British Empire, the French Republic and most of the other republics and kingdoms between Moscow, Angora and Washington.

Who opened the way for such astonishing changes in the English political scene? It was Disraeli, who "controlled" Prime Minister Bonar Law. In the Life of Disraeli by Buckle, the author gives no hint of who made Disraeli: "No career in English history is more marvelous than that of Disraeli, and none has hitherto been enshrouded in greater mystery."

Actually, there was no "mystery" at all. But for Nathan and his son Lionel Rothschild, Disraeli would have never existed outside of his small, narrow family circle. From 1832 to 1837 Disraeli was in deep trouble over unpaid debts. In April of 1835, he was forced to spend a great deal of his time indoors to "prevent being nabbed by the creditors," as he wrote in a letter to Lady Henrietta Sykes, his mistress.

In August 1835, Disraeli went to Bradenham, there to escape his creditors. One of them was a certain Austen who was threatening to have him arrested and sent to a debtor's prison. At Bradenham, he tried to write his novel Henrietta Temple. At this period, his debts were overshadowing his writing. In July, another of his creditors, a Thomas Mash who had been pressing for payment, now grew strident and Disraeli walked in fear (when he did venture outside) of imminent arrest.

Perpetually in deep financial trouble, deeply in debt at the age of twenty and unsuccessful in getting a seat in the House of Commons, which he had tried from 1832 to 1837 to accomplish, the Rothschilds, who had been watching him since the age of ten, made him their "valet."

In writing to his sister Sarah in 1849, Benjamin admitted as much. The year was the worst financial period in his life. He was being harried by his creditors and had to appear before an Assize Court when as he said in his letter to Sarah "Mayer Rothschild unintentionally let the cat out of the bag."

Disraeli did not "raise England to the highest position" as claimed by Buckle. Instead, what he did was to prepare England for a series of disastrous wars. He frightened generations of Englishmen with his lies about a "great Russia" being a danger and a threat for Great Britain. Prime Minister Gladstone accused Disraeli of lying. Was he sincere about the alleged Russian "danger?"

Lord Gladstone said there were only two things he was "in earnest about, his wife and his race." Gladstone evidently didn't know that Benjamin was "in earnest" about the Rothschilds of whom he seldom talked, perhaps because of the fact that nobody, no matter what their rank, could cross the Rothschilds with impunity. Benjamin Disraeli was the man of the hour for the Rothschilds; Lionel, Mayer, Anthony and their families, including the Montefiores. In a letter to his sister Sarah, he wrote, that after his honeymoon, there had been a party at the home of Mrs. Montefiore and there was "not a Christian name there."

No doubt Benjamin performed yeoman service for his mentors, providing them with "intelligence" from his high office. It is known that it was one such "spy job" that allowed the Rothschilds to float the lucrative Suez Canal loan.

Described as a "coup" engineered by Disraeli, the facts are not quite that simple. Through his secret "intelligence" service, Disraeli learned that the Khedive of

Egypt, Ishmail Pasha wanted to sell his shares in Compagnie Universelle de Suez.

Thanks to the "intelligence" provided by the Von Thurn and Taxis control of mail, on November 15, 1875, Disraeli was advised that the Khedive was negotiating with two French banks for the sale of the stock. Disraeli immediately rushed to Baron Lionel de Rothschild who agreed to float a loan for the British Government for this purpose. The secret plan was hatched by Lionel and Disraeli and was presented to the British Cabinet for acceptance on November 24th. The skill of Lionel in moving so fast was not mentioned, and so, in the eyes of the public, it remained a "Disraeli coup."

This account taken from the collected works of Major-General Count Cherep-Spiridovich goes a long way to dispelling the myths and legends that sprang up around the life and times of Nathan Rothschild, his extended blood relatives and their families, who lived in London, and the legendary DTsraeli.

CHAPTER 6

BENJAMIN DISRAELI:

MASTERSPY FOR THE ROTHSCHILDS

It was a two-way street; with the Rothschilds always ready to bail Benjamin out of financial trouble, particularly in 1835, 1849, 1857 and 1862 when his debts amounted to what today would have been about $300,000 without means of payment. With his enemy, the Duke of Portland hounding him, he was "loaned the money" by a front man for Baron de Rothschild, one Philip Rose, who just happened to be staying at the same resort and spa hotel in Torquay at the same time as the Baron Rothschild. We are led to believe, that Rose persuaded Rothschild to loan the money Disraeli needed. Situated on the East Coast of England, Torquay was a fashionable resort town, boasting fine hotels and spas, often patronized by royalty and its hangers on. In a letter to his sister in December of that year, Benjamin wrote: He likes to give to his friends, not to lend, as he never takes interest from me. ..

I propose to look at the history of some of the world's best-known figures and to attempt to discover what role the Rothschilds played in their lives. I shall also examine revolutions and wars for the same reason. This is a daunting task, but it is one that is long overdue.

There have been so many lies in establishment history that our senses reel and I wonder how the truth can ever be made known to the ordinary people of this world, who have had to bear the brunt of those upheavals and have never

known why they had to make such terrible sacrifices. Of course they have the propaganda explanations which satisfy most, but to the thinker, it has never been enough just talk about "patriotism," "love of country," "making the world safe for democracy" and fighting a "war to end all wars." I cannot go too far back in history, so let us begin with some of the most explosive upheavals to hit the world beginning with the 18th century and the personalities involved and then continue through to the 20th century. Limitations of space restrict to the more salient features of these events.

Although there is no hard evidence that the Rothschilds were involved in the cataclysmic "French" Revolution, historians tend to believe that they were behind it, acting through some of their agents. Their well-known hatred of Christianity and their desire to rid France of the Christian monarchy that it represented was the driving force behind the revolution. Opposition to Christianity was the factor believed to have motivated the Rothschilds to take indirect action to confront it at every opportunity.

One thing has emerged clearly from the past; every war fought since then has been for the advancement of International Socialism, of which the Rothschilds were avid supporters.

It is stated in papers in the British Museum that the Rothschilds were deeply involved in all revolts and wars since 1770. Indirectly, there is evidence that a branch of the Rothschilds was involved in financing the French Revolution through the bank of Moses Mocatta, uncle of Sir Moses Montefiore, whose brother, Abraham Montefiore, was married to Jeanette, the daughter of Mayer Amschel.

Mayer Amschel's son, Nathan, married the sister-in-law of Sir Moses Montefiore in 1806. Another daughter of Abraham Montefiore, Louisa, married Sir Anthony Rothschild in 1840.

History records the Jewish banking houses of Daniel Itzig, David Friedlander, Herz Geribeer and Benjamin and

Abraham Goldsmidt, were the principal financiers of the "French" Revolution. It is interesting to note of the fifty-eight marriages contracted by the descendants of Mayer Amschel; twenty-nine and a half were between first cousins.

From 1848 onward, the pace quickened. Marx established that all wars must be for the advancement of International Socialism and Lenin and Trotsky enshrined it in the Communist doctrine. The First World War was fought to establish Bolshevism in Russia; to establish a "home for the Jews in Palestine," to destroy the Catholic Church and dismember Europe.

The first attempt at One World Government was launched in the disguise of the League of Nations. The Second World War was fought to destroy Japan and Germany, to establish the USSR as a Communist world power and extend the reach of Bolshevism over three quarters of the world. In the aftermath the United States was gulled into joining the next attempt at One World Government, the United Nations.

The Second World War changed the make-up of the United States, which was forced by its large contingent of International Socialists in positions of power to wean itself from its Constitution and its Republican form of government, and take on the role of the world's new Roman Empire. In short, the United States was turned from its Christian Republican form of government into an imperial power to conquer the world for and on behalf of International Socialism.

Behind these powerful changes stood the power, the money and the guiding hand of the Rothschilds. I shall attempt to make way through the major events that triggered these and other wars.

At the time the revolution burst upon France, the nobility and clergy were liberal toward French citizens. They had freedom to work and freedom of the press according to the book by Louis Diste, Freemasonry and Terror, which he

says is proved in the archives prior to August 10, 1789 -- everything that the French people wanted in the way of liberty, freedom from excess taxes and freedom of religion had all been granted. If there is one thing I learned from history it is that there is an evil power that hates and fights to the death all forms of liberty, freedom and justice for the ordinary men of the world.

Each time such a system of government was established — these evil, secret rulers came along and overturned those benevolent governments by means of extreme violence and extreme cruelty. An example is Russia, where Tsar Alexander II had agreed to a new constitution.

His minister, Stolypin, had set the machinery in motion to grant lands to peasants and to nationalize banks; Nicholas had forbidden wars by his threat to "fire on the first who fires" and the Tsars were known as the most cultured, learned and gracious people in the world. Stolypin was cruelly murdered by Bolshevik revolutionaries to prevent the freedoms and reforms promised by the Tsar from being put into practice.

On August 4, 1789, eighty three unknown men, shouting "we are the 300," (thereby inadvertently exposing the hidden hand of their controllers) seized the City Hall in Paris.

The City Hall in France is typically the center of the civil administration. Robespierre and Danton did not immediately join the blood lust that followed. Stephane Lausanne, editor of La Matin of Paris said in an article on January 6, 1923:

> We French believe, that we know all about the forces of our planet. But we know nothing of the men whose names the masses could not even rightly spell. These men, more powerful than Caesar or even Napoleon, rule the fate of the Globe. These men rule the Chiefs of States, control and subdue the governing

> personages, manipulate the exchanges, and initiate or suppress revolutions.

Of course he was writing about the 7 Rothschilds and the Committee of 300. What he did not know was that the Rothschilds created and controlled Napoleon as their instrument, and that they disposed of him once the Corsican genius woke up to this fact and went into a state of rebellion, the first manifestation of which came when he divorced his wife, the Creole, Josephina. Philip Francis, writing in the New York American under the title The Poison in America's Cup stated:

> Nominally we govern ourselves; actually we are governed by an oligarchy of the American branch of The International Banker's Federation, Plunderbund. The British Government is the camouflage behind which the money kings of the world have hitherto hid their economic warfare upon the masses of the people.

There is no direct proof that the Rothschilds were implicated in bringing on the French Revolution to happen, but there is ample evidence that Mirabeau was a member of the Les Amis Reunis as was his partner, Talleyrand. Mirabeau and Talleyrand discovered Napoleon, an obscure army officer. It is believed that many of the details of the French Revolution were discussed at the palace of the Landgrave of Hesse at Wilhelmsbad where it is known the leading Freemasons often gathered, which is the connection with Mayer Amschel, who headed "the deadly secret conclave beyond the masons and unknown to them" where the "French" Revolution was plotted.

There was also the connection with Adam Weishaupt, founder of the Illuminati through Wilhelmsbad. The Rothschild Money Trust, page 17 states:

> It is also admitted, as they allege, that the Illuminati played a major role in bringing on the bloody days of 1789, that it was founded and reputedly financed by Jews and that the great House of Rothschild was then just rising to financial heights. There is evidence that it was in fact financed by the 'great House of Rothschild' and that the French Revolution was in fact brought about by Jews. It was the final act that freed the Jews from their political and civil disabilities in France.

Unfortunately for history, The Rothschild Money Trust does not provide sources that could support the claim that the French Revolution was financed by the Rothschilds.

In 1782 after "acquiring" the huge fortune of the Landgrave of Hesse-Cassel, Amschel sent for Weishaupt who at the time was living the life of a beggar. Weishaupt was a man of low degree then struggling to find money to pay for an illegal abortion that had been performed on his sister-in-law. After his interview with Amschel, Weishaupt appeared in Paris with millions of francs at his disposal. He "imported" at least 30,000 criminals of the worst type and set them up in dens in Paris. He did the same thing in Germany. When all preparations were completed and the stage was set in 1789, all hell broke loose in Paris. According to author Pouget St. Andre, a chronicler of the revolution that burst upon France, Danton was a Jew as was Robespierre whose real name was Ruban. Pouget St. Andre, author of Les Auteurs de la Revolution Francaise, posed the question which to this day has never been answered:

> Why did the Convention shed so much blood? They say that the bloodshed was caused by the hatred of the people against the privileged class. How could the small percentage of executed aristocrats be explained by only 5% of all condemned? Why were

the reforms bought for 4 billion francs and 50,000 heads when Louis XVI was already offering them free?"

Ernest Renan in his work, La Monarchic Constitutionally en France, wrote: The murder of King Louis XVI was an act of the most hideous materialism, the most shameful profession of ingratitude and baseness, of most roturiere villainy and forgetfulness of the past. Nothing, but bloodlust was served by those who put the king to death.

CHAPTER 7

INSIDE ACCOUNTS OF THE HORRORS OF THE FRENCH REVOLUTION

All those who had done the work of the secret societies and their henchmen trying to seize France were later executed, some horribly, and with the utmost cruelty, including Danton and Robespierre, one imagines, to silence them lest they were ever tempted to reveal whom the persons behind the revolution were. Murder, then as now, was the favorite weapon employed against those who sought to thwart the will of the "300."

Lord Acton, writing in his Essay on the French Revolution made this observation:

> The appalling thing is not the tumult but the design. Through all the fire and smoke we perceive the evidence of a calculating organization. The managers remain studiously concealed and masked, but there is no doubt about their presence from the first.

We shall come to the Russian-Japanese conflict in 1904, and who set it up, financed it and what their reasons were, but for now, in passing, we shall quote what the Editor of the New York Evening Post said on December 9, 1924:

> Somewhere behind the fog-bank of propaganda, sinister unseen hands are seeking to destroy the

> peaceful relations between Russia and Japan. Japan does not want war. Certainly America does not want war. Why then, this perennial clamor that Japan is an enemy to be watched, distrusted, armed against, and finally fought?

Of all of the historical figures in the past three centuries, none is better known than Napoleon. Yet not much is ever said about how he rose from obscurity to fame.

Like most of those "adopted" by the Rothschilds, Napoleon was dirt poor when Talleyrand introduced him to the Rothschilds. He did not have the money to pay the laundry shop bill, and had only one shirt. His uniform had been supplied by Josephine Beauharnais, whom he later married after Count Paul de Barras had cast her off as his mistress.

In 1786 Napoleon was a sub-lieutenant, a poor very junior officer without any money, going from door-to-door seeking employment to supplement his pay. It was a time when the people of Europe had grown tired of "Liberty, Equality, and Fraternity." Amschel was disappointed that Weishaupt had made little progress against the Church, particularly, the Catholic Church, and was seeking "new talent." The fire and ardor of the Corsican impressed Amschel enough to set him up with sufficient money to live decently. H. Fischer, in an article seen in the British Museum wrote: "In 1790 Napoleon succeeded by means, even then judged to be unscrupulous in securing his election as second in command of a whole battalion. "

How did he do it? Charles MacFarlane, in his work The Life of Napoleon (it used to be in the British Museum where I read it) threw some light on this "astonishing climb to power:"

> Augustine Robespierre, the younger brother of the terrible Dictator, had become acquainted with

> Bonaparte at the taking of Toulon in 1798. The fact is indisputable that he contracted an intimacy, having all the appearances of warm friendship with Augustine, who was to be fully as pitiless as his elder brother.

According to the autobiography of Wolf Tone (Barry 1893) Robespierre was an Illuminist.

A nominal Christian, Napoleon soon sensed the hatred for Christianity that burned in the breast of Amschel, and so he resorted to simulation to please his new money supplier. He turned against the Catholic Church. The humiliation of the Pope was a very pleasing prospect to Amschel, and money began to flow into Napoleon's pockets in ever-increasing amounts.

Thus is his "stunning rise to power," his "astonishing successes" explained! As we say in modern parlance, the writers and biographers of Napoleon failed to follow the money trail.

The failure of Weishaupt to destroy the Catholic Church, the purpose for which he was "constructed" by Amschel was galling, but when Napoleon was brought to his attention, the whole work was shifted to him. The way it was to be accomplished was planned in the Mason lodges in Paris frequented by Talleyrand and in Frankfurt by Amschel.

It was Talleyrand who told Napoleon: War is the only way you can destroy the Church. This was acknowledged by H.G. Wells who called the Corsican genius "a wrecker, (of the revolution) hard, competent, capable, possessing initiative," but he failed to mention his financial backer, without whose masses of money, these traits of character would not have availed him much.

Like Kerensky, Trotsky, Disraeli, Lloyd George and Bismarck, Amschel took over Napoleon when he was of no importance, and made of him, the most important man in Europe. Although H.G. Wells complained that he did not

continue the revolution, this was not the point. When Amschel had Napoleon appointed the First Consul for life by a large margin of votes, the stage was set to ring up the curtain on Europe.

As long as he carried out the mission set for him by Amschel, the destruction of the Christian Monarchies and of the Catholic Church, Napoleon bore a charmed life, going from one success to another. A good book I found in the British Museum was by Sidney Dark in which he wrote, How Great Was Napoleon:

> Napoleon, born without any advantage of wealth or high descent, made himself master of the world before he was 35 and finished his career of unparalleled romantic impossibility when he was 46.

This completely overlooks the powers behind Napoleon, Amschel and his millions and the planners inside the Mason lodges of Paris and Frankfurt. On March 9, 1796, Napoleon married Josephina de Beauharnais, a Creole woman with insatiable sexual appetites who had once paid for his uniform. The marriage was arranged by the Rothschilds through Count Paul de Barras who also appointed Napoleon Commander in Chief of the Army in Italy.

Josephina was the mistress of de Barras, but tiring of her, he sought to end the relationship, and to avoid her oath to take revenge on him, Count de Barras arranged for her to marry Napoleon, hardly the "romantic" spin put on the occasion by practically every writer on the life and times of Napoleon.

Josephine helped de Barras by giving him confidential details imparted to her by her husband, which of course went straight to the Rothschilds. Napoleon's coronation in 1804 was treated with indifference by Amschel, but he became alarmed when the Pope was invited. The Rothschilds were dismayed and angry when Napoleon

divorced Josephine and married the Arch-Duchess Maria Louisa in 1810. The Rothschild's recognized that henceforth there would be less and less chance to destroy kingdoms and smash the Catholic Church.

From 1810 the die was cast against Napoleon and James Rothschild was seconded to the task of ruining their former hero. The full story of the gradual disillusionment of Napoleon, his awakening to the knowledge that he was not fighting for France, but rather for an alien power to further its grip on the nation as a necessary follow-on to the revolution, the role of the Illuminati and the Masons in his career, made him more and more angry. The awakening was slow to come, and painful, but once his mind was opened to the truth, Napoleon began to rebel against his controllers. In his work, History of Napoleon, G. Bussey says that Napoleon changed, lost his fierce desire for war and declared; Thank God I am at peace with the world.

The Rothschilds now had no further use for their former tool. They financed and set up a front called A League Against Napoleon. The mentors whom Napoleon had begun to neglect were now turned against him. Karl Rothschild hastened to despoil relations between the Pope and Napoleon, and without the knowledge of Napoleon, ordered the arrest of the Holy Father carried out by General Radet. The Pope reacted with an Excommunication Bill against the Emperor.

Napoleon had been trying to win over the Pope. He felt the ground quaking beneath his feet as events, one after another, went against him. An attempt to assassinate him by Illuminati agent Stapps was foiled by the vigilance of General Rapp.

The Russian campaign was plagued by supply problems and lack of food. Napoleon did not understand that it was deliberate sabotage of his army. He was forced to order a retreat from Moscow, during which thousands of soldiers dying from wounds and the cold were mercilessly shot to death by Rothschild's agents coming up in the rear.

The loss of Christian lives was horrendous. With the failure to win over the Pope, Napoleon became seriously concerned as his confidence ebbed away. He noted this:

> The Pope could have been won over as additional means of binding together the federated parts of the Empire. I should have had my religious as well as my legislative sessions. My councils would have constituted the representatives of Christianity, and the successor of St. Peter would have been the President.

Too late, as Karl Rothschild had already seen to it that such a plan would not succeed. No historian can tell why Napoleon attacked Russia in 1812. Theories abound but none of substance. Alexander I said of the attack: "Napoleon waged war on me in the most odious fashion and has deceived me in the most treacherous manner." For his part, Napoleon told General Gourgaud:

> / did not want to make war on Russia. Bassano and Champagny [Ministers of Foreign Affairs] persuaded me that the note of Russia was meant as a declaration of war. I really thought that Russia wanted war. What were the real motives of the campaign in Russia? I do not know, possibly the Emperor himself did not know more than I did.

The Rothschilds ruined Napoleon at the Battle of Waterloo. He was betrayed by Marshal Soult, a man he had befriended, but who was in the pay of the Rothschilds. Napoleon made Soult the Duke of Dalmatia with a salary of millions of francs and appointed him Marshal of the Army. At Waterloo, Soult failed to take and hold Gemappe, an important village to anchor the flank of Napoleon's army.

Worse yet, Marshal Grouchy who was supposed to provide reinforcements arrived 24 hours too late, even though he heard the guns and knew that the battle had been joined. Of Soult, Napoleon complained bitterly:

> Soult, my second in command at Waterloo, did not aid me as much as he might have done. . . His staff, in spite of my orders, was not organized. Soult was very easily discouraged. . . Soult was worth nothing. Why during the battle did he not keep order at Gemappe?

Worse yet, on the morning of the battle, an enemy inside the Corsican's personal staff put a substance in his breakfast that caused him to suffer a terrible migraine. Such is the power of the Rothschilds and the falsification of history; but for the treachery and treason committed against him, Napoleon would have soundly defeated Blucher and Wellington. Soult served his masters well; they gave him some of the highest offices in France. That he was the father of Bismarck has often been suggested, but never proved. At one time Bismarck's mother was Soult's mistress, as confirmed by Bismarck: Not my talents or capacities made me great, but the fact that my mother was the mistress of Soult, [one of the 300] who all helped me.

Bismarck was "made" by the Rothschilds through the Menkens. His father, William, had married a Louise Menken, whom Count Cherep-Spiridovich said was a Jewess. Marshall Soult, who betrayed Napoleon at Waterloo, was a member of the Committee of 300, who occupied the top posts in France until his death.

Soult was often in attendance of William Bismarck country residence and was widely believed to be the father of younger Bismarck. It was this "hold" over Bismarck mother that kept young Bismarck under the control of James Rothschild. In 1833, Bismarck was up against tough times and in danger of losing his property. Through Disraeli, James

Rothschild befriended the young Bismarck and sought to create his as a "conservative" future leader of Europe. Oscar Arnim, a member of the Reichstag married Bismarck's sister, Malian.

Following the marriage Bismarck was totally under the direction of Lionel Rothschild. That Bismarck knew it was clear from a statement made by Walter Rathenau in 1871:

> To those who insisted upon treating Bismarck as a great political genius, a man of fate, marked, like Napoleon with the seal of a tragic predestination, Bismarck would repeat, that he did not believe in great providential men; that according to his belief, political celebrities owed their reputations, if not to chance, at least to circumstances which they themselves could not have foreseen.

CHAPTER 8

BISMARCK DISCLOSES "THE HIGH FINANCIAL POWERS OF EUROPE"

Bismarck certainly knew that the American Civil War was fomented by what he called "the High Financial Powers of Europe." This is confirmed in the remarkable account published by Conrad Siem in La Vielle France, N 216, in March 1921. According to Siem, Bismarck talked with him in 1876 about the Civil War:

> The division of the United States into two federations was decided long before the Civil War by the High Financial Powers of Europe. Those bankers were afraid of the United States, if they remained in one block and as one nation would attain economical and financial independence, which would upset their domination over the World. The voice of the Rothschilds predominated. They saw tremendous booty if they substituted two feeble democracies indebted to them, to the vigorous Republic, confident and self-providing.
>
> Lincoln never suspected these underground machinations. He was Anti-Slaverist, and he was elected as such. But his character prevented him from being the man of one party. When he had affairs in his hands, he perceived that these sinister financiers

of Europe, the Rothschilds, wanted him to be the executor of their designs. They made the rupture between the North and the South imminent! The Masters of Finance in Europe made this rupture definitive in order to exploit it to the utmost...

Lincoln's personality surprised them. They thought to easily dupe the candidate woodcutter. His candidature did not trouble them. But Lincoln read their plots and soon understood that the South was not the worst foe, but the financiers. He did not confide his apprehensions; he watched the gestures of the Hidden Hand. He did not wish to expose publicly which would disconcert the ignorant masses.

He decided to eliminate the International Bankers by establishing a system of loans, allowing the states to borrow directly from the people without intermediary.

He did not study finance, but his robust good sense revealed to him, that the source of any wealth, resides in the work and the economy of the nation. He opposed emissions through the International Financiers. He obtained from Congress the right to borrow from the people by selling to it the bonds of States.

The local banks were only too glad to help such a system and the government and the People escaped the plots of the foreign financiers. They understood at once that the United States would escape their grip. The death of Lincoln was resolved. Nothing is easier than to find a fanatic to strike. The death of Lincoln was a disaster for Christendom.

> There was no man in the United States big enough to wear his boots. The international financiers went anew to grab the riches of the world. Fear that with their banks, their craftiness and their torturous tricks — they will entirely control the exuberant riches of America and use it to systematically corrupt modern civilization. I fear that they will not hesitate to plunge the whole of Christendom into wars and chaos, in order that the earth shall become their inheritance.

(I wish to reiterate that the preparation for this work I encompassed ten months of intensive research on this particular subject work at the British Museum. The books from which sources are quoted, such as Talks With Napoleon at St. Helena and Propaganda in the Next War and the works of John Reeves -- and many others mentioned may no longer be available).

Russia provoked a peculiar hatred in the Rothschilds who set their face against the Romanov family. The daughter of Tiesenhaus, a prominent German historian wrote that she shared her father's distrust of the Tsar:

> . . . But after meeting him, in common with many others, she was impressed with Alexander's frankness, energy and nobility of character. This impression deepened into a loyal and devoted friendship. {Emperor Alexander -- Mrs. de Choiseul-Guffress)

According to Count Cherep-Spiridovich, Nathan Rothschild tried to instigate a revolution in Russia, but was unsuccessful, and Lionel confessed to Disraeli that it was prepared in Germany:

> The chief agents of the James Rothschild III were mobilized against Tsar Nicholas I to provoke a war in

> the Crimea, but they were unable to win, so they poisoned Nicholas I in 1855."
> (British Museum Papers, Hidden Hand, page 119)

In these momentous events, Disraeli played a big role, either as a "confessor" or advisor to the Rothschilds. How the Rothschilds gained control of Marie Louise is told by Mrs. Edith E. Cuthell in her book, An Imperial Victim:

> In December 1827 Marie Louise, the widow of Napoleon 1 raised a loan often ten million francs from Rothschild. On February 22, 1829, she lost her husband Count Neipperg, which remained a mystery to all historians. Prince Metternich who had been a mere "clerk " of Salomon Rothschild of Vienna, told Bombelles, another Rothschild protege that he wished a man who could guide the weak character of Marie Louise. Bombelles became the confidant of Marie Louise and then married her.

The Rothschilds now had complete control of Napoleon's widow through Bombelles who had captured her heart while she was still Countess Niepperg.

According to the author Edmond Rostand, Bombelles was extremely handsome. Writing of Bombelles, Mrs. E.E. Cuthwell describes him thus:

> He has even more ambition. With his soft voice he whispered into the ears of women. Bombelles wished to marry a Mlle Cavanaugh, who had money. He gained his object. His wife died, bequeathing him her heart in a leaden case. He buried it. A year later he had a desperate passion for another rich heiress, who declined it. (An Imperial Victim, page 321)

> After the death of Marie, Louise Bombelles was appointed Comptroller to the Emperor of Austria. Rumors that she died of poison floated about Parma and spread further. " (Page 373)

Count Cherep-Spiridovich narrates what followed:

> Bombelles, supported by Salomon and his clerk, Metternich, was appointed the 'educator' of the future Emperor of Austria, Franz Joseph. Bombelles was the responsible author of the most awful disloyalty, baseness and cruelty of Austria, which began to amaze the whole world since 1848, when Franz Joseph was only eighteen years old became the Emperor de jure, and Bombelles was the 'power behind the throne' receiving and executing the orders of Rothschild. Their first act was to betray their word to Nicholas I who put as a condition 'sine qua non' mercy for Hungarian General Sheezeny and others. Franz Joseph strangled them, as soon as the Russian troops left Austria. (Hidden Hand, page 123)

The Rothschilds were not only moneylenders, but also speculators. The greatest area of interest to them was the construction of the railroads of Europe and Russia, which they latched onto and held onto. In one account of this endeavor contained in British Museum papers, James Rothschild compelled France to accept financing for its North Railroad:

> The Government took upon itself the obligation to spend 100 million francs in order to build the roadbed. James consented to spend 60 millions in providing rail cars etc. He received during 40 years 17 millions yearly by way of income, i.e. 620 millions in interest plus the principal of 60 millions. In this

undertaking the Rothschilds used 60 millions of their depositors' money for which they paid them 4% interest, or 2,400,000 yearly, thus getting 14,600,000 francs per annum for their signature. The Journal des Debats in order to deceive the nation stated in July 1843, that Rothschild is begging for the privilege to ruin himself The French press acted the role of agent provocateur as early as fifty years before the scandal of Panama. The Rothschilds coveted this rich prey, the railroads, at any cost. At one time the Government passed through a period of honesty and had the temerity to stem their aggression.

In 1838, M. Martin, from the North [railroad company] suggested to Parliament a net of railroads to be built by the State. If M. Martin's plan, based on two pillars of monopoly banking and transportation had been approved by Parliament, the financial fealty would have been killed at its inception. But the Rothschilds, through the press controlled by them, found the way to acquire the railroads. In 1840, the West and South lines were conceded to the Rothschilds and the Foulds.

(The Foulds were international bankers strategically placed in France to act out Rothschild orders). By 1845, all the great lines belonged to these two companies. One of the most incisive reporters on the Rothschilds was John Reeves who wrote the book The Rothschilds - The Financial Rulers of Nations. The following comments taken from the book show just how incisive and penetrating of the curtain of mystery surrounding the Rothschilds was Reeves, whose observations of Nathan Rothschild are perhaps without equal:

The amount of fortune he left always remained a secret. The Business was to be conducted by the four

> sons in cooperation with their uncles abroad. To each of his daughters he left $500,000, which was to be forfeited if they married without the consent of their mother and brothers.
>
> There were no legacies to his employees and no charitable bequests. . . the first occasion on which Nathan assisted the English Government was in 1819, when he undertook the loan of $60 million. From 1818 to 1832, Nathan issued eight loans for the sum of $105,400,000. With Spain, or the South American states that had formerly acknowledged the Spanish flag, he would never have anything to do. The explanation of some historians is that it was because of the Spanish Inquisition. One cause of his success was the torturous policy with which he misled those who watched him.
>
> In 1831 Nathan Mayer took control of the quicksilver mines of Idria in Austria, and simultaneously similar mines in Almadena, in Spain. Thus all the mercury, indispensable as medicine, was in his hands, and he doubled and trebled its price. It had terrific consequences upon the sick and the suffering of all nations price.. .
>
> Another accurate reporter of the Rothschilds was M. Martin whose book, Stories of Banks and Bankers gave some interesting facts. Nathan never paid his employees a cent more than was necessary for their subsistence or at least not a farthing more than they would compel him to pay.

Writing about Lionel Rothschild, Reeves made the following comments in his book, pages 205-207:

> Lionel concentrated his thoughts exclusively on the consolidation of his immense fortune. Great prudence marked his enterprises. In the negotiations of foreign loans Lionel was particularly active, as this business at once lucrative and comparatively free from risk, was one, which he preferred before all others. During his lifetime his firm was interested in the issue of no less than eighteen Government loans, amounting in aggregate to seven hundred million dollars. To enter into the details of these transactions would be to give the financial history of Europe.

To understand how the Rothschilds prospered, especially in their special area of expertise in lending money to governments of Europe and indeed, the world, I examined the work of John Reeves, whose book we have referred to frequently, and will continue to refer to throughout the remainder of this work as well as the sources in the papers in the British Museum.

CHAPTER 9

A MUCH OVERLOOKED ASPECT OF NEGRO SLAVERY IN AMERICA

Before turning to the aspect of successful money- lending, in America as engaged in by the Rothschilds, I shall touch upon the question of slavery that has arisen in recent years. Some say that the descendants of the Negroes should be compensated for the hardship afflicted upon their forbears.

It is an important issue given the fact, that the Rothschilds used slavery as an excuse to foment the American Civil War. The idea was said to have come from Benjamin Disraeli, Lionel and James, who sat down to dinner after the wedding of Lionel's daughter for which all the Rothschilds had assembled in London. According to Count Cherep-Spiridovich:

> . . . The Rothschilds started the American Civil War. Though disputes has existed since 1812 between the South and the North, the war might never had happened, but for the hidden hand of the Rothschilds.

By manipulating and inflaming passions the dispute became a cause for war even though the South was beginning to realize, that slavery was not an economic plus.

Slavery should never have been allowed in the United States, but alas, it was. There are different kinds of slavery. In Europe, the poor lived in the slavery of abject poverty and degradation. In England and Ireland it was much the same

story. The poor lived in terrible conditions. Their sons were conscripted to serve in the armed forces and millions of them lost their lives.

The British generals, especially Lord Douglas Haig were notorious for the lack of concern for the heavy casualties they suffered. In Ireland, millions died of starvation. While slavery should be universally condemned, nevertheless, it was tolerated in America, but comparatively, the poor classes of Europe, Ireland and England suffered as great hardship as the slaves in America.

On an occasion it was doubted whether the slaves in America would want to change their condition with the slaves of Ireland and England. But the hidden hand of the Quakers and "abolitionists" kept up a drumbeat of slander against the South until the demons, who had contrived the whole issue of slavery to boil over, got their way.

Negro slaves in America were not generally subjected to such appalling conditions of horror. Thus when we examine the sometimes exaggerated descriptions of slavery in America as written, preached and expounded by the abolitionists and the Quakers, we have to admit, if we are unbiased, that comparatively speaking American Negro slaves were far better treated than the poor in Europe and Great Britain:

> At the beginning of the 19th century, Great Britain, owing to false principles of government to the ignorant and blind cultivation of trade and industries, had the appearance of a State driven to the utmost opposite and contradictory extremes.
>
> Priding itself on the possession of the freest constitution in Europe, England yet concealed the greatest tyranny; possessing unbounded riches, it yet allowed the poor peasantry of Ireland to die of hunger, whilst the privation and distress prevalent

> among the laboring classes was as great and indescribable as to threaten to end in riot and rebellion. The hardships endured by the poorer classes were aggravated by the disgraceful condition of our political system. Morality was at a discount; bribery and intrigue were the order of the day. The thoughts of all were turned to complete forgetfulness of the sufferings of others. Corruption was so widespread, that the independence of the Crown and that of the constituencies was threatened. (Sir William Molesworth)

> In 1797 the English banks found themselves deeply embarrassed, mainly in consequence of the demands of the Government, which borrowed millions every year for the war and for support by subsidies of half of the Continental Powers. (John Reeves, The Rothschilds, page 162)

It would seem that even the Rothschilds could not believe their good fortune. The character, "Sidonia," created by Disraeli in his novel Coningsby and which was in fact based on Nathan Rothschild said: Can anything be more absurd than that a nation should apply to an individual to maintain its credit, and with its credit, its existence as an empire? (Page 248)

This very accurately described the Rothschild bankers and their hold over the British Government through extensive loans. No wonder that President Garfield once said: Whoever controls the money controls that nation. The Rothschild's progeny carried on that tradition. For instance, Lionel Rothschild financed the British Government's Suez Canal undertaking. It is more than likely that without Lionel's financial backing the Suez Canal may not have been dug.

It was Lionel Rothschild who put up the $20 million that the British Government paid for the land purchased from

the Khedive. But as with all their ventures, Lionel demanded and got a high return, 500,000 pounds for a couple of endorsements that took no more than a few hours of his time.

At a much earlier time, Mayer Amschel felt it would benefit the Rothschilds if he sent his son Nathan to England, where he took up residence in Manchester. According to Sir Thomas Buxton, the reason why Amschel chose to send Nathan to live in Manchester has already been partly explained herein.

> Many English manufacturers sent in 1789 a man to Frankfurt to offer their goods. The Rothschild trick consisted of keeping him a long time, and later giving him the hugest order for Germany.
>
> In the meantime, Nathan was sent to Manchester, where he bought all of the available cotton and dyestuffs. When the representative returned to Manchester with orders, the manufacturers had to apply to Nathan for these materials and he made them pay treble the price and even refused to sell the stuff, thus making them pay his father enormous 'damages.' Then he took the cotton and the dyes to some manufacturers and they manufactured the stuff for him at the lowest price. This base trick ruined many people in Manchester.
>
> This plundering made Manchester very indignant. Nathan was frightened and fled to London, where the London Stock Exchange was a larger field for his exploitation. In later years none of the members of the Exchange could boast like Nathan of having multiplied his capital 2,500 times during the course of five years. (John Reeves, The Rothschilds, page 167)

Another reason why Nathan suddenly went to London is given in the documents referred to in the British Museum:

> The reason also was that Wilhelm IX of Hesse-Cassel (1785-1821) was persuaded by Amschel to transfer his affairs in London, from the bank of van Notten into the hands of Nathan. Of course, 'accidentally' a whole gang of those Frankfurt Illuminati went with Nathan to London to try and do the same thing there, but the British were too clever to be deceived.
>
> When France invaded Germany, Wilhelm IX [since called the Elector] gave $3,000,000 to Amschel, which he sent to Nathan in London to prevent it from falling into the hands of Napoleon. Just at that moment the Company of India had $4,000,000 in gold. Nathan bought it and increased its price. He cornered gold in London. This arrangement has endured and even today, N.M. Rothschild fixes the price of gold on a daily basis every morning, and the Rothschild "fixing " is accepted as the "official" gold price throughout the world.
>
> He [Nathan] knew the Duke of Wellington needed it. Nathan also bought the Duke's bills at a large discount. The Government asked Nathan for a loan of his gold and he transferred it to Portugal. Nathan loaned his gold and it was returned, but he compelled the repayment of the Duke's bills at their full value. Thus he made 50%. Then he again loaned his gold at 15% and received it back and transported it to Portugal with a huge commission.
>
> The Duke needed this gold to pay the outfitters of his Army who were all Portuguese, Spanish and Dutch

> Jews. Thus not a single pound of gold was received by Wellington, only orders to Nathan's agents in Portugal, who were paid by Rothschild in Frankfurt. This operation netted Nathan 100%. Thus the Rothschilds made colossal profits with the money of the Landgrave, but took all the profits for themselves. (Maria O'Grady and John Reeves)

As I said earlier, the descendants of Mayer Amschel became the most powerful men in the world. The one example, perhaps more than any that marks the truth of this observation is the account of how James Rothschild defeated Nicolas I of Russia. It turned on the Russian revolutionary, Hertzen:

> The notorious author, Alexander Hertzen, one of the pioneers (fomenters) of the Russian Revolutionary movement was compelled to leave the country. (Actually he was forced to flee Russia just hours ahead of the police). He arrived in London, where he started a Russian paper called The Bell. Hertzen, however, was a rich man, who before going into exile had converted his property into Government bonds. The Russian Government knew the numbers of Hertzen's bonds, and when they were presented for payment upon the exile's arrival in London, Nicholas I, hoping thereby to crush his enemy, ordered the Government bank of St. Petersburg to refuse payment.
>
> The Bank naturally obeyed. But fortunately for Hertzen he found a champion in the elder Rothschild. The latter informed the Czar that as Hertzen's bonds were as good as any other Russian bonds, he was reluctantly compelled to conclude the insolvency of the Russian Government. Should the bonds not be

> paid immediately, he would declare the Czar bankrupt in all the European money markets. Nicholas was beaten. He put his pride in his pocket and paid the bonds. Hertzen himself relates the story in The Bell under the title, King Rothschild and Emperor Nicholas I."
> (The Fortnightly Review, by Dr. A.S. Rappaport, page 655)

From these accounts it can be seen just how much the legend of Amschel Rothschild having made his money as a pawnbroker wears thin in the face of reality, and yet the myth endures that pawn broking was in the beginning the source of Rothschild's wealth. It can now be stated as a fact that there is very little substance, if any, to that claim.

In discussing Lionel under the fictitious name of "Sidonia," Disraeli gave many clues to his master's true character: "It was impossible to penetrate him. His frankness was strictly limited to the surface. He observed everything, though overcautious, but avoided serious discussion. He was a man without affection." According to John Reeves:

> . . . The Rothschild brothers, fully cognizant of his superior intellectual capacity, willingly acknowledged Nathan Mayer as the most fit to direct all of their important transactions. (The Rothschilds, page 64)

One of the most interesting of the many interesting facts I discovered in the British Museum in London is the history of the founders of what was to become one of the greatest propaganda machines the world has ever known. I refer to the Tavistock Institute for Human Relations, which became the premiere brainwashing think tank of the ruling elite of Britain. The Tavistock Institute grew into a huge organization, which today dominates the United States and

Great Britain. This vast organization had its beginning in 1914 at Wellington House, London at the outbreak of the First World War.

In charge of organizing a propaganda machine that would persuade a reluctant British people to look upon that war with Germany as necessary for the survival of the British way of life, was no easy task since at the time, the majority of the people had any desire for war with Germany, and there was staunch opposition to it. Placed in charge of the propaganda enterprise were Lord Northcliffe and Lord Rothmere. Actually, both men were directly related to the Rothschilds through marriage.

One of the three daughters of Nathan Rothschild II was Charlotte, born in 1807 who married her cousin Anselm Salomon, son of Salomon, the second child of Amschel and Caroline Stern of the Frankfurt Sterns. The Sterns were directly related to the Harmsworths of England, one of who became "Lord Northcliffe" and the other who became "Lord Rothmere."

For full details about the Tavistock Institute read: The Tavistock Institute of Human Relations: Shaping the Moral, Spiritual, Cultural, Political and Economic Recline of the United States of America. (2006)

Jacob (James) Rothschild was undoubtedly the most important man in France, having virtually created many French politicians and leaders who owed their position to him. He had come a long way from the thirteen-year old boy that had hardly attended school, accompanying instead, his father Mayer Amschel in the many trips he took across Germany.

There he was exposed to the restrictions imposed upon Jews who traveled across the borders of the principalities, being forced to pay a Liebzoll, head tax, each time. James always desired to leave Frankfurt and follow his

brother Nathan to London, but instead, Amschel sent him to Paris. He left Frankfurt for that city in March of 1811. His arrival in Paris did not go unnoticed by Finance Minister Mollien who reported it to Napoleon: A Frankfurt man who is now in Paris and who calls himself Rotschild (sic) is occupied mainly in smuggling guineas from the English coast to Dunkirk.

Francois-Nicholas Comte Mollien was Napoleon's top advisor holding the post of Minister of Finance from 1806-1814.

The arrival of James must have been an event of importance for Napoleon, who could not have known what great a part James Rothschild was to play in his downfall, and of course the Rothschilds were engaged in more than smuggling, although that activity was a widespread and very lucrative business for them. When the British blockaded France, Mayer Amschel saw it as a golden chance to make a fortune, and he did, in gold.

> At twenty-two years old, James was a rather unattractive young man who was almost servile in mannerisms. Some of his contemporaries were not so kind. Castellane, who along with Mirabeau and Clement-Tonnerrre were the high nobility of Paris, found James frightfully ugly, even though he is the Adonis of the Rothschilds'. (Baron James, Anka Muhlstein, page 61)

Others were even harsher:

> A monstrous visage, the flattest, squattest, most frightful kind of batrachian's face with bloodshot eyes, swollen lids, and a slobbery mouth slit like a piggy bank, a sort of a satrap of gold, that's Rothschild.
> (Goncourts, Journal Paris 1854 Vol. Ill, 7)

James set his course in Paris in 1814 when he asked the Commercial Court to accept registration of his banking house. Before that, he acted merely as the representative of the Frankfurt "head office." This did not alter the solid connection between himself, London and Frankfurt; rather it formalized it and gave him greater status in Paris. He now branched out into tax collecting for the French Treasury and engaged in widespread money lending.

When the fortunes of the king changed, and through the Restoration, (the 100 Days of Napoleon) it did not matter who was at the head of affairs, all were beholden to James Rothschild. He seemed able to change sides without losing one scrap of face or influence.

The end of Napoleon at Waterloo, engineered by his brother Nathan from London, brought in its aftermath a very profitable relation with King Louis whose return to power the Rothschilds made possible by loaning the necessary capital. The undermining of Napoleon and his government was the work of the Rothschilds who now enjoyed the bounty brought with the Restoration.

Napoleon's barely concealed dislike for the Jews contributed to his downfall. The Rothschilds had lived in fear of Napoleon after he refused to attack Christian kings and Christian nations. With peace once more in the air, banker's loans became the biggest and best opportunity to make money, and the Rothschilds exploited it to the full.

CHAPTER 10

NATHAN ROTHSCHILD SETTLES FRENCH DEBTS

The French Government had to settle its wartime indemnities and for this, they needed to borrow money. By lending Louis XVIII the money it took to make a triumphant, but dignified return, Nathan Rothschild ensured a "place in the sun" for James. The sum of money was reputed to be 5 million francs.

True to the teachings of old Mayer Amschel, Nathan did nothing for nothing. His game plan for the loan was to oblige the king to open the doors for James to get into the high circles of society, at the head of which stood the Duc de Richelieu, Premiere of Paris.

At first, Richelieu resisted but he had not an inkling of how persistent Nathan could be. Much pressure was exerted upon him by the Marquis d'Osmond, the French Ambassador at London, and by the Austrian Ambassador Count Esterhazy, both of whom were heavily indebted to Nathan. Finally, although extremely irritated by such unseemly pressure, de Richelieu consented to receive James. It did not stop there.

Next, James got the chief of police Decazes in his pocket through providing him with "special information," which came to him from the von Thurn and Taxis family of Germany who held the mail contract. They simply opened mail of interest to the Rothschilds and then relayed the contents to James in Paris, Nathan in London or Mayer in Frankfurt. It is worth noting, that the von Turn and Taxis

family is part of the Committee of 300. There was a double benefit in giving the information thus gained to Decazes instead of de Richelieu to whom it ought to have gone. In return, Decazes kept James informed of any pending anti-Jewish moves or political intrigues directed against his bank.

With his circle of important people growing wider, James decided that he needed a home more suited to his status, one where he might entertain in the lavish style that was expected of him. He found such a home in a mansion formerly possessed by Queen Hortense on the Rue La Fitte, which had previously belonged to a Paris banker named Laborde, who fell victim to the guillotine in 1794. Hortense, the daughter of Empress Josephine had become Queen of Holland after being married to Napoleon's brother, Louis.

It cost James a fortune to have the house remodeled and refurbished; some said the bills came to more than three million francs. When completed in 1834, it became the talk of the town. Heinrich Heine, the German-Jewish Communist philosopher, the Duc d'Orleans and Prince Leopold of Coburg were frequent guests at the glittering soirees given by James.

When Prince Metternich and his entourage, including the brilliant Prussian Friedrich von Gentz, who had the confidence of the great man, came to Paris, James gave a party that rivaled anything seen in Paris since the return of the king. Even the mighty Duke of Wellington dared not refuse an invitation from James when he visited Paris.

James patronized von Gentz and played on his weakness for women, lots of women, providing von Gentz with the money it took through "easy terms" as we say today. Von Gentz got all the women he could handle, plus many other luxuries he had not hitherto been able to afford. Thus did James come to "own" von Gentz.

> James' palace became a magnet for all types of politicians, and particularly, those who were open

> Communists and Socialists. One such person was Ludwig Borne, a strong supporter of the notion that all the kings of Europe should be dethroned and replaced by James, with the exception of Louis Philippe who would be crowned in Paris, so that coronation ceremony would be conducted, not by the Pope, but by James Rothschild. (Notre Dame de la Bourse, January 22, 1832)

> As previously mentioned, an individual who was patronized by James Rothschild was Heinrich Heine, the German poet who had deserted his homeland and settled in Paris, whether to be near Rothschild, or for political reasons, is not certain. Heine was an avowed Communist and was more than likely on the German police list of subversives and this may have been one reason why he took up residence in Paris. Rothschild helped Heine in innumerable ways, not the least being financial. Heine perceived James a revolutionary and praised him for being 'one of the first to perceive the worth of the Crimieux . . .' Herr von Rothschild alone discovered Emile Pereire, the Pontifex Maximus of railways. (Olivia Maria O'Grady)

Not exactly true as I found when I looked at the profit angle that brought James to invest in the new fad. Pereira was a young Sephardim Jew employed by James to do the day-today supervision of the construction work. Through it all, James and Nathan did not stray far from the tricks of the trade taught them by Mayer Amschel, that being never to lose sight of the goal that money was everything.

A particular deal, one of many that James and Nathan were offered, was that of official agents for making payments to Austrian troops stationed at Colmar in Alsace. The Rothschilds were awarded the contract by undercutting all

competitors. The business was risky because it involved transport of coinage through bandit-infested areas, necessitating expensive insurance. Instead of transporting physical coinage, James arranged for Rothschild credits to be placed with local banks against which the soldiers were paid. Having eliminated the risk, James and Nathan were able to pocket substantial commissions. This became the basis of new business, the transfer of funds all around the Continent and to London now being done in this way, and the Rothschilds had the monopoly.

In order to give readers just a glimpse of the immense power wielded by James I relate the following affair, which became one of his causes celebre and showed how far his powerful arm could reach. A certain priest, a Father Thomas and his servant disappeared in Damascus in April 1840. Murder was suspected and the suspects, who just happened to be Jewish, were arrested, whereupon they confessed to the murder.

> World Jewry immediately protested vehemently that the arrested Jews were innocent, and that their confessions had been made under torture. James and Salomon immediately brought their combined pressures to bear upon the monarch and Salomon induced Prince Mettemich of Austria to take action.
>
> The Austrian Consul von Laurin protested to Mohammed Ali, reporting directly to James and Salomon actions taken. The French Consul at Damascus, however, being on the scene, took an altogether different view of the murder and the defendants the political scene being acute; Louis Philippe dared not risk unwarranted support of the Jews against the Christians. James' letter to Salomon is of considerable importance. It clearly reveals the behind-the-scenes methods employed by the

Rothschilds in pressuring governments and molding public opinion: My efforts have unfortunately, not yet produced the desired results. The government is acting very slowly in this matter; in spite of the praiseworthy action of the Austrian Consul, because the matter is too remote so that the public interest has not been sufficiently aroused about it. All that I have so far succeeded in doing is, as stated in the Monitor today, to arrange that the Vice Consul at Alexandria should be instructed to investigate the conduct of the Consul at Damascus.

This is only a temporizing measure since the vice consul is under the Consul, so that he has no authority to call the latter to account for his actions. In such circumstances the only means left is the all-powerful method here of calling in the newspapers to our assistance and we have accordingly today had a detailed account based upon the reports of the Austrian Consul sent in to the Debates and other papers, and have also arranged that this account shall appear in similar detail in the Algemene Zeifung of Augsburg.

We would certainly have published Herr von Laurin 's letters to me on this matter, had we not felt that this could only have been done after previously obtaining the permission of his Highness Prince von Metternich.

For this reason, my dear brother, convinced as I am that you will gladly do your utmost in this just cause, I would beg you to request of the Prince in his kindness to authorize the publication of these letters. The gracious sentiments of human feeling, which the Prince has expressed with regard to this sad episode,

> cause us to confidently entertain the hope that this request will not be refused.
>
> When you have received the desired permission, I beg you, my dear Salomon, not to immediately publish the letter in the Osterreicher Beobachter alone, but to also be so good as to send them immediately with a short covering letter to the Augsburger Zeitung, so that they may reach the public through that medium also. (The Untold History, Count Cherep-Spiridovich)

Some of the important statesmen the Rothschild had under their control began to worry about their power and influence.

One of these was Prince Metternich who was under the firm control of Salomon Rothschild and regarded by him as no more than a "valet" for the Rothschild family. After bartering away a good deal of Austria's sovereignty, Metternich began to have serious doubts:

> By reason of natural causes which I cannot regard as good or moral, the House of Rothschild is a much more important influence in French affairs than the foreign office of any country, except perhaps, England. The great motive force is their money. People who hope for philanthropy and who have to suppress all criticisms under the weight of gold, need a great deal of it. The fact of corruption is dealt with quite openly, that practical element, in the fullest sense of the word, in the modem representative system.

Too late did Metternich realize that by selling Austria he was playing right into the hands of the international revolutionaries, and when the revolutionary fires began to

burn, despite his exalted rank, Prince Metternich had to flee Vienna on money borrowed from Salomon Rothschild.

It is doubted by historians, that Metternich ever had any conception of the revolutionary forces he had inadvertently helped to unleash. According to documents in the British Museum, world revolution began to go into high gear in 1848, beginning in Sicily in January of that year.

> The great cities of Europe seemed to be stirred by waves of excitement. Disorder spread to Naples. In Paris the red flag was unfurled over the barricades. Socialist revolutionaries led the workmen and students into bloody revolt in February 22, 1848, and Guizot resigned. (Olivia Maria O'Grady)

It is stated that James Rothschild overrated King Louis Phillip, thinking him to be sympathetic to revolutionary ideas. According to Professor William Langer, Coolidge Professor of History at Harvard University . . . Republicans and other radicals had accepted Louis Philippe as a revolutionary monarch only to discover their mistake too late.

This is surprising, as James Rothschild was known to be a very astute judge of character and one who could read political scenes like a road map. It cannot be said with certainty, but Marshal Soult, a close friend of Nathan Rothschild, who formed a ministry with the Duke of Brioglie, Thiers and Guizot, the latter two men being of a notably conservative side of politics, may have had something to do with it.

In 1830 demands by workers stirred up by Marx and his Socialist International began in Italy and Poland, which were not met by their governments. Radical agitation and violence continued in France during 1831:

In November 1831, a large scale insurrection of workers at Lyons was put down with difficulty. There followed a rapid spread of secret societies. Under the regime of press freedom the king was unsparingly attacked and in the radical newspapers mercilessly caricatured, notably by Honorare Daumire. In 1834 there were great revolts in Paris and Lyons, which were suppressed with great severity. In 1845, the radical Fieschi attempted to assassinate Louis Philippe, but the attempt did not succeed. Thereafter, in 1836, the king established a government run by his personal friend Colonel Louis Mole with the Right Center leadership Guizot; but he joined forces with the Left Center Party and overthrew Mole. (The Untold History, John Reeves)

To continue with The Untold History:

Revolutionary activities prior to 1848 had sent men like Karl Marx and Frederick Engels, Louis Napoleon Bonaparte into exile from the Continent. England had been their haven. In 1848 they had returned to the Continent to participate in the Revolutions. On February 24, 1848, the Charter and constitution and parliamentary rule seemed to come to an abrupt halt.

In all of Paris I did not see one member of the militia, one soldier, one gendarme, or one member of the police. Meanwhile sheer terror gripped all upper classes. I don't believe that any time during the Revolution (1789-94) it was quite so great. (Victor Hugo, Choses vues, page 268)

James stayed on for a few days and was observed by Feydeau, one of the members of the National Guard:

> Around noon, I saw two gentlemen, arm in arm, calmly appear out of the Rue de la Paix and move toward the Tuileries. I recognized one of them a Baron de Rothschild. I quickly went up to him. 'Messeur le Baron,' I said 'you would seem not to have chosen a very good day for a walk. I think it would be better if you returned home rather than expose yourself to bullets whizzing in all directions.'
>
> But the Baron assured him that he was safe and was needed at the Ministry of Finance. Louis Napoleon was to become, first, the President of France and then Emperor; Marx and Engels joined in founding the Communist League, and then, with the failure of the revolutions, they returned to England, while others, among them Joseph Wedermeyer emigrated to the United States... (Olivia Maria O'Grady)

After the Battle of Sedan and the capture of Napoleon III by the Prussians (September 1870), Paris, mistaking itself for being the heart, brains and other organs of the French nation, and the rest of France as backward, primitive, one might say almost barbaric appendage, underwent a series of revolutions (in the name of France) culminating in the Paris Commune of 1871, which served only to leave the nation prostrate before the enemy and expose it to his contempt. Quoting from Professor Langer:

> Between 1840-1847 Guizot became the commanding figure. Guizot became premiere in 1847 and remained in power until 1848 when he resigned. Street disorders led to the revolution of February.

Continuing the account of events in 1848, from papers and documents in the British Museum and from L'Alliance France-Allemande et Les Forces Titanique, The

Rothschilds by John Reeves and the accounts of Olivia Maria O'Grady:

> In Paris the red flag was unfurled over the barricades. Marxist revolutionaries led the workmen and students into a bloody revolt on February 22, 1848 and Guizot resigned. The troops attacked the revolutionaries on the barricades; stirring the population into a frenzy of excitement. On the 24, the National Guard and line regiments went over to the rebels. The seventy four year old Louis Philippe fled the country.
>
> Marx and Engels made ready to take personal charge of the revolution . . . Marx was entrusted with full revolutionary powers . . . Lamartine and Arago asked the Jewish banker, Michael Goudchaux to accept the revolutionary portfolio for finance. The banker accepted. Caussidere, the barricade prefect, asked James Rothschild for a loan for the purposes of paying his revolutionary aides. James happily complied. (Pages 218-219)

After describing how Marx and Engels took charge of the various revolutionary factions and organizing revolt in Germany, O'Grady wrote:

> In the beginning of April, Marx and Engels left Paris for Germany where the flames of revolution had preceded them. The Holy Alliance had collapsed in the smoke and flame of Vienna and Prince Mettemich had fled the city on money borrowed from Solomon Rothschild. (Page 219)

> James Rothschild gave Leder-Rollin seven hundred and fifty thousand francs in support of the 1848 revolution. It was said that he was compelled to do so under Rollin 's threat to burn the Palais Rothschild in the Rue Lafitte. In the three days of street fighting in June of 1848, Louis Eugene Cavalgnac emerged victorious; He immediately assumed dictatorial powers and was nominated president of the council of ministers by the National Assembly. By free use of large sums of money Rothschild ingratiated himself with the new power in France, and was as much at home with Cavalgnac as he had been with Louis Philippe. It was soon said that he was as good a Republican as he had been monarchist.

The French Workers Party claimed him as one of their own. The Editor of the radical Tocsin des Travailleurs wrote:

> You are a wonder sir! In spite of his legal majority Louis Philippe has fallen, Guizot has disappeared, the constitutional monarchy and parliamentary methods have gone by the board; you, however, are unmoved. Where are Aragon and Lamaratine? They are finished but you have survived. The banking princes are going into liquidation and their offices are closed.
>
> The great captains of industry and the railway companies' totter . . . you alone among those ruins remain unaffected. Although your House felt the first shock of violence in Paris, although the effects of the Revolution pursue you from Naples to Vienna to Berlin, you remain unmoved in the face of a movement that has affected the whole of Europe. Wealth fades away, glory is humbled, and dominion

is broken, but the Jew, the Monarch of our time held his throne.

The Paris Commune was the first Communist government in Europe. Of the Rothschilds, O'Grady writes:

> Their fabulous command of unlimited supplies of money broke down all barriers for the Rothschilds. The dazzle of great wealth increased their social prestige everywhere. The powerful, the great kings, princes and premieres sought their favor.
>
> They built palaces and entertained the 'right people' with a royal magnificence that shamed the state affairs of monarchs. The world was their feet, and the cause of Jewry in Europe was in the ascendancy. Just how fabulous was their fortune is going be demonstrated as we proceed.

CHAPTER 11

FRANCE SURVIVES COMMUNIST ONSLAUGHTS

Leaving that momentous event behind, I researched papers about France in later years to see if the thread continued and found that it very much did. Following the success of the Paris Commune, the Communists tried again in 1871 after the Provisional Peace of Versailles was signed with Bismarck. In September 1870, the collapse of Napoleon III at Sedan was a blow that the French Empire did not survive.

On September 4, the mob again tried to take over Paris as they had done previously when James Rothschild had partly financed the revolution, but on September 19, the German armies that had defeated the French at Sedan rushed through to Paris and invested the city.

The Communists were not able to sustain their offensive and Paris was left with food enough for only eight days. On January 28, 1871, Paris capitulated to the German army. French troops disarmed, forts taken over. Bismarck allowed for elections and demanded an indemnity of five billion francs be paid to Germany. In March through May of 1871, the Marxist Communists National Guard, whom Bismarck had failed to disarm, seized 417 cannons and murdered Generals Lecomte and Thomas.

The International played a leading role in the National Guard through Loeb, Cohen, Lazare, Levi and of course, Karl Marx. The regular troops were forced to retreat and leave Paris in the hands of the Marxist Socialist International. Backed by the German army, French troops

attacked the barricades in Paris and broke the hold of the Communists. But in the meantime, before the assault of the French and German regular troops broke the power of the mob led by the rebellious National Guard, the Communists exacted fearful reprisals. Sixty-seven innocent hostages were butchered at Fort Vincennes.

The Archbishop of Darboy was shot down like a dog, as were a number of his priests. Prominent citizens were also summarily shot. This happened even as the troops of the Third Republic were entering the city.

On May 20, 1871, the Communists drenched all those sections of Paris under their siege with gasoline, setting fire to all public buildings and most private property, including homes. The Tuileries, the Ministry of Finance, the Palais Royal, the Ministry of Justice, the City Hall and the police headquarters were all set on fire and burned to the ground.

> By a miracle, the sumptuous House of Rothschild and its priceless possessions remained untouched. As always before, the House of Rothschild emerged from the hazards of the war of 1870-1871 and the Paris Commune, financially unshaken and still the undisputed masters of Europe. Again the Rothschilds showed they were capable of switching their allegiance from the monarchy and bestowing it with equal devotion to the Third Republic. Alfonse Rothschild, of course, withdrew to Versailles, and took a room in the Hotel des Reservoirs where he lived throughout the fighting, looting and the terrors of the revolution.

The quoted portions are from the work of Olivia Maria O'Grady, the works of Professor Langer and from The Untold Mystery by John Reeves.

What is worthy of note is that while the most radical of the mob remained to murder their unfortunate victims, their

leaders slipped out of the city and made their way to England, Switzerland and Latin America. The Paris Commune having run its course, collapsed in a frenzy of blood lust. There appears to be little doubt that the vast sum of money it took to run the Commune (it only lasted for two months) must have come from the Rothschilds.

> The leaders of the Commune spent 42 million francs, an enormous sum of money for that day. Even with the most prolific squandering it is hard to see how it could have spent as much as one third of that amount. This means that some 25 million francs disappeared in some direction, probably Switzerland, and possibly in the baggage of the head of the Bank of France, or rather its Assistant Governor, the Marquis de Poleis, who accompanied Beslay to Switzerland, when the latter was given a safe conduct pass to leave the country after the suppression of the Commune. (The Untold History, John Reeves)

The general feeling at the time was that Beslay, who had been appointed to the Bank of France by the Paris Commune (in other words, indirectly by the Rothschilds) had rescued the money for them and that the Rothschilds arranged the safe-conduct passes.

In any event, the Paris Commune brought shame and disgrace to the people of France and sent the Socialist movement into a state of decline. It is interesting to note that the Preliminary Peace Treaty of Versailles had been negotiated in part by Alfonso Rothschild, the son of James Rothschild. Alfonso concluded the financial negotiations with Bismarck and agreed to payment of the five billion francs demanded for reparations.

Eduard Rothschild was the son of Alfonso Rothschild, the eldest son of James Rothschild, who died on May 26, 1905, but the line of succession's hold on French

affairs continued. Later, we shall see the part played by Eduard Rothschild and Lord Rothschild in the so-called "Balfour Declaration" that led to the establishment of a Zionist State in Palestine, in which, incidentally, Disraeli played a leading role for his masters, the Rothschilds. There are always people behind the scenes, as any thinking student of world history will know. What role did Disraeli play in the "homeland" for the Jews? In his work Tancred, Disraeli talked about "those days of political justice when Jerusalem belonged to the Jews." Of Jerusalem, he wrote:

> I saw before me apparently a gorgeous city" and all through his novels, Alroy, Contari and Fleming, he wrote about his love of Jerusalem stressing that it was a Jewish possession. At Hughendon, his country residence, Disraeli told the visiting Stanley of his "plans for restoring Palestine to the Jews and for the re-colonization by Jews.

What role did Karl Marx play in the 1871 Paris uprising of the Communists? According to records in the British Museum confirmed by two other sources:

> Marx was exultant, and though his fame spread everywhere as the monster who let loose the murderous cut-throats of Paris, he strutted like a peacock before members of the International in London. He launched into a eulogy of the 'immortal heroes of the barricades.'
>
> When the Paris Commune took the management of the revolution into its own hands, when plain workingmen for the first time dared to infringe upon the government of privilege of their cultural superiors, the old world writhed in convulsions of rage at the sight of the red flag, the symbol of the

> republic of labor, floating over the Hotel De Ville. (The Paris City Hall)

One of the things we learned from the Paris Commune is that it disenchanted the majority of the French people, but the leaders who slipped away to England and Switzerland with the help of the Freemasons and Illuminati, regarded it as a landmark in the rise of International Socialism in Germany, Spain, Russia and Italy. Karl Marx in London became the clearinghouse for International Marxism, but right next to him stood Engels and the Rothschilds.

In the Untold History, we are told that the Rothschilds were the agents for the Frankfurt Masons, of which the Landgrave of Hesse was the Master, whose finances the Rothschilds controlled. At this juncture a few notations about Bismarck would be appropriate since he played a major role in shaping the destiny of not only Germany, but the whole of Europe.

According to author John Reeves in his work, The Rothschilds, Bismarck was regarded as a mere valet of the Rothschilds and was half-Jewish.

Documents in the British Museum suggest that Bismarck's natural father was Marshal Soult, the real "Waterloo" of Napoleon I: "Does it not prove that Marshal Soult was his real father and not the quiet Prussian small landowner, the official father of Bismarck?"

> After Napoleon had been put down by the Rothschilds, they needed a new leader and they created such a one in Otto Bismarck. His father, William, married Louise Menken [the Menkens were Jews] — a bourgeoisie of unknown origin. He took her into his country place, which the French troops of Napoleon soon invaded, and in a nearby chateau, Marshal Soult established his headquarters.

> Louis had been in imminent peril of violation, the champagne of Soult, his Asiatic persuasive powers appealed to the heart of Louis more than the beer and heavy wits of her German husband. Soult has since shown an extreme attention to Mrs. Bismarck — Menken and her son, the future 'Man of Blood and Iron.' Soult occupied the highest posts in France and until his death betrayed every Christian ruler. The six years Bismarck passed in Palma Institute in Berlin had left him but regrettable memories. (Cherep-Spiridovich, page 108 -- The Hidden Hand attributed to J. Hoche)

Actually, Louise Bismarck-Menken was not of unknown origin. I traced her antecedents to Haim Solomon who is credited with giving all of his fortune to General George Washington to start the American Revolution. The Jewish Tribune of New York of January 9, 1925, also confirmed that Louise Menken was the descendant of Haim Solomon.

Certain researchers and historians hotly dispute that the money Solomon gave to Washington was his own, but that it came from the Rothschilds, Solomon being their mere conduit. They point to the fact that in spite of giving all his money to Washington, Haim continued to live in luxury. The story of how Bismarck was co-opted by the Rothschilds can be pieced together from Lord Beaconsfield Letters, December 1812 and from Coningsby:

> Lionel Rothschild often took Disraeli to Paris where he was introduced to James Rothschild III. They were visited by Count Arnim, the Prussian Minister. Through Lionel, Disraeli became his friend. Soult was a Cabinet Minister of France and spoke much, perhaps, of his son, or the son of his mistress, ex Menken-Bismarck. Thus it was that the Rothschilds

> decided to capture young Bismarck, who was in great need, and was, at least, a half a Jew, who already in 1839 was compelled to struggle against disaster which threatened his property. But the Rothschilds, Soult and Amim were already watching him and all sought to use him. Even in 1839 at Aachen, Bismarck had shown himself rebellious, as had Disraeli in his poem 'Blessings to the regicide dagger.'
>
> But James required that Bismarck and Disraeli display 'arch Conservatism,' which then was winning in order to slip into high society and to acquire power. Therefore, Disraeli and Bismarck dropped the hymns to 'regicide daggers' and became ultra-conservative. Both were ordered to become 'very mundane.' Amim, the Prussian Minister and member of the Reichstag married Bismarck's beloved sister Malvina in 1844 and, according to Disraeli, Bismarck fell entirely under the influence of the Rothschilds andArnim and his sister.

Indirectly we learn the statement made by Walter Rathenau that 300 men rule the world (see The Conspirators' Hierarchy: The Committee of 300). Forty years before, Bismarck indicated his agreement with Rathenau's statement:

> This was repeated by Disraeli when he said that 'the world is ruled by very different personages from what is imagined by those who are not behind the scenes.' Forty years before Rathenau's statement, Bismarck indicated his agreement with both Rathenau and Disraeli.
>
> (Extracted from Coningsby and Cherep-Spiridovich and British Museum papers)

Considered a reactionary, in 1847 Bismarck tried to placate Conservatives by his simulated violence against the Liberals, following the example of Disraeli and thus won the favor of the Prussian King. With a great deal of effort and juggling, Bismarck's controllers managed to get him to marry Johanna Puttkamer in 1847.

Puttkamer was a remarkable woman whose abilities to calm his terrible temper (probably inherited from Soult) because his registered father was a quiet man never given to violent outbursts thus saving his career, which would otherwise have come to an abrupt end. When in 1849 the list of new Cabinet members was proposed to Frederick William IV, he drew a thick line though Bismarck's name and wrote: Red-hot reactionary. Likes the smell of blood.

In 1849 Bismarck had himself elected to the Second Prussian Chamber with the help of Arnim and Rothschild, and in 1851 he attended the Diet of Frankfurt am Main as a Deputy. Count Arnim was also behind Bismarck and he did his part by recommending him to Otto von Manteuffel, the Minister of Prussia. Of von Manteuffel, Professor Langer discusses the background to his importance, historically:

> On May 16, 1850, a number of petty states and Austria met at Frankfurt and reconstituted the old diet of the Germanic Confederation. If Prussia insisted on this union, war with Austria appeared inevitable. When a dispute arose from an appeal . . . both powers mobilized and war seemed imminent.
>
> Tsar Nichols of Russia, irritated by the pseudo liberalism of the Prussian ruler sided with Austria, and Frederick William, who had been averse to war from the very outset, decided to beat a hasty retreat. He sent his new Minister, Otto von Manteuffel to negotiate. . . (Professor Langer, page 726-727)

> When Bismarck was old, his eyes never lost their amazing power. He had by nature contempt for anything weak, sentimental and among his objects of disdain he included several Christian virtues. (Professor F.M. Bowicke, Bismarck and the German Empire, page 5)

In La Revue des Deux Mondes published in 1880 vol. 26, page 203 by Valbert, we read the following:

> The Jews were the only people who could exploit Bismarck in such a way, where the entire liberal reforms in Germany after Sadowa (where the Prussians were defeated by the Austrians in 1866) introduced by Bismarck, served to benefit the Jews. ..

As we have shown, the Rothschilds were particularly interested in the politics of all nations where they had established themselves. For instance, at the Congress of Vienna, the Rothschilds sought to predominate. We learn from Maria Olivia O'Grady:

> . . . The Jews sent representatives to the Congress of Vienna where they sought to influence the official delegates through bribes and presents. The elder Rothschild, it will be recalled, was fearful of the special Jewish privilege he had bought from Karl von Dalberg, prince primate of the Confederation of the Rhine, might be lost unless incorporated in the new constitutions that the Congress was expected to draft.
>
> Jacob Baruch (father of Ludwig Boerne) G.G. Uffenheim and J.J. Gumprecht, Rothschild's special emissaries, would have been run out of town by the Viennese police, had not Metternich intervened.

> The Jewish representatives, of course, had no official position in the Congress. The most important Jewish influence on the members of Congress came from the Jewesses who opened their salons in lavish entertainment of the leading statesmen and rulers who were attending the sessions of Congress.
>
> The most prominent of these Jewesses were Baroness Fanny von Arenstein, Madame von Eskeles, Rachel Levin von Varahagen, Madam Leopold Herz, and the Duchess Mendelssohn von Schlegel. The best that the Jews were able to accomplish at the Congress of Vienna was a number of drafts proposals that invariably offered full rights of citizenship to those Jews who 'assume performance of all the duties of citizens.' This clause did not meet with all the peculiar demands and requirements of the Jewish 'nation,' which actually desired all rights of citizenship without the usual obligations. (The Congress of Vienna, pages 345, 346)

Author Anka Muhlstein in Baron James, The Rise of the French Rothschilds, puts a different interpretation on the events of the Congress of Vienna and their effect on Frankfurt:

> Hardly had the French armies withdrawn when the German authorities addressed themselves to the urgent problem of putting the Jews back in their place. In Frankfurt the rights legally acquired and dearly paid for were now abolished. Once again the Jews found themselves treated like unwelcome aliens.
>
> Realizing that their honor, their liberty, and occasionally their lives were threatened, the Jews turned to the Great Powers meeting regularly at the

> Congress in Vienna. But however valid, their arguments were in vain. This left Germany's Jews no choice but to resort, as in the past, to clandestine means and thus find, or buy protection.
>
> Salomon took charge of the Jewish campaign and suddenly the wallet of Gentz, Metternich's advisor grew fat. This resulted in a suspension of the Austrian edicts of expulsion along with statements from Metternich and Hardenberg, the Austrian Chancellor's counterpart in Prussia. (Baron James, The Rise of the French Rothschilds, Anka Muhlstein, page 68)

According to Muhlstein, Jews were attacked in Frankfurt and severely persecuted. Salomon Rothschild chose to move to Vienna, but Amschel remained in Frankfurt and after reminding the government how much they would need Rothschild loans, the violence against the Jews began to subside.

CHAPTER 12

SALOMON ROTHSCHILD SHOWS HIS FINANCIAL CLOUT

In Vienna, Salomon was not allowed to buy a house, so he rented an entire luxurious hotel for himself and then refused the King of Wurtemberg the apartment he had occupied for many years.

Salomon was granted diplomatic immunity and had the title "Baron" bestowed upon him. Metternich then appointed James and Nathan as Consuls, an "unthinkable honor for a Jew" as Salomon noted:

> James did not renew his appeal. Metternich's evident power and protection relieved his anxiety. Thanks to the Chancellor, in fact, the Rothschilds would acquire diplomatic immunity.
>
> Having granted them a useful and flattering title, he would now do considerably more. Nathan and James, at the price of numerous skillfully negotiated loans conceived the idea of having themselves appointed Consuls to represent Austria in London and Paris. A Jew entering the diplomatic corps! It was unthinkable. However, despite the enormity of the proposal, Metternich agreed.

> Only the evil-minded would suspect some connection between the advantageous personal loans made by the Rothschilds to the Chancellor. All court functions lead to new business especially when it has to do with Austria. If James should be appointed in Paris, he could, God willing, take charge of everything related to the liquidation of the debt owed by France to Austria, since the Consul would be allowed to treat with the King in person. {Souvenirs Augustus de Fremilly, page 232, 1908)

> In trying to establish a pattern of powerful Jews attempting to use their influence at international conventions, The Conference of Aix la Chapelle in 1818 was also confronted with uninvited Jewish representatives. Lewis Way, an English clergyman, acted as the Jewish mouthpiece, and introduced a petition to the Conference advocating Jewish emancipation in Europe. Jewish influence in the 1856 Congress of Paris and the 1858 Congress of Paris is evident in the work of both meetings. It does not appear that that Jewry was permitted official representation at either of these two conferences. (Olivia Maria O' Grady)

That did not sit well with the Rothschilds who then demanded more and more from those they held in their power. After receiving titles of barons and consuls, they now desired more visible signs of their power to be displayed.

Their "love of distinctions" was immoderate to say the least. Von Gentz was instructed to let the public know that medals and ribbons were being granted to them, and to advertise the fact: "Salomon von Rothschild and his brother in Paris have received the order of Saint Vladimir in recognition of loans negotiated for Russia."

Von Gentz wrote to a number of leading German journals. It would be as well that you publish the news. Make it Vladimir rather than Saint Vladimir. In a letter to Count von Neipberg, in 1830, Metternich privately criticized the Rothschild's vanity: The Rothschilds would like a small Saint George. What vanity. Despite their millions and their generous loyalty, the Rothschilds have an astonishing appetite for honors and distinction. (British Museum Documents)

The Christian religious nature of the decorations made it all the more extraordinary that the Rothschilds were able to secure them, and point to the power they exercised over Metternich and Bismarck, especially as it is known that Metternich began to object to the Rothschilds demands on the grounds that as non-Christians they were not entitled to receive certain decorations, but that did not stop the flood of requests for special honors. In 1867 Alphonse, the eldest son of James wrote to his cousins in London:

> The most notable outcome of Bismarck's visit (to London) has been the distribution of decorations. My father received the Great Ribbon of the Red Eagle, the highest and most distinguished decoration. No Jew in Prussia has received it. (Gold and Iron, Fritz Stern, page 1150)

Continuing with O'Grady's work, her theme of unofficial, but powerful representation at world conventions where Jews had no standing, she refers to American efforts on their behalf: American Jewry influenced the United States to present their demand for full and equal rights' to the Bucharest Peace Conference of 1913, although the United States was not officially represented at the Conference.

On October 1913, the Anglo Jewish Association addressed a joint memorial to Sir Edward Grey, urging that the new affirmative guarantees for the Jews to be secured,

pointing out that Romania had repeatedly ignored and repudiated similar assurance.

> Elihu Root, the United States Secretary of State had issued strong instructions at the direction of President Theodore Roosevelt, to Ambassador White, representing the United States at the Algerian Conference of 1906, directing him to urge upon the conference the consideration of guarantees of religious and racial tolerance in Morocco.
>
> The work of World Jewry at the Peace Conference is nowhere better indicated than in the provisions imposed on Poland by the Versailles Treaty. A ruthless conqueror could not have been more severe. The Polish representatives signed the Minority Treaty on June 28, 1919, thereby committing Poland to divide sovereignty and a superior and privileged class of citizenry. (Olivia Maria O'Grady, pages 344-347)

It has been commented on many times in history that the average person in most countries has little or no time to spare to think beyond making a living, raising a family and holding down a job making these objectives possible, leaving little or no time to attend to politics or matters of economics or other vital issues, such as war and peace, that affected their lives and their nation.

Yet it seemed, that certain groups of people were immune from such restrictions, and always seemed to know where important issues were to be decided, and by whom, and seemed to have a world-wide network that kept them abreast of all political and economic developments. Highly organized and vocal, such groups always had the edge over the local citizenry.

According to The Hidden Hand authored by Cherep-Spiridovich and the extensive work of author Olivia Maria O'Grady, such highly effective groups were always Jewish or Jewish dominated and controlled.

Both authors cite numerous and extensive examples to prove their contention, perhaps two of the more convincing examples being the Paris Peace Conference of 1919 and the establishing of the State of Israel. Continuing with the account by Olivia Maria O'Grady:

> The dawn of 1919 found Paris literally flooded with Jews from all over the world-rich Jews, poor Jews, Orthodox Jews, Socialist Jews, financiers and revolutionaries, they poured into the French capital, -and they went to work.
>
> The Comite de Delegation Juives aupres de la Conference de la Paix (The Committee of Jewish Delegations at the Peace Conference) was fully organized by March 25, 1919. In addition the delegates of the World Zionist Organization and the B'nai B'rith were included in the Committee's membership, purporting to speak for ten million Jews.
>
> Woodrow Wilson, Georges Clemenceau and other international figures were putty in the hands of these International Jews. Although the idea of a world super state had long been a Jewish dream, Wilson's conceit in believing it as his own particular creation was pandered and puffed on all sides by the Jewish delegation and their controlled world press. 'The principles of national self-determination and homogeneity were not allowed to be carried to extremes,' writes one Jewish historian with obvious satisfaction.

> The finesse of the Jewish delegation is clearly discernible in the finished product of Versailles. The groundwork for the destruction of sovereignty throughout Christendom was well laid by the mastermind behind the Comite de Delagation Juives. Absolute sovereignty was restricted. As the basis for the Second World War 'the new and enlarged states' were compelled 'to assume an obligation to embody in a treaty with the principal Allied and Associated Powers, such provisions as might be deemed necessary for the said Powers to protect the inhabitants who differed from the majority of the population in race, language, or religion.'
>
> Included in the Jewish delegates to the Paris Peace Conference was Jacob Schiff, who was later to become one of the Wall Street bankers who financed the Bolshevik Revolution in Russia. The crowning Jewish triumph was the provision that brought 'domestic group rights' under the International guarantee and jurisdiction of The League of Nation -- not one of them was concerned with 'making the world safe for Democracy'. (Wilson's statement of intent, Olivia Maria O'Grady)

Wilson may have been fooled by the intent and purpose of the League of Nations, but a group of wide-awake United States Senators was not. They saw the League of Nations exactly for what it was; an attempt to destroy United States sovereignty, the United States Constitution and the Bill of Rights, and rejected it as such when the treaty was presented to the United States Senate for ratification.

Leading the opposition in the Senate were Senators Hiram Johnson and William E. Borah whose patriotism was unbounded. The treaty was rejected on November 11, 1919. British Prime Minister Lloyd George also saw the dangers of

the strictures imposed on nations by the Treaty of Versailles. In 1919 he put his fears on paper during a weekend break in meetings of the Conference:

> When nations are exhausted by wars in which they have put forth all their strength and which leave them tired, bleeding and broken, it is not difficult to patch up a peace that may last until the generation which experienced the horrors of war has passed away. . . It is therefore comparatively easy to patch up a peace that may last for thirty years. What is difficult, however, is to draw up a peace which will not provoke a fresh struggle when those who have practical experience of war have passed away...
>
> You may strip Germany of her colonies, reduce her armaments to a mere police force and her navy to that of a fifth-rate power; all the same, in the end if she feels that she has been unjustly treated in the peace of 1919 she will fund the means of extracting retribution from her conquerors.
>
> The imposition, the deep impression made upon the human heart of four years of unexplained slaughter will disappear with the hearts upon which it has been marked by the terrible sword of the Great War. The maintenance of peace will then depend upon there being no cause of exasperation constantly stirring up the spirit of patriotism, of justice, of fair play. . . Although Lloyd George made a valiant effort to see that justice was done for Germany, he failed, not for the want of trying, but because of the implacable forces of Internationalism arrayed against him, characterized by the vicious and brutally ugly behavior, attitudes and demands of Georges Clemenceau of France.

> That Lloyd George was far-seeing can be gathered from his almost prophetic words written at Fontainebleau in March of 1919. Lloyd George was defeated by the revolutionary forces that had been gathering power since the 18th century. Well organized and financed, they were virtually unstoppable. In a sense Lloyd George was hampered by the presence of his controller. Sir Philip, A.G.D. Sassoon, Bart, related through marriage and blood ties to the Rothschilds. As a member of the British Privy Council, Sassoon was able to join the secret deliberations of the conferees.

Spelling out the French policy at Versailles and its aftermath, TIME Magazine of May 17, 1940 in a rare lapse of Rothschild censorship also confirmed it:

> To the vital Ministry of the Interior, Premier Reynaud appointed energetic, 54-year old Georges Mandel, until then Minister of Colonies. This was no new job for the sharp-nosed stocky little Clemencist, who as the Tiger's chef de cabinet during the last war ran the country's domestic affairs and kept up civilian morale.
>
> Born Jeroboam Rothschild, Mandel has often been called France's Disraeli; a super politician in a country of politicians, lately showed in the Colonial (and Post Office) Ministry that he had lost none of his drive and administrative flair that made him indispensable to Clemenceau. . .

From my studies at the British Museum it is obvious the success of the Paris Peace Conference and the Treaty of Versailles that followed was dependent upon universal acceptance of the League of Nations, the first organized attempt to set up a One World Government that would usurp

the sovereignty of all nations, and give Palestine to the Zionists. This opinion is borne out by what Wilson said on his arrival in Paris in January 1919: The League of Nations is the central object of our meeting.

As is well known Wilson had been thoroughly coached and instructed by Mandel House, the servant of the Rothschilds and he knew that he had to obey orders. In researching the papers of Lloyd George at the British Museum, it became obvious to me that the British Prime Minister had put up a good fight against Wilson, but to no avail. In spite of vigorous protests from Lloyd George, Wilson insisted that the first item on the agenda had to be the proposals to establish The League of Nations.

I concentrated many months of research of The League of Nations at the British Museum and discovered that Wilson went to Paris armed with instructions indirectly received from Lord Rothschild via Mandel House as to his agenda.

Wilson had endeared himself to the Rothschilds through Mandel House, when as a professor at Princeton University; he tried to end what he called "snobbery" by banishing student clubs. He was not successful, but this very early indication of his Socialist beliefs drew the attention of House and eventually landed him the governorship of the State of New Jersey, and ultimately, the job of President of the United States. Chairman Will Hayes of the Republican Party National Committee said of Wilson:

> He wants to rebuild the world unimpeded in conformity with whatever Socialistic doctrines, whatever unlimited government-ownership notions, whatever hazy whims that may happen to possess him.

My study of Wilson's presidency shows that Hayes was on the right track, but had no way of knowing anything

about the persons who were directing Wilson's agenda. There was nothing hazy at all about the clear instructions he was constantly receiving from London via Mandell House. One such set of instructions from London concerned Wilson's Fourteen Points. In fact the Fourteen Points he was to present to the Paris Peace Conference was authored by the Rothschilds and Justice Brandeis, who passed it to Wilson with orders to use as his own at the Conference, under the watchful eye of Bernard Baruch. The second set of instructions, the League of Nations instructions, was also passed off as Wilson's work. His speech at the beginning of WWI, that America was fighting the "ruling class and not the German people" was pure House rhetoric. To continue with quotes from Olivia Maria O'Grady:

> President Wilson, surrounded by the Jewish financial fraternity, pushed hither and yon by the sinister Colonel House, and counseled by the Zionist Brandeis, imagined himself the great "peace maker' of all history. He was a historian who proved that he knew nothing about history.
>
> In the hands of the Jews, who used him for their own particular purposes, he plunged this country [the United States] into a disastrous war, and started a chain of events that were meant to ultimately destroy America.
>
> Flattered and eulogized by those who bent him to their will, he fancied himself playing God, remaking the world and its people in his own image. Sworn in his high office, to protect and advance the interests of the American people, he suddenly believed he had been given a mandate to save the world.

> He called for 'peace without victory' and declared that he was plunging the United States into a 'war to end war' and to 'make the world safe for democracy.' History has been busy ever since underscoring the asininity of his double talk.
>
> Peace and victory came on November 11, 1918 and Wilson rushed to Paris where he lost both. (Olivia Maria O'Grady)

This is perhaps a trifle hard on Wilson who was, after all surrounded and hedged in by advisors:

> We can now properly appraise this treacherous criminal peace treaty, out of which has grown the present war (WWII).
>
> It was not Wilson who betrayed the German government by the promise of his Fourteen Points, nor Lloyd George who was false to the Arabs to induce them to enter the war; — it was Jeroboam Rothschild, Sir Philip Sassoon and Bernard Baruch. Wilson, Lloyd George and Clemenceau are culpable only to the extent that they acted in obedience to a power they dared not oppose. These three Jews, representing the money power of the Rothschild family, determined the essential provisions of the infamous peace treaty.
>
> They established the International Labor Board; they made provisions for the Reparations Commission and the Brussels Financial Conference; they gave Palestine to the Jews; they established without our membership the League of Nations and the World Court.

> It was our refusal to join that prevented the consummation of their grandiose elaborate machine for the government of the World. (Rothschild Money Trust, pages 67, 68)

Although the name of Colonel House is not mentioned in this account, nevertheless it was House who more than Baruch represented the Rothschild interests in the United States at the conference. Continuing from The Rothschild Money Trust:

> These three Jews are responsible for the abandonment of President Wilson's Fourteen Points and of the flagrant violations of the promises upon which Germany laid down her arms. If President Wilson's pledges had been observed we would have no World War II. Perhaps if we had joined the League of Nations there would be none, for we would be the subjects of the 'King Despot' who would rule us with an iron hand.. .
>
> Jeroboam Rothschild (Mandel) was a member of the Reynaud cabinet and resigned with him and fled with him when France refused to be merged into the British Empire, but decided instead to surrender. The people of France now appear to realize, according to the press, that they are now the victims of warmongers . . .
>
> The League of Nations scheme did not originate with President Wilson. He made no such claim. Its precise origin is unknown, but the Jews claim credit for it. It is no doubt their baby; for it has all the earmarks of their craftiness. . . The London Daily Mail said of it that it is 'the most elaborate sham which history has yet perpetrated.'

Under the pretense of writing a peace treaty with Germany this peace conference established Palestine as a home for the Jews and invested the British Government with a mandate for the government of the country. The Jews have been at war with the Arabs since and the situation has become so intolerable that the British Government sought to divide the country between the Jews and the Arabs and surrender its responsibility, which pleased neither Jew nor Arab.

The people of America do not want a super-government or to be ruled by the pope of Rome or a despot of the blood of Zion. We barely escaped it when the Republicans with the aid of twelve willful democrats defeated the League of Nations project by a very small margin; for the League of Nations was meant to be that very thing. (Olivia Maria O'Grady, pages 68, 69 and 85)

A fitting epitaph (and perhaps a dire warning to the world) was written by O'Grady:

By the end of 1938 the collapse of the League of Nations was almost complete. Of the sixty-two nations that had constituted its membership, only forty-nine remained. At the close of 1940 it had ceased to exist.

It had gone the way of its predecessors - the Holy Alliance (so greatly feared by the Rothschilds-author) the Concert of Europe, and the Permanent Court of Arbitration.

It had failed because the United States had refused to participate, and because humanity had not yet been reduced to its common denominator of mediocrity.

'Mother,' 'home,' 'the flag,' 'heaven' and 'God and Country' were still deeply rooted in the minds and hearts of the people. Another war, and perhaps yet another, would be necessary before such 'reactionary bourgeois' concepts were blasted from the breasts of human beings.







(1) Mayer Amchel Rothschild
(2) Gutte Schnapper Rothschild
(3) The Rothschild family home on Judenstrasse Frankfurt Germany.



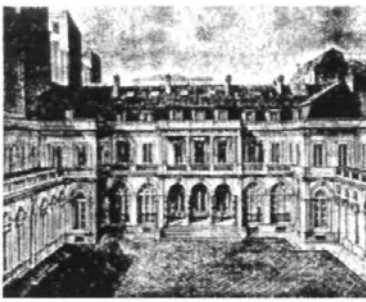




Rothschilds most famous sons who controlled a fortune in untold billions of dollars

(1) Jacob James Rothschild
(2) Lionel Rothschild
(3) Salomon, Nathan and Karl Rothschild







(1) Paris Residence of Jacob James Rothschild
(2) Waddesdon Manor (Mansion)
A Rothschild country residence in England









(1) Napoleon Bonaparte
(2) Arthur Wellesley (The Duke of Wellington)
(3) Marshall Soult
(4) General Blucher

CHAPTER 13

THE LEAGUE OF NATIONS: AN ATTEMPT TO ESTABLISH A ONE WORLD GOVERNMENT

One of the most astonishing aspects of The League of Nations was the great push to get it accepted by the United States, and the extraordinary lengths and efforts made for this purpose. Wilson demanded ratification of the treaty, as it stood, no discussion, no changes, and no modifications.

The American people, having been assessed by Rothschild agents in America as sufficiently ready to accept anything it was expected to accept secret agreements reached behind closed doors in 1915. This is what the Rothschilds were accustomed to seeing happen. It was always a case of "our will be done" or else expect plenty of trouble.

On September 22, 1919, Professor I. Shotwell, an American Fabianist, demanded that the Senate ratify the treaty without delay, and Charles McParland, General Secretary of the World Council of Churches seconded his plea!

I mention this to illustrate, just how well entrenched International Socialism was in the United States.

Zionism was the key leader, even then. Regarding the Zionist movement in America, there is an interesting account of it in History of Zionism by Walter Laqueur:

> Only in 1917 did the Zionist organization in America come into being. . . But despite the events in Eastern Europe . . . the impact of the movement was hardly noticed in American life. Europe, after all, was far away and the situation of American Jewry and its prospects gave no cause for concern. The movement was basically 'East Side' in character. It lacked money, prestige and political influence. Its leaders, on the other hand, were assimilated Jews such as Rabbi Stephen Wise. . . The breakthrough came during the early years of the war in Europe, when Brandeis became its leader. Brandeis was one of the most respected American lawyers, later a Justice of the Supreme Court. He was won over by Jacob de Haas, a British Zionist and close associate of Herzl, who had settled in America in 1901.
>
> Brandeis, in the words of other Zionist leaders was unrelated to any form of Jewish life, unread in its literature and unfamiliar with its traditions; he had to rediscover the Jewish people. But once his imagination had been captured by the Zionist ideal, he devoted much of his time and energy to the movement, whose president he was from 1914 until his appointment to the Supreme Court. It was the identification of Louis Brandeis with the movement, more than any other single event, which made Zionism a political force. To be a Zionist had suddenly become respectable. (Pages 160,161)

There are some very important statements in this extract from Laqueur's book.

1. Zionism was not the concern of the vast majority of American Jews.

2. The vast majority of American Jews were not much concerned with the war in Europe.

3. Brandeis was not a religious Jew in any sense of the accepted meaning of a "religious" Jew.

4. The Zionist movement before Brandeis joined it was basically a Socialist movement of East side Bolshevik non-religious Jews, the very same ones whom Trotsky recruited for his mission to overturn Christian Russia, in other words, Zionist Jews.

5. The majority of American Jews were not interested in migrating to Israel until Brandeis got their attention. Apparently they did not regard Palestine as a "homeland," at least not in the political sense of a Zionist State, because their religion taught that there could be no Jewish State until the return of the Messiah.

In fairness and wishing no harm to the Jews, and to be strictly objective, I researched thousands of pages of Brandeis history, but could find no evidence that he rediscovered his Jewish religion. I could find no evidence that Brandeis became a religious Jew. What was discovered was that De Haas had converted Brandeis to active Zionism, which is a political, and not a religious movement, in which political movement Brandeis became more of a convert than St. Paul was to Christianity. Brandeis went on to become the provisional president of the World Federation of Zionists, in itself a purely political non-religious body of non-religious Jews.

Perhaps the best-known historic event in which the Rothschilds participated at all stages was the so-called "Balfour Declaration," which is generally accepted as the beginning of the State of Israel in the land of Palestine, which the Zionists had been working to achieve for the past hundred

years. But by 1914 they had not made progress toward their goal, at least none worthy of mention. Zionism was no nearer to its often-stated goal of a Jewish State in Palestine than Herzl had been in 1897. According to the Congressional Records and papers in the British Museum, plus the War Memoirs of Robert Lansing, the American ambassador to London, and the writing of Ramsey McDonald, the First World War provided a golden opportunity for the furthering of the Herzl dream of a Zionist state in Palestine. Lansing pushed for America to enter WWI in 1915 and in pressuring Wilson, House, acting for the Rothschilds, joined him. Pressures on Wilson were enormous and the United States entered the war in Europe against the wishes of 87 percent of the American people.

The impression has always been given by establishment historians that a vast majority of Jews favored the establishment of a "Homeland for the Jews" in Palestine. Through a good deal of research I found this to be much of an exercise in propaganda. Actually, in Russia and Britain, there was not inconsiderable opposition to the idea from religious Jews who believed no such homeland could be established until after the return of their Messiah.

To blunt the attitude of religious Jews, Weisman made a speech in London on May 20, 1917 in which he asserted, that he knew that the British government was prepared to support Zionist plans for Palestine.

Of course he was not officially entitled to make such a claim, but no doubt knowing that the power and prestige of Lord Rothschild would more than likely carry the day, he did so, anyway. The anti-Zionist religious Jewish opposition under the direction of Claude Montefiore of the famous Montefiore Jewish dynasty was extremely upset, especially as Weizman had referred to religious Jews as "a small minority."

According to A History of Zionism, a letter, signed by Montefiore and David Alexander, the presidents of the British Board of Deputies was sent to the London Times

newspaper, which was published on May 24, 1917, under the heading Palestine and Zionism, Views of Anglo-Jewry:

> They reiterated their protest against the Zionist theory of a homeless nationality, which if generally accepted, would have the effect everywhere of stamping Jews as an anachronism; religion was the only certain criterion. The signatories also said that it would be a calamity if Jewish settlers in Palestine were to get special rights in the way of political privileges or economic preference. This was a contradiction to the principle of equal rights for all. It would compromise the Jews wherever they had secured equal rights and would involve Palestinian Jews in the bitterest feuds with their neighbors of other races. (Pages 193, 194)

The wisdom and foresight of the religious non-Zionist Jews views is mirrored in the tragic events that overtook Palestine, which remains in a turmoil to this very day. Years later their views were echoed by a religious Jewish organization, Friends of Jerusalem (Naturei Karta). In a series of 12 full-page advertisements in the New York Times, they decried the State of Israel as an illegitimate state, established in total flagrant disobedience to religious Jews and the Torah and a calamity for Orthodox Jews.

CHAPTER 14

BRITISH GOVERNMENT TREACHERY BETRA YS ARABS AND LAWRENCE OF ARABIA

By a good deal of trickery involving the betrayal of Lawrence of Arabia, secret deals between the English and French (the Sykes Picot Treaty) the two governments decided to divide Arab lands between them at the end of the war. Does that sound extraordinary? Yes, it was and could only have been done with the backing of the Rothschilds. One such deception involved a letter from the Zionist leader, Sokolow, who designated another Zionist, a certain Sacher, to prepare a draft addressed to Balfour, that the reconstitution of Palestine as a Jewish state was one of its essential war aims. Having second thoughts Sokolow believed this was too ambitious:

> If we ask too much we will get nothing," a view evidently shared by Lord Rothschild. However, they were appalled when the Foreign Office issued its own draft, which employed such terms as 'asylum' and 'refuge' and 'sanctuary' for victims of Jewish persecution. This was, needless to say, rejected by the Zionists, who insisted that the declaration would have no value at all unless the principle of recognizing Palestine as a National Home for the Jewish people was affirmed. Eventually, on 18 July, Rothschild submitted a compromise formula to Balfour. It mentioned not a Jewish state, but a National home.

> (A History of Zionism, pages 195-196 Sokolow, Geschite des Zionismus, British Museum Papers)

Unfortunately the voices of protest by religious Jewish leaders were drowned out by political Zionism, which with the backing of the Rothschilds carried the day in their favor. Ramsey McDonald summed up his feelings about such underhanded behavior:

> We encouraged the Arab revolt in Turkey by promising to create an Arab kingdom from the Arab provinces of the Ottoman Empire, including Palestine.
>
> At the same time we were encouraging the Jews to help us by promising them that Palestine would be placed at their disposal for settlement and government; and also at the same time we were making with France the Sykes Picot agreement partitioning the territory, which we instructed our Governor General in Egypt to promise to the Arabs. The story is one of crude duplicity and we cannot escape the reprobation which is its sequel. (Emphasis added)

What exactly did McDonald mean when he said: At the time we were encouraging the Jews to help us promising them that Palestine would be theirs. How were the Jews to help with the war? By providing men from Jewish countries to fight the Turks like the Arab did? No, it was nothing like that. The Zionists provided no manpower to help the British and the Arabs to fight the Turks. How did the Zionists help?

They persuaded the U.S. Congress to declare war on Germany against the wishes of 87% of the American people. For that, behind the backs of the Arabs and other Palestinian residents, whose antecedents had lived in Palestine for 7,000

years; the British, with U.S. complicity, promised Palestine to the Zionists although not remotely sanctioned to do so by any international law.

Only a very few voices were raised in protest over what Arnold Toynbee called "the calamity." Several writers, Olivia Maria O'Grady among them, joined in the protest against the Sykes Picot partitioning plan that led to the so-called Balfour Declaration:

> Throughout the war, England and her allies continuously proclaimed that they were fighting for world freedom. What kind of a freedom is contained in the Balfour Declaration? By what right did Britain propose to dispose of the land of another people? Upon what moral ground may one nation seek to establish a national home for alien people in the territory of another? Palestine did not belong to Britain.

Arnold Toynbee was a greatly favored British historian and public figure of note who had received universal recognition for his work, A Study of History, comprising ten volumes, constituting an exhaustive re-examination of human development in the light of the idealist philosophy of history.

Thus no one would dare call McDonald, Toynbee and Lawrence of Arabia "anti-Jewish" or "anti-Semitic" the threat of which had kept so many others of a like mind from speaking out against the duplicity of the British Government as expressed in the illicit Balfour Declaration. Toynbee expressed his feelings of anger about the betrayal of the Arabs over Palestine in A Study of History.

> While the direct responsibility for the calamity that overtook the Palestinian Arabs in A.D., 1948 was on the heads of Zionist Jews who seized lebensroum for themselves in Palestine by force of arms in that year,

> a heavy load of indirect responsibility was on the heads of the people of the United Kingdom; for the Zionists would not have had in A.D. 1948 the opportunity to conquer an Arab country in which they had what amounted to no more than an inconsiderable minority in A.D. 1918 if during the intervening thirty years, the power of the United Kingdom had not been exerted continuously to make possible the entry of Jewish immigrants into Palestine, contrary to the will, in despite of the protests and without regard to the forebodings of the Arab inhabitants of the country who in A.D. 1918, were duly to become the victims of this long pursued British policy.

Lawrence of Arabia (Colonel Lawrence), who could less still be accused of anti-Jewish bias or smeared as "anti Semitic" did not remain silent over the betrayal of his commitment to the Arabs:

> If we won the war, the promises to the Arabs were dead paper. Yet the Arab inspiration was our main tool in winning the Eastern War. So I assured them that England kept her word in letter and in spirit. In this comfort they performed their fine things; but, of course, instead of being proud of what we did together, I was bitterly ashamed.

Other voices added to what Lawrence had expressed as a feeling of utter betrayal, among them, O'Grady:

> Colonel Lawrence had good reason to be ashamed. While the Arabs were fighting and dying for England, Britain's Foreign Minister, Arthur Balfour was bartering Palestine for a Jewish pledge to bring the United States into the war on England's side. In

addition to this treachery, England and France, by the terms of the Sykes Picot Treaty agreed to divide the Arab lands between them at the end of the war.

I pondered for months over the statement of Toynbee, because Toynbee's background and affiliations made it highly unlikely that he would express feelings in the least bit critical of the Zionists or of his mentors, Rockefeller and Rothschild. According to documents in the War Office files (and copies in the British Museum) Toynbee was the protege of Lord Bryce, a follower of the Philosophical Radicals. Toynbee followed in the footsteps of Bryce by writing an article for the Encyclopedia Britannica, 9th Edition.

The article was entitled German Terror in France: A Historical Record and it was an unabashed exercise in anti-German propaganda, published, significantly in New York in 1917. Obviously, it was an incitement to help President Wilson with his battle to drag America into the war in Europe. Though none of the claims of German brutality could be substantiated — nevertheless, the article was widely accepted as true.

It was just the kind of justification Wilson needed from a Fellow of Balliol College, Oxford, as the reason why America needed to send her sons to die in France "to make the world safe for democracy."

We next hear of Toynbee when he was appointed as a Member of the British Delegation to the Paris Peace Conference, - hardly the prestigious position that he would jeopardize at the time of his planned future with the Royal Institute for International Affairs, the Foreign Policy arm of the Committee of 300.

As such, Toynbee must have been intimately familiar with the promises made to the Sheriff of Mecca, Hussein bin Ali and Colonel Lawrence, and the magnitude of the subsequent betrayal of the trust of these two men, who had made possible British victory over the Turks.

Toynbee had authored a major work, which called for an authoritarian One World Government, a copy of which was delivered to President Wilson by Colonel House and upon which many of Wilson's and the Royal Institute for International Affairs dictates were based. I found that Toynbee was supported with funding to the extent of a quarter of a million dollars, but there was no direct indication that he was also funded by the Rothschilds, although there might have been this connection, in view of the fact that it was House who delivered the instructions Wilson was to follow at The League of Nations conference.

Herein lies the seeds of disaster, the origin of the turmoil that continues to this day in Palestine, and fair-minded people, like the Jewish Orthodox Naturei Karta, knew the well hidden history of the Rothschild-Balfour sell-out of the Arabs contained in that document. The Naturei Karta Orthodox Jews do not agree with a "Jewish Homeland" conception. This noble Jewish Orthodox movement is opposed to a Zionist presence in Palestine.

As for the Christians of Europe and America, they have fallen into a state of indifference toward the fate of Palestine's "other" inhabitants. This does not redound to their honor and the Christian ethic of fair play embodied in the words of Christ: "Do unto others as you would have them do unto you."

Throughout the ages, philosophers, historians and scholars have posed the question: Why is it that the history of wars show, that they are always begun by the so-called "elite," the rulers of nations? One reason as enunciated by Henry Clay is when ever there is discontent among the populace, that foreign threat is used as a pretext to quell such unrest.

The second and perhaps the most important reason is that all wars are economic in origin. Since control of banking and finances are in the hands of the elite, they have been known to excite wars for economic gains. For instance, the

international bankers reaped huge fortunes from the First World War. The Rothschilds gained enormous profits out of financing both sides of the American Civil War.

There is also the Bertrand Russell theory, that wars diminish populations. In the eyes of the Committee of 300, the world is filled with too many people, who are depleting the world's natural resources at an alarming rate. The solution, Russell said, is to get rid of what he referred to as "useless eaters," who should be culled at regular intervals.

Ten million dead in WWI was not enough to satisfy Russell, who promoted the idea, that plagues and pandemics should be introduced at regular intervals to wipe out "useless eaters," who had escaped the wars. The AIDS pandemic was deliberately introduced in the expectation that it would wipe out millions from the pool of "excess population."

The elite have devised ways to preserve their members from plagues as evidence by the success in warding off the Black Plague pandemic of the Middle Ages. With regard to military service of the kind faced by foot soldiers, the elite have a record of successful evasive tactics witness the record of President G.W. Bush and Vice President Richard Cheney. These are not isolated instances, but are found in abundance in the records of all nations.

CHAPTER 15

UNDERHAND DOUBLE DEALING

William L. Langer, Coolidge Professor of History, Emeritus Harvard University, somewhat tersely stated the political situation in 1915 as follows:

> Campaigns in Asiatic Turkey, 1916-1917
> . . . Palestine was to be under an international administration. May 9, 1916, The Sykes-Picot Agreement between Britain and France . . . the territories mentioned in the above agreement to be French and British administered, while the rest of Arabia was to be divided into French and British spheres of influence, though organized as an Arab state or federation of states.

In a classic understatement, Professor Langer then added: "These agreements were not entirely compatible with other agreements made with Arab chieftains, agreements, which indeed, were not compatible with each other." In other words two different mandates were made, offering two sets of objectives, the one totally unknown to the Arabs.

Is there any previous history of such actions by a U.S. president ever having been approved? Was it lawful under the U.S. Constitution for Wilson to have carried out his negotiations, essentially in privacy with private persons not officially sanctioned by their government? The answer to

these questions must be in the negative. The consequences for the U.S. Government and for the American people were far reaching, and humiliating. Moreover, there has never been an explanation for the American people why the Balfour Declaration was submitted to Lionel Rothschild for his acceptation, since he held no official position? For this reason alone, the Balfour Declaration was and is a spurious document. It is clear that already at that point the British Government had begun to double-deal the Arabs and their brilliant British leader, Colonel Thomas Edward Lawrence, best known as "Lawrence of Arabia." Professor Langer then goes back two years to October 31, 1914 and gives a full account of the geographical position of the Arabs, and what Britain did to try and snatch victory from the jaws of defeat in the War in the Middle East:

> Lord Kitchener (Commander of the British forces) had offered Hussein, the Grand Sheriff of Mecca a conditional guaranty of independence. Negotiations between the Sheriff and the British government were embarked upon in July 1915. On January 30, 1916, the British accepted Hussein terms, leaving the exact status of Baghdad and Basra and of the sphere of French influence in Syria, undetermined.

It is worthy of note that there is no mention here of a "Jewish homeland" in Palestine being reserved for Jews.

> On June 5, 1916, the beginning of the Arab revolts in the Hijaz and an attack on the Turkish garrison at Medina.
>
> On June 7, Hussein proclaimed the independence of the Hijaz and the (Turkish) garrison at Medina surrendered.

On October 29, Hussein was proclaimed king of all Arabs. He summoned the Arabs to make war on the Turks.

On December 15, the British government recognized Hussein as king of the Hijaz, and all Arabs. It was largely in order to strengthen the Arab insurrection that Sir Archibald Murray, (commander in Egypt since March 19, 1916) decided on a cautious offensive in Sinai and Palestine. During all of these revisions and military actions, there was never once any mention whatsoever of a 'Jewish Homeland' in Palestine being a part of any of the negotiations and agreement between the British government and the Arabs. One would certainly be on safe ground to assume, that had this been mentioned, the Arabs would have baulked at it there and then, and would never taken El Arish. The majority of historians agree on this vital point.

On December 21, 1916, the British took El Arish, after building a railway and pipeline across the desert. On April 17-19 1917, the British were forced back by a combined force of Turks and Germans with heavy losses. June 28, Murray was replaced by Sir Edmund Allenby.

On July 6 began the emergence of the spectacular war hero Colonel Thomas E. Lawrence, who galvanized the Arab movement and took Aqaba, thus beginning the brilliant thrusts against the Turkish garrisons and especially against the guards of the Hijaz railway, the most important link in the Turkish communications. History confirms that all this fighting along the Hijaz rail link and Aqaba was done solely by Arab forces under the command of

> Lawrence. No British troops were involved in these key campaigns and there is no mention of any Jewish forces being involved. It is readily admitted by Langer and other historians that without the help of the Arabs, the British would not have been able to drive Turkey out of Arabia and Palestine. In reflection, it was the Arabs under Lawrence, who drove the Turks out of Arabia and Palestine. It is utterly illogical to believe, that the Arabs under Lawrence and under his promises did so knowing, that a 'Homeland for the Jews' was to be the reward for their fighting."

Langer then goes on to say:

> On the Palestine front the new British commander, Gen Edmund Allenby, had begun his advance in October 1917. . . On December 9, Allenby took Jerusalem. The British advance was delayed by the fact that Allenby had been obliged to send large contingents of his army to France to meet the crisis on the battlefront in France where the British Army was being defeated with heavy losses, and to halt the victorious German advances. The British Army ordered all its forces fighting in Mesopotamia and Turkey back to the German and French fronts to help to stem the advances of French and German troops in Europe.

I suspect, that there were no British troops left in Palestine other than a few garrison and supply troops, the vast majority having been sent to France on March 18, 1918. Langer statement, that British forces materially assisted by the Arabs is wrong. It was Arab forces assisted by a few British troops left behind after the main British Army was shipped in France that did the bulk of the fighting. Langer

added that British forces put an end to the Turkish presence in Palestine. I suggest his account is palpably wrong.

It was the Arab Forces that ended a Turkish presence in Palestine. No French or British or Jewish troops were present at major battles in Palestine. That is an undisputed fact. Toynbee and Lawrence were horrified and expressed outrage against Langer's report that appeared in the London Times declaring it false. It is obvious that stripped of his British troops, Allenby had to rely on Arab forces to press his campaign against the Turks, knowing that the battle-seasoned Arabs would push the Turks out of Palestine during their September 8, 1918 campaign. Langer states:

> The British broke the Turkish lines near the Mediterranean and began to roll up the enemy forces. The British forces, assisted materially by the Arabs under Lawrence, were now able to push northward.

Here again Langer very much tries to minimize the key role played by the Arab forces who did most of the fighting. On page 316 of her book, historian O'Grady stated her opinion of the events in Palestine:

> With the British Army marching on the Holy Land, Jewish prospects for Palestine at the hands of the Kaiser began to fade. If Great Britain would guarantee world Jewry a foothold in Palestine, world Jewry would work for Great Britain. Negotiations were opened with the British government in February 1917, with Sir Mark Sykes acting as the principal intermediary. On November 2, 1917, Lord Balfour reduced the results of the secret bargaining and extensive communications between private persons in the U.S. in a letter addressed to Lionel Rothschild, the uncrowned King of Israel.

This letter was to become known as The Balfour Declaration and read as follows:

> Dear Lord Rothschild, I have much pleasure in conveying to you, on behalf of His Majesty's Government, the following declaration in sympathy with Jewish Zionist aspirations which has been submitted to and approved by the Cabinet.
>
> His majesty's Government views with favor, the establishment in Palestine of a national homeland for the Jewish people and will use its best endeavors to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of non-Jewish communities in Palestine or the rights and political status enjoyed by Jews in any other country. I shall be pleased if you would bring this Declaration to the knowledge of the Zionist Federation.
>
> The Jews labored diligently to make the Gentile public believe that Lord Balfour, seeing the 'justice' of their cause wrote the declaration after 'selling' the idea to the British government. In reporting the issuance of the letter, the Zionists said:
>
> 'The Balfour Declaration is justly so-called, not only because it fell to Sir Arthur Balfour, as Foreign Secretary, to write the historic letter, but also because he, more than any other single statesman, is responsible for the policy embodied in the Declaration'.

In fairness to the Jewish people, I searched, but could not find any reference to Lawrence of Arabia or Sheriff Hussein nor any of the leaders of the people living in

Palestine having been consulted by Balfour or Sykes although a diligent search was made to see if such had perhaps been recorded and had escaped the notice of researchers, but such was not be the case. Continuing with O'Grady:

> And of course, nothing could be further from the truth. The original draft was written by the Jews themselves. Who was the Justice Brandeis who edited it? Brandeis was a far left Socialist of the American Democrat Party, a U.S. Supreme Court Justice and a member of several Zionist organizations. All through the negotiations of Arthur Balfour and Lord Rothschild, none of which ever included Sheriff Hussein or Lawrence of Arabia; Brandeis acted as a United States citizen and was never authorized by the Congress, the State Department to act as a U.S. government spokesman.

It is stated by historian O'Grady that "President Wilson approved it." That raises important issues: When Wilson became involved in the "discussions" between Brandeis, Lionel Rothschild, Lord Balfour and the American Zionist Party, was he acting in a capacity other than the President?

* If in the negative, was Wilson acting officially in his role of U.S. President?

* Had the Congress approved Wilson's acts and were they funded by the Congress?

* If in the affirmative had Wilson been authorized by a U.S. Congressional Resolution to act in any capacity whatsoever?

> President Wilson approved it, and it was then submitted to Balfour for his signature. No event in the

> history of the United States is more humiliating. There is no explanation as to why the Declaration was written by Brandeis, who held no government office and then submitted to Lionel Rothschild, who held no official position in the British government. (Maria O'Grady)

The behind-the-scenes activities that went on are explained by Dr. Jacob de Haas, in his Biography of Justice Brandeis:

> A considerable number of drafts [of the Balfour Declaration] were made in London and transmitted to the United States through War Office channels for the use of the American Zionist Political Committee. The American ascendancy in the war councils led the British to ask for President Wilson's consent and approval of the terminology of the declaration before its issuance.
>
> The draft that was cabled from government to government was handed to the Brandeis regime for its approval. After a most necessary revision, President Wilson acting through Colonel House, who was in full sympathy with Zionist aims, authorized cabling to the British government the version that was published, and which all the allied governments in turn gave their approval.
>
> The 'Brandeis regime' refers to the Provisional Committee of the General Zionist Affairs of which Brandeis was chairman. Can you the reader, imagine that! Cabled drafts, the United States, the British War Office, all working to the benefit of the Zionists! What immense power do they wield!

Again, there is no mention of Hussein, Lawrence, the Arab leaders or the people of Palestine being consulted in any way, nor does it appear that the United States Congress knew anything about the secret negotiations between the non-American Government Brandeis committee and Lord Rothschild, Wilson and Balfour. Only the Zionists were consulted.

> Most students of Jewish intrigue suspected both the British and Jewish schemes and purpose behind the Balfour Declaration. Although the United States had been in the war for nearly seven months when the Declaration was made public, its significance as the factor that involved the United States was not unnoticed.
>
> There was considerable evidence available from which accurate inferences might be drawn. Government negotiations for deals of this nature however, are always secret, and it is usually very difficult to obtain conclusive evidence at the time of the transaction.
>
> When the event is beyond repair and lost in the mists of the past, men are apt to write their memoirs and to boast of secret exploits that one time rocked the world. So it was with Mr. Landman. He was honorary Secretary of the Second Joint Zionist Council of the United Kingdom, editor of the Zionist and Secretary and Solicitor for the Zionist Organization. Later he was legal adviser to the New Zionist Organization.

Under the title, Great Britain, the Jews and Palestine, published in the London Jewish Chronicle of February 7, 1936, Mr. Landman writes in part as follows:

During the critical days of the war, in 1916, when the defection of Russia was imminent and Jewish opinion was generally anti-Russian, and hopes that Germany if victorious, would in certain circumstances give them Palestine, several attempts were made by the Allies to bring America into the War on their side. These attempts were unsuccessful.

Mr. George Picot, of the French Embassy in London and Gout of the Quai d'Orsay Eastern Section, who was at that time in close touch with the late Sir Mark Sykes, Cabinet Secretariat, took the opportunity of convincing the representatives of the British and French governments that the best and perhaps the only way to induce the American President to come into the War was to secure the co-operation of Zionist Jewry by promising them Palestine.

By so doing, the Allies would enlist and mobilize the hitherto unsuspected powerful force of Zionist Jewry in America, and elsewhere in favor of the Allies on a quid pro quo basis. At that time, President Wilson attached the greatest possible importance to the advice of Mr. Justice Brandeis.

Sir Mark obtained permission of the War Cabinet to authorize Mr. Malcolm to approach the Zionists on that basis, neither Mark Sykes nor Mr. Malcolm knew who the Zionists leaders were, and it was Mr. L.J. Greenberg to whom Mr. Malcolm applied for information to whom he should address himself... The Zionists carried out their part and helped to bring America in, and the Balfour Declaration of November 2, 1917 was but the public conformation of the verbal agreement of 1916.

> This verbal agreement was made with the previous acquiescence and approval of not only the British, French, American and other Allied Governments, but also of the Arab leaders. . . As already explained elsewhere in detail Dr. Weitzman and Mr. Sokolow knew that Mr. James Malcolm came to them as the emissary of the British War Cabinet, which authorized him to say in their name that England would give Palestine to the Jews in return for Zionist assistance, through Justice Brandeis in inducing the United States to come to the help of the Allies. Both Sir Mark Sykes and Mr. Malcolm informed the Arab representatives in London and Paris that without the assistance of the United States the prospects of any Arab State arising after the war were problematical, and that they must therefore agree that Palestine should go to the Jews as a regard for their assistance in bringing in the United States.

After a good deal of diligent research, I could not find the names of the "Arab representatives in Paris and London" allegedly informed of the plot to go behind the promises given to Hussein bin Ali, Sheriff of Mecca and Medina and to Colonel Lawrence, nor does Mr. Landman name these mysterious "Arab representatives." That raises the question "why not?" As he mentions everyone else by name, why are the "Arab representatives" kept anonymous?

What is abundantly clear is, that neither Lawrence or Hussein bin Ali were informed of what was going on, while they were risking their lives and the lives of their men in the war against Turkey, nor could any record be found that these two men knew anything about the secret negotiations with the Zionists nor that they were asked to send their representatives in London and Paris. The Zionists were informed, but not the American people on whose backs the War was to be fought.

CHAPTER 16

"PERFIDIOUS ALBION" LIVES UP TO ITS REPUTATION

> In any event, like the ordinary American people, Lawrence and Hussein bin Ali knew nothing about what Ramsey McDonald called "a triple deal" going on behind their backs. And when the time came for Wilson to drag America into the European conflict against the will of the vast majority, his enfeebled excuse was the war was a war "to make the world safe for democracy." The treason committed by Wilson lives on. Dr. Bella Dodd wrote in 1930 that so bad was the situation under Wilson, that he felt "modern history is largely a conspiracy against the truth. (The Conspiracy Against God and Man, page 9)

I discovered that but for the backing of Baron Edmond Rothschild the settlements of Russian Zionists established at Rison, Zikron and Rosh Pina would have failed and there would have been virtually no Jewish presence in Palestine. This was a key part of Rothschild strategy to make it appear that Jews were already living in Palestine — a subterfuge that worked. Rothschild also assisted with establishing two new colonies, Ekron and Medull. Altogether twenty-one Agricultural settlements existed by the end of the century, but Rothschild did not trust the abilities of the

colonists and insisted in keeping direct supervision and control of the settlements. Hubert Herring in his book And So To War sums up the price the U.S. had to pay to so that the Zionists might have Palestine:

> We paid for the war. We paid with the lives of 126,000 dead, of 234,300 mutilated and wounded. We paid with the dislocated lives of hundreds of thousands whom the war wrenched from their accustomed places in a peaceful world. We paid in the imponderable damage to our national morale through the lashings of war hysteria. We paid with a period of economic confusion from which we have not yet escaped. The direct bill for the war reached the figure of fifty-five billions of dollars. The indirect bill can never be reckoned.

And what was the quid pro-quo from the Zionists side? As far as I could ascertain it amounted to absolutely nothing. An interesting aside was the failure of Herzl to obtain the blessing of Pope Pius X for Jewish immigration to Palestine: We are unable to favor this movement. We cannot prevent the Jews from going to Jerusalem, but we could never sanction it.

According to A History of Zionism, pages 129-130, the exchange took place at a meeting with the Pope in 1903, meaning that Lord Arthur Balfour knew that there was strong opposition from the Catholic Church against Zionist immigration to Palestine, long before he signed on to the declaration, but about which he informed no one. So the pattern of double-dealing was already apparent in 1903.

Catholic opposition to Israel may have contributed to the Rothschilds violent hatred of Russia with its large Christian population.

Herzl, the father of Zionism died when he was 44 years old. According to A History of Zionism, he never got on

very well with the Rothschilds or with Orthodox Jewry whose leading rabbis did not like his autocratic style. Herzl always wanted to have the final say on everything.

> There was, as Herzl's critics pointed out, very little specifically Jewish in Herzl. This emerges perhaps more clearly in his vision of the Jewish state...
>
> Herzl envisaged a modern, technologically advanced and enlightened state, enlightened by the Jews, but not specifically a Jewish state. (A History of Zionism, pages 132-133)

It can hardly be argued that Herzl was interested in Palestine as a religious "homeland" for the Jews, particularly in light of the fact, that the bulk of the new settlers came from Russia and had no previous connection to Palestine and there was no history of Russian Jews ever having lived there, nor were they particularly religious.

Lacquer makes this abundantly plain. Lord Chamberlain came forward with an offer to provide a "homeland" for the Jews in Uganda, even though Uganda was not the British Government's land to give. Chamberlain told Herzl that he had been on a tour of Uganda and thought: Here is a land for Dr. Herzl, but of course he only wants Palestine or its neighborhood. He was right. Herzl brushed aside the idea. His fixation was with Palestine and nothing else would do. On May 30, 1903 he wrote Rothschild: I am not discouraged. I already have a very powerful man to help me. (A History of Zionism, Walter Laqueur, pages 122,123)

This was the true autocratic style of Herzl in action. Although I was not able to uncover any direct links between the Rothschilds and Sir Halford Mackinder, such as correspondence that passed between intermediaries hinting that the two did consult on a number of matters, especially in writing the blue print for the coming One World Government-

New World Order which had been assigned to Mackinder to complete. A protege of the London School of Economics which was a hotbed for Communist ideals, Mackinder nevertheless put up a good conservative front and is believed to have influenced President Wilson at the Paris Peace Conference as to what steps were to be implemented to usher in a New World Order through a League of Nations mandate. It is certain that the Rothschilds provided a great deal of input for the World Socialist dream. One month after Wilson arrived at the Paris Peace Conference, Mackinder's new book Democratic Ideals and Reality was published. The timing of the release of the book was no accident. In his book Mackinder called for a New World Order (NWO) to be established in a One World Government, ostensibly The League of Nations. If this goal could not be achieved by peaceful, voluntary means, then force was to be resorted to.

Mackinder admitted that while the New World Order would be ideally a democratic institution, it could never be expected that at times it would not be a dictatorship. The Zionists claimed that The League of Nations was their concept and this is referred to by Maria O'Grady in her book where she stated:

> President Wilson was surrounded by Jewish financial fraternity pushed hither and yon by the sinister Colonel House and counseled by the Zionist Brandeis. (Page 342)

The Zionists greatly favored the concept of a League of Nations and claimed it as their creation: The League is a Jewish idea, said Nahum Sokolow at the Carlsbad Conference. We created it after a fight of 25 years.

Ultimate World Government dominated by Socialists is the long-held goal of Socialism, and it is well known that the concept was favored by the Rothschilds. As one of their

own family, Jacob Schiff worked hard to establish a League of Nations. It received a donation of 3,000 pounds from N.M. Rothschild of the London branch of the family. As we shall see there may have been an ulterior motive to this, as the League was to play a decisive role in granting a mandate for Palestine to the British Government, a decisive step along the road to granting "a Homeland" for the Jews in Palestine. With that in mind I return to Lord Balfour and his so-called "Balfour Declaration," based on double-dealing, deception and secret deals behind the backs of Colonel Lawrence and the Arabs.

Balfour made haste to explain that a "Jewish Homeland" in Palestine did not mean the imposition of a Jewish state upon the inhabitants of Palestine, but in the light of subsequent events, this emerged as the goal of the Zionists. As Balfour put it:

> . . . but the further development of the existing Jewish community, in order that they may become a center in which the Jewish people, as a whole, might take, on grounds of religion and race, interest and pride.

What Balfour left out was that nothing the British did or said could obscure the fact that Palestine was not theirs to give, nor did the British Government have the slightest right to secure a mandate for Palestine. But Balfour, backed by Lord Nathan Rothschild, pressed ahead anyway, as if the two men had an inherent right to act in the arbitrary manner which they saw fit. The right of the Arab and other population groups, including Christians that extended back for more than 7,000 years was totally disregarded by Lord Balfour. No less an authority than Walter Laqueur, one of the foremost experts on Zionism confirmed that the bulk of the Jews who were to inhabit Palestine under the Balfour Declaration came from Russia. They had no previous connection to Palestine. Laqueur also pointed out that Russian Jews were not overly

happy about being uprooted from Russia and sent to Palestine:

> Russian Jewry was divided in its attitude toward Zionism and a Jewish national home (a religious homeland) and would not have in any case have been able to keep Russia in the war. The Allies on the other hand, to put it somewhat crudely, would have won the war even if no promise to the Zionists had been made.

What Laqueur was explaining, if somewhat obliquely, was the "deal" the Zionists had struck with Balfour, namely, that if the Zionists could bring the United States into the war on the side of the allies, the British would establish a Jewish Homeland in Palestine in return.

> At a private meeting soon after the passage of the Balfour Declaration, when asked whether it had been his intention to make a bid for Jewish support in the war, Balfour snapped 'certainly not' and went on to explain that he felt that he was instrumental in righting a wrong of world historical dimensions. In 1922 Balfour made a speech in which he said that the whole culture of Europe had been guilty of great crimes against the Jews, and Britain had taken the initiative in giving them the opportunity of developing in peace, the great gifts which they had, in the past been able to apply in countries of the Diaspora. (A History of Zionism, page 203)

Balfour did not explain why it was considered legal to give Palestine to the Jews when it belonged to a people who had been there for 7,000 years, especially as a big tract of land in Madagascar, as well as land in Uganda, had been offered and rejected without discussion. Nor did Balfour explain that his magnanimous gesture in favor of the Jews

would be at the expense of the Arab and other non-Jewish populations of Palestine. He never explained what connections the bulk of the new settlers, coming as they did from Russia had with Palestine.

According to Dr. Jacob de Haas, Balfour's altruistic protestations must be very much doubted because the real motive behind the Declaration was to get the United States to enter the war on the side of the Allies.

Confirmation of the true motives behind the Balfour Declaration came from another well-founded source, Congressional Record, April 25, 1939, pages 6597-6604, which reflects a speech made in the U.S. Senate by Senator Nye:

> There has been published in a series of works under the title "The Next War." One of the volumes in this series is entitled "Propaganda in the Next War." This particular volume was written by one Sydney Rogerson.
>
> I have been unable to obtain any trace of his background; but the editor in chief of all of these works, including the one entitled "Propaganda in the Next War" is by a man whose name is recognized the world over as a authority in Great Britain. He is none other than Captain Liddell Hart, associated with the London Times, a writer and military authority in Europe.
>
> I understand that this particular volume "Propaganda in the Next War," published last fall and placed in circulation, instead of having the circulation enlarged, now is suffering at the hands of those who desire to retire it from circulation. A few days ago I came on the floor of the Senate with the volume itself. I am sorry that I do not have it with me

> today. I am told that it is the only copy of "Propaganda in the Next War" available in the United States. It can be had, I can borrow it against if there is any occasion for me to need it in the Senate, but it is no longer easy to obtain. I wish I had the entire work and that it could be read by every member of the Senate.

The following are quotations from Propaganda in the Next War:

> From time to time the issue of which side the United States would take hung in the balance and the final result was a credit to our profaned machine. There remain the Jews. It has been estimated that of the world's population of 15,000,000 no fewer than 5,000,000 are in the United States; 25 percent of the population of New York are Jews. During the Great War we bought off this huge Jewish public by the promise of a National Home in Palestine, held by Ludendorf to be a masterstroke of propaganda, as it enabled us not only to appeal to the Jews in America, but to the Jews in Germany as well.

George Armstrong in his work The Rothschild Money Trust explains how this came about:

> There can be no doubt about the fact that prior to President Wilson's second election in 1916 he kept us out of the war. There can likewise be no doubt about the fact that he was elected on that slogan. Why did he change his mind soon after the election ? Why did he make an arrangement with the British Government to help the Allies? That has been until now, an unexplained mystery. (Page 62)

CHAPTER 17

"TRIPLE CROSS" DECIDES FATE OF PALESTINE

Ramsey McDonald characterized the Balfour Declaration as "a triple cross," yet The League of Nations made its first mistake in a series of many by granting a British mandate on September 23, 1923, proving so early in the game that it was not an impartial body by any definition. Reciting the Balfour Declaration in the preamble of the Mandate Commission, it dealt with the problems of immigration and how it proposed they were to be dealt with by a number of Articles, of which Article 22 was the most compelling. Nowhere did it deal with the question of Britain giving away land that it did not own:

> Whereas the League of Nations declares: 'Where populations are not yet able to stand alone, the machinery of government should be set up for them in keeping with the accepted beliefs that the well being of and developments of such peoples forms a scared trust of civilization'.

To the inexperienced the subtlety of the way in which the Wilson guarantees were short-circuited may not be immediately apparent, but what Article 23 did was to negate Wilson's guarantees of "self determination and independence" and replace them with the imagined right of The League of Nations to interfere in the affairs of sovereign nations and states, in effect soiling its own charter. Thus it

must become obvious to the fair-minded that from its very inception, the League intended to play fast and loose with the internal affairs of sovereign nations and states. This immorality and underhanded political gerrymandering was continued even more shamelessly when the League gave birth to its bastard child, the United Nations, which awarded Palestine to the Zionists in 1948 thereby doing violence to the "sacred of civilizations" embodied in Article 22 of the deceased parent League, long since forgotten.

Lawrence of Arabia and the Sheriff of Mecca were appalled by the betrayal of the British promise to Emir Hussein, who had fought the Turkish Army to a standstill, believing in the promises of Lawrence that Britain always kept her word.

At the Peace Conference, the Arabs were represented by Emir Feizal, son of Sheriff Hussein. He had commanded the Arab troops under the direction of Colonel Lawrence, and was a signatory to the McMahon-Hussein Treaty, which gave the written assurance that Britain would keep her commitment and promise to the Arabs over Palestine.

Unable to fully understand English and French and not being a man accustomed to dark intrigues and betrayals of one's word, Feizal did not comprehend what was happening, so much so that he appealed to Wilson, who sent an American Commission, the King-Crane Commission to Palestine to investigate.

What the King-Crane Commission members reported to Wilson was startling: Ninety percent of the population of Palestine opposed any Jewish immigration to Palestine. Quoting from the Commission's report:

> To subject a people so minded to unlimited immigration and a steady financial and social pressure to surrender land would be in gross violation of the principles just quoted, and of the people's rights, although it kept within the forms of

> law, with the best possible intentions, it may be doubted whether the Jews could possibly seem to either Christians and Moslems proper guardians of the Holy Places, or custodians of the Holy Land as a whole.

The Zionists were determined to bury the report. Wilson, bowing to the Zionists who surrounded him, compromised his principles and a bogus "mandate system" replaced the "self determination" clause.

Under the supervision of The League of Nations, a bogus "mandate" for Palestine was awarded to the British. Wilson's belief in the "backward" nature of non-European populations convinced him that they would accept the mandate system. The King-Crane Commission report was shelved, leaving Imperialism and Zionism triumphant in the guise of mandates. The Commission's report simply disappeared from view.

It was not published in the London Times or the New York Times, nor was it put into the business of the House and Senate. To repeat, it simply vanished! But fortunately for "the sacred trust of civilization" the report was published in a minor publication called the Editor and Publisher. How and why did it "vanish?" The reader can draw his or her own conclusions, which are rather self-evident.

> When Justice Brandeis heard that the British officials administering the Mandate were not favoring Jews, he immediately set out for Palestine accompanied by his biographer, Dr. de Haas. Upon their arrival in the Holy Land they found the reports to be only too true. Dr. de Haas wrote that the British Commander in Chief and military and civil aids regarded the Balfour Declaration as a forgotten episode of the war. The American Supreme Court Justice went straight to Balfour.

An added note: I emphasize the fact, that an American Supreme Justice journeyed to Palestine to admonish a British official, a Foreign Minister no less, and demanded that the Palestine Administration be reprimanded! Who had given the American non-official, non-representative of the U.S. Government such authority? By this arrogant display of power, Brandeis intimidated all who opposed Zionist policy for Palestine.

> A few hours later the British Foreign Office was reminding the military authorities in Egypt and Palestine, not only of the verbal content of the Balfour Declaration, but that the matter was 'chose-jugee,' or very much current.
>
> A number of Palestinian officials sought desirable exchanges and Colonel Meinertzhagen; a pronounced Zionist was dispatched to Palestine. There had been no protests, no stirring of troubled political waters. The Brandeis direct action diplomacy had achieved results. (Dr. Jacob de Haas, biographer of Justice Brandeis)

How in the world could a person with no official government standing, no official position, go to Palestine and Britain and start making demands that the Zionist be obeyed? Perhaps I should retrace my steps and connect some of the threads.

It is a fact that when Brandeis went to see Balfour, the latter immediately contacted Lord Nathan Rothschild, whom it would appear, gave the green light for what steps Balfour told him he wanted to take. Thus, in my opinion, there was a definite connection between the progress of Zionist plans for Palestine and Lord Rothschild, leading back directly to Balfour and then to Brandeis.

* The resentment of the Arabs flared into violence in 1929;

* Jewish-Arab controversy over rights to the Wailing Wall of the Herodian Temple developed into open conflict;

* The Christian Arabs joining with the Mohammedans against the Jews.

> A British Commission reported that the disturbances were caused by rising Arab fears of a rising Jewish majority and the systematic acquisition of land by the invaders. The Commission recommended that restriction be placed on immigration and the purchase of land. In spite of the cries of the Zionists, the recommendations were accepted. The British Government published the findings in what is known as the White Book, October 20, 1930. . . In November 1938, the British Government announced that it would drop the partition proposal and attempt to promote an understanding between the Arabs and the Zionists. The Arabs took the understandable position that their country was being stolen from them, and that the negotiations were in a category of bargaining with a thief for the return of some portion of your property.
>
> When the Arabs and the Jews were unable to reach an agreement the British announced that it would have to find a solution of its own. In its White Paper of May 17, 1939, it rejected its former interpretations of the Balfour Declaration as contrary to British obligations to the Arabs. The statesmen of Britain undoubtedly realized the unfairness of the Balfour Declaration to the Arabs after it was too late to do much about it. The so-called MacDonald White Paper of 1939 was an apparently sincere desire to

correct the wrong of 1917. The White Paper in attempting to rationalize Balfour's policy, insisted that the Jewish Homeland in Palestine had already existed. So that there would be no doubt as to Britain's future stand, the White Paper declared:

'His Majesty's Government therefore now declares unequivocally that it is not part of their policy that Palestine should become a Jewish State. They would indeed regard it as contrary to their obligations to the Arab people under the Mandate as well as to the assurances which have been given to the Arab people in the past that the Arab population of Palestine should be made the subjects of a Jewish State against their will. The wrath of the Jews knew no bounds. The new British policy on the subject meant the defeat of their carefully laid plans and they had no intentions of permitting the controversy to end with the White Paper. They unleashed a world-wide campaign of abuse against the British Government supplemented by propaganda material thoroughly distorting the facts.' Concluding at last that Great Britain as the Mandatory would never permit them to set up a Jewish States in Palestine, the Jews embarked on a campaign of violence to drive the British to either repudiate its White Paper or surrender the Mandate to the United Nations.

Hagana organized by the Zionists on the pattern of a regular army was mobilized and held ready to strike. Two terrorist groups, the Irgun Zvei Leumi and the Stern Gang were unleashed against the British Mandate authorities and the people of Palestine. The terrorists, following the traditions of their Khazar brethren of Poland and Russia, assassinated bombed and plundered. (Olivia Maria O'Grady)

CHAPTER 18

ZIONISTS SEIZE PALESTINE

Without going any further we now have the history of the incursion of the Zionists into Palestine, which was the basis of three wars, countless acts of terrorism and unrest, a total absence of peace which has plagued Palestine and the Middle East and will continue to do so until the rights of all parties are recognized with justice for all. Unfortunately, the fallacy of The League of Nations was perpetuated by an equally bastard creation, the United Nations.

On July 8, 1919, President Wilson having acted out his orders from Colonel House who had received them from the Rothschilds returned home.

If Wilson expected to be received like a conquering hero, he was sadly mistaken. An indication of the fact that Wilson was under the control of foreign personalities may be deduced from the fact that he had not taken one single member of the legislature with him to Paris or even a member of his own Democrat Party.

His advisors consisted in the main of Wall Street bankers and International Socialists. One of the strangest aspects of his trip to Paris was that he and his entourage accepted gifts of jewelry worth more than one million dollars from a number of non-government well-wishers.

The political storm that broke over the president when he introduced his One World Government blueprint to the United States Senate was unlike anything ever

experienced before. Most probably influenced by the domineering "attitude" toward Germany that governed the proceedings in Paris, Wilson demanded that the Senate ratify the treaty exactly as it was presented, with no material changes and no debate being permitted.

This was an astonishing development in American politics, which had never been attempted before. It was all or nothing based solely on the secret closed sessions held in Paris. (The German delegation was kept in their hotel for a week while this was going on and took no part in it). Wilson was not without support for his dictatorial attitude which came from an American member of the Fabian Society, Professor Shotwell, who more or less told the Senate to hurry up and ratify the Treaty.

Shotwell was a prominent member of the upper-level parallel secret government of the United States, the Council on Foreign Relations (CFR). Senator Robert Owen, who had been appointed Chairman of the especially created Federal Reserve Act in 1919, now chaired the commission on The League of Nations Treaty Report to the Senate.

Others who backed Wilson's treaty were Eugene Delano, Thomas J. Lamont and Jacob Schiff. Lamont had been a long-time Fabian Socialist-Communist sympathizer, and Schiff later helped to bankroll the 1904-1905 Russo-Japan War, and the Bolshevik Revolution in Russia. All were related to or affiliated with the Rothschilds.

Most notably, Schiff was a Wall Street banker, who began his career in banking with the financial backing of the Rothschilds, whose creation he was.

On March 19, 1920, the Treaty of Versailles came before the Senate for ratification, but strong objections developed at the very outset. Wilson's demands that the treaty be passed "as is" angered many Senators who offered a number of amendments and reservations, which Wilson refused to accept on the advice of Colonel House acting for the Rothschilds. On November 19, the Senate defeated the

Treaty of Versailles with and without reservations, seeing in it great dangers to the sovereignty of the U.S. Constitution and as attempt at usurping of its powers. The vote was 49-35.

For once, Colonel House and the Rothschilds were on the losing side. Wilson then did an extraordinary thing; he vetoed the joint resolution of Congress declaring the war with Germany at an end! At this point, it is necessary to retrace our footsteps: In the run-up to World War I and Wilson's attempt to embroil America in it, angry voices were raised against Wilson and his administration.

In fact, 87 percent of the American people were opposed to war, but could not prevail over the International Socialists and their international bankers. The Chicago Tribune was adamant and scathingly opposed to America's entry and declared that "Brandeis ruled the White House by secret telephone." Cyrus D. Eaton stated:

> America dishonored itself by entering the World War, while in later years (1925) Captain H. Spencer, in his book, "Democracy or Shylockcracy," quoted a telegram in which Sir William Wisemen, President Wilson's British MI6 controller said: "Brandeis called Rothschild." Justice Dembitz Brandeis was undoubtedly under the control of the Rothschilds. Long after the U.S. Senate refused to ratify the Treaty of Versailles, loud voices of anti-Americanism were still being heard.
>
> For instance Paul Hymens an ex Minister of Belgian Foreign Affairs said: "America refused to ratify the treaty and considered void the man who went to Europe to act in her name." (The New York Evening Post, July 16, 1925)

This was nothing new in so far as the character of President Wilson was concerned. While he was moving every

political force he knew to get the United States into WWI under intense pressure from the Rothschilds via Colonel House, Wilson had grossly and violently assaulted the United States Constitution by ramming a law through the U.S. Congress, drafting the Militia of the States to be sent to fight in France.

This remains, in my opinion, one of the worst violations of the U.S. Constitution in American history; because Wilson did it against the Constitution, knowing precisely what a gross wrong he was doing in disregard of his oath of office.

But, before providing details of Wilson's horrendous crime against the American people, leaving aside the crimes against the Arabs and Palestinians, I would like to give some hitherto unknown facts about the man who was Wilson's controller and alter ego Colonel Mandel House, simply because this mysterious and sinister man played such a huge background shadowy role in the history of he United States, plus the fact that he was an intimate friend of the Rothschilds.

Edward Mandel House was the son of Thomas William and Elizabeth (nee Shearn). House had immigrated to the United States in 1837 and gone to live in Texas where he became involved in the cotton industry and entered into banking for and on behalf of the Rothschilds.

House, the elder, always acted as the trusted agent for the Rothschilds. Edward was educated at Cornell and became an adviser to the Governor of Texas although holding no official position, a career that was duplicated in the Wilson administration.

The State of Texas made the younger House an honorary Colonel, a title to which he clung all through his extraordinary career. There is no indication why the State of Texas bestowed favors on Edward House.

In the first part of 1900, the Rothschilds sent House to Europe to learn the business of how bankers control politics and politicians. When he returned to America, House

became the guiding light in Democrat politics and it was he who selected Woodrow Wilson as the Democrat Party nominee for the Presidency.

House was largely responsible for Wilson's success in winning the election, and then developed his policies, especially foreign policy. It is believed by some real authorities on the subject that House was the conduit for the Rothschilds orders for the establishment of the Federal Reserve Banks, although the United States Constitution prohibited a Central Bank.

Thus it may be safely stated that House presided over twenty-five fateful years that changed the face of the United States forever, and led to a lawless Federal Government that destroyed in a few years what the Founding Fathers and the generation that followed had taken almost two hundred years to build.

Wilson was the first President of the United States to assume the de facto status of an Emperor of what was to become the Empire of the United States of America, the driving force and leader of a New World Order inside an International Socialist One World Government.

CHAPTER 19

THE ROTHSCHILDS ESTABLISH A CENTRAL BANK IN AMERICA

There had been profound changes in Europe under the tutelage of the Rothschild Dynasty, perhaps some of the more important being:

* The rise of Napoleon I as the chosen Rothschild agent for toppling of the Monarchs of Europe;

* The fall of the Romanov Dynasty and the destruction of Christian Russia at the hands of the Bolshevik Communists;

* The Anglo-Boer War of genocide, a most important war at the turn of the 19th century that was swept under the carpet.

I believe that these most profound changes could not and would not have occurred save and except for the guiding hand of the Rothschild Dynasty and the commitment of its vast financial resources to this end.

Before dealing with events in pre-Bolshevik Russia, I will cover the history of what gave rise to Rothschild intervention in South Africa to secure the largest gold and diamond fields in the world that resulted in the Anglo Boer War 1899-1903.

In the 1830s the farmers at the Cape (known as Boers) moved into the vast, uninhabited hinterland in what became known as The Great Trek. They were angered by British interference in their lives, particularly the freeing of slaves. They overcame great hardships traveling a thousand miles in ox wagons often over rugged mountains, and settled on the barren land of what was to become the Orange Free State and Transvaal Republics.

When huge finds of diamond and gold occurred, the barren lands were immediately coveted by the Rothschilds who sent an agent in the person of Cecil John Rhodes to tie up possession and control in their name. In 1898, Rhodes, the agent for the Rothschilds in South Africa, requested Lord Rothschild to buy out French interests in the diamond mines, setting the stage for complete control by the Rothschilds.

The British Government "annexed" an area of the Orange Free State known as Griqualand West (the location of the diamond finds) and three years later annexed the Transvaal, although in both cases they had no lawful or legitimate claim to the land whatsoever, a tactic they were to use again in Palestine in 1917. (The Balfour Declaration)

Cecil Rhodes was the chief instigator of the Boer War. The fabulous gold fields of rich veins, which extended for 200 miles from East to West, was a glittering prize the Rothschilds were determined to acquire. Friction with Britain became endemic as the Boers refused to recognize Queen Victoria's bogus claims to the Orange Free State and the Transvaal Republics.

A clear provocation was the raid by 600 armed men under Starr Jameson in an attempt to overthrow the Boer Government of President Paul Kruger.

It was a prelude to the Anglo-Boer War, which broke out in 1899, after the machinations of Rhodes to achieve the desired goals of the British Government to seize the gold and diamond fields, failed.

The Boers were descended from Dutch, Irish, Scots, English and German stock. They had emigrated to the southernmost tip of Africa known as "the Cape," where first the Dutch and then the British established a refueling, food and fresh water station for their ships plying trade between the Far East and Europe. At what became known in later years as Cape Town, a thriving independent community was established under Dutch rule.

At that time there were no black (Bantu) people in Africa south of the Zambezi River, in the vast, empty hinterland between the Cape and the Zambezi River to the North. Only a few nomadic "Hottentots" - a non-Bantu Mongolian type of people lived along the sea shore of the Cape eking out a precarious living through beachcombing and scavenging. They soon became workers in the vegetable gardens of the Dutch East India Company. But the British invaded the Cape settlement and set up their own administration under the British East India Corporation (BEIC) opium trading company in London.

From this inauspicious beginning grew a thriving, bustling community in which the Dutch were integrated. After the British invasion, the BEIC in London began to seriously interfere in the internal affairs of the Dutch community.

The Dutch, who were referred to as "Boers" (farmers) then began to organize a plan to leave the Cape and "trekked" (traveled) into the vast uninhabited plains of the north. After the long journey the Boer arrived and settled in the uninhabited land they named the Orange Free State Republic and the Transvaal Republic. I want to emphasize that the thousands of square miles of land the Boers traveled through was devoid of the Bantu races who lived north of the Zambezi. Contrary to popular history, the Boers did not take the Transvaal and Orange Free State away from the Bantu.

The discovery of the richest gold strike ever known brought Rhodes to the scene and from then onwards, Queen

Victoria began to assert her unfounded claim to the new republics. War was inevitable after Victoria rejected the peace proposals of the God-fearing Paul Kruger.

Queen Victoria was determined to have war, and in 1899 the British Government sent the first contingents of troops, which by 1901 would reach the amazing strength of 400,000 men, this, to overcome a guerilla force that never numbered more than 80,000 men in the field at any time, many of them as young as fourteen years and as old as seventy five years.

The epic struggle of the Boers ought to be a model for all countries threatened by big, bullying governments. For almost three years the farmer-soldiers fought and defeated the pride of the British Army.

The Boers only agreed to end the fighting after 27,000 of their women and children died in inhuman concentration camps set up by Lord Kitchener and Alfred Milner, a servant of the Rothschilds. With their cattle slaughtered, their farms burned to the ground and their women and children dying in the thousands as a result of the vindictive Lord Milner's genocidal policies, the Boer warriors were compelled to come in from the field and lay down their arms.

Throughout the struggle, Rhodes kept his masters, the Rothschilds, fully briefed and carried out their instructions to the letter. Today, N.M. Rothschild still controls the gold trade from London. Rhodes operated in a period when the British Empire was the most powerful political, economic and military force in the world, yet the Boers were not afraid to take on the Empire in a war they knew they could not win, but which they fought with astonishing courage, determination and bravery.

The British Empire was like the Persian, Assyrian, Babylonian and Roman Empires, built upon twin pillars of stripping the assets of their "Dominions" and using virtual slave labor of the inhabitants to accomplish the task.

The "noble" families of England could be traced back to the Venetian and Genoese Black Nobility and the great banking families of those city-states. They were the masters of propaganda and have not lost their touch, which was their most successful weapon in the Boer War and the First and Second World Wars. Behind the government stood the banking families, of which the Rothschild banks were the most powerful and influential. Some historians have held to the belief that the fortune they received from South Africa "made the Rothschilds rich."

It is a belief with which I do not agree. The Rothschilds were wealthy beyond belief well before their agent, Cecil John Rhodes, a master of deceit and cunning, a man who hated Christianity — secured the gold and diamond treasures of South Africa as the monopoly of the Rothschilds. From documents and papers I studied in the British Museum in London, it was clear that shortly before the death of Mayer Amschel, his fortune exceeded the combined fortunes of the world's richest men.

The full extent of the Rothschild fortune was never made known, but what is known is that it grew at an astronomical rate. Amschel knew the power of money and like old John D. Rockefeller who aped his philosophy of secrecy Mayer knew that secrecy is paramount to success. His religious belief that the Jews were God's chosen people never wavered, and he flaunted his belief on every occasion, public and private. To give some idea of the Rothschild wealth I provide the following:

> His son Lionel was the friend and counselor of the Prince Consort and of Disraeli whose Sidonia in Coningsby is a (thinly disguised) ideal portrait of him. . .
>
> He brought about the enactment of the disabilities bill which permitted Jews to hold office in England. He

> advanced the British government the money for the Irish famine loan (about $40,000,000) and also for the Crimean War (about $80,000,000) and for twenty-four years he acted as the agent for the Russian government.
>
> He had a large share in the successful funding of the United States national debt, provided the funds for the immediate purchase of the Suez Canal shares; he was also active in facilitating the payment of the French indemnity to Germany; in directing the finances of the Austrian Empire and the Egyptian loan of 8,500,000 pounds (about $40,000,000). (The Jewish Encyclopedia, Vol. 10, pages 501-502)

Jacob (James) Rothschild's fortune, which was independent of Lionel's or any of the other family members, was estimated by historians to be $200 billion at the time of his death according to author Armstrong who wrote. . . "But this was only an estimate, since no inventory of his estate was filed." It was of course in keeping with one of the principles laid down by Amschel that secrecy was to be maintained. Above all else, the Rothschilds were always involved in financing wars.

Hymym Solomon (also known as Haim) was involved in financing the American Revolution. Seligman Brothers and Speyer and Company financed the North and Messrs Erlanger the South in the Civil War. More recently, in the great development of railway finance the firm of Kuhn, Loeb and Company has taken a prominent role.

Although it does not say so in so many words, it is clear to anyone who knows anything about banking of the period, that the Rothschilds' financed the North and South through front men and front banks. There have been various estimates of the wealth of the Rothschilds, and one who knew perhaps better than others, Count Cherep-Spiridovich

estimated that they made $100 billion out of WWI alone. Historian John Reeves in The Rothschilds: Financial Controllers of Nations gives a good accounting of the Rothschilds achievements:

> Little could Mayer have anticipated that his sons would in after years come to exercise such an unbounded sway that the peace of nations would depend on their nod; that the powerful control they exercised on the European money markets would enable them to pose as the arbiters of peace and war, since they could at their pleasure, furnish or withhold the pecuniary means required to carry on a campaign.
>
> But this, incredible as it may seem, was what their vast influence, combined with their enormous wealth and unlimited credit, enabled them to do, for no firms existed strong enough to oppose them for any length of time, or rash enough to take up a business which the Rothschilds had refused.

A short note of explanation: It happened that the Rothschilds would refuse an offering although sound, simply to punish, that particular nation, or company, for some wrong doing, imagined or real. Had any other bankers have taken up what the Rothschilds rejected, their punishment would be swift.

CHAPTER 20

THE U.S. CONSTITUTION TRAMPLED BY CORRUPT LEGISLATORS IN THE PA Y OF THE ROTHSCHILDS

The question has often been posed and encountered by me: "How did the United States with its Constitution, the highest law of the land, which forbad a central bank, come in the end to have just such a central bank, totally in violation of the Constitution." To answer the question would require many thousands of pages of explanations, but in the following brief accounting, I shall try to provide a clue as to how the Federal Reserve Banks were forced down the throats of the American people.

In the first instance, the Federal Reserve Bank is not "Federal" being owned by anonymous stockholders, and not by the United States Government. In plain language it is a private bank masquerading as a federal government institution.

As such it is not accountable to the American people, in witness whereof, it has never been audited by government auditors as is required by law if it were a government bank. The great Louis T. McFadden, Chairman of the House Banking Committee, once declared from the floor of the House: . . . the Federal Reserve banking system is the greatest swindle in history, a fraud on the American people.

On Friday June 10, 1932, in a debate in the House of Representatives on the Federal Reserve Bank, the courageous McFadden said:

Mr. Chairman, we have in this country one of the most corrupt institutions the world has ever known. I refer to the Federal Reserve Board and the Federal Reserve banks. The Federal Reserve Board, a Government board, has cheated the Government of the United States and the people of the United States out of enough money to pay the national debt. The depredations and the iniquities of the Federal Reserve Board and the Federal reserve banks acting together have cost this country enough money to pay the national debt several times over.

This evil institution has impoverished and ruined the people of the United States; has bankrupted itself, and has practically bankrupted our Government. It has done this through defects of the law under which it operates, through misadministration of that law by the Federal Reserve Board, and through the corrupt practices of the moneyed vultures who control it. Some people think the Federal Reserve Banks are United States Government institutions. They are not Government institutions. They are private credit monopolies, which prey upon the people of the United States for the benefit of themselves and their foreign customers; foreign and domestic speculators and swindlers; and rich and predatory moneylenders. In that dark crew of financial pirates there are those who would cut a man's throat to get a dollar out of his pocket. . .

The 12 private credit monopolies were deceitfully and disloyally foisted upon this country by bankers who came here from Europe and who repaid our hospitality by undermining our American institutions. These bankers took money out of this country to finance a war against Russia. They created a reign of

terror in Russia with our money. . . They financed Trotsky's mass meetings of discontent and rebellion in New York. They paid Trotsky's passage from New York to Russia so that he might assist in the destruction of the Russian Empire. They fomented and instigated the Russian revolution and placed a large fund of American dollars at Trotsky's disposal in one of their banks in Sweden. It has been said that President Wilson was deceived by the attentions of these bankers and by the philanthropic poses they assumed. It has been said that when he discovered the manner in which he had been misled by Colonel House, he turned against that busybody, that 'holy monk' of the financial empire, and showed him the door. He had the grace to do that, and in my opinion, he deserves great credit for it.

In 1912 the National Monetary Association, under the chairmanship of the late Senator Nelson Aldrich, made a report and presented a vicious bill called the National Reserve Association bill. This bill is usually spoken of as the Aldrich bill. He was the tool, but not the accomplice, of the European-born bankers who for nearly 20 years had been scheming to set up a central bank in this country and who in 1912 had spent and were continuing to spend vast sums of money to accomplish their purpose.

. . . Under the tutelage of those sinister Wall Street figures who stood behind Colonel House, established here in our free country the worm-eaten monarchical institution of the 'king's bank' to control us from the top downward, and to shackle us from the cradle to the grave. The Federal Reserve act destroyed our old and characteristic way of doing business...

> It fastened down upon this country the very tyranny from which the framers of the Constitution sought to save us. The danger that the country was warned against came upon us and is shown in the long train of horrors attendant upon the affairs of the traitorous and dishonest Federal Reserve Board and the Federal Reserve Banks. . . The Aldrich bill was created by bankers of European origin in New York City. It was a copy and in general a translation of the Reichsbank and other European central banks." (Notably the Bank of England)
>
> (From the Congressional Records of the House of Representatives, the Collected Speeches of Congressman Louis T. McFadden)

On Thursday June 15, 1933, McFadden went to do battle once more against the imposition of a central bank on America, in gross violation of the United States Constitution. Speaking in the House of Representatives, McFadden complained about foreign bankers taking over the money and credit of the American people, and he concentrated on Jacob Schiff, whom he said, was an agent of the Rothschilds:

> He also hit out at a Mr. Mayer who is a brother-in-law of Mr. George Blumenthal a member of the firm of J.P. Morgan and Co., who, I understand, represents the Rothschild interest... I want to make it perfectly plain, that in placing Mr. Mayer at the head of the Federal Reserve system you are turning it over completely to this international finance group.

How was the U.S. forced into the slavery of the Federal Reserve Bank system? The answer is really quite simple:

It was done through the money power of the Rothschilds and a group of traitors in the U.S. House and Senate willing to sell their souls in exchange for a life of opulence and ease. Such men are found in all countries, and there is no way to foreclose against their treachery. Their infamous deeds continue to reap a bitter harvest. For daring to expose the truth about how August Belmont entered the United States for the sole purpose of gaining control of politicians who would make it possible to impose Rothschild control of the money and credit of the United States, McFadden was murdered.

There were three attempts on his life; one by a shooting that did not succeed, and two attempts to poison him, the last of which killed this great and courageous American. His murderers were never found and justice has still to be done.

Thus was a great American Christian patriot silenced, an unspeakable foul deed was done and financial slavery imposed on the American people. For as long as the elected representatives of the people in the U.S. House and Senate abide by their oath of office, to preserve and protect America from the ravages of the international bankers who lead International Socialism's onslaught against the Constitution, the blessings of liberty shall be those of the American people.

But when our representatives bow to the money power of the international bankers and prostitute themselves on the alter of Rothschild money power then has the hour arrived that We, the People have lost our freedom and the rights guaranteed by the Constitution.

The Federal Reserve Act was a smashing blow against the Constitution, another nail in the coffin of a once-free American people. The Federal Reserve Act was a progression along a road that will end with the total destruction of the Constitution. One of the Rothschild servants, Lord Bryce, said that it would take fifty years to destroy the Republican form of government guaranteed to the

American people by their Constitution. Lord Bryce predicted that: Security provided by for the protection of the Constitution will be gone like the morning mists.

This is the same Lord Bryce, who through false testimony published shameless lies about German atrocities in Belgium that brought the United States into the First World War.

Having acquired control of the leading banks of Europe and having become the lenders of first resort to every government on the Continent and England, the Rothschilds then acquired control of the Bank of England. In order to hide this fact it was decreed that the names of the bank's stockholders were never to be made public:

> This power brought about the establishment of the gold standard, first in the British Empire, and then in other countries as stated. They acquired the controlling interest in the Bank of England for which the late Lord Rothschild was the gold agent and governor.
>
> The Bank of England is one of their many fronts. They no doubt have the controlling interest in most of the other central banks of issue. In strict keeping with the secrecy which has been one of the cardinal principles of the Rothschild rulers from the very beginning, the Bank of England refuses to reveal its stockholders. . .
>
> They [the Rothschilds] sent one of their agents, Paul Warburg, as their representative to America, just prior to World War I, to change our banking systems.
>
> Through their ownership and control of J. P. Morgan and Co. and Kuhn, Loeb and Co., private banks, they owned and controlled the principal New York

national banks and trust companies, and through them controlled the New York Federal System. . . It is essential in order to control at will the expansion and contraction of credit that there be some supreme authority with the power to increase or decrease at will the volume of money in circulation.

Prior to the regime of the Rothschilds this power resided in the kings and emperors of the world, for they were then the supreme authority. In our country (the United States) our National Constitution vested this power (solely) in the Congress of the United States. . . Under the Rothschild influence the banking systems of the world were all radically changed. The supreme authority for the issue of money, as well as to extend credit, was transferred by the various governments to the bankers of their respective countries. The Bank of England became the model for other central banks of the world. At the time of the establishment of the Federal Reserve System, our government was the only one of any consequence that even pretended to exercise its sovereign right to issue and control the volume of money in circulation. The establishment of the Federal Reserve System brought about a complete surrender to the banking fraternity of the sovereign power of the American people to regulate values through their congressional representatives, as guaranteed to them by their national Constitution.

The panic of 1907 was, like all our other panics, a manipulated one. It was brought about by the refusal of the reserve bank of New York to pay currency to their country bank depositors, which in turn made it necessary for these banks to refuse to pay their depositors in currency. It was therefore due primarily

to an insufficient quantity of currency in circulation and an inadequate method of increasing the supply.

In the midst of the campaign for the reform of our banking and currency system (to prevent further manipulations that could result in panic) Paul Warburg, a German Jew, migrated from Frankfurt am Main, the original home of the Rothschilds, to America. He was at that time a member of Kuhn, Loeb and Company in New York, the American branch of the Rothschilds, upon his arrival here. The following is a Naval Secret Service report on him in December 1918:

'Warburg, Paul, New York City, German; was naturalized as an American citizen 1911, was decorated by the Kaiser; was vice-chairman of the United States Federal Reserve Board, is a wealthy and influential banker; handled large sums of money furnished by Germany for Lenin and Trotsky; subject has a brother who is leader of the espionage system of Germany.'

The Federal Reserve System is the product of the Rothschilds and its adoption was secured by the same underground, deceptive manner that they always employ to obtain their objectives. Paul Warburg evidently came to America to reform our banking and currency system and evidently he and the Rothschild interest then anticipated the world war [the First World War 1914-1918] although it did not come about until some three years later.

This is the sordid story of the greatest disaster that ever befell the American people. We then surrendered to Jeroboam Rothschild and his successors, complete

domination over our welfare and happiness. Prior thereto, great influence was through his Morgan and Co., and Kuhn, Loeb and Co., banks and their subsidiary affiliates, but now his authority is made supreme and unlimited. This surrender perfected his control over the economy of all of the people of the world.
(Emmanuel Josephson, Rothschild Money Trust, pages 36,40, 41, 132 134 and 1600)

CHAPTER 21

THE ROTHSCHILDS THWART THE U.S. CONSTITUTION

What is so astonishing about the audacious hijack of the United States credit and money supply by the Rothschilds is that it was accomplished in the face of stringent provisions in the United States Constitution that forbad establishing a central bank.

We are reminded by the words of Jesus Christ at his crucifixion when He said: "Father, forgive them, for they know not what they do." This prayer of forgiveness was for and behalf of the Roman soldiers, and not for the Sanhedrin, who had demanded his execution.

Thus we say of those members of the U.S. Congress who were ignorant of what was being done, and ignorant of the gigantic swindle being perpetrated upon them, and worse still, ignorant of the Constitution they had sworn an oath to uphold: "Father, forgive them for they knew not what they did."

But for the traitors, the deceivers, the liars and the betrayers who did know what they were doing, I say that death by hanging for treason, as suggested by the framers of the Constitution, would have been far too lenient a fate for them. Some scholars of the period wondered why the Federal Reserve Act was presented when it was.

Two reasons come to mind. A pliant Socialist president in the White House, the architects of the Federal

Reserve knew that war was coming. Thus it was essential to have the Central Bank up and running before hostilities commenced. Subsequent history has shown that the Federal Reserve Act was passed in time to make the coming war happen. Without the massive financing provided by the U.S. there is every reason to believe, that WWI would not have broken out.

The second reason is, of course, the more obvious one: Complete control of banking and finance of the United States. Passage of the illegal, unconstitutional, Federal Reserve Act made it possible for the Rothschilds through the treason of Wilson, to drag the United States into WWI that resulted in the death of millions of young Christian men, the flower of the European and American nations, and cost the United States billions of dollars.

The treason-mongers were never punished and America is still suffering today from the effects of that terrible war and the one that followed, and from the stranglehold which the Rothschilds have over an allegedly "free America" from which they continue to reap obscene profits.

Any real freedom for the American people ended the day that the Rothschild gained control of America's currency, credit and economy through establishment of the Federal Reserve Banks. When one considers the power of the Rothschild to have been able to establish their banking system in the heart of the American republic, we are reminded of the following verse: Upon what meat doth this our Caesar feed that he has grown so great?

The story of that "meat" is what I have tried to recount in this work and perhaps it will shed some light on the mystery of how both Wilson and Roosevelt were able to impose their wills upon the American people, even though they had the shocking example of the treason committed by President Woodrow Wilson still fresh before their eyes.

There can be but one answer as to the source of that power; the Rothschild agents in America who desired and actively sought American entry into WWII. The book, Propaganda in the Next War, authored by Captain Liddell Hart, throws a good deal of light on how, for the second time, the American people were dragged into a war in Europe although the vast majority of them totally opposed, but unfortunately, the book appears to rendered unavailable. Author Armstrong said:

> Apparently it is a semi-official book of the British government. The destruction of these copies of the book was probably by the order of Secretary of War, Hoar-Belisha...
>
> The establishment of a Jewish homeland was not an issue in the world war or in the peace treaty with Germany. The Arabs were our allies and they fought side by side with the soldiers of the allies. It was coldblooded indefensible robbery perpetrated at the instance of 'Elders,' Lloyd George and Woodrow Wilson and Georges Clemenceau. (Rothschild Money Trust, pages 65, 79)
>
> The worst of it is that the establishment of this 'Jewish homeland' was cold-blooded treachery to the Arab Government and the people. The Arabs claim that they were induced to enter the war on the side of the Allies by the promise that what is known as the Balfour Declaration would be rescinded and the Arabians would not be molested in the peaceful ownership and possession of their country.
>
> This contention is not denied by the British Government, but the excuse is made that Woodrow Wilson insisted that the Jews be given this home and

> that Lloyd George consented as a matter of policy and in order to get some other things in the peace treaty that he desired. Palestine is now properly called the 'twice promised land.' It is likely that Germany also promised it in consideration of the Russian deal. (Rothschild Money Trust, page 70)

One of the least noticed after effects of WWI and the subsequent peace treaty was the demonetizing of silver, which has always figured prominently in the monetary systems of the world since ancient times. Silver is a noble metal, but it is not regarded as being anywhere near as valuable as gold by the Rothschilds although it has always been a good defense against inflation.

Neither silver, gold coins nor scripts/certificates can be inflated. It was most probably with this in mind that the Rothschilds made strenuous efforts to demonetize silver and get rid of coinage in the money systems of the world. I do not propose to give a history of the Bank of England in this book other than to refer to it from time to time.

The Bank of England was and still is the model for all "fractional reserve banks," including the illicit Federal Reserve Bank of the United States. Its original charter was amended eight times up to 1844, and undoubtedly, the Rothschilds had a great deal to do with the latter amendments, especially the Peel Amendment, which made drastic changes that greatly favored the Rothschilds' banks.

The Peel Amendment was adopted in 1844 and its immediate effect was to demonetize silver, which had hitherto circulated as coinage in every country, even nation, since time immemorial as real money.

This was done because the Rothschilds wanted their war debts to be repaid in gold, a fact that became apparent when they refused to accept payment of Civil War debts in silver and demanded of the United States Government that the

debts be paid in gold. No doubt the Peel Amendment foresaw such matters and was adopted specifically to lay the foundation for what was to follow. The amendment also gave the British a monopoly over gold, because they held the gold stolen from the Boers of South Africa in 1899-1902.

Incidentally, it was Peel who had steered the Jewish Disabilities Bill through the House that made it possible for a Jew to run for public office for the first time in the long history of England. But in the middle of the struggle against strong opposition, Peel fell of his horse while out riding and died from his injuries. He was an accomplished horseman, which makes the accident all the more strange. That left Disraeli the chief protagonist for the bill. Disraeli's maiden speech to the House of Commons on December 7, 1847 as party leader, had been drowned out by his opponents led by the feared Irishman, Daniel O'Connell.

Those for the Jewish Disabilities Act were Sir Moses Montefiore, related through marriage to the Rothschilds, and one of two Sheriffs of the City of London. Although a Jew, Montefiore could hold the high office, because the House of Lords had no jurisdiction or control over the City of London. Montefiore had come to the House to receive permission to listen to the debate.

The bill was presented not directly, but what it became known as, a bill to remove restrictions from all faiths, what the Rothschilds always did, calling such an approach as a "side wind."

The measure was to end the longstanding practice, which held, that Jews could not become magistrates, schoolteachers or enter Parliament; could not vote if they refused to take the Christian oath and could not practice law.

Lionel de Rothschild had refused to take the Christian oath, and although elected to the House of Lords could not take his seat because of his obdurate opposition to the Christian oath being administered.

The 'Jew bill' as it was referred to by the Tories would not go away, even after eleven years of opposition by members like Lord Derby, Lord Bentinck and Sir Robert Inglis, who when asked why Jews should be excluded from Parliament stated: "The Jews are voluntary strangers here, and have no claim to become citizens but by conforming to our moral law, which is the Gospel."

The Tories in the House of Lords were solidly against the "Jew bill" as Lord George Bentinck called it as he explained it each time the bill came up again for eleven years. One must give credit to the tenacity of the Rothschilds, when they wanted something they clung on tenaciously until they got it. As Lord Bentinck explained:

> The Jew Question I look upon as a personal matter as I would a great private estate or Divorce Bill. Disraeli will of course warmly support the Jews, first from hereditary prepossession in their favor and next because he and the Rothschilds are great allies. (From Hansard Report)

Bentinck was later found dead, apparently from a heart attack at the age of forty-six. Like the death of Peel before him, Bentinck's passing left many unanswered questions, the most pertinent of which have never been addressed.

On February 20, 1849 the Jewish Disabilities Removal Act came up again for consideration in its third reading in the House with Disraeli in charge. In the gallery sat Louise de Rothschild, observing the proceedings on behalf of Lionel Rothschild. The measure passed by a vote of 272 to 206, but died in the Lords.

In the following year, July 29, 1850, Lionel de Rothschild again tried to take his seat, but the Clerk refused to allow it and thus was generated a new round of frenzied activity characterized by scathing debate.

The measure was now being referred to in the Times as the "annual pastime" of Parliament. Having been struck down in 1849, 1851, 1853, 1856 and 1857, Disraeli in 1858 tried a new tack by changing the wording of the Oath, but the Lords again rejected it.

Disraeli hit back by appointing a committee to look into a basis of the restoration of the new Oath and appointed Lionel de Rothschild on the committee. Finally, amid ugly scenes and rearguard opposition from Lord Derby, much grumbling with a razor-thin majority voting for it, a compromise was reached: Each House would formulate its own Oath. At the sumptuous home of Lionel de Rothschild there was great rejoicing that the "eleven years of shouting and screaming in every corner of the House" was over.

On July 26, 1858, Lionel de Rothschild was sworn in on the new, non-Christian Oath, shaking hands with Disraeli as he went up to do so in a public display of the gratitude he owed his protege whom he had wisely and with great foresight, converted to Christianity at a tender age possibly in anticipation of his need for the very service he had now delivered.

CHAPTER 22

THE ROTHSCHILDS BREAK OPEN THE HOUSE OF LORDS

The floodgates had been opened. Lord Rothschild took his seat, followed in quick succession by David Salomons, Sir Francis Goldsmith, Nathaniel de Rothschild, Frederick Goldsmid and Julian Goldsmid.

It is interesting that none of these men represented Disraeli's own party, the Conservative Unionist Party "Tory Party." But the chief opponent, Earl Derby, now losing support from his own party, put his objections in writing:

> Without imparting any disloyalty or disaffection to Her Majesty's Subjects of the Jewish Persuasion, the Lords consider that Denial and Rejection of that Savior, in whose Name each House of Parliament daily offers up its collective prayers for the Divine Blessing on its Councils, constitutes a moral unfitness to take part in Legislation of a professedly Christian Community. (Hansard Report)

The most visible results of The Jewish Disabilities Removal Act was that it provided the Rothschilds and other leading Jews access to the House of Lords and removal of the hated Christian Oath. With the other change, the Peel Amendment to the Bank of England, the ordinary people, as

usual, had no inkling of how they were being bamboozled and how much they would lose. The miscreants worked so skillfully that while the victims were walking around with their eyes wide open, yet not comprehending what they saw, the Rothschild solidified their grip on world monetary systems.

Of course the deception is still practiced today where U.S. coinage is made to look like silver, but which coinage has no silver content whatsoever. U.S. coinage might as well be made of plastic, but that would not do, because then the multitudes might just wake up to the deception after all these years! Even the Encyclopedia Britannica sought to conceal the deception of the Peel Amendment:

> It was indispensable in attempting to obviate the defects inherent in our currency, to proceed cautiously, to respect, as far as possible, existing interests, and to avoid taking any steps that might excite the fears or suspicions of the public; but the measures . . . were so skillfully contrived as to provoke little opposition, at the same time that they effected most important and highly beneficial changes. (Encyclopedia Britannica Vol. III, page 323)

For instance: What were the "defects" it speaks about? The principle "defect" was that hitherto it had not been easy to wage war, as there was never enough money for such wars and additional money had to be raised by additional taxation. This meant that at some point, even the slumbering multitudes would become enraged and rise in rebellion against overburdening taxes.

The other "defect" was that paper money had to be backed by bullion and what was desirable was the full practice of the old Babylonian system of fraudulent fractional reserve banking meaning in plain language that banks could

issue a certain amount of paper money not backed by real assets such as silver and gold. Without these changes and the flood of paper money that followed the Peel Amendment and the Federal Reserve Banks establishment in America, WWI and WWII would not have been possible to promote. There was simply no real money for such wasteful wars, nor would the people have stood for additional taxes to finance such misadventures.

In fact, there would have been no Gulf War, no invasion of Iraq in 2002, no bombing of Serbia and no war against Afghanistan, -- were it not for an abundant supply of worthless paper money, which are called U.S. dollars. Accepted as such all over the world — in reality they are pieces of paper issued by a private banking system, which cannot be exchanged for gold or silver.

Why, in the words of the Encyclopedia Britannica, was it necessary to "proceed cautiously?" If this was an honest need why should there have been caution about the move? But the encyclopedia gives the nasty game of deception away in the words, "that might excite the fears and suspicions of the public."

By its own admission we now learn that there was a need for caution because base deception of the public was being engaged in and that the deception had to be "skillfully contrived to provoke little opposition."

What an admission that wholesale deception and gross fraud were being perpetrated on the people. The perpetrators very well knew that the people would go into revolt if they found out, so the Peel Amendment had to be disguised as "highly beneficial changes."

Who were the recipients of the "highly beneficial changes?" There was only one party who benefited and that was the Rothschild Dynasty and their banks all over the world.

If this were not true, the "highly beneficial changes" would have been shouted from the rooftops of London and of

every city in the world. But the "highly beneficial changes" were for the benefit of the Rothschild banking empire and not for the people of the many nations affected by it.

While Sir Robert Peel presented the amendment to the bank's charter, its author was indeed Lionel Rothschild through his "valet," Benjamin Disraeli, whom he had created and made famous as England's Prime Minister, in the manner in which the Rothschilds created and made famous Napoleon I. Lionel Rothschild's influence over the Bank of England had never waned since he frightened the bank into giving him de-facto control through this attack on its gold reserves, as explained earlier by demanding his paper be exchanged for his gold.

It should be recalled that on August 4, 1847, when Disraeli's eligibility to run for a seat in Parliament was paper-thin, because he could not claim property ownership in fear of his many creditors, and property ownership being a necessary qualification, it was Baron Mayer de Rothschild, the High Sheriff of the county in which the town of Aylesbury was situated, who certified Disraeli as a qualified candidate and then declared him duly elected, after another candidate, a John Gibbs, had been persuaded to withdraw from the election.

But the watching crowd did not take the result well. Perceiving Disraeli as an interloper, he was met with hisses and heckling. It is also worth mentioning, that while Disraeli was in such deep financial straits that could and would have badly affected his career in Parliament, it was Lionel de Rothschild who bought his debts and discharged them. The deal is mentioned in Disraeli by Weintraub, page 401:

> Through Philip Rose and Lionel de Rothschild, Montague discharged all debts. The Montague mentioned is said to have 'offered to buy up Disraeli's debts and charge a lower than usurious interest rate.' Critics suggested that the real

> 'purchaser' of Disraeli's debts was in fact, Lionel Rothschild.
>
> Another indisputable fact is, that in September 1848 the Rothschilds had a hand in buying Hughendon, Disraeli's country home for him through a front man, the Marquis of Titchfield. As Disraeli wrote to his wife Mary Anne, 'It is all done; you are the Lady of Hughendon'.

I mention these facts, as they seem to bear out the claim that Disraeli was "a mere valet of the Rothschilds."

A study of the methods used by the Rothschilds to put over the deception of the Peel Amendment shows that they used in precisely the same way to put over the Federal Reserve Banks swindle on the American people. In both instances, the author and finisher of the plot were one and the same -- the Rothschilds.

The catastrophe in 1840 was staged and managed by the Rothschilds to set the stage for the crucial amendment of 1844 that was to be so beneficial for the Rothschilds in that it ended the restraining influence of silver coinage and silver certificates.

The Rothschilds stage-managed the panic of 1907 which opened the way for the American version of the Peel Amendment, the deceitful and downright unconstitutional Federal Reserve Banks, which bill was steered through the Senate by their numerous agents in place, notably Senator William Aldrich. The Peel Amendment and the Federal Reserve Act are twins of the same parentage, the Rothschilds, who used their front men and servants to conceal the real authors of these infamous fiscal and monetary measures of deception.

How were the Rothschilds able to accomplish the double success that placed the yoke of slavery around the necks of the ordinary people? They did it by owning and

controlling the leaders of both political parties in the British Parliament and the political leaders of both parties in the U.S. House of Representatives and the U.S. Senate. Since then, nothing has changed.

The status-quo remains entrenched. The two measures gave the Rothschilds complete control over the monetary and fiscal policies of the British Empire and the complete monetary and fiscal control over the United States, thereby multiplying not only Rothschild wealth, but Rothschild power to dictate policies to both the British and United States Governments, making them "lord and master over the money markets of the world.

Disraeli did not say that the Rothschilds achieved complete mastery of the foreign and domestic policies of the governments of the world, but this was hardly necessary to enunciate as it became self-evident at the Paris Peace Conference.

On the instructions of their Rothschild masters, President Wilson and Prime Minister George organized two committees that were called the "Financial Committee" and the "Economic Section." Rothschild agents Baruch and Thomas Lamont, a partner of J.P. Morgan and Co. were appointed to the Financial Committee.

The net end result of the deliberations and decisions of the two committees made it almost impossible for Britain and France to repay their war debts to the United States, more than likely with the intention that they should be "forgiven," which they were, in the most flagrant abuse of the U.S. Constitution. There were and are no provisions in the United States Constitution that would allow for loans and gifts to foreign powers, much less that debts should be written off. But to the Rothschilds it was just another hurdle to be overcome, and the U.S. did write off billions in debt owed by the Allies.

The intention was quite clearly that the debts owing to the Rothschilds would be repaid and that was the bottom

line. Unfortunately, the Rothschild agents in the U.S. Government went along with the plan that robbed the American people of billions upon billions of dollars and enriched the Rothschilds with like amounts, this, in the most flagrant violation of the highest law of the United States, the Constitution.

In its wake, the blatant disregard of the Constitution resulted in strengthening International Socialism that caused poverty and suffering, with revolutions that led to the rise of Communism.

Who was this Disraeli, a man who had such a profound effect on the history of England? How did he aspire to his position of power?

Benjamin Disraeli (1804-1881) who was given the title of Lord Beaconsfield in his later years was the first person of Jewish descent to become a prime minister of England.

A study of documents in the British Museum, show that Disraeli owed his rise to fame and power solely to Lionel Rothschild. When he was discovered by Lionel, Disraeli was in a state of desperate poverty, but he still managed to rise to power and fame because Lionel Rothschild found him a useful servant. Bismarck, another of Rothschild's "creations" said that Disraeli was the originator of the plan to bring down the United States through civil war.

The American Civil War was the most senseless fratricide ever in the history of the world, and cost the lives of nearly 800,000 men. It was a war that should never have happened, and would not have happened had it not been for the "hidden hand" of the Rothschilds and their agent, Disraeli, upon whose soul the blood of the dead of the Civil War must forever lie.

Lionel Rothschild became Benjamin's mentor and guide. Starting from the young Disraeli's formative years, Lionel took charge and steered his protege from one success to another.

> Disraeli was to Lionel what Weishaupt was to Amschel; Gambetta to James Rothschild III, what Poincare was to Alphonso Rothschild IV and is to Eduard Rothschild V, or as was and is Kerensky (Kirbis) to E. Rothschild V...
>
> Disraeli was the Horse of Troy slipped into the upper classes of Great Britain, carrying inside a score of Jews as future Lords and Ministers. Now they entirely rule her. (Let Us Prevent The Second World War. (Count Cherep-Spiridovich)

According to Buckle's Life and Death of Disraeli, "no career in English history is more marvelous than that of Disraeli and none has hitherto been shrouded in greater mystery."

But to Thomas Carlyle, the great English essayist and historian, Disraeli was an "adventurer and a superb Hebrew conjuror." Carlyle wrote a notable work on the French Revolution and his lectures On Heroes, which were greatly acclaimed, made him a better judge of Disraeli than Buckle's History of Civilization in England. Professor William Langer also does a more realistic job in assessing the worth of Disraeli, but none of these historians say anything at all about his mentor and controller, Lionel Rothschild. Cherep-Spiridovich is the least charitable of all toward Disraeli:

> The politics of Disraeli consisted chiefly in his hatred of Russia . . . Taken by Lionel under his guidance, Disraeli henceforth assumed a triumphant scorn, that which would be worthy of a Mephistopheles. As he was luridly pale with flashing eyes and black hair, he adopted a dress coat of black velvet lined with white satin, white gloves, hanging fringes of black silk, white ivory stick with black tassels.

> All this was devilishly combined in order to make a stronger impression on influential old ladies. And through them, Benjamin learned in London all the secrets needed for his patron-Lionel, with whose money Disraeli stepped into the highest places.

Sarah Bradford, in her book Disraeli, states on pages 60 and 186 that Disraeli had "strong Zionist feelings, which he expressed in private." Bradford mentions several other significant things as they related to the Rothschild's patronage of Disraeli:

> They knew his wife Mary Anne before the marriage, relating how the Rothschild ladies became increasingly intimate with her. (Page 187)

> Disraeli was often entertained at the home of Anthony de Rothschild and was "considered as part of the family." (Page 386)

Disraeli, Author Weintraub relates how close Lionel was to Disraeli (page 243) and how he "considered Lionel his best friend. . . He saw him more than anyone else in London and never needed an invitation to dine. After the death of Disraeli's wife Mary Anne, he practically lived at Lionel's house. (Pages 243 and 611) Anthony de Rothschild was the best and kindest host in the world. (Page 651)

Weintraub mentions that Alfred de Rothschild was extremely generous toward Disraeli. We are left in no doubt that Disraeli and the Rothschilds enjoyed an extraordinarily close friendship reaching far beyond that which would be understood by the normal meaning of the word.

CHAPTER 23

ROTHSCHILDS SURROGATE FINANCED ATTACK ON RUSSIA

Earlier herein, I indicated that I would explain in some detail the Rothschild involvement in the war between Japan and Russia in 1904-1905. At that time the government of Japan thought they were receiving a helping hand from Jacob Schiff who worked behind the scenes to foment tension between Russia and Japan, but what was actually behind the loan Schiff gave to the Japanese?

The Rothschilds needed Japan in their quest to destabilize Russia. Their hatred of the Romanov family was unbounded. The attack by the Japanese fleet on Port Arthur set the stage for the Bolshevik Revolution that was to follow in due time. As Lionel Rothschild once remarked, "there has been no friendship between the Court of St. Petersburg and my family."

The Russo-Japanese War began on February 8, 1904. The Communists were jubilant seeing in the attack a chance to strike a blow against the government. Russian newspapers like Novoye Vremyo charged that the Zionist Jews were secretly helping Japan. In this they were correct because Jacob Schiff was instrumental in floating several loans in favor of Japan.

Schiff was tied to the Rothschilds through his birth in Frankfurt on January 10, 1847. His father was known to the Rothschilds. When he reached adulthood, Jacob became a broker for the Rothschild bank in Frankfurt. During 1865 the Rothschilds sent him to New York to connect up with the

firm of Frank and Gans. Under the instructions of the Rothschilds he started his own brokerage house of Budge, Schiff and Co. in 1867. The partnership lasted for about six years and was dissolved in 1873 at which time Schiff went to Europe.

After a tour of German banking firms in 1873 he returned to the United States in 1875, and was made a member of the banking firm Kuhn, Loeb and Co., a well known "front" for Rothschild banking interests in America. Schiff hated Russia and saw in a Russo-Japanese War the chance to strike a blow against the Tsars and perhaps bring about the end of their rule over Russia.

By his express order, Kuhn, Loeb and Co., floated the three large Japanese war loans in 1904 and 1905. In appreciation he was awarded the Second Order of the Sacred Treasure of Japan. After the decisive defeat of the Russian fleet at Port Arthur, the stage was set for the grave unrest in Russia that was to follow:

July 28, 1904
Murder of Viacheslav von Plehve, the able minister of the interior

August 22,1904
Jewish rioting erupted in Kiev, Rovno and Volhnia, continued to October

January 22,1905
Bloody Sunday led by Rothschild agent "Father" Giorgi Gapon

October 2-30,1905
A General Strike in which the whole country joined

December 22-January 1,1905-06 Insurrection of workers in Moscow

May 2,1906
The dismissal of Count Witte, recognized by historians as the beginning of the end of the rule of the Romanov's

The murder of von Plehve was predicted in a Jewish poem circulated in February 1904, addressed to "Haman." Easily identified as the minister of the interior, it read that the "new Haman" would soon die. On the morning of July 28, 1904, a terrorist by the name of Sazonov threw a bomb at von Plehve as he stood in the square before the Warsaw depot in St. Petersburg.

Just before the Bolshevik Revolution erupted, Schiff gave Lenin $20 million to further the Bolshevik cause. It is no wonder that Pope Leo XIII wrote in his Apostolic Letter of March 19, 1902, Parvenu a la Vingt-cinquieme Anee:

> Including most nations in its immense grip it unites itself with other sects of which the real inspiration and the hidden motive powers. It first attracts and then retains its associates by the bait of worldly advantage, which it secures for them. It bends governments to its will sometimes by promises, sometimes by threats. It has found its way into every class of society, and forms an invisible and irresponsible power, an independent government, as if it were within the body corporate of the lawful state.

Well did Dr. Gerard Encausse in Mysteria in the April 1914 issue declare:

> Side by side with the international politics of each State, there exist certain obscure organizations of

> international politics. . . The men that take part in these councils are not professional politicians or brilliantly-dressed ambassadors, but certain, unknown men, high financiers, who are superior to the vain ephemeral politicians who imagine that they govern the world.

Before he was turned in favor of the conspirators, Winston Churchill remarked about events in Russia:

> The leading spirits of a formidable sect, the most formidable sect in the world, and with those spirits around him, set to work with a demoniacal ability to tear to pieces every institution upon which the Russian State depended. Russia was laid low. Russia had to be laid low. She was laid low in the dust.

Churchill was referring to the diabolical fury of Lenin and Trotsky, and the terror and destruction they brought down on Christian Russia. (Speech in the House of Commons on Nov. 5, 1919)

Lenin was but another valet of the Rothschilds sent to do their bidding. Their hatred for the Romanovs' knew no bounds. The one thing that infuriated the Rothschilds was the Tsar's attempt to form a Holy Empire that would acknowledge Christ as it leader. There are several accounts: The Jewish author A. Rappaport's book, The Curse of the Romanov's, Professor William Langer's account, John Spencer Bassett in The Lost Fruits of Waterloo and documents in Lord Milner's private papers.

The Holy Alliance was considered a Christian League of Nations, Austria, Prussia, and Russia with the hope that Britain and France and all the nations of Europe would join. The nations were to swear an oath of allegiance to "The One and Only True Sovereign, to whom alone, all power by divine right belongs, namely God, our Divine Savior, Jesus Christ."

The leading light in this hoped-for alliance was Tsar Alexander I who moved mightily to make it become a reality. The Rothschilds immediately expressed their opposition to it. Professor Langer defines it thusly, which in my opinion is a prejudiced account:

> On September 26, 1815, the Holy Alliance, a document drawn up by the Tsar Alexander I, signed by the Emperor Francis I and by Frederick William III and ultimately by all European rulers, excepting the prince regent of Britain, the pope, and the sultan of Turkey. It was an innocuous declaration of Christian principles, which were to guide the rulers in their relations with their subjects and with each other.
>
> These vague and unexceptionable principles were probably meant by the tsar as merely a preface to some form of international organization along the lines recommended by the Abbe de St. Pierre a century earlier.
>
> The importance of the document lay not in its terms, but in its later confusion in the public mind with the Quadruple Alliance and more particularly, with the reactionary policy of the three eastern powers which were regarded as bound by a pact directed against the liberties of the people, camouflaged as religion.

In the first instance, it was not "camouflaged as religion." That was the interpretation put upon it by the Rothschilds who did all they could to stop Britain from signing the document.

In France, the Rothschilds were instrumental in getting the "separation of Church and State" to help to dissolve the Holy Alliance. Rappaport's book in this regard:

> The re-establishment of European peace has given to Czar Alexander I great satisfaction. Alexander directed his attention to the irreligiousness of the nations as the source of evils. He conceived the idea of reviving religious fervor in the peoples and thus re-establish a patriarchal regime, purity of family life, obedience to the law and authority. But the rulers must set an example and serve as models for their subjects.
>
> The sovereigns of Europe must carry out their missions as rulers of empires and kingdoms in the spirit of the founder of Christianity, which should be the link uniting the sovereigns to their peoples and among themselves. (Curse of the Romanov's, page 336)

Apparently the Holy Alliance was at variance with the plans of the Rothschilds if we take into account the writings of Count Cherep-Spiridovich, who believed that from that moment on in 1815, the Rothschilds sealed the fate of Russia and the Romanov family. Cardinal Manning stated: An association has been formed for the express purpose of rooting out all the religions of the establishments and overturning all the governments of Europe. The cardinal believed that the first victim was France in the French Revolution and Russia was its second victim. There is evidence that Disraeli did not tell the truth about Russia. It was the Rothschilds, who fomented the Bolshevik Revolution and financed it through their New York banking fronts of Jacob Schiff and J.P. Morgan, and in London by Lord Alfred Milner. It is a fact that Schiff gave Trotsky $20 million for the task of overthrowing Christian Russia.

The history of the Rothschilds shows that they did not hesitate to spend part of their huge fortune to achieve political goals. In this they achieved astonishing successes.

That the Rothschilds held and exercised amazing power over nations and governments is born out by the following:

> The Kaiser had to consult Rothschild to find out whether he could declare war. Another Rothschild carried the whole burden of the conflict which overthrew Napoleon. (The Patriot, Dr. Stuart Holden, June 11, 1925)

> The revolt in Georgia (Caucasus) was staged by the Rothschilds. (Humanite, September 1924. This was a Jewish magazine)

> The Rothschilds can start or prevent wars. Their word could make or break Empires.
> (Chicago Evening newspaper, December 3, 1923)

> Alphonso Rothschild consented to pay all the indemnity of France to Germany, if France would elect him King.
> (Journal d'un Officier d'Ordonance by Comte d'Hemson)

> At the last, decisive council of the British Cabinet on July 3, 1914, Mr. Lloyd George invited Lord Rothschild to listen to the debate. The Prime Minister played his demonical game on behalf of the Rothschilds, whose mere tool he has always been and still is. If England had honestly declared that she would stand by Russia and France there would have been no war, because the Kaiser would never have permitted it, not withstanding the 10 Jews who closely surrounded him: Bethman-Hollwig-Rothschild, Rathenau, Ballin and Dembury. (Unrevealed History, Count Cherep-Spiridovich)

> The Rothschilds have been the backbone of all political and financial happenings since 1770. Their name ought to be mentioned on each page of the history of every country. The authors, teachers, lecturers and politicians who do not speak of them, must be considered dupes, hypocrites or criminally ignorant. (Unrevealed History, Count Cherep-Spiridovich)

> Most of the Archives containing details about the Rothschilds were purposefully burned in Paris during the Commune in 1871, of which Rothschild was the chief financier. (La Libre Parole, May 27, 1905)

> In February 1817, the free masons, Bublikoff and others; all valets of the Rothschilds, went over to Russia and stopped the fast food trains that were going to Petrograd, in order to provoke the people into revolt. (Unrevealed History, Count Cherep-Spiridovich)

> On February 15, 1911, Schiff and Co., urged President Taft not to renew the Commercial Treaty of 1832 with Russia. When he declined, Schiff refused to shake his hand, saying, 'this means war.' The murders of Luschinsky and Prime Minister Stolypin and World War followed.
> (Towards Disasters; Dangers and Remedies, Count Cherep-Spiridovich)

The Rothschilds consorted with kings, princes and potentates, they amassed huge fortunes and titles, lords and barons, "Sir" and "Lady" and had innumerable honors bestowed upon them. They wished to forget their beginnings and their founder who made it all possible by

misappropriating the "windfall" he was given charge of by the Landgrave of Hesse-Cassel.

Mayer Amschel	1743-1812
Anselm Mayer	1773-1855
Salomon	1774-1855
Nathan	1777-1836
Karl	1788-1855
Jacob James	1792-1868

CHAPTER 24

SOME OPINIONS ON THE ROTHSCHILDS, THEIR ROLE IN WAR, REVOLUTION AND FINANCIAL INTRIGUES

This chapter consists of opinions by various authors and authorities which cannot be conveniently included in the body of the book because they are somewhat disconnected.

Nevertheless, in my opinion they are important, because they provide a basis for the writings of those historians and researchers who have been almost solidly at one with the belief that the Rothschilds were one of the greatest forces at play in the 18th and 19th centuries, and who are in all probability, even more so, today.

The First World War brought to Eduard Rothschild more than 100 billion dollars. (Count Cherep-Spiridovich)

This mighty revolution which is at this moment preparing in Germany and of which so little is as yet known is developing entirely under the auspices of the Jews, who almost monopolize the professional chairs of Germany. (Coningsby, Disraeli, page 250, writing about events in 1844-1848)

Historians agree that he meant the Rothschilds. Practically all wars and revolutions were then financed by the Rothschilds. (Disraeli in Coningsby, pages 218-219)

The League of Nations is a Jewish idea. We created it after a fight of 25 years. (Nathan Sokolow, Zionist leaders at Carlsbad Congress, August 27, 1932)

The League of Nations is run entirely by Jews: Paul Hymans, Sir Eric Drummond, Paul Mantaux, Major Abraham, Mrs. N. Spiller, The Jew 'valet,' Albert Thomas who helped with French millions to help enthrone the Bolsheviks in Russia, is "chief of the Labor Section. He receives a fabulous salary." (Le Peril Juif La Regue d'Israel chez les Anglo Saxons, B. Grasset, Peres, France)

Again this appears to refer to the Rothschilds and I take pains to point out that in most cases "Jews" may be substituted for "Rothschilds."

The modern social revolutionary movement dates back from the middle of the 18th century. Ever since that time there; has been a flowing of a continuous stream of subversive agitation, assuming many forms, but essentially the same, ever broadening and deepening until it became a veritable flood, which has submerged Russia and which threatens to engulf our civilization. (The Revolt Against Civilization, Lothrop Stoddard)

The great revolutionary movements began between the middle and the end of the 18th century, when in 1770, Amschel Rothschild became the manager of the Landgrave of Hesse-Cassel. Amschel hired all of the Miliukovs, Kerenskies and Lenins et al of the 18th century to start their subversive agitation, just as E. Rothschild hired those of the 20th century. (Count Cherep-Spiridovich)

Facts of world importance are known to too few men, and we need more facts. Humanity cannot find the light unless it has facts. (Editor of the Chicago Daily News)

What is this formidable sect of which Abbe Burruel speaks in the 18th century and Churchill in the 20th? Upon the answer may rest the power of Christianity and of civilization based upon Christianity. It was a power outside of Russia; it was a worldwide power and it was strong enough to bring down Russia, and also, the House of Hohenzollers. What was it? (Cause of World Unrest, Nesta Webster, page 35)

Lloyd George said he did not believe any statesman or ruler caused war. It may be a century before the world will know the full truth. (Senator Copeland, Congressional Record)

The House of Rothschild with a few co-religionists conspires to own the world.
(The Secret of the Rothschilds, Mrs. Mary Hobart)

The Kaiser had to consult Rothschild to find out if he could declare war. Another Rothschild carried the whole burden of the conflict which overthrew Napoleon. (The New York Times, July 22, 1924)

In the Imperial Archives in Berlin was found a letter from Rothschild to Wilhelm II, urging war.
(Truth About The Jews, Walter Hurt, page 324)

To the public, the archives of the family, (the Rothschilds) which could throw so much light upon history are a profound secret, a sealed book kept hidden.
(The Rothschilds, Financial Rulers of the World, John Reeves, page 59)

Bismarck, Beaconsfield (Disraeli), the French Republic, Gambetta etc., all are a force as nothing. A mere mirage. It is the Jew alone with his Bank who is their master and who rules all of Europe. The Jew will prefer VETO and suddenly, Bismarck will fall. . . To the Rothschilds, nothing could have

occurred more propitiously than the outbreak of the American revolt and the French Revolution, as the two enabled them to lay the foundations of the immense wealth they have sine acquired.
(The Rothschilds Financial Rulers of the World, John Reeves, page 86)

Mrs. Nesta Webster cannot escape the conclusion that international financiers put up the money (for revolutions and wars.) More it is the Jewish financiers who supply the funds; it is Jews who have been the agents-provocateurs of revolutions of revolutions for the last two thousand years. It is the Jews who are the secret inner council of the five principal organized horrendous movements at work with which organized government has to contend. (The New York Times, March 8, 1925)

In the whole range of history, no one has aroused emotions so opposite and intense, or has claimed so much of the admiration of, the fear, and the hared of mankind. (Napoleon, Hebert Fisher)

A man, Napoleon, born without any advantage of wealth or high descent made himself master of the world before he was 35 and he finished his career of un-paralleled romantic impossibility when he was 46. (How Great Was Napoleon? Sydney Dark)

In conclusion how amazing it is, that the same leaders of the elite of the world, who have the power to excite wars for their own benefits, can also break and consign to obscurity, those formerly important national leaders who oppose their grand designs, particularly their plans to establish a New World Order operation inside a World structure of a single One World Government dictatorship. Unless a counter force can be erected to oppose these plans, the world could very well be plunged into the darkness of a brutal dictatorship by the year 2025.

The Rise of the House of Rothschild

COUNT EGON CAESAR CORTI

Translated from the German by
Brian and Beatrix Lunn



1770-1830



The Pedler on Horseback

Caricature of the House of Rothschild

FOREWORD

Historians, in interpreting the nineteenth century, have laid stress on many and various aspects of the period under study; and descriptions of isolated periods, single episodes, and individuals are scattered amongst hundreds and even thousands of books. On the other hand, certain special features of the period under consideration have been, for various reasons, entirely neglected.

An example of such neglect is the ignoring by historians of the role played by the Rothschild family in the history of the nineteenth century, and the object of this work is to appraise the important influence of this family on the politics of the period, not only in Europe but throughout the world. For, strangely enough, the influence of the Rothschilds is barely mentioned, or at the most casually referred to, in otherwise comprehensive and painstaking historical treatises.

Special literature dealing with the House of Rothschild usually falls into one of two groups, either fulsome paeans of praise commissioned by the House itself, or scurrilous pamphlets inspired by hatred—both equally unpleasant. There are, however, two works of serious value in existence, which are partially compiled from legal documents, but they are of small scope. One is by an employee of the Rothschilds, Christian Wilhelm Berghoeffer, and the other is the impartial work of Dr. Richard Ehrenberg; but these treat only of isolated incidents in the history of the House, and throw no light on its pan-European importance.

The object of the present work, which deals with the period 1770-1830, is to trace the rise of the House of Rothschild from its small beginnings to the great position it attained, culminating in the year of its great crisis.

In the course of my researches I found that references to the name of Rothschild in official documents and in books of memoirs were as common as they are rare in contemporary textbooks. I made a point of collecting all available data until my drawers were literally crammed with letters, deeds, and documents containing the name of Rothschild, and bearing dates of almost every year of the nineteenth century. My next step was to visit the various European capitals which had been the scene of the family activities, in order to enrich my store of references with all the relevant literature. The subject is indeed inexhaustible, but the material I had amassed encouraged me to essay a complete picture.

The subject required the most delicate treatment, but my determination to undertake the work was accompanied by the definite intention of according it complete impartiality, for I was convinced from the beginning that a prejudiced outlook would render the work utterly valueless.

The House of Rothschild, as will be readily understood, did not throw open its archives to my inspection, for it is particularly careful in guarding its more important business secrets. But this was not entirely without its advantage, for it left me completely free from political considerations and uninfluenced by racial, national, and religious predilections or antipathies. I was thus enabled, in accordance with my wish, to begin an independent historical research into the part played by this House in the nineteenth century, which I knew to be far more important than is commonly thought.

The general scheme of this work will be built upon facts alone, in a practical way such as will help us to form our own judgment on individuals and the part they played in world events.

I should like to take this opportunity of expressing my special sense of gratitude toward all those whose advice and assistance have been so valuable to me in my work.

Above all I have to thank Dr. Bittner, Director of the State Archives at Vienna, as well as his exceedingly helpful staff, Professors Gross, Antonius, Reinoehl, Schmidt, Wolkan, and his Chief Clerk, Herr Marek. I should also like to thank Lieutenant-Colonel von Carlshausen, grandnephew of the man who helped the Rothschilds up the first rung of the ladder, and the Director of the Prussian Secret State Archives at Berlin, Geheimrat Klinkenborg. My thanks are also due to Dr. Losch of the Prussian State Library in Berlin, Dr. A. Richel at Frankfort and the staff of the Municipal Museum in that city who, together with the Director of the Portrait Collection in the Vienna National Library, Hofrat Dr. Rottinger and Dr. Wilhelm Beetz, who so kindly assisted me with the illustrations.

The material was collected for over a period of three and a half years, and only after much care has been spent on it do I now offer it to the public. It is submitted in the hope that it will be judged in accordance with its intentions. It is inspired by an intense love of truth, and it relates the story of an unseen but infinitely powerful driving force which permeated the whole of the nineteenth century.

The Author

Vienna, July, 1927.

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The Rise of the House of Rothschild

CHAPTER I

The Origins and the Early Activities of the Frankfort Family Rothschild

FRANKFORT-ON-THE-MAIN, seat of the Imperial Elections since the Golden Bull of 1356, acquired a dominating position amongst the great cities of Germany during the second half of the eighteenth century. Formerly the capital of the kingdom of the East Franks, it had become subject to the empire alone as early as 1245, and in spite of many vicissitudes it had maintained its leading position throughout the centuries. It expanded considerably during the last few centuries before the French Revolution and now numbered some 35,000 inhabitants, of whom one-tenth were Jews. By virtue of its natural position, lying so close to the great waterway of the Rhine and to the frontiers of France and Holland, it had become the gateway for the trade of Germany with the western states. Trade with England too constituted an important element in the activities of its inhabitants.

It was natural that members of the Jewish race, with their special gifts for trade and finance, should be particularly attracted to this city. Moreover, towards the end of the Middle Ages the Jews in Frankfort enjoyed a great measure of freedom, and at first no difficulties were placed in the way of their settlement. It was not until

the non-Jewish members of the business community at Worms saw that they were suffering from the competition of these enterprising people that the Christian citizens combined in their superior numbers.

Now began a period of harsh oppression for the Jewish inhabitants. In order that they might be removed from the neighborhood of the most important church in the town, they were ordered by a law passed in the year 1462 to leave the houses they had been living in and to settle in a quarter set aside for the purpose—the so-called Jewish City.[1] This, however, consisted only of a single dark alley, about twelve feet broad, and lay, as described by Goethe, between the city wall and a trench. For more than three hundred years this continued to be the sole residence of the Frankfort Jews, whose continuance in the city became more and more unpopular with the other inhabitants. As early as the second decade of the seventeenth century a rising broke out under one Fettmilch, one of the objects of which was to drive the Jews out of Frankfort. This object was indeed achieved through murder and pillage. Although the Jews soon returned to the city, they had to submit to innumerable restrictions and regulations embodied in a special law dealing with the so-called "Status of Jews." They were made subject to a poll-tax, and were compelled, as being a foreign element in the town, to purchase the "protection" of their persons and property. Hence they came to be called "protected Jews." The number of their families was to be limited to five hundred and only twelve marriages a year were allowed, although this number might be increased if a family died out. The Jews were not allowed to acquire land, or to practice farming or handicrafts. They were also forbidden to trade in various commodities, such as fruit, weapons and silk. Moreover, except during fairs, they were forbidden to offer their wares anywhere except outside the Jewish quarter. They were forbidden to leave the space within the ghetto

walls by night, or on Sundays or holy days. If a Jew crossed a bridge he had to pay a fee for doing so. They were not allowed to visit public taverns and were excluded from the more attractive walks in the city. The Jews accordingly did not stand high in public esteem. When they appeared in public, they were often greeted with shouts of contempt and stones were sometimes thrown at them. Boerne has stated that any street urchin could say to a passing Jew, "Jew, do your duty," and the Jew then had to step aside and take off his hat. However that may be, the oppressed condition of the Jews and the bent of many of them to usury, combined with the natural hostility of the Christians and their feeling that they were not as sharp in business, created an atmosphere of mutual hatred that can scarcely have been more painful anywhere than in Frankfort.

The progenitors of the House of Rothschild lived under conditions such as those in the ghetto of Frankfort. The earlier ancestors of Meyer Amschel Rothschild, who laid the foundations of the future greatness of the house, existed in the middle of the sixteenth century; we know their names, and their tombs have been preserved in the old Jewish cemetery at Frankfort. Formerly the houses in the Jewish quarter were not numbered, each house being distinguished by a shield of a particular color or by a sign. The house in which the members of the Rothschild family lived bore a small red shield. There is no doubt that it is to this fact that they owe their family name; it is first mentioned in 1585 in the name "Isaak Elchanan[2] at the Red Shield," his father's tombstone simply bearing the name Elchanan. About a century later Naftali Hirz at the Red Shield left the ruinous old building from which the family had derived its name, and occupied the so-called Haus zur Hinterpfann, in which the Rothschilds were now domiciled as protected Jews.

Until the time when Meyer Amschel Rothschild—who

was born in the year 1743, six years before Goethe—reached manhood, the family were principally engaged in various kinds of retail trade. At the beginning of the eighteenth century they had become money-changers in a small way. From the occasional records of their tax payments which have been preserved, it would appear that they were not a poor Jewish family, but that they were only reasonably well off.

In any case it is clear that Meyer Amschel came into some small inheritance when, in 1755, in his twelfth year, he lost his father and mother, of whom he was the eldest son; this gave him the incentive to throw himself into the battle of life with that vigor and industry which his parents had implanted in him in his early childhood. In the conditions of those times the struggle was certainly much more severe for a young Jew than for his more fortunate Christian neighbors.

When he was a boy of ten Meyer Amschel had been employed by his father in changing coins of every kind, that is, in exchanging gold and silver for the appropriate amount of copper known as coarse money. In the chaotic conditions prevailing in Germany—divided as the country was into innumerable small principalities, cities and spiritual jurisdictions, all of which had their own currency systems—the business of money-changing offered magnificent opportunities of profit, since everybody was compelled, before undertaking even the shortest journey, to call for the assistance of the exchange merchant. As the boy grew up, an important side interest developed out of this occupation, as he occasionally became possessed of rare and historically valuable coins, which awoke in him the instincts of the coin collector.

After leaving the school at Furth, where he was educated in the Jewish faith, Meyer Amschel entered the firm of Oppenheim at Hanover. While there he happened to make the acquaintance of the Hanoverian Gen-

eral von Estorff, an ardent coin collector, who employed him to obtain many valuable coins for his collection. As the general was connected with the ruling house in Hesse, this acquaintance was to have fruitful results. In his spare time Meyer Amschel now devoted himself more and more to numismatics. He got hold of any papers about the subject that he could, and in course of time became an expert in his subject, although his general education left a very great deal to be desired. At a comparatively early age he returned to his native city of Frankfort, in order to take possession of his inheritance, and having done so, to lay the foundations of a business of Ins own. For this he had received a practical education from his earliest youth, both at home and at Hanover.

About the same time General von Estorff left Hanover for the court of Prince William of Hesse, the grandson of the old Landgrave William VIII, who resided at Hesse; he proceeded to the small town of Hanau, which lies quite close to Frankfort. The prince's father Frederick II of Hesse had married a daughter of King George III of England of the House of Hanover, and the two rulers used their family relationships to consolidate their dynastic and political interests. The sale of soldiers for service under foreign governments, practiced by so many German princes at this time, was an important part of their activities; England, being particularly accustomed to carrying on wars with foreign mercenaries, was an exceedingly good customer.

Unfortunately Frederick II fell out with his wife, his father, and his father-in-law, because he changed over from the Protestant to the Catholic faith. In order to protect his grandson from his father's influence the old landgrave decided that William was to be kept away from Cassel, and allotted the county of Hanau to him. Until he should be able to assume the rulership of that province he was sent to King Frederick V of Denmark,

who had married the second daughter of the King of England, and whose daughter was destined to be the future bride of young William.

The relations of the ruling House of Hesse with England and Denmark were to be fraught with the most important consequences for the rise of the House of Rothschild, which was enabled to make use of the close business connection that it succeeded in establishing with the ruling House of Hesse, to get into touch with the courts and the leading statesmen of Denmark and England.

The old Landgrave William VIII died in 1760. Frederick assumed the government at Cassel, and William became crown prince; and as the bridegroom of the Danish princess he became, in accordance with the will of his grandfather, independent ruler of the small county of Hanau with its 50,000 inhabitants, to whose interests he devoted himself with the greatest zeal. William was a thoroughly active person, and was never idle for a moment. He read a great deal, and actually wrote some essays on matters of local historical interest. He also tried his hand, though without any great success, at etching, modeling and carpentering, and he had a very definite flair for collecting.

It would appear that General von Estorff aroused his ruler's interest in coin-collecting; in 1763 William adopted this hobby with great enthusiasm, and it afforded him much pleasure and satisfaction. Estorff spoke to him about Meyer Amschel Rothschild, who had bought coins for him in Hanover in former days, as being a great expert in that line.[3] On the strength of this introduction Rothschild selected some of his finest medals and rarest coins, and went to Hanau to offer them to the young prince. He did not succeed in seeing him personally, but he managed to hand them to someone in the prince's immediate entourage. This offer proved to be the starting-point of a lasting business connection, even

though at first it was of a quite loose and impersonal nature.

At that time a large number of foreigners used to visit Frankfort every spring. The town fairs were widely famous, The latest products of the whole world were on view there, and young William of Hanau, who had a talent for business, took a special interest in these fairs and constantly attended them. Meyer Amschel always managed to get advance information about these journeys from the prince's servants, and profited by these occasions to offer William while he was in Frankfort not only rare coins but also precious stones and antiques. Although this was principally done through the prince's retinue, he sometimes managed to conduct these transactions personally, and in any case he managed to establish a regular business relationship. He was fortunate in that the prince did not share the general aversion to Jews, and appreciated anyone who seemed intelligent and good at business, and whom he thought he could use in his own interests.

At that time titles and honors were of far greater practical importance than they are today; unless a person had some kind of prefix or suffix all doors were closed to him, and everyone who did not have a title of nobility by the accident of birth would endeavor to obtain an office, or at any rate an official title, from some one of the innumerable counts or princelings who in that day still enjoyed sovereign rights. Meyer Amschel Rothschild, being a shrewd man with an astonishing knowledge of human nature for his years—he was only twenty-five—concentrated on using his connection with the Prince of Hanau to obtain a court title. He hoped thereby not merely to raise his prestige generally, but more particularly to advance his relations with other princes interested in coins.

In 1769 he wrote a most humble petition[4] to the Prince of Hanau, in which, after referring to various goods

delivered to the prince to his Highness's most gracious satisfaction, he begged that he might "most graciously be granted the advantage of being appointed court agent." Meyer Amschel promised always to devote all his energy and property to the prince's service, and he concluded his letter with a perfectly sincere statement that if he received the designation in question he hoped thereby to gain business esteem, and that it would otherwise enable him to make his fortune in the city of Frankfort.

This letter, which was written in a style expressive of extreme humility, was the first of an almost endless series of petitions which the various members of the House of Rothschild were to address in the course of the nineteenth century to those occupying the seats of the mighty. Many of these were favorably considered, and assisted no little in establishing the fortunes of that House. This, the first of the series, was granted, and the nomination was duly carried into effect on September 21, 1769. Henceforth to the name of Rothschild was attached the decorative suffix "Crown Agent to the Principality of Hesse-Hanau."

This more or less corresponded with the present-day practice under which a tradesman may display the royal coat-of-arms with the legend "By special appointment," etc. It was a mere designation carrying no obligation, and although it gave expression to the fact that a business man enjoyed the patronage of a customer in the highest circles, it did not imply any official status whatever. Nevertheless this first success gave much joy to Meyer Amschel, since it not only enabled him to make great profits in his old coin business, but gave his firm a special prestige with the world at large, as even the smallest prince shed a certain glamour upon all who came anywhere near his magic circle; and the Prince of Hanau was grandson of the King of England, husband of the daughter of the King of Denmark, and destined to be the ruler of Hesse-Cassel.

At the age of twenty-five Meyer Amschel was a tall, impressive-looking man of pronounced Hebraic type; his expression, if rather sly, was good-natured. In accordance with the custom of those times he wore a wig, although, as he was a Jew, he was not allowed to have it powdered, and in accordance with the customs of his race he wore a small, pointed black beard. When he took stock of his business and his little property, he could say to himself with justice that he had not merely administered his inheritance intelligently, but substantially increased it. Although he could certainly not be classed amongst the wealthy men of Frankfort, or even amongst the wealthy Jews of that city, he could assuredly be described as well off, and was in a position to think of founding a family.

He had been attracted for some time by the youthful daughter of a tradesman called Wolf Solomon Schnapper, who lived not far from the Rothschilds' house in the Jewish quarter. She was seventeen years old when Meyer Amschel courted her, had been brought up in all the domestic virtues, was simple and modest, and exceedingly industrious, and brought a dowry with her which, though small, was in solid cash. Meyer Amschel's marriage was celebrated on August 29, 1770. After his marriage he would have liked to move from the house zur Hinterpfann, which he rented, into a house of his own, but he could not yet afford to do so. The young couple's first child, a daughter, was born as early as 1771, after which followed three boys in the years 1773, 1774, 1775, who were given the names Amschel, Solomon, and Nathan.

While his wife was fully occupied in bringing up the children and running the house, Meyer Amschel developed his business, in which his invalid brother Kalman was a partner until he died in 1782. Without neglecting his ordinary business of money-changing, he bought several collections of coins from needy aristocratic collectors

in the district, and he had an antique coin catalogue of his own printed, which he circulated widely, especially among such princes as were interested in numismatics. He sent such catalogues to Goethe's patron Duke Karl August of Weimar, to Duke Karl Theodore of the Palatinate, and of course always to his own benefactor at Hanau,[5] Prince William.

The prince's mother still kept him away from his father, Landgrave Frederick, who was ruling at Cassel, and who made several unsuccessful attempts to get into touch with his son. William had married Princess Caroline of Denmark six years before Meyer Amschel's marriage; but from the first moment of their union they had realized that they were not suited[6] to one another. Indeed so little physical or spiritual harmony was there between the young couple that their marriage might be regarded as an absolute affliction. It finally led to William's entirely neglecting his wife and living with numerous favorites, who bore him children. The families Haynau, Heimrod, and Hessenstein are the descendants of such unions, it being William's practice to obtain titles for his illegitimate children from the Emperor of Austria, in return for the moneys he lent to him. It is difficult to verify the fantastic figures[7] given as to the total number of his illegitimate children; but there is no doubt they were very numerous.

When he assumed the government of his small territory, William of Hanau was in a position to play the role of absolute ruler, and his highly marked individuality immediately made itself felt. He was insolent even with the nobility, and often observed that he did not like them to take advantage of any marks of familiar "condescension"[8] that he showed them. On the other hand he did not show any pride in dealing with persons who he thought would serve his interests. He was exceedingly suspicious, quick to see a point, and easily made angry, especially if his divine right was questioned.

He held broad views in religious matters, associated much with Freemasons and practiced complete religious tolerance. Under his rule the Jews enjoyed all kinds of liberties; they did not, for instance, have to display in the market signs to distinguish them from Christian tradespeople. Indeed William took pleasure in their marked talent for business, for in this matter he felt himself to be a kindred spirit. Business considerations governed him even when he was specifically considering the welfare of his soldiers. He would concern himself with the smallest details of their equipment; would pass the new recruits, and would give precise instructions as to the length of the pigtail to be worn. He was particularly fond of parades, and tortured his men with drill and button-polishing. One reason he was particularly anxious that his troops should look smart was that he could make a great deal of money by following the example of his father and grandfather in selling his men to England. His father Landgrave Frederick had in this way gradually transferred to England 12,000 Hessians, and amassed an enormous fortune in the process. In the same way William sold to England in 1776 the small Hanau regiment, which he had just formed. The conditions of such "subsidy-contracts" were exceedingly oppressive to the customer, as he had to pay substantial compensation for any man who was killed or wounded. The crown prince also increased his property considerably by this means. After deducting all expenses he realized a net profit of about 3,500,000 marks from this business, and there being no distinction between the public and the private purse of a prince, this money was at his absolute personal disposal.

In spite of his princely origin, such were the business instincts of this talented young man that this financial success simply whetted his appetite for amassing greater riches. Had William not been destined to succeed to the throne of Hesse, he would have been an outstandingly

successful man of business. As it was he found such outlet as he could for his commercial instincts within the sphere of his princely dignity. Father and son continued to accumulate large capital sums, and they refrained from bringing over to the Continent substantial proportions of the subsidy moneys, which they invested in England itself. The management of these funds was entrusted to the Amsterdam financial house Van der Notten. England did not always pay in cash, but often in bills of exchange that had to be discounted. For this purpose the prince and his officials had to employ suitable middlemen in large commercial centers like Frankfort; although the middlemen had to get their profit out of the business they could not be dispensed with in view of the restricted means of transport and communication at that time. Purchases and sales had to be carefully regulated to prevent the market from being suddenly flooded with bills, the rate of exchange being consequently depressed.

This work fell to the various crown agents and factors; of these the Jew Veidel David was the principal one attached to the landgrave at Cassel, Rothschild being employed only by the crown prince at Hanau, and only in exchange business and to a limited extent in conjunction with several others. His personal relation with the prince was at first exceedingly slender, for, however enlightened he might be, a ruling prince did not easily associate with a Jew, and only long years of useful service, acting upon a temperament such as William's, could break down such natural obstacles. In the first instance men of business had to deal with the crown prince's officials ; to get on good terms with them was a primary essential for anybody who wanted to do business with the prince.

One of the most influential members of the crown prince's civil service was an official at the treasury called Carl Frederick Buderus.[9] He was the son of a Hanau schoolmaster, and had shown a special aptitude

for the duties of a careful and accurate treasury clerk. His father had been writing- and music-master to the children of the crown prince's mistress Frau von Ritter-Lindenthal, ancestress of the Haynaus, and this had given him the opportunity of bringing to the crown prince's attention a plan of his son's for increasing the milk profits from one of the prince's dairies by the simple expedient of forbidding the practice, adopted by the office concerned, of omitting fractions of a heller in the accounts. Young Buderus showed that this would increase the revenue by 120 thalers. This discovery appealed so strongly to the avaricious prince, who counted every half-penny, that he entrusted Buderus with the accounts of his private purse, in addition to his normal duties.

Buderus henceforth displayed the greatest zeal in looking after the financial interests of the crown prince. He is generally credited with having been responsible for the introduction of the Salt Tax when the problem of providing for the prince's innumerable natural children became pressing. The resulting increase in the cost of this important article of diet was heavily felt, especially by the poorest inhabitants of Hesse-Cassel. There being no distinction between the public treasury and the private purse we can readily imagine how great this man's influence as. Moreover, the officials of that period were always personally interested on a percentage basis in the financial dealings which they carried through in their official capacity. By arrangement with amenable crown agents with whom they had to deal they could, without any suggestion of bribery, or of acting against the influence of their master, easily so arrange matters that their personal interests would be better served by a clever agent than by one who was less adaptable.

Meyer Amschel brought to his work a certain natural flair for psychology, and he always endeavored to create personal links wherever he possibly could. He naturally made a special point of being on good terms with the

Hanau Treasury officials, and especially with Buderus. They, however, had not as yet sufficient confidence in the financial resources of the Frankfort Jew Rothschild to entrust to him anything except the smaller transactions.

Through the death of Landgrave Frederick, the crown prince suddenly succeeded to the throne of Hesse-Cassel, and to the most extensive property of any German prince of that period. On October 31, 1785, his father Frederick II had suddenly had a stroke during his midday meal and had fallen off his chair, dying a few minutes later. This news came as a complete surprise to the crown prince, as his father had latterly scarcely ever been ill. William of Hanau accordingly succeeded to the throne of Hesse-Cassel as Landgrave William IX. On reading his father's will he learned with pleasure that the country was free of debt, and that he had come into an enormous property. The subsidies received for the sale of mercenaries had been most profitably invested, and estimates the value of the inheritance varied between twenty[10] and sixty[11] million thalers—unparalleled sums for those times.

The new landgrave united his private property at Hanau with his inherited posssessions, and now found himself disposing of an amount of money which conferred far greater power on him than his new dignity. He moved his residence from Hanau, which was close to Frankfort, to Cassel, which lay much farther north, with the result that Meyer Amschel Rothschild's relations with the Hessian court at first suffered from the greater distance which separated him from his patron. But the Jewish tradesman was determined not to lose such a useful connection without a struggle. In order to remind the new landgrave of his existence he visited Cassel again in 1787, bringing with him a remarkably beautiful collection of coins, medals, and jeweled gold chains, and offered these wares to the landgrave at exceptionally low prices. The prince at once appreciated the real value of

the articles, and eagerly did business with Meyer Amschel, who took advantage of the opportunity to submit the humble request that he should not be forgotten if any future bills of exchange required discounting, or the prince wanted to purchase English coins.

Rothschild had deliberately made a loss on these small deals in order to secure the chance of much more profitable business in the future, and his valuable articles were readily purchased from him because they were cheap, promises being freely made with regard to the future. But two years passed without his services being asked for. He stood by enviously, seeing other agents getting bills to discount, and being asked to pay interest only after six or eight months, or else to pay over the money in instalments, an arrangement equivalent to allowing the firms concerned substantial free credits. Rothschild had closely followed the business dealings of these firms, and had thought out a very useful way of transacting such matters if he should be entrusted with them.

He decided to pay another call at Cassel. During the summer of 1789 he wrote a letter to the landgrave[12] in which he referred to the services that he had rendered during a long course of years as Hesse-Hanau crown agent, and asked to be considered in connection with the bills-of-exchange business on a credit basis. In order to put himself on a level with his rivals he promised always to do business at a price at least as high as that offered by any banker in Gassel.

The petition—which shows that Rothschild already had control of considerable sums of money—was submitted to the landgrave by Buderus, but William decided that he must first obtain further information about Rothschild's business. His inquiries all produced satisfactory results; Meyer Amschel was described as being punctual in his payments, and as being an energetic and honorable man, who therefore deserved to be granted credit, even if precise figures regarding the extent of his possessions

could not be obtained. Nevertheless, Rothschild received only a comparatively small credit transaction to carry out, whilst simultaneously a transaction thirty times as great was entrusted to Veidel David; but, though modest, it was a beginning. Buderus, whose position in the meantime had been steadily increasing in importance, often had occassion to travel between Cassel and Frankfort on business matters. We have evidence of the fact that as early as 1790 he had business dealings with Rothschild's father-in-law Wolf Solomon Schnapper, and it was Schnapper who brought him and Meyer Amschel together.

Rothschild would often get advance information of Buderus's journeys to Frankfort so that he could go and see him when he came. The Hessian official heard from other sources in Frankfort of the clever Jew's rising reputation, and of how he always met his obligations punctually. Buderus was also gradually influenced by Rothschild's own persuasive powers. As early as November, 1790, Buderus's accounts contain an entry regarding a "draft of 2,000 Laubtaler to the order of the crown agent Meyer Amschel Rothschild."[13]

Rothschild now urged Buderus, if occasion should arise, to recommend him to the landgrave for substantial dealings also. In 1794 an opportunity for this occurred. The capital sums invested by Hesse in England had grown to a very considerable amount, and the landgrave gave instructions that a portion of them should be brought over to Cassel. In addition to the Christian banking firm of Simon Moritz von Bethmann, which had been established in Frankfort for centuries, and four other firms, Buderus put forward the name of the crown agent Rothschild as suitable for carrying through this transaction. The landgrave, however, attached far too much importance to his old connection with Bethmann, at that time the outstanding banking firm in Germany, and with the other old established firms, and on this occa-

sion too Rothschild was left out. But it did not occur again. In the end Buderus's efforts were successful in overcoming the landgrave's aversion, and henceforward Rothschild also was employed to an increasing extent in discounting bills and in other business.

His dealings with the court at Cassel soon became very active, and as Meyer Amschel carried through the matters entrusted to him, not merely conscientiously but with a shrewd eye to gain, the profits which he derived from them increased considerably. It was necessary for the young household that business should be brisk, for in 1788 another son, Carl Meyer, was born, and in 1792 a fifth son Jacob, called James, and Meyer Amschel's marriage had also been blessed with five daughters. There was the large family of twelve persons to feed; however, Meyer Amschel's flourishing business was not merely adequate to support his family, but there was a considerable and constantly increasing surplus available for increasing his business capital. In 1785, as an outward and visible sign of his increasing prosperity, he bought a handsome residence, the house known as zum grunen Schild, while he transferred to a relative the house zur Hinterpfann in which he had lived hitherto, and which he had partially purchased since being nominated crown agend.

The house into which the Rothschild family now moved is still standing almost as it was then; it is the right half of a building comprising two quite small family dwellings, typical of the straitened circumstances of the Jewish quarter. Only the three left windows of the house front belonged to the Rothschilds, and above the first door was a small, scarcely noticeable five-sided convex green shield.[14] The right half of the building, known as the house zur Arche, belonged to the Jewish family Schiffe, who kept a second-hand shop in it; over the door was a small carved ship representing the boat of Columbus.[15]

As the door of the Rothschild house was opened, an ancient bell was set ringing, sending its warning notes right through the house. Every step one took revealed the painful congestion in which the Jews of that period were compelled to exist, the only quarters where they were allowed to live being comprised within the small and narrow Jews' street. Everything in the house was very narrow, and each particle of space was turned to account. A creaking wooden staircase, underneath which cupboards had been built in, led to the upper floor, and to the little "green room" of Gudula, the mistress of the house, so called because the modest furniture in it was upholstered in green. In a glass case on the table was the withered bridal wreath of Meyer Amschel's wife. Let into the left wall was a small secret cupboard, concealed by a mirror hanging in front of it. In this matter, too, space was carefully utilized, there being cupboards built into the wall wherever possible, such as are now coming into use again.

On the ground floor was the parents' small bedroom, while the numerous children had to share one other little room. A narrow passage led to a kind of roof terrace—a tiny roof garden with a few plants. As the Jews were not allowed in the public gardens this roof garden furnished a modest substitute, and served as the family recreation ground. As it is laid down that the Feast of the Tabernacle must be celebrated in the open air, and there was no other place available, the little roof garden was used for this purpose.

Behind the house, and overlooking the narrow court-yard, was a room about nine feet square, which was actually the first banking house of the Rothschilds. Its most important article of furniture was a large iron chest with an enormous padlock. However, the lock was so contrived that the chest could not be opened on the side where the lock was, but only by lifting the lid from the back. In this room, too, there were secret shelves cleverly

concealed in the walls. The kitchen of the house was very modest, the room being about twelve feet long and only about five feet broad; a tiny hearth, which could accommodate only one cooking pot, a chest, and a bench were about all that it contained. There was one fixture that constituted a great luxury for those times, a primitive pump which conveyed drinking water direct to the kitchen.

Such was the scene of the early activities of Meyer Amschel and his sons, whose energy and enterprise laid the foundations for the future development of their House. Berghoeffer's researches indicate that the annual income of the House of Rothschild, before the war period of the 1790's, may be estimated at between 2,000 and 3,000 gulden.[16] We are better able to realize what this meant when we consider that the expenditure of Goethe's family, who were people of position, was about 2,400 gulden a year. On such an income it was possible to live quite comfortably at Frankfort at that time, although the political disturbances which were developing soon began to produce their effect. Events profoundly affecting the course of all future history had taken place. The repercussions of the French Revolution were felt throughout Europe. There was no one, whether prince of peasant, who did not directly or indirectly feel its The principle of equality which it proclaimed aroused emotions of hope or dismay throughout the world, according to the social position of each individual, On the standards of the revolutionary armies was inscribed their determination to extend the benefits of their achievements throughout the world, and those who had seized the reins of power were soon to aim at world dominion. This fact constituted a special menace to the German princes whose territories bordered on France. The refugees of the French nobility flooded Germany, and many of them arrived at the Cassel court.

Landgrave William had occasion to hear many of the terrible stories told by the emigrants who had lost their nearest relatives under the guillotine, and had been forced to go abroad as homeless refugees reduced to absolute poverty. The impression gained from the sufferers themselves, the news regarding the threatened execution of the king and his consort, and the reports of the cruel treatment meted out to all who enjoyed princely or noble privileges caused him to tremble for his crown, as all the princes of Europe were trembling. He was also concerned about his enormous wealth, a special source of danger at such a time; and he therefore did not require much pressing to join the great coalition of princes against revolutionary France.

At the head of this coalition was Francis of Austria, who was shortly to be elected emperor, and who had been the first to ally himself with Prussia against France. Landgrave William attached particular importance to his relations with the man who was shortly to be emperor, and in a letter[17] to the "Most Excellent, Most Puissant King and highly honored cousin" he hastened to promise his military help as a proof of his "most special devotion to your high wishes." Francis of Austria expressed his gratitude and observed that this should serve as an example to others, especially as "not only every territorial prince and government of whatever kind they may be, but also every private person possessed of any property, or who has been blessed by God with any possessions or rights acquired by inheritance or otherwise must realize with ever growing conviction . . . that the war is a universal war declared upon all states, all forms of government, and even upon all forms of private property, and any orderly regulation of human society, as is clearly proved by the chaotic condition and internal desolation of France and her raging determination to spread similar conditions throughout the world."[18]

But the union of princes had much underrated the offensive of revolutionary France. Under the handicap of bad leadership and lack of unity the Allies were unable to prevail against the revolutionary armies, inspired by the ideals of liberty and nationalism. Prussia and Hesse were forced to retire; and the French General de Custine actually succeeded in crossing the Rhine in 1792 and reaching Frankfort, with the result that William retired in a panic to Cassel, greatly concerned about his crown treasures. With rage and indignation he read the French manifesto to the Hessian soldiers which urged them to forsake the "tyrant and tiger who sold their blood in order to fill his chest." The landgrave finally succeeded in driving the small French force out of Frankfort. This cost him a considerable sum of money but his loss was made good by a new subsidy contract under which he delivered 8,000 Hessian soldiers to England, which had joined the Coalition against France. Meyer Amschel Rothschild and his rivals were kept fully occupied in discounting the bills received from England in connection with this transaction.

When, in 1795, Prussia withdrew from the war against the French Republic, the Landgrave of Hesse followed her example. His ambition now was to have the comparatively modest title of landgrave changed, and to attain electoral rank. In the meantime he had been created a field-marshal of Prussia, and in 1796, when Napoleon's star was in the ascendant, relations between the two countries were particularly cordial. In spite, however, of the secession of Prussia and Hesse, England and Austria continued to carry on the war of the coalition with varying success. Whilst Bonaparte was victorious in Italy, the Archduke Karl gained a series of successes in the south of Germany. Frankfort had to suffer again from the vicissitudes of war; on July 13, 1796, it was actually bombarded by the French with the result that

some of the houses in the Jewish quarter—156 buildings including the synagogue, most of which were inferior wooden structures—were set on fire.

The Rothschild house, which was one of the best-constructed buildings in the street, suffered only slight damage. In view of the time required to rebuild these houses a departure had to be made from the ghetto precinct, and the Jews had to be allowed to reside and trade outside the strictly defined boundary. The Rothschilds were among those who took advantage of this favorable opportunity, and transferred their merchandise business —they were dealing increasingly in war requirements such as cloth, foodstuffs, and wine—to the Schnur Gasse which lay near the center of the town, renting accommodation at a leather dealer's.

The military developments of the first coalition war, in which Meyer Amschel's princely customer at Cassel was actively engaged with varying fortunes, entailed considerably increased activity on the part of the various crown agents in the landgrave's service. Although the war had caused not a little damage to Frankfort[19] it had brought the town certain indirect advantages. The Frankfort Bourse benefited by the decline of the Amsterdam Bourse, which had hitherto held a dominating position, and which almost completely collapsed when the French conquered Holland in 1795. The result was that much more business came the way of the Frankfort bankers, and Meyer Amschel Rothschild's financial and trading business, which was closely associated with war requirements, increased by leaps and bounds.

The war profits realized at that time formed the real foundation of the enormous fortune that was later built up by the House of Rothschild. It was of course impossible any longer completely to conceal such large profits. Until 1794 the family property had for twenty years been assessed at the constant figure of only 2,000 gulden, and they had paid taxes in accordance with this

"assessment," amounting to about thirteen gulden annually. Suddenly in the year 1795 this amount was doubled, and in the year after that Rothschild was included amongst those whose property was worth 15,000 gulden or more, that being the highest figure adopted for assessment purposes.

Meanwhile the three eldest sons had grown up, and after the age of twenty were associated with their father in the business to an increasing extent. Like their two eldest sisters they were placed in responsible positions and rendered active assistance to their father. A large family, which to so many people is a cause of worry and anxiety, was in this case a positive blessing as there was abundance of work for everybody. It made it unnecessary for Meyer Amschel to take strangers into his business and let them into the various secret and subtle moves of the game. Since the number of available children increased in proportion as the business expanded, it was possible to keep all the confidential positions in the family. The strong traditional community and family sense of the Jews, reenforced by persecution from outside, compelling them to unite in their own defense, did wonders. The two eldest sons had been zealously engaged in the business from boyhood, and their father wisely encouraged them by letting them share personally in the business, apart from the general family interest in its prosperity.

When the eldest daughter married, in 1795, the son-in-law Moses Worms was not employed in the business, but when the eldest son Amschel Meyer married in 1796, the daughter-in-law Eva Hanau was given a post.

In spite of the growing number of available members of the family, Meyer Amschel found it necessary also to engage bookkeepers with a knowledge of languages, as the Rothschild family at that time were all quite uneducated, speaking and writing only a bad kind of Frankfort Yiddish German, apart from Hebrew; and

in view of their expanding connections with persons in the highest circles they had to pay particular attention to matters of epistolary style. As the only person he could find capable of carrying out this work, was a Christian girl, Rothschild did not hesitate to take her into the business.

It was at this period that Meyer Amschel entered into a highly elaborate deed of partnership with his two eldest sons, which provided that profits and losses should be divided between the three partners according to a definite scheme.

The growing demands upon the treasury arising out of the war served to develop the relations with the Landgrave of Hesse. After the separate Peace of Basel William of Hesse adopted the attitude of an impartial observer of the warlike activities in Europe, and occupied himself principally in the profitable administration of his extensive possessions. He was no stranger to the authentic delights of avarice. Great though his wealth was, his appetite for increasing it remained keen. He showed the greatest ingenuity in effecting savings of every kind, and spent all his spare time thinking out schemes for the profitable investment of the large cash resources which were accumulating in his treasury.

The ruling landgrave gradually became a banker to the whole world, advancing his money not only to princes and nobles, but also to small shopkeepers and Jews, and even to artizans, where he could get good interest. The amounts lent ranged from hundreds of thousands to a few thalers, according to the financial repute of his customers. Cobblers and tailors paid the same rate of interest for small advances as princes for heavy ones. The debts were all accurately registered in account books, making up an enormous number of volumes. If a banker wanted to borrow from him he had to deposit government securities with the landgrave. Thus his enormous fortune consisted of cash, jewels, art treasures and coins,

as well as acknowledgments of sums lent and debenture certificates deposited as security.

The withdrawal in 1795 of Prussia and Hesse from the war against France had resulted in the temporary estrangement of the Austrian Emperor Francis; but he and the landgrave soon reestablished cordial relations, for each of them had need of the other. William desired support in the acquisition of territory, and in his efforts to attain the dignity of elector, while the emperor was sadly in lack of funds owing to the long war with France. The landgrave therefore asked the emperor's support in his aims; the emperor wrote on September 8, 1797,[20] to say that he appreciated the efforts which his cousin was making on his behalf, and was grateful to learn that the landgrave was sympathetic to his need for a loan. "I also believe," he wrote, "as it is my duty to do, in your sentiments of loyalty to me and to my house, of which I have received special proof in the matter of the loan that is being negotiated by Herr Kornrumpf. I flatter myself that your Highness will carry this through to my complete satisfaction. Your Highness may rest assured that for my part I sincerely wish to be of service to you also."

The details of such transactions were generally negotiated by Jewish agents, and although Meyer Amschel was not employed on this occasion, he was soon to serve as the middleman between the landgrave and the emperor.

This was made possible by the fact that Rothschild's wealth had increased rapidly during the last years of the war. Towards the end of the eighteenth century it cannot have been far short of a million gulden. The transfer of bills of exchange, cash payments, and the consignments of merchandise from England, the principal supply of the Frankfurter Platz, which in its turn, supplied the whole of Germany, made it necessary to appoint a representative on the other side of the Chan-

nel. As it was essential that any such representative should be a trustworthy person, the obvious thing was to appoint one of the live sons.

The two eldest, Amschel[21] and Solomon, who, in 1798, were twenty-five and twenty-four years old respectively, were thoroughly initiated into the Frankfort business. The third son, Nathan, a highly gifted young man of twenty-one, intensely industrious and with a very independent spirit, felt that his elder brothers did not give him sufficient scope. In spite of his youth, he too benefited by the wise arrangements of his father, and had his own personal share in the business and in the family property.

As the continental states, owing to war and revolution, produced much less, but consumed a great deal more than in normal times, English commercial travelers swarmed over the Continent of Europe and in 1798, one of them called at the Rothschilds' house of business, and was received by Nathan. English commercial travelers of that period were exceedingly conscious of the commercial and political supremacy of their country, and they were wont to adopt an arrogant manner, as they felt that the Continent was dependent upon their goods. The Englishman's manner annoyed Nathan Rothschild; and he met his arrogance with brusqueness, whereupon the foreigner took his departure.

This incident was the immediate cause that decided Nathan to propose to his father that he should go to England himself, in order to become a merchant there on his own account and also to represent the firm of Rothschild generally. His father and brothers did not show any opposition to the enterprising young man and supported his decision in every way. Nathan took as-much ready money with him as was practicable and the rest he had sent on after him; the capital which he brought with him to England amounted altogether to, a sum of about twenty thousand pounds or a quarter of a

million gulden. About a fifth of this sum was his own money; the rest belonged to the business. The action of his father and brothers showed great confidence in this young man who did not even know the language of the country he was about to enter as a complete stranger. Their confidence was to be justified, for Nathan was destined to become the outstanding figure in the Roths-childd business.

This first branch establishment of the House of Rothschild resulted from the family relationships and the requirements of the trade with England, without any preconceived plan, and without the remotest idea of the importance of this step for the future of the business.

The Napoleonic epoch, which followed upon the French Revolution, was to be the occasion for the foundation of a second branch in Paris and for the first collaboration between the brothers Rothschild in Frankfort, London, and Paris.

CHAPTER II

The Rothschild Family During the Napoleonic Era

THE turn of the century coincided with an important part of the wars against the French Republic, arising out of the revolution. The Peace of Luneville, concluded in 1801, had set the seal on the brilliant Bonaparte's territorial victories, thereby giving France the leadership on land, while, however, England's preeminence at sea was confirmed. Although Bonaparte had overcome all his other enemies, he was bound to admit that sea-girt England had maintained its position. The Treaty of Amiens, which followed upon that of Luneville, merely marked a transition stage, and was bound to lead to a resumption of the struggle, until one of the two great opponents should lie bleeding on the ground.

This struggle was the predominant feature of the next fifteen years, and converted almost the whole of the mainland of Europe into a theater of war. The result was that innumerable substantial firms, banks, and private persons lost their property, while on the other hand persons possessing industry, energy, and resource, with a flair for turning opportunity to account, were enabled to gain riches and power.

At any rate within their own caste, the Rothschild family had at that time achieved a position in which their future was bound to be profoundly affected by political developments. As early as 1800 their father Meyer Amschel had been the tenth richest Jew in Frankfort; the only question was as to the attitude that the head of the business house and his sons would take in the stormy times that were to follow.

Numerous competitors were richer than they, or as rich, had better and older connections, and some had been received into the Christian Church and no longer suffered from the stigma of Judaism. The Rothschilds, on the other hand, had the advantage of a chief who was industrious, energetic, and reliable, and a man of intelligence. He had to help him four hard-working sons who were developing into first-rate business men under the guidance of their father. One of these, Solomon, had just married Caroline Stern, herself the prosperous daughter of a Frankfort tradesman, and had thus been enabled to found a home of his own. The third son Nathan was living in the camp of Napoleon's great enemy England. In hat country with its sea-power and its world-wide commerce, his undertakings were far better protected against Napoleonic interference than those of his father and brothers on the Continent. He was able to form a much more dispassionate judgment of the great events which followed so rapidly upon one another during those years, and was in a better position to turn them to account, Moreover, Nathan was the most enterprising of the five sons, of which fact his decision to go to England was itself an indication.

The commercial activities of the House of Rothschild in Frankfort itself were not limited to one branch of business. It took any chance of earning a profit, whether as commission or forwarding agents, or in the trade of wine and textiles, which had recently been declared free, and in silk and muslin, not to mention coins and antiquities. The wine business in particular expanded greatly; and Meyer Amschel did not fail to use every opportunity for extending his connections with princes and potentates even beyond the sphere of the Duke of Hesse. One of the most important connections established at Frankfort was that with the princely House of Thurn and Taxis, the head of which, Prince Karl Anselm, held the important position of hereditary postmaster in the Holy Roman Empire.

This family was of Milanese extraction; in Italy it was known as della Torre, in France as de la Tour. It had invented the idea of a post, and had introduced a postal system in the Tyrol, toward the end of the fifteenth century. In 1516 it was commissioned by the Emperor Maximilian I to inaugurate a mounted postal service between Vienna and Brussels. Even at that early date the dignified rank of postmaster general was conferred upon one of its members.

That was the starting point of the impressive development of the Thurn and Taxis postal system, which came to embrace the whole of Central Europe. The head offices of the system were at Frankfort, but the family were not satisfied with the normal development of their undertaking. They turned the information obtainable from the letters entrusted to their charge to profit.

The end of the eighteenth and the beginning of the nineteenth centuries saw the development of the practice of opening letters, noting the contents and then sending them on to their destinations. In order to retain the postal monopoly, the House of Thurn and Taxis offered to place the emperor in possession of the information derived from the so-called secret manipulation of letters. If, therefore, one were on good terms with the House one could easily and swiftly obtain news, and also dispatch it.

In the course of time Meyer Amschel had come to realize that it is of the greatest importance to the banker and merchant to have early and accurate information of important events, especially in time of war. As his native town was the headquarters of the postal and information service, he had had the foresight to get into touch with the House of Thurn and Taxis, and had transacted various financial matters to their great satisfaction. It was on this fact that he relied when he appealed to the fountainhead of the Imperial Postal Service at Frankfort, his Imperial Majesty himself.

In a petition to his Majesty that he and his sons should

be granted the title of crown agent, Meyer Amschel brought forward precisely those matters from which he had derived the greatest profit, namely, his financial and commercial transactions in the war against France, and the services which he had rendered to the House of Thurn and Taxis. He had been honest and punctual in his business dealings, as those witnesses would testify who indorsed his petition.

The Roman-German Emperor, whose power at this time was practically limited to the granting of honors, did actually consent to grant Meyer Amschel the title of imperial crown agent by a patent dated January 29, 1800. Not only was this a passport to him throughout the whole of the Roman Empire in Germany; it also carried the right to bear arms, and liberated him from several of the taxes and obligations laid upon the Jews of that period, The patent and the title were signed and granted by Francis II, simply as Roman-German Emperor, and had nothing to do with Austria or Austrian Government departments. It was not until much later that the brothers Rothschild entered into actual relations with Austria and her statesmen. Even as late as 1795, when the Landgrave of Hesse lent the Emperor Francis a million gulden, and in 1798 when he lent him an additional half-million, other bankers conducted the transaction, the Rothschilds having nothing whatever to do with it.

The dispensations enumerated in the imperial patent were more or less paper ones, since most of the smaller or greater territorial princes, of whom there was such a plenitude in Germany in 1800, applied their own laws and regulations. This, however, was a minor consideration with Meyer Amschel; the important point was that the new title "imperial crown agent" sounded much better than Hessian Landgraviate, and was likely to attract a number of other titles. Prince von Ysenburg and the German Order of St. John both conferred upon him court titles in recognition of loans of money from the princi-

pality, negotiated by Meyer Amschel. In 1804 Rothschild requested the Prince of Thurn and Taxis to bestow a similar favor upon one of his sons, in view of the fact that he himself bore the title of imperial crown agent.

It was characteristic that when asking the emperor for a title he should mention the services rendered to the House of Taxis, and that when he applied for a favor to that house he should have based his claim on the fact that his services had been recognized by the emperor. Such promotions were necessarily of service to him, too, in his relations with his old patron the Landgrave of Hesse, who in spite of everything was still inclined to be suspicious.

William of Hesse was in every way a most important person to Meyer Amschel, for he was colossally rich, richer than the emperor himself, and—a much more important point in those days than now—he was close at hand. Moreover, he had family ties with England., where Nathan was living, and with chronically penurious Denmark, by lending money to which the firm of Riippell and Harnier, as well as that of Bethmann, had made great profits.

Meyer Amschel advised the landgrave to participate in this loan by buying stock. He did purchase a small amount, Rothschild being commissioned to carry through the transaction. This was done to the landgrave's satisfaction; but Meyer Amschel required a considerable sum of ready money in order to take advantage of a favorable opportunity for purchasing goods and bills of exchange. Knowing that the landgrave, whose investments in England as well as in Germany brought in very good returns, had spare cash available, he asked, and obtained from him on two occasions—in November, 1801, and July, 1802—160,000 thalers and 200,000 gulden as a guaranteed loan, the securities being Danish and Frankfort debentures.

Although the security offered was exceptionally good,

William of Hesse was persuaded to lend the money only after pressure had been brought to bear, and on the special recommendation of his principal financial administrator Buderus. The transaction certainly marked a distinct advance in Rothschild's confidential relations with the landgrave.

The second amount was wanted, not merely for Meyer Amschel himself, but also to assist his two eldest sons, who were already beginning to acquire the titles of court appointments wherever they could. As early as 1801 they were appointed official agents for making war payments on behalf of the State of Hesse.

Meyer Amschel had been enviously observing Ruppell and Harnier's financial transactions with Denmark. It was his ambition to do similar business with Denmark, with landgraviate moneys, on his own account, independently of any other firm. He still lacked any large capital sum, such as others had available, but he was accurately informed by Buderus of the large amount of ready money in the possession of the ruler of Hesse, which was seeking investment. He was determined to put his competitors out of the field by offering the prince better terms. The Frankfort firms were accustomed to wait until orders came to them, but he meant to get in and negotiate personally. He had put through the secured loans at Cassel personally; and he decided to go there again in order to secure the cooperation of William's counselors with Buderus at their head, so that they might make the landgrave disinclined to negotiate direct with Denmark. An important point was that Denmark was not to know where the money came from, because William did not with to be regarded as wealthy in his family circle, as he was afraid that some of them might ask for special favors, For this reason it was decided that a go-between who had relations with Buderus, and through him with Rothschild too, and who lived in Hamburg, which was conveniently near to Denmark, and far enough away from

Hesse to allay suspicion, should be the first person to make approaches to that country. This was a Jewish banker called Lawaetz.

Moreover, on Rothschild's own suggestion, and contrary to the usual practice, the loan was to run over a long period. Notice for repayment was not to be given for ten years or more, and after that period payment could be demanded only in quite small instalments, over a period of twenty or thirty years. They did actually succeed in securing William of Hesse's consent to granting such a loan; and no sooner were the conditions agreed than Lawaetz showed his hand to the extent of making the interest payable to Meyer Amschel Rothschild at Frankfort.

"The lender," the Hamburg banker wrote to Denmark, "is an exceedingly rich capitalist, and exceptionally friendly to the Danish Court. It is possible that even greater sums and better conditions may be obtainable from him."[1] It is true that Lawaetz did not know Rothschild personally at this time.

The successful conclusion in September, 1803, of this, the first loan which he had carried through privately, not only brought Meyer Amschel financial profit, but also resulted in his obtaining the title of crown agent to the Court of Hesse. His rivals had been highly displeased to hear of this loan, and kept making representations of a nature calculated to damage Rothschild, to the landgrave. Ruppell and Harnier were particularly assiduous. They drew attention to the fact that the last Danish loan had been issued in the form of debentures, in the name of Rothschild; and in order to rouse Danish national vanity they stressed the idea that this suggested that "it was not the national credit of Denmark but merely the Jewish name of Rothschild that had got these obligations accepted in Hesse."[2]

Rothschild's fight with his rivals involved the officials entrusted with the financial administration of the land-

graviate in the struggle. Buderus became increasingly a partizan of Rothschild, whereas Lennep of the War Office took the side of Riippell and Harnier. Rothschild and Buderus, however, had the upper hand for the time being, and by 1806 no less than seven landgraviate loans were issued. The profit realized from this transaction served to key up still further the hatred and enmity of the rival firms and of Lennep, and led to awkward developments.

Rothschild had shown the greatest energy in these undertakings. He did not even spare himself the journey to Hamburg, an exceedingly difficult one at that time, in order to get into personal touch with the banker, Lawaetz, and to see that the Danish business was carried on as energetically as possible.

A letter[3] from the Hamburg banker to Buderus contains the following statement: "The Crown Agent Rothschild is coming to see me tomorrow in order to settle up our remaining accounts, and he intends to return the day after. It has been a pleasure to me to make the acquaintance of this man, and I shall be glad to be able to do him any service in future."

The intrigues of the rivals, however, did not wholly fail of their effect upon William of Hesse. His attitude continued to be suspicious, and he several times refused to have anything to do with other business propositions suggested by Rothschild, agreeing to them only as the result of much pleading and persuasion. Besides the Danish loans, loans were issued for Hesse-Darmstadt and the Order of St. John, these also being subscribed by landgraviate funds through the intermediary of Rothschild. The sums involved were already considerable, running into hundreds of thousands.

The larger they were, the better pleased was Meyer Amschel, because his percentage profit rose in proportion, while the risk was borne, not by him but by the landgrave, whose favorite occupation had always been

the careful administration and development of his property. The sums invested in England called for particular attention. Since the Peace of Basel, relations between Hesse and England had been rather strained, although they were not likely to become critical, as the landgrave had cleverly succeeded in enlisting the interests of responsible people on his side. He had lent the Prince of Wales, afterwards King George IV, about £200,000 in two instalments. The dukes of York and Clarence were guarantors of this loan, but they also borrowed money from the landgrave. In addition to this, William of Hesse had put out £640,000 at interest in London in various ways, a fact which was to prove exceedingly useful to him.

The example of their patron was a lesson to the House of Rothschild, and they soon learned to copy his wise practice of lending money by preference to persons in the highest position. Even though William of Hesse remained neutral in the second War of the Coalition, he secretly wished success to the enemies of Prance for he eagerly hoped for the resumption of his profitable subsidy contracts with England.

The Peace of Luneville, which extended France's boundaries to the Rhine, also conferred on William the dignity of elector, which he had so much desired, and which was duly proclaimed in 1803; but the meteoric rise of Bonaparte and revolutionary France's position in the world seemed to him to be unnatural and menacing. His friendship with Prussia was rather shattered, because that state had succeeded in annexing considerable territory, but had left the Hessian prince in the cold.

The peace between France and England did not last long. As early as May, 1803, the Island Kingdom again declared war upon the usurper in Paris. It was not long before William of Hesse was forced to take an attitude toward the new world situation. In October, 1803, the French, having invaded English Hanover, tried to get

money from the elector in exchange for Hanoverian territory. His fear of offending England caused him to refuse this offer, and thus the elector first gave offense to the Corsican.

Ge had no true idea at the time how dangerous the Corsican might be. The quiet times for Frankfort and Hesse were now at an end. Stirred up by Napoleon's powerful genius Europe passed from one crisis to another, and in such circumstances it was exceedingly difficult for William of Hesse to administer his enormous property with foresight and wisdom. He felt the need more and more of Meyer Amschel's advice, so that Rothschild's journeys to Cassel became more and more frequent. His eldest son had for some months been residing permanently in that town.

The preference shown to the Frankfort family aroused the envy and hatred of the Cassel Jews against this outsider. They complained that not merely did he steal their best business, but he was not even subject to the night-rate and poll-tax which other Jews had to pay. Meyer Amschel did his utmost to evade such payments as far as possible, but in the end he was forced to pay some of these taxes.

In August, 1803, he found it necessary to apply to the elector for a letter of protection in Cassel for himself and his sons, so that, although resident in Frankfort, he should enjoy the same rights as the protected Jews of Cassel. This would certainly entail obligations as well. His request was granted on payment of 400 reichsthaler, but the document was not completed, possibly in accordance with Meyer Amschel's own wishes, for he would then have been liable to pay taxes in Cassel also.

The Cassel Jews, however, soon got wind of this maneuver, and in the end Meyer Amschel was required to state in whose name he wished the letter of protection made out, whereupon he wrote the following letter to the elector:[4]

Most gracious Elector, most excellent Prince and Lord!

Your Excellency has most graciously deigned to grant that in return for the payment of 100 florins I should be exempt from night-rate, and that on the payment of 400 florins one of my sons or I should be admitted to protection.

I am now required to state in whose name the letter of protection should be made out, and this is causing me great difficulty, since the son for whom I had intended taking it out has been settled for some time with another of my sons in London, and is engaged in doing business with him there.

I have therefore decided to take out the protection for myself, if I may be most graciously permitted to pay an annual amount similar to that paid by other Jews not residing in the town ... as I only do business here, and could do most of it quite as well from another place; as I have now held the office of Crown Agent for over forty years, your Electoral Highness having even in my youth shown me such gracious condescension, so I hope now, too, to receive your most gracious consent, and remain with deepest respect, your Electoral Highness

My most gracious Prince and Lord's
most obedient servant,
MEYER AMSCHEL ROTHSCHILD.
Cassel, 21st April 1805.

This personal request, sent in by Meyer Rothschild in rather inferior German, provoked a certain amount of amusement at the electoral court. Meyer Amschel was informed that his request could not be granted unless he moved to Cassel with all his property; and that naturally he was not prepared to do. In the end the letter of protection was made out in the name of Amschel Meyer Rothschild, his eldest son.

Although Meyer Amschel had to fight for his position in Cassel, his prestige at Frankfort rose, on account of

his connection with the Hessian ruler, which was now becoming generally known. This was made manifest in various ways. When shops were put up to auction in the electoral courtyard, to which Jews, even resident Jews, were not admitted, an exception was made in favor of Meyer Amschel. One of the shops was definitely excluded from the auction and reserved for Rothschild. It is possible that ready money was a factor, as well as his prestige in this matter.

This period saw the conclusion of the two last, and by far the most substantial Danish loans, of 700,000 and 600,000 thalers. In these transactions too, Lawaetz played a part of some importance. In spite of very friendly business relations, he was still somewhat reserved in his attitude toward the Rothschild family. Whilst in talking to his friends he often declared that he had found[5] "Herr Rothschild always to be exceedingly prompt and businesslike and worthy of the most complete confidence," yet he felt that where such large amounts were at stake, one ought to be very cautious, even in dealing with Rothschild. The atmosphere then was full of suspicion, all the more so because the political barometer in Europe pointed to stormy times, and the capitalists were exceedingly uneasy as to the possible fate of their wealth.

Bonaparte had already cast aside his mask and was boldly grasping at the imperial purple; toward the end of the summer of 1804 the whole of France was echoing with the shout "Vive l'Empereur!" The prestige of the German imperial system was suffering a corresponding decline, an obvious symptom of which was the proclamation on August 10, 1804, of Francis II as Emperor of Austria.

Moreover, September, 1804, already saw Napoleon touring the newly won Rhine provinces. He appeared in full splendor and magnificence at Aix-la-Chapelle and Mainz as if he were indeed the successor of Charles the

Great. It was on this occasion that, with the assistance of the Mainz Electoral High Chancellor, Dalberg, he laid the foundations of that union of German princes which was to be known as the Confederation of the Rhine.

Napoleon was already adopting the role of their protector, and invited William of Hesse, too, to Mainz, an invitation which was exceedingly suggestive of a command to come and do homage. The elector pleaded a sudden attack, of gout. Napoleon replied coldly; he was still polite, but he swore that William should pay for having failed immediately to adhere to the confederation which was being formed under Napoleon's protection. The French ambassador at Cassel had uttered the menacing words, when he heard that the prince was not going to Mainz, "On n'oublie pas, on n'oublie rien!"[6]

The Elector of Hesse was left feeling rather uncomfortable, and he secretly threw out cautious feelers toward England and Austria—Austria was already showing a marked inclination to side against France. The occasion of the Emperor Francis' assuming the imperial title connected with his Austrian hereditary territories, afforded him an opportunity of expressing his most sincere and devoted good wishes to the "most excellent, puissant, and invincible Roman Emperor and most gracious Lord[7] for the continuous welfare of the sacred person of his Imperial Majesty and for the ever-increasing glory of the all-highest Imperial House."

His pen was jogged by the need he felt for powerful support, and incidentally the letter was to serve the purpose of reminding the emperor of a request which the writer had made on November 22, 1804, and which so far had not been granted. The elector's first favorite, the apothecary's daughter Ritter, whom the emperor had raised to the rank of Frau von Lindenthal, and who was ancestress of the Haynaus, was now out of favor, since she had preferred a young subaltern to the aged landgrave. For over a year her place had been occupied by Caroline

von Schlotheim, the beautiful daughter of a Russian officer whom the emperor had been asked to create Countess von Hessenstein.

In May, 1805, Austria finally joined the coalition against Napoleon. Napoleon gave up his idea of landing in the British Isles, and concentrated on Austria. This resulted in great shortage of money, for the Austrian Treasury had heavy burdens to bear from former wars; coin was scarce and paper money much depreciated. It was herefore decided that the interest on loans should not, as had hitherto been the practice, be payable in hard cash in all the principal exchanges in Europe, but should be payable in paper in Vienna only. This was hard for the elector personally, as he had advanced a million and a half gulden to the Emperor Francis; and he at once begged that an exception might be made in his favor since "ill-disposed persons had suggested to him that the Austrian state was going to go bankrupt, as far as all external debts were concerned."[8]

The imperial ambassador Baron von Wessenberg, naturally wishing to turn the general situation to account, sent this request forward under cover of a private dispatch of his own in which he wrote: "Since avarice is the elector's great weakness, it might be possible, should you wish to do so, to obtain a still greater loan from him if you agreed that interest in future should be payable in cash. He would be more likely to fall in with such a suggestion if his Imperial Majesty would grant Frau von Schlotheim the title of Countess of Hessenstein, without payment. The granting of this request would particularly delight the elector."[9]

In the second particular his wishes were granted, but it was not possible to make an exception in the matter of the interest charges. However, both Vienna and London endeavored to secure the elector's accession to the confederation, and he replied to these overtures with demands for subsidies. Yet he was hard put to it to find

investments for all the money that he had at his disposal, and as late as December 2, 1805, he had lent ten million thalers to Prussia. He had hoped that the Austro-Russo-English war against Napoleon would end in victory; but Austerlitz put a speedy end to such hopes.

During the war, England sent financial assistance to Austria in the shape of a monthly payment of a third of a million pounds in cash, which was sent to Austria by the most difficult and circuitous routes. The Rothschild method of transferring large sums of money was as yet unknown, and the only method in use was the dangerous one of sending actual bullion by road. A consignment of money was actually on the way when Austerlitz was being fought, and, in fear of a defeat, orders were issued from imperial headquarters instructing this consignment to be diverted in a wide circuit through Galicia and the Carpathians.

The war complications in which Europe was involved forced almost all states, whether they wished to or not, to take sides. The Elector of Hesse characteristically wished to attach himself to that party out of which he could make the greatest profit. As Prussia was now also being drawn into conflict with Napoleon, she attempted to draw the elector in on her side. On the other hand, the French Court gave him to understand that substantial advantages would be gained by the electorate if he kept himself completely free from Prussian influence. This suggestion was unpleasantly underlined by the gathering of bodies of French troops in the neighborhood of Hesse.

The elector bargained with everybody and secured from Paris accessions of territory and the incorporation of the town of Frankfort within his domains. The only awkward point was that Napoleon demanded that the British ambassador, through whom the subsidy arrangements were carried on, should be sent home; and when the elector delayed about doing this, Napoleon expressed

his displeasure in no uncertain language, until the elector gave way, and sent the ambassador away.

Annoyed at France's threatening attitude the Hessian ruler again endeavored to attach himself to Prussia. Then, on July 12, 1806, the document regarding the Confederation of the Rhine was published, through which Napoleon, with the assistance of Prince Theodor von Dalberg, Electoral High Chancellor, won sixteen German states by promising them separation from the German Empire.

As a counterblast to this, Prussia attempted to bring ahout a union of the princes of Northern Germany, and to gain the support of the Elector of Hesse by offering him the prospect of an accession of territory and the dignity of kingship which he so much desired. These moves were followed by threats and promises on the side of France. The attitude of the elector remained undefined. He now thought it best to preserve the appearance of neutrality until the actual outbreak of war, and then simply to join the side which was winning, although a signed, if not ratified, treaty with Prussia was in existence.

He had, however, not reckoned sufficiently with the forceful personality of Napoleon. It was impossible to conduct a nebulous diplomacy with such a man. He had long been tired of the vacillating attitude of Hesse. A state of war was declared in early October, 1806. On the 14th of that month, Prussia was decisively beaten through Napoleon's lightning advance at Jena and Auerstedt. Napoleon now scorned Hessian "neutrality." He ordered that Cassel and Hesse should be occupied, and that unless the elector and the crown prince left they should be made prisoners of war as Prussian field-marshals. "You will," commanded Napoleon, "seal up all treasuries and stores and appoint General Lagrange as governor of the country. You will raise taxes and pronounce judgments in my name. Secrecy and speed will be the

means through which you will insure complete success. My object is to remove the House of Hcsse-Cassel from rulership and to strike it out of the list of powers."[10]

At Frankfort, Meyer Amschel Rothschild had been watching the precipitate development of events with terror; and his son Amschel, at Cassel, as well as he himself at Frankfort, took all possible measures to prevent themselves and the elector from suffering too great financial loss. Business had just been going so exceedingly well. The firm of Bethmann, which had felt that it was being driven into the background, and had just been making strenuous efforts to get a share in the elector's loan business with Denmark, was forced to withdraw from the contest, on account of the political conditions and the resulting shortage of money, and thereby left the way open to Rothschild, who still had resources available.

In the meantime Lawaetz in Hamburg had definitely decided in Rothschild's favor. On July 2, 1806, he wrote himself to Buderus[11] to say that he would stand by their good friend Rothschild as far as he could, saying: "I hope that in the end people will realize that he is a good fellow who deserves to be respected; the envious may say what they like against him."

In spite of all that Rothschild had hitherto done in the service of the elector, he had not won his confidence to the extent of being called in in a matter which had become pressing on account of the developing military situation; for although the elector continued to hope that the notices naively posted on the roads leading to Hesse, bearing the words "Pays Neutre" would be respected, he was sufficiently concerned for the safety of his treasures to send away and conceal his more valuable possessions. But it was no light task to deal with the extensive banking accounts of the electoral loan office, and with his vast accumulations of treasure, and after several months the work was still far from complete.

There being no distinction between the treasury and

the prince's private purse, it was necessary to get out of the way, not only his own valuables, but also the cabinet, war and chancery cash records, for a period covering several decades; for so the books of his financial administration were called, in order to make it impossible to examine into the state of his affairs. There were large volumes of these records, representing vast sums; in the war chest alone there was over twenty-one million thalers, sixteen millions of which were out on loan in various places, and bringing in interest to the tune of many thousands of thalers. All this had to be concealed as far as possible, and this business was done by trusty officials, under the guidance of Buderus. But there is nothing to show that any of the Rothschilds were employed in the long-continued work of transport and concealment.

Time was pressing; some of the things were sent to Denmark; but it was impossible to get everything out of the country, and to have done so would have attracted too much attention. So the elector, who gave the closest personal attention to the plans for insuring the safety of his possessions, decided that the most precious articles should be buried within the walls of three of his castles. Under the stairs of the castle of Wilhelmshohe were hidden twenty-four chests, containing silver and mortgage documents to the value of one and a half million gulden, amongst which were certain Rothschild debentures, while twenty-four chests with cash vouchers and certain valuable volumes from the library were concealed in the walls under the roof. A similar number of chests were concealed in the picturesque castle of Lowenburg, built in the Wilhelmshohe park, while further treasures were conveyed in forty-seven chests to the Sababurg, situated in a remote forest.

The elector had originally intended to send the last consignment down the Weser to England, but he and the shipowner disagreed over a matter of fifty thalers and so they were not sent away. It was impossible to carry

through such measures in secrecy, as too many persons were involved in the transaction; and long before the French invaded the country, there was general alarm throughout the district, because the elector was said to be hiding all his treasures.

Meanwhile Napoleon's commands were being carried out. French troops, coming from Frankfort, were already encamped on the night of October 31 on the heights surrounding Cassel. The elector gazed anxiously from the windows of his castle at the enemy's camp-fires, and sent adjutant after adjutant to Mortier, the French marshal. In due course the French envoy was announced, and brought an ultimatum from Napoleon, significantly addressed: "To the Elector of Hesse-Cassel, Field-Marshal in the service of Prussia."

In short, biting sentences William's double game was exposed, and the occupation of the country and the disarmament of its inhabitants was proclaimed. The elector immediately decided to throw in his lot with Napoleon and to join the Confederation of the Rhine. But it was too late; Marshal Mortier would no longer listen to the elector's messengers. The elector realized that there was nothing for him but flight.

In the few hours before the French entered the country he would have to move as many of his remaining possessions as he could, and make the more urgent dispositions regarding outstanding accounts. William gave Buderus power of attorney to receive the interest payments due from the Emperor Francis in Vienna; and Buderus transferred this power of attorney to Rothschild, who proceeded to collect these payments for the elector, through a business friend in Vienna, the banker Frank.

Besides this, Buderus that night brought two chests containing securities and statements of accounts to the house of the Austrian ambassador at Cassel, Baron von Wessenberg, and begged him to take charge of them. In addition, a member of the elector's bodyguard roused the

ambassador in the middle of the night[12] to give him five envelops containing one and a half million thalers in valid bills of exchange and coupons, as well as the elector's compromising correspondence with Prussia and England. He also gave him a casket of jewels, requesting that the ambassador deal with these things as he would for a friend.

Baron von Wessenberg felt extremely uncomfortable; his position as ambassador of a neutral power was being seriously compromised, but he was fortunately able to entrust the money to a chamberlain of his acquaintance, who was traveling to Hanover that night. The letters, however, were of such a compromising nature that he burned them in terror. He had dealt with everything excepting the jewels, when the trumpets and marching songs of the French invading troops were heard in the morning. A few minutes earlier the elector had left the town with his son in a traveling coach and six. After having been held up by French troops at one gate, he escaped by another, and drove without stopping through Hameln and Altona, to Rendsburg in Schleswig.

Having entered Cassel, Marshal Mortier immediately began to carry out all Napoleon's instructions, and also commandeered all the electoral moneys and possessions, even including the stables and the court furniture. He took over the electoral rooms in the castle for his own personal use, and the electoral flunkeys as his personal servants. He did not molest the elector's consort, and Wessenberg succeeded in sending her the jewels, which she sewed into her garments and those of her servants.

Buderus felt that things might get rather warm for him, and he left Cassel disguised as an apprentice, with a knapsack on his back, to follow his master into exile.[13] His despairing family stayed behind.

While these events were taking place, neither Meyer Amschel Rothschild nor either of his sons seems to have been at Cassel.[14] They had long realized that the attitude

of the French toward the elector was critical, and that their relations with him might get them into trouble. Frankfort, too, had been occupied by the French, and the headquarters of the firm, their house and their whole property, were at the mercy of the enemy.

In his heart Meyer Amschel remained loyal to the elector, and saw that the position arising out of the French invasion and the flight of the elector was one in which he could still be of great service to him. He presumably came quite rightly to the conclusion, that it was in the elector's own interest that he should stay away at this critical period, so that he might, if possible, carry on the elector's business behind the backs of the French. In following his natural inclinations, and not compromising himself in the eyes of the French, and in keeping out of the way of these dangerous companions as far as possible, he was also following the course of the greatest practical utility.

Even if Meyer Amschel or one of his sons had actually been in Cassel, the moneys entrusted to Baron von Wessenberg would not have been placed in their keeping. They were, as yet, far from enjoying such a degree of confidence; indeed, the ambassador actually stated in his report to Vienna at the time that the elector had sent the things to him "because of lack of confidence in his business agents."

The French immediately instituted investigations to discover where the elector had hidden his wealth. Napoleon had received news at Berlin of the occurrences at Cassel. At four o'clock on the morning of November 5, 1806, he sent the following orders to Lagrange: "Have all the artillery, ordnance stores, furniture, statues and other articles in the palace of the court brought to Mainz. Proclaim that this prince may no longer rule. I shall not continue to suffer a hostile prince on my boundaries, especially one who is practically a Prussian, not to say an Englishman, and who sells his subjects. You must

completely disarm the inhabitants, and authorize an intendant to seize the prince's revenue. In general you may treat the country mercifully, but if there is any sign of insurrection anywhere, you must make a terrible example. ... Let yourself be guided by the principle that I wish to see the House of Hesse, whose existence on the Rhine cannot be reconciled with the safety of France, permanently removed from power."[15]

Such were Napoleon's feelings toward the elector. The latter sent messenger after messenger, and letter upon letter to Napoleon, but the emperor refused to answer. On the 1st of November, 1806, William of Hesse arrived at his destination, the castle at Gottorp, near Schleswig, belonging to his brother, who had also married a Danish princess. A whole crowd of exile princelings from small German states was gathered there. They had all been suddenly wrenched from a comfortable and careless existence, and were suffering acutely, especially from financial distress.

"We are in the greatest misery here," wrote Buderus to London,[16] on November 17, 1806. "Please help us to get some money soon, because we do not know what we shall do otherwise, as we are not getting a farthing from Cassel. God, how things have changed!" Meanwhile the French occupied Hamburg and advanced unpleasantly close to the elector's place of refuge. He became exceedingly nervous and excited, and feared that he might yet fall into the hands of the French, with all the belongings that he had rescued; his possessions were all packed in chests, ready for further transport. He once got into such a state of panic that he wanted to send Buderus straight off into the blue with as many valuables and securities as possible, leaving it to him to make such provision as he could for their safe custody. However, the outlook became less menacing; the French did yet come to Schleswig for the time being, and the elector gradually recovered his composure.

Meanwhile Lagrange was ruthlessly executing Napoleon's severe commands at Cassel. Even Wessenberg, suspected of concealing electoral treasure, was placed temporarily under arrest. Gradually all the treasures that had been concealed in the castle, including the gold and silver plate, the antiques, the whole collection of coins and medals to which Rothschild had contributed so many valuable specimens, and also the innumerable chests containing deeds and securities, were discovered. The elector might well regret that for the sake of fifty thalers, he had failed to have the silver carried down the river. All his splendid silver was sent to Mainz to be melted down.

Dazzled by the vast extent of the riches that were being brought to light, Lagrange was moved to take steps to feather his own nest. Although his imperial master well knew that the elector was rich, he could hardly expect his wealth to be as extensive as actually proved to be the case.

Lagrange reported to Napoleon that the property discovered was only worth eleven million thalers, which of course was not remotely in accordance with the facts; and in return for a douceur of 260,000 francs in cash, he returned to the Hessian officials forty-two of the chests, including almost all those that contained securities and title-deeds. Running great dangers, a brave electoral captain brought the chests into safety, and conveyed nineteen of them to Frankfort, where they were stored, not with Meyer Amschel Rothschild, but in the warehouse of Preye and Jordis, in whose extensive vaults they could be concealed without attracting attention.

For an additional 800,000 livres* paid to himself and the intendant, the dishonest governor promised to return other papers too, and not to'carry out any further investigation. Thereby countless chests Were released, which were distributed amongst various trusted persons, for safe-

* One livre equaled one franc; four francs were the equivalent of one thaler.

keeping. Four of these chests, containing papers of the Privy Council, found their way to Meyer Amschel Rothschild's house with the green shield in the Jewish quarter, during the Spring Fair of 1807. This was the only part played by the House of Rothschild in the actual saving of the electoral treasures.

Meyer Amschel Rothschild hid these chests, having left one of them for a time with his son-in-law Moses Worms, in the cellar of his house. In case of emergency he could have recourse to a separate cellar behind the house and under the courtyard, the approach to this cellar from the house cellar being very easy to conceal. The courtyard cellar, too, was connected by a secret passage with the neighboring house. The persecution of the Frankfort Jews in earlier times, had led to many such secret refuges being constructed. In this case it was therefore reasonable to assume that if the house were searched by foreigners like the French, the cellar under the courtyard would not be discovered at all, and that even if it were discovered there was a good chance of getting its contents into the next house.

In the meantime political changes had occurred which put and end to the political independence of Frankfort. Karl von Dalberg, who had collaborated with Talleyrand in the creation of the Confederation of the Rhine, was nominated Primate of the Confederation on June 12, 1806, and by a decree of Napoleon was granted the city of Frankfort and the surrounding territory as his residence.

This was a fact of much importance, both to the elector and to his devoted servants the Rothschild family, for Dalberg was particularly well-disposed to the elector and to his administrator Buderus, on account of his business dealings with them in earlier times; and, although he was an archbishop and a strict Catholic, he was known to be tolerant in his religious views. The incorporation of Frankfort in the Confederation of the Rhine put an

end to its constitution as a state of the empire; and the Jews, who had hitherto been subjected to oppression by the hostile patrician families who had controlled the senate, now hoped for the abolition of all those restrictions, prohibitions and special laws under which they had suffered for centuries.

Under the new regime life in the great commercial city took on an entirely different complexion. It had to be ordered in accordance with the wishes, or rather the commands, of the French. This was especially the case when Napoleon, in order to deal a deadly blow at the arch enemy England, declared the continental blockade whereby all commerce and communication by letter or otherwise with England was prohibited. As that country was practically the only emporium for such indispensable colonial produce as coffee, sugar, and tobacco. the prices of these articles rose enormously, and a clever merchant could make large profits through timely purchases or by smuggling goods through Holland and the harbors of North Germany.

In spite of the control exercised by France over the trade of Frankfort, Meyer Amschel and his son contrived, with the assistance of Nathan in England, to make a good deal of money in this way. There were certainly risks attached to this form of commerce, for under Article 5 of the continental blockade, all goods of English origin were declared lawful prize. With the passage of time this kind of business became more restricted, for as Napoleon's power increased he was able to make the control more effective.

Meyer Amschel well knew that in spite of his flight and the loss of property which he had suffered at the hands of the French, the elector was still in possession of very considerable resources. There was, moreover, always the possibility of a sudden change in Napoleon's fantastic career, and such an event would immediately alter the whole situation. He therefore adhered to his

policy of ingratiating himself to the best of his ability with Napoleon's nominee, the new lord of Frankfort, whil he continued faithfully to serve the elector in secret. For his purpose it was necessary that he should remain in constant communication with him.

On the 15th of December, 1806, Meyer Amschel sent an account[17] to Schleswig of his earlier sales of London bills of exchange, and reported that the other bills which he held were unsalable at the moment. Although the "servile script" was full of protestations of groveling humility, and was composed in the illiterate style and full of the spelling mistakes of the old Meyer Amschel, it revealed a certain pride, for Father Rothschild made considerable play with the good relations which he had established with Dalberg.

Rothschild reported with pride that he had influenced Dalberg in favor of the elector, and had induced the new lord of Frankfort to intercede with the Emperor and Empress of France on the elector's behalf. He begged to state, however, that Dalberg advised that the elector should not stand so much upon his rights, but should adopt towards Napoleon the attitude of a "humble petitioner." Meyer Amschel concluded by assuring the elector of his unswerving loyalty and devotion, and declared that he hoped, through his influence with Dalberg, substantially to reduce the war contribution of one million, three hundred thousand thalers imposed by Napoleon upon the elector personally. He also asserted that Dalberg had commended him to all the French marshals and ministers.

Although this letter of Meyer Amschel's was written in a boastful vein, and although he exaggerated his influence, as in point of fact he did not succeed in getting the levy reduced (incidentally, the elector got the levy transferred to the estates of the realm of Hesse), yet the report contained an element of truth. It was certainly most remarkable that the Archbishop and Lord of the

Confederation of the Rhine, who ruled over sixteen German princes, and stood so high in Napoleon's favor, should have shown so much good-will to the Jew Meyer Amschel Rothschild of Frankfort, who, although now a rich man, had no claim to move in high and influential circles. There appear to have been financial reasons for this relationship, and it no doubt originated in loans granted by Rothschild.

When the elector had come to feel reasonably secure in his new place of refuge in Schleswig, he devoted himself again to his favorite hobby, and tried to set in order his chaotic possessions. Buderus had control of this work at every point. He had left Schleswig some time before and returned to Hanau, where he was occupied in calling in debts due to the elector, before they could accrue to the French. There was, for instance, the claim on Prince von Zeil-Wurzach, which was in great danger of being lost. Buderus, however, succeeded in saving this item, and in his report he referred with emphasis to the assistance granted by Rothschild, mentioning his name repeatedly.

"I owe it entirely to the efforts of the Crown Agent Rothschild," he wrote to his master on March 8, 1807, "that I am still not entirely without hope; and he has undertaken to arrange an interview between myself and the Wurzach chancellor in a place which he will select." [18]

The eldest son of the princely debtor attended this conference himself, and it resulted in the repayment to Buderus of the outstanding amount, which Buderus ascribed to the fact that Rothschild had used his influence to such good effect with the advisers and officials of the prince. He added, as especially illustrating Rothschild's trustworthiness, that the French in Cassel had offered to pay Rothschild twenty to twenty-five per cent of the amount at issue, if he would assist in diverting this debt

of nine thousand gulden in accordance with Napoleon's orders.

"Your Electoral Highness," the letter continued, "may certainly deign most graciously to realize, the labor involved in saving this amount in the most dangerous circumstances." Besides Buderus, Lennep at Cassel, Lawaetz at Hamburg, and the war commissioners, paymasters and crown agents such as Meyer Amschel and his sons were looking after the financial interests of the elector. "Frankfort is the center point of all my business," Buderus, who directed all the operations, wrote to the elector.[19]

To an ever-increasing degree Buderus was entrusting the elector's business to the Rothschild family; indeed he was now employing them almost exclusively. They looked fter the correspondence with Cassel, with the elector, and with Lawaetz at Hamburg, pseudonyms being employed for the more important persons and transactions. Thus the elector was known as "the principal" or "Herr von Goldstein." The stocks in England were known as "stockfish";[20] Rothschild himself was called "Arnoldi" in these letters. Meyer Amschel was often sent to the elector by Buderus to convey accounts or other information. These seven-day journeys in bad coaches over rough roads, with the constant risk of falling into the hands of the enemy, with the letters with which he had been entrusted, came to be felt as exceedingly burdensome by Meyer Amschel in the course of time. He was not more than sixty-four years old but his health had latterly suffered from the extraordinary demands made upon the chief of the extensive business house. Henceforward he generally left these jouneys s to the north to his son Kallmann (or Carl), as his two eldest sons, Amschel and Solomon, were fully occupied at the head office in Frankfort. These journeys had now to be very frequently under-

taken, because Napoleon had entered upon a definite offensive against the elector's property; and this called for counter-measures of all kinds, from the elector's loyal adherents. In accordance with Napoleon's instructions, the French attempted, as they had already done in the case of Prince von Zeil-Wurzach, to divert the moneys lent by the elector in his own country to the French Treasury, by offering substantial discounts on the amount due.

It is true that Lagrange had valued these amounts at only four million thalers, the equivalent of sixteen million francs, but actually they amounted to about sixteen million thalers. One can therefore readily imagine the dismay which the action of the French occasioned the elector. A large number of princes belonging to the Confederation of the Rhine, who owed him money, took advantage of the opportunity of settling their debts at a reduction. On Rothschild's advice, the elector implored the Emperor Francis at Vienna on no account to pay to the French either the capital sum or the interest due in respect of the million and a half gulden which he had borrowed from the elector.

All the efforts to cause Napoleon to change his attitude failed; and meanwhile the situation at Gottorp had become impossible. The elector had arranged for his favorite mistress Schlotheim to join him, and his host's wife, who was a sister of the elector's consort, was afraid of causing pain to the latter if she associated with the Schlotheim. Also the collapse of a rising in Hesse deprived him of a last hope.

"Fools!" exclaimed Lagrange in a proclamation to the Hessians on the 18th of February, 1807. "Count no longer upon your prince; he and his house have ceased to rule. Whoever resists will be shot."

William in the meantime had migrated to Rendsburg, and later to Schloss Itzehoe. In moving language he wrote to the King of Prussia and to the Emperor of Austria.

To the former he wrote: "I have now been living here for four months, groaning under the weight of intolerable grief, and filled, with deep concern for the many bitter experiences through which your Majesty is passing, and which . . . affect me even more than my own misfortunes. I have had to watch the land of my fathers suffering an arbitrary rule, and my private property being squandered, and to see my loyal subjects suffering and being gradually reduced to beggary, if they are not speedily succored. It is indeed hard, your Royal Majesty, to have to endure such experiences, and doubly hard when one is conscious that one has always acted in a manner which one could justify before God and men." [21] His letter to the Emperor of Austria was written in exactly the same vein.[22] In the opening sentence the epithet "most invincible" was on this occasion, in view of the battle of Austerlitz, not added to those of "most excellent" and "most powerful." He begged in the strongest terms, for the emperor's help and support. These letters were written after the elector's efforts to conciliate Napoleon had merely resulted in the Emperor of France showing his personal contempt and aversion more clearly than ever. William of Hesse's attitude continued to be completely unreliable and vacillating as far as everybody was concerned. At the same time that he was overwhelming Napoleon with supplications, he was negotiating with England for landing on the coast for combined action against the French. But in England, his overtures to Napoleon were known. He was no longer trusted, and the electoral funds invested in that country were sequestrated, so that although he received the interest, he had no power to dispose of the capital. All these things had not helped to improve the elector's temper. Prince Wittgenstein, who frequently had occation to visit him in exile on behalf of the Prussian govermnent, wrote: "Personal association with him is indescribably unpleasant; the greatest patience is required

in order to put up with his endless complaints and sudden outbursts." [23]

Buderus and Meyer Amschel Rothschild were soon to suffer in the same way. Rothschild had latterly been collecting and accounting for the interest on the English and Danish loans due to the elector. As this had not been settled by the elector personally, he complained of the arrangement. He again became suspicious, and suddenly required that Buderus should not allow this money to pass through Rothschild's hands, but that it should be paid direct into the reserve treasury at Itzehoe, an arrangement which was more difficult to carry out. This was galling, both for Buderus and for Meyer Amschel Rothschild, who was just endeavoring through Dalberg's good offices to buy back the elector's coin collection, containing so many gold and silver specimens of priceless value, which had been carried off to Paris. The following events did not improve the elector's temper.

By offering the tsar the prospect of sharing the work dominion with himself, Napoleon had in the Treaty of Tilsit reaped the fruits of his campaign against Prussia. The result was that Hesse was allotted to the newly created kingdom of Westphalia, and Napoleon's brother Jerome pitched his tent in William's residence at Cassel. The exiled elector was filled with rage and indignation, and his tendency to behave unjustly to those about him became more marked. When Buderus was again staying with his master at Itzehoe, and spoke of Rothschild and the services that he had rendered, the elector indicated that he noted the special favor shown to Rothschild with surprise, as after all, he was a Jew of very obscure antecedents, and expressed his concern to find Buderus employing him, as he had lately been doing, to the exclusion of almost everybody else, in the most important financial transactions. Buderus declared himself strongly in reply. He pointed out how promptly Rothschild had always paid, especially in the case of the moneys from London,

and emphasized the skill with which Rothschild had succeeded in concealing from the French his English dealings on behalf of the elector. He related how French officials in Frankfort had recently been instructed to carry out investigations at Meyer Amschel Rothschild's, in order to ascertain whether he did not collect English moneys for the elector; and how Meyer Amschel had immediately produced his books, an inspection of which had revealed absolutely nothing of this matter.[24] This fact proved that even then Meyer Amschel was keeping two sets of books, one of which was suitable for inspection by the various authorities and tax collectors. the other containing the record of the more secret and profitable transactions. Buderus pointed out that Bethmann, in view of his standing as a Frankfort patrician, and as the head of a firm that was centuries old, could not so suitably be employed in transactions which in the difficult political conditions of the time could not bear the light of day. He added that Bethmann's financial resources had given out in connection with the Danish loan in 1806, and that Rothschild far surpassed him in determination and energy. He also suggested that Rothschild had given greater proof of loyalty, for they had hardly heard anything of Bethmann since the elector had gone into exile, whereas Meyer Amschel was constantly concerning himself with the elector's interests, and also, when necessary, coming personally to Schleswig, or sending one of his sons.

Buderus's representations succeeded finally in allaying this bout of suspicion against the Rothschild family, with whom he had now established very close personal relations. Through the efforts of the administrator of the elector's estates, all the other bankers were gradually forced into the background, Rothschild taking their place.[25] From this time onwards he enjoyed the elector's confidence as far as such a thing was possible, and we

find Meyer Amschel becoming, not only William's principal banker, but also his confidential adviser in various difficult matters.

As his health no longer permitted him to do full justice to the strenuous requirements of the elector's service, he placed one of his sons at the elector's disposal when necessary. Up to this time the elector had turned down the various proposals regarding the collection of interest and the investment of capital that Nathan had made to him from London. As late as June, 1807, he actually instructcd his charge d'affaires in London to vouchsafe no reply whatever if Nathan should venture again to inquire as to the elector's financial affairs.[26] In this matter too, he was slowly and completely to change his attitude, without any disadvantage to himself. Everybody who possibly could was borrowing money from the elector, for the German sovereigns, and not least, the King of Prussia, were suffering from extreme shortage of money after Napoleon's victorious march through their country, owing to the heavy war expenses and the subsidies which he imposed.

Prince Wittgenstein repeatedly urged the King of Prussia to be very cordial to the elector, and as soon as it should be practicable to invite him to live in Berlin because it might then perhaps be possible to persuade him to grant a loan. The invitation was actually sent, but the king had then himself been obliged to flee from his capital, and was suffering the most grievous misfortunes, so that Berlin was out of the question. Meanwhile Denmark had also been forced by Napoleon to give up her neutrality. The French invaded the dukedoms and the Danish royal house found the presence of the elector, who was such a thorn in Napoleon's side, most embarrassing.

In these circumstances, the refugee was in constant danger of being discovered and taken prisoner. Jerome was ruling in Hesse, and it was of little use to the elector that Lagrange's double-dealing was brought to light, and

the general dismissed. In spite of an invitation from the Prince of Wales, William did not wish to go to England, since that would have meant a final breach with the powerful usurper, for the elector continued to cherish an unreasonable hope of Napoleon's forgiveness. There was still Austria. In his last letter[27] the Emperor Francis had expressed his "most heartfelt sympathy in these sad circumstances," with the hope that he might be of assistance to him. The elector accordingly asked for asylum in Austrian territory, and decided to continue his flight to Bohemia, stopping first at Carlsbad.

He did not part with his treasures, but took with him all the valuables and papers which had been saved, including a chest full of deeds which Meyer Amschel had proposed to bring on afterwards from Hamburg. The travelers were carefully disguised on their journey. In one place where there were French troops they nearly lost their most valuable belongings, as the wheels of the carriage in which they were packed broke in the marketplace, and they were forced to transfer them to another vehicle. Fortunately nobody guessed what the bales contained; the journey proceeded without further mishap; and on July 28, 1808, the elector arrived at Carlsbad, where he awaited the emperor's decision as to his final place of abode.

Meanwhile Meyer Amschel and his son were carrying on their business at Frankfort and developing the trading as well as the purely financial side of it. All the members of the family were actively engaged in it, and Rothschild's unmarried daughter sat at the cash desk, assisted by the wives of Solomon and Amschel. Meanwhile the fifth son, Jacob, generally called James, had reached the age of sixteen, and like his elder brothers had begun to take an active part in the business. This had made it possible for the eldest son Amschel also to leave Frankfort fairly often, in order, like Carl, who was the firm's "traveler," to visit the elector in Bohemia.

Buderus in the meantime had arranged that the elector's cash income, which it was really his duty to administer, should be collected by Rothschild and remain in his hands at four per cent interest. Thus, during the summer of 1808[28] he received 223,800 gulden against bills at four per cent—a very respectable sum at a time when ready money was so scarce, and the elector was reluctant to leave it all with him. However he found in due course that Rothschild accounted with extreme accuracy for every penny of it.

In accordance with the wishes of Emperor Francis, the elector moved to Prague toward the end of August, 1808. That monarch knew well what he was doing in welcoming the elector to his territories. Austria was chronically in need of money; nevertheless plans were being made to avenge her defeat. Count Stadion especially was the prime mover in the idea of waging a new war against the insolent Emperor of the French.

Financial affairs in Austria were in a state of chaos, as revealed by the Vienna Bourse of the period. A confidential friend of Emperor Francis had sent him a report on the subject in which he did not mince his words. "I feel it my duty to observe," he wrote,[29] "that the Bourse at the present time seems more like a jumble sale than an Imperial Bourse. The dregs and scourings of the population invade it, and decent business men, capable of handling such matters, are pushed into the background and shouted down, so that reasonable discussion becomes impossible. Closer investigation will reveal the fact that many of these people are paid by stock-jobbers, systematically to create disorder at the Bourse." The collapse in the value of the paper currency, the violent fluctuations in all quotations, the fear of war and the general unrest all contributed to this state of affairs. It was in vain for Emperor Francis to "resolve that measures must be taken to prevent the Bourse from degenerating into a rowdy collection of persons of no position who

sacrifice all considerations to the basest greed for profit." [30] The fundamental cause of these conditions remained unaltered.

The Austrian state hoped for some financial assistance from the elector at Prague. He was living a retired life at the Palace Liechtenstein, and Vienna set itself to discover the state of the elector's purse. All kinds of Gonfidential persons and secret agents of the police, some of them disguised under titles of nobility and wearing officers' uniforms, were sent to Prague. One of them reported[31] that the Elector of Hesse had large sums at his disposal, and was in communication with "particuliers" through middlemen, regarding the purchase of state obligations. He stated that it was not at all unlikely that a loan to the imperial court could be obtained under favorable conditions, and suggested that it might be worth while to make inquiries on this matter through confidential bankers and exchange merchants. Immediately on receipt of this report, the emperor with quite unwonted promptitude instructed the chancellor of the exchequer Count O'Donnell to let him have his opinion as speedily as possible on this report received "from a trustworthy source." [32]

We now for the first time find the name of Rothschild mentioned in connection with the Austrian court. Count O'Donnell reported that there was no doubt that the elector had rescued considerable sums and also had large amounts to his credit in England, and that it was therefore worth attempting to induce him to subscribe to a loan, either in "solid gold" or in "reliable bills of exchange on places abroad." The count emphasized that "in order to achieve this object the best method would probably be to approach the middlemen to whom the elector entrusts his financial affairs, and this can best be done through a reliable exchange office in Vienna or Prague."

O'Donnell recommended that such middlemen should

receive one, two, or three per cent commission, this being in any case customary in such proceedings, and they would then have an interest in stimulating the elector to carry through the transaction. "The papers of the Credits Commission reveal," the count's report continued, "that the persons who appeared on behalf of the elector, then landgrave, in connection with the negotiation of the loan of one million, two hundred thousand gulden in 1796 were the Frankfort firm Ruppell and Harnier, and Privy Councilor Buderus. At that time the interest on these loans . . . was collected by the local firm Frank and Company, on behalf of the Jewish firm at Frankfort of Meyer Amschel Rothschild, who were authorized to collect them by a power of attorney executed by Privy Councilor Buderus, and it appears to me abundantly evident that this privy councilor is the principal person who should be moved, through some advantage, to smooth our path." :!:i

It was decided to put up to the intermediaries two proposals: either that they should obtain a five per cent loan on mortgage security, or that they should persuade the elector to invest a considerable sum, at least one or two million, in the lottery loan. Hereupon the following resolution was issued by his Imperial Majesty: "In view of the indubitable necessity for providing if possible for the collection in hard cash of an adequate supply of money I approve of an attempt being made to obtain a cash loan from the Elector of Hesse. . . . The important thing is to make use of a reliable and intelligent mediator who may be relied upon to carry through the negotiations cautiously and skilfully, so as to achieve the desired end on the most favorable terms possible."[34]

In accordance with these instructions Buderus and Rothschild were confidentially approached as mediators, and they promised that they would do their best, but they emphasized the fact that the ultimate decision lay solely with the elector. They at once duly informed the elector

of the wishes of Austria, but he showed a reluctance to meet them, and then war broke out and the negotiations were postponed.

During the period which followed the elector, regarding whose avarice and enormous wealth the most varied stories were spread at Prague, was closely watched by secret police specially sent from Vienna. He took an active interest in current affairs, and closely followed the powerful movement which was developing in Germany, particularly in Prussia, its aim being to shake off the foreign yoke. This movement could not as yet come into the open, but in Konigsberg, where the king and the government of Prussia were residing, the "Tugendbund" was formed, a league which ostensibly pursued moral-scientific aims, but the ultimate object of which was deliverance of Germany.

The principal protector of the league was the minister Baron von Stein; and William of Hesse held an important position in it. Its membership was so wide that it also included Jews, and the Rothschilds appear to have become members. At any rate they acted as go-betweens for the elector's correspondence on this matter, and made payments in favor of the Tugendbund.

Through an intercepted letter from Stein which mentioned the elector,[35] Napoleon learned of the desire for a war of revenge, and of the plans for a rising in Hesse. Stein had to flee, and Napoleon's distrust of the elector and of his servants was very much increased. The emperor saw clearly that the elector was implicated, that is, was financing it. Further intercepted letters confirmed this view.[36] As a result several business men mentioned in them by the elector were arrested; it was desired through them to obtain further information regarding the apparently inexhaustible resources of the elector. Amongst these men of business Buderus was prominent, and it was particularly desired to ascertain his precise connection with the bankers. One of these was

Meyer Amschel Rothschild, whose relations with Buderus had long been no secret to the French officials. The Frankfort banker was accordingly cited to appear before the Chancery of the Urban and District of Frankfort on August 13, 1808; but he could not obey his summons since he was confined to his bed.

He had fallen seriously ill in June, 1808, had been operated on by a professor from Mainz, and, fearing that his days were numbered, he had made his will. He therefore sent his son Solomon to appear in his place, telling him not to let himself be drawn, and to make only such statements as were not likely to furnish the French with any clue, or else to provide false clues. Solomon carried out his mission with great skill. The French were but little enlightened by the cross-examination, and in the end they dismissed the young Jew with the order that he should immediately hand over to the court any letter from Budcrus to the firm of Rothschild.[37]

Buderus and Lennep were themselves arrested in September, 1808, and minutely examined for several days at Mainz, this being only natural in view of the fact that these men, who were the elector's tools, were in the power of the French at Frankfort, whereas their chief was living in Prague, out of Napoleon's reach.

Napoleon's mistrust of William was fully justified, for in October, 1808, the elector was carrying on negotiations at Prague for promoting insurrections throughout the whole of the northwest of Germany, with the view that they should spread to the south as well. This matter was certainly carried on with great secrecy; even the Austrian secret police agents knew only in a general way that something was in the wind. It is amusing to note the naive manner in which they arrived at the conclusions contained in their reports.

"The Elector of Hesse," says one of these reports, "has forty-one natural sons, all of whom he has decently provided for, but as the fall of the elector has disappointed

their hopes of a brilliant career, they are endeavoring to reinstate their father. As the defeat of Prussia has deprived them of all chance of achieving their object by force, they have had recourse to a secret association which is intended to extend its activities throughout the whole of Germany under the protection of the English Masonic Lodge at Hanover. This league will take a suitable opportunity to reveal itself in a public conspiracy in order to attain its final object. . . . The probability of another war has aroused fresh expectations of making proselytes. in small confidential circles something is occasionally said about the possibility of putting an end to the miseries of the country by putting Napoleon and his brothers out of the way." [38]

Vienna, however, was not merely interested in the elector's high politics. Further information was also desired as to his financial advisers, particularly as to Rothschild, mentioned by O'Donnell. Urgent instructions were therefore sent to the chief of police of the city of Prague to obtain as accurate information as possible regarding that man's activities. The chief of police reported:[39]

Amsel Mayer Rotschild, living under the registered number 184 in the third main district, is agent for war payments to the Elector of Hesse, and in that capacity he has achieved mention, together with his brother, Moses Mayer Rotschild, in the electoral almanac for the year 1806. The father of these two men appears in the almanac as a war paymaster. According to information supplied by Major von Thummel, Amsel Mayer Rotschild, has come here from Frankfort, where he has been living hitherto, in order to look after the elector's financial affairs, which were formerly entrusted to Ballabom, who seems to have shown a certain lack of diligence. Be that as it may, we may assume that Amsel Mayer Rotschild renders the elector important services in

other matters too, and it is not entirely improbable that this Jew is at the head of an important propaganda system in favor of the elector, whose branches extend throughout the former Hessian territories.
I have reasons for this opinion. These suppositions are based on the following fact: whenever I enter the elector's quarters, I always find Rotschild there, and generally in the company of Army Councilor Schminke and War Secretary Knatz, and they go into their own rooms, and Rotschild generally has papers with him. We may assume that their aims are in no sense hostile to Austria, since the elector is exceedingly anxious to recover the possession of his electorate, so that it is scarcely open to question that the organizations and associations, whose guiding spirit Rotschild probably is, are entirely concerned with the popular reactions and the other measures to be adopted, if Austria should have the good fortune to make any progress against France and Germany. Owing to his extensive business connections it is probable that he can ascertain this more easily than anybody else, and can also conceal his machinations under the cloak of business.

This report was more or less in accordance with the facts; for Rothschild was the connecting link between Buderus, who lived in Hesse and could never come to fragile, and the elector. Rothschild was also constantly busy with the elector's financial affairs, and these were of a particularly wide scope at the beginning of 1809, since with the passage of time the accumulations of money in England, by way of interest and otherwise, had grown so large that their supervision required particular care. Buderus proposed that his master should acquire British securities at three per cent,[40] and suggested that Meyer Amschel should he commissioned to effect the purchase of them. Rothschild had naturally made this proposal to Buderus in the first instance, and Buderus had duly put it forward as his own suggestion.

The close relations between Buderus and Rothschild had at that time actually been embodied in a written agreement between them which virtually made the electoral official a secret partner in the firm of Rothschild, This highly important document runs as follows:

"The following confidential agreement has today been concluded between the Privy War Councilor Buderus von Carlshausen, and the business house of Meyer Amschel Rotschild at Frankfort: Whereas Buderus has handed over to the banking firm of Meyer Amschel Rothschild the capital sum of 20,000 gulden, 24 florins, and has promised to advise that firm in all business matters to the best of his ability and to advance its interests as far as he may find practicable, the firm of Meyer Amschel Rothschild promises to render Buderus a true account of the profits made in respect of the above-mentioned capital sum of 20,000 gulden, and to allow him access to all books at any time so that he may satisfy himself with regard to this provision." [41]

The agreement contained a provision for its termination on either side by giving six months' notice. Buderus now had a personal interest in securing for Meyer Amschel Rothschild a monopoly in the conduct of the elector's business. What he had done had been in the best interests of all concerned. His experience of a period of years had proved to him the reliability and the skill of the House of Rothschild; he harbored no prejudices against the Jews; and he was firmly convinced that the elector, his master, was bound to gain by placing his financial affairs in the hands of one firm, especially of such an able firm as the House of Rothschild.

The Rothschilds on the other hand needed the support of a man who could gain for them the confidence of the suspicious and avaricious elector, who was an exceedingly difficult person to handle. They had achieved this object through Buderus, but they wanted to secure the relationship for the future, and therefore gave him a personal

interest in the continued prosperity of the business. Finally Buderus himself profited by this arrangement as he fully deserved to do after the persevering and self-sacrificing efforts that he had made; and he could never hope that he would be regarded in accordance with his deserts by the rapacious elector. Moreover, he was far too scrupulous and honorable spontaneously to appropriate money in the course of his administration of the elector's property; but he had a very large family, and by becoming a secret partner in the firm of Rothschild he was enabled to meet its requirements.

Buderus's efforts with his master were successful. The elector acted upon Rothschild's recommendations regarding British stocks, and he then actually ordered that £150,000 of the stocks should be purchased on his account, which in fact exceeded the amount that Buderus had suggested. The investment itself was entrusted to Rothschild.

Up to this time the financial transactions in England had been the most reliable as far as interest payments were concerned; but the payments in respect of interest due from members of the English royal house came in at most irregular intervals and were often outstanding for very long periods. The elector, however, did not agitate to get these payments in, for he regarded the money laid out in this direction less as an investment than as a means of putting the members of the ruling house under an obligation to himself.

The brothers Rothschild noted this practice of the elector with important personages; they had practical evidence, from the experience of their princely client, of the fact that transactions involving temporary loss may ultimately result in very good business. The debtors' uneasy feeling on failing to make payments at the date when they fell due sometimes led them to try to make amends in other ways, through furnishing valuable information or through political services, and such favors often pro-

duced cash results far exceeding the amount actually owing.

At this time the bond between the House of Rothschild and the elector had become a very close one; and this was not due to Buderus only, but also to their loyalty; although this quality resulted to their advantage, they incurred the risks that loyalty involved. The only really unpleasant circumstance in this connection was the fact that the frivolous heir to the elector, who was always in need of money, exploited the situation and at every possible opportunity borrowed from his father's faithful Jewish servant. In any case that could not be a very serious matter, as Rothschild was morally certain to get his money back, the prince being the heir to the enormous fortune which his father had amassed. These large financial transactions did not put an end to the dealings in small antiques between the elector and Rothschild, which had been the starting-point of their business relations. However, there was a difference: their roles were reversed; the elector now sold to Rothschild vases, jewels and antique boxes, etc. more often than he bought them. These dealings constituted a peculiar bond of sympathy between the elector and his Jewish crown agent, and the elector enjoyed showing his talent in this field, as far as was consistent with his high birth. Meanwhile the relations between Austria and France had become more acute. The Emperor Napoleon had returned from Spain, and a new war between Napoleon and the Emperor Francis was imminent. The elector offered the emperor a legion of four thousand men, this offer being coupled with a touching appeal that the emperor should secure his reinstatement in the rulership of his territories.[42] The offer was thankfully accepted. On April 9, 1809, the Austrians crossed the Inn; thereupon Napoleon ceased to be a factor in the treatment accorded to the elector at Prague. The elector was granted the honors due to a sovereign, and society was

commanded to call on his favorite at Prague, who until then had been very much slighted. They wanted to "get on the right side of him" In order to get as much money and as many troops from him as possible. The elector, however, put only one half of the promised forces in the field. That cost him 600,000 gulden; and it was Rothschild who saw to the collection and distribution of this sum.

This work was full of danger for the Rothschilds as they were at the mercy of the French in Frankfort. In spite of the great scarcity of money at the time it was Rothschild who from his own resources advanced to the elector the cash amount of several hundred thousand gulden required on short loan. The elector already saw himself in possession of his states. "I come," he wrote somewhat prematurely in a proclamation of April, 1809, "to loose your bonds; Austria's exalted monarch protects me and protects you. Let us hail the brave Austrians; they are our true friends, and it is in their midst and with their assistance that I come to you."

It was with eloquence rather than with cash that he called upon his Hessians to rise. When one of the local leaders wanted to seize Cassel and take King Jerome prisoner, he applied to the elector in the first instance for financial support. All that he received, however, was a piece of paper, representing an order for 30,000 thalers, "payable only in the event of the rising being successful." When the attempt failed, the elector laid the blame, "upon the premature and unprepared nature of the attack."

The immediate result of the attempt was that the elector's servants in Hessian territory were subjected to more stringent regulations. Notwithstanding that Buderus and Rothschild were on such exceedingly good terms with the Primate of the Confederation at Frankfort, the fact that King Jerome's position in Westphalia had been seriously threatened caused the police at Cassel to watch the movements of Buderus and Rothschild with renewed

assiduity, as they suspected them, not unjustly, of having financed the rising.
This favorable opportunity was exploited by jealous rivals at Cassel, who supplied the police and their notorious chief, Savagner, with information. Moreover, Baron Bacher, the accredited Westphalian ambassador to Dalberg at Frankfort, was a bitter enemy of Rothschild, and felt particular displeasure at the favor shown by Dalberg to the Jew, since he had long been convinced that Rothschild was in the elector's confidence in all the activities undertaken against the French. Savagner, who thought that a prosecution of the rich Jew might accrue to the benefit of his own pocket, concentrated all his efforts on inducing King Jerome of Westphalia to authorize the issue of a warrant against Meyer Amschel Rothschild on the ground that he had been a channel through whom the elector's money had passed to the rebels.
In this dangerous situation Rothschild appealed to Dalberg to intervene on his behalf; Dalberg did what he could, and it was only with great difficulty that the French police in Cassel managed to obtain the warrant.
A Certain Levy, the son-in-law of a rival of Rothschild, informed Savagner as to the lines on which Rothschild should be examined regarding his business dealings with the elector.
On May 9, 1809, Buderus was again arrested at Hanau, submitted to searching cross-examinations, and was let out onsubstantial bail only after an interval of several days. On May 10 Savagner set out for Frankfort with the warrant which he had at last succeeded in obtaining, but which authorized only a domiciliary search and a close examination of all members of the House of Rothschild.

They had been warned in good time; the prevailing sentiment amongst the local inhabitants, both at Cassel and at Frankfort, was one of solidarity against the foreign invader. It was only rarely that this feeling was

subordinated to commercial rivalry. Meyer Amschel was also given a hint by Dalberg. He was particularly concerned about the elector's four chests containing account books which were under his care; they were in his house cellar, and he did not even know what they contained. As the cellar would naturally be searched, he would have to do his host to rescue the elector's property as speedily as possible in the general excitement arising out of the sudden menace.

Old Meyer Amschel and his wife, Solomon and James, and the wives of the two eldest sons were at home. Amschel, the eldest son, was staying with the elector at Prague, and Carl was traveling on other business. Those members of the family who were at home now tried to get the compromising chests through the connecting passage to the yard cellar at the back, but they found that the passage was too narrow for the chests. These were therefore emptied, and their contents placed in other cases, together with some coupons representing unrealized obligations due to the firm itself. The family then set about the work of hiding the compromising account books and the secret records of the elector's intimate affairs, as well as certain embarrassing correspondence.

When the Westphalian commissioner of police arrived on the 10th of May, 1809, furnished with his exceedingly limited warrant for summoning the Rothschild family and searching their house at Frankfort, the most important documents had already been well concealed, and the individual members of the family had arranged between themselves what they would say when they were examined, so that they would not get involved in contradictory statements.

Dalberg, the sovereign at Frankfort, had been watching the activities directed from Cassel with a certain resentment; they constituted an infringement of his sovereign rights, and they affected a valued financier to

whom he would soon want to apply again for a personal loan; on the other hand he felt that it would be exceedingly unwise for him to oppose the wishes of King Jerome's great brother. At the same time, for financial reasons it was only with reluctance that the King of Westphalia himself had consented to the issue of the warrant. It was therefore a foregone conclusion that the Rothschild family would not suffer any serious harm. Dalberg also gave orders that one of his own police officials should accompany Savagner. The two commissioners accordingly betook themselves to Rothschild's business house in the Jewish quarter where the whole family were expecting them.

Old Meyer Amschel, who on this occasion too was unwell, was placed under arrest in his own room, while Solomon and James were placed under arrest in the office below, under the guard of police constables. In the meantime all cupboards containing papers and business correspondence were sealed, and a systematic search of the whole house was instituted. Simultaneously the home of Solomon, who also lived in the town, was submitted to a similar search. Thanks to the advance warnings and to the well-concealed duplicate books, not much incriminating matter was discovered.

The next step was to investigate the individual members of the family. Meyer Amschel had to answer the questions drafted by the Jew Levy on the instructions of his rival, the banker Simon, at Cassel—questions affecting the details of Rothschild's financial dealings with the elector. In many cases he replied that he had no recollection of the matters referred to, pointing out that he had suffered a severe illness and undergone an operation in 1808; he stated that this had had serious after-effects, and more particularly, that it had affected his memory. By this method of evasion he succeeded in avoiding making statements which the commissioner of police could have used as incriminating material.

In these circumstances recourse had to be had to an examination of the other members of the family, including Meyer Amschel's wife. The old mother replied[43] that she knew nothing at all, as she only concerned herself with the house, never went out from one year's end to another, and had nothing whatever to do with the business. The two sons made the statements which they had previously arranged with their father, and in general said as little as possible.

The examination of such books as were discovered yielded very slight result, as the incriminating documents had been removed. Meyer Amschel cleverly used an opportunity which proffered itself, of lending Savagner three hundred thalers, and this helped considerably to expedite the conclusion of the official investigation. In any case, Savagner's authority was of a limited kind, and Dalberg's commissioner, who was himself a Jew, was well-disposed toward Rothschild, and used his influence to bring the examination to an end. As sufficient material had been collected to show that the action which had been taken was justified and necessary in the circumstances, the authorities at Cassel, too, were satisfied. Fortunately for the accused, Rothschild's enemy, Ambassador Bacher, was not in Frankfort at this time; so that the whole painful business passed off well for the family of Rothschild.

French reports[44] on the matter reveal that the French officials found the Rothschild family to be "exceedingly wise and cunning," and to have managed to secure friends in all quarters. The only positive result of the inquiry was to establish the fact that Amschel Rothschild was staying at Prague and was directing the financial speculations of the Elector of Hesse; and that the firm of Rothschild had made small payments to individual leaders of the insurrection. The only circumstance noted which was regarded as of graver import was that the brothers Rothschild had regularly paid considerable

sums to the elector's consort, who was staying at Gotha, and to her business manager Kunkel, who also acted as an agent of the elector in promoting the revolution of Hesse against France.

These facts in themselves furnished sufficient material for dealing ruthlessly with the family—if that had been seriously desired; but the Rothschilds benefited by the inhibitions of the rulers of Frankfort and Cassel, who at heart were pleased to have remained faithful to the elector, although they had maintained practical relations with the new French powers. Everything had resulted happily, and the Rothschilds could breathe freely, but it had been a warning to act with even greater precaution in the future. The most important thing was to get the chests belonging to the elector out of the house at once, for in the course of another search the yard cellar might perhaps be discovered. The chests were therefore sent successively through the mediation of a Jewish friend to a business acquaintance of the Rothschilds at Darmstadt - a certain Abraham Mayer—and they stayed with him until the elector returned to his country.

While these events were taking place at Frankfort, Napoleon's campaign against Austria was proceeding. Swift as lightning, Napoleon's genius was thrusting down the Danube to Vienna. He sustained a reverse at Aspern, but on July 6 he made good this defeat by the decisive victory at Wagram.

The elector at Prague had been anxiously watching the changing vicissitudes of the campaign. He had hoped that his tormentor would be speedily beaten and he now saw him coming ever closer to his place of refuge at Prague. When Napoleon was at the gates of Vienna, the elector was seized with terror. He would have to flee again, and in great concern he took counsel with his advisers, and with Amschel Rothschild, who was staying with him, and who was no less terrified than his electoral master, as to whether they should not take refuge

in the fortress of Olmutz. At any rate the more valuable articles were sent on there. Seven chests containing securities, and one containing jewelry were actually sent off.

Then came Wagram; Napoleon advanced to Mahren, and Olmutz was seriously threatened. The boxes had to come back, and the elector set out for Berlin, as the king had already offered to shelter him there. But the king now rather regretted having made this offer; Napoleon was too powerful and might resent the elector's being granted asylum in Berlin. The king therefore wrote on January 29, 1810, to put him off, on the ground of "managements delicats" obtaining between himself and Napoleon at the time. Meanwhile peace was signed at Schonbrunn, no mention whatever of the elector being made in the treaty. Napoleon returned to Paris, whereupon William decided to remain at Prague.

The unsuccessful campaign of 1809 had resulted in the retirement of Count Stadion, the Austrian Minister for Foreign Affairs, and this brilliant man and bitter opponent of Napoleon withdrew for some years into private life. On October 8, 1809, he was succeeded by Prince Clemens Metternich, who was to play such a decisive role in the destinies of Europe during the following half-century.

Metternich had only just entered upon his duties when he received a letter from the Elector of Hesse, requesting the minister to support him, and "to restore to his orphaned subjects their native prince, whose presence they so ardently desired." He had great hopes that Metternich would use his influence with the emperor, and he was bitterly disappointed when he learned that he had not even been mentioned during the peace negotiations.

He wrote a bitter letter of complaint to Stadion:[45] "So many worthless people, relying on French protection, are enabled to sin against me with impunity, and

nobody now feels that he has any duties toward me; everybody does as he pleases and is actuated by base and selfish motives. I have thus lost more than two-thirds of a fortune that was never very large. That is hard, but harder than everything else is my present condition."

It was highly typical of the elector to suggest that he was badly off; in spite of his losses he was still actually one of the wealthiest princes of his time; but if there were spoils to be divided, he did not want to be left out in the cold on the ground that he was rich enough already. The money motive was always the principal one with the elector, and in this matter he had a perfect understanding with his crown agent Rothschild. Rothschild always advised the elector to ask concessions at every possible oppurtunity—as, for instance, that claims on him in respect of the troops should be waived, etc.—and the elector got more and more accustomed to following Rothschild's advice, and scarcely took any important financial step without consulting him.

A sum of £150,000 had been invested as recently as December 18, 1809, in three per cent British Consols from interest received on behalf of the "poor" elector. The business in connection with this transaction naturally entailed voluminous correspondence, for the conveyance of which between Frankfort and Prague Meyer Amschel made himself personally responsible. He traveled in a private post-chaise which contained a secret drawer. The French were anxious to intercept if possible the correspondence between the elector and his Frankfort agents; once they did actually succeed in seizing a letter destined for England which clearly revealed the fact that the Rothschilds were responsible for the management of the elector's funds in that country.[46]

In the meantime an important change had taken place in general European politics. The new personality directing Austria's foreign affairs had brought about a

complete reversal of the policy followed previously. Nothing could be achieved against Napoleon by the use of force, and therefore Metternich tried other means.

Napoleon's marriage with Josephine was childless. His union with an imperial princess would increase his prestige and might produce the heir he so much desired. The hitherto hostile states were thus reconciled by the prospect of a marriage, and in January, 1810, the imperial house of Austria gave Napoleon to understand that if he asked for the hand of Marie Louise, the eighteen-year-old daughter of the emperor, he would not be refused. The contract of marriage was signed as early as the 7th of February.

One of the first to be informed of this complete change in the situation was the Elector of Hesse. He immediately wrote again to Metternich to the following effect: "I am writing to your Excellency trusting to enlist your sympathy for my most cherished desires. The marriage which is to unite the two greatest monarchies causes me to hope that I may regain the Emperor Napoleon's goodwill, if our emperor . . . will but intercede in my favor. One word from him to the plenipotentiary of France will secure my happiness, and will at any rate establish me as ruler of one of the liberated states in Germany, even if I cannot regain my own Penates. . . . Surely that monarch will not be able to resist the intervention of his exalted father-in-law, and of an adored wife on behalf of a prince who has never yet understood how he has incurred his displeasure."[47]

The elector also repeatedly pressed Count Stadion to use his influence with the Austrian ruler in William's behalf. The minister had great difficulty in dissuading him from traveling to Vienna.

Although in these letters the elector gave such a woeful account of his condition, he was faring exceedingly well at Prague. He had bought a palace on the Kleinseite where he held court, and he maintained a house-

hold of thirty-six persons. He had also acquired the magnificent castle and grounds of Bubenetsch, which was finely furnished throughout, but with due regard to economy. The firm of Rothschild carried through the business matters connected with these purchases. The actual state of the elector's affairs was well known at Vienna. The financial affairs of the court and of the public departments were getting steadily worse, and the new friendship with France had done but little to lighten the burdens of debt incurred under the recent peace treaty. In the negotiations between France and Austria the Austrian Treasury official Nikolaus Barbier had been so vehement in his advocacy of Austria's interests that the French plenipotentiary on one occasion actually protested against his being present. This clever financial expert had played a considerable part in all the various loan operations which Austria had had to carry out during these wars.
At that time the imperial state had no business relations with the Rothschild banking firm. There were four more or less official discount houses at Vienna, through which the Austrian government arranged its loans and other monetary business. They were the banking firms, Geymuller and Company, Arnstein and Eskeles and Company, Graf Fries and Company, and Steiner and Company. The Austrian government also dealt with the banking firm of Parish at Hamburg in 1809, in matters relating to remittances and realizations—such were the technical terms used at the time—of English subsidy moneys.

The condition of the Austrian state finances was lamentable. The value of her bank notes had fallen steadily during the wars, and the amount of paper money in circulation had risen to the enormous figure of over a thousand million gulden; it was already necessary to pay five hundred paper gulden for one hundred gulden in coin of the realm, this amount soon rising to twelve hun-

dred gulden. In June, 1810, the difficulties had become so acute that an attempt was made to raise a loan of from two to three million gulden on the contents of the Privy Purse, which were deposited in the Vienna Treasury, this loan to be carried out by the four discount firms mentioned above, on the security of mortgage deeds. The banker Eskeles made a journey to Paris and Holland in order to raise this money.

It was also suggested that the state lottery monopoly should he mortgaged, hut the four banking firms had not great resources themselves, and were not particularly successful in their attempts to raise credits. Eskeles was forced to report from Frankfort that he had no hope of success, "either in raising money or in mortgaging the state lottery."

In these depressing circumstances Vienna remembered the wealthy Elector of Hesse whom it had been treating so shabbily, and it was suggested that he might be persuaded through Rothschild to grant a loan to Austria. Barbier was entrusted with this mission, and discussed it personally with the elector, and also informed Rothschild of the matter. The elector replied evasively. He said that he must first discuss it with his advisers; and Buderus had pointed out to his master that so much money was already on loan with private persons that it was not desirable to make further investments.

Rothschild also advised against producing capital sums of the amount required by the Austrian court, although he felt "that it was not desirable to give the emperor a rebuff. The elector and Rothschild hit upon the idea of suggesting to the emperor that the elector should transfer to him all his individual outstanding claims, and that it should he the monarch's own business to bring the debtors to book. He suggested that the emperor might have more influence and power to effect this, and that he might be able to neutralize any opposition of the French to collecting the debts. The advantage for him

would be that he would then have only one single debtor, the Emperor of Austria.

The elector accordingly wrote to Barbier[48] that he would be happier than he could say if his Royal and Imperial Majesty would take over the debts due to him, mentioned in the accompanying schedule. He stated that he was not in a position to grant a loan in any other way than that suggested, as eighteen months earlier he had purchased Austrian government stock of the value of over a million gulden, and funds in England had been sequestrated. If he recovered from his financial difficulties he would be delighted to be of service to his Majesty.

He enclosed a list of thirty-three different clients who owed him sums in varying amounts, ranging from 784,-848 reichsthalers down to 6,951 reichsthalers. Apart from several princely houses, the names of privy councilors and counselors of embassies figured in these lists, as well as ministers such as Hardenberg, who owed the elector 140,000 thalers. The total value of all the claims amounted to the sum of 5,832,532 reichsthalers.

This proposal, however, came to nothing. The scheme put forward by Rothschild, and approved by the elector, had been too subtle and complicated, and on the instructions of Emperor Francis a reply was sent to the elector[49] declining the offer, on the ground that the collection of the money would be a process too difficult and uncertain, and not consonant with the dignity of the Austrian state. It was also pointed out that the moneys had been attached by the French government, and that to accept a transfer of these obligations would therefore compromise Austria.

Although the proposal was rejected, it had the important result that for the first time a high Austrian Treasury official negotiated with a member of the Rothschild family.

In the meantime important political changes had taken place at Frankfort. Dalberg's Confederation of the

Rhine had exchanged Hanau and Fulda for Regensburg, and the title of Grand Duke of Frankfort was conferred on the overlord. Dalberg's promotion furnished an opportunity to Meyer Amschel, who was in his favor, of proving his gratitude to Buderus for his good offices in the past, by services other than financial.

Buderus had been continually molested by the French police, and Rothschild decided to put an end to this by persuading Dalberg to recognize the electoral official as a deputy of the estates of the Grand Duchy of Frankfort on the occasion of the handing over of Hanau, and also to appoint him director of the finance committee of the diet. He hoped that when Buderus held this official position he would be left in peace.

Dalberg acceded to Rothschild's request. He steered his course very cleverly between the former powers who were now in exile and the new masters at Frankfort. It was very necessary that he should do so, for he could not uproot himself from the city of his birth. All his possessions were there, and the city was the principal commercial and financial center of the Continent. The Austrian ambassador Baron von Hugel reported enthusiastically regarding the increasing prosperity of Frankfort, which had conserved its wealth through all the difficulties of the war period, and had actually grown richer.

"Luxury," he wrote,[50] "has increased incredibly. Cash is turned over much more rapidly. Hospitals, libraries, museums, etc. are provided on the most generous scale; trade and industry flourish, and everyone is full of enterprise."

Hugel emphasized the fact that the city already gave the impression of being one of the pleasantest and most important towns of Germany. "The grand duke," he continued, "takes an active interest in everything. Since I have been here, I have not seen a beggar or been asked for alms. The roses in the gardens are never touched,

and in spite of all difficulties the industry of the tradespeople and bankers is exemplary. In fact their difficulties seem to act as an incentive to further efforts. During the last twenty years there has been no bankruptcy of any note. The volume of goods passing through the city is inconceivably great. Plutocratic standards obtain at Frankfort, and persons are judged by the magnificence of their establishments or by the appearances that they manage to keep up."

Hugel pointed out that Frankfort was a focus for trade between northern and southern Germany, and the gateway to France and Austria; and that no less than eight hundred of its citizens had admitted to possessing unencumbered cash to the sum of 50,000 gulden or more, while some hundreds enjoyed annual incomes of this amount and upwards.

Although this description may have been painted rather rosily, it was, in essentials, in accordance with the facts. There were many people at Frankfort who had grown rich, and the rapidity of the rise of the House of Rothschild to wealth and influence had been particularly marked. In view of the progress of his business, Meyer Amschel now decided to define more clearly its internal constitution; and more particularly to regulate his sons' share with greater accuracy than had been done within the framework of the existing concern.

On September 27, 1810, a new deed of partnership was accordingly drawn up between the father and his sons.[51] The main principle of this contract was that Meyer Amschel gave all his sons a substantial share in the business in order to stimulate their industry. They became, not merely indirectly, but directly interested in its continued prosperity. To mark the change the name of the firm was altered to "Meyer Amschel Rothschild and Sons," and Rothschild conveyed this information to all his business friends in a printed letter, in which he emphasized

the fact that he was now associating his three sons with him in the direction of the business, which had been established for forty years.

The contract assessed the capital value of the business at a total of 800,000 gulden, 370,000 gulden being allotted to the father, 185,000 gulden each to the sons Amschel and Solomon, and 30,000 each to Carl and James, who had not yet conic of age. These shares were allotted to them as their absolute property, and it is noteworthy that Jacob (James) Rothschild, who was barely eighteen years old, was allotted shares to the capital value of 30,000 gulden, as duly earned through the "conscientious carrying out of the business entrusted to him by the old concern."

For the purpose of dividing profit or loss, the business was divided into fifty shares; a multiple of five, having the convenience of facilitating the future division of the business equally between the five brothers, while the smaller fractions made it possible in the meantime to allot shares with due regard to the varying ages and capacities of the five sons. When the time came to divide up the inheritance, each son could acquire an equal fifth share.

On perusing the document, one is struck by the fact that Nathan, who was living in England, is not mentioned in the partnership deed and seems to have been left entirely to his own resources, although he was in close business association with the parent concern, and on the best terms with his family. Under the contract, twenty-four of the fifty shares were for the next ten years to belong to the father, twelve each to Amschel and Solomon, and one each to Carl and James. In point of fact, however, Meyer Amschel was holding the twelve-fiftieths destined for Nathan; but for the sake of public opinion, on account of the French domination, the connection with Nathan, who was living in England, had to be kept secret. We may assume that there was a secret

subsidiary agreement with Nathan, accurately defining his relation to the company. Each partner of adult age was authorized to sign on behalf of the firm. The deed recited that "with the help of the Almighty, Meyer Amschel Rothschild has, through the industry which he has shown from his youth upwards, through his commercial capacity (i. e., business instinct) and through a tireless activity continued to an advanced age, alone laid the foundations of the present flourishing state of the business, and thereby provided for the worldly happiness of his children." It was therefore laid down that the decision in all transactions should remain with him, as being the head of the business. Moreover, he expressly retained for himself alone the right to withdraw money from the capital of the business as he might think fit, whereas the other partners could take out only their annual profits and what was necessary for their households.

It was also laid down that no daughters or children-in-law should have any right to see the company's books. Finally there were provisions against "vexatious litigation," and any partner who set the law in motion was made liable to a penalty for doing so. Before he could appear before the judge he was required to deposit this amount. This article was cleverly designed to lessen the possibilities of disputes between the five brothers; and although they might perhaps have rendered it invalid at law, they fully appreciated its wisdom, and all five solemnly agreed to abide by it.

The deed of partnership gives some insight into the varied nature of the business of the House of Rothschild, and the vicissitudes to which it was liable. As "bad and unrealizable" mortgages, debentures, and outstanding debts of all kinds are mentioned, it is clear that in its numerous undertakings the House of Rothschild sometimes suffered losses and made mistakes. These certainly always brought indirect advantages, as Meyer Amschel

continually emphasized to his sons that mistakes have an educational value, and one must never lose courage.

Meyer Amschel was careful to nurse the old connections which the elector had facilitated for him through his relations in high quarters, and to exploit them for the benefit of his house. Whereas previously he had acted as the middleman between the electoral lender and Denmark, he offered as early as December, 1810,[52] a loan of 400,000 thalers to Count Schimmelmann, the Danish finance minister, which loan was to be advanced, not by the elector, but by Meyer Amschel Rothschild and his sons. It was another step towards his gradual financial emancipation from the elector, although, having now arrived at the point of doing business on his own account, he continued to apply in his own interests the business principles so well proved by William of Hesse.

Rothschild carefully watched the general political situation. Though by reason of his personality and origin, and his ignorance of language, he could not possess those qualities which are normally required in a diplomat, he had a sagacious understanding of human nature, entirely free of any preconceived ideas or prejudices. This was of particular advantage in a world which, at the time, was politically topsy-turvy. One really had to be a consummate diplomatist in order to carry on one's business without causing offense, either to the French or to the powers which they were oppressing.

As long as Napoleon's star was in the ascendant, the Rothschilds acted as if they were well disposed to France and her ruler; they lent money both to the French and to the native authorities, delivered flour to friend and foe alike, and hoped to be left entirely unmolested by Napoleon. They felt, as we know today, more secure than they really were. They were running great risks, for instance, in their commerce, or rather illicit trade, in merchandise with England.

It was not till some time after the proclamation of the

continental blockade that Napoleon realized that it inflicted hardship not only upon England but upon France, as France thereby lost her best customer, and the cost of living in that country rose much higher. He accordingly issued various decrees modifying the strict provisions of the continental blockade, so as to permit of a kind of official smuggling under departmental supervision, and also to allow the import of colonial goods on the payment of a very heavy duty approximating fifty per cent of their value. In spite of these alleviations, smuggling was carried on on a large scale, and its direction was naturally concentrated in the commercial city of Frankfort. Napoleon had sent his own spies there, and on receiving their reports he decided to take more active measures against Frankfort.

Buderus had just decided to give to the young crown agent, Carl Rothschild, who was about to attempt to bring to Prague the property which the elector had left in Schleswig, the final account for the year 1807, which the elector required. The official stated[53] that he was not inclined to venture on the journey himself, because he was too closely watched, and feared a further arrest, and the possible confiscation of all his property.

His letter also contained news that would be welcome to his avaricious master. "After long arguments, and as the result of great efforts," he stated, "I have persuaded the crown agent, Rothschild, in effecting the third investment of £150,000 sterling, to charge one-quarter per cent less commission, so that he will deliver the stock for 73 3/4, involving a saving of £4,521. . . . The younger son of Crown Agent Rothschild will bring over the document relating to the first purchase of stock, as soon as means can be found for sending it safely."

But this could not be carried out so easily; Napoleon's anger because Frankfort did not respect his blockade regulations against England led to more stringent regulations, and Buderus was forced to change his plans com-

pletely. "The crown agent, Kallmann Rothschild," he wrote on November 2, 1810,[54] "should proceed to Prague at once, as several French regiments with artillery have come into the town, as well as a host of customs officials. All the gates have been occupied, and nobody is allowed to pass out without being closely inspected; all warehouses have been sealed, and an extensive search for English and colonial goods has been instituted, severe penalties being indicted when such goods have been discovered.

"The extent of the general confusion and distress which this has caused beggars descriptions. I myself have taken every conceivable precaution, and I feel justified in stating my absolute conviction that the sons of Crown Agent Rothschild deserve the highest praise for the tireless industry and zeal which they have shown in their devotion to your Electoral Highness. Fresh proclamations have been issued, promising a reward of fifteen per cent for information regarding the investment of your Electoral Highness's funds, and the number of spies and traitors under every guise is so great that it is impossible now to trust anyone. From this mild account of conditions here you may graciously be pleased to infer that it would be as impracticable for me to leave as it was formerly to transport the effects in custody at Gottorp. I shall arrange for Crown Agent Kallmann Rothschild to start as soon as it is possible to get a package out of Frankfort."

On instructions from Paris, a general domiciliary search for concealed English-manufactured goods had been ordered at Frankfort. The city which had just been described in such glowing colors by Hugel was now in a panic. Naturally the business House of Rothschild was also affected by this measure. A list was drawn up of two hundred and thirty-four tradesmen who had to pay the heavy duties prescribed for the colonial wares which were discovered.

Meyer Amschel Rothschild was the sixty-eighth name

in this list,[55] and was made liable for a payment of 19,348 francs, which was certainly not a very large amount compared with the sums payable by other tradesmen. Hebenstreit, for instance, paid nearly a million francs, and Bethmann 363,000 francs. Altogether the French collected a total of nine and a quarter millions on the colonial stores discovered at Frankfort. Half the amount payable by Rothschild was for indigo. In view of Meyer Amschel's relations with the grand ducal government and his cleverness at concealment, we may assume that his actual stores of colonial goods were much greater, and that through his connections he substantially reduced the amount which he ought to have paid. Nevertheless this sudden incursion, personally ordered by Napoleon, had distinctly alarmed him.

Meanwhile the elector at Prague had received Buderus's letters, and sent the following reply to his trusty official:[56] "It is a special satisfaction to me that you have induced the firm of Rothschild, in view of the prospect of the further investment of £150,000, to reduce their commission by one-quarter per cent.

"In view of further representations made by the crown agent Rothschild, and having regard to the favorable price, I have decided to increase this investment by a further £100,000 . . . but on the understanding that I shall pay this amount in instalments, and that I am not to be worried about it in any way. At the same time you are to see that the document regarding the first investment reaches me as soon as possible, and that I receive the others shortly afterwards. I note with pleasure that the House of Rothschild has shown its traditional devotion to me even in the present catastrophe at Frankfort. You will kindly convey to them my satisfaction and gratitude."

Meanwhile the Emperor of France had just experienced one of the happiest hours of his life. On March 20, 1811, Marie Louise had presented him with the son

and heir he so much desired. The baptism of the French heir, who had been created King of Rome while still in his cradle, was an occasion of unexampled splendor and magnificence. From all their domains, princely personages swarmed to the festivities, to take advantage of the opportunity of expressing their allegiance to the mighty monarch.

The Grand Duke Dalberg, in Frankfort, also desired to go to Paris to do obeisance, but there was a formidable obstacle in the way of his doing so. The journey was very expensive, and Dalberg could not visit Paris except with a retinue such as befitted his rank. But he had no retinue, and in the first instance he turned for assistance to the association of Frankfort merchants, requesting them to lend him eighty thousand gulden for the journey to Paris.

The merchants, who disliked the Napoleonic regime, and could not agree as to the proportions in which the money should be subscribed, declined the request. Dalberg had not applied to Rothschild in the first instance, because he thought the amount was too heavy for a single individual to advance. Meyer Amschel learned of the grand duke's wish, and voluntarily offered to advance him the sum at five per cent. Dalberg could now proceed to Paris.

While Rothschild had always enjoyed Dalberg's favor, this clever action gained for him the full confidence of the grand duke, as is indeed specifically stated in a later French police report regarding the Rothschild family:[57] "Through meeting him in this matter he was so successful in gaining the grand duke's confidence, and secured himself so thoroughly in his good graces, that henceforth the grand duke scarcely ever refused him any request."

He asked for instance for a passport for young James, who was then nineteen years old, and who was sent through Antwerp to Paris, straight into the lion's mouth. His presence was necessary there in connection with cer-

tain illicit business that Nathan was carrying out from England, which will be described in more detail later. For the present it will suffice to state that James actually arrived in Paris on the 24th of March, 1811, took up his quarters at 5 rue Napoleon without being hindered, and duly reported himself to the police.

At this time the Rothschild family were kept very much on the move. Apart from their own business, all the members of the family who were capable of traveling were constantly on the road, in order to transact personally the important business of the elector at various places. This is most clearly revealed in the correspondence between Buderus and the elector.

"Young Rothschild," he wrote from Hanau to his master on April 7, 1811,[58] "is actually on his way to London to fetch the certificates of title regarding your investment of capital. He can take the packet of letters with him. His father will gladly make an effort to get the things away from Gottorp . . . and is already making inquiries on this matter. On my advice Crown Agent Rothschild has called in the capital payment due at Copenhagen, and has received 159,600 gulden. Will your Electoral Highness graciously permit me to convey to Crown Agent Rothschild your Highness's satisfaction regarding his manifold activities on your behalf? I am informed by Crown Agent Rothschild that the Prague police have discovered the secret drawers in his carriage. I have therefore thought it advisable not to send my account for last month with the other documents, on this occasion, as it cannot be concealed under the clothes as letters can."

The elector rewarded such news with expressions of genuine satisfaction, and agreed that Rothschild should be acquainted with his satisfaction with him. He was, however, still concerned about the money which he had invested in English stock, in respect to which he had not yet received any document of title. "I feel a real long-

ing, which I think is justified," he replied to Buderus,[59] "to see the documents regarding the investments. ... I had not been informed that the police here had discovered the secret hiding-place in the carriage. In any case there is no reason to expect anything untoward from that quarter."

Buderus was unceasing in his efforts to exalt the Rothschild family in the opinion of the elector, and to represent all other business houses as unreliable or less accommodating. This was shown in the case of a transaction of earlier origin. The elector had transferred to Meyer Amschel Rothschild and two other Jewish bankers from Cassel an amount of a million Dutch gulden due to him in Holland. In accomplishing this various technical difficulties arose which delayed the payment of the sum in Holland, while the transferees of the debt had already paid out the greater part of the sum involved. Before making further payments, they naturally asked the elector for a guarantee.

In righteous indignation Buderus reported this to his master:[60] "The worst of this business is that it was not entrusted to one single business firm. . . . The agents Stuben Hesse Goldschmidt and the heirs of Michel Simon are most ill-disposed toward your Electoral Highness. Levy, Simon's son-in-law, who manages the business, has gone to such extremes that, as I know for certain, he caused the recent arrest of myself and Rothschild, and furnished the police commissary with the questions on which we were cross-examined with extreme severity."

Buderus how proposed that the Cassel Jews should be made to retire from the business, and that the matter should be entrusted to Meyer Amschel Rothschild alone. The elector concurred in this proposal, and replied as follows:[61]

"I have read with great interest the reports regarding the Dutch loan of a million gulden. . . . You are quite right in holding that it is essential to keep the Cassel

Jews out of this business (although I have always regarded Goldschmidt as an honorable man). ... I fear that these Jews will not trust the Frankfort agent (Rothschild) and will imagine that there are heavy profits at issue, and demand high compensation for retiring."

In the end the elector left the whole matter to Buderus, and he accordingly put it all in Rothschild's hands.

In general, however, the elector was again in an exceedingly bad mood, first, because Rothschild had still not succeeded in bringing his property from Holstein to Prague, and secondly, because he had received a report from Buderus regarding an electoral loan which had been made to a family called Plettenberg through the intermediary of Prince Wittgenstein, the recovery of which seemed highly doubtful. He was also annoyed by a suggestion made by Buderus that he should again take part in Frankfort loans, of which he had had such an unfortunate experience. It was in a highly nervous condition that he awaited the documents regarding his investment in English stocks, which had not yet come to hand. This mood found expression in an exceedingly angry letter, in which the elector notified the cessation of payments to Rothschild in respect to the English stocks, thereby causing a positive panic in the Rothschild-Buderus firm.

In the course of this letter he said:[62] "After all, my trunks and chests in Holstein contain something more than clothes; there are Hessian debentures, and accounts of various kinds, and a chest containing silver. I will arrange to have them brought to me here direct, for I am weary of giving instructions in this matter to the House of Rothschild year after year.

"I shall dispatch the draft letter to Prince von Wittgenstein, regarding the Plettenberg loan affair, but do not expect that it will have much result. The whole business is a network of intrigue, and I am absolutely determined to sacrifice everything rather than involve myself

further with that prince. He has behaved in a shockingly irresponsible way toward me.

"I am not inclined to take part in the Frankfort subscription loan. I am sick of all loans, and I really prefer to have my money lying idle."

Nothing had yet arrived from London, a fact which particularly exasperated the elector. "I am exceedingly worried about this matter," he wrote, "and am most eagerly waiting to hear what you have to say. In the meantime you are to cease making any further payments with respect to these stocks, neither are you to invest in them any further English interest payments. I am still waiting in vain for the documents regarding the capital which I have invested; and in spite of all the confidence which I have in Rothschild, I cannot tolerate this delay any longer. Neither has the registration of the older stocks been effected yet. Lorentz is constantly and emphatically reminding you of this matter. You must see that he is kept fully informed of all my financial affairs in England, and especially of the investments effected through Rothschild, in order that he may keep an eye on them as it is his duty to do, as my charge d'affaires. You are to see to this without delay."

The elector's fears had been increased by letters from Lorentz, his plenipotentiary in London, who was offended because he had not been taken into the confidence of Buderus and Rothschild in the business which they were transacting for the elector in England. He had suggested to his master that England might conclude an unfavorable peace, which would cause a heavy fall in British stocks, and therefore advised the sale of the securities which had only just been purchased.

Buderus replied to his master in a very injured tone,[63] stating that in accordance with instructions he had stopped payments to Rothschild with respect to the new purchases of stock. He enclosed Rothschild's explanation, which set out the enormous difficulties in the way

of undertaking journeys to and from England and safely conveying documents and letters in a time of war and blockade.

Buderus strongly indorsed the remarks of his Frankfort partner.[64] "In my opinion," he wrote, "his judgment is sound and his request is justified. ... I have not yet informed War Councilor Lorentz of the investments made by Crown Agent Rothschild. It is not desirable that such information should be too widely known." He added that if the elector's instructions in this matter were not countermanded he would forthwith carry them out. . . . "The bank of Riippell and Harnier," he continued, "is, not to put too fine a point upon it, filled with absolute rage against your Electoral Highness. Although they owe their fortune entirely to your Highness, they behave like madmen, instead of keeping quiet as they ought, and doing their duty by their customers, whom they serve for profit."

In a second letter Buderus wrote: "Rothschild is unjustly accused of having, from motives of secret advantage, delayed the Dutch business, which is probably to the great detriment of your Highness's interest; for it is Rothschild alone who has collected such sums as have reached your Electoral Highness, while the other bankers have made no effort whatever in the matter." [65]

Meanwhile one of the younger Rothschild brothers (probably Carl) arrived at Prague with a detailed report from Buderus, in which that official strongly urged his master not to jeopardize the business of the English investments, which was proceeding so well. Young Rothschild employed all his powers of eloquence to persuade the elector to revoke his veto regarding further payments. He thought that he had gained his object, and wrote to Buderus from Prague, stating that the elector had graciously agreed to continue to invest in British stocks the interest received in England. Buderus thereupon immediately resumed his payments to Rothschild

on the elector's account, until he received an instruction from his master, dated December 9, 1811, which did not confirm Rothschild's premature conclusion. Thereupon Buderus made a further effort to impress upon his master that it was in his highest interest finally to cancel the veto on further payments, since otherwise the Rothschild banking firm would be faced with a severe crisis.

"It is my duty," he wrote,[66] "to bear witness to the fact that the Rothschild bankers have not failed to make every possible effort to obtain the certificates of the investments, and your Electoral Highness can have no conception how difficult it is to send important documents between here and London. If your Highness will consider the dangers that would arise if such a document were to fall into the wrong hands you will surely realize that all precautions which human ingenuity can devise must be taken in order to reduce to a minimum the chances of such an occurrence.

"The withholding of further payments to the Rothschild bankers has not increased their efforts to obtain the documents, as these efforts could not be increased. Directly after his return from Prague, the young crown agent Rothschild traveled to the seacoast in order to seek an opportunity for bringing over these documents. He did not feel secure in a Dutch village where he was staying, and went across to Dunkirk, where he has to furnish daily to the police department a satisfactory reason for his living there. According to his last letter, he expects the documents to arrive at any moment and he will then hasten here without any loss of time.

"The power of attorney sent to the bankers Van Notten, under date October 28, 1810, authorizing the transfer of the old stock (under another pseudonym) has been recovered. After leaving Amsterdam, the ship was driven back to the coast, and my letter was delivered in a Dutch village, where a reliable acquaintance of the

banker Rothschild has kept it until now. The young crown agent Rothschild has now taken advantage of a favorable opportunity to forward it, and has received an assurance that it has safely reached the other side of the Channel."

Finally, young Rothschild, who had traveled to London, succeeded in smuggling over to the Continent a certificate for £189,500 sterling, and this was immediately forwarded to the elector. William now again consented to the interest on his capital being used for effecting further investments, after noting with satisfaction that the House of Rothschild, which had been highly nervous about retaining this business, had reduced its terms, and declared that it was now willing to deliver the stock for 70 per cent commission. The elector expressed his pleasure in conveying this information to Buderus, and concluded his letter by saying:[67] "I do not fail to realize the difficulties involved in communicating with London, and am therefore exceedingly happy to be in possession of the certificates for £189,500 sterling."

The elector also expressed the wish that one of the brothers Rothschild should reside permanently at Prague, but this Buderus had to refuse. The operations of the family were already so extensive that, with the best will in the world, it was impossible to accede to this request. Buderus wrote to his master:

"Flattering though the suggestion is that one of the Rothschild sons should be allowed to reside permanently in the neighborhood of your Electoral Highness, it is no less impossible than flattering. Their father is old and sick. His eldest son, Amschel Meyer, and his second son, Solomon, who is also delicate, are indispensable to him in his extensive operations. The third son, Carl, is almost continually engaged in traveling in the service of your Electoral Highness, while the fourth son, Nathan, is very usefully established in London, and the youngest,

James, spends his time between London and Paris. They have declared to me that they will spare no effort to carry out your Highness's commands."

The continental blockade was naturally the chief cause of the great difficulties in the way of communications with England. This question had indeed become the crucial problem in general European politics. At Erfurt the opinion had obtained for a time in 1808 that Napoleon and Alexander of Russia would be able to share the dominion of Europe between them. The Emperor of France had particularly in view that he might finally be enabled to subdue England with the assistance of Russia.

For this purpose it was essential that Russia should unconditionally adopt the continental blockade; but the tsar never contemplated sacrificing all his trade with England for the sake of Napoleon. On the contrary, he facilitated the import of goods by sea, and goods of English origin could now easily find their way to other continental states via Russia. Thus the effectiveness of Napoleon's measures was endangered, and as early as the summer of 1811 it was obvious to the whole of Europe that a complete breach between the two most powerful continental states was inevitable, and that war was now only a question of time.

The Napoleonic police consequently applied a much more rigid censorship to all correspondence and secret agreements in territories subject to French rule. Anything addressed tb the ruling family of Hesse was subjected to a particularly close scrutiny. A letter dated Frankfort, November 1, 1811,[68] which carelessly mentioned Meyer Amschel's name in two places, and was addressed to the elector's brother, Landgrave Karl, fell into the hands of the French. In one passage the unknown writer acknowledged the receipt of a letter from the landgrave, through the good offices of Meyer Amschel, while another passage read as follows:[69]

"I deliberately read to Rothschild, in his sons' presence, the passage in which your Highness speaks of them so kindly and graciously. They were all delighted."

It was clear from the context that the letter referred to the Tugendbund of which the landgrave was a member, and it was a question of payments which Rothschild had to make on the landgrave's behalf. This letter was immediately forwarded from Hamburg, where it had been intercepted, to General Savary, the commissioner of police at Paris, who instructed Baron Bacher, the French ambassador at Frankfort, to furnish any light he could as to the implication of the letter and the parts played by the persons mentioned in it.

Baron Bacher suggested[70] that they should not proceed against the family Rothschild by domiciliary search and arrest as in 1809, but should act with greater cunning. The House of Rothschild and the other agents of the elector should be lulled into a complete sense of security; their letters should be skilfully opened, copied, and then forwarded. In this way Bacher hoped in a very short lime to familiarize himself with their network of intrigue in all its complicated ramifications.

The chief commissioner of police also asked for a report from his commissioner at Mainz, and the letter informed him[71] that the House of Rothschild had formerly been exceedingly active in the trade of colonial goods and English manufactures. But since they had been subjected to a domiciliary search and had had their English goods sequestrated, they had occupied themselves principally with banking business, and commerce in goods confined to the Continent. The Mainz commissioner added that the head of the House was not friendly toward France, although he pretended that he was sincerely attached to that country.

Bacher's advice was taken. The brothers Rothschild were most carefully watched by agents of the French Imperial State Police, both in Frankfort and in France,

where they were amongst those who carried on illicit trade with England subject to departmental authorizations; at the same time they were on the best of terms with Dalberg's Frankfort police, although this force was also subject to Napoleon. Dalberg's police commissioner, von Itzstein, who although a Jew, was director of the police of the grand duchy, was a particular patron of Meyer Amschel and of all the Frankfort Jews.

Meyer Amschel Rothschild had long cherished the idea of exploiting Dalberg's friendly feelings for the Jews in the interests of the fellow members of his faith who had formerly been so oppressed, and incidentally of his own family. It is true that a new "status" proclaimed by Dalberg had somewhat improved their condition, but it involved no essential change. For example, the number of Jewish families tolerated remained at five hundred. "Five hundred, only five," indignantly wrote a certain Israel Jakobsohn. "Why not more, and why not less?"[72]

Dalberg, seeing that he could exploit this situation and do a good business deal, allowed Meyer Amschel and his partner Gumprecht to persuade him to commute the annual amount of 22,000 gulden payable by the Jews, into a lump sum, and to grant them the rights of citizenship in Frankfort, thereby making them the political equals of the Christians. At the same time, the Jews were granted their own governing body, known as the "Governing Body of the Israelite Religious Community." Police Director von Itzstein was nominated president, while the other members of the committee were chosen from amongst the most prominent Jews in the town.

In the course of his efforts Meyer Amschel let Dalberg infer that the Jews were prepared to make financial sacrifices, and in the end Dalberg demanded that they should commute the annual payment of 22,000 gulden by a single payment of twenty times that amount. This was a

substantial amount of money, but one that the Frankfort Jews could produce, especially as Meyer Amschel alone advanced 100,000 gulden, or almost a quarter of the total sum. He also managed to arrange that only 150,000 of the 440,000 gulden should immediately be paid in cash, and that for the balance twenty-four bearer debentures would be accepted. Jewish circles awaited with considerable suspense, the conclusion of these arrangements, which were so important for their future. If the proposal went through, Meyer Amschel wanted to be the first to bring the good news to the fellow members of his faith.

As he was constantly being begged for information by members of the Jewish community, he requested a recorder of the province, who was friendly to him, to let him have the earliest possible information: "I should be most pleased," he wrote to him in his peculiar German,[73] "if I could be the first messenger of the good news, as soon as it has been signed by his Royal Highness, our most excellent Lord and great Duke, in our favor and that I can inform my nation of their great joy, will you graciously inform me of it through the post, I confess I abuse your goodness and grace, but I do not doubt that your Highness and your honored family have to await great heavenly rewards and will receive much happiness and blessing . . . because in truth our whole Jewry, if they have the happiness to obtain equal rights, will gladly pay with great pleasure all dues that the citizens have to pay."

After some time the matter was put through, and aroused as much enthusiasm amongst the Jews as indignation in the senate and amongst the patrician families, who were hostile to them. It was at once suggested everywhere that Dalberg had received money personally, in addition to the sum publicly mentioned. In this connection pointed remarks were made about the fact that Meyer Amschel and his sons had been appointed official

bankers to the grand duchy and that Meyer Amschel had been made a member of the Electoral College of Frankfort. A member of the Austrian Secret Police actually claimed that he knew the amount of the sum, namely 33,000 karolins, which Dalberg had received for his good offices.[74]

The Jewish community certainly had every reason to be grateful to the aged and infirm Meyer Amschel, who had never completely recovered since his operation, and yet still had the energy to apply all his influence and money to secure this improvement in their status. The debentures, to the value of 290,000 gulden, were immediately brought into circulation. One of them, of the value of fifty thousand, was acquired by Dalberg's finance minister, Count Christian von Benzel-Sternau; eight debentures of ten thousand gulden each were taken over by Herr von Bethmann, while the greater part of the amount paid by the Jews in cash went direct to Paris as a payment on account of the electoral domains in Fulda and Hanau, which had been seized by the French, and which Dalberg had repurchased on taking over these two principalities.

The grand duke immediately sold the domains again to private persons for earnest money of three and one-half million francs, payable by instalments, a transaction which, when concluded, would yield 190,000 francs more than France had received for the domains.

When the bargain was concluded Dalberg declared, with somewhat premature joy, "A transaction concluded in so masterly a manner deserves a reward," and rewarded the ministers who had been principally employed in the transaction, and their wives, with presents of 40,000 francs each. In the letter regarding this matter[75] he stated:

"Since I am determined to gain nothing by this business except the welfare of the state, there are still 70,000 francs available out of the 190,000 realized. Of this

amount I give 10,000 francs to Privy Councilor von Itzstein as a reward for services rendered in converting into cash the debts of the Jews to the state. I give 10,000 francs to the House of Rothschild for their excellent cooperation. I shall leave the remaining 50,000 francs with the House of Rothschild, as a part payment of what I owe them." [76]

The senate of the city of Frankfort, and the exiles who had formerly been in power, observed these events with concern and ill-will, and were firmly determined, if matters should take a different turn, to do everything possible to undo what had been done. Meyer Amschel's conduct had made him by no means popular with the former authorities of the city; but for the time being they had to look on in impotence, and allow him and his protector Dalberg to have their way.

It was with the greatest suspense that they watched the course of general European politics. The points at issue between Napoleon and Russia had already almost resulted in war. Napoleon collected the Grande Armee, the greatest host that Europe had ever seen, in order to subdue the last independent monarch on the Continent. At Dresden he gathered his dependent princes about him at a great court ceremony, and his imperial father-in-law Francis of Austria was also present on that occasion. The elector in Prague had again begged Francis to avail himself of the favorable opportunity for pleading his cause with the Emperor of France. Emperor Francis was used to such appeals, and paid no further attention to the letter. While the great drama of the Russian campaign was being enacted, the elector remained at Prague, and awaited the outcome of events in a state extreme anxiety.

Napoleon's army was advancing steadily toward the heart of the Russian Empire, although it was certainly suffering enormous losses. Out of an army of four hundred thousand men, scarcely one hundred thousand en-

tered Moscow. But all that Europe saw was the victorious advance. Owing to the prevailing conditions it was weeks, even months, before further news reached Frankfort. The merchants of that time could not adjust their affairs to events as speedily as scientific discoveries have now enabled them to do.

Meyer Amschel Rothschild's attitude was entirely determined by his sense of the overwhelming power of the Corsican, who was now at Moscow, when the reopening of his old wound quite unexpectedly brought him back to his sick-bed. He did not live to see Napoleon's complete failure in Russia, to be followed a year later by his defeat in Germany, which was followed by the return to his Hessian domains of Rothschild's lord and master the elector.

On September 16, 1812, a high Jewish Feast Day, the so-called "long day" which is set apart for the pardoning of the penitent sinner, Meyer Amschel had been fasting, in accordance with his strict religious principles, and spent many hours standing in the synagogue, sunk in prayer. The same evening he felt severe pains in the region of his wound. He was immediately put to bed, but his condition grew worse. He had violent attacks of fever, and he felt that death was approaching. Thereupon he determined, while he still had the strength in him, to order his affairs, and to make a new will adapted to the most recent developments, to take the place of the earlier will which he had made.

In doing so he was giving effect to an agreement which he had made with all his children, and in accordance with which he sold to his five sons all his shares in the business, his securities and other possessions, as well as his large stocks of wine, for the sum of 190,000 gulden, which of course was far below their real value. His sons were henceforth to be the exclusive owners of the business, and it was clear, although not definitely stated,

that after their father's death any inequality in their shares ceased, and each of the five sons henceforth possessed ten-fiftieths, that is, a fifth share, in the business.

The will completely excluded the daughters and their husbands and heirs from the business, and even from all knowledge of it. Meyer Amschel applied the purchase price of 190,000 gulden as follows: he granted his wife Gutle a life interest in 70,000 gulden; the remainder he divided amongst his five daughters. This arrangement served a double object. First, it made it unnecessary on his death to declare to the officials the enormous value, for those times, of the business that was divided between the five sons, and to put the capital bequeathed at the modest figure of 190,000 gulden. Secondly, the business was secured absolutely to the five sons, safe from the possibility of any interference from the sisters and their relations.

The will concluded[77] by enjoining unity, love and friendship upon the children, and any undutiful child that showed an intention of rebelling was threatened with the penalty of inheriting no more than the legal minimum, which was only to be reckoned on the basis of the 190,000 gulden, from which would have to be deducted anything that the child in question had received during his life.

When Meyer Amschel drew up his last will there cannot have been more than two of his five sons, namely Amschel and Carl, at Frankfort, for Solomon was living in Paris, and James, who was maintaining communication between Solomon and Nathan in England, was living at Gravelines on the Channel coast in the Department Pas-de-Calais. These facts, proved as they are by French police records, and the records of vises issued, are fatal to the well-known legend, according to which Meyer Amschel gathered his five sons about his deathbed and divided Europe amongst them. Moreover, his ill-

ness had come on quite suddenly and developed so rapidly that the idea of recalling the sons who were abroad could never have been considered.

When Meyer Amschel had thus done everything that lay in his power to secure the future prosperity of his House—which, it is true, he considered in terms only of financial gain—and by clear and simple provision to maintain unity and peace amongst his numerous family, he could look death calmly in the face. Two days after he had completed his will, on the evening of September 19, 1812, his old complaint took a marked turn for the worse. The alpha and omega of medical practice of the time was to let blood, a procedure which simply served to weaken old people who were very ill, instead of giving them relief. At a quarter past eight on the evening of the same day, Meyer Amschel Rothschild, the tireless, cunning, simple, and religious Jew, and founder of the banking firm M. A. Rothschild and Sons, was no longer to be counted amongst the living.

In his last hours he was fully aware that he was leaving a fine inheritance to his sons, but he certainly could not have guessed that he had laid the foundation of a world power which during the first half of the nineteenth century was to exercise an unparalleled influence throughout Europe, and was to maintain this influence almost unimpaired throughout the changing conditions of the second half of the century.

CHAPTER III

The Great Napoleonic Crisis and Its Exploitation by the House of Rothschild

SINCE the French Revolution, the Continent of Europe had been continuously suffering from the turmoil of war, while large territories were subjected to the horrors of the actual battles between the opposing armies. On the other hand, sea-girt England, although she exerted a powerful political influence upon the continental groups, was able to devote her principal attention, practically undisturbed, to the development of her commerce and the prosperity of her citizens.

Through his financial reforms which had assisted the capitalistic development of the state, the younger Pitt had brought order into Britain's internal affairs and thereby made it possible for England, out of her growing wealth, to advance very considerable sums of money to her allies, who were waging war on the Continent with the wealth and the blood of their citizens. Towards the close of the eighteenth century England was indisputably the most important commercial power in Europe, and the House of Rothschild had made an exceedingly clever move in arranging that one of its sons, and the most talented one at that, should take up his residence in that kingdom.

Nathan had first settled in Manchester, the center for the manufacture of all kinds of cloth, as he had long had business connections with that city. In view of the numerous armies that had to be clothed, the cloth trade offered opportunities of making exceptional profits. The sum of money he brought with him—£20,000, which con-

stituted a very respectable capital sum in those days—gave the stranger an assured position from the start, although he could not speak a word of English. Nathan, therefore, came to Manchester, not as a small tradesman, but as a fairly important representative of an established commercial firm on the Continent, with money at his command.

He entered upon his commercial activities with all the enthusiasm of youth, at the same time showing a business acumen remarkable in one so young. He first carefully studied his environment, and his neighbor's methods of making money, and ascertained that profits were made on the purchase of the raw materials necessary for the manufacture of cloth and on the issue of these materials for dyeing purposes, as well as on the sale of the finished article, each of these activities in England being the province of a separate merchant.

Nathan determined to secured for himself the profit at each stage in the process.[1] He bought the raw materials on his own account, had them dyed, and then gave them out to undergo the further processes of manufacture, and finally himself handed them over to the trade. Nathan did not confine himself exclusively to cloth. He bought everywhere, and anything that he thought was good and cheap. Thus he bought all kinds of fancy goods, as well as colonial produce such as indigo, wine, sugar, and coffee. He was not troubled about finding a market, as the parent firm at home required all these things.

The capital which he brought with him was soon doubled and trebled, while his father and brothers derived the greatest benefit from Nathan's presence in England. He enjoyed the life in that country, which struck him as extraordinarily free and unfettered, compared with the oppressive conditions in Frankfort.

As his business grew, Nathan naturally began to establish contact with the capital, which is the heart of Great Britain, and in which all the financial interests of an

extensive empire are concentrated. Determined to settle in England for good, he left Manchester in 1804 for London, where he would be in closer touch with those political developments which were producing such profound effect upon commercial life. He realized at once that the fact that he was a foreigner was a great handicap in business, and therefore, as early as the summer of the year 1806, he applied for naturalization as a British subject. His wish was readily granted, as the applicant had resided for six years in the country, and even if he had not yet attained a very prominent position in the business world, he was already honored and respected. Favored by the keen demand for goods on the Continent, Nathan carried on his business in London with great success, until the year 1806. His intimate experience of English life and character, and his sympathy with the spirit of resistance to Napoleon's plans of world domination which inspired the whole country, soon caused him to adhere completely to English modes of thought. But he avoided publicly identifying himself with any political cause which might have damaged his family Frankfort, and all his actions were guided first and foremost by business considerations.

Nathan was now twenty-nine years old, and was contemplating marriage. He had made the acquaintance of the daughter of a rich Jewish family. Her father, who had emigrated from Amsterdam, had several small business dealings with Nathan, but their relations had not been sufficiently intimate to enable him to form an accurate estimate regarding the suitor's financial position and general business qualities. The fact that Nathan was living abroad made investigations of this nature more difficult. Nathan, however, with skill and directness, managed to set his future father-in-law's doubts at rest, while the information which the latter obtained from Frankfort confirmed the fact that the Rothschild family were prosperous and respected. Nathan gained

his object, and through his marriage was enabled to increase his own fortune by the amount of his wife's substantial dowry; his position was also strengthened by the influence of a father-in-law who was a wealthy and respected merchant in the City of London.

Moreover, his wife's sister Judith Cohen shortly afterwards married the rich and well-known Moses Montefiore, who was thus brought into close association with Nathan, and whose energy, foresight, and sound business sense in regard to all the vicissitudes of the continental wars, which so intimately affected financial operations, Nathan had constant occasion to admire.

Nathan had as yet nothing to do with the elector's investments in England, although his father at Frankfort was endeavoring to get him this business, and had repeatedly urged him to cultivate relations with the elector's plenipotentiary in London. The intimations of the elector's wishes, hitherto received by Count Lorentz, had not been favorable to such an arrangement, but this in no way discouraged Meyer Amschel at Frankfort, or Nathan in London, from continuing their efforts. As has already been stated, the elector soon changed his opinion, and we are now entering upon the period of the investment of large sums in English stocks, as recommended by Nathan. In view of his intimate relations with Meyer Amschel, the elector could not continue to object to the employment of his son Nathan in transacting the business in London.

Another factor in Nathan's favor was the difficulty of getting possession of the documents certifying the purchases of stock, this being not so difficult for Nathan to arrange, in view of his numerous Jewish and non-Jewish connections. Thus Nathan came to be interested in the enormous financial operations of the elector, and as considerable periods of time could be made to intervene between the purchase and the payment of the securities, he sometimes had temporary control of very substantial

sums of money, which he could employ in safe, short-term transactions, such as, for instance, the purchase of bullion, which was constantly rising in value at that time. It was not known in England how Nathan came to have such sums of money temporarily at his disposal, for the purchases of English stocks on the elector's account were officially made in the name of Rothschild, and apparently for the benefit of that firm, as the elector's funds in England had already been sequestered once.

The credit of the House of Rothschild and of Nathan certainly gained greatly from these enormous purchases, and he came to be entrusted with transactions which, even if he could not immediately meet his obligations in cash, he did not like to lose, as they offered good prospects for the future. Nathan was particularly skilful at exploiting the abnormal conditions of the period, conditions such as always give those with a gift for speculation an opportunity of enriching themselves, while those who stand by passively are reduced to poverty. Through his continental blockade, Napoleon had revolutionized the whole commercial outlook of England; then, recognizing that his measures had a boomerang effect, he modified them, and actually negotiated with the smugglers, whom the English government encouraged with prizes for breaking through the Napoleonic blockade. The decree of June 15, 1810, practically officially regularized this illicit trade. Certain goods that were required in France, and then gold and silver, were allowed to be brought to France in limited quantities, French products being sent to England in exchange. In order to prevent the smuggling of undesirable articles, there was a special railed-off enclosure at Gravelines for the officially recognized smuggling, the captains of smuggling vessels being required to remain exclusively within this enclosure, and to load and unload their goods under police control.

Nathan took advantage of this officially sanctioned

commerce between England and hostile France, to do business on an extensive scale, both on his own account and on account of the parent firm at Frankfort. But it soon became apparent that it was essential to have an absolutely reliable man at Paris too, to deal with this business. Nathan had written to Frankfort to this effect, and old Meyer Amschel had decided to profit by his good relations with Dalberg's French regime at Frankfort to obtain a Paris passport vise from the French officials for one of his sons, to whom alone he was prepared to entrust so important a position, and also to obtain a letter of recommendation for him to one of the higher French Treasury officials.

A particularly favorable opportunity for this occurred when Dalberg set out for Paris in March, 1811, with the money advanced by Rothschild. It is certainly no mere coincidence that, according to the French police records,[2] James, who was then nineteen years old, started to Paris via Antwerp, and took up his residence in a private house there. It is particularly worthy of note that Count Mollien, Napoleon's finance minister at the time, had been informed of young Rothschild's arrival, and knew of his intention to receive and forward large sums of ready money that were expected from England.

"A Frankforter," the minister wrote to Napoleon on March 26, 1811, "who is now staying in Paris with a Frankfort passport, and goes by the name of Rothschild, is principally occupied in bringing British ready money from the English coast to Dunkirk, and has in this way brought over 100,000 guineas in one month. He is in touch with bankers of the highest standing at Paris, such as the firms of Mallet, of Charles Davillier, and Hottinguer, who give him bills on London in exchange for the cash. He states that he has just received letters from London dated the 20th of this month, according to which the English intend, in order to check the export of gold and silver coins, to raise the value of the crown from

five to five and a half shillings, and the value of the guinea from twenty-one to thirty shillings. . . . Such operations would be on a par with the practices of the Austrians or the Russians. I sincerely hope that the Frankforter Rothschild is well informed of these matters, and that ministers in London will be sufficiently foolish to act in this way."[3]

This letter reveals much; it shows that while James Rothschild may have been in Paris before the 24th of March, 1811, without the permission of the police, as soon as he officially arrived, that is, as soon as he reported to the Paris police, he must have had an interview with the minister or with one of the officials of the treasury, this being no doubt due to Dalberg's introduction. Although in sending the guineas to Frankfort Nathan was generally acting in accordance with quite definite plans that suited the British government, James, in order to gain the support of the French departments for these operations, pretended to the ministry at Paris that the English authorities viewed the export of cash with extreme displeasure, and did everything possible to prevent it. He succeeded only too well in hoodwinking Mollien, and through him, Napoleon.

"The French government," says Marion,[4] "viewed with satisfaction the arrival of English guineas at the Channel ports, because they regarded this both as a proof and as a cause of the progressive decay of England." It is true that in his memoirs Mollien afterward tried to suggest that he did not share this view, and that Napoleon derived it from others, but the letter quoted above clearly shows that the finance minister also believed Rothschild. Nathan wanted just at this time to send exceptionally large sums of ready money to France, having the secret intention that these should ultimately be destined for Wellington's armies, who were fighting the French in Spain. That general had suffered great financial embarrassment since the beginning of the English campaign in

Portugal and Spain. It was not only that the blockade made it difficult to transport large sums by sea, but the devastating storms in the Bay of Biscay were a serious menace to the cumbrous sailing ships of those times. Such consignments were therefore liable to grave risks, and the insurance charges were exceedingly heavy.

As early as 1809 Wellington had had occasion to write to his government in the following terms: "We are terribly in need of funds. . . . The army pay is two months in arrears. I feel that the Ministry in England is utterly indifferent to our operations here.[5] ... It would be much better for the Governments," he added some time later,[6] "entirely to give up our operations in Portugal and Spain if the country cannot afford to continue them."

This state of affairs continued for two years, and Wellington had to have recourse to highly dubious bankers and money-lenders in Malta, Sicily, and Spain, from whom he had to borrow money at the most usurious rates, giving them bills of exchange which had to be cashed by the British Treasury at great loss. The measures taken by the treasury for satisfying the requirements of Wellington's army were always quite inadequate; finally the British commander wrote indignantly to London[7] that if matters continued thus, his army would have to leave the Peninsula, which would relieve France of important military commitments on the Continent, and expose England to the danger of having a hostile force landed on the island itself. Then his exalted monarch and his subjects would experience in their own country something of the horrors of war, from which they had hitherto had the good fortune to be spared.

A year later things were not much better, and on being reproached for having too casually drawn bills on the English government, Wellington replied with some heat, writing that he was sorry to have to state that sick and wounded British officers at Salamanca had been forced to sell their clothes in order to keep body and soul together.[8]

Such were the conditions under which the British army was fighting in Spain, when an energetic movement in its support was started in London, which at first was directed by Nathan Rothschild on his own account. He had acquired very cheaply a large proportion of the bills issued by Wellington, and proceeded to cash them at the British Treasury. The cash which he thus received—generally in the form of guineas—he sent across the Channel to France, where it was received by one of his brothers, generally by James, but in 1812 sometimes by Carl or Solomon, and then paid in to various Paris banking firms. The brothers obtained from the Paris bankers bills on Spanish, Sicilian, or Maltese bankers, and they contrived, through their business connections, to get these papers to Wellington, who duly received the cash from the bankers. Thus the cash sent from London actually only had to make the short journey from London to Paris, and thence through the intricate network of business firms, who were mostly Jewish, it finally reached the English commander in Spain, through the heart of the enemy's country.

As time passed, however, the supply of cash and precious metal began to be scarce, even in England. Nathan, who had concentrated his attention principally upon business in specie and bills of exchange since the blockade had made ordinary commerce so difficult, closely watched[4] for favorable opportunities of acquiring any consignments of specie that might be available. When the East India Company once offered a considerable mount of bullion for sale, Nathan Rothschild was one of the first customers in the field; and he was able, through having recently received large sums of money for investment from the elector, and through mobilizing his whole credit, which stood very high, to acquire the whole of this stock of gold for himself.[9]

At that time, John Charles Herries was commissary-in-chief, an office that had been created in order to supply

both the British army at home and the troops fighting on the Continent with the necessary funds. He was not able alone to meet the demands made upon him. A sailing ship carrying money had again been held up somewhere for weeks, and another consignment which had arrived safely at Lisbon encountered extraordinary difficulties in its further transportation. The British government, and especially Herries, were in the greatest distress.

They then heard of Nathan Rothschild's purchase of gold from the East India Company, and the almost unknown man who had acquired it was sent for by the treasury. Nathan sold the gold to the government at a heavy profit, and, at the same time requested that he should be commissioned to convey the money through France to Wellington in Spain, as he had already been doing to a limited extent at his own expense, asking that he should now do it on a large scale on account of the British government.

Very substantial sums of money indeed were involved, which were sent across the Channel from England to France, as is shown by a letter from James in Paris to Nathan in London, dated April 6, 1812, which was intercepted by the Paris police. Nathan had at that time sent 27,300 English guineas and 2,002 Portuguese gold ounces in six separate instalments through six different firms, to James at Gravelines. James acknowledged the receipt of these amounts, and of bills on the firms of Hottinguer, Davillier, Morel and Faber, to the amount of £65,798. He added that he was glad that it had been possible to send him this money without affecting the rate of exchange, and urged his brother to let him have any commercial news at the earliest possible moment. Both brothers naturally watched the rate of exchange very closely, ceased buying bills when it rose, and acquired them when it fell.[10]

All these transactions were carried through in agreement with the chief French department, and Finance

Minister Mollien. He was flattering himself that England was in great difficulties, that the rate of exchange was against her, and was constantly getting worse through the drainage of gold, while the Bank of France was consolidating its position, and France's currency stood highest in the world. Meanwhile gold pieces were trickling through in complete security, under the eyes and indeed under the protection of the French government, across France itself, into the pockets of France's arch-enemy, Wellington.

But though Mollien was deceived, the activities of the Jewish emigrants from Frankfort were being watched with great suspicion in other quarters. Letters from a local merchant to one of the Rothschilds at Dunkirk, which were intercepted by the French police, revealed the nature of their activities. A police official sent a detailed report on the matter[11] to Marshal Davoust, who was (hen military governor of Hamburg. After carefully examining the letters he fully appreciated the nature of the Rothschild transactions in France. As the marshal considered the matter to be exceedingly grave, he decided to report on it direct to Emperor Napoleon. He pointed out incidentally[12] that "the arguments in favor of withdrawing money from England, under which the plotters concealed their maneuvers, lose their force when one considers that the English do everything possible to facilitate its export."

The emperor took note of the report, but did not pay any further attention to it. He no doubt said to himself that Davoust was a splendid soldier, but that this did not imply an understanding of financial matters, in which Mollien's opinion must be more reliable. The chief commissioner of police, however, continued to concern himself with the Rothschild family, of whose relations with Hesse he had long known, and he determined to get to the bottom of their activities (couler a fond). He forwarded Davoust's report to Police Prefect Desmarets,

instructing him to furnish accurate dates regarding the family, and at the same time wrote in similar terms to Gravelines.

This was in February, 1812, when Carl and James were both in Paris. Desmarets had them watched, and asked the French commissioner of police at Mainz to report regarding the political sympathies of the House of Rothschild, its commercial relations abroad, and its speculative transactions, as well as the extent, if any, to which it was involved in contraband trade.

The police commissioner at Mainz sent a detailed report in reply, in which he emphasized the confidential relations between the Rothschild House at Frankfort and Dalberg, stating that these were so intimate that Dalberg refused practically no favor that a Rothschild asked of him. He added that Dalberg's entourage had certainly given the Rothschild family previous warning of the domiciliary search which was conducted in 1809, and concluded with the words:[13] "As regards Rothschild's political leanings, they are far from being all that they should be. He does not like us French at all, although he pretends to be devoted to the French government."

At the same time the report from Gravelines came in, which confirmed the constant presence, amounting practically to the "etablissement" of a Rothschild at Dunkirk, and referred to his brother and partner in London.[14] The prefect of police, Count Real, pointed out that the mere fact that Rothschild was a foreigner was sufficient reason for not allowing him to stay on the coast.

"How could this man be anything but suspect?" he continued indignantly. "What could have been in his Majesty's mind when he permitted the smugglers to trade? Surely it must have been with the intention that this trade should benefit French industry, an object which will not be achieved if London firms can maintain correspondents, not to mention branch offices, in Paris. What are we to

think of this Rothschild's sojourn on our coast? A man who has established his brother in London, with whom he actually has common interests?" Real therefore recommended that Rothschild should immediately be asked to leave the coast.

The Paris prefect of police reported the result of all these inquiries to the chief commissioner, and at the same time proposed that the Rothschild who was living in Paris mould be arrested. But the protection of the French finance minister prevented this. Indeed, how could the government suddenly allow persons to be arrested whom it needed for carrying out its own business operations, and from whom the French Treasury accepted reports and advice, while it also entrusted them with commissions? The brothers Rothschild had cleverly made their position absolutely secure before they ventured to Paris into the lions' den, and in spite of all the suspicions of the military and the police, they remained entirely unmolested.

Nevertheless, the position was certainly not without its dangers. Sentiment in high quarters might suddenly change, in which case a Napoleon would have made short work of the brothers Rothschild. A further incident occurred to alarm the French police, and it caused General Savary to institute a further investigation.

A letter which was being forwarded to James Rothschild by a business firm at a special charge independently of the post-bag, which was controlled by the Boulogne police, was intercepted in the course of its journey. The inferece was drawn that the brothers Rothschild frequently attempted to evade the censorship, but the writer of the letter, and the responsible police commissioner of the department asserted that the letter had merely been sent by special messenger after the regular post, as it was urgent. The matter was not further pursued, but the police commissioner for Pas-de-Calais was severely repri-

manded, his chief giving him to understand that the luxury of his household and his general extravagance were highly suspicious circumstances.

The business of the two brothers Rothschild a cheval the warring powers of England and France was so important that it was absolutely essential for the brothers to be continuously on the spot, and even after the death of their father on September 19, 1812, only one of the two brothers who were in France at the time, namely Solomon, returned to Frankfort, whilst James remained in France and was constantly oscillating between Paris and the coast.

James had won the esteem of the Paris business world, through the enormous transactions which he always carried through punctually and accurately. It was at once noted whether he was buying bills or not, and the exchange was immediately affected when there was a rumor that he was going to buy. He set great store by his personal reputation; when a business man once slandered him to one of Nathan's employees, accusing him of an action unworthy of a man of integrity, he never mentioned the matter to the person concerned, since, as he wrote to Nathan, he considered it far beneath his dignity to discuss such a matter.[15]

Great events were now brewing on the Continent; Napoleon had not been able to keep up the myth for long regarding his victorious march to Moscow. The historic burning of that city robbed him of his only resources. Winter was already approaching when Napoleon was forced to decide upon retreat, which meant that the remnants of his army would have to traverse hundreds of miles through ice and snow, pursued by the enemy across country most of which had been laid desolate.

The crossing of the Beresina completed the disintegration of the Grande Armee, and on December 3, two days before Napoleon left it in order to return as quickly as possible to Paris, the famous twenty-ninth bulletin was

issued, which, while generally admitting the destruction of the army, laconically reported that the emperor's health had never been better. The whole world received this news with great emotion, and new hopes sprang up in the European states which were under French dominion. But it was not possible to estimate what the future consequences of the catastrophe would be,.

The reports from Russia made a particularly profound impression at Frankfort. The unexpected news was so disconcerting that at first there was a tendency to regard it all as highly exaggerated—the newspapers had been allowed to report only what the French censorship passed. But soon stray survivors arrived, who told of the inconceivable hardships suffered by the army.

Frankfort was particularly interested in the complete collapse of Napoleon's schemes on the practical side. It is true, contents of the secret report of the paymaster general of the Grande Armee were still unknown. He had set out for the campaign with fifty-five cartloads of cash, drawn by four horses apiece, and seventy-eight clerks. He had been able to rescue only one cartload, containing two millions in gold, which he hoped to get safely to Konigsberg, but he was not even prepared to guarantee that.

"My staff," he reported,[16] "no longer exists; they have all perished from cold and hunger. Some of them whose hands and feet have been frozen have been left at Vilna. All the account books have been taken by the enemy. Nobody thinks of anything except saving his own skin, and it is quite impossible to stem the panic. . . ."

Amschel Rothschild, the eldest son, and now head of the Frankfort firm, was just engaged in building a new banking house in the Bornheimerstrasse at Frankfort. He was enormously excited by the news of Napoleon's collapse; in view of the firm's extensive operations, which, ranging from Spain to Denmark and from Prague to London, already embraced the half of Europe, such sud-

den changes affecting the distribution of power on the Continent of Europe were bound to have most far-reaching consequences. It is true that his firm had friends in both camps, but it was important that, if either of the political structures collapsed, or showed serious signs of instability, the center of gravity of the firm's business should be rapidly shifted to the victorious side.

However, things had not yet reached this point. Through his enormous energy, Napoleon succeeded in rapidly improvising a new army, with which he meant to turn the tide of events. Frankfort continued to be occupied by the French, and Rothschild had to go very warily.

It is true that everywhere in Germany people smelled freedom in the air. In the public streets of Hesse the cry was heard, "Long live the elector, long live Russia!" Napoleon's so-called allies in the Russian campaign fell away, one after the other. Prussia allied herself with Russia and declared war on France, and Napoleon felt exceedingly uncertain even about the attitude of Austria. In April Napoleon was again campaigning in Saxony, and in the operations of the year 1813 he won one or two brilliant victories, but could not drive his enemies completely out of the field.

The bond between these became closer as time went on. England again offered Prussia and Russia her all-powerful financial support. In the Treaty of Reichenbach of June 14, 1813, she offered Prussia £666,666 as a subsidy, if that kingdom would put eighty thousand men in the field. Russia received twice the amount for twice the amount of men. On August 10, after Metternich's world-famous interview with Napoleon, Austria's attitude was also decided. The minister, who had completely changed his policy, left the Emperor of France, whom he had once made the son-in-law of his emperor, in the lurch, and Austria joined the coalition against Napoleon.

The Elector of Hesse also watched the course of events with satisfaction from his exile at Prague. He again requested the Emperor of Austria to reinstate him as speedily as possible in his dominions. He felt that the end of his sufferings and persecutions was at hand.[17] He who had so often begged the emperor and Marie Louise to intercede with Napoleon on his behalf, now spoke of himself as the German prince who had remained true to the cause, and as the protagonist of the German nation (Verfechter des teutschen Reichs) ; he certainly did not forget to remind the emperor of the undertaking that he was to be "guaranteed against any loss." He was, however, glad to contribute temporarily to the common war-chest and to send troops to reinforce the allies. Buderus was instructed, in spite of the general shortage of money, to obtain the sums necessary for this purpose. He applied to the House of Rothschild, and received one hundred thousand thalers, which enabled the elector to make several payments to the allies.

The unity of front which had thus been established led to some success in the further course of the campaign. In spite of her constant financial embarrassments, Austria played an important military part in the war. England also came to her assistance, and under the Treaty Alliance of Teplitz of October 3, 1813, she contracted to pay after October of that year, a million pounds in monthly instalments, in return for which Austria undertook to place 150,000 men in the field.

The day of Leipzig, October 18, 1813, was the final turning-point in Napoleon's career. The great general was forced to yield to the powerful coalition. At one blow the whole of Germany was liberated up to the Rhine, the Confederation of the Rhine fell to pieces, the King of Westphalia fled, and Dalberg voluntarily resigned his grand ducal dignity at Frankfort. The exiled princes now returned to their states, and on November 11,

the Elector of Hesse also left Prague and reached Cassel soon afterwards, where the populace received him with acclamations.

These events were propitious to the business policy of the House of Rothschild. The prince to whose riches they owed their prosperity, and with whom they stood on such a unique footing, thanks to the assistance of Buderus, had now been reinstated. He immediately set about making good his financial losses, and reestablishing his position amongst the princes of Germany. This naturally reacted favorably upon his court banker.

In other respects the position at Frankfort left much to be desired; the fall of Dalberg did not mean merely the loss of a personal patron; the Jews lost the man who had sold them rights which had placed them on an equality with other citizens. The final payment was not yet due, and there was the risk that the senate, which consisted of members of the old patrician families, would on getting into power again revoke all the concessions that had been so dearly bought. The old municipal constitution was reestablished, but without regularizing the legal position of the Jews; and it was a bad sign that the redemption of the debentures which were falling due under the contract for the purchase of their freedom was refused.[18]

There was only one way of dealing with the situation: the House of Rothschild would have to prove itself so useful through its financial services, to the most important powers of the victorious coalition, that the victors would call the citizens of Frankfort to order if they should really proceed to act with hostility against the Jews.

While the first principle of the House of Rothschild was to amass wealth, the liberation of the race from oppressive restrictions contributed indirectly to this end, since it would facilitate intercourse with the rest of the world, and thereby increase the possibility of financial

gain, which in turn would serve to increase its power. At this critical time the most important services were rendered to the Frankfort firm, not by its new chief, but by his incomparably more talented brother Nathan, in England, whose flair for finance amounted to positive genius. He now enjoyed the elector's full confidence. When in 1812 the Prince Regent of England seemed to be inclined to repay £100,000, Nathan was instructed to receive this amount, and to invest it in consols. This transaction brought him into immediate touch with the private finances of the royal family.

As Great Britain was the financier of the powers which were fighting on the Continent, and was also maintaining armies of her own abroad, enormous demands were made on the British Treasury in 1813. The officials were not equal to the task of raising the money or of sending it to the Continent. It had already been necessary for a naturalized foreigner to demonstrate that there were other ways of raising and sending money than for Englishmen abroad to draw bills on England. That method had a very bad effect on the English rate of exchange, which at the end of 1813 had already fallen by one-third. Herries, who was charged with the sole responsibility for sending money to the Continent, again called in Nathan Rothschild to his assistance. While his principal problem was to supply the enormous sums that England had to provide under the subsidy contracts that she had just concluded, it was even more urgent and more important for the final overthrow of Napoleon to afford every possible support to Wellington, who was still pressing for money, but who was now free to advance into French territory, as Napoleon had transferred his best troops and generals to Germany.

Herries invited Nathan, whose name was still almost always wrongly spelled by the British Treasury, to a conference regarding the measures to be taken. The English official was completely convinced by the clarity and logic

of the scheme for sending money which Nathan submitted, and requested him to draw up a memorandum for the chancellor of the exchequer, explaining the methods to be adopted for rendering prompt financial assistance to the Duke of Wellington. The technical problem was now somewhat different, since Wellington attached most importance to being supplied with French currency.

In the interests of England, as well as of his own pocket, Nathan had hitherto worked almost consistently against Napoleon; but he had done it as inconspicuously as possible for fear of compromising his brothers on the Continent. Even now that Napoleon was retreating, and was soon to be fighting within the former frontiers of France itself, he still kept well in the background, although he adopted the anti-Napoleonic cause with all the more enthusiasm, since the Russian disaster and the defeat at Leipzig seemed to imply the end of Napoleon's power. Lord Liverpool, first lord of the treasury and prime minister, and Vansittart, chancellor of the exchequer, approved the scheme submitted by Herries, and in a secret letter entrusted its execution to Nathan's experience and discretion.

Nathan Rothschild thereupon proceeded personally to Holland and collected, in close cooperation with his brothers, the French metal currency with which the Continent was flooded, but which, owing to the blockade, was naturally unobtainable in England.[19] James also acquired French cash on the spot in Paris, and managed to smuggle it across to his brothers in Holland. The sums thus collected were then shipped from the Dutch coast to Wellington's headquarters, this transaction becoming easier as his troops advanced from the west coast of France. In this way, a constant stream of gold and silver in current French coin flowed to the British army, which was thus enabled to pay in French money, whilst the allies, advancing from the east, were deprived of any such cash resources.

In the interests of the brothers Rothschild the secret was exceedingly well kept; Herries had every reason to be satisfied with his, and his country's relations with the foreign Jew, and did not grudge him the enormous profits which he was making. In later years Nathan himself stated that this was the best business he had ever done.[20]

Meanwhile the victorious allies had advanced beyond Frankfort, and had established their general headquarters in that city. The Emperor Alexander of Russia, the King of Prussia, and the Emperor Francis met in the ancient city where the Holy Roman Emperors were crowned. Metternich came with them, rejoicing in the triumph of his policy. The outward signs of the great change in the political situation were therefore particularly apparent at Frankfort, the home of the Rothschilds.

It is not surprising that the family regulated their future conduct accordingly. As yet they had had no relations with Austrian statesmen, but the brothers Rothschild now proceeded to sound members of the imperial entourage with a view to getting an opening. Accompanying Metternich was a previous acquaintance of theirs, Barbier, vice-president of the Austrian Treasury, who was responsible for the financial arrangements of the Austrian army. It was with him that the unsuccessful negotiations regarding the electoral loan had been carried on. Amschel accordingly called on him, and attempted although at first with little success to secure his interest and that of his powerful master Count von Metternich.

The name of Metternich was now on everybody's lips. The success of his policy had enormously strengthened the minister's position. It was a fair assumption that in the future he would exercise a very decisive influence in all matters affecting Austria, even in financial matters, although they did not come strictly within his province. In spite of his other outstanding qualities, Metternich had not a sound economic sense, either in public matters or in his private affairs. He spent money rather thought-

lessly and extravagantly on his private account, and his natural inclination was to make finance secondary to foreign policy, rather than the reverse.[21]

The Emperor Francis had repeatedly come to the rescue of his minister with personal loans, and had waived their repayment later.[22] Metternich had also frequently had recourse to various bankers, including such Frankfort bankers as Bethmann and the brothers Miihlen. As far as can be ascertained, he had had neither official nor personal relations with the Rothschild family before the year 1813.

Metternich was conscious of his own uncertainty in financial matters, and therefore relied largely on the advice of his indispensable secretary and counselor, the brilliant publicist Frederick von Gentz. This man had got to know the count intimately during the years 1802-1803, while he was still in the Prussian civil service and Metternich, who recognized his distinguished literary talent, was ambassador at Dresden; and it was Metternich who induced him to transfer to the Austrian civil service.

Gentz was even worse than Metternich at managing his private affairs, and unlike the count, was completely unscrupulous in getting money from anybody he could, from his own or from foreign states, from persons who desired orders or titles, and wherever opportunity offered. In spite of this, and of the fact that he often managed to earn considerable sums of money with his pen, he was in a constant state of financial embarrassment owing to his extravagant manner of life, and was repeatedly on the verge of complete ruin. This, however, did not prevent him from being always on the most intimate terms with all the great men of his day, with poets and statesmen, with princes and the higher nobility, as well as with Jewish bankers and merchants.

Humboldt knew him well, and Goethe was interested in him too. Humboldt wrote to Goethe on one occasion:[23] "You have perhaps heard that a few weeks ago

poor Gentz went completely bankrupt. It is weakness, and not extravagance that has brought him to this pass." Later events were to give the lie to this statement of Humboldt's; it would scarcely have been possible for anyone to dissipate money more thoughtlessly and extravagantly than Gentz.

In spite of these personal characteristics, Gentz had a bent for political economy, and had taken a very good course in that subject in England, where he stayed for some time. While studying in that country he had made the personal acquaintance of Herries, who translated several of his writings into English, and maintained a correspondence with him. He also told him of the firm of Rothschild. Gentz did not stay with Metternich at general headquarters, but he corresponded with him constantly on financial matters.

The Austrian state was again urgently in need of funds for continuing hostilities, as it had been decided to carry the war into the enemy's country across the Rhine. The immediate problem was to convert into cash the remaining instalments of the subsidies from England. This had been done hitherto by the four Viennese banking firms, but the government was not very satisfied with their services, and Gentz, for personal reasons apparently, was not on good terms with them. He therefore wrote to Metternich to say that as far as he was aware, the four Viennese firms had no exclusive right to conduct the financial affairs of the state, and recommended the Frankfort banker von Herz. But he too proved to be very disappointing; he succeeded in making several hundred thousand for himself, but got rid of the bills at absurdly low rates, thereby also damaging English credit. The problem as to who should carry through these transactions still remained to be solved.

A letter from Count Ugarte to Metternich indicated how much they were exercised as to the best means of getting the English money over.[24] Ugarte observed that

in the past the English government had generally sent the subsidies in cash, and in gold and silver bars, while only a small portion of them had been realized through "mercantile" channels. Now, however, that the precious metals were scarce in England too, this was difficult to arrange.

"We have to reckon," he wrote, "that on the average at least a third of the subsidies will be lost on the rate of exchange, and this is another reason for trying to get the amount of the subsidies increased to as high a figure as possible, since, if for example six millions are sent over, we shall only be able to realize four millions at the outside." This remark of one of the highest Austrian government officials clearly reveals how governments were taken advantage of in such transactions, and what huge profits were derived in the course of remitting these sums from England to the Continent.

Now there were several cogent reasons for the employment of Frankfort firms. They naturally did what they could to bring influence to bear in this direction, on Metternich and his advisers, and Ambassador Baron von Hugel pleaded the cause of the Frankfort bankers. He had already on a previous occasion written to Count Stadion to say that of all the cities in Germany, Frankfort ought to be specially considered in connection with the financial measures of the imperial court. He said that there was no commercial center in Europe that would collaborate as readily as Frankfort in efforts to improve Austria's credit.

To crown all, Metternich simultaneously received a dispatch from the ambassador in London, Baron von Wessenberg, stating that the four Vienna firms had hopelessly mismanaged the realization of the English bills of exchange.[25] They had made the mistake of instructing no less than four firms on the same day and in the same market, to obtain bills on Paris and Amsterdam, so that their joint action naturally forced up the rate of exchange.

The imperial treasury had thereby incurred a loss of thousands of pounds, which would have been avoided if the business had been carried through by a single firm which would not have feared the competition of its rivals. In accordance with a memorandum of Metternich's, the Emperor Francis issued a letter[26] in which he strongly enjoined the persons concerned to expedite the realization of the English subsidies as far as this could be done without incurring substantial loss. He also commanded that careful investigations were to be made as to the most advantageous method of procedure, adding that since he understood from a trustworthy source that the four firms had not handled the matter in a practical way, and the business could be carried through much more profitably from Frankfort, no further contracts should be made with those firms unless it could be shown that that was the best and most certain method of achieving the desired object.

Ugarte had requested the four banking firms to send in a written reply to the statement contained in Wessenberg's report, since he himself was inclined to support them, as they charged a commission of only one-quarter per cent; and he instructed Barbier at Frankfort to report as to whether the bills could really have been cashed at a much higher figure in that city. At this point Metternich intervened, also urging that Frankfort should be considered. Thereupon Ugarte summoned a secret commission at Vienna, and this commission naturally pronounced in favor of the four well-established local banking firms, whose credit stood high and who could be controlled more effectively, as they were on the spot.[27]

Meanwhile imperial headquarters had been shifted to Freiburg in Switzerland, where Gentz joined Metternich. In view of the conflict of opinion the emperor Francis dealt with the matter by instructing Ugarte to do nothing for the present.[28] But as in the early months of 1814 the allied armies advanced into France from all

directions and the statesmen of the allied powers were busily engaged alternately in fighting and negotiating with Napoleon, it was all that they could do to raise the money necessary for the further conduct of the war.

The firm of Rothschild at Frankfort made every effort to get into touch with the Austrian government which was so sadly in need of funds, and they knew through Nathan that it received large sums from England. Nathan did all he could to achieve this object, and had already secured the support of Herries. At the beginning of 1814 Amschel Rothschild at Frankfort succeeded in obtaining the order to issue the pay of the imperial officers who were passing through or stationed in Frankfort, the accounts to be settled by the Austrian paymasters. That was at any rate a start.

Meantime the shortage of money at army headquarters in Freiburg had become acute. The army needed as much as two million gulden a month, so that further English subsidies, which the English government had agreed to under the Treaty of Chaumont, were exceedingly welcome. Austria was to receive £1,666,666 2/3 or a monthly payment of £138,888 2/3. In point of fact there was never occasion to pay out this sum, for the allies soon gained a decisive victory over Napoleon, and entered Paris on March 31; whereupon, after Napoleon's abdication, the first Peace of Paris was signed.

The elector immediately sent his sincerest congratulations to the emperor as the liberator of Europe, as usual accompanying this expression of feeling with a request that he should be compensated for his losses.[29] The elector had been a profitable example to the Rothschild family. He was always importuning the authorities to protect his interests, but he did so in rather an aggressive manner, whereas the Rothschild brothers, though no less persevering, always contrived so to frame their requests that they seemed to be concerned only for the interests of the state or the person with whom the decision lay.

Austria had already received the English payments due to her for the first three months of the year. The instalments for April and May were still due, as well as two payments for the return of the army, a total of £555,-555 1/3, the remittance of which amount had to be arranged. The firm of Rothschild put in for this business, and in order to support it, Herries had proposed to Vienna that Austria should arrange for the money to be sent through Frankfort. In agreement with Nathan Rothschild, the Englishman, who regarded Frankfort as the most important financial center in Germany, had appointed his own plenipotentiary in that city, a certain Chevalier von Limburger, who was to conduct any negotiations regarding subsidies. He was a German Jew, and the proprietor of an important tobacco factory in Leipzig, but he enjoyed the confidence of the English commissary-general Herries.

Meanwhile the Rothschild brothers had been ceaselessly urging Barbier, who was still staying at Frankfort, to avail himself of the services of their firm for the financial affairs of the Austrian imperial government. They now decided, with the assistance of Herries and Limburger, on launching a final attack. On July 28, 1814,[30] two of the Rothschilds called on Barbier on behalf of the firm in general, and informed him that they had received instructions from the Chevalier von Limburger, the plenipotentiary of the English commissary-general, to ask whether Herries's proposals regarding the settlement of the balance due to Austria of the English subsidies for 1814 had been accepted at Vienna or not. At the same time the brothers Rothschild handed him a letter in which they offered their services in that connection. The letter was:[31]

Your Excellency:

In accordance with the permission graciously granted to us, we have the honor to offer your Highness our most obedient service and most humbly beg

your Excellency to honor us with your high confidence, and to commission us to realize your claims on London. As our brother is himself established in London, we can easily make use of bills on that city, and enjoy many advantages which enable us always to obtain the best price. Your Excellency has had occasion to observe that we have acquired large sums from London and Vienna, with the intention of ourselves profiting by such exceptional circumstances. If your Excellency will lend a favorable ear to our petition we shall undertake most faithfully to serve your interests and to prove the high value that we attach to your Excellency's gracious goodwill, and, in return for our efforts and our services we shall be absolutely satisfied with the customary trade commission. . . . Comforting ourselves that you will favorably accede to our request, we beg to remain with all due respect,
Your Excellency's most obedient servants,
MEYER AMSCHEL ROTHSCHILD AND SONS.

Not long afterwards they wrote again, more succinctly: "We beg most submissively to inform your Excellency that today we are paying at the rate of 132 to the pound (on July 28 it would only have been 127) and that we are appropriating £200,000 for this purpose, and beg your confirmation of our action."[32]
Barbier forwarded the two communications to Ugarte at Vienna, and felt it his duty to add that in his opinion the offer should not be accepted, as Viennese firms and Austrian subjects were entitled to be considered. He suggested, however, that the proposals of Herries and Limburger should be considered, even if the Rothschilds' were not.[33] Barbier did not know at the time that the motive behind their proposals, although hitherto they had only recommended Frankfort in general and had not specifically mentioned the firm of Rothschild, was to secure that the whole business should be taken over by the House of Rothschild.

He was soon to be enlightened on this point; Carl Rothschild left him no peace. On August 5 he had another interview with Barbier, and gave it as his opinion that the English rate of exchange was then very favorable. He stated that he had received a communication from Limburger on the previous day and, in accordance therewith, he desired to make a definite and advantageous offer in writing regarding the realization of the further subsidies due to Austria.

Barbier reported this offer to Vienna, adding that he had taken no steps to conclude the arrangement, and ended by saying: "The House of Rothschild now does more business in English paper than all other firms put together, and this may be largely due to the fact that one member of the firm is established in London and another in Paris, and that the firm has to carry through several substantial remittances of money on account of the English government itself."[34]

The fundamental idea at the back of Herries's mind, a plan that Nathan had inspired, was that in view of the English government's unfortunate experience of the methods of middlemen, it should itself control the realization of the subsidies, and thereby prevent the frustration of its efforts for improving the English rate of exchange. Whilst Nathan supported Herries in these efforts, he profited by the occasion to get his firm established with the continental powers, and to induce Herries to entrust him with the remittance of the English subsidies to the three greatest powers, mindful that the connections thereby resulting would enable the firm in the course of time to secure other important business with the financial administrations of those powers. In this way he hoped gradually to secure for his firm a privileged position as state bankers to the four principal powers that were engaged in defeating Napoleon. A letter from the firm of Rothschild to Barbier, dated Frankfort, August 8, 1814,[35] while making constant ref-

ences to Herries and Limburger, already entered into details concerning the remittance of the remaining £500,-000, this serving as an introduction to the following proposal, which concluded the letter: "If your Excellency should be prepared to regard this unofficial proposal as acceptable, we would not fail to inform Herr von Limburger of your views, after which we may be in a position most dutifully to submit a formal offer."

Whereas Barbier and the treasury official Schwinner, who was on his staff, had hitherto dealt only with such firms as Bethmann, Metzler, Wertheimber, etc., the firm of Rothschild had now entered the field with the determination to drive all rivals out of it. The offer was duly sent in and forwarded to Vienna by Barbier. At the same time he observed to Rothschild that it was too vague to be accepted, and that this was not an ordinary banking transaction subject to the usual business risks, but was based on the proposal of the English commissary-general, and was therefore of an official nature.

Rothschild replied that Limburger was shortly coming to Paris, and that he had therefore not been able to frame his proposals more definitely. The Austrian Treasury would not have to pay any commission in respect to such transactions, although in all similar business which his firm had had to carry through for the English government, it had received a commission of two per cent. All he wanted was an opportunity to demonstrate his zeal on behalf of the imperial court.

Rothschild proceeded to enter into details as to the method by which he proposed to carry through the transaction, as he was hereby able incidentally to relate that the firm of Rothschild had already carried through similar business on an enormous scale for Russia and Prussia. At that time England had to pay ten million thalers to Russia and five million to Prussia. She agreed that this payment should not be immediately effected by bills of

exchange, but should be made in monthly instalments of a million thalers.

It was further indicated that if the two states required the money at an earlier date, bankers could temporarily advance the amount. Knowing of this term in the contract, Nathan had told his brothers at Frankfort immediately to advance money to Prussia and Russia. These advances were actually made, so that at his interview with Barbier, Rothschild was able proudly to inform him that his firm had advanced to the Russian court four million gulden in cash and that his elder brother Solomon had gone to Berlin to carry through this important business.

A few days later Rothschild further informed Barbier,[36] with the object of impressing him, that his firm had received payments of the value of 750,000 francs in English crowns, and that this amount could also be applied to a settlement of the subsidies.

In the meantime, Count Ugarte's reply to Barbier's communications of July 28 and August 1, in which Barbier had first informed him of Rothschild's offers, was received. "As your Excellency . . . quite rightly observes," wrote the count, "it will be more profitable and safe for Austria in realizing the English subsidies to use native firms that enjoy the protection of her government, than to have recourse to foreign firms, over which her government has no control, and in which one cannot have the confidence . . . necessary for such extensive operations, as one would have no control over their activities, and they would not be able to offer security for the very considerable sums entrusted to them." Ugarte also expressed the view that in any case it would appear more advantageous to discount the English bills at Vienna, as the pound in that city was dealt in at nine gulden, three kreutzers, whereas, according to the latest report, it was only worth nine gulden at Frankfort. "There can therefore be no question," he continued, "of accepting the firm

of Rothschild's offer to take over twenty thousand pounds sterling at the price they have suggested, of 8.48 gulden." [37]

The Rothschild proposal was therefore declined for the time being. Ugarte had failed to be convinced, and even Barbier had not been won over by the Brothers Rothschild. However, they did not lie down under this refusal. As they knew that the English government was working through Commissary-General Herries, on whom Nathan was bringing all his influence to bear, to get these financial transactions entrusted to them, they never thought of relaxing their efforts in that direction.

Limburger had just arrived at Frankfort with new instructions from England, and Amschel thereupon wrote personally to Barbier:

Most honored sir, gracious vice-president!
We have the honor most dutifully to inform your Excellency, in accordance with instructions, that the Chevalier von Limburg has arrived here with the purpose of negotiating with the three ministers or comishairs (sic) of the high powers, regarding the outstanding subsidy, we repeat our request for your high commands, and are with great respect and devotion
Your Excellency's most obedient servants
MEYER AMSCHEL ROTHSCHILD & SONS.
Frankfort, August 22, 1814.[38]

The uneducated style of this letter, written by a member of the second generation of the family, since it had risen into prominence, contrasted strongly with other communications from the firm, which were only signed by one of the chiefs. Such communications indeed, in contrast with the practice of most bankers of that time, were always models of style and calligraphy, and therefore very easily read and understood—a fact which made a good impression on the government departments, who

appreciated them as being above the usual standard. When, however, a Rothschild unexpectedly took the pen into his own hands, his style and spelling immediately revealed the low standard of education obtaining in their father's house. This did not, however, prove to be the slightest obstacle to the development of their commercial gifts. It merely provoked understanding smiles from the diplomats and highly placed persons with whom they had to deal.

As Austria was not inclined to accept the Rothschild offers, greater pressure had to be brought to bear by England, and it was decided accordingly to send Limburger to Vienna.[39] The statement that Carl Rothschild had made to Barbier, regarding his firm's financial dealings with Prussia and Russia, was in accordance with the facts. Herries had gone to Paris to carry through the subsidy negotiations with the representatives of the powers personally, and to convert them to Nathan's system under which the subsidy payments would not be effected by drawing bills on London at considerable loss to both parties, but through payments quietly carried through by the brothers Rothschild on the Continent.

In Paris, James Rothschild, who was most familiar in that city, had placed himself at the disposal of the commissary-general, and he was in turn introduced by Herries to the representatives of the victorious powers who were staying there. As a negotiator was required for the discussions at Berlin, Solomon was instructed to travel from Frankfort to the Prussian capital, and carry on the detailed negotiations there. In this way the five brothers played cleverly into each other's hands, and just as their father had contemplated, gave one another complementary support in all undertakings.

France had undertaken, under a convention dated May 28, 1814, to pay the allied powers twenty-five million francs as a lump sum, representing contributions that had not been levied and stores that had been left behind. Aus-

tria's share of this money was eight and two-thirds million francs. France deposited as securities for this amount, papers known as bons royaux, and the firm of Rothschild immediately applied for the business of cashing these in Paris at a commission of one-half per cent.

Rothschild again called on Barbier, and attempted to secure this business for his firm, as far as Austria was concerned, too. He was careful to mention that he had already been entrusted with a similar transaction by Russia, and that 250,000 new Dutch Rand ducats which were destined for Russia had already been deposited with his firm.

He brought a written application in support of his suggestion, and submitted to Barbier letters from the most important business firms in Paris,[40] from which it appeared that monetary conditions were so easy that the bonds could be negotiated at a very desirable rate at that time.

"If you should be graciously pleased," the letter ran, "to take advantage of these favorable circumstances, and to entrust us with the discounting of the bons royaux belonging to the royal and imperial government, you shall have no cause to complain of the industry and care with which our brother who is living in Paris will carry through this business. We would always duly pay over to your Excellency exactly what we received for the securities, subject to the customary commission of one-half per cent, with which we should be fully satisfied."

Without replying to the brothers Rothschild, Barbier submitted this letter, with some relevant observations of his own, to Ugarte, adding that certain other firms, including Bethmann, had also applied for the business.[41]

The Rothschilds were endeavoring at the same time to secure a third piece of business which was just then offered. An agreement had been arrived at between the Prussian finance minister and the Austrian Governor-General of Belgium, under which a sum of 9,500,000

francs was to be paid by the Belgian Treasury to the three eastern powers in equal proportions, on account of the expenses of occupation. Knowing of this arrangement, one of the brothers dropped the remark casually, in the presence of Barbier, that the firm of Rothschild had recently sent eighty thousand gold napoleons to Brussels, and would shortly have to transmit to that city further large sums of money on England's account.[42]

Barbier recollected the fact that Austria was to receive this payment in Belgium, and in view of what he had just heard, he thought it would be well for the firm of Rothschild to deal with this matter and asked whether they would undertake the business. Rothschild immediately pledged himself to pay out any amount which he received in Brussels in francs, in thalers or good bills of exchange at Frankfort, after deducting one-half per cent commission.

Barbier was entirely dependent on Vienna in such matters; he had first to report to Count Ugarte, and wait for his decision. At that time, quite an interval had to elapse before a reply could be received to a letter, and government departments were also exceedingly slow in dealing with correspondence. The brothers Rothschild submitted a detailed plan to Barbier, regarding the remittance of the money from Brussels on July 29, concluding with the words:[43] "We shall request your Excellency one-half per cent commission for our expenses and trouble, beyond which you will not have to bear any further expense whatever. If, on the arrival of the money here, we can secure more favorable terms for your Excellency, we shall certainly not fail to furnish you with such proofs of our disinterestedness."

The use of the word "disinterested" is not entirely to be sneered at. Often, especially when as in this instance they desired to gain a new customer, the firm of Rothschild was wont to emphasize that it was particularly concerned with the interests of the other party to the transaction,

and business was often undertaken at a quite modest profit, sometimes even at a loss, with a view to securing much more important business at a future date, whereby any such loss would be made good. It was exactly the same principle that old Rothschild had applied in his dealings with the Elector of Hesse, when at the beginning of their connection he sold him coins and antiques far under their real value. This principle had paid, for by 1814 the Rothschilds were doing business that ran into millions.

Barbier faithfully transmitted to Vienna all the offers that were made to him, and received Ugarte's reply a month later.[44] This was not favorable to the foreign Jews, and showed a preference for relying on native bankers. He could not, however, entirely ignore Barbier's suggestion regarding the transfer of the money from Brussels. He therefore wrote to say that he considered Rothschild's offer to be generally acceptable, but limited the amount which they were to handle to about one-half of the total; and in order to avoid all risk he instructed Barbier to arrange with the firm of Rothschild that the receipt for payment at the treasury in Brussels should not be handed to them until the sum had been paid in cash or in good Augsburg bills, or appropriate security had been furnished.

Barbier hastened to arrange an interview with the firm of Rothschild, and with the firm of Gontard, who were collaborating with them, but he could not persuade them to agree to carry through the business on such terms. In spite of their desire to enter into relations with Austria, they wanted at least to have the advantage of being able to dispose of such a large sum for a short space of time, during which they could have employed it very profitably within the scope of their numerous activities. They were also somewhat offended at such a demonstration of lack of faith.

"The heads of these firms observed to me on this point,"

wrote Barbier to Ugarte, "that these conditions were not at all customary in such transactions, and might indeed be prejudicial to their credit; that certainly no other firm would accept such conditions, and that in a business in which they were charging only an exceedingly modest commission, they could not make advances in cash . . . especially at a time when they had so many other opportunities of employing their funds much more profitably. Rothschild further remarked that much greater sums were entrusted to him by the English government, and that other governments also did not fail to accord him similar confidence, while several millions of gulden that belonged to the Elector of Hesse-Cassel and were invested in government loans in London, Vienna, etc. were simply inscribed in his name."

Barbier admitted the general justice of the Rothschilds' contention, but said he could not take bills that had not been accepted or indorsed by a substantial firm as in that case he would have no security except the property of the drawer, "although," as he wrote, "the firm of Rothschild, as well as that of Gontard, are known to have very solid resources, and, together with several other firms in the 'second class' as regards their resources . . . enjoy a very good reputation and a no less extensive credit."

Bethmann, with whom Barbier next negotiated, stated that he would be doing the business at a loss, and that he must ask for a higher commission. On Barbier pointing out that Rothschild had only asked for one-half per cent, and that Bethmann must therefore realize that it would be difficult to get a higher commission approved, Bethmann replied that Rothschild could carry through the business much more easily than he could, because he had to make considerable payments to the English troops in the Netherlands, on account of the English government, Limburger also, to whom Barbier applied, refused to handle the business, since his authority extended only to the payment to the three allied courts of the English sub-

sidy still outstanding. At the same time he remarked that in accordance with the instructions which he had received, he was leaving the subsidy business to the direction and personal supervision of the firm of Rothschild, since these transactions required the cooperation of an active banker with very good connections; and that that firm had actually to make considerable payments for the English troops and would therefore be able more easily than any other to deal with the remittances in question.

In spite of this new offensive in favor of the House of Rothschild, the business was entrusted to Bethmann, on the ground that the property of that house was "well known to be so great as to require no other security than a duly binding contract or a debenture." This was a triumph of Bethmann over Rothschild, and it was due to the fact that the importance and financial greatness of the firm of Rothschild, which at that time was still of very recent date, was not appreciated at Vienna, and even Barbier had more faith in the old Christian firm of Bethmann than in the upstart Jewish firm.

Nathan was annoyed at this failure, but was all the more obstinately determined to gain his object. However, before this could happen, Ugarte would have to make way for a new man at Vienna, Count Stadion, and Barbier would have to be won over, which was not accomplished until 1815, in Paris. For the moment, the assiduous attempts of the firm of Rothschild to obtain big business with Austria had failed, and it had to content itself with the modest duties of handling the Austrian war-commissariat account at Frankfort, which indeed served to maintain its connection with the financial departments of the Austrian government.

From the foregoing description of the nature of the business transactions of the Rothschild family, it is evident that they were mainly concerned with overcoming the tremendous difficulties to which international monetary dealings were subject, owing to the political condi-

tions of those days and the backward state of communications.

Baron von Hugel's elaborate report[45] as to the way in which a sum of 8,353 gulden and 74 kreutzers could most safely and cheaply be sent from Frankfort to Vienna, makes strange reading today. At first he wanted to entrust the amount to a non-commissioned officer who was leaving for the imperial city with a consignment of official documents; but on reflection he thought it was too dangerous to entrust such a large sum to a soldier, as one could never tell what chance accidents might befall him on the way, and endanger the property confided to him.

After such pondering Hugel finally had recourse to the Rothschilds, and asked them whether they could not issue a bill on Vienna for the amount. The firm replied that they were prepared to issue such a document, and to make it a bill payable at sight, but that they would have to charge a commission of one per cent, a sum of 83.30 gulden, which sum was certainly less than the cost of sending the remittance by post-chaise. Such special circumstances yielded opportunities of profit which the Rothschild family most skilfully exploited by establishing a kind of clearing-house between the three brothers in London, Paris, and Frankfort; and this system was soon extended to Vienna.

Nathan was the father of this idea. Although the third son, he was more and more tending to become the directing brain of the firm. His association with Herries, who relied upon him to an increasing extent, although concealed from the public became increasingly intimate and more profitable both politically and financially. The services rendered by Nathan, not only covered an extensive field, but were also most varied in their nature. After the fall of Napoleon, to which Nathan's financial measures in support of the Allies and of Wellington had contributed not a little, his business expanded in a quite unprecedented manner. Thereupon he immediately

availed himself of every opportunity of rendering services to the Bourbons, who had returned to France with the support of the Allies, thus smoothing the path for his brother James in Paris.

The exiled Bourbon heir, who was later King Louis XVIII, had been living at Hartwell in Buckinghamshire since 1807. When the Allies invaded France in 1814, he appealed to his divine right to the throne, and decided to go to Paris immediately after the fall of Napoleon. However, he lacked the money necessary to undertake the journey and make his appearance in France with the magnificence proper to a king. The king applied to the English Treasury, requesting it to advance the necessary capital. As French currency and bills on Paris were required, the application was sent to Herries to deal with, and he called in Nathan.

Nathan was delighted to have such an early opportunity of proving himself useful to Louis XVIII, and with the assistance of his brother James in Paris he acquired bills payable in that city, to the value of 200,000 English pounds.[46] He placed them speedily at the disposal of the new king, and thus made it possible for him to land at Calais on April 26, 1814, and to enter Paris on May 3.

Although to Herries's considerable satisfaction, Nathan carefully preserved the close veil of secrecy covering his activities, and let Herries get most of the credit, whilst he contented himself with the commercial profit and the fact that the transactions served to introduce him to other governments, on this occasion Nathan was careful to see that the newly established monarch learned of his share in the transaction. For this seemed to him to be of great importance for the future position of the firm of Rothschild in France.

The development of this branch business was to be entrusted to James, who had already made himself at home in Paris, and who was widely traveled, although he was

only twenty-two years old at the time. His appearance, it is true, was not exactly prepossessing. He looked very Jewish; he had red hair and deep-set eyes, and a good complexion, but he had a wide mouth, a prominent hooked nose, and pursed-up lips. During his earlier years in Paris, he showed an almost servile politeness to everyone. He had obviously acquired the habit at Frankfort, where the status of the Jews was very low, but as he grew more successful and his position improved he gradually lost it. Moreover, James was an exceedingly acute, honorable, and clever banker, whose talents can be rated only a little below those of his brother Nathan. Above all, he had a fair share of the other's abundant energy.

In the life of feverish activity which developed in Paris after the conquest of that city, when officers, diplomats, bankers, and business men flocked to it from all sides, James was absolutely in his element. He was seen everywhere, in government offices as well as on the Bourse and in diplomatic circles,[47] and made great efforts to establish himself in society. He actively supported Herries and his brother Nathan in their efforts to cash the English subsidies without depressing the rate of exchange, and Nathan was able to show in a report to the English Treasury that hundreds of thousands were saved by the new method.[48]

Under the Paris Treaty of May 10, 1814, the French government had undertaken to meet certain obligations incurred by responsible officials, either in France itself or in the conquered territories. To collect these amounts the creditors found it necessary to employ middlemen. James was appointed as the agent of numerous banks and organizations that had claims of this nature, and he was also engaged in the interests of the Elector of Hesse and other minor German princes.

His personal mode of life was exceedingly modest. He lived above a small courtyard, although his business dealings had not only won him the respect of commercial

circles but had also brought him substantial profit. He had already decided ultimately to settle in Paris, just as Nathan had taken up permanent residence in England. He was, however, not in such a hurry as his brother to get naturalized, partly because he wanted to watch the course of developments in France after the stormy time of the revolution and the Napoleonic period; and since France could not at that time place any obstacles in the way of a subject of the victorious powers, he wanted to register his own firm in Paris. If occasion should arise the powers were always ready to exert diplomatic pressure in favor of their subjects. James did in fact register his business without getting naturalized, his name appearing in the Paris trade almanac for 1814 as resident in the rue de Pelletier.

Whilst the House of Rothschild was getting well established in Western Europe through the activities of the two brothers, in its native town it had to fight for recognition, owing to the aversion of the citizens to the Jews. The growing wealth of the Rothschild family at the expense of Christian firms was viewed with displeasure at Frankfort. Buderus had completely succeeded in eliminating their rivals. The firm of Van Notten at Amsterdam had put up a fight longest, but that firm, also. failed to survive Buderus's systematic propaganda with the elector.

In a letter dated May 13, 1814, Buderus had written to the electoral plenipotentiary Lorentz, at London, expressing his dislike of that firm in the following words:[49] "The worthy bankers Van Notten must be small-minded people. On one occasion, when I was very hard-pressed because I was waiting for assistance from England, I drew £35,000 on them. They showed the most extraordinary anxiety about the repayment of this sum. I hope they are now easy in their minds. The Rothschild bankers at Frankfort, on the other hand, have advanced over half a million, and have rendered services of every

kind in a cheerful spirit." Buderus did not fail to express similar views to the elector, so that the rivals of the brothers Rothschild had the ground completely cut from under their feet as far as the Hessian prince was concerned.

The Frankfort Jews had nothing to fear from Austria and Prussia. When Grand Duke Dalberg left Frankfort, the firm of Rothschild was a creditor of his for considerable sums, including the following items: 22,900 gulden for supplying flour to France; 71,181 gulden advanced in connection with the transactions affecting the Fulda property; and 50,000 gulden advanced to Dalberg On account of the Jewish tax commutation payment, which was not yet due.[50] Baron von Hugel, who after the occupation of Frankfort took part in its civil administration, charged all these claims to the city budget, on Amschel's application, to the great indignation of the senate. The city finances were in a state of confusion, but the claims of the House of Rothschild seem to have been satisfied.

The inhabitants of Frankfort particularly grudged the Jews the equal political rights, which they had obtained, it was held, by methods of indirect bribery. The threatened attitude of their native town caused the brothers Rothschild to be seriously concerned about the future of the parent company on which their power was founded. They decided to make every effort to prevent the Jews of Frankfort from losing any of those rights which they had bought during Dalberg's regime.

The new constitution of Frankfort, and therefore the decision regarding the future status of the Jews, was one of the questions to be settled by the Vienna Congress, which was to meet on October 1, 1814. The choice of Vienna was not very acceptable to the Rothschilds, for Austria was the state which had hitherto so obstinately refused to enter into close business relations with them, and her statesmen, such as Ugarte, still did not really trust

the upstart Jewish firm at Frankfort. Moreover, the Rothschilds well knew the strict police control to which foreign Jews were subjected at Vienna, and how greatly all Jews were restricted in their freedom to do business in Austria. As they were determined, however, to secure the desired business connections with the Austrian state, they were not tempted to make the realization of their plan more difficult through possible conflicts with the police authorities at Vienna.

Such considerations caused the House of Rothschild to refrain from sending a member of the family there. The Frankfort Israelites sent old Bornes, Jacob Baruch, and J. J. Gumprecht, as their representatives. They were closely watched by the Viennese police; indeed their expulsion was ordered and sanctioned by the emperor himself; but Metternich intervened, and prevented this from being carried out. Metternich's intervention was probably due to the fact that he had known Baruch when he was ambassador at Frankfort. There is no proof that Rothschild had any particular influence with the minister at that time.

The Jewish representatives at Vienna adopted the method of giving presents; thus they offered Humboldt three magnificent emerald rings, or four thousand ducats. —presents which he refused, whereas Gentz gladly allowed himself to be bribed. The brothers Rothschild had of course contributed to these funds; but they still kept quite in the background.

The general discussions of the proud assemblage of princes and diplomats at Vienna took their course, and sometimes went through critical phases. At one time, indeed, it seemed as though two main groups of powers would form, the differences between which threatened war. This seemed to Napoleon, who was fully informed at Elba of all developments, to be a suitable moment for putting into execution his plans of returning and regaining the throne.

On March 1, he landed on French soil with a handful of faithful adherents. Three weeks later the magic of his name had reinstated him in the palace of the Tuileries in Paris. Louis XVIII and his court had fled from the capital. Napoleon hoped, not only that the Congress of Vienna would collapse, but that some of the powers represented there would adopt his cause. Actually nothing of the kind occurred. While negotiations at Vienna had hitherto hung fire, it was now clear to everybody that delay was dangerous and that quick action was essential. The powers unanimously turned against the disturber of the peace, and determined on concerted action.

The other matters were settled hastily; and half-measures were sanctioned, such as the constitution of the German Confederation. This formed thirty-nine communities into a confederation of states, each one of which was to remain independent, while having a common governing body, with Austria presiding over the Federal Diet, whose seat was to be Frankfort-on-the-Main. It was in Metternich's interest to keep Germany disunited. Controversial matters such as the Jewish problem were to be discussed later by the Federal Diet, while in the meantime existing arrangements were to remain unaltered in the individual states. Metternich informed the plenipotentiaries of the Israelite communities in Germany of this decision,[51] assuring them that the Federal Diet would respect the welfare of the Israelites and that he himself would urge that full rights of citizenship be conferred on the Jews. This was good news, and the delegates hastened to send a copy of Metternich's statement to the House of Rothschild, anxiously waiting tidings at Frankfort. However, the time had not yet come to raise this question. It was far more important to overthrow Napoleon, who was again collecting his military resources in France. On March 25, 1815, the four principal powers had renewed their alliance. Each of them undertook to

provide one hundred and fifty thousand men, except England, which undertook to send subsidies instead of the full amount of troops.

Napoleon was to be finally destroyed by a joint effort. It was therefore again necessary to arrange to transfer the subsidy payments from England to the various continental powers, and substantial sums would have to be paid to Prussia and Austria. Prussia particularly was again in great financial embarrassment, and unless this were immediately relieved, her future military action would suffer. Herries and Nathan now redoubled their feverish activities. Toward the end of April, Nathan sent in one instalment the sum of £200,000 to the Prussian government. It was conveyed by Solomon, who traveled to Berlin for this purpose. When this amount proved inadequate, Solomon without previously consulting Nathan, granted a further advance of £150,000 on the security of the English subsidy, at a rate which was certainly very profitable to himself.

Herries retrospectively sanctioned this operation. Not only did he make no objection, but he also allowed England to assume the considerable loss on exchange which Solomon's high rate of profit had meant for the Prussian government.[52] His profit was not Solomon's only gain on this transaction; in return for his ready willingness to advance such a heavy sum on his own responsibility, the Prussian government conferred on him the title of commercial adviser, a distinction that raised him above the majority of his rivals.

Meanwhile in Austria a change had taken place in the direction of the government's finances. Count Ugarte had retired, his place being taken by Count Stadion, the gifted and eminent statesman who was such a bitter opponent of Napoleon. Having hitherto been engaged exclusively in diplomatic matters, he had not as yet made himself familiar with finance. He therefore entered upon his new office with some misgivings. Grillparzer,

who thought so highly of Stadion that he described him as having more character[53] than any other person he had ever met, noted in his diary [54] that Stadion had himself admitted to possessing very little knowledge of finance.[55] In spite of his greatness in other directions, a finance minister such as this would naturally seem an easy mark for clever bankers and financiers who were out to get business. In view of the change of atmosphere at Vienna and the added prospect of new English subsidies, the brothers Rothschild immediately made themselves felt again, both indirectly through Herries and Limburger, and by direct applications to the Austrian government.

However, Stadion as yet knew little about them, and as Nathan's heavy transactions were still purposely kept in the background, he had no information about these either, so that his whole knowledge regarding the origin and business of the House of Rothschild was exceedingly vague. He suddenly noticed that Meyer Amschel and Sons described themselves as "I. and R. Crown Agents" in a letter, and signed themselves as such. Stadion inquired at the Foreign Office about this from Metternich - who had been advanced to the rank of prince after the battle of Leipzig—stating that he could not understand their signing in this way, since the treasury had no knowledge as to when and in what connection the Rothschilds had acquired this title from the Austrian court. In view of the inferences that might be drawn from its use, he felt it his duty to ask Metternich for further information on the matter.[56]

The following reply to this note was received: "With reference to your inquiry . . . regarding the title of imperial-royal crown agents assumed by the Frankfort business firm of Rothschild, the secretary of state has the honor to inform you that there is no record in his department of that title having been granted to the said firm, and that he has no information whatever on the matter." [57]

The fact was that the Rothschilds had not signed as

imperial-royal, as Stadion thought, but as imperial crown agents, as they were entitled to do in accordance with the decree of January 29, 1800, issued by Emperor Francis in his then capacity of Roman-German Emperor.[58] In any case the incident showed the extent to which the Rothschild family were distrusted in Austria.

In Frankfort, also, they met with every kind of opposition. In order to hinder them in the development of their constantly increasing business, an attempt was made to force the two brothers who were living at Frankfort into the army, in view of the special efforts being made to raise men to resist the return of Napoleon. They turned anxiously to Nathan for help, and he determined to use this opportunity of intervention for addressing a homily to Austria, as he realized that very definite pressure would have to be brought to bear from England, if Austria were at last to be roped in as a customer. The House of Rothschild had already established a virtual monopoly in carrying out the subsidy arrangements of the Island Kingdom.

Nathan went to Herries and acquainted him with the situation; and Herries induced the Foreign Office to make representations to Herr von Neumann, Austrian counselor of embassy in London, in accordance with which Neumann commended the House of Rothschild to Baron von Hugel, the Austrian plenipotentiary at Frankfort. His letter ran as follows:[59]

Sir:

The English Government has requested me most particularly to commend to your Excellency's consideration the House of Rothschild at Frankfort, which carries out the transfer of our subsidies. This firm is represented by several brothers, one of whom is established here, and is employed by the British government in connection with all their principal financial operations on the Continent. By reason of the confidence which he enjoys, and the extensive

nature of his operations, both he and his brothers have incurred the envy of the Frankfort bankers to such an extent that an attempt has been made to torment [tourmenter] them by forcing them to do military service. As the English government appears to be most anxious that this firm should not be annoyed in any way, and as this appears to be a matter that directly concerns our service, I felt that I ought not to fail to transmit this request. I therefore ask your Excellency to grant that firm every help and protection that lies in your power.

Baron von Hugel immediately forwarded this letter to Vienna, where it was submitted to Metternich and Stadion, and it did not fail of its effect. No further opposition was offered to the Rothschild brothers' undertaking the transfer of the subsidies; and in general the interstate financial transactions were all carried through more easily, since Stadion allowed his officials abroad much greater scope than had Ugarte. The new finance minister was inclined to leave more to their personal initiative and judgment, as he realized that they being on the spot were in a better position to know what conditions were, and as the cumbrous methods of communication made it impracticable to correspond on matters requiring an immediate decision.

At this time Hemes himself visited Frankfort, where his commissioner, Limburger, was negotiating with the treasury commissioner Schwinner in regard to the amounts to be paid to Austria, which Stadion would have liked to receive in coin or bullion. Herries emphatically demanded that in this matter the House of Rothschild should be granted as free a hand as possible, Napoleon's return had suddenly upset their plans and made new measures necessary, and the commissary-general and Nathan were kept exceedingly busy. In the campaign against the bold adventurer the most important thing was to raise cash and especially French cur-

rency. As they could not obtain French coins anywhere, Herries on Nathan's advice had gold louis minted, in order to supply the armies.

In the middle of June, Napoleon resumed the campaign. France was supporting him only half-heartedly, for after all these wars everyone was longing for peace, and was willing even to put up with foreign invasion. Now, however, the French were faced again with a demand for new sacrifices and blood and treasure, and with a struggle against superior forces. For a short time the fortune of war seemed again to smile upon Napoleon, but as early as June 18, 1815, the Emperor of France met his fate at Waterloo. He was completely and decisively beaten—abdication, captivity, and banishment to St. Helena were the result.

On the resumption of hostilities in France, Herries and Nathan had returned to London, and were anxiously awaiting news of the result of the conflict. Nathan and his brothers had always made a particular point of letting one another have news as speedily as possible, either directly or through their business friends, of any important event that might influence their business, or be a determining factor in new undertakings. Nathan had promised prizes for the most speedy supply of news to boats sailing between England and the Continent. He also instructed his agents throughout the world to give him the earliest possible report regarding the outcome of the expected conflict. Such measures were of particular importance at that time, because none of the modern methods of conveying news had been invented—the stage post, that is a series of messengers, being the usual way of obtaining it quickly.

Nathan's arrangements worked perfectly for the battle of Waterloo. One of his agents, whose name was Rothworth, waited at Ostend for news of the result. He succeeded in obtaining the first newspaper account of the successful issue of the battle, and with a copy of the

Dutch Gazette fresh from the printers, he caught a boat just sailing for London. He entered the British capital very early in the morning of June 20, and immediately reported to Nathan, who conveyed the news of victory to Herries, and through him to the British government.

The government were at first skeptical, as they had not received any direct information, and Wellington's envoy Major Henry Percy did not arrive with the field-marshal's report until the 21st of June.[60] The members of the British government were tremendously impressed by Nathan's advance knowledge of such an important event; and when this became generally known, the public, who were just beginning to learn of the extent to which Nathan was employed by the English Treasury, began to invent all manner of legends regarding the method by which Nathan had acquired this knowledge and the manner in which he had exploited it.

Some said that he had a private service of carrier-pigeons; others that he had been personally present at the battle of Waterloo and had ridden to the coast at top speed. In order to make the story more romantic, he was said to have found heavy storms raging when he reached the Channel and to have crossed at the risk of his life. Nathan was also alleged to have exploited the news on the stock exchange, thus at one stroke creating the enormous fortunes of the Rothschilds.

Nathan naturally applied the early information that he had obtained to his own profit in his business dealings; but the substantial part of the fortune of the Rothschilds had been amassed through the profits realized in the financial transactions which have already been described; the successful issue of the battle of Waterloo merely served to increase it, and to open up wider fields for profitable business in the future. This was all the more so as England had been victorious and Nathan had transferred the center of gravity of the Rothschild business to her side.

In spite of the fortunate issue of the campaign, which had lasted barely six days, England continued to pay the subsidies to the continental powers. The House of Rothschild was, for instance, instructed by the English Treasury—that is, by Hemes and Nathan—to pay Austria £277,777 on demand, for the months of August and September, this amount not to be subject to any discount, so that Austria should receive it in full.[61] The commission due to the brothers Rothschild was paid by England herself. The payments were continued up to and including December.

Stadion had expressed the wish that as much coin as possible be sent. This made the transfer more difficult and produced a fall in the exchange; it was due to the continuing distrust, which even Schwinner, Austria's representative at Frankfort, was not able to dissipate. The English alone emphatically countered this attitude, and the resulting correspondence clearly shows how highly the wealth and position of the young firm of Rothschild were already rated in England, or at any rate in the authoritative circles of Commissary-General Herries, as compared to their standing in Austria.

"The . . . exchange value [of the pound]," wrote Schwinner to the Austrian embassy in London in November, 1815, "was constantly rising during the early part of November; after the 9th it weakened because Rothschild, having reason to believe that Austria would insist on receiving her considerable payments in cash, refrained from purchasing bills offered by foreigners. This circumstance would appear to justify the view of the English commissioner Baron von Limburger, in which Commissary-General Herr von Herries, who was here a few months ago, concurred, that the more the House of Rothschild were granted a free hand . . . the more certainly would the exchange value of English bills be maintained.

"In this connection the firm of Rothschild have offered bills with respect to the November and December instalments . . . similar to those that have already been accepted and fully cashed in previous payments to the extent of several millions. Nevertheless, in spite of the fact that the generally recognized standing of the firm of Rothschild should be sufficient guarantee for these instruments, I felt that I must adhere to those rules which must always be strictly observed, lest unexpected difficulties should be met in cashing bills of exchange. I considered that this condition was met when Baron von Limburger gave a written undertaking on behalf of the English government that that government would in any case indemnify the imperial and royal treasury if any loss whatever were suffered in realizing the bills accepted by Rothschild."[62]

Schwinner had on a previous occasion expressed his misgivings to Limburger regarding his responsibility for any loss "resulting from the lack of solidity of the firm of Rothschild." Limburger had on that occasion replied to him in the following terms:

"I have the honor to acknowledge the receipt of your valued communication of even date. I cannot possibly give the slightest credence to the rumors which you have communicated to me, and which I regard as malicious slanders deserving of severe punishment. In order, however, completely to set your mind at rest I have to repeat to you on behalf of my government the verbal statement made to you by the commissary-in-chief, Mr. Herries, that even if the accepted bills are not met, the Imperial and Royal Austrian government shall in no wise suffer loss, but that they will be indemnified if there should unexpectedly be any loss in cashing the said bills. I have to point out first that in the case of the considerable amounts which you have already received in such bills, no such occasion has occurred and secondly, that the House

of Rothschild is itself too rich and too powerful not immediately to make good any such loss without requiring the intervention of my government." [63]

Schwinner transmitted the whole of this correspondence to Vienna, where it was brought to the attention of Metternich and Stadion. As they were both hearing such completely satisfactory accounts of the firm of Rothschild from all quarters, and more particularly were learning of the enormous credit which that firm enjoyed, confidence was completely established at Vienna. From now onwards the firm of Rothschild was most extensively employed by Austria, even in business which had nothing whatever to do with the English subsidy.

Thus Nathan had succeeded, while remaining behind the scenes himself, in establishing his brothers on the Continent in the confidence of the Austrian Treasury. This was to be the starting-point of an even more intimate association with governing circles in the imperial state, which was to develop within the next few years.

While the position of the Rothschild family abroad became more and more important and their wealth attained prodigious dimensions by reason of the great interstate financial transactions which were entrusted to them, they had to fight in their native town of Frankfort to secure the equal political rights of the Jews which had been granted during the period of French dominion. In spite of the decisions of the Congress of Vienna and in spite of Metternich and Hardenberg, this equality was threatened by a hostile senate. Now, however, emboldened by the position which they had won with the great powers, the brothers Rothschild felt in a position to make more definite efforts on behalf of their fellows.

The newly created Federal Diet which met at Frankfort had an important voice in this matter, and the Rothschilds determined to gain the responsible representatives of the powers for their cause. From the first, they had a true friend in the representative of the Elector of

Hesse, who had already reestablished everything in his own territory, including the soldiers' pigtails, just as it was before, and who was again at loggerheads with his estates regarding financial matters and the question of the separation of the state treasury from the prince's privy purse.

On October 17, 1816, he had nominated, as his envoy to the German Federal Diet, the administrator of his financial affairs, the old supporter of the Rothschild family, Buderus von Carlshausen—who in the meantime had advanced to the dignity of privy councilor and president of the Chamber. Von Carlshausen had recently been in Paris, on business in connection with his master's claims for compensation, and had specially commended the elector's interests to James. He was now to serve as a kind of liaison officer between the elector and the House of Rothschild, as indeed he had always been. Only positions were now somewhat changed; hitherto it had been the Rothschilds who had asked favors; now it was the elector and Buderus who tried to maintain a close connection. The brothers Rothschild certainly did not forget what they owed them, and endeavored as far as possible to meet all their wishes. But the elector's business had fallen very much into the background since the family had got accustomed to transacting business running into millions with the states of Europe.

In any case, the first important relationship of the Rothschild family had worked out to the benefit of all concerned. The elector had had his scattered resources most ably shepherded during the confusions of the Napoleonic war; Buderus had been made an exceedingly wealthy man; and the extensive operations of the Rothschilds themselves had been made possible through the moneys originally entrusted to them by the elector. They naturally urged Carlshausen to make strong representations in favor of Jewish interests at the Federal Diet. Solomon and Carl Rothschild next turned to the Prus-

sian chancellor Prince Hardenberg and transmitted to him a copy of the letter that Metternich had sent to the Jewish representatives at the Vienna Congress, adding the following covering letter: [64]

In humble confidence we beg to submit to your Highness the enclosed document which is of such fateful import for the destinies of the Israelite community.
After all that your Highness has done for our community in recent years we cannot but hope that your Highness will not withdraw your powerful support at this decisive moment. That, and that alone, can secure a tolerable existence to the Frankfort Jews. Everything depends upon the Commission nominated by the Federal Diet proceeding according to just and reasonable principles in dealing with this matter; and any influence exerted by your Highness in that direction cannot but have the most satisfactory result. We therefore beg to submit our most humble and relevent request that you will most graciously convey to the royal Prussian Ambassador at Frankfort, as speedily as possible, those general instructions which are indicated in the enclosed letter. This is the only means of salvation left to us.

This letter was necessary because there were definite signs that the senate was not likely to pay much attention to the decisions of the Congress of Vienna. This fact had financial consequences; for some of the debentures issued by the Jewish community in connection with their liberation had not yet been met. The Jews did not wish to pay the money until it was certain that the rights which they were thus purchasing would be secured to them. The firm Meyer Amschel Rothschild and Sons wrote in similar terms to Hardenberg and Metternich, saying that they had been informed that all the duly acquired rights of each class of the inhabitants at Frank-

fort would be maintained, and that there was therefore no further obstacle to the debentures being redeemed.

"As none of the principal magistrates at Frankfort," the letter continued, "have as yet taken any action in this matter, and the holders of these debentures are pressing more and more for their payment, we humbly request you to take the necessary steps, so that these obligations may be paid without further delay.

"We venture to hope that our most humble request will be graciously granted, since the necessary money has long been available, and it will be paid as soon as the necessary action in this matter has been taken." [65]

Before this money was paid, the Rothschilds wanted to receive an assurance from the city of Frankfort that it would not attempt to dispute the agreement with Dalberg of December 28, 1811, regarding the equal rights of the Jews. Both the persons appealed to agreed; and Hardenberg wrote to Metternich that he considered the request to be right and just, that the city of Frankfort could not legally raise any objection, and that it would be advisable for the two courts jointly and emphatically to enjoin Frankfort to recognize the agreement as binding and to fulfil it.[66]

Count Buol-Schauenstein, Austria's plenipotentiary, and therefore president of the Federal Diet, was, in contrast to his superior Metternich, no friend of the Jews, and had reported his views to Metternich at Vienna. He held that Grand Duke Dalberg had sold the rights of citizenship to a crowd of Jewish families for a song.

"Trade," wrote the ambassador from Frankfort, "is still the only means of livelihood which the Jews adopt. This nation, which never amalgamates with any other, but always hangs together to pursue its own ends, will soon overshadow Christian firms; and with their terribly rapid increase of population they will soon spread over the whole city, so that a Jewish trading city will gradually arise beside our venerable cathedral."[67]

Buol's attitude was bound eventually to result in a conflict of opinion with Metternich, but for the time being no decision was made in the Jewish question, and the question of the status at Frankfort remained in the balance.

Paris offered opportunities of important new business, and all the members of the Rothschild family were kept fully occupied exploiting them as far as possible. The victorious powers inflicted a heavy war indemnity on France, appointing four commissioners of the principal powers to settle the precise terms and receive the money. They met at Paris under the presidency of the Austrian, Baron von Barbier. The amount of the indemnity was fixed at seven hundred million francs, to be paid within five years in fifteen instalments of 46,666,-666 francs, commencing on December 1, 1815.

At once the difficulty arose of arranging for these payments to be transmitted to the powers. James, perceiving the great possibilities of profit that the situation offered, advised his brothers and urged them to do everything possible to get the order for remitting this French tribute.

The brothers had to meet heavy competition. Austria still employed her four banking firms, which were represented in Paris; while Baring and other big firms in England endeavored, in connection with the Paris banking firm of Ouvrard, to get the business. All the firms were eager to exploit the opportunity to the utmost, and all the financial and banking world was considering the methods by which the great indemnity could be settled.

Barbier received a proposal from the Baring-Ouvrard Company which was unacceptable because, as Barbier reported,[68] "the bankers insist on enormous advantages being assured to them, without guaranteeing our principal objects, namely, complete security and advances before instalments fall due." Austria intended, among other things, to divert large sums to Colmar for various purposes, mainly of a military nature. The four Viennese

firms had very poor connections in Germany, and it was not practicable to make use of them.

The question therefore was whether the Messageries —the overland postal services—could be entrusted with this task, or whether recourse should be had to bankers as an intermediary. Barbier felt anxious about the first method, the roads being exceedingly unsafe so soon after the confusion of the war. This was indicated by the fact that the postal company refused to accept liability for "les vols a main armee," after a mail-bag had been rifled on another journey.

Barbier reported as follows to Stadion:[69] "I am informed that the Frankfort bankers Rothschild and Gontard have undertaken entirely at their own risk to transfer certain sums of money required for the Wurttemberg regiments that are remaining in France, and that they have been granted a commission of one and a half per cent for their services. This amounts to exactly double the transport costs demanded by the Messageries. I have also heard that they have demanded one and a quarter per cent for sending money to the Russian regiments. I suggested to them that they should remit our money at their own risk for a commission of one per cent, to cover all expenses; but they definitely stated that the expense and the danger were too great for this commission to cover them. I had therefore no alternative, after lengthy negotiations with them, except either to grant the collimission they asked or to adopt the cheaper but somewhat unsafe method of sending the money by the Messageries." The Messageries were certainly cheaper, but an accident to a single remittance might make this manner of transport exceedingly expensive. Barbier therefore closed with the firms of Rothschild and Gontard, and on January 6, 1816, they dispatched the final letter regarding the transfer of the first amount of 2,200,000 francs to Colmar.

"Allow us," they wrote,[70] "to add the assurance that

we shall apply our united efforts to carrying out this to your complete satisfaction. . . . We could not offer a lower commission because we cannot yet accurately estimate the expenses involved. We shall, however, make it our duty to reduce this commission in the case of future remittances if circumstances permit. We venture to trust that your Excellency will be disposed to let us know when future payments have to be made, in order that we may be able to quote you the cheapest terms."

Accepting responsibility for all risks of carriage, the two firms undertook the transfer of these moneys from Paris to Colmar for a commission of one and a quarter per cent on the payments made. This was not so serious for them as it might appear, since they did not really transfer any money at all, but through their extensive connections acquired the equivalent sum at the place of payment itself. Thus without incurring any risk, they were able to book the high commission as pure profit.

After this system had been in force for some time, the general commanding at Colmar, Baron Frimont, who regarded the commission as excessive, intervened, and attempted to get the money over by military couriers. However, after trying to do this for two months, he admitted himself beaten, and himself requested[71] that these remittances and the issue of officers' pay should again be carried out by the firms of Rothschild and Gontard, "as has already been found to be the most reliable method in connection with military payments at Frankfort."

They did not confine themselves to this business. Soon payments running into millions[72] were carried through by Rothschild and Gontard on account of the French indemnity to Vienna, the most important part of which was entrusted to Eskeles and Geymuller. Nevertheless, the Austrian government continued to give considerable orders to the four Austrian firms; and in their competition with them, Rothschild and Gontard had to make exceptional efforts to be allotted even a small proportion of the

French indemnity to Hamburg. Competition was exceedingly keen.

At last the brothers Rothschild succeeded in winning over Barbier, Austria's financial representative in Paris, whose attitude toward them had hitherto been neutral. As time went on he became an ardent supporter of the Rothschild family and of the Frankfort bankers who were working in conjunction with them. This is revealed by the correspondence which passed between him and Count Stadion, who dealt with the matter in a thoroughly businesslike and impartial manner.

Stadion recognized the conscientious services rendered by the Rothschilds in remitting the subsidies; and Nathan saw that the minister was fully informed from England of the part which they had played. With Napoleon a captive at St. Helena, the period of subsidy payments was completely at an end, so it was no longer necessary to keep this business a strict secret. Nor did Nathan consider it desirable to do so, since their credit and reputation would gain if it were widely known that those enormous sums had been handled by the House of Rothschild.

We must bear in mind that during the period between October, 1811, and October, 1816, no less than £42,500,000[73] had passed through Herries's hands. Almost half of this had been forwarded to the various continental recipients through the intermediary of Nathan and his brothers. In Herries's memoirs, published by his son, are extracts from a memorandum[74] prepared for competent authorities, which speaks of Rothschild in the highest terms. Of course in praising Rothschild, Herries was indirectly taking credit for himself, since he after all was responsible, and would have had to bear the blame for any mistakes.

Herries wrote that it was possibly solely due to the banking firm of Mr. Rothschild and his brothers that he had been enabled to carry through the exchange opera-

tions so successfully. He said that the greatest gratitude was owing to these gentlemen, who had devoted themselves entirely to the public service, and that the reward which they would receive would have been fairly and honorably won.

Herries certainly emphasized[75] the fact that he had always kept Nathan strictly under his control, had never allowed him to take any steps without his express consent, and had had him almost constantly with him in his room; but he also stated in a private letter to the chancellor of the exchequer that he owed it to Mr. Rothschild not to miss this opportunity of bearing witness to the skill and energy with which he had carried out this service, quite unobtrusively and in such a manner that the rate of exchange had not been unfavorably affected. Even if we regard Herries's testimony as biased, there can be no doubt that Nathan rendered magnificent financial services, from which, it is true, he personally reaped substantial profits.

The Austrian finance minister Count Stadion was just about to undertake the task of putting his country's finances thoroughly in order, reducing the amount of paper money in circulation, and as far as possible reducing Austria's public debt. He required a large amount of ready money for these purposes. This he had the prospect of obtaining through the Austrian share of the French indemnity, but as the payments were distributed in instalments over a period of years, and as he required money urgently, he decided that he would try to obtain an advance on the amount due.

He therefore wrote from Milan[76] to Barbier in Paris: "If your Excellency should receive any offers of an advance on the security of the contributions due in the next few years, I am of opinion that they should be considered, for they would assure us the advantage of obtaining a certain sum for the treasury at an early date."

Barbier replied to his minister as follows:

As such an offer could be expected to be made only by a very substantial banking company, I contrived to introduce the subject in the course of conversation with the firm of Rothschild. But it awakened no response. Yet a short time ago young Rothschild stated to me that it might now perhaps be possible to arrange the settlement of the Austrian share of the indemnity for the four last years at one stroke, saying that if I had the necessary authority to undertake such an operation it might be possible to enter into negotiations. I asked him to put his suggestion in writing; but he replied that he was unable to do so until a commissioner had been definitely instructed by Austria to enter into such negotiations.
This is as far as matters have gone at present; and I am led to infer that the proposal is at present merely a tentative suggestion on the part of Rothschild, who would try to find partners for the scheme if our court would express an opinion in favor of it. . . . Rothschild spoke of the enormous discount of forty per cent.

Barbier emphasized the fact that the entrepreneurs were speculating on an enormous profit and that Rothschild was paving the way thereto by mentioning this heavy discount. Barbier estimated the loss involved through such advance payments at "only" about twenty percent. He stated that it would require special considerations to make it desirable to incur a loss exceeding twenty percent.
It is true that the demands put forward by the Rothschilds were extremely high, and the benefit to be derived from such a transaction was positively enormous. But the very offer, implying as it did that the brothers Rothschild and their business friends were in a position immediately to supply cash to the tune of countless millions of francs, shows how strong the financial position of the Rothschilds had now become. There was nobody else in the field in financial transactions on this scale, and the

Rothschilds meant to turn their privileged position to account.

Austria's urgent need of money, and the hope of getting better terms for the advances from the brothers Rothschild inspired Stadion to a clever move. He would put the family, who, handicapped by their origin, were making every effort to improve their social position, under a special obligation. After the conclusion of the subsidy transactions, the Rothschilds had repeatedly appealed to Baron von Handel and to Schwinner at Frankfort to recommend to the emperor recognition of their services; and Schwinner had forwarded this request to Count Stadion, the minister of finance. Stadion gladly availed himself of the opportunity thus offered.

Of the subsidies amounting to approximately £1,800,000 (15,000,000 gulden)[77] which were made available in the year 1815, the four Viennese discount houses first discounted an amount of about 2,750,000 gulden, for which the Austrian government paid a commission of one percent. The money, however, was not forthcoming as speedily as had been hoped, and the Austrian government was compelled to ask the four banking firms for advances on the payments. On these they had to pay interest at the rate of six percent. They were therefore exceedingly pleased when the English government consented to make the moneys payable in large amounts and even to pay several months' instalments in advance through the firm of Rothschild. Thus Austria no longer had to pay any commission, and thereby saved one percent in that respect, as well as saving six percent on any advances.

In the finance minister's report to Emperor Francis the following passage occurred:[78]

> Count Stadion flatters himself that his Majesty will approve of the manner in which this business was carried through. In this connection he feels it to be his duty to recommend that the services of the Frankfort banking firm Meyer Amschel Rothschild

and Sons should be recognized, since the efforts of that firm contributed in a special degree to securing the prompt payment of the English subsidy moneys, and in the present circumstances it may be necessary to have further recourse to the good offices of that firm. . . . The firm has very large resources and enjoys an even larger credit. It can carry through transactions that appear vast to a private person on the Continent, because the British government employs it in the most extensive operations and therefore supports it with the necessary funds.

An examination of the subsidy transactions reveals the fact that the House of Rothschild alone paid out 12,203,822.43 florins with respect to £1,442,000. The report of the former high commissioner, who was in charge of the subsidy payments at Frankfort at the time, shows that Rothschild always paid most punctually, and that on various occasions, such as in changing foreign coin and bills, he showed the greatest desire to help without taking any undue advantage.

After the subsidy transactions had been carried through, the head of the firm expressed a wish that the services which he rendered might be publicly recognized by your Majesty. High Commissioner Schwinner was asked for his opinion as to the form which such recognition should take. He discussed the matter with the director of the Gratz police, Gohausen, who was then at Frankfort. . . . Gohausen suggested that the head of the house should be granted the honorary title of imperial and royal councilor, a like title having been granted for similar reasons to the brothers Kaula, in Hanau and Stuttgart, and to other Israelites. The grant of a title of nobility, on the other hand, would excite the envy of Christian banking firms and would create a particular sensation at the present time, as the rights of citizenship of the Jewish community at Frankfort are the subject of negotiations.

High Commissioner Schwinner does not recom-

mend that the title of I. and R. councilor be granted, as it is customary to confer this distinction upon eminent public servants. He favors the granting of an imperial title of nobility, believing the apprehensions of the director of police to be unfounded. Since then Rothschild has repeatedly asked for some recognition as an encouragement both to himself and to others.

Count Stadion begs to state by way of recapitulation: The services rendered by Rothschild are not of a kind that may be suitably rewarded by conferring an order; but the civilian medal would hardly come up to his expectations. In view of his own wealth, a reward in money or money's worth would be even less appropriate. And such in any case would have to bear some relation to the high dignity of the donor and would therefore have to be very considerable. In the opinion of Count Stadion orders are more suitable as a reward for officials, but as Rothschild has already many officials under his direction, an order is not likely to impress him. Count Stadion therefore requests that as a public mark of your Majesty's satisfaction with the services rendered by the Frankfort firm Meyer Amschel Rothschild and Sons, your Majesty will graciously confer on the two brothers of this firm resident here, the German hereditary title of nobility, free of all dues, and will authorize him, Count Stadion, to convey to the firm in a special letter your Majesty's satisfaction.

This report was sent to Privy Councilor Barton von Lederer. He was the right-hand man of Count Zichy, the secretary of state and lord of the privy seal, and had accompanied the emperor when he fled from Napoleon in 1809. On that occasion he had won his confidence and affection. When the reorganization of Austria was undertaken after the Congress of Vienna, Count Zichy was placed at the head of the central office for dealing with all matters affecting the reorganization; and it became

his duty to consider the suggestions that were made from various quarters and to express his opinion upon them. Although Stadion was so enthusiastic about the services rendered by the Rothschilds, Lederer remained comparatively unmoved. He regarded them simply as a calculating family of money-makers who were only concerned with their own interests, and he accordingly sent in a detailed report in which he argued against granting them a title of nobility. At the beginning of his statement Lederer gave a short synopsis[79] of the movements of the pound sterling before and after the battle of Waterloo, based upon the payments actually made by the Rothschilds.

In the year 1814, it was as follows: the pound sterling was worth on the average .....8 fl 11 1/8 x
In 1815, before the battle of Waterloo. .7 " 42 3/5 "
In 1815 after the battle of Waterloo.. .8 " 50 3/4 "
Taking the whole year 1815.....8 " 23 1/2 "
Taking the two years 1814 and 1815... .8 " 21 3/4 "

Lederer's memorandum continues:

I now pass to the question of rewarding the two brothers Rothschild, raised by the minister of finance in his report. In this connection two questions have to be considered: 1. In this business, have they conferred a benefit on the Austrian Treasury, and wherein does this benefit lie? 2. How can this benefit be suitably recognized?
As to the first, it was not until June, 1815, that the firm of Rothschild was employed as the business agent of the English government, in connection with the realization of the subsidies. It looked after the payments for that government, for which service it no doubt received a liberal commission, its duty being to maintain the rate of exchange between England and the Continent in favor of England and to

improve it. The firm of Rothschild never had any right to ask Austria for a commission on the payments which it was effecting on behalf of the English government. In acting wisely in this matter, it deserved the compliments of the English government, whose intentions it was carrying out. The rate of exchange at which funds were transmitted before and after the battle of Waterloo indicates how far its success was due to fortunate circumstances and how far to its efforts. In effecting the payments accurately and punctually, the firm of Rothschild was but doing its duty. Even the fact brought forward by Schwinner, that they made the payments to the governor-general at Frankfort and to his military departments—payments for which the Austrian Treasury was responsible—out of the subsidy moneys, without charging any special commission for these transactions, cannot in my opinion be counted very much to its credit. It was paid a commission on the whole amount by England, and it cannot have been any more trouble to the firm to divide the payments among the various departments than to pay the whole amount into the central treasury at Frankfort. In any case I cannot conceive of a business firm doing business except in its own interest. The business man undertakes transactions in order to make a profit, and he should not pretend to having conferred an obligation where he has not done so.

Count Stadion thinks it desirable to secure the good-will of a firm of such extensive credit with a view to the future. I must confess that I cannot see how this is to be obtained by conferring any distinction whatever on the House of Rothschild. They will carry through transactions for the Austrian financial administration again in the future. If they see the chance of making a profit, they will ask us for business; but if they do not, they will decline to do business for us, even if the chiefs of the firm have been honored by your Majesty.

The balance-sheet is the first and most powerful

factor in determining the business man's attitude. However, since the firm of Rothschild has carried through such considerable financial transactions for the Austrian Treasury, whereby the payment of commission was saved, I consider that it would be proper and consonant with your Majesty's dignity to give both brothers Rothschild a proof of your favor.

In this connection I cannot agree with the suggestion that a hereditary title should be conferred. Such titles should be the reward of service only. In this case there is the special consideration that the brothers Rothschild are Israelites. It is true that there have been cases in which your Majesty has decided to raise Israelites to the ranks of Austrian nobility, e.g., Baron Arnsteiner and Ritter von Eskeles.

On the other hand the claims of the Frankfort Jews to full rights of citizenship are now the subject of discussion, and although I would not venture to express an opinion as to whether honors should be conferred upon Jewish business men when the result of the negotiations in the diet is pending, I suggest that if your Majesty is inclined to act upon Count Stadion's proposal, the views of the minister for foreign affairs should first be ascertained. Personally I consider that the most suitable thing would be that your Majesty should make a gift to each of the two brothers Rothschild of a gold snuff-box bearing your Majesty's monogram in diamonds. Count Stadion might be consulted as to the monetary value of such a gift.

Count Zichy, to whom this memorandum was submitted for his observations, sent it on to the emperor with the comment that he considered Baron von Lederer's argument to be sound but that he could not immediately agree that the proposal should be rejected. He suggested that since Prince Metternich was best informed as to the conditions of the Israelites in Frankfort, and in view of

the fact that the firm of Rothschild had really rendered services to the imperial treasury, Prince Metternich should be asked to express an opinion.[80]

Emperor Francis accordingly officially requested Metternich to express his opinion regarding Stadion's proposal, asking whether the existing circumstances of the Jews at Frankfort did not make it politically undesirable to distinguish a Jewish business firm in that way.[81]

The matter was therefore to be decided by Metternich, the man who, as has been stated, was well-disposed to the Frankfort Jews, and who had concurred in Stadion's making the proposal. Metternich reported verbally to Emperor Francis in favor of ennobling the Rothschild family.

Mindful of the important financial and political considerations on which Stadion's proposal was based, and which were further emphasized by Metternich, the emperor agreed, although he felt that the minor nobility would view the ennoblement of foreign Jews with very mixed feelings. The patent conferring the title of nobility on Amschel and Solomon, in recognition of their services in realizing the English subsidies, was issued from Schonbrunn on September 25, 1816.[82]

Meanwhile, it had been pointed out to Stadion that the two other brothers, Carl and James, whose services were also required for the operations that were being planned, might feel slighted, and a few days later Stadion recommended that these two brothers should also be ennobled. Emperor Francis issued an order in council to this effect, dated October 21, 1816.[83]

No sooner had the document been signed than Ugarte had the fact recorded in the official Vienna papers. Stadion expressly thanked the chancellor for doing so; a fact indicating the importance which he attached to the whole matter. At the same time he informed Ugarte that he had asked both the brothers Rothschild to submit a de-

sign for a coat-of-arms, and to state whether they wished to adopt a prefix of nobility.[84]

Stadion had informed Ugarte of the reasons for conferring a title of nobility, as set out in his report to the emperor, and added: "I do not consider, however, that the patent should enter into any details as to the services rendered, but that there should be merely a general statement to the effect that since the two brothers Meyer Amschel [sic] Rothschild and Solomon Meyer Rothschild have carried through a loan most meticulously and punctually—the English subsidy transactions during the year 1815—and have also shown an exceptional readiness to render services outside their actual duties, his Majesty has been most graciously moved, etc., etc."

In accordance with Stadion's request, the brothers Rothschild submitted a design for a coat-of-arms. This was enclosed with a letter written by Solomon Rothschild's own hand,[85] explaining the design, and reading as follows: "First quarter, or, an eagle sable surcharged in dexter by a field gules (having reference to the Imperial and Royal Austrian Coat-of-Arms) ; second quarter, gules, a leopard passant proper (a reference to the English Royal Coat-of-Arms) ; third quarter, a lion rampant (with reference to the Hessian Electoral Coat) ; fourth quarter, azure, an arm bearing five arrows (a symbol of the unity of the five brothers).

"In the center of the coat a shield gules. Right-hand supporter, a greyhound, a symbol of loyalty; left supporter, a stork, a symbol of piety and content. The crest is a coronet surmounted by the Lion of Hesse."

In submitting the design the Rothschilds asked that a separate patent of nobility should be prepared for each of the four brothers, as they lived in different countries. The design was duly sent to the Heralds' College (there was such an institution in Austria at the time) with a request for their observations. The college replied that

they saw no objections to preparing four patents, but that it was "necessary to proceed with the greatest caution, particularly in the case of members of the Jewish nation for various reasons, and more especially because they are not familiar with the prerogatives of nobility." They added that although the usual fees were being remitted, they considered that the Rothschilds should pay 150 gulden for the special grant and that they could hardly resent this charge in view of the great distinction that was being conferred upon them.

"As for the coat-of-arms," the report continued,[86] "they ask for a coronet, a center shield, supporters, the Leopard of England, and the Lion of Hesse. According to the rules of heraldry, the gentry are entitled only to a helmet; their suggestion is entirely inadmissible since otherwise there would be nothing to distinguish the higher ranks, as coronets, supporters and center shields are proper only to the nobility. Moreover, no government will grant the emblems of other governments, as nobility is conferred for services to one's prince and one's country, but not for services to other countries. The lion is a symbol of courage only, which does not apply to the petitioners."

A design such as the Heralds' College considered suitable was attached to the report. The seven-pointed coronet, to which the petitioners were not entitled, and which was no doubt intended to express their wish for the title of Baron, had disappeared, together with the heraldic animals supporting the shield, and the lions of Hesse and England. Only the half-eagle and the arm with the arrows remained; but the hand was grasping, not five but four arrows, this being in accordance with the curious fact that Nathan, the brother who behind the scenes had had most to do with the English subsidies, was not yet recognized in any way.

The recommendations of the Heralds' College were accepted in every detail, and the design submitted by

them duly became for some years the coat-of-arms of the Rothschild family, as laid down in the patent dated March 25, 1817. Although the ennoblement only carried a modest "von," the new rank was of no little importance. We must remember that at that period the higher nobility were dominant in almost all the states of Europe. They occupied all the highest positions in the state and were in a most favored position financially as compared with other citizens. For a Jewish family who had to fight hard for their position in their native city, the Rothschilds' imperial patent was a particularly rare distinction, and involved an important step forward in their fight for social recognition. As soon as the nobility had recovered somewhat from their annoyance, it became much easier for the brothers Rothschild to make their way socially.

The event was naturally very helpful to the relations of the House of Rothschild with Austrian statesmen. They did not take over the business of paying the whole of the huge French indemnity in advance instalments, but partial payments were made through them. They also transferred the moneys to Colmar as well as larger amounts sent to Mainz for the purpose of building fortresses.

Austria was owed three hundred thousand Dutch ducats by Russia for advances made to Russian troops during the Napoleonic wars and accordingly drew bills on the Frankfort firm of Rothschild, which were due in December, 1817, and January, 1818. In reply to Barbier's inquiry, James Rothschild wrote a considerate letter[87] saying that he could not accept the bills because the order from the Russian finance minister had not yet been received.

"If, however," he wrote, "it is your Excellency's wish that these bills be accepted by me ... I am gladly prepared to do so if your Excellency will be so kind as to give me an assurance that the bills in question are in or-

der and that I will receive the report of the Imperial Russian Ministry of Finance."

The brothers Rothschild further offered,[88] in conjunction with Gontard, to provide three hundred thousand ducats, at five percent interest and one percent commission, a few months before the due date. "We flatter ourselves," they stated, "that your Excellency will appreciate the reasonableness of our proposals, and we venture to assure your Excellency that our principal desire has been to give further proof to the I. and R. Court of our constant zeal in their interests. Moreover, we are prepared to modify our proposals if an alteration in the rate of exchange in your favor should make this possible at the time when your Excellency has occasion to accept them."

Barbier supported the Rothschild proposal, attacking the four Vienna firms and observing that in his opinion the Rothschilds worked better and more cheaply.[89] But plans had now been changed at Vienna, where the bills were wanted to be paid only when they fell due, and inquiries had been made of the four Vienna firms as well as of Rothschild and Gontard regarding the simple transmission of the ducats to Vienna.[90]

The brothers Rothschild named their conditions and went on to say:[91] "If the treasury should later desire to receive in advance the above-mentioned amount of three hundred thousand ducats, we shall always be ready . . . to provide it. If, however, we should make such an advance your Excellency will find it not unreasonable to grant us a commission of one percent in addition to the interest rate of five percent per annum. We flatter ourselves that your Excellency will regard our various proposals as just, and venture to believe that we have made every possible effort in our power to furnish further proofs of how greatly we desire to continue to be honored with the treasury's confidence."

The letters show how cleverly the Rothschilds con-

trived to clothe their proposals in polite phrases and how they were always concerned to present their case as if their one desire was to make themselves useful, while the other party would derive all the profit and advantage.

While endeavoring to secure the custom of Austria, the brothers did not neglect the other states. Similar advances on account of the French contribution appear to have been suggested to Prussia and Russia, and in February, 1817, a loan of several millions was made to Prussia in the name of Rothschild. The Elector of Hesse, it is true, had a large share in this.[92] The brothers Rothschild still carried out really big transactions in conjunction with their patron or with other firms, but the time was soon to come when the five brothers would act alone, and one great firm after another would fall before them.

They were now again concerned to secure their position in Frankfort. The Jewish community had sent a request for assistance to Baron von Humboldt, the Frussian minister who was at that time acting on the diet; and Rothschild had appealed to the young German legal luminary and statesman Sylvester Jordan to use his influence with Count Buol at Frankfort, who had known Jordan since his earliest youth.

"The banker Rothschild,"[93] Jordan accordingly wrote to Buol, "one of the richest bankers in Europe, who has nothing to worry about except that he is a Jew, has most emphatically implored me to commend to your Excellency the interests of the Jews in general and of his House in particular. Hardenberg has already sent instructions in his matter to Humboldt. The senate of Frankfort is determined to confine them to the Jewish quarter, which is naturally distasteful to a banker who is worth millions."

In the middle of December, 1816, a printed memorandum with no less than thirteen enclosures, regarding the

Jewish rights of citizenship, was sent to the diet, amongst the signatories being Amschel and Jonas Rothschild, as well as Jacob Baruch and old Bernes.

Meanwhile the brothers Rothschild were working assiduously abroad to extend their influence within the countries where they were living. In Austria their persistence had met with the greatest measure of success, and accordingly they redoubled their efforts in that country to secure new honors and titles. It did not take them long to realize that friendly social relations were of the greatest use to them in their business in each country; but it was just in this matter that they often met with great difficulties in London and Paris.

It was exceedingly hard for poorly educated German emigrant Jews to get into the higher social circles, even though they were rich. James had so far been most successful; at the excellent dinners which he gave he was already entertaining diplomats such as the Austrian ambassador Baron Vincent, and once even a prince of the blood royal, Paul von Wurttemberg. But he also met with numerous rebuffs.

Nathan and James hit upon the idea of asking Austria to grant them the dignity and office of honorary consul. On receiving such a nomination they would more or less belong to the diplomatic corps, whereupon many doors hitherto closed must necessarily be open to them as persons of official standing. Moreover, the title of consul of a great European power such as Austria was at that time, would be bound to raise their prestige and their credit in the business world. They wrote to Amschel at Frankfort asking him to obtain the title for them in Vienna; and he immediately wrote to Metternich: [94]

MOST EXCELLENT PRINCE, MOST GRACIOUS PRINCE AND LORD!

We have had the good fortune on various occasions to experience the proofs of your Highness's

most gracious good-will, and we are therefore emboldened most respectfully to make the following proposal. Our brothers, the chiefs of the branches in Paris and London respectively, Jacob M. von Rothschild and Nathan M. Rothschild, honored through the distinction recently received by our family and their gracious elevation into the ranks of the nobility, are inspired by the most zealous desire to be able to devote their energies to the service of the I. and R. Austrian Government. They would feel they had found a means of satisfying these natural desires if one of them were nominated I. and R. Austrian Consul, a position which is at present vacant both in Paris and in London.

This position depends upon the nomination of your Princely Highness, and we therefore most submissively venture to request that your Highness may be pleased to accede to our humble wish. The I. and R. Government can find no more loyal, zealous, and indefatigable servants than our brothers; and we flatter ourselves that the connections which we have established with the governments of France and England would make it easy for us, both in a general way and in individual cases, to be useful to the I. and R. trade with those countries. We should be happy to be placed in a position to do so in this honorable manner, and to receive this further distinction.

Amschel wrote to Stadion at the same time[95] stating that it was not the desire for further honors that caused him to ask that his brothers should be nominated as consuls, but his sincere desire to prove himself of ever-increasing usefulness to the I. and R. Austrian Government. He was certain that the relations which both brothers had established with the governments of the countries where they were living would aid them in being of use to the I. and R. Austrian subjects, especially in commercial matters, and that the granting of their submissive request would enable his whole House to apply all their energies

in the most varied ways to the service of Austria's commerce.

Carl Rothschild also appealed to Count Zichy,[96] whom he knew through business dealings, informing him that the Austrian ambassador in London, Prince Esterhazy, had written to Mettcrnich in support of Nathan's nomination and requested the same favor of him. Zichy forwarded Rothschild's letter to Metternich, with the remark[97] that although the matter did not come within his province he ventured to observe that this firm already appeared to have rendered important services to the Austrian treasury, and would through its riches and influence, especially in England, be able also in the future to give pecuniary aid to Austria.

It was to be a long time before these requests were granted. The Austrian state machine worked slowly, and several objections and difficulties cropped up, which could be overcome only by years of work. It was only through their close association with Metternich and Gentz, whom the brothers Rothschild cultivated in the ensuing period of congresses, that they were enabled to smooth the way, so that three years later there was no further obstacle to the desired nomination. Before they could achieve their object, however, they had a long row to hoe.

But the brothers Rothschild worked assiduously toward any goal which they had set themselves to achieve, notwithstanding all the difficulties that arose and the years during which their patience was tried. In the end they got what they wanted. Their unremitting efforts and their persistence in urging their cause, undismayed by any rebuffs, secured for them the unique career that had been destined for their family.

CHAPTER IV

The Brothers Rothschild During the Period of Congresses, 1818-l822

THE great fortune of the Rothschilds had been made; it was now a question not only of preserving it but of developing it and of employing it as remuneratively as possible. The convulsions through which all the states of Europe had passed, and the enormous military efforts made during the preceding quarter of a century, had produced general confusion in their finances, which could be straightened out only by hard work in peace conditions. Every state had been spending money lavishly for a long time, and the resulting shortage of money was very acute. The poverty-struck states had to acquire the cash necessary for their recovery from those who had succeeded in profiting by war conditions to accumulate riches as contractors or through financial operations. Foremost among these was the House of Rothschild, and it gladly lent money to princes and states, as the repayment of such loans through their subjects was secured. Thus it advanced moneys to numerous small princely families, especially to those of the neighborhood, while its relations with the Elector of Hesse remained outwardly unchanged.

Although he was the third son, Nathan incontestably look the leadership among the five brothers. His long and fortunate connection with the English government had taught him both the advantage of concentrating on really big financial operations, and the comparative safety of carrying through such operations with powerful states. For the concern of these for their public credit and their prestige made them regard it as essential to carry out

their obligations punctually. Nathan was not in the least inclined to rest upon his laurels, or to limit himself to the preservation and enjoyment of the family's great fortune. His aim was to increase the power of his House; and he held the view that in order to win a victory, ducats, like soldiers, had to be concentrated in mass suddenly and unexpectedly upon a wisely selected point.[1] This was the dominant note in the policy of his House during the following period.

In order to apply this policy it was necessary, now that his firm enjoyed the high regard of the business community, that he should secure his position in society as well. The Austrian patent of nobility had given him a good start in this direction; but his native city and the senate of Frankfort continued to adopt an unfriendly attitude toward the Jews, including the Rothschild family. Amschel at Frankfort, who had been placed in charge of the campaign against the senate, used every opportunity for exerting external pressure upon the authorities of the city, especially through Prussia and Austria. At the beginning of the year 1818 a favorable opportunity occurred for again enlisting the support of the Prussian Chancellor Prince Hardenberg, who was well disposed toward the Jews.

The state finances of Prussia were, like those of Austria, in great confusion. The deficit was large, and it seemed not improbable that the pay of civil servants and of the army would have to be suspended. The treasury lived, from hand to mouth, and the king himself was being dunned by small tradesmen. In these circumstances, Barandon, the London representative of the Prussian Mercantile Marine, had recommended that a loan should be raised in England, and that for this purpose recourse should be had to Nathan Rothschild. Hardenberg readily agreed, and asked Amschel at Frankfort, whom he knew personally, to use his influence in favor of securing this loan. Amschel consented, and used this oppor-

tunity of again appealing to the chancellor on behalf of the members of his faith at Frankfort.

"At the present time," he wrote,[2] "when his Excellency the Minister and Envoy to the Diet, Count von Buol, is with your Excellency, I beg to renew my most humble representations regarding the fate of the members of my faith here, who are awaiting in great suspense the decision of the diet. We place our greatest hopes in the honored Prussian government, and cherish the most sincere wish that the principles recognized by it will be applied, convinced that your Highness knows too well how to appreciate the cultural progress made by our community during the last forty years to allow the way to their further development and improvement to be barred, or them to be limited in this respect."

Hardenberg was quite willing to accede to this request, since in doing so he would be acting in accordance with his own personal convictions. He had, however, a difficult task with his king, who was not well disposed to the Jews. The monarch told him the measures he could apply if action were taken by the magistracy of Frankfort, but at the same time expressed the desire that the wishes of the magistracy should be met as far as possible. "In any case," the resolution concluded, "I do not wish Prussia to support the Jews in the diet."[3]

On this Hardenberg angrily commented: "First ad acta. We have at any rate the decisions of the Congress of Vienna to go upon."[4]

However, the king came off his high horse, for Hardenberg had made him realize that the Prussian state would need the brothers Rothschild for a loan, and that it would not be good policy for Prussia to alienate them by an attitude unfriendly to the Jews in the Diet of Frankfort.

The majority of the diet were in any case in sympathy with the desires of the senate at Frankfort, and the rights which the Jews had acquired in 1811 seemed therefore to be in peril. Only the powerful influence of Metter-

nich and Hardenberg had so far restrained it from taking a definite decision hostile to the Jews.

Amschel regarded the head of the House of Bethmann, which was being more and more overshadowed by the Rothschilds, as a natural enemy of the Jews; but Bethmann refused to admit that this was so. "If Herr James," he wrote at the time to David Parish, "will but visit me at Frankfort, he will soon realize that I am not influenced by any nonsense about Christians and that I have no prejudice against a reputable Jew. I have often attempted in vain to disabuse Amschel of the stupid illusion that I am opposed to the demands of the Jewish community at Frankfort in so far as they are reasonable. The fact that I am suspected by my fellow Christians of taking the Jewish side should convince him, if nothing else will, that he has no ground for his attitude."[5]

Amschel Meyer certainly was greatly interested in keeping on good terms with Prussia and Austria. Prussia's acute financial distress seemed to provide a further excellent opportunity of earning a large amount of money, and he did all he could, in close collaboration with his brother Nathan in London, to induce Prussia to come to the Rothschilds for refuge.

That kingdom had very good reason to look around for money, for in 1817 the state was carrying a burden of twenty millions of floating debt, interest being charged on part of this amount at the extravagant rate of twenty percent per annum, the payments being met by further borrowings each year.[6] Apart from this, the annual budget showed a deficit of several million thalers. Prince Hardenberg, by the king's command, accordingly instructed the Director of the Prussian Treasury to negotiate a loan. The director, Christian von Rother, was a highly competent official and Hardenberg's right-hand man in financial matters, and he had come into special prominence in raising money during the wars of liberation.

"It is essential," wrote the prince to Rother,[7] "that we should obtain money for various purposes. The maintenance of the state urgently calls for it. I am eagerly waiting to hear from you. Act with decision and courage."

Rother first tried Berlin firms, but they attempted to exploit the difficulties of the situation, and, as he reported to the king, the conditions which they proposed were "exorbitant and humiliating." In Holland he had no success either; but he fared better at Frankfort. As Prussian commissioner of finance he had already come into contact with the House of Rothschild in Paris, and he now succeeded in getting on exceedingly good terms with Amschel Meyer.

Amschel referred him to his brother Nathan in London, as the most likely person to make the loan a success. Hitherto, Barandon had conducted the negotiations in England, but he was not liked by the House of Rothschild. Rother, on the other hand, the brothers had known in Paris, and they regarded him as a more pleasant person to deal with. Indeed they preferred him in every way, and were exceedingly gratified when he came; to London and Barandon was left out in the cold.

They were now dealing only with two friends of their House, Rother and the Prussian ambassador in London, William von Humboldt, the brother of the great explorer Alexander. He himself was not only a diplomat, but also a distinguished scholar and philosopher. Humboldt understood little of money matters, and he left his private estate to be managed by Rothschild, whereas Rother was regarded as a financial genius in his own country. Humboldt was certainly a complete believer in Nathan Rothschild's indisputably superior talent for finance. He reported in this sense to Berlin, using words which are especially remarkable coming from such a man.

"If the loan is to succeed here," his report ran, "this can be managed in my opinion only through Rothschild.

. . . Rothschild is now easily the most enterprising business man in this country. . . . He is a man upon whom one can rely, and with whom the government here does considerable business. He is also, as far as I know, just, exceedingly honest, and intelligent. But I must add that if business is given to him to carry out, it will be necessary to fall in with his ideas. For he has acquired the independent habit of mind developed by riches and a fairly long sojourn in this country, and he is now engaged in such a constant number of financial transactions that it will not greatly affect him if one of them fails to come his way. He wants to take over the whole loan himself; on this point he is likely to be exceedingly firm, and he has asked in advance that the Prussian consul here, against whom he is prejudiced, shall not be allowed to interfere in the matter in any way."[8]

Humboldt's report is all the more valuable as an expression of opinion, since he proved his independence in concluding it by advising against the acceptance of the loan, this being of course quite contrary to Nathan's wishes. Rother, on the other hand, speedily came to terms with Nathan regarding a loan of five million pounds. This he considered advantageous for Prussia, as other important states were able to obtain money by loan only in small amounts.[9] In spite of the ups and downs of the negotiations, exceedingly cordial relations seem to have been maintained throughout between Rother and Rothschild. At any rate this is indicated by their correspondence at this time. Rother wrote to Solomon Rothschild,[10] who was also in London at the time, that he had been glad to make the closer acquaintance of his brother Nathan, whose character and intelligence he felt compelled the greatest admiration.

Solomon's reply was full of friendliness and candor. His letter was, he indicated, an expression of his sincerest feelings, and Nathan and Solomon assured Rother, when he left, that he could travel with a light heart.

He had achieved "a splendid piece of business, and they were his devoted, loyal, and eternal friends."[10]

This way of getting into the good graces of the Prussian negotiator did not fail of its effect. Rother was delighted that he had carried the business through and that on the day on which the agreement was concluded Nathan sent a ship to Hamburg with a million thalers as a payment on account.

Rother had, if possible, been even more strongly impressed than William von Humboldt by Nathan's influence. "The Rothschild in this country," he reported to Berlin,[10] "is a most estimable person and has an incredible influence upon all financial affairs here in London. It is widely stated, and is indeed almost a fact that he entirely regulates the rate of exchange in the city. His power as a banker is enormous."

The loan, which was issued at an average price of 72 per cent, turned out to be "a splendid piece of business" for Rothschild, as it never fell below the price of issue, and in 1824 actually reached par. The House of Rothschild therefore had every occasion to be pleased with this, the first big state loan which they handled, and they were encouraged to develop this line of business on a large scale. This loan was the first of several.

The brothers had formed valuable friendships through these negotiations, and William von Humboldt introduced them to his famous brother Alexander. It was not long before he was seen dining at Rothschild's house in London. Nathan was more frequently the guest of William von Humboldt, whose wide education and extensive knowledge certainly provided a contrast to the Frankforter who had risen so rapidly. Humboldt expressed himself candidly about him in a letter to his wife.

"Yesterday," the letter runs, "Rothschild dined with
me. He is quite crude and uneducated, but he has a
great deal of intelligence and a positive genius for money.
He scored off Major Martins beautifully once or twice.

Martins was dining with me, too, and kept on praising everything French. He was being fatuously sentimental about the horrors of the war and the large numbers who had been killed. 'Well,' said Rothschild, 'if they had not all died, major, you would presumably still be a subaltern.' You ought to have seen Martins's face."

The Rothschilds were anxious to maintain their friendly relations with the Humboldt brothers. Solomon also did his best to be agreeable to them whenever possible. Meeting Caroline von Humboldt at Carlsbad on one occasion, he overwhelmed her with attentions. She wrote to her husband: "I have had several callers, and among others Herr von Rothschild, the brother of the one who is looking after your affairs at Frankfort. He made some exceedingly comic remarks to me. He thanked me, in the course of his conversation, for receiving him, and said, 'Your Excellency ought to come to Frankfort again. We could do with a lady like you there.' It sounded extraordinarily funny. He also asked me whether he could be of use to me in the matter of money and said that his purse was at my disposal." [11]

The Prussian loan, which the brothers Humboldt arranged with the Rothschilds, furnished another excellent illustration of the way in which the three brothers worked together.

While Solomon and Nathan were dealing with that business in London, Amschel Meyer was meeting an awkward situation at Frankfort. In the case of propositions which the firm did not like, they could excuse themselves by pointing out the difficulty of obtaining the agreement of all the brothers—that is, of five persons who usually were widely separated from one another—this agreement being necessary for any substantial transaction.

These tactics were adopted in a matter involving the Crown Prince of Hesse, who was constantly at loggerheads with his father. The elector was now seventy-five

years old, and failing. In contrast to his parsimonious father, the crown prince had made himself popular by a manner of life from which many persons profited. This involved very heavy expenditure, and the heir's need of money was all the greater since the appanage allotted to him by his father was—according to his ideas at any rate—ludicrously inadequate. The consequence was that the prince found his way to the firm which owed its rise and prosperity to his father. He applied to Rothschild for a loan.

Naturally, this was done quite in secret, without the knowledge or consent of the elector. At the beginning of 1818 the prince requested a loan of 200,000 reichsthalers, which the House of Rothschild granted; but before six months had expired he asked for a further advance of 300,000 reichsthalers. On this occasion he remarked that the House of Rothschild had the fullest information regarding the elector's affairs, and could therefore easily provide for the subsequent repayment of the loan.

Carl Rothschild happened to be in Cassel at the time. The prince immediately summoned him, and informed him that he had again applied to his firm for money, making the same remark to him as he had made to the firm. Carl Rothschild left the audience chamber in reflective mood. He thought it exceedingly strange that the prince should already have incurred further debts, and he was somewhat annoyed at the remark which he had made in asking for the loan. There was a risk that the old. elector might come to hear of his son's borrowings, and they would arouse his indignation not only with his son but also with the firm of Rothschild. Carl Rothschild met a chamberlain in the anteroom, and made some remark which may have sounded ill-tempered about the request for a further loan.

After returning to Frankfort Carl took counsel with Amschel, who was there alone; the result was embodied in the following letter:[12]

MOST EXCELLENT PRINCE!
We have the honor to acknowledge your Highness's most gracious letter of 28th ultimo. We must confess that having but recently handed to your Highness the considerable loan of 200,000 reichsthalers, we did not expect to be asked for a still greater amount. Your Highness will be graciously aware that we can act only in agreement with our absent brothers, and we shall therefore not fail to communicate to them your Highness's letter, asking them for their views. In the meantime we would most submissively beg for a gracious explanation of the following passage in your Highness's letter, in which your Highness is pleased to state: "You have the best possible knowledge of the elector's business here, and it is therefore particularly easy for you to reimburse yourselves through discounting bills."
Our knowledge of the elector's affairs extends only to such business as we are entrusted to carry out. It is impossible for us to retain a single farthing and to apply it in the interest of your Highness, for we furnish the fullest accounts of the smallest transaction and send them to Cassel.

This letter was to fulfil a double object: it would stave off the prince for the time being, and it would also be a protection against any reproaches from the elector if the matter leaked out.
The letter displeased the prince exceedingly; he perceived the rebuke and would have liked to reply indignantly. But he restrained his feelings as he still hoped to get money from the Rothschilds. However, he felt that in these circumstances it was difficult for him to carry on the negotiations personally. He accordingly selected Buderus as a go-between, requesting him to keep the matter strictly secret from the elector.
"Having learned of the chance arrival of Baron Carl von Rothschild," the prince wrote to Buderus,[13] antici-

pating the future title of the family, "I felt that I should inform him of the application I had made to his firm, and did so most politely. He, however, replied in a most unfriendly way, and permitted himself to make remarks behind my back which are not consonant with my honor." The young prince stated that nevertheless he still had confidence in the firm, and begged Buderus to use his influence to help him out of the awkward situation. He suggested that the Rothschilds' letter must be based upon a misapprehension. "I for my part," he continued, "could of course never have thought of such a thing, my intention being to indicate to him that he would be fully secured as he would have me more or less in his hands."

Buderus hastened to carry out the wishes of the heir to the throne, his future master. He went to Frankfort and remonstrated with Carl Rothschild for making the remark to which the elector's heir had taken exception. Carl Rothschild protested that he had made no remark regarding the further loan to anyone excepting Holzforster, the gentleman in waiting, who was kept fully informed of the financial affairs of the heir. Buderus reported to the young prince: [14] "I have succeeded in persuading Finanzrat Carl, who was the only one of the brothers at Frankfort, temporarily to advance a few thousand friedrichdors. Finanzrat Solomon of London has gone to a spa, and Finanzrat Amschel is also traveling. It will require a month to obtain the replies of the absent brothers."

However, the heir to the throne was persistent. He immediately informed Buderus that he was not going to be fobbed off with a few thousand friedrichdors, and added a remark which savored strongly of a threat.

"I know," [15] he wrote, "that these gentlemen will be entirely guided by what you say, and my gratitude in future to Privy Councilor von Carlshausen will be commensurate with his readiness to do me a service now."

The letter went on to make proposals as to how the 300,000

reichsthalers might in spite of everything be obtained from Rothschild.

The faithful Buderus felt very bitter about this ungracious reply. He could not force the banking firm to hand out money at the point of the bayonet. "I most humbly assure your Highness,"[16] he replied, "that the will to carry out your desires is not lacking, and that I would spare myself no labor or sacrifice to that end, for I find my greatest satisfaction in the success of my endeavors. Nevertheless, with the best will in the world I am unable to dispose of another person's property, or to dictate to him how he should deal with it."

Buderus reported that he had immediately sent a further pressing request to the firm of Rothschild, and had received the following communication from Carl:[17] "I am anxious to accede to his Highness's request, and assure you that if it depended on me alone there would be no obstacle to its being immediately granted. However, in the present instance consultation with all my brothers, who are now away, is particularly necessary. Our funds have been to an extent tied up in the recent negotiations for considerable loans, and I am unable to my infinite regret . . . immediately to come to a decision. Nevertheless, your Excellency may be assured that we shall make every possible effort to satisfy his Highness's requirements."

Meanwhile Solomon had returned to Frankfort, and it was decided after all to advance the prince the money he wanted on very special security. By a deed dated October 15, 1818, he mortgaged not only "all his real and personal property to the exclusion of nothing whatsoever," but also any property of which he might become possessed in the future in any way whatever.[17]

Three months had scarcely elapsed when the prince was again in need of money. He himself felt that Carlshausen would think it strange that he should already want another 100,000 gulden; and he first tried to see

whether he could "acquire" the money from his father's friend, a lady whose politeness led him to expect that she would not refuse his request.[18] The Countess von Hessenstein evaded the question of a loan in her reply.

The young prince would have gladly paid the firm of Rothschild ten percent interest if only he could have got the money. Von Carlshausen was instructed by the Rothschilds to inform him that the firm never accepted interest at ten percent as this would be a usurious rate. Thereupon the prince wrote as follows to his father's loyal servant:

"I am well aware that the House of Rothschild can loan no capital sums in cash at five percent without loss, and at the same time that the prestige of the firm is too great to allow them to take a higher rate of interest—a fact which is entirely to their credit, although in these times no objection could be made to the higher rate. I am therefore confident that your Excellency will, with your usual kindness, use your good offices with the House of Rothschild to persuade them to grant me a further loan of four hundred thousand thalers."[19]

This request moved the firm of Rothschild to indignation. "Your letter," they wrote to Carlshausen, "arrived at the same time with the letter embodying the resolve of our brother at Berlin, in accordance with which it is plainly impossible for us to provide a sum exceeding the five hundred thousand reichsthalers in cash already advanced, especially in view of the fact that we have had to make the most exhaustive efforts to provide that sum."[20]

The use of the word "resolve" in this letter calls for special comment, this word usually being reserved for the decisions of sovereign rulers; also, it was apparently not so "plainly" impossible to advance the money, for on April 1, 1819, this third loan was also granted and the prince received the money he wanted.

Scarcely two years later the elector died; his son suc-

ceeded to the government and to his father's great possessions, and the Rothschilds had their money repaid in full with all interest due.

A far-reaching political development now diverted the firm's attention from such minor loan transactions, concentrating it exclusively upon the higher politics of Europe. The victorious powers had decided to meet in a congress at Aix-la-Chapelle, there to establish new relations with the France of the Restoration, as well as to discuss the question whether the armies of occupation should be withdrawn, and alleviation granted for the indemnities to be paid. England and the eastern powers were still suspicious of France; and the interest aroused by this congress was so great that the monarchs of the Holy Alliance attended it in person, while England was represented by the two foremost men of the day, Lord Castlereagh and Wellington.

Metternich meant to use this opportunity to secure the support of the tsar and the King of Prussia for his schemes by playing on their fears of revolution and general upheaval. Besides the numerous statesmen, the most prominent bankers and merchants of Europe flocked to Aix-la-Chapelle, scenting prey. Most of them traveled through Frankfort and availed themselves of the opportunity of getting into touch with the financial wire-pullers in the commercial center of Germany. Metternich too had come to Frankfort on September 3, 1818, accompanied by Gentz.

Gentz was his secretary and adviser in money matters; but he was interested not only in his country's but also in his own personal advantage. With rare candor he notes in his diary that in 1815 he received a purse with three hundred ducats and one with eight hundred ducats from Russia, and that Prussia had given him—an Austrian civil servant—eight hundred ducats and two hundred gold napoleons as a gratuity.[21] He was also quite open about the fact that the Jewish banker Lamel

had given him money and that Parish had given him a share of the Austrian loan of May, 1818. Gentz called such transactions "pleasant financial dealings."[22] His way of referring to them is so candid that one gets the impression that the circumstances of those times prevented his being in the least conscious of anything improper in such gifts.

Prince Metternich came into contact with all the local magnates at Frankfort, including Bethmann. He seems not yet to have met Rothschild personally at this time, hut this defect was more than made good by his right-hand man Frederick von Gentz. The brothers Rothschild were well aware of the great influence that Gentz exerted upon Metternich in matters concerning the state finances, and through him upon the minister of finance, Count Stadion. They knew also that Gentz was bribable, whereas they naturally did not venture to approach Metternich in such a way.

Amschel Meyer and Carl Rothschild therefore called on Gentz immediately after his arrival. This visit resulted in verbal agreements of a financial nature; and they also requested him to use his influence with the prince toward securing his support in the question of the Frankfort Jews; for at that time the senate[23] was attempting to dispute the competence of the diet to deal with the Jewish problem, arguing that it was a purely local matter. The pressure brought to bear by the Rothschilds upon Gentz, and through him upon Metternich, resulted in the senate's objection being disallowed, and a commission of the diet being appointed to mediate between the two parties.

This decision, taken on September 10, 1818, moved the brothers to call on Gentz again on September 12, and to "engage his interest" by a further detailed exposition of the whole matter. Gentz suggested that Hardenberg should have his attention called to the subject again as he would meet Metternich at Aix-la-Chapelle and would be

able to discuss it with him. The brothers needed no pressing to do this, and wrote to Hardenberg in the following terms:

"Your Highness's gracious sentiments toward us, as well as your well-known tolerance in matters of religious opinion, gives us reason to hope that you will graciously grant this letter your favorable consideration. The question at issue is the final decision in the matter of our position as citizens. This is a most important question for us now, since the welfare of those who confess our faith depends upon it, and is constantly occupying our thoughts. We are exceedingly anxious not to let pass the opportunity of the meeting between your Highness and his Highness the Prince von Metternich to ask that he should come to a final favorable decision regarding our destiny, and we await his decision in confidence. In venturing to appeal as strongly as possible to your Highness we hope that it may be vouchsafed to us to look with confidence to the future."[24]

During the sixteen days which Gentz spent at Frankfort the brothers Rothschild very frequently came to see him; he was invited to dine with the Rothschilds at five o'clock on September 22, Frau Herz and General Volzoven being among those present at the dinner. Amschel made no slight effort to have distinguished people at his table; but, as Johann Smidt, Mayor of Bremen, stated,[25] it was not in accordance with contemporary customs and manners to admit a Jew to so-called good society. No Christian banker or merchant of Frankfort had yet invited a Jew, not even one of the Rothschild brothers, to dine, and the delegates to the diet did not do so either. However, several people were beginning to depart from this tradition, and accepted invitations from the Rothschilds, either from an absence of prejudice, or from motives of personal interest.

Gentz arrived at Aix-la-Chapelle September 25, a few days after Metternich. A brilliant society had met in that

city for the congress. Besides monarchs and statesmen, it included financial magnates such as Baring and Hope, who were negotiating the French loans in connection with the payment of the war indemnity. The firm of Rothschild had sent two brothers to Aix-la-Chapelle, Solomon and Carl. The latter was accompanied by his bride, the beautiful and intelligent Adelheid Herz, whom he had married on September 16, so that his business journey to the congress coincided with his honeymoon. In the case of the House of Rothschild even the most important personal considerations had to yield to important business, and to such a unique opportunity for forming extensive new connections.

Through Gentz, Metternich was brought into actual touch with the two brothers at Aix-la-Chapelle. Gentz fell completely under their influence, and his diary constantly records their visits. On October 27 Solomon handed him eight hundred ducats, which he stated he had won by speculating for him in British funds.[28]

On November 2, Gentz again records[27] "pleasant financial dealings" with Solomon, and on November 12 the brothers, together with Gentz and Parish, lunched with Metternich. In spite of his heavy work in keeping the minutes of the congress, Gentz spent the whole of the next day working on a memorandum stating the case for the Jews of Frankfort, no doubt in return for financial considerations. He called upon Carl's young wife, who was highly flattered to be waited upon by the secretary and confidant of the man who was playing the leading role in the illustrious assembly. At the Rothschilds' request, Gentz supported Dr. Buchholz, whom the Jews had sent to Aix-la-Chapelle to secure a favorable decision. Even if this proved fruitless, the European Areopagus was at any rate led to view the question in dispute from a friendly angle.

The congress broke up on November 14, 1818. Its conclusion brought profit to the House of Rothschild,

although the principal parts among the bankers had been played, not by them, but by Baring and Hope. The Rothschilds, however, took over bills from that firm. They had successfully put forward the demands of small princes and above all through Gentz they had obtained a profound insight into the activities of the men who were the determining factors in European politics. Moreover, they had formed invaluable connections for the future of their House; and more especially they had made the closer acquaintance of Metternich, the most powerful man in Europe at the time. The brothers therefore left Aix-la-Chapelle in a state of high satisfaction.

Gentz was no less satisfied. He had been widely complimented for his work during the congress and had collected two orders, as well as six thousand ducats. He also attached great value to having "taken part in the most instructive conversation with the most powerful men in the commercial world, while the intimate secrets of the greatest financial dealings that have ever been transacted between men were negotiated in his little room."[28]

It is true that Gentz liked to see himself in a romantic light, and was wont to exaggerate anything with which he had to do; but the negotiations at Aix-la-Chapelle as to the manner in which France should pay the 270 million francs of war indemnity still outstanding did in fact constitute a formidable financial transaction. Metternich returned home with his sovereign, but Gentz returned at the end of November via Frankfort, where he spent about a week.

His diary shows that the first week in December, 1818, was spent in almost daily visits to or from the Rothschilds, and in long conversations and discussions with the members of the banking family. Hour after hour Gentz worked in favor of the Jews of Frankfort. To this period must be attributed the conclusion of the agreement that was so profitable to both, providing the Rothschilds with an important source of political information and a con-

nection with Metternich, while enabling Gentz to carry on his extravagant manner of life, and to indulge in his expensive middle-aged amour with Fanny Elssler. The relationship continued until his death.

From Frankfort Gentz proceeded home via Munich, where he received a letter from his friend Adam Mtiller.

The public had learned something of the part played by the brothers Rothschild during the past critical years, and Gentz had told Mtiller more. Mtiller, as a result, suggested that his friend describe in a short sketch the rise of the House of Rothschild.[29]

Gentz replied as follows: "I was delighted with your idea of a monograph on the Rothschilds. It is one of the brightest and most happy notions that I have heard for some time. The word is all the more appropriate since the Rothschilds really do constitute a special species plantarum with its own characteristics. They are vulgar, ignorant Jews, outwardly presentable. In their craft they act entirely in accordance with the principles of naturalism, having no suspicion of a higher order of things; but they are gifted with a remarkable instinct which causes them always to choose the right, and of two rights, the better. Their enormous wealth (they are the richest people in Europe) is entirely the result of this instinct which the public are wont to call luck.

"Now that I have seen everything at close quarters, Baring's most profound reasoning inspires me with less confidence than the sound judgment of one of the more intelligent Rothschilds—for among the five brothers there is one whose intelligence is wanting and another whose intelligence is weak. If Baring and Hope ever fail, I can state with confidence that it will be because they have thought themselves cleverer than Rothschild and have not followed his advice. I am writing to you con amore aboutt these people and their business, because they were my recreation at Aix-la-Chapelle and at the same time I learned a great deal from them."

These remarks of Gentz's are valuable because they occur in a confidential private letter to a friend. We shall see later how differently Gentz was to speak about the same Rothschilds in a work destined for publication for which he received a princely fee from the family.

While the International Congress temporarily brought the three brothers, Amschel, Solomon, and Carl into the foreground, James in Paris and Nathan in London had not been inactive. Nathan in particular had succeeded in carrying on his activities in dealing with large loans, and had issued twelve million pounds of English State Loan. This business does not itself appear to have brought much profit to the firm of Rothschild, but it secured its prestige in the eyes of the British Treasury, and demonstrated to the whole world that in the face of native competition it had maintained its position as the banker of England—a nation which now, after Napoleon's overthrow, was rejoicing in its undisputed political power and wealth.

James in Paris was in constant close association with Barbier, the chairman of the Austrian Liquidation Committee in that city. He continued his efforts in rivalry with other firms, to secure the handling of the war indemnity, and so extended his business.

While the House was thus prospering throughout the world, its existence was suddenly most seriously threatened in the home town of Frankfort. The family had just lost one of its best friends there—the man to whom must properly be ascribed the important part of having first held the ladder on which the House of Rothschild had climbed to such heights. On August 3, 1819, while sitting at his desk in Hanau, Buderus had a stroke.

A short glance at the papers which he left shows that he had spent his whole life in meticulous devotion to the exacting work of accountancy. The son of a poor schoolmaster, he had risen to the rank of privy councilor and head of the treasury. He had acquired a fine estate and was possessed of about one and a half million gulden.[30]

All this was, however, a trifling reward, when one considers the services he rendered to the elector during the Napoleonic period, and the enormous portions of the elector's possessions he rescued.

His devotion to duty had not made him popular, for he was reproached with having acted with too great harshness in the elector's interests. Von Carlshausen seems to have realized this at the end of his days, and there is a suggestion of self-justification in the concluding sentence of his will, which reads as follows:

"I have done what was in my power to provide for my dear children. I have considered no sacrifice and no effort to be too great where the furtherance of their happiness has been concerned, and my whole life has been a consistent endeavor to place their welfare on a firm foundation. God has blessed my efforts . . . and you, my dear children, hearken to and follow a father's last counsel: guard carefully the property which I, with God's help, have industriously acquired. It is burdened neither by the tears of the oppressed nor by the curses of the defrauded. Endeavor to increase and secure it through economy, order, industry, wisdom, clemency, and piety. Shun greed and usurious avarice that blights all virtue. Have naught to do with unjust acquisitions. Always remember that contentment is the crown of riches."[31]

The House of Rothschild owed an infinite debt of gratitude to the dead man. It is true that under the contract he had had his share in the business, and to this fact indeed he owed the greater part of his wealth. But this was of small account in comparison with the services which he had rendered in excluding all rival firms from the rich elector's business, and with the possibilities which he had created of applying the elector's money to consolidate the credit of the banking firm and to secure its great business.

It was in its native town that the rise of the House had aroused the greatest envy and hatred. A Frankfort police

report of that time gives a fairly good picture of popular feeling in the old imperial city:

"The occasion of a day of penitence,"[32] the report runs, "being held to commemorate a big fire that occurred at Frankfort a hundred years ago, through which four hundred houses were destroyed, clearly brings out the feelings of the Christian inhabitants against the Jews. According to the story, much property is supposed to have been stolen by them. In general, any opportunity for showing envy and ill-will is welcomed, all sense of justice being forgotten, although many rich Jews are a source of substantial income to Christians. Any right-thinking person will condemn the fact, for instance, that a caricature ridiculing his ennoblement[33] was recently pinned to the door of the Jewish banker Rothschild at Frankfort.

"Rothschild, although he indulges somewhat in display, provides many people with an opportunity of earning money thereby, and is exceedingly benevolent to the poor whether they be Christians or Jews. The capacity of this Jewish commercial and banking firm is shown by the fact that it has taken over a loan for England, of which we have just been informed. It is noteworthy that the firm of Rothschild secured the business in competition against others. A few days ago the firm on receiving a special message from Vienna bought fifteen thousand Metalliques; the price of Austrian securities immediately rose, and the stockbrokers got extraordinarily busy."

The revelation of the firm's power had the most exaggerated results. In such a highly emotional period as Germany was passing through, a rapid development of this kind was bound to have a particularly exasperating effect upon contemporaries and rivals. All thinking people in Germany were greatly stirred by the desire for freedom and national unity. On March 23, 1819, a fanatic's dagger cost Kotzebue his life because of his attacks on the national party. The emotion, artificially held in

check by Metternich, everywhere vented itself upon the Jews.

A farce called "Unser Verkehr" ("Our Neighbors") was played throughout Germany, which, to the uproarious applause of the spectators, ridiculed the manners and customs of the Jews.[34] The author was unknown, and everybody said that the House of Rothschild had offered a reward for his discovery.

In August, 1819, the Conferences of Ministers, over which Metternich presided, met at Carlsbad to decide upon the notorious measures against any movement of liberation; the resulting excitement found an outlet in a violent outbreak of popular passion against the Jews. Wiirzburg was the first town in which acts of violence were perpetrated. The populace gathered together in groups which marched past the Jews' houses, smashing windows and breaking down doors. They began to loot. "Hepp! Hepp! Down with the Jews!"[35] resounded through the streets. Similar scenes occurred in Bamberg and other towns.

The Jews of Frankfort were all the more dismayed by these occurrences, as there had been menacing signs of a similar movement developing in that city. Amschel Meyer Rothschild and his two brothers, who on account of their wealth were likely to be the principal object of any attack, began to feel that their lives were seriously threatened, and to consider the question of flight.

One of the brothers seems to have spoken of their intentions to an Austrian official, for, writing on August 6, a secretary of legation at Frankfort reports as follows:[36]

"I have the honor tentatively to inform you that I have learned from a reliable source that the Jewish banking firm of Rothschild here intends to leave Frankfort for good ; they are going to apply, through the imperial minister of finance Count von Stadion for permission to settle in Vienna. Their intention is still a close secret here.

When they give effect to it, it will cause an enormous sensation both among the municipal authorities and in the whole business community, and the splendor of Frankfort will be considerably dimmed. It will probably serve to heighten the bitter feeling against the Jews, and the departure of the Rothschilds will be a fatal blow to them."

Frankfort soon caught the contagion of the anti-Jewish disturbances in the other cities of Germany. They were all the more likely to culminate in deeds of violence in that city since the populace knew that in its hatred of the Jews it enjoyed the sympathy of the highest authorities in the town. The occasion for the outbreak was a trifling one. On the evening of August 10, 1819, some youths walked through the Jewish quarter provocatively shouting "Hepp, Hepp!" Several Jews who happened to be standing at their doors joined to drive the youths out of their street, and beat one of the brawlers who had fallen into their hands. Thereupon the rumor spread through Frankfort like lightning that a Christian had been killed by the Jews.

Crowds collected instantaneously and moved shouting through the Jewish quarter, breaking up windows and shops with stones. The house of the Rothschilds was also attacked, and all their window-panes lay scattered about the streets. The family had had to take refuge in the back room, where they listened trembling to the threatening shouts of the mob.

On the morning of the nth, the words "Hepp, hepp," the slogan for driving out the loathed Jew, were inscribed in large letters at all the street corners. Thereupon several wealthy Israelites left the inhospitable town of Frankfort, and the brothers Rothschild nearly followed their example. As the disturbances increased the senate began to be alarmed that the Jew-baiting might develop into a general rising. The available troops were called up to hold the excited populace in check. Moreover, the

delegates to the diet, feeling particularly concerned about the attacks on the House of Rothschild, which had important financial connections with most of the governments represented at the diet, demanded that counter-measures should be taken. A general resolution of the diet was proposed, requiring the senate to take strong measures to protect the security and property of the Jews.

Count Buol would certainly have been acting in accordance with the wishes of Prince Metternich in pressing energetically, at any rate on behalf of Austria, for such measures to be taken by the senate. Buol, however, who was hostile to the Jews, hesitated and waited for instructions. Not so the Prussian representative, Counselor of Embassy Himly. On the very morning of August 11 he gave a "most worshipful council of the free city of Frankfort to understand[37] that he had the fullest confidence that the council would take the most appropriate measures for punishing the attack made upon the house of the royal Prussian commercial advisers, Meyer Amschel von Rothschild and Sons, and would assure their persons and property adequate protection against similar risks in the future." Himly added, "The undersigned kindly requests the earliest possible information regarding the measures which an honorable council have taken in this matter."

The mayors Metzler and von Usemer replied that the disturbances in the Jewish quarter had immediately subsided, and that the senate had taken the strongest measures to prevent their recurrence. The senate added to this statement that the protection of the laws extended to all the inhabitants, and therefore also to the merchants Rothschild, and that the events of the previous night would be reviewed most strictly, and the ringleaders punished.[38] This read well, but bore little relation to reality, for although actual attacks upon the houses of the Jews ceased, the hatred of their inhabitants had come into the open, and this kept the Jews in a state of anxiety.

James in Paris had heard with great alarm of what had occurred at Frankfort, and had urged his brother to leave his home. "You will have read in the public press," he wrote to David Parish at Carlsbad, "how on the night of the 10th of this month mobs collected in the streets of Frankfort and poured forth threats and imprecations upon the Jewish community. Prompt measures on the part of a praiseworthy senate have scattered the ring-leaders and, according to the last reports I have received, have restored order.

"You can readily imagine that such occurrences are as unpleasant as they are unexpected nowadays. What can be the result of such disturbances? Surely they can have the effect only of causing all the rich people of our nation to leave Germany and transfer their property to France and England. I myself have advised my brother at Frankfort to shut down his house and to come here. If we make a start I am convinced that all well-to-do people will follow our example, and I question whether the sovereigns of Germany will be pleased with a development that will make it necessary for them to apply to France or England when they are in need of funds.

"Who buys state bonds in Germany, and who has endeavored to raise the rate of exchange if it be not our nation? Has not our example engendered a certain confidence in state loans, so that Christian firms have also taken heart and invested part of their money in all kinds of securities? The Jewish community in Germany is not allowed to learn the various crafts, so that there is nothing left for them to do but to become dealers in money ana stocks.

"A man generally has the greatest confidence in the securities of the country in which he lives; if the peace of the rich in Germany be disturbed, they will find themselves forced to emigrate for their safety; and they will certainly not take any interest in the funds of a country where their life has been obviously endangered. The

object of the agitators at Frankfort seems to have been provisionally to collect all the Israelites into a single street; if they had succeeded in doing this, might it not have led to a general massacre? In that case would the public have had any scruples about plundering their houses?

"I need not point out to you how undesirable such an occurrence would be, especially at a time when our house might be holding large sums for the account of the Austrian or Prussian court. It seems to me to be really necessary that Austria or Prussia should devise measures to be applied by the senate at Frankfort for energetically dealing with occurrences such as those of the 10th of this month, and thus making each man secure in his possessions.

"I am sure you will be so good as to speak to his Highness Prince Metternich about this matter, and your friendship for me makes me feel confident that you will appeal to him strongly on behalf of our nation. I am informed that Herr von Bethmann was particularly conspicuous among those who endeavored to restore order."[39]

The advice which James gave from abroad did not take into account the important interests that would have to be sacrificed if the firm that was so deeply rooted in its native city, where it was the center of an intricate network of business connections, were to change its headquarters. The brothers who were resident at Frankfort did certainly consider the question of leaving the town, but when order had been restored they gave up the idea for the time. Amschel Meyer, as head of the firm, was tied to Frankfort. But in Solomon and Carl, who were freer to move about, the events at Frankfort had produced a certain uneasiness, which made them inclined to welcome any future opportunity for settling elsewhere.

Baron von Handel attentively noted the results of the Jewish disturbances. Some rich Jewish firms such as

Ellissen and Speyer did actually transfer their headquarters to the Hessian town of Offenbach close by; and a persistent rumor was maintained that the Rothschilds would follow them.

"The great and rich House of Rothschild," Handel reported to Metternich, "is supposed to be not entirely averse to the idea of leaving here; and if they should do so, they would probably take up permanent residence in Paris or London, where they already have branches. The question suggests itself whether it would not be in our interests to offer them the prospect of a good reception in the I. and R. states, and to induce the House to emigrate to Vienna."[40]

This report was communicated to the committee of the treasury dealing with commercial affairs at Vienna.[41] The next day another letter from Handel arrived, stating that the inclination of the Rothschild banking firm to leave Frankfort was becoming more and more marked. The treasury committee for commercial affairs transmitted these to the ministry of finance and the interior for their information and observation, adding[42] that Amschel von Rothschild spent a hundred and fifty thousand gulden on his household alone and that he gave twenty thousand gulden a year to the poor. The committee were of opinion that the firm of Rothschild was at liberty to apply to be received in the I. and R. states. Count Stadion thereupon wrote the following to the minister of the interior, Count Saurau:

"The president of the treasury committee has informed me in the enclosed letter of his intention to invite the Frankfort firm of Rothschild to settle in Vienna, and also of the means whereby, subject to my agreement, he proposes to prepare the way to this end. The settlement of the House of Rothschild within the Austrian dominions would without doubt be of great advantage, and the proposal is therefore deserving of every support, although Hofrat von Handel's letter does not suggest that the

House have expressed any desire to emigrate to the Austrian dominions. It merely raises the question whether an effort should be made to induce them to do so."[43]

As the reception of the Jewish families was a matter that concerned the minister of the interior, Stadion referred the suggestion to him, with the request that he approve it. Count Saurau sent his reply direct to the president of the treasury committee, conveying his decision to Stadion in the form of a copy of that letter, which read as follows:[44]

I venture first to call your Excellency's attention to the fact . . . that it is still quite uncertain whether the firm of Rothschild intends to leave Frankfort. Still less may we infer (from the reports) any clearly expressed preference for settling in Vienna. It would seem indeed exceedingly doubtful whether the House of Rothschild would choose for permanent residence a place where its principal would, in view of his religious persuasion, be subject to more restrictions than in any other state. Your Excellency must be aware that foreign Israelites may reside here only on obtaining the special "toleration" permit, which cannot be issued until they have duly received the provisional authorization for wholesale trading.

The department is not competent to make an exception to the I. and R. regulations regarding this matter, and its action would be limited ... to approving the request of the House of Rothschild for permission to reside, if submitted. In view of the complicated conditions, which are not likely to attract the House of Rothschild, it would seem especially desirable to avoid any step that suggested an invitation, and to leave it to them to apply, since special exceptions can be made only with the personal approval of the emperor. Meanwhile your Excellency may rest assured that we are far too well aware of the advantages that would in many respects accrue to the imperial state of Austria through

the settlement of such an eminent firm within its borders, not to advise his Majesty most emphatically to give his consent as soon as a formal or definite application in this matter is received.

Handel was accordingly instructed that if the House of Rothschild made inquiries at the legation he was to indicate that they should submit an application. In any case, the report of the department revealed that it desired the House of Rothschild to emigrate to Vienna.

This was all the more remarkable as the position of the Jews in Austria was far from being an enviable one. They had not the right of owning land in any part of the imperial dominions; law and custom excluded them from administration and the courts, from the practice of the law and from the teaching profession, from all higher posts in the army, and from any political functions and offices. They were restricted in the matter of marriages; they had to pay poll tax and report themselves to the Jewish office, and foreign Jews were allowed to remain in the country only for a short period.

Such were the circumstances in which the highest officials in the state of Austria were trying to induce a foreign Jewish family to settle in the country. But that family was enormously rich; its financial influence was immense; and money overcame all other considerations. Soon a Rothschild House was to be established in Vienna too.

Frankfort was becoming exceedingly uncomfortable for the Rothschild family. The brothers were constantly receiving anonymous threats. One letter[45] informed them of the day on which Amschel was to be murdered by a secret society formed for the purpose of driving the Jews out of Frankfort. In spite of all this the firm continued to carry on its business undisturbed, the Austrian side of it particularly developing with the help of Metternich and Stadion.

Austrian affairs were chiefly left to Solomon. In mid-July of that year the firm of Rothschild had undertaken jointly with Gontard to arrange for the transfer from Naples of large sums of money which that kingdom had owed Austria since the intervention of 1815. Also sums to the value of about three million francs, payable in satisfaction of Austria's claims upon France, were transmitted to Vienna, the firm of Rothschild receiving one percent of the payments effected.[46] Finally, the brothers had heard from a confidential source in Milan that there was an amount of money in the state treasury there[47] which the government wished to transfer to Vienna. They immediately offered to carry this out.

It involved a transmission of two million lira in gold Coins, and Solomon, who was again staying at Vienna, quickly got into personal touch with the treasury in order to discuss the best means of sending this sum from Milan to Vienna through exchange operations. The firm of Rothschild stated that they would undertake the transfer of any sum whatever at the cheapest rate possible, and that they could arrange the business to the greatest advantage of the imperial interests.[48] For this service they and the firm of Gontard received one-half percent commission and one-eighth percent brokerage, so that for the simple transmission of the money from Milan to Vienna they received 12,933 lira in gold.

Their extensive transactions necessitated a voluminous correspondence, the rapid transmission of which was a difficult problem under the primitive conditions of those times. It was not only that posts were slow and far between; there were special dangers attached to the postal service because the contents of correspondence was not treated as inviolable. A large part of Germany was still served by the Thurn and Taxis post bureaus which were divided into lodges and non-lodges,[49] according as their officials were or were not the confidential agents of the Viennese Cipher Service.

If a letter came to a lodge office, it was carefully opened before being sent on, read through, and any important passages were copied. As these "intercepts," as they were called, were always laid before the authorities, such action, often abused, was greatly feared. Even Count Stadion did not hesitate[50] personally to invent "intercepts" in order to ruin persons who were a nuisance to him. Sometimes the couriers themselves intercepted letters in transit.

"Such inspection," Bethmann wrote on the occasion of a visit to Vienna,[51] "is inevitable, and Rothschild and Parish are as little able to avoid it as Herr von Geymiiller, although the latter enjoys the full confidence of Prince Metternich. Solomon Rothschild yesterday told me that his brother had recently again received three letters from him in one day."

The brothers Rothschild naturally thoroughly understood the position. As they had a great deal to say to one another that they did not wish anyone else to hear and also attached great importance to the speedy receipt of news in advance of normal methods, they decided to have their own system of couriers. They would be reimbursed for the heavy expense of this arrangement at one stroke if their firm thereby received early news of any political event that might affect the exchange.

An example of this occurred when the Duke of Berry was murdered. The duke was the nephew of the King of France, and as Louis XVIII had no children, the hopes of the Bourbons were centered upon him. As he was leaving the opera on February 13, 1820, he was assassinated by a political fanatic who thought to save France by exterminating the Bourbons. According to Handel's statement[52] the Rothschilds heard of this long before anyone else; they made appropriate arrangements for themselves, and then made the event known. This resulted in an immediate fall in all state securities, and produced "general consternation."

The courier system was at first inaugurated between the three brothers in London, Frankfort, and Paris. When the business with Austria accumulated, and Solomon's visits there grew more and more lengthy, the couriers extended their route to include Vienna.

The Austrian representatives in London, Frankfort, and Paris, being in constant communication with the House of Rothschild, soon realized that reports could be more speedily sent in this manner and, as remarks on numerous documents showed, frequently entrusted the Rothschild couriers with the most important and secret letters, without considering whether the Rothschilds might turn the tables and themselves "intercept" the state communications. This certainly cannot be proved, but it is highly probable, for on one occasion, when the brothers entrusted a letter to an ambassador, the letter was immediately "perused." Proof of this is furnished by the following two letters: on November 28, 1819,[53] Handel reported as follows to Metternich: "The banker Carl von Rothschild, who left for Vienna today, asked us to put several letters to various German ministers meeting at Vienna, which he had been asked to take with him, in a packet and seal it with the embassy seal, so that he could bring them over the frontier without risk. I made no difficulty about acceding to the request of Herr von Rothschild—who like other Jews is exceedingly timid but is a person of sound character—because this favor made it possible to see the contents of the letters. Rothschild duly sent them to me and although I had not time to peruse them all, I was able to scan the more important." The other letter was from[54] Le Monnier, the secretary of legation at Frankfort, to the director of the secret service department at Vienna. It ran as follows: "Herr Rothschild [no doubt Amschel Meyer], whom I often meet at Count Buol's as well as at Baron von Handel's, has asked me to allow him to send his letters to his brother in my bag. I did not raise any objection as I did not

think it advisable to refuse; but I venture to suggest that you should inform the secret service department of this fact so that they may look out for these letters and intercept all those under my address."

It is not at all unlikely that the brothers Rothschild, who must be credited with a reasonable amount of intelligence, sometimes deliberately had letters sent through the embassies in order to put them in possession of facts which had been invented or adapted for definite purposes.

The financial position of all the states which had been engaged in prolonged military operations much needed to be set in order, now that peace and tranquillity had returned. In Austria, Stadion was dealing with this problem in collaboration with Metternich. Metternich was personally concerned to see that Stadion was profitably occupied in the financial matters, to which he had been sidetracked when the chancellor succeeded to the Foreign Office. His rival would then feel that he had plenty to do, and the financial strengthening of the monarchy would assist the policy of the chancellor. There were thus two men controlling the destinies of Austria who were well disposed to the Jews in general and to the House of Rothschild in particular.

In 1816, in addition to the interest-bearing state debt, there was an almost equal amount of paper money in circulation which was worth a quarter less than its face value. Stadion's efforts were directed toward preventing any further fall in value, through the issue of loans and other measures such as the founding of a national bank. The Metalliques loan, so called because the interest on the bonds was payable in precious metal, constituted a beginning. Stadion was in agreement with Metternich that the House of Rothschild should always be treated with consideration politically, with a view to inducing it also to participate in a loan. Since these were Metternich's plans, it is not strange that he should have been much

irritated by the anti-Jewish attitude of the city of Frankfort.

Frankfort was described as a center of unrest[55] in the reports from the delegates at this period. This was quite enough reason for Metternich, who scented revolution and upheaval everywhere, to feel displeased with that city. He accordingly intervened to prevent the diet from leaving the settlement of the Jewish problem to the municipal departments. Metternich and Stadion also decided to accede to the request made a year and a day previously that Nathan should be appointed consul in London. On March 3, 1820, the emperor gave his formal sanction in this matter.[56]

The ambassador in London, Prince von Esterhazy, was instructed [57] to inform Nathan of his new sphere of activity, and to encourage him "through friendly advice and any other suitable means to carry out his duties in the manner which the state expected." Official instructions were simultaneously sent to Nathan in London[58] informing him not merely that he should duly carry out the duties imposed upon him by the I. and R. embassy, hut that he should, without waiting to be asked, regularly convey to them any information he received regarding events that might directly or indirectly affect the government's policy.

On Metternich's instructions Handel, the minister at Frankfort, had in November, 1819,[59] entered into negotiations with Rothschild for the big loan that Austria wanted to place with the firm.

Since that time the distinctions and favors already described had with deliberate intent been accorded to the House of Rothschild. Nathan now had a position in the consular corps of the British capital, a fact which was exceedinghy valuable to him both socially and in business. He was able to give Amschel powerful support in his struggle for the rights of the Frankfort Jews.

The ground had thus been well prepared for a favorable reception of the Austrian loan. The national bank required about 55,000,000 gulden in order to withdraw the paper money from circulation. On April 4 the emperor had authorized the minister of finance to issue the loan, which in accordance with Stadion's suggestion was to be done in two parts. On April 7 the first 20,000,000 gulden were, in accordance with Solomon's suggestion, issued to the firms of Rothschild and Parish in the form of a lottery loan, a method which was still unusual at that time, and which never failed of its effect upon the general public.

Nothing was said at the time of the negotiations that were already in progress for the issue of a further 35,000-gulden loan; and everyone subscribed to this loan in the confident belief that it would be the only lottery loan for the time being. The conditions were very oppressive to the Austrian state, although the redemption of the loan extended over quite a long period; under the agreement, the state had to repay in all 38,000,000 in return for the 20,000,000 then advanced. This naturally produced an adverse opinion in the general public, which was ignorant as to the general financial position and Stadion's intentions, and had only these figures to go upon.

A contemporary police report states[60] that the announcement of the Rothschild lottery loan had had a very bad effect upon public sentiment. The government's credit when it had scarcely begun to recover was appreciably lowered.

"As far as the Rothschild loan is concerned," the report continued, "I feel a genuine difficulty in deciding where to commence with my description of the exceedingly unfavorable impression . . . made by this financial operation, not only upon the Viennese public, but also upon the inhabitants of all the provinces. It would not be in accordance with the modesty due from one in my position to record the harsh expressions used by the op-

ponents of this measure in. describing it as a monument of frivolity, caprice, and self-interest—indeed as being an immoral transaction. There have probably not been such numerous critics and opponents of any previous financial operation.

"I heard a guest at an At Home exclaim, 'This loan is one of the most wicked things that have been done at the expense of our pockets for twenty years, and that is saying a great deal!' One thing generally felt about this loan is that the manner in which it was made public inevitably made it unpopular from the start. To notify the inhabitants of a state that 20,000,000 were being borrowed from a foreign Jew, for which 38,000,000—very nearly double the amount—would have to be repaid, is regarded as treating one's subjects as beneath contempt. ... It is felt that the announcement of the loan in the "Wiener Zeitung amounted to the finance minister's saying: 'I am well aware that your expenditure being greater than your income you have not enough money to pay your taxes. Now in order that in future you may be still less able to pay them I shall still further limit the amount of money in circulation and therefore your income. In return for this benefit you will have to pay 38 millions to the Jew Rothschild.'"

The writer of this report emphasized the fact that there appeared to be no conceivable excuse for excluding the public from participating directly in such an advantageous financial speculation as the lottery loan, and for putting it in the hands of a foreign Jew. Citizens were being compelled to purchase the lottery bonds from foreign Jews at a premium of from 10% to 18%.

"I am assured by bankers here," the report continued, "that the profit which the contractors have made out of this loan is enormous. To the four millions granted them by way of commission must be added what they will realize through the sale of the bonds, which they do not issue at under 100 gulden. The Rothschild who is living

here himself admits that this profit will increase from year to year, and that he hopes the bonds will rise to 200 by the second drawing, and to 400 by the tenth drawing! And this is not at all unlikely, since Rothschild is holding back the sale of the bonds, thereby increasing his chances of a tremendous gain.

"The whole transaction is felt to be a shameful Jewish swindle arranged between the Rothschilds and the crown agent Joel. The latter is supposed to have persuaded the minister of finance, or rather his department, to agree to it, and in return Joel or Joelson is alleged to have received 1,000 bonds, Count Stadion 2,000, and Burgermeister, the secretary of the treasury, 500. I personally regard all these statements as slanders without any foundation. The feeling about the loan was so bitter at first that a proposal was made among all ranks of society to form leagues, the members of which should pledge themselves not to take bonds exceeding the value of 100 gulden from the Rothschilds."

There were other critics who did not deny that Stadion's intentions were honest, but gave him to understand that they believed the minister of finance had been hopelessly done.

The figures contained in this police report somewhat exaggerated the facts, but expressed the feeling of the public that enormous profits had been made out of this business. In spite of the declared boycott there was an extraordinarily brisk demand for the Rothschild lottery, bonds. The offices were literally besieged with applicants, and the bonds soon rose to no, 120, 150, and even higher.

The Augsburg Allgemeine Zeitung had published articles by Gentz and other agents of the Rothschilds, which under the title "Financial Letters" recommended the "exceptionally favorable lottery." Enticed by these developments, Stadion decided in accordance with the authorization which he had received, to issue the further

35,000,000 gulden four months after the first loan. Rothschild and Parish paid out 35,000,000 gulden of convention currency in cash in twelve monthly instalments, in return for acknowledgments of indebtedness. The terms were such that the state would have to repay 76,821,515 gulden as capital and interest in return for the 35,000,000 gulden which it had received. In addition the state paid a commission of 4%, amounting to 1,400,000 gulden.

These conditions which were approved by Emperor Francis made the loan one of the most lucrative transactions of the time. For the firm not merely exploited the public's gambling instincts to sell the bonds at a good price, it also influenced the rate of exchange through its connections with the principal bourses. It was obvious that the Rothschilds would have to reckon with the fall In the price of the twenty-million issue as soon as it became known that a further loan of thirty-five millions was to be made so soon afterwards. But before this was made public they had placed the original issue at a price well above par, so that when the second loan was issued the earlier bonds were almost all in other people's hands.

There was naturally at once a storm of indignation against the enterprising bankers; but the first issue soon recovered, and the bonds of both issues were eagerly sought. The public indignation subsided; the Austrian State had its millions in cash; and the Rothschilds remained in undisturbed possession of their profits.

The negotiations necessitated by these important and extensive transactions had made essential the continuous presence in Vienna of a member of the Rothschild House. The discussions were carried on almost exclusively by Solomon Rothschild, although he was acting in concert with his brothers. This enormous business, however, required constant personal attention in its further stages also; and it was therefore necessary for Solomon to try to obtain some permanent pied a terre at Vienna. The laws of the country did not allow a foreign Jew to buy a

house of his own, and perhaps such was not his original intention. The firm did not yet contemplate establishing a branch similar to those in London and Paris, although this was done eventually as the result of its intimate association with the finance and policy of Austria.

Solomon Rothschild had taken up his quarters in one of the leading hostelries of Vienna, known as the Hotel of the Roman Emperor, No. 1 Renngasse. It had some of the most distinguished visitors at that time, including the King of Wurttemberg in the year 1820. This was the only hotel with a large concert room,[61] and its acoustic properties were excellent. Beethoven often gave recitals there, and occasionally he stayed, it is supposed, at the Roman Emperor.

Solomon lived at the hotel until he was given the freedom of the city of Vienna. Eventually, it is true, he was the only guest in the hotel, for he occupied all the rooms. In the end he bought the building, as well as the house next it, No. 3 Renngasse. This is still in the possession of the family, while an insurance company acquired what was once the Roman Emperor Hotel.

Meanwhile Metternich's confidence in the firm of Rothschild had increased. The family perceived this, and when they saw any signs of big business they would let him know through Gentz that they would like to carry it out. James had learned in Paris that the allies had decided in 1815 to put aside twenty million francs of the Paris war indemnity for the erection of a fourth confederate fortress on the Rhine.[62]

James in Paris and Solomon in Vienna immediately offered to send this money to Frankfort so that the diet might have it available in current coin at their headquarters. Metternich was unduly attracted by the firm's offer to transmit the funds without charging commission or anything for expenses, and overlooked the profit to be derived on the rate of exchange. He therefore decided

jointly with the Prussian secretary of state that this business should be carried through by the firm of Rothschild.

The two brothers, by a concerted arrangement, each made an offer that, if the money were left in their hands, the one in Paris would pay 3 1/2% and the one in Vienna would pay 3% until the building work on the fortress actually commenced. That might be a long time yet, as indeed events proved. Barbier observed in this connection (in a letter to Buol)[63] that in carrying out Metternich's instructions he had arranged that the diet should retain the right to demand security for the twenty millions from the House of Rothschild if this sum were deposited with them.

"The House of Rothschild," he wrote, "is undoubtedly one of the richest and best-established firms in Europe, but we thought it wiser to take this precaution as over twenty million francs are involved, which may be on deposit with them for quite a long period if the construction of the new fortress should be still further delayed."

Thus while the government itself paid 5% for ready money it left this large sum on deposit with the firm of Rothschild at 3 1/2% interest for an indefinite time. The banking firm got the advantage of this unexpectedly cheap money just when important political events in the South of Europe threatened to disturb the peaceful atmosphere that had been prevailing since the Congress of Vienna.

The Liberals in Spain had forced the promise of a constitution from King Ferdinand VII, who had been reinstated there. Civil war continued in that country, while the victory which the Liberals had won infected the excitable population in other lands similarly oppressed. Revolution broke out in the kingdom of Naples, where the nationalistic aims of the secret league of the Carbonari had affected wide circles of the population. On

his restoration by the Austrians in 1815 King Ferdinand I, an upholder of the principle of absolute autocracy, gladly accepted Metternich's condition that he should make no concessions to the Liberals, and should govern in accordance with the Metternich system. Now, however, that he was threatened by popular rising, he yielded all along the line and made the ringleader, General Pepe, commander-in-chief, and pledged himself to a constitution on the Spanish model.

A similar movement was making progress in the island of Sicily, where the king's ministers had to make way for new men who were popular with the Carbonari. One of these ministers was the brilliant Luigi Cavaliere de Medici, who managed to maintain order in the finances in spite of the extravagances of the ruling family, and the privileges of the nobility and priesthood.

Metternich, who was watching over Europe like a guardian angel, resented any signs of resistance to his "principle of legitimacy." He had been deeply disturbed by the news from Italy, which was within Austria's sphere of interest. If the revolutionary spirit should spread from Naples to the North and infect the territories that were under Austrian dominion, there was no saying what the results might be. He saw that his political system, his influence, which already extended through the whole of Europe, and the very existence of all the old legitimist monarchies were endangered. He felt that every effort must be made to meet this peril, and summoned another conference of monarchs to consider the point. The conference met at Troppau in October, 1820, to discuss the principles to be applied if revolutionaries tried to impose changes in the form of government anywhere in Europe.

The congress was moved to Laibach, and Metternich arranged that the King of Naples should be asked to attend. Scarcely had the king crossed the frontiers of his revolutionary country before he forgot all the concessions he had granted to the people, and assured the envoy of

the eastern powers that they had been wrung from him by force, and that he loathed constitution and Carbonarism. The congress decided in January, 1821, in spite of the objections made by England and France, to restore order in Ferdinand's kingdom by occupying Naples. Metternich had succeeded in a masterly manner in gaining over the tsar to his point of view.

"It is a matter of indifference," he stated to that monarch,[64] "whether the word be Bonaparte or the sovereignty of the people; they are equally dangerous and must therefore both be resisted. The Neapolitan revolt, and everything connected with it, must be completely stamped out, or else the powers themselves will be destroyed."

Metternich concentrated absolutely on his one great political object, the overthrow of revolution. The troops and money necessary for this purpose had to be forthcoming, and it was up to generals and financiers to see to the ways and means.

The news of Metternich's plans, involving as they did heavy additional expenditure, came as a severe shock to Stadion, who had done so much to put Austria's finances on a sound basis. He saw the edifice which he had spent rears to erect shaken to its foundations. The revolutions had also affected the bourses, and state securities were falling in price. Metternich, however, succeeded in being so convincing through his influence with the press, and the passionate communications sent by him from Laibach, that even those who had reason to be alarmed about their property became adherents of Metternich's plans of armed intervention in Naples. The chancellor had inquired of Stadion as to how the money could be found, and whether Naples would subscribe to a loan. Stadion sent the following confidential letter in reply:[65]

"Even our financiers, led by Rothschild and Parish, are anxious to see our troops across the Po at the earliest possible moment, and marching on Naples. I have written to Count von Mercy regarding the Neapolitan loan.

I suppose you have spoken only to Rothschild about it? I have never mentioned it to Parish, because I do not know how far Rothschild wants him to come into such a business (parceque je ne sais en combien Rothschild voudmis de lui dans une pareille affaire). In any case it is essential to lay our plans carefully so that the money does not merely come in at one door to go out of the other."

As Stadion considered the matter more closely, he began to feel distinctly uneasy. In normal circumstances the deficit for the year 1821 would have amounted to eight million gulden; but very heavy additional sums of money were now required for the expeditionary force to Italy, and the greater part of this cash would have to be found immediately. As Stadion came to consider the heavy demands made upon the treasury by Metternich's policy, he felt a growing sense of bitterness. Metternich, the chancellor whose financial ideas did not extend much beyond a general realization that a state no less than a private individual must have money, carried out his policy without any consideration of the cost. Stadion was expected to produce the necessary funds as if by magic, and he really was at a loss how to do it.

The chancellor advised Stadion to see the Rothschilds, and urged him to discuss with the brothers the means for raising the amount necessary for the campaign. The emigrant Jews from Frankfort had suddenly become the sheet-anchor for Austria's two leading statesmen, one of whom exercised an influence upon the destinies of Europe extending far beyond the boundaries of the imperial dominions.

While at Laibach, Metternich had asked Count Nesselrode, the Russian minister for foreign affairs, who was just about to leave for Vienna, to urge Stadion to ask Solomon Rothschild to come himself to Laibach and express his personal opinion there regarding the issue of loans to Russia and Austria. The chancellor also wrote

a letter to Solomon Rothschild on January 29, 1821, making this suggestion, but Solomon was not prepared to leave Vienna at a time when the political situation was such that prices on the bourse were fluctuating violently from day to day. He therefore wrote the following letter to Count Nesselrode:[66]

YOUR EXCELLENCY:
With reference to the business matter under consideration, I venture most respectfully to observe that a discussion on this matter at Laibach, and my presence there, might give rise to numerous and probably highly inaccurate newspaper reports. Persons with base motives would unearth the fact that a loan to the most gracious of monarchs was being discussed; rumor would be piled upon rumor, and this would not be at all agreeable in the highest quarters. For this reason I submissively venture to suggest to your Excellency—and Finance Minister Count von Stadion agrees with my proposal—that the business be negotiated here with our finance minister. My continued presence here would dissipate all rumors, while everything would be carried on under the strictest seal of secrecy, and the business could be transacted in peace and quietness.

Solomon Rothschild sent a similar communication to Count Stadion at the same time, and the count immediately wrote[67] to Metternich to say that in his opinion Solomon's contention that neither he nor any other banker should'go to the congress at Laibach was absolutely sound. "In addition to the arguments which he has brought forward," he wrote, "I submit that the following points have to be taken into consideration. The loan in question (which ought to cover the costs of the expedition), can be only a Neapolitan loan, guaranteed for the greater security of the powers. It can be prepared under these conditions, but its formal conclusion must take place in Naples, after our troops have entered the city and occu-

pied it. . . . Until that moment the public must know nothing whatever about it; for the loan would go very badly if we were only like the person in the fable offering the bear's skin, and it could be issued only on very unfavorable terms. It would immediately suggest that we were in lack of money, which fortunately is not yet the case; but the mere belief that we were would seriously damage not only our credit but our political position generally.

"Rothschild is here able to control his business and his correspondence from the center, and day by day, in collaboration with our finance department and his business friends, to decide upon the steps or transactions that seem to him appropriate to prevailing conditions. He cannot carry on his work effectively anywhere but here, while it is only here that we can examine the means that he adopts to carry out the wishes and intentions of the governments. These means must be brought into harmony with our general system of credit, since the loan is destined ultimately to find its way into the Austrian Treasury. . . .

"I feel myself compelled to observe that whatever view one takes of the situation Austria alone will have to bear the burdens of the military operations until Naples is occupied. When we get there it appears to me that the three following matters will have to be dealt with: first, our troops will have to be entirely maintained by that country; secondly, we shall have to obtain compensation for the costs otherwise incurred through their stay in the kingdom of Naples; and thirdly, we shall have to obtain an indemnity that will partially make good our advances.

"Rothschild believes that if the sum exceeds—the loan ought not to be too heavy—one million pounds, or about twenty-four million francs, cela se pourrait faire pour ainsi dire une bonne fortune a Londres. I have not yet gone far enough into the matter to be able to judge how far his hopes are well founded."

At the same time Solomon wrote the following letter to Metternich:

Your Highness was graciously pleased to send me your command of the 29th ultimo. Although it gives me great pleasure to show my zeal in fulfilling your Highness's wishes at all times, and happy though I always am to wait upon you, I feel it my duty to avoid doing anything which would attract attention. ... A journey to Laibach at this time would arouse such attention, and would give rise to all kinds of conjectures. . . .
Ever devoted to your Highness's commands I beg to remain in deepest respect
Your Highness's Most Obedient Servant,
S. M. VON ROTHSCHILD.[68]

Stadion's letter had revealed the whole plan that was to be carried out: Naples was to pay everything, and Rothschild was to arrange loans at the expense of that country, the proceeds of which were to be applied for paying for Austria's unwanted intervention.
Meanwhile things had begun to move. The Austrian, General Frimont, crossed the Po on February 5, 1821, with 43,000 men, and began to march on Naples. Solomon Rothschild perceived with satisfaction that Austria's statesmen were dependent on him for finance, and saw the prospect of realizing substantial profits. He accordingly hastened to place sums at their disposal, with a view to securing the possible business at Naples entirely for himself.
Stadion wrote to Metternich:[69] "Rothschild and Parish"—who had apparently, against Rothschild's wishes, been informed of this affair by Gentz—"are provisionally offering to make me advances and to transfer sums direct to Naples apart from the loan. Rothschild is already concluding agreements in Paris and London for this purpose, or at any rate he says he is."

A week later Stadion wrote saying:[70] "For some days Rothschild has been effecting transfers of money to one or several banking firms (in Naples), and by the time we get there about three million francs will be available. These can be immediately placed at the disposal of our government. I only wish that I could always be informed of the requirements in good time so that I could make the necessary arrangements. Until the day before yesterday nobody asked for a single gulden of cash for the whole march of our troops from the Po to the Neapolitan frontier; and then a courier arrived demanding an urgent credit of 250,000 gulden at Florence. It seems to me that this should have been foreseen and provided for a long time ago. Fortunately, Rothschild has money and credit everywhere, and he was therefore able immediately to provide me with the advance I wanted, as well as an additional advance of 100,000 gulden. . . ."

Stadion was already relying largely upon the House of Rothschild, which rendered that statesman the most welcome services in his embarrassment, although certainly not without cherishing the hope that they would be duly rewarded. The finance minister had sent Metternich a detailed scheme regarding the contemplated Neapolitan loan.

"I am awaiting," he wrote to the chancellor, "your reply to my last memorandum regarding the Neapolitan loan, so that I may carry the matter further with my friend Solomon Rothschild. It is absolutely impossible for him to travel to Naples, and he is asking one of his brothers to come over from Frankfort and go on to Naples. This brother is expected by the end of the month. He has also written to Paris to say that a confidential servant of his firm—by name Salicey—who is thoroughly familiar with Naples, should proceed there without delay."[71]

Finally Stadion complained that he no less than the

public had been kept completely in the dark for ten days regarding the progress of events and the present position of the troops.

Solomon had realized that it was absolutely essential that a member of his firm should go to Naples. It was not exactly pleasant to go there as there was a revolution in progress, and the Austrian troops would have some hard fighting; nevertheless Solomon summoned Carl, the only one of the five brothers who so far had no independent sphere of his own.

Carl had, since his youngest days, been accustomed to making long journeys on his father's business. Now at the age of thirty-three a promising field for his activities was offered him, although it was in a country that he had only once casually visited, and the language of which he did not know. This, however, did not affect the matter, for it seemed to be a merely provisional arrangement, and Carl little guessed that Naples would come to be his permanent place of abode. On March 1, Carl Rothschild arrived at Vienna from Frankfort and immediately called on Stadion.

"Un petit frere Rothschild," Stadion reported to Metternich,[72] "has just arrived here on his way to Naples. I am engaged in working out with the two brothers the most important conditions regarding the loan which they will issue. I hope to send young Rothschild to Laibach Wednesday, or at the latest next Thursday. You will there be able, my dear prince, to inform him whither he should then proceed. I hope that it will be to Naples, and that you will have occasion to send him as speedily as possible."

On March 6, Carl did in fact go to Laibach. Stadion was hoping that in the course of its advance the army would acquire a few millions for the Austrian Treasury, which was sadly in need of them. "I have to point out," he wrote, "that the declaration of war by Naples without

a shot having been fired is sufficient ground for us to declare our right to indemnity from the date when our troops crossed the Po."[73]

Meanwhile the Austrian army was approaching the Abruzzi, which was the easiest territory between Austria and Naples for the enemy to defend. Its march was somewhat delayed through the insufficiency of provisions and of money. Count Ficquelmont, who was accompanying the army on his way to take up his duties as ambassador at Naples, wrote: "We are all suffering acutely from the disastrous shortage of money." Application was made at Rome to Torlonia and other banking firms, but in vain. A stirring appeal was made by Metternich with a view to remedying these evils. On receiving a report from Vienna, Metternich had published a statement regarding the whole expedition, in order to pacify the Viennese public, who did not understand what business Austria had in Naples. Count Sedlnitzky welcomed this step, wishing the chancellor luck in carrying on his policy on the grand scale, and reported:[74]

"Through an arrangement made in the nick of time by the thoroughly worthy House of Rothschild and other firms, regarding Wertheimer's failure, the market here has been saved from being flooded with Metalliques bonds, and a gradual rise in their value as well as in that of other state securities has been effected. This has had an excellent effect upon public opinion in the middle classes and in the business world."

The minister of police considered the critics and malcontents to be especially numerous among so-called men of learning, and even in several higher circles and in the army. "Nevertheless," he wrote, "we may count ourselves fortunate, if we compare public sentiment here with that in other countries."

Stadion, however, who was constantly receiving applications for money, was not equally satisfied. He viewed the future with dismay, and was utterly at a loss to see

how he could provide the money for everything that was being done. He suddenly heard that a general had stated during the court ball that the emperor had recently commanded the pay of the Neapolitan Expeditionary Force to be increased, and a new recruiting law to be carried into effect which would add almost 100,000 men to the strength of the army.

"I was absolutely overwhelmed with surprise," he wrote in alarm to Metternich,[75] "by this news, and by the manner in which I learned it. If this is true, it will involve a permanent additional expenditure on our armies of more than ten millions. I have not got this money and I see no prospect of getting it. Things cannot go on like this. I feel that I have already reached the utmost limit of what is possible. . . .

"It is very easy to send out handbills, but in order to translate them into reality the emperor must find a man who can feed fifteen thousand men with five loaves. I cannot refrain from protesting against the way things are being done. His Majesty does not allow himself to spend even two hundred florins on his gardens; he does not sanction a pension to save a poor family from hunger without sometimes consulting me several times in the matter. And now we are to have an additional expenditure of ten million which it is difficult to justify. . . , So far from consulting me in fixing this sum, which is far beyond anything we can possibly raise, it was not even thought worth while to inform me of the decision.

"In such circumstances my position, which I have always regarded as the great misfortune of my life, has become quite impossible. For years I have been refused the means . . . of putting things straight, but at the same time I am regarded as an inexhaustible source of money., I am required to fill the glass at any moment it is put before me. Such a method of proceeding certainly puts an end to my responsibility in the matter. Even if, after all the other sacrifices I have made, I cast aside the last

shreds of any respect that I may enjoy in the world, this will not bring additional revenue to the monarchy or save it from financial disaster.

"I write to you today, my dear prince, in the bitterness of my heart. It is difficult to remain calm under such conditions. Besides, I feel it to be my duty to state the unvarnished truth, when, as in the present instance, the truth is of such importance. Farewell, my dear prince, make such use of this letter as you think fit."

In some such mood as this, Stadion wrote two memoranda regarding the general financial position of the country, and sent them to Metternich. "The problem is," he submitted,[76] "how to save at least some part of our existence. I cannot possibly conceal from you any longer that I am weighed down and oppressed by a load of misfortune. I have reached the point when I fear that any day I may find that I am quite impotent and helpless to do any more work. I will carry on with the strength that remains to me, until I drop. But do not expect any great services from a man who is weakened as I am."

The finance minister's panic left Metternich unmoved. Clear before him lay the path that he had recognized as the right one, and had ruthlessly followed. He was determined not to deviate from it until he reached his goal.

"We have embarked upon a great undertaking, one that contains the possibilities of greater results than any of our times," he wrote to General Count von Bubna.[77] "It is great, for upon its success or failure the whole future depends; not merely the future of the Austrian monarchy but that of the whole of Europe. ... It was impossible for us to take any other action, for it is a matter of life or death. . . .

"Everything now depends upon success. I hope that one or two hard blows will decide the issue. If not, the result will be the same as if we had ventured nothing; the revolution will engulf, first Italy, and then the world.

I will spare no effort until I am killed myself. . . . Meanwhile, farewell. I shall not see you this year, but I shall certainly see you next year unless the world has been destroyed."

While Metternich was using proud words such as these, he was being besieged with the most urgent requests from the army to furnish money for its innumerable needs.

In the meantime Carl Rothschild had arrived at Laibach and had called on Gentz, who immediately informed his princely master of young Rothschild's arrival. Metternich asked Carl, through Gentz, whether he would be prepared to travel in his service, and whether he was able, without any loss of time, to make payments to the army. The chancellor also desired to know how moneys could be speedily and safely conveyed to Rome.

Carl replied as follows: "I have the honor to reply to your Princely Highness's gracious inquiry of today that I am prepared to undertake the journey at once to any place where your Princely Highness may bid me go, and to do everything in my power to see that the payments which you have graciously commissioned me to make to the army are carried out with the greatest possible speed and precision. If your Princely Highness will most graciously inform me what sums, and at whose disposition you wish them placed in Rome, I will then . . . send a special messenger to instruct Signor B. Paccard, a member of a firm who is in Milan, to transfer any sums required to Rome without delay, and if necessary to travel there himself. ... I have only to add, with all humble respect, that we will, on this occasion as always, use our endeavors to satisfy the wishes of his Majesty, which indeed is always our sole aim."[78]

Carl Meyer von Rothschild, who thus came into prominence, was personally the least gifted of the five brothers. He had little talent for adapting himself to his environment, had an awkward manner, and was over-strict in

his observance of the religious practices of an orthodox Jew. His principal asset was a pretty and intelligent wife, who won everybody's affection and thereby made people forget many of her husband's errors. In spite of the distance which separated them, Carl remained, at any rate in really important transactions, under the control of his brothers James and Solomon.

Meanwhile the Austrian army had advanced almost without a battle. The encounter at Rieti was just a small skirmish and was described by Ambassador Count Ficquelmont as the most ridiculous thing he had ever seen. "Our advance is uninspiring," he reported,[79] "as we are completely unopposed, but our political victory is all the greater."

Everything therefore seemed to be proceeding satisfactorily, when a very bad piece of news was received. After his return King Victor Emmanuel had inaugurated a severely reactionary regime in Piedmont. For example he made the possession of a certain amount of property a necessary qualification for being allowed to learn to read and write; he had the botanical gardens at Turin destroyed, and wanted to destroy the marvelous bridge over the Po, simply because they were the works of Napoleon. He naturally opposed all nationalistic movements among young people. The risings in Spain and Naples were accordingly joyfully welcomed in Piedmont.

When the Austrian troops started for the South, a rising broke out in Alessandria too, the object of which was to secure a constitution, and the abdication of the autocratic king. The news of these events caused dismay at Laibach. The assembled diplomats were like a swarm of bees that has been disturbed. Gentz reported:[80] "This unexpected news is a very hard blow to me and to all of us. I remained with the prince until half-past four in a kind of stupor, and then I tried to eat something.

Rothschild came to me in a state of great emotion; I had enough sang-froid to be able to calm him."

Carl Rothschild was just about to start for Italy in accordance with Metternich's wishes, and these events caused him the most serious alarm. The impression made at Vienna was no less profound. Stadion completely lost his nerve. "The situation is terrifying," he wrote to Metternich.[81] "Never, not even in the darkest hours of the revolutionary wars, has an event produced such an effect on the Vienna bourse as the latest news from Italy. ... If the enemy were at the gates there could not be more unreasoning panic. The whole of the population of Vienna is rushing to the bourse to get rid of our public securities. . . . Our credit (which has only just been established) is on the eve of vanishing completely. I shall be forced to suspend the conversion of paper money into cash or banknotes on demand. To do so would be exceedingly painful to me, for it would mean destroying in one day the labors of the five preceding years. . . .

"This is the first step to our destruction. It is impossible that a loan should be considered either at home or abroad at a time when our securities are becoming worthless. . . . Judging from the way things are going we shall have to give up all hope of getting any financial assistance from Naples. . . . There is so much popular unrest of a very marked character that each day may bring a fresh catastrophe and make further desperate measures necessary."

During this period Stadion repeatedly called in Solomon to examine the situation with him and ask his advice. If, however, he hoped for comfort from him, he was doomed to some disappointment. Solomon too had suffered from the sudden fall in the value of securities, and could not himself help being somewhat affected by the general panic. It was not until he received reassuring news from his three brothers in the West of Europe,

that he was able to take a less gloomy view of the situation.

The panic reached its height on March 22. On that day Stadion wrote again to Metternich, describing the complications in Naples and Piedmont as amounting to the destruction of Austria.[82] He wrote: "If all the misfortunes that appear imminent today come upon us at once, I must confess I see no hope of salvation. Nevertheless we must try to put an end to the Naples adventure as speedily as possible, and thus at least save the army's honor. All troops should be withdrawn to within our frontiers and kept in readiness to meet attacks from abroad and from the revolutionary spirit at home."

Metternich said nothing, but proceeded to set troops in motion for quelling the revolt. It was Stadion's business and not his to raise the necessary money. The former had already spent money which was earmarked for the year 1822, and his pronounced sense of responsibility caused him to take a darker view of recent events than was strictly justified. Metternich, however, infected his imperial master, who was staying with him at Laibach, with his own spirit of resolute calm, and the emperor wrote a reassuring letter to the King of Naples. The king had just left Laibach, having borrowed the money for the journey to Florence from the Emperor Francis, as he had no funds himself. While assuring the king that his interests were identical with his own, the emperor did not forget about the repayment of the journey money, and issued instructions that the cash should immediately be provided out of the Rothschild loan which was being planned in Naples.[83]

On March 24 the expeditionary force had entered Naples without encountering serious resistance. The news of this event put an end to the rising in Piedmont; Lombardy remained quiet; and the general information received at Laibach gave reason to hope that the whole movement would die down. In a short time Metternich

was able to feel that he had reestablished his system in both countries. It was now possible completely to reassure Carl, and to persuade him that the journey to Florence, where the King of Naples was still staying with his retinue, was absolutely safe. Before he started on the further journey to the capital at the foot of Vesuvius, the Austrian troops there would have reestablished complete order and security.

It was on March 23 that Gentz had made these reassuring observations to Carl Rothschild, using the opportunity to ask for a small personal loan. Carl, who was not so quick at appreciating Gentz's influence as his brothers had been, made difficulties, with the result that, to use his own words, "an unpleasant discussion" ensued.

When he got back home Rothschild learned that Metternich wished him to leave for Florence on the following day. He felt some misgivings regarding the disobliging attitude he had adopted toward the right-hand man of the all-powerful chancellor; and he thought that his brother Solomon would be annoyed with him if he had parted from Gentz in ill-will. He accordingly called on Gentz late that evening in order, as the latter put it, "to make good his error."

Metternich had given Carl Rothschild a letter of introduction to the Austrian general, Baron Vincent, who was staying at Florence with the King of Naples. The general had long known of the Austrian government's financial intentions regarding a loan to be issued in Naples. He knew that the Allies had agreed with the king at Laibach that the costs of the expedition should be borne by the kingdom of Naples from the moment when the army crossed the Po, and that the cost of maintaining the army in Naples should also be borne by that kingdom. Metternich had sent Vincent the following instructions on the matter as early as March 1, 1821:

"The point regarding the loan is of great importance for our finances. We wish to facilitate the work of the

Neapolitan government so that they will be able to provide for the first needs of our army and fulfil some of their obligations to us. Count Stadion has already entered into negotiations on this matter with the House of Rothschild. ... It is desirable in our financial interests that this house should be given the preference, and the king also is prepared to proceed on these lines. The firm has the necessary means at its disposal, and I therefore believe that it will be possible speedily to come to terms with it. . . .

"It would be redundant to point out to your Excellency that the fact that Count Stadion was compelled to make enormous advances to the Neapolitan Expeditionary Force has made him exceedingly anxious to insure that these moneys shall be gradually repaid. He is the more concerned about this since, if the monarchy were to incur such a heavy loss, the resulting financial embarrassment might produce results which nobody can foresee."[84]

Shortly before Carl Rothschild's departure Metternich followed up these instructions with a letter[85] stating that Rothschild was coming only in order to negotiate for the Neapolitan loan. Although this firm had not yet put forward definite terms, Metternich wrote, it was desirable that the Neapolitan government should hand over to the House of Rothschild bonds coming within the scheme of their general system of credit at a fixed price, and leave it to the firm to reimburse itself by issuing these bonds at its own risk at a price which would yield it a profit.

Should the House of Rothschild demand a guarantee from Austria for the due carrying out of the obligations of the Neapolitan government, Vincent was authorized to accept such a condition if it was necessary. He was urged, however, to ask Rothschild to put his proposals into writing, and to press for a speedy conclusion of the agreement. This was urgent in the interests of Austria's finances. In general he should show courtesy to Carl Rothschild and introduce him to the Neapolitan minis-

ter, Prince Ruffo, so that Rothschild could deal direct with him. Metternich concluded by saying:

"We must naturally take no direct part in these business negotiations, but we are very much interested in their success. The loan is destined to cover a part of the costs of the expedition, as well as to meet the expenses of maintaining and paying our army. You are invited, therefore, if Herr von Rothschild's first proposals are accepted by the Neapolitan minister, to facilitate the conclusion of their business through your good offices."

Carl Rothschild arrived in Florence on March 31.

On Vincent's introduction he had a short interview with Prince Ruffo,[86] but he was coolly received and was not given any explanation as to the minister's intentions. He had to wait for news from James, who had been requested by Solomon to express his views regarding the Neapolitan business. Vincent advised Rothschild to go to Naples and inform himself as to the prospect on the spot, for Ruffo had been absent so long that he was completely uninformed as to the financial situation. The Ambassador took the opportunity of borrowing 1,000 ducats[87] on the government's account, the advance for his official expenses having long been exhausted. Rothschild gladly lent the desired amount.

Although the agreements were kept secret, and nobody knew that that firm had been granted absolute priority, the news of a loan to be issued by Naples became known in other banking circles. A Milanese, by name Barbaia, approached Vincent, and in agreement with certain French firms offered[88] to advance thirty millions to the Neapolitan government at an issue price of 60%. "My fear is," Vincent replied, "that this may conflict with our arragements with the House of Rothschild and confuse them." Barbaia was not a negligible rival. He was already known to the King of Naples, and was received by him in Florence on this occasion too. Vincent as speedily as possible gave Carl Rothschild precise infor-

mation regarding the offer.[89] "You will," he remarked, "be in a better position than anyone else to say what value should be attached to this offer."

This problem itself naturally did not engage Carl's very close attention, but it was valuable to him to be informed of his rivals' plans as speedily and accurately as possible, in order to be able to take appropriate counter-measures.

On April 6 he proceeded to Naples. Vincent gave him a letter to Ambassador Count Ficquelmont, informing the count of the offer being made by Barbaia, and of Austria's anxiety that the loan should be intrusted to the firm of Rothschild. The king himself did not yet dare to return to Naples. In accordance with Metternich's instructions the general commanding at Naples meanwhile restrained the newly installed government from considering loans proposed by various Italian banking firms before Rothschild should have arrived. When he arrived on April 12, Count Ficquelmont immediately introduced him to the government, who informed him that they wished to take up a loan of twelve million ducats—about twenty million gulden.

Under pressure from the Austrian general the government had ignored Barbaia's offers, although the Milanese had brought a letter from the King of Naples recommending him. The king had instinctively felt that the House of Rothschild would act in Austria's interests rather than his own; but he was king only by the grace of Austria, and that country could call the tune.

The House of Rothschild stated that they were prepared to grant a loan of ten million ducats.[90] They added that they would at first make only six millions available, the balance to be paid when they had placed the six million. The bonds were to be issued at 54; 3% commission was to be paid; and an undertaking was to be given that during the continuance of the agreement no new loan should be issued. Moreover, in any future loans the firm

was to be given the preference before any other. For sinking-fund purposes and for greater security they demanded that the state domains should be pledged.

These were hard conditions. Public securities then stood at 60%, so that the issue price was very low, and all the more favorable to the Rothschilds, as they intended to issue the state bonds (which had hitherto been dealt with only on the Naples bourse) and, through their London and Paris houses, to put them on the market in those cities. The Neapolitan finance minister, Marchese d'Andrea, considered the proposals to be far less advantageous than those of certain Neapolitan firms, and therefore entirely unacceptable. The minister was of opinion that instead of helping the state the conditions would be a serious blow to its credit, since it was impossible to place any confidence in a government that sold its securities at such a low rate. He held that there was no reason for selling bonds at 54 when the ruling price was 60. The government was not so pressed for money as those appeared to believe who put such proposals forward.[91]

Meanwhile, news had been received that the revolution at Naples had collapsed.

Ficquelmont summoned Carl Rothschild and told him that Austria was desirous that the House of Rothschild should handle the loan. The ambassador requested him not to make it too difficult for Austria to bring the necessary pressure to bear upon the Neapolitan government, but to moderate his terms somewhat.

Rothschild replied that his first proposals were not his last word in the matter; he had been asked to make an offer, and he had done so by way of opening negotiations. The good news received from Piedmont made it possible for him now to offer better conditions. The ambassador also asked Rothschild to avoid, if possible, saying anything about a guarantee by the powers. Carl promised to do what he could, and Ficquelmont assured him of his full and very powerful support with the Neapolitan

government. That government owed its very existence to the Austrians, and it was obvious that it would have. to conclude the agreement with those whom the Austrians wished.

The ambassador at Naples had completely understood what was in the minds of the leading men at Vienna. "If the House of Rothschild carries through a loan of any kind," he wrote to Metternich,[92] "that fact will provide us with the necessary security. As we have not yet made any direct or positive demand for reimbursement of our expenses, I did not feel that it was possible to include in the terms of the loan any explicit condition regarding direct payments to Austria [by the House of Rothschild]. Herr Rothschild, who always keeps our interests in view in the negotiations, has therefore inserted the words in his draft terms, 'payable to those who shall be authorized to receive the money.' This condition will become applicable when our direct negotiations have settled the amount to be paid to us."

The ambassador was anxious that the Neapolitan finances should be spared as much as possible so that there should not be any doubt as to Naples' ability to pay the expenses of Austria's expeditionary force. "If the current expenses for the maintenance of our army," Ficquelmont wrote to Metternich, "can be met out of the ordinary revenue of the state, the whole amount of the loan could be paid into our treasury, except perhaps the first two or three instalments, which the government will require ... in order to put the taxing system in order."

Shortly afterwards the loan was issued, 16,000,000 ducats being taken up at 60 ducats for the 100 ducat bond. Rothschild allowed other Italian banking firms to take some small part in it in order to keep active opposition down. The government pledged itself not to issue any further loan before 1824, and if it required to issue further loans, to give the House of Rothschild the preference.

Carl joyfully reported the conclusion of the business to Metternich.[93] He emphasized that in accordance with Metternich's wishes he had made no mention of a guarantee by the powers, writing: "Moreover, I hope that, if peace only lasts for a little while, the loan will soon be fully subscribed, and it will not be necessary to ask for guarantees for the balance, as in that case all state securities will rise in value, and the Neapolitan securities will follow suit . . ."

The plan had succeeded, and Austria had thereby put the House of Rothschild in the saddle at Naples. This was not done from motives of disinterested friendship, and the brothers Rothschild paid for the privilege—with Neapolitan money. Meanwhile the forces of reaction were playing havoc at Naples. People were arrested in thousands, the death penalty and long terms of imprisonment were meted out to the Carbonari and the revolutionary officers. A strict censorship was also instituted. These conditions continued after the return of the king, and as all these things were being done under the protection of Austrian bayonets, the foreign troops did not gain any sympathy in the country. All classes, excepting the conservative upper class, regarded them as undesirable guests; and resentment against the Austrians was heightened by the fact that they were using a clever foreigner to force the country itself to pay for their occupation.

About this time death came to the man in whose service the Rothschild family had grown great. On February 27, 1821, the Elector of Hesse had a heart attack. With the words,[94] "I shall lose this battle," he expired. His death had nothing like the importance to the Rothschild family that it would have had about ten years earlier, when their transactions with the elector constituted almost their only, and certainly their most important, business.

The new elector spent a great deal of money, but he had not the commercial ability of his father, and the rela-

tionship with the Rothschilds was limited to casual transactions of minor importance. Amschel at Frankfort carried on the business of making loans on an extensive scale to princes and other important personages whom he desired to cultivate. James and Nathan put the Neapolitan securities on the market in London and Paris, making the interest due in London payable in British currency, a fact which induced many people to invest their money in these securities, carrying as they did a high rate of interest. The result was that soon after their issue they rose considerably in price.

Nathan was clever at securing people's support, and at getting publicity for himself. A young clerk from the commercial department of the treasury at Vienna, by name Anton Laurin, had been sent to study in England for some months during the summer of 1820, and was naturally referred to the Austrian consul in London, Nathan Rothschild. Nathan showed a great deal of kindness to Laurin, as he naturally assumed that he would send a report home. He acted as his mentor, and invited him frequently to dinner and supper.

He was so successful in securing the young man's affection that Laurin gave the most ecstatic not to say extravagant and almost tedious accounts of him when he returned home. He sent in such an enthusiastic report to his chief that the latter decided to convey the essential points in it to the emperor, with the request that Nathan should be specially commended.

After recounting how Nathan had helped Laurin, the president of the commercial department of the treasury proceeded to state in his memorandum to the sovereign: "Laurin at the same time reports as to the disinterested work done by this consul, and as to his efforts to be of effective assistance to Austria's credit, industry, and commerce. He states that Rothschild waives all consular fees, actively assists Austrian subjects . . . has secured a quotation for Austrian state securities on the London

stock exchange, helps Austrian sailors generously . . . from his private resources. Nathan is prepared with his own ships to establish a direct service between London and Trieste; he has sent a collection of seeds of rare foreign plants for your Majesty's gardens, as well as several articles of interest in industry and the arts for the Polytechnic Institute without asking for any payment; he is still collecting models and various objects of this kind with a view to bequeathing them to that institute.

"It is not for me to express an opinion as to the value of the services rendered to the credit of the Austrian state by Consul Rothschild; in this connection I can but humbly lay before your Majesty the London stock-exchange report for the 6th ultimo, which he has sent me. In this your Majesty may be graciously pleased to observe that Austrian state debentures are specially mentioned, together with their price, under the designation Austrian Loan. The other efforts referred to above by Consul Rothschild for facilitating and extending Austrian trade, the industrious and disinterested manner in which he carries out the duties of the consulate, so graciously intrusted to him by your Majesty, his generous help to unemployed Austrian sailors, and his efforts to enrich your Majesty's gardens and the Polytechnic Institute deserve proper recognition.

"Through establishing a direct monetary exchange on London, Rothschild has indisputably greatly facilitated commercial and financial transactions. If he succeeds, as he undoubtedly will, in view of the disinterested patriotism of his aims and methods, in establishing direct communication between London and Trieste, the beneficial results to our commerce will be even more marked. Through carrying out this one conception he will earn the well-deserved gratitude of a considerable portion of the Austrian trading community and consuming public...

"I hope that your Majesty may graciously realize from

a perusal of these few lines what an important and beneficial influence upon the trade and industry of the monarchy the nomination of this man as Austrian consul is having. . . . Our former consuls in this country, which is so uniquely adapted to trade and industry, did . . . absolutely nothing for the monarchy, confining their activities to collecting substantial fees from our subjects. . . , The newly appointed consul, Rothschild, has in a very short time done more than all his predecessors put together. I therefore feel it to be my duty to hiring his meritorious activities to your Majesty's knowledge, and at the same time most dutifully to beg that your Majesty's satisfaction may accordingly be conveyed to him." [95]

In his memorandum to the emperor of March 6, 1821,[96] Count Stadion confirmed the statements of Ritter von Stahl, adding that the Rothschilds also deserved praise for the greater facility with which, under the existing critical conditions, the financial requirements of the army in Italy could be met.

These two documents were also sent to Count Zichy for his observations, who passed them to Privy Councilor Baron von Lederer, who gave his opinion in the same skeptical vein he had used when the ennoblement of the family was under consideration.

"The alleged special services of Nathan Meyer Rothschild," he wrote,[97] "are connected partly with his activities as Austrian consul in London, and partly with his relation to the finance departments. If it is due to Rothschild that Austrian government securities are quoted in London stock-exchange reports, and if the transfer of money to Italy has been facilitated through the good offices of the House of Rothschild it must be remembered that the interests of the brothers Rothschild are identical with those of the finance departments.

"The brothers Rothschild are at the head of the business which concluded the last two loans with the Austrian financial administration, so that they are clearly interested

in obtaining a market for Austrian securities abroad, and particularly in London. When banking firms undertake to remit money they are rewarded by a commission set aside for the purpose, and are able to profit by differences in the rate of exchange. I would therefore attach more importance to Nathan Meyer Rothschild's disinterested manner of carrying out his duties as Austrian consul, and would venture immediately to concur in the proposal that he should be acquainted of his Majesty's satisfaction, if I did not feel that the occasion for doing so is somewhat unsuitable.

"A clerk of the commercial department of the treasury, by name Laurin, obtains leave to travel to England. He is given a letter of introduction to Nathan Meyer Rothschild, who receives him in a friendly manner, and supports him in his endeavors to extend his knowledge in the fields of industry and commerce. He returns full of praise of the way he has been received, and takes the opportunity of commenting in high terms on Nathan Meyer Rothschild's disinterested and zealous conduct as consul.

"I am far from wishing to cast any doubt upon the facts that he brings forward, but as he made the journey purely as a private person, and not on any official mission, it was not his business to put these facts forward through official channels, and to take the responsibility for their accuracy. In my humble opinion the statement he volunteered should merely have led to an inquiry on the matter being made through the Austrian Embassy; and it seems to me that this omission can still be rectified."

The emperor, who was not yet fully aware how deeply leading statesmen had committed themselves to the House of Rothschild, did indeed command that further information should be asked for regarding Laurin's statements that Rothschild carried out his duties in such a disinterested manner. Ritter von Stahl, however, stuck to his guns, and was particularly emphatic in pressing the in-

terests of the House of Rothschild. As he knew that James in Paris desired the dignity of an Austrian consul-general, for the same reasons as his brother in London, he suggested, on March 30, that James should be appointed.

The highest quarters did not give any immediate decision in this matter, but the Neapolitan revolution occurred shortly afterwards, involving the close cooperation between Metternich and the House of Rothschild. It was no longer thought either desirable or possible to refuse the brothers anything, as it depended upon their attitude whether or not Austria should recover the money spent on the expeditionary force. Solomon gave his brother James at Paris to understand that he should renew his application to be appointed consul-general, for now was the critical moment, as the Austrian government was more or less in a cleft stick. As it was under an obligation to the House and closely associated with it, it could not turn the request down.

James asked Solomon, as he stood so well in Vienna, to put forward the request himself. Solomon drafted a petition to the emperor, and handed it to Stadion, who, in consideration of the indispensability of Solomon and his family, conveyed it to the emperor with the following memorandum:[98]

"I venture to support this petition, which your Majesty was previously not pleased to entertain, for the following reasons, which relate particularly to present circumstances, and to conditions obtaining during the last few years. Your Majesty is fully aware of the highly important services which the House of Rothschild or, more accurately, the various Rothschild firms established in the principal capitals of Europe have rendered in the complicated difficulties of the present time.

"To the energy and resources of the Rothschilds, to their tireless efforts to apply large sums of money at points where they were immediately required to stem the

tide of events, I owe the fact that I have been able continuously, in all places, and at the right moment, to provide what was necessary for military operations, without interfering with our internal services or the measures to restore our credit. In the precarious state of Austria's finances resulting from recent events, it was only thus that popular feeling and the government's credit could be maintained at the point where they now stand. Through the Rothschilds' clever management, the cost of the extensive monetary movements during the military operations was low compared with any other method of remitting money.

"Through the great services which the Rothschild firms have rendered to us during a most eventful period, their existence has become most intimately bound up with that of the Austrian monarchy. They have incurred the envy and hatred, and to a certain extent the persecution of the whole Liberal party in Europe; and although the extent of their wealth, their firmly established reputation throughout Europe, and their constant rectitude in business matters have so far protected them from the consequences of malicious intrigues, it is really essential that their services should be recognized by our court and that they should enjoy the explicit protection of your Majesty in the principal markets of the world, in order that they may have the necessary strength to resist all these machinations and to continue as useful to the monarchy in the future as they have been in the past.

"This is particularly the case in Paris as being the headquarters of all Liberal activities in Europe, and the city in whose bourse the loans of all states are handled, with no inconsiderable effect upon their value.

"The president of the commercial department of the treasury has laid before your Majesty proofs of what has been done to promote our trade by the Rothschild who has been appointed consul-general in London. Even more successful have been his efforts to develop a market

for the sale of our securities in England and to establish arrangements for directly discounting bills of exchange between Great Britain and the Austrian markets.

"Paris is as indifferent as London to religious distinctions, and the appointment of one of the brothers Rothschild as Austrian consul-general in Paris should be of real service to the commercial and financial interests of the monarchy. Moreover, Rothschild waives the right to any emoluments connected with such an appointment, which he desires only for the distinction attaching to the office as being likely to afford him some protection against the hatred and persecution of the Liberal party in that city."

There was much truth in Stadion's report. The Rothschilds had in fact made themselves unpopular with the more Liberal section of the public abroad, through the contracts which they had made everywhere with the re-established reactionary governments. Stadion was not aware that in spite of their particularly conservative sentiment, especially in Austria, they cultivated relations with the other parties as well, lent money here and there, and thus secured themselves against a political reaction such as was always possible.

The envy of other firms was increasing to a prodigious extent as the power of their house grew. In Paris their position was particularly delicate. For the Bourbon kingdom, with the weak Louis XVIII and the Ultras, who were all the more powerful, was far from popular, and the strictly royalist minister, Villele, who was at the head of the government, was hated by a large part of the population. The brothers Rothschild, however, had necessarily become intimately connected with the new regime and, moreover, as the bankers of the Holy Alliance, they were sending French gold abroad in large amounts.

James Rothschild was often the target of veiled attacks, and once he felt actually constrained to call upon the pre-

fect of police to lodge a complaint regarding the large number of threatening anonymous letters which he was receiving." Through being appointed consul-general he hoped not merely to raise his social prestige, but also to achieve greater security under international law. It is true it was not realized at the court either of Paris or of Vienna that James Rothschild was in close association with the liberal-minded Duke Louis Philippe of Orleans (afterwards King of France). James frequently advised him in money matters, and was very often a guest in his house.

Emperor Francis referred James Rothschild's application to be appointed consul-general to the commercial department of the treasury, with the instruction that they should let him have their observations upon it. Ritter von Stahl did not need to be asked twice to do this. He immediately transmitted the application to Stadion with the following observations: [100]

"England and France are by far the most cultivated states in Europe; in them agriculture, industry, and commerce flourish in the greatest harmony, and it is therefore most important for us to have in their capitals commercial agents who are experienced men, and enjoy an extensive credit. ... As far as commercial and industrial matters are concerned, I cannot suggest a more suitable person for his Majesty than the head of the Paris House, James von Rothschild.

"I made his personal acquaintance during his last stay here; he is a young man of parts, who is intimately acquainted with several members of the Polytechnical Institute in Paris, and of the Conservatoire des Arts et Metiers, as well as with many of the most cultured French manufacturers and business men. Moreover, he expressed to me his readiness, as his brother in London had done, to cooperate in every possible way in promoting our industry and commerce. For this purpose he immediately ordered some interesting machines, which he is giv-

ing to our Polytechnic Institute, assuring me that he did not wish in any way to lag behind his brother in London in proof of his devotion to the House of Austria.

"Finally, the consideration that James Rothschild is a Jew seems, in my humble opinion, to constitute no greater difficulty than in the case of his brother in London. It is true that in the decision regarding the appointment of the London Rothschild as consul, which decision is attached to the application, your Majesty expressly laid down that it would have to continue to be the rule that no Israelite should be appointed consul. Yet if the exception made by your Majesty in favor of the London Rothschild has proved in the highest degree beneficial, it is likely to be no less so in the case of the Paris Rothschild.

"In Paris, too, the consuls . . . have no specially representative character . . . and as, under the French constitution, the Israelites enjoy the same rights of citizenship as all other French subjects in France, I am of opinion that your Majesty may graciously permit an exception to the rule to be made in the case of James von Rothschild such as you have graciously permitted to be made in regard to the London Rothschild.

"While the commercial and industrial reasons for acceding to James von Rothschild's request are weighty, the financial considerations are still more important. This point it is not necessary for me to labor; your Excellency is fully aware that since the recent crucial events in Italy the combined Rothschild houses have rendered far greater services than they had rendered even at the time when his Majesty, with your Excellency's approval, was graciously pleased to appoint the London Rothschild to the office of consul. It is certainly a factor of no small importance in the success of such vital operations to have the support of all these wealthy firms."

In conclusion, Ritter von Stahl strongly urged that Metternich should be asked to express an opinion as to whether there was any objection to the proposal from a

political point of view, so that a further report to his Majesty might be made as speedily as possible.

Metternich duly wrote to Herr von Stahl:[101] "As all considerations of a commercial, industrial, and financial nature make it desirable to grant this application, I have to add only that from a political point of view there is no reason why Solomon von Rothschild's wish should not be granted."

On August 11, 1821, James von Rothschild was duly appointed consul-general in Paris. Thus another of the five brothers had climbed a rung in the ladder of social position.

Immediate payment for his Majesty's favor was required. Since the Austrian army had entered Naples, the Neapolitan government had met all its expenses, including pay; but ten days after so whole-heartedly supporting the petition, Metternich instructed Count Ficquelmont in Naples to get from that government the money that had been expended from the moment when the army crossed the Po. The finance minister had already pressed impatiently to be indemnified for these expenses.[102] The advances already made were estimated at 4,650,000 gulden, and the money was to be repaid in Vienna in six monthly instalments, commencing on August 1, 1821.[103] Metternich sent a private letter to the count, together with these instructions.[104]

"The ministry of finance," wrote the chancellor, "attaches very great importance to the punctual and reliable repayment of the moneys which you are hereby instructed to demand from the Neapolitan government, and it will not tolerate any further excuses for delay. With this end in view, it has concluded an agreement with the House of Rothschild under which . . . Herr Rothschild in Naples has been authorized to make an arrangement with the government in order to facilitate these payments. ... I have the honor to request you to get into communication with Herr Rothschild on this matter, and to support such

proposals as he may consider it desirable to submit to the Neapolitan government. The object of these proposals; will be to make it easier for the government to effect a payment that might cause it some embarrassment without the assistance of this banking firm, and at the same time to facilitate the punctual receipt of a considerable sum of money by our treasury, in the payment of which no further delay can be suffered, as it constitutes a part of our annual budget."

Although he did not succeed in arranging for the Neapolitan government to repay the whole of this amount, Count Ficquelmont managed to obtain compensation to the extent of 4,000,000 gulden, 500,000 to be payable on August 31, 700,000 in each of the following three months, and 1,400,000 in January, 1822.[105] The first amount was paid to Carl Rothschild and transmitted by him through his brother Solomon to the Austrian government. It had been possible to make this payment out of existing funds, but further payments were to be met out of the loan of the House of Rothschild.[106] Thus part of the money subscribed for the loan never reached the Neapolitan Treasury at all, but was made over to Austria direct by the House of Rothschild, although Naples bore the whole burden of the loan.

The government of that kingdom at this time made the request of Carl Rothschild that in consideration of certain additional advantages he would, if possible, make his loan payments to them earlier than was provided for under the agreement. Rothschild agreed, on condition that he was allowed to deduct the first two instalments of 700,000 gulden, and transmit them direct to Austria. Carl reported the conclusion of this agreement to Count Ficquelmont, stating:

"I am accordingly glad to be in a position ... to give your Excellency the assurance that the first two payments are secured, and that I shall be making payments to your Excellency, instead of my brother making them in Vienna.

Your Excellency will no doubt realize that this was the principal reason which led me to fall in with the suggestion—at some sacrifice to myself. For I was thus able to satisfy your Excellency's wish that the payments in question should be secured to the I. and R. Treasury, and at the same time furnish further proof that I am always prepared to make every effort in the interest of his Majesty's service. As for the balance of 1,400,000 gulden (out of the total of 4,000,000 gulden) due in January, I shall try to deal with this sum in a new loan which the royal government of Naples intends to issue shortly. . . ," Carl Rothschild had thus endeavored to meet the convenience of all parties. He made it easier for the Austrians to recover their expenses, and he paid the instalment on the loan to the Neapolitans before the agreed dates. He himself did not do badly, for in June, 1821, the bonds he had underwritten at 60, already stood at 76 1/2! The court of Naples had been in such urgent need of the advance payments on account of the loan that when Carl agreed to make them, he received a special letter from the finance minister.[107]

"His Majesty," the letter ran, "has instructed me to communicate to you in his royal name, his full and gracious satisfaction with the consideration you have shown in the matters affecting the treasury."

The king's debts to the emperor were also settled through the House of Rothschild by making a deduction from the loan. The balance, so far as it was not used in the maintenance of the Austrian army, was not spent either carefully or usefully. In spite of all the loans, therefore, the country continued to be oppressed by financial stringency; and the Neapolitan ministers were constantly complaining of the annual charges (amounting to nine million ducats) for maintaining the Austrian army, which made any reasoned finance impossible. But Austria insisted upon its pound of flesh, and Stadion's attitude was positively petty when Carl Rothschild

transmitted the moneys to Austria in bills due in three months. The finance minister demanded immediate payment in cash, as Naples was required to pay the money free of all charges in Vienna. Carl took the stand that without his intervention and willingness, the Neapolitan government would have been absolutely unable to carry out the obligation it had incurred to the Austrian court to pay four million gulden, so that he had felt himself justified in adopting this method of remitting the money.[108] Henceforward, however, he paid in cash, and simply debited the expense of remitting the money and the loss on exchange to the Neapolitan treasury.

In such circumstances the first loan was naturally soon exhausted, and the Neapolitan finance minister found it necessary to apply to Carl Rothschild for a second loan. After lengthy negotiations a loan of the nominal amount of 16,800,000 ducats was arranged at the end of November, 1821, which in view of a wider market and the resulting improvement in price was underwritten at 67.3 in spite of the fact that the state's indebtedness had increased.

When the amount of 1,400,000 gulden fell due on the last day of January, 1822, the finance minister himself asked Rothschild to make the payment out of the loan,[109] as Naples was not able to find the money; for the support of the Austrian troops was a constant heavy burden on the treasury. Stadion's financial program with regard to Naples was carried through quite ruthlessly; and Metternich was able to point out to the finance minister that thanks to the Rothschild intervention, which he had advised, the undertaking that Stadion had so much dreaded had been completely financed by Naples.

Metternich fully appreciated the services rendered by the House of Rothschild, and was prepared at Solomon's urgent request to devote greater energy henceforward to securing the emanicipation of the Jews. Slowly but surely, the rich Jewish bankers, who had been brought

into touch by the Rothschilds with the delegates to the diet at Frankfort, improved their social position. Severely though they had been shunned before, the change became apparent during the first months of 1820. The Rothschilds and other representatives of the commercial world gave big dinners, and the bearers of the most noble names, as well as persons in every kind of high office, were seen at their tables. In this way they often acquired items of news that they could turn to account in business.

"Since arriving here," the Bremen burgomaster Smidt wrote from Frankfort,[110] "I have found to my great astonishment that people like the Bethmanns, Gontards, Brentanos eat and drink with prominent Jews, invite them to their houses and are invited back. When I expressed my surprise I was told that no financial transaction of any importance could be carried through without the cooperation of these people, they had to be treated as friends and it was not desirable to fall out with them. Having regard to these facts the Rothschilds have been invited by some of the ambassadors."

During this period Amschel Meyer Rothschild's wife was invited to a ball at the Prussian Legation in Frankfort. Smidt specifically recorded his opinion regarding the Rothschild family in a report of a conversation with the delegate to the diet, Count Buol.[111]

"This house," he observed, "has through its enormous financial transactions and its banking and credit connections, actually achieved the position of a real power. It has to such an extent acquired control of the general money-market that it is in a position either to hinder or to promote, as it feels inclined, the movements and operations of potentates, and even of the greatest European powers. Austria needs the Rothschilds' help for her present demonstration against Naples; and Prussia would long ago have had to discard her constitution if the House of Rothchild had not made it possible for her to put off the evil day. Several medium and small states have also

had recourse to its financial power in their difficulties. This puts it in a strong position to ask for favors, especially for a favor of such an apparently trivial nature as the protection of a few dozen Jews in a small state."

At the end of May, 1820, Metternich sent a dispatch to the reluctant Buol instructing him to support most of the Jews' wishes in the diet. Buol, however, was inclined to follow out his own predilections, so that there was no immediate change in the situation; indeed the senate showed a tendency to revert to increased harshness in dealing with the Jews. Thereupon Metternich firmly admonished Buol to put an end to this state of affairs, with the result that the diet sent a kind of ultimatum to the senate.

The chancellor went even further; he traveled to Frankfort himself, and decided publicly to honor the Rothschilds there by accepting an invitation to dine with them. He had let Amschel Meyer know this through Solomon at Vienna, who had just come into prominence again through an action which had won sympathetic recognition in high quarters. The I. and R. Court Theatre at the Karntner Tor was again without a lessee, and the only applicant, Dominik Barbaia, was unable to find the deposit of fifty thousand gulden in cash required under the terms of the lease. The House of Rothschild stated that they were prepared to guarantee and pay this amount to the I. and R. Treasury, whereby, as the document of guarantee stated, "the further continuance of an entertainment worthy of the dignity of the imperial court and the capital city" was assured until the year 1824.[112]

On his arrival at Frankfort, Metternich received the following letter from Amschel Meyer Rothschild:[113]

MOST EXCELLENT PRINCE ! MOST GRACIOUS PRINCE AND LORD !

I hope your Highness will not regard it ungraciously or consider it as a presumption if I make so

bold as to ask your Highness to do me the gracious favor of taking soup with me this noon.
Such a favor would mark an epoch in my life; but I would not have ventured this bold request if my brother in Vienna had not assured me that your Highness did not entirely refuse his entreaty to grant me this gracious favor.
The Austrian gentlemen here have assured me that they will also be present in such a case. If your Highness wishes to come at another time, please command me, for any man feels himself happy to be in your Highness's company.

Metternich accepted the invitation and, accompanied by his intimate friend Countess Lieven, came to lunch with Amschel Meyer, an event which did not fail of its effect upon the diet and upon society in Frankfort The two burgomasters of Frankfort, although invited, did not come. The senate, however, was prepared to make all the concessions asked for, except to agree to the designation, "Israelite citizens." Metternich had seriously to emphasize his "definite wishes" to the obstinate Buol, instructing him to act "in strict accordance with them." But the senate remained obdurate, Buol practiced passive resistance, and the Jewish problem remained unresolved.
While making these social and diplomatic efforts on behalf of the Jews in general and of the Rothschilds in particular, Metternich instructed Gentz to see that the House of Rothschild did not suffer in the press. Because of the close association of that House with Austria, which was ruthlessly repressing all liberal movements in Germany, the more radical sections of the German public, and their papers, were venturing to pass some rather hostile judgments upon the House of Rothschild, in spite of the prevailing censorship. Gentz had repeatedly to listen to Metternich's reproach that he had not got the newspapers sufficiently in hand. For whenever an article unfavorable to the Rothschilds appeared in a German paper,

Solomon pressed Metternich to use his influence to prevent such occurrences in the future. Even the Frankfort letters to the Allgemeine Zeitung, published by the firm of Cotta, contained such attacks. Gentz felt that it was his duty to intervene.

"Sir," he wrote on October 18, 1821, to Cotta, "you will have heard from other sources that there is again grave dissatisfaction here regarding the manner in which the Allgemeine Zeitung is edited. ... It seems to me all the more necessary that if you are really anxious that the A.Z. should continue to circulate in the Austrian states without restriction, you should at least mitigate such offending passages as convey the impression of hostility to Austria. . . .

"I refer to such articles as those of Frankfort origin, which have been appearing with some frequency lately, and which comment upon the financial operations here and the rate of exchange in a manner unfavorable to Austria and her credit. It is true that the general sense of these articles reveals the fact that they are directed, not against our state securities, but against the House of Rothschild. Under prevailing conditions, however, it is obvious that the moves attributed to the House of Rothschild always react upon our state credit, and are generally more damaging to it than to the Rothschilds, who in such cases are well able to help themselves."

On December 4, 1821, Gentz wrote again, saying, "The constant attacks upon the House of Rothschild invariably, and sometimes in the most outrageous manner, reflect upon the Austrian government by necessary implication, since everybody knows they are transacting important financial matters with that House, which is not only unimpeachable, but honorable and thoroughly respectable. The persistent rumors regarding new loans are invented simply and solely in order to undermine the confidence which our public securities have won and which they deserve."[114]

The Allgemeine Zeitung was thereafter banned throughout the whole dominions of the Austrian monarchy. Cotta, who although no friend of the Jews was a sound business man, was exceedingly displeased at this and requested Stegemann, the editor-in-chief, to be more careful, as Gentz—and they both knew well that meant Metternich—had complained bitterly about the paper.

Stegemann replied:[115] "In view of the letter from Herr von Gentz which you have been kind enough to communicate to me, I gladly give my formal promise not to accept . . . anything in future relating to the value of Austrian public securities, or anything whatever relating to the House of Rothschild (at least as affecting its relations with Austria). This means of course that I shall have to adopt a new, very cautious, and colorless attitude to affairs. ... In point of fact, I know nothing of any attacks against the House of Rothschild, unless the remark that Madame Rothschild has received her first invitation from the Prussian minister constitutes an attack." In a word, Cotta and Stegemann submitted, and for the time being the brothers Rothschild did not have to bother much about the very widely read Allgemeine Zeitung. The zeal Gentz had shown in this matter was not attributable entirely to Metternich's instructions. Since his return from Laibach to Vienna he had grown more and more intimate with Solomon Rothschild. He often had occasion to confer with him on behalf of his chief regarding the Neapolitan loan, and on one occasion Metternich made a very friendly remark to Gentz, regarding the attitude of the House of Rothschild in this matter.[116] It happened that on the following day Gentz met Rothschild at a dinner given by the banker Eskeles at Hietzing; and he hastened to inform him of the "remarkably flattering remarks made by the prince." This produced, as Gentz himself records in his diary, results most favorable able to himself. "This morning," he notes,[117] on June 24, 1821, "Roths-

child paid me a very long visit; he told me the same remarkable story about his money and family affairs as I had recently heard from the prince. At the same time he gave me the account of my share in certain recent financial operations, from which it appeared that, entirely contrary to my expectations, nearly five thousand gulden were due to me."

Gentz's diary for the next few months is full of notes of meetings with Rothschild, and constantly mentions his "very agreeable communications,"[118] and "important financial arrangements."[119]

At the end of the year Rothschild specially demonstrated his gratitude for all the information he had received, and for the influence that had been brought to bear upon Prince Metternich and the press. "Rothschild breakfasted with me," Gentz notes in his diary on December 22, 1821, "and gave me a proof of real friendship for which I cannot feel too grateful to this excellent man at a time when all my income from the principalities has come to an end,[120] and nothing is done by those in authority to compensate me somewhat for this loss."[121] Finally, Gentz played his part in bleeding the Neapolitan treasury, and Rothschild assisted him in this matter too.

On New Year's Day Rothschild waited at Gentz's house until he came back from Metternich in order to tell him that a courier was leaving for Naples next day, and that Gentz might send an urgent reminder regarding the gratuity promised him by the court of Naples. He, Solomon, would see that the matter was put through by his brother Carl and General Roller, the intendant general of the Austrian troops. Gentz and Rothschild had become positively inseparable; the friendship certainly cost Solomon a great deal of money, but the cost was negligible in view of the advantages which it brought him.

The restoration of the Neapolitan kingdom by the Austrians placed heavy burdens upon the people. Count

Ficquelmont estimated that Naples had to pay 23 to 24 million gulden, or 12 to 13 million ducats, for the annual upkeep of the Austrian army;[122] he himself was terrified at the magnitude of the amount. "If the burdens that we impose," he reported to Vienna, "are so oppressive that they are more than the country can stand, all parties will unite in desiring our departure. Instead of being a protecting power we shall become oppressors. The end of it will be that we shall not be able to remain as long as our interests and those of the kingdom of Naples require."

The ambassador also stated emphatically, as he had often done before, that the finance minister was entirely incapable, and that there was only one man who could restore order, namely, Luigi de'Medici, the former finance minister, who had been overthrown by the revolution. All the other foreign representatives were also of this opinion, but the king feared Medici as a man whose intellectual gifts would not accord well with his own autocratic temper. Ficquelmont discussed this matter with Carl Rothschild, and Rothschild also thought that it was only by appointing this descendant of the eminent Tuscan noble family—a man of outstanding honor, energy, and administrative talent—that the material recovery of the country could be assured.

Although Medici had enemies among the royal family, such as the Duke of Calabria—to whom he had refused to give money for the duke to squander in an irresponsible manner—successful pressure was brought to bear by the Austrian government with the result that he was reappointed finance minister at Naples in the spring of 1822.

The new minister did succeed with great difficulty in getting the country out of its serious embarrassments.

It is true that not even he was able to deal with the demands of Austria, but he proved himself a pertinacious accountant, and managed to knock down considerably the maintenance expenses of the Austrian army, the returns for which had always been scaled up very generously.

He contrived to make the second Rothschild loan last longer than his incompetent predecessors had done in the case of the first loan, but in December, 1822, he was compelled to have recourse to a third loan, the extent of which was 22 million ducats nominal. Later on he raised a fourth loan of 2 1/2 million pounds sterling at the rate of 89 4/5, in order to acquire the necessary funds for paying the Austrian army for a further period, and for covering the deficit in the budget.

Through arranging for the loan to be issued in sterling instead of in ducats Nathan expected especially to interest English investors,[123] and in this he was successful. By February 26, 1824, the loan was already quoted at 96.75. The public debt of Naples, which before the revolution had stood at 28 million ducats, had risen by the year 1824 to no less than 104 million ducats nominal, yet the bonds appreciated so considerably in value that some Neapolitan public securities stood at 108 in April, 1824. It might have been expected that as the amount of the debt increased these quotations would fall, since, the income having remained comparatively stationary, the security for repayment of the debt diminished as the debt increased in amount.

The ambassador Ficquelmont fully appreciated the position when he wrote: "It was therefore another's credit and not that of Naples that caused the prices to rise, namely, the credit of the House of Rothschild. The value of its public securities is therefore not a reliable basis on which alone to found an estimate regarding a state's welfare. By so doing one might be gravely misled.

"Securities at Naples have risen in value because a wider market for them has been found. London and Paris have become the principal centers through which they are sold. It has not been possible for Naples to contribute in any way to the result, since Naples merely punctually paid the interest on its debt. ... A small portion of the funds has found its way to Austria, the bal-

ance, . . . which was not placed in Naples, has been gradually absorbed by powerful banking firms in London and Paris, which derive their profit from fluctuations in value, and have thus recouped themselves (and a great deai more) for the capital sums which they have advanced."[124]

Thus, briefly stated, the financial policy of the Rothschilds in Naples was summed up. Carl Rothschild had originally gone to Naples with the intention of remaining there only for a short time, as its occupation by Austrian troops was intended to be a temporary measure; but local conditions made it necessary that these troops should remain in the country for a much longer period, unless by withdrawing them Metternich was prepared to risk having the king and his reactionary supporters driven out of Naples.

While the Austrians remained, the presence of Carl was an urgent necessity; and his wife, who had embarked on the journey to Naples as a pleasure trip, made arrangements for a prolonged stay. Carl extended his business, and finally contrived to make himself indispensable to the Neapolitan court in financial matters. He struck roots in that beautiful city of southern Italy, and what had ar first seemed likely to be a brief business sojourn was destined to develop into permanent residence. And the House of Rothschild acquired a new center of operations in the world.

In spite of Stadion's efforts through Rothschild and military pressure to get in the money expended in Naples, the Austrian budget had got into a state of sad confusion. The rising in Piedmont had cost a great deal of money, and the military expenses had attained colossal figures. In despair Stadion reported to the emperor and Metternich[125] that the excess of expenditure over revenue was such that there was a permanent annual deficit of at least 20 million gulden, or more than one-sixth of the total budget. He urged the necessity for putting an end to this

disastrous state of affairs. If it were to continue for a longer period of years, it would involve the downfall of the monarchy.

Stadion stated that another loan to cover this deficit was urgently required, and suggested recourse again to the House of Rothschild, whose wealth had increased prodigiously of recent years. Moritz von Bethmann, who was staying in Vienna in February, 1822, expressed the following opinion regarding the House of Rothschild:[126]

"I can understand that the Rothschilds prove exceedingly useful instruments to governments, and am far from wishing to cast aspersions on them or from envying them their good fortune. Solomon especially is a man of the most estimable character, and I am exceedingly fond of him. I have heard from a reliable source that Solomon Rothschild has stated that the annual balance sheet of the five brothers showed a net profit of six million gulden in 20-florin measure. This is certainly a case where the English proverb applies: 'Money makes money.'

"Observing their industry and judgment, we may expect their business to continue to flourish; indeed one hopes so, since the overthrow of this Colossus would be terrible. The harmony between the brothers contributes largely to their success. None of them ever thinks of finding fault with another. None of them adversely criticizes any of the others' business dealings, even when the results do not come up to expectations. Solomon has won people's affections here, partly through his general modesty and partly through his readiness to be obliging. Nobody leaves him without feeling comforted."

Stadion's gloomy report regarding the condition of the public finances induced the emperor to give his agreement to a loan being obtained from the House of Rothschild. Rothschild was approached in March, 1822, an amount of 28 to 30 million gulden being mentioned. The treasury official, Baron von Pillersdorff, wrote a consid-

ered report on the offer sent in by the firm.[127] Rothschild proposed that 30 million gulden should be issued at 70%, so that the loan certificates to be issued would represent a nominal capital sum of 42,957,000 gulden. As interest was allowed to be deducted, even before the money was paid, a capital amount of 42,875,000 florins would have to be issued in respect of cash received, amounting to 18,785,717 florins.

"If we compare the real underwriting figure (allowing for the deduction of interest) of 67%," Pillersdorff's report continued, "with the ruling price which averages 75%, we find there is a difference of eight points, or 10 2/3% in favor of the underwriters, which would mean a profit to them of 3,428,000 gulden. It further appears from the above statement of the case, that the interest payable on the suggested loan would amount to 7 1/2% per annum.

"The view to be taken of these conditions," the report concluded, "follows naturally from a consideration of the figures detailed above. In my opinion they are exceedingly onerous and less favorable than any previous proposals, having regard to the fact that the first loan, concluded when Austrian credit was in its infancy, was a daring experiment. They are unacceptable in view of all the reactions that would result. . . .

"Taking all these considerations into account, the proposals put forward do not seem to me such as should be accepted, even as a basis for further negotiation. It would certainly be a severe blow to the country's credit if it became known that, in the circumstances indicated above, a loan had been concluded at the price of 67%, especially when one bears in mind that the treasury would have to meet the reproach of having confined itself to a single offer."

The House of Rothschild was accordingly informed that the treasury was prepared to carry through a financing operation with them and Parish, if this could be ar-

ranged on favorable terms, but that the proposals made could not be regarded as such. Moreover, the treasury-wished to take up only a small amount. The Rothschilds, who wanted to get the business at all costs, replied in the following terms:[128]

"We hasten hereby to inform your Excellency that we have just heard from our houses in London and Paris, that several firms in those cities have informed them of their desire to invest capital in Austrian funds, and thereby to participate in a loan arranged for his Majesty's service. In view of our friendly relations with those firms, we should be exceedingly glad to meet their wishes as far as we can. So we venture to inform your Excellency, in connection with the offer (we have now made) for underwriting twelve million gulden of five per cent loan, that we are prepared in any event to offer one and a half per cent more for the amount decided upon than is: offered by any other firm."

The Rothschilds sent in a second letter on the same day, in which, together with Parish, they endeavored to get the large loan. They tried again to induce the finance minister immediately to issue the loan on a larger scale, as they stated,[129] "principally in order that the credulous and uninstructed public should have no occasion to believe that a similar operation would be repeated at an early date." The letter concluded: "In the full conviction, that none, not even the smallest circumstance of any significance escapes the profound insight and business acumen of your Excellency, we are confining ourselves briefly to indicating the above consideration and are content to leave the appreciation of it entirely to your Excellency's wisdom and judgment."

When the Austrian Treasury did not accept this offer, Solomon Rothschild felt personally aggrieved. He took his troubles to Gentz, who had just received a gratuity of three thousand ducats from the court of Naples, through Carl Rothschild's interventions. Gentz reports[130] how

Solomon described, with many tears, how inconsiderately he had been treated in more than one quarter, in connection with his new loan proposals.

This failure was soon compensated for by other important transactions. Nathan had just concluded a loan of three and one-half million pounds with Prussia, and the repercussions of this transaction were felt as far as Frankfort and Vienna. Concurrently there were a large number of small loans arranged in Germany and Austria, with the higher nobility, who were short of money in both countries.

The loan, amounting to nine hundred thousand gulden, which Prince Metternich himself obtained from the House of Rothschild on September 23, is of particular interest. It was a perfectly straightforward business; the loan bore jive per cent interest, and was to be repaid by 1834; in fact the prince repaid it in full in 1827. There was nothing in the least suggestive of bribery about the transaction—Metternich was no Gentz—but it was bound to make the chancellor, who thus became Solomon's debtor, feel not entirely free in his dealings with him. At all events it had the result that Metternich was more inclined to be sympathetic to the personal wishes and requests of Solomon Rothschild and his brother.

The chancellor had known for some time that the brothers Rothschild were not content with the simple "von" that they had acquired in the year 1817, and that they had their eye on the title of baron. Upon Gentz one day sounding Metternich as to whether a request in that direction was likely to meet with success, the chancellor gave him to understand that he would raise no objection. The brothers accordingly put forward this request, mentioning their services to Austria. And it was granted; by an imperial decree, dated September 29, 1822, all the brothers and their legitimate descendants of either sex were raised to the rank of baron.

Thus most of the objections raised by the College of

Heralds, the court officials, and Baron von Lederer, were automatically discounted. The Rothschilds obtained the seven-pointed coronet which, as a rather broad hint, they had drawn on the coat-of-arms submitted in 1817. The lion on the coat was also granted, and instead of the four arrows which the hand had grasped since they had been admitted into the ranks of the minor nobility, there were now five, symbolizing the five brothers. They were also granted supporters, a lion and a unicorn, and three splendid helmets adorned the coronet. The motto, "Concordia, integritas, industria," was intended to express the harmony between the brothers, as well as their honesty and tireless industry.

In view of the enormous value attaching to any title of nobility in those times, the promotion to the rank of baron signified for the Jewish House, which only twenty years ago had been almost entirely unknown outside its native town, an almost immeasurable increase of prestige. The private life of the brothers also changed from this time. They occupied luxurious dwellings in Frankfort, Paris, and London. Only the aged Gudula stuck faithfully to the family house in the Jewish quarter until her death in 1849 at the age of ninety-six.

Their efforts firmly to establish their social position also met with success, especially as the stories of the family's wealth had invested its members with a kind of legendary halo. They consciously encouraged this belief in their wealth and their power, for they fully realized that it increased the credit of their House. Astonishing though the achievements of the five brothers had been since their father's death, they showed no sign yet of flagging in their efforts. They were driven by the constant urge to accumulate ever-growing riches, and to increase their power and prestige.

CHAPTER V

The Rothschild Business Throughout the World

THROUGH his vigorous intervention, Metternich had restored peace after his fashion in the Apennine Peninsula. The chancellor, however, was constantly apprehensive for the future of his system and the principle of legitimacy, and dreaded the spread of liberal and democratic ideas. When the fires had been quenched at one spot they burst out at another on the broad continent of Europe. Attention was now directed to the Greek rising, and to the civil war in Spain, which had been continuing since 1820.

In this country, which had wrung a constitution from the king, the opposing forces of the Right and Left were still in conflict. During the summer of 1820 the radical members of the Cortes treated the king practically as a prisoner, and on June 22 of that year Ferdinand VII wrote to the King of France requesting him to send forces to his assistance, and also endeavored to induce the other great powers to assist him against his own subjects.

The idea of intervention did not appeal particularly either to the King of France or to his chief minister Count de Villele, although one party, that to which Chateaubriand belonged, was very much in favor of it. The matter had come to be one that concerned the whole of Europe, and Metternich had grown accustomed to intervene decisively in any important European crisis. He had found that the most effective way of doing so was through the congresses of sovereigns, such as had repeatedly been held of recent years. These congresses gave him the opportunity of using his persuasive powers to the full.

On October 20, 1822, another such congress met, this time at Verona. Metternich and Gentz accompanied the emperor to Verona as they had to Laibach, and profiting by their previous experience they took Solomon Rothschild with them. For it was obvious that if it were decided at Verona to apply measures of compulsion to Spain, the resources for this would have to be forthcoming immediately. As the House of Rothschild had proved so useful in the case of Naples, it was desired to make use of it if necessary on this occasion too. In the case of the congress at Laibach, Solomon had felt misgivings about leaving Vienna; but he made no difficulties now.

When Solomon arrived at Verona he learned from several representatives of the powers there of a rumor abroad that the House of Rothschild had offered a loan to the government which had come into power through the revolution, and which was threatening its own king, or that the Rothschilds had at any rate entered into negotiations with this government. Such conferences may actually have taken place; but it was of the utmost importance to the Rothschilds that Metternich should be reassured. He must not be left in any doubt as to the fact that their House was lending its support only to the legitimists and the conservative regime. Solomon therefore two days after his arrival at Verona hastened to write a letter to the chancellor refuting these rumors:[1]

"Most gracious Chancellor," the letter ran. "On my arrival at Verona I was amazed to learn that men of standing here believe that our House has contracted or intends to contract a loan with the Spanish government. Your Highness is far too familiar with the sentiments of myself and my brothers to give such a baseless rumor more than a moment's consideration. It is so wholly inconsistent with our general reputation that I do not think it necessary for me to go into explanations regarding the matter. I will confine myself to stating that your High-

ness may rest assured that we have never concluded any loan with the Spanish government, that we shall not conclude any such loan, and that we have refused such offers as have been made to us in this matter as decisively as we have, in your Highness's knowledge, refused similar offers in the past."

Solomon had spoken the truth. He had had nothing whatever to do with any arrangements with Spain; his brothers certainly, especially Nathan who lived in liberal England, often did things which they did not immediately communicate to the other brothers, and which these learned of only after the fait accompli; but on this occasion there had actually been no agreement concluded with Spain. After handing his letter to Metternich, Solomon called on Gentz. Alexander von Humboldt had just left him. Humboldt was attached to the King of Prussia's suite, and he had been discussing problems of high philosophy with the "Pen of Europe." In order to assure himself of Gentz's support during the congress, Rothschild held out to him the prospect of further profitable transactions, and Gentz noted with satisfaction in his diary that Rothschild had discussed with him "matters which although not so high were far more pleasant."[2] During the whole period of the congress Solomon and Gentz had been inseparable, and both had derived the greatest advantage from their association. Gentz introduced Solomon to the representatives of Russia, and the delegates of the tsar's dominions soon concluded a loan of £6,000,000. Apart from the business profit realized on this transaction, Solomon contrived to increase his personal prestige.

"Rothschild and his Paris brother had the Order of Vladimir conferred on them yesterday," Gentz wrote[3] to Pilat the editor of the Oesterreichischer Beobachter, which was the most widely read Viennese newspaper at that time. He would be very much pleased if this fact could be mentioned in the papers in an appropriate man-

ner in the near future. "I do not feel that this can conveniently be done in the Beobachter; its proper place would be in an article on Verona, and as you have not published such an article yet, there would be something comic in this being the first item of news from here.

"We must, however, do everything possible to satisfy such a good and loyal person as Rothschild. You might give this matter your thought. In any case please see that it is mentioned as soon as possible in the Allgemeine Zeitung. Have the following statement printed in that paper: 'In recognition of the distinguished services rendered to the Russian Empire by the House of Rothschild in various important financial and credit operations the emperor has conferred the Order of Vladimir upon the barons Solomon and James von Rothschild.' Do not say St. Vladimir and do not refer to the class, which neither I nor the Rothschilds know."

Sometime later Gentz had occasion to send a reminder to his friend and wrote: "You have not replied to me regarding the Order of Vladimir conferred upon the Rothschilds. The baron is asking me every day whether you have forgotten about it. He is particularly anxious that the news should be featured in the Beobachter, and I do not see why this should not be done. At all events the news should be mentioned by you in the Allgemeine Zeitung before somebody else prints it in a misleading and possibly a malicious manner."

In the end the distinction was duly announced in both papers, and the news that the mighty empire of the tsars was also having financial dealings with the House of Rothschild appreciably assisted in raising its credit with the general public.

Meanwhile Solomon had inaugurated a private service of couriers between Verona and Paris and Vienna, and the Rothschilds proceeded to exploit the news about the congress, which they thus received in those capitals before anyone else.

At first it was not by any means certain whether armed intervention in Spain would be decided upon. Even Metternich was not entirely in favor of it, and as war with Spain was therefore not expected[4] French securities kept rising in value. Suddenly, on the arrival of a courier from Verona, James Rothschild sold French bonds to the nominal value of five million francs. The following day it became known that the banker Ouvrard, who was also staying at Verona, had concluded a loan with the Regency Government, which had been set up by the supporters of absolute monarchy in Spain for the duration of Ferdinand's captivity.

It was certainly natural to draw the inference that the congress was taking the side of the king, and a sharp fall in brench bonds resulted. The capital of France re-echoed with reproaches against ministers who had constantly averred that they were determined to avoid war with Spain. The slump became more and more acute, until, a few days later, the British ambassador got news from Vienna. It then became generally known that no decision had yet been taken, and Wellington was continuing, on behalf of England, to oppose the proposal for intervention. The securities now began to go up, and the good news was confirmed by Rothschild. On November 18, Villele wrote to his representative at Verona to say: "The Rothschilds' courier is causing our securities to rise again. He is spreading the news that there will be no intervention. I do not believe in these deceptive booms, which entail fresh variations in the rate of exchange and heavy losses to many persons,[5] especially when there may be a risk of war later."

The House of Rothschild was thus using the general political situation for the purpose of doing profitable business because it was able to get news early. James had been alarmed by the contradictory reports that had followed so rapidly upon one another. Solomon had confidentially informed him that important decisions were

obviously pending at Verona, and that the French government would play the leading part in them. Solomon suggested that it would be exceedingly useful if James would come to Verona personally.

James quickly decided to make the journey, and on November 22 Solomon introduced his brother James to Gentz at Verona. On the following day the two brothers dined with Prince Metternich. A few days later, on November 26, Solomon planned to take advantage of his brother James's presence in Verona, and go himself to Vienna. Gentz had just given him a secret report on the congress, and several letters which he wanted taken to Vienna. But a post from Rome informed him that their brother Carl was shortly to arrive from Naples. Solomon postponed his journey for two days. The three Rothschilds had thus an opportunity thoroughly to discuss Neapolitan and Spanish affairs, and the probable result of the congress. After this Solomon and James returned home.

At the beginning of the congress, Solomon had been sending so much news from Verona to Vienna that the bulky Rothschild postal-packets attracted the notice of the postmaster at Scharding. He felt called upon to draw the authorities' attention to this exceptionally voluminous correspondence. This naturally did not particularly excite them, since numerous communications were entrusted to the Rothschild couriers by Metternich and Gentz themselves.

The decisions of the congress did finally lead to armed intervention by France in Spain. The congress passed off with great brilliance and duly impressed the world at large. The ancient arena at Verona was the scene of a magnificent banquet, which was attended by all the members.

Rossini, who was then at the height of his creative powers, charmed the members of the congress with melodies from his operas. Solomon, who had known Rossini

in Vienna, introduced him to James at Verona, and this proved to be the starting-point of a friendship which was to develop into intimacy in Paris, especially during the last ten years of their lives.

Solomon dealt with Prince Metternich's personal expenditures at Verona—amounting to 16,370 lira—as indeed the House of Rothschild had furnished[6] all the cash spent in Verona, drawing it partly from France and partly from the various money-markets of the Lombard-Venetian kingdom.

The relations between Austria and that House were constantly growing closer, and her leading statesmen were scarcely able to refuse any request put forward by one of its members.

On September 30 the commercial department of the treasury received an application from Nathan, asking to be appointed Austrian consul-general in London. He pointed out not only that he had punctiliously performed the duties enumerated in his official instructions, especially in the matter of rendering assistance to Austrian seamen—doing so without asking for any compensation—but that he was the sole consular representative of a foreign power in London who had not the rank of consul-general.[7] He promised not to relax his watch on Austrian commercial interests in the future, and also most conscientiously to carry out any instructions which he should receive. The commercial department of the treasury strongly supported this application, and Metternich sent it forward to the emperor with the following memorandum:

"The said Rothschild has for a considerable period occupied the office of Austrian consul in London, to the general satisfaction of his chiefs, and in a disinterested spirit has carried out his duties often involving personal sacrifices, from which he never shrank where the prestige and the interests of your Majesty's service were involved. Your Majesty is moreover graciously acquainted with the

services rendered by his House to the imperial state. The incongruity of his present rank in relation to the commercial agents of other foreign powers in London, who generally are styled consul-general, cannot fail to injure his official prestige."

Metternich also pointed out that James in Paris already had the title of consul-general, and Emperor Francis accordingly granted the application. So Nathan now held the same position in London as his brother in Paris. That city was the center now of Rothschild enterprise. The question of intervention in Spain was still the dominating issue, and as in this matter England was sharply opposed to the conservative groups in Russia, Austria, and France, it was inevitable that there should be a corresponding conflict of opinion within the House of Rothschild.

Metternich, with his legitimist policy, had Solomon completely in tow; Amschel was not so prominent, bu| owing to the Jewish problem at Frankfort, he had to follow the direction indicated by his protector Metternich, while James in Paris was so closely bound up with the leader of the ministry, Count de Villele, and anticipated such advantages from this connection that he too was compelled to fall in with the conservative group, who were all-powerful on the Continent. Carl at Naples was; also a dependent upon Austria, so that Nathan in liberal England was in an awkward position with regard to his four brothers on the Continent.

As a naturalized Englishman, and as banker of the richest state in the world, he personally would have wished to fall in with its political opinions as completely as possible. Indeed, it was necessary that he should do so, as otherwise he would speedily have lost his connection with the British government, and any possibility of doing big business in the future.

After the conclusion of the indemnity transactions in Paris, James had succeeded in getting on good terms with the Bourbon court, and especially with the leading min-

ister Count de Villele. He had often been able to oblige influential persons in matters of finance, a fact which assisted him in his efforts to consolidate his position. Soon after his appointment as consul-general James had taken the magnificent Palais Fouche formerly occupied by Napoleon's commissioner of police, and the magnificent style in which he lived served to enhance his prestige. He was still a bachelor, a fact that somewhat limited his social activities, but also made it easier for him to make his way into exclusive circles, some of which still showed great reluctance to admit the Jewish parvenu, and only did so when personal interests made it appear desirable. Conditions, however, gradually improved in this respect as his wealth increased. James also benefited by the fact that the great Paris bankers of that period such as Laffitte and Casimir Perier were either liberal, or indeed almost revolutionary, in their views, while others such as Delessert, Mallet, and Hottinguer were too nervous to undertake risky ventures on a large scale.

In 1823 James offered to place funds at the disposal of Villele, and informed him that he was prepared to come to his assistance in alleviating the financial embarrassments of the treasury. James's first important transaction with the French Treasury consisted in undertaking the sale of 6% Royal Bonds. When at the end of January, 1823, the campaign against Spain was decided upon, James gave Villele to understand that he was prepared to deal with the big loan to which the chamber had agreed. Villele bethought himself of the precedent of Austria and Naples, and suggested that Rothschild should in a similar way raise the money necessary for intervention in Spain through negotiating a Spanish loan payable to France.

Fundamentally, however, James was as reluctant as Villele to embark on hostilities against Spain, for these might seriously interfere with his financial scheme. His attitude is revealed in some intercepted correspondence

between him and a Spanish banker called Bertran de Lis, who was endeavoring in association with the Liberals to secure the fall of the Spanish Ministry, in order if possible to prevent the French from intervening. San Miguel's Spanish ministry had, in view of the French menace, obtained authority from the Cortes to change the seat of government and the royal residence. The king would gladly have dismissed the government, but the menaces of an excited populace caused him to refrain from doing so. If the fall of the ministry could be brought about in some, other way, France might perhaps be induced to regard this as indicating an improvement in the position and abstain from taking action.

Such was the state of affairs when a letter arrived from Rothschild's confidential correspondent at Madrid. "We are at this moment," wrote Bertran de Lis to the House of Rothschild in Paris,[8] "struggling to overthrow the ministry and to replace it with persons better qualified to guide the ship of state. I am convinced that we shall succeed in our endeavor, and I am therefore anxious that you should bring these facts to the attention of your government, so that they may cease taking any hostile action. I am asking you to do this in the confident expectation that a solution may be found consistent with the honor of both nations, which will assist in maintaining peace throughout Europe. I hope that you will support me in this endeavor as much as possible; but if you see that nothing can be done, and that a breach is imminent, I hope that you will send me a special messenger at my expense, so that I may regulate my actions accordingly in settling my financial affairs."

The same correspondent subsequently attempted in various ways to communicate items of important political and business news to James; but these appear to have been intercepted as they never reached their destination. The first letter to get through seems to have been one dated March 29, 1823, in which Bertran de Lis wrote:[9]

"It is our desire to avoid war, and in order to carry through the business that we have in hand, I feel I should let you know the line of action which in my view your government should adopt to this end. For one thing I feel they should cease any hostile operations until new ministers have been appointed. . . . In this way we might perhaps reach an agreement satisfactory to both nations, and one that might also bring us advantages of a general nature, and also such as we may turn to account in our business."

The writer of this letter proceeded to deal with the current situation in Spain in some detail, and concluded with the warning: "It is important also to use every precaution in carrying on this correspondence; for it would be exceedingly painful to me to be compromised in this matter in which I am convinced that the public interest is identical with my personal interest."

In spite of the precautions that were presumably taken, the correspondence fell into the hands of royalists, and was duly brought to the attention of Metternich at Vienna.

He was highly indignant that one of the Rothschilds, who always pretended to be so conservative, and denied that they had anything to do with Liberals, should suddenly be discovered in dealings of this character. Gentz was instructed to speak to Solomon about it. Solomon was at great pains to invent an explanation, and Gentz noted in his diary:

"I have just had a little discussion with Rothschild about the incredible story of his brother in Paris, who is suddenly appearing in the role of intermediary between the French ministers and a revolutionary banker at Madrid."[10]

Meanwhile the French had seriously embarked upon intervention in Spain. On April 7, 1823, the Duke of Angouleme, nephew of the king, crossed the Spanish frontier. He encountered no opposition, and pressed on far into the country toward the capital Madrid. It was

Villele's task to provide the moneys required by the French army, and now that the die had been cast James Rothschild hastened to offer his services to the minister. His first action was to hand the minister a letter of credit in favor of the Duke of Angouleme addressed to a bank in Madrid that was closely connected with the firm of Rothschild.

Villele forwarded this document to the duke. "This is," he wrote in a covering letter,[11] "in the nature of a courtesy, but I was afraid of offending Rothschild, who has been and still is exceedingly useful to us in our financial difficulties, if I did not accept it. As soon as the army has entered Madrid Rothschild will send an official of the firm, or perhaps one of his brothers, to that city. I would request your Royal Highness to grant this banking firm your very special protection, as its intervention may be exceedingly useful to us in the future, both in the matter of rendering financial assistance to the army, and also in the matter of the Spanish loan, if such a loan can be usefully launched."

Angouleme did not share Villele's view that the letter of credit was to be regarded as a mere courtesy. "I consider," he replied, "that it would be exceedingly useful to avail ourselves of the facilities that Rothschild enjoys for providing ready money at Madrid." He held that this was a speedier and more economic method than sending money from France. He fully agreed that Rothschild should be treated with consideration, as recommended by Villele, who it was clear had learned much from the Austrians in Naples.

James was thus placed firmly in the saddle, and was enabled to carry out his measures under the protection of the two most powerful men in France at that time. It is true that Villele revealed a certain attitude of suspicion toward bankers in general, regarding them as voracious beasts of prey out for money.

On May 23 the duke entered Madrid without opposi-

tion, and set up a regency, which was to rule with modified absolutism until the king should have been liberated from the Cortes. This government, however, in spite of its dependence on French troops, soon threw all counsels of wisdom and moderation to the wind. In order to fill its empty treasury it attempted to arrange a loan with Ouvrard and an agent of the House of Rothschild, who had come to Madrid with the French army.

Villele warned Angouleme not to allow the regency to have a free hand in this matter. "For," he wrote,[12] "where the body is, there will the vultures be gathered together to devour it." He referred to the bankers, not excluding Rothschild, who would undoubtedly have offered the regency oppressive loans.

Meanwhile the Cortes had carried the Spanish king off to Cadiz, and Angouleme proceeded to invest that city and to liberate the king. "Cadiz is the key to the whole problem," Villele wrote to the duke.[13] "By force and negotiation the king must be got out of the hands of the rebels. Your Highness knows that his Majesty has given you carte blanche to enable you to succeed in this venture, and that we have plenty of money in reserve which is available for any of your requirements. Moreover, with the letter of credit which I have sent to you, your Highness can draw bills up to any amount on the House of Rothschild in London for making payments to those who may deliver up the king."

I n order to meet all this heavy expenditure Villele had been negotiating for some time for the flotation of a considerable French loan. The minister still found his dependence upon the House of Rothschild irksome, and gave vent to his feelings in a letter to the duke:[14] "Although I have nothing but praise for the manner in which Herr Rothschild has served us while I was in diffuculties, I should like to float a loan which would make me independent of these people."

The cold facts were destined to turn out rather differ-

ently, and through this loan of 23 million francs, which was offered for public tender, Villele was to be bound more closely than ever to the House of Rothschild. In open competition with three other banking firms, James Rothschild, encouraged by his brother Nathan, offered 89.55%, the next highest price offered being 87.75%. The importance attached by the House of Rothschild to the conclusion of this agreement is most clearly evidenced by the fact that Nathan from London, Solomon from Vienna, and Amschel from Frankfort had all hurried to Paris for the negotiations.

Both parties were delighted with the arrangement. Villele was pleased since he had scarcely hoped that such conditions were possible for France, engaged in a venture like the Spanish intervention, especially in view of the fact that the country was already burdened with a foreign debt of 400 million francs.[15] He reported enthusiastically to the duke on July 11[16] that the bonds on that date already stood at 91.25, and that the loan had therefore appreciated 2 1/3%.

The four brothers did everything possible to extend the European market for this French loan. Villele congratulated himself on having got the loan underwritten at such a high figure, and explained his success as follows: "Monsieur Rothschild, whom the King of Portugal asked for a loan of 25 million francs, had the courtesy to ask King Louis XVIII for his permission before consenting. This is an example of the efforts which the financial powers were making to intervene in politics. Moreover, Rothschild of London, Rothschild of Frankfort, and Rothschild of Paris are all here, a fact which contributed not a little in giving me the confidence necessary to fix the minimum price at 89.5%."

Villele thought that he had carried through quite a clever deal, but this loan, which constantly rose in value, and reached par as early as February 12, 1824, proved to be a new and abundant source of profit to the issuing firm.

Villele now reverted to his scheme that the duke should present a skilful ultimatum demanding the liberation of the King of Spain and his family. Villele advised that he should bring money plentifully to bear in this matter,[17] and should have an unlimited supply of credit at his disposal through Monsieur Belin, the Madrid agent of the House of Rothschild, so that he could draw bills up to any amount on the House of Rothschild in London. James agreed that he might accompany the duke if he left Madrid. Belin's signature was sufficient to release amounts which it might otherwise be exceedingly difficult to procure. Without his assistance it would be impossible to use bribery for the liberation of the king.

"This man," Villele wrote to the duke, "is personally known to the majority of those whose support we need, and it will be much more attractive to them to receive the price of their infamy secretly in London than to be paid in gold which they would have to withdraw at their own risk from a city invested on all sides."

Villele had entirely forgotten his former feelings about the Rothschilds, and he had extensive recourse to the convenient services rendered by the firm at home and in Spain.

"Your Highness," he wrote to the duke,[18] "can use the House of Rothschild's money for all your financial requirements, whether necessitated by the service of the army or by the negotiations. In connection with the latter its agent's banking relations with the principal banking firms of Cadiz may be useful to you." He suppressed any misgivings at having brought Angouleme into such close contact with Rothschild. "Finance and trade," he wrote, "are the friends of peace, but they always wish to secure peace at the expense of honor; nevertheless, having the safeguard of a man of your Highness's temper and sentiment as a counterpart, we need not be anxious about allowing these gentlemen to intervene."

In Spain matters took the course that France had

desired. On June 23, 1823, the duke had reached Cadiz and was prepared to launch his attack. The forts surrounding the city were speedily captured. The necessity actually to take the town by storm did not arise. In accordance with Villele's advice the duke made free with the Rothschilds' money; bills were drawn on Nathan Rothschild to the amount of nearly two million francs in favor of various members of the courts, and of the persons who held the king captive.

When the military position at Cadiz had become hopeless, and those who had accepted bribes promoted mutinies in the garrisons, the Cortes finally broke up, and released the king. It is true that he was first forced to sign a document containing all kinds of promises for a moderate form of government, in accordance with the constitution; but everybody knew perfectly well that he would not keep them. Thus the King of Spain was not in the end required to feel under an obligation to the powerful support of the House of Rothschild for his release from his own subjects of the liberal party. Neither was the duke forced to feel that he owed it to the banking firm that, after speedily overcoming all difficulties, he was enabled to return to Paris as a conquering hero.

The services which the House had rendered to the French government, however, enhanced its prestige at court and with Villele to an enormous degree. James began to surround himself with luxury, and to patronize science and the arts; he furnished his house at No. 40, rue de Laffitte magnificently. He received the Cross of the Legion of Honor.

After the intervention, the course of events in Spain was, to Metternich's delight, exactly similar to what had occurred at Naples. An absolute monarchy was reintroduced, the liberals being savagely persecuted. The constitution vanished. The Roman Inquisition functioned again, and the government went far beyond what the

French government had wanted to achieve by intervention.

Ferdinand's new absolute government had money troubles no less than its predecessor; and the king appealed to the monarch of France, pointing out that his work was not yet completed, and that he lacked such a financial foundation as would be provided by a loan. Villele applied to James Rothschild, who, in conjunction with Nathan and the British bankers Baring and John Irving, offered a loan of 120,000,000 piasters[19] to be subscribed for at 60%. The bankers demanded, however, that the whole of Spain's Colonial revenue should be mortgaged, this being the only revenue that had suffered little through the civil war, and in addition they required that France should give a formal guarantee.

An agreement was not concluded at the time, since Villele replied to the bankers[20] that his first consideration must be his duty toward France. He could not agree to a guarantee by France without endangering its political and financial interests. He would, however, gladly advise the Spanish government to regularize its administration and to apply moderation in its general policy, in order to create the confidence necessary for such agreements. These were fine words, but they offered no tangible security for calculating business men, and accordingly the bankers withdrew their offer.

Metternich and Gentz had attentively watched the course of events. Rothschild's relations with Gentz had become, if possible, still more intimate, and the sincerity of Gentz's diary is attested by nothing more than by the entries of the 6th and 9th of January, 1823: "Rothschild called on me in Vienna. Everything is going magnificently and money in profusion. . . . January 9. I have been informed by Rothschild that a remittance of a thousand ducats is on its way from Russia."

Rothschild was assiduous in impressing Gentz with

the riches and power of his family. On January 13, 1823, he favored him with over an hour's discourse on the position of his firm and its enormous resources, showing him some "eloquent and exceedingly interesting documents."

The firm had in fact grown so powerful that it now proceeded to conclude most important transactions, in which it had formerly allowed other firms such as Gontard and Parish to participate, entirely on its own. The brothers may have learned that the Austrian finance minister once more had occasion to think of them. England had recently demanded the repayment of some old debts owing by Vienna, and it appeared that Solomon's and Nathan's services would be required again. Metternich and Gentz were therefore anxious to be obliging at this time, especially in matters that did not cost the state anything. They did not have to rack their brains to find an opportunity of showing their good-will, for together with Borne, Solomon had been "hammering at [Gentz] about this wretched question of the Frankfort Jews."[21]

The growing power of the House of Rothschild, which had originated in Frankfort and now had dealings with most of the more important states, caused the Frankfort Jews to stiffen in their attitude. They now demanded as a right what they had formerly begged as a favor. While Solomon and Gentz were pressing Metternich to help the Jews of Frankfort, Solomon's coreligionists there were carrying on a constant campaign against Count Buol, delegate and president of the diet who was so markedly hostile to them. Their efforts finally resulted in Count Buol being recalled, and this constituted an important victory for the House of Rothschild.

Buol's successor, Baron von Munch-Bellinghausen, was instructed to settle the Jewish problem as speedily as possible, since it was Austria's intention to support such demands of the Israelite community as were just. Amschel

Meyer Rothschild was quite unrestrained in his demonstrations of joy. On the day when the new president of the diet arrived, Rothschild gave a big dinner, to which all the delegates were invited.

"I should have preferred," Munch stated in his report to Metternich,[22] "not to have made my first public appearance in this manner, but as the affair had already been arranged I thought that I ought not to be too nice; moreover I made the acquaintance of all the delegates before the session."

Matters now began to move; Miinch-Bellinghausen followed out Metternich's ideas in quite a different way from Buol, and in August, 1822, the question was settled in a manner highly satisfactory to the Jews. It is true that many restrictions were still maintained. Thus only fifteen Jewish marriages were allowed in each year;[23] no Jew was allowed to possess more than one house, and Jewish trade too was not free from all restrictions. The Jews, however, were henceforth counted as "Israelite citizens"; the ghetto was done away with, and they had full liberty of movement within the town.

They regarded these concessions as a victory, and Rothschild gave a dinner to celebrate them September 3, to which he invited both burgomasters, as well as the delegates to the diet. The former, however, again stayed away because, as Schwemer said, they did not feel in a mood for celebrations.[24] The debentures issued in 1811 under Dalberg's agreement for the liberation of the Jews were now fully redeemed. This fact also indicated that the Jews were satisfied. Thus the matters in dispute in the Jewish question, which had been pending for eight years, were finally settled by the diet acting in a judicial capacity. The principal credit for this was due to Rothschild. Both the town and the Jews sent deputations to thank Baron von Munch, who did not fail to report this fact to Metternich, as he knew well the importance Metternich attached to this question.

The reasons for supporting the Frankfort Jews were well known in Austria. Count Stadion had been negotiating with Rothschild and Parish, the underwriters of the last Austrian loan, since the spring of 1822 for a loan to cover the estimated deficit of 20 million gulden. They had stated that they were willing to underwrite 20 millions at 67, and then at 68.5%, but Count Stadion, whose recent experience in such matters had made him more cautious and critical, thought that these terms were not sufficiently favorable, or were, as he expressed it, "oppressive."[25] He therefore looked around for other offers, and for the first time in the experience of the Austrian government these were forthcoming.

Stadion wanted to borrow only 12,000,000 gulden at first; he fixed the final date for submitting tenders at April 14, 1822. The Paris banker Fould, representing a group of Paris firms at the head of which was Laffitte, offered to underwrite the 12,000,000 at 69%. Parish and Rothschild made a second offer to take over the loan at 69 1/2, while the Viennese banking firm of Geymuller offered 72 3/4. A conference of ministers was summoned for April 13, to consider the tenders.

Solomon Rothschild was particularly anxious to secure the loan, if necessary without the cooperation of Parish—with whom he had recently had several differences—as this would provide him with a further opportunity for exploiting the advantages enjoyed by his firm for the sale of securities through their branches in the most important markets in Europe. He learned through Gentz that other firms were not merely in the field but had actually offered better terms than his, and he therefore decided to write to Stadion.

When the finance minister went to attend the conference on April 13, he was handed a letter from the firm of Rothschild just before entering the conference room. This letter bore the signature of that firm alone. The firm stated that they were prepared in any case to offer 1/2%

more than might be offered by anyone else for the loan which was to be issued.

The conference first decided that 20 million gulden should be issued at once instead of the smaller amount that Stadion desired. It was then considered whether or not any attention should be paid to Rothschild's late offer. The conference was agreed that Rothschild's letter was manifestly irregular. Applicants had been required to submit tenders under seal by April 12. Rothschild had done so jointly with Parish, but their offer had been less favorable than that of Geymuller. The second letter, although dated April 12, had not been given to Stadion until the following day. The minutes of the conference pointed out that "the irregularity of this procedure consists in having failed to observe the final date imposed upon all applicants for submitting their tenders—a fact which Rothschild is obviously trying to conceal by antedating his offer—and also in the lack of precision in the offer itself."

Metternich and Count Zichy expressed the opinion that Rothschild's offer should not be accepted, but that it should not be rejected either, and proposed that the whole matter should be negotiated afresh. With regard to the French banker Laffitte, whom he suspected of liberal sympathies, Prince Metternich stated that he feared the banker might be actuated by other than purely business motives. He added that he felt similar misgivings regard - ing Geymuller's offer, since it was possible that he was acting in concert with Laffitte.

While Metternich used his influence in favor of the House of Rothschild, Stadion took the opposite line, adhering to his view that Rothschild's retrospective tender should be ignored, and that the offer of the firm of Geymuller should be accepted as the best offer sent in by the time fixed.

Stadion was of the opinion that the financial interests of the state required that competitive tenders having been

asked for, it was essential that the conditions laid down should be strictly observed, and that Rothschild's retrospective offer should therefore not be considered. "This is the first time," he emphasized, "that the treasury has had the gratifying experience of finding several competitors tendering for a loan. They will come to us again, and perhaps with even more favorable results in the future if we prove to them that belated offers are not considered. If in the present instance we act otherwise, it may be assumed that henceforth we shall have no possibility of securing genuine competition, and we may therefore pay dearly in time to come, for any immediate advantage." Finally, with reference to the objection made to Laffitte on personal grounds, Count Stadion observed that it would be quite impossible in any case to prevent him from being an unrevealed participator in a loan, and that even if Rothschild's offer were accepted this contingency would still have to be reckoned with.

As there was no way of bridging these differences of opinion the conference broke up without result. It was therefore necessary for the emperor to give the final decision, with the result that Metternich's views prevailed. The emperor issued the following decisions in council :[26]

"On the question whether 12 or 20 millions should be issued, the general political situation should be regarded as the determining factor, and Metternich should accordingly be consulted. A new date should be fixed for submitting tenders indicating that belated offers will not be considered."

Another year was to pass before the new big Austrian loan materialized. In April, 1823, the deficit up to the end of the financial year 1824 was estimated at no less than 35,000,000 gulden. It was now decided to issue a loan of 30,000,000. Four firms, including the House of Rothschild, jointly provided this sum in cash, receiving 36,000,000 five per cent debentures payable in coin, at 82 gulden per cent.[27]

While Austria was suffering from these difficulties, her aggressive foreign policy—especially the expedition to Naples, which was viewed very critically in England—had given rise to the belief that the finances of Austria must be in a most flourishing condition if it had so much money to spend on such objects. The Opposition in the British Parliament had for some time been reproaching the ministry for failing to demand payment of debts which had been incurred by Austria even before the revolutionary war.

Before the system of the English subsidies had come into effect, Austria had been granted two loans by England, to the value of £6,220,000 for financing its campaigns, and in the excitement of the Napoleonic wars, this fact had fallen into the background. With the addition of compound interest the debt had, by the time of the Congress of Verona in 1822, risen to an amount exceeding £23,500,000. Austria had already been approached at Aix-la-Chapelle regarding the repayment of the loan, but Metternich had refused to pay, and all the negotiations since had proved fruitless.[28] For Stadion definitely stated that if England insisted upon its demands it would mean the collapse of Austria's finances, which had been so laboriously resuscitated.[29]

When Metternich adopted a policy at Verona which was opposed to that of England, Wellington again reminded the chancellor that his government was pressing for the payment of this debt. He was not asking for the whole gigantic sum mentioned above, but was prepared to waive all interest charges, compound and simple, and would even be satisfied with a capital payment of £4,000,000. This amount, however, Austria must pay in any event Even this was a very considerable sum, representing about 40,000,000 gulden in convention coinage, and it constituted another dreadful surprise for Stadion.

Metternich realized that it was his policy which had induced this claim to be brought forward again, and he

endeavored to reach an agreement in personal conversation with the British commissioner Sir Robert Gordon, who had been dispatched for this purpose. Various solutions were considered and rejected. Finally Metternich offered a lump sum of 30,000,000 gulden five per cent debentures at an issue price which involved the reduction of the total claim to about two million pounds. He then had recourse to Solomon Rothschild, asking him to try to influence the British government through his brother Nathan. Solomon immediately wrote a confidential letter to Nathan on the matter.

"The British minister," he wrote,[30] "has as yet made no reply to this proposal . . . It is probable that England will not at once unconditionally accept the offer of the Austrian government, but will attempt in one way or another to obtain better terms. Whatever the reply may be, however, I do not believe that the Austrian government will vary their original offer ... If it were to act otherwise, and all at once to put in circulation new public securities amounting to so many millions, the Austrian government would be dealing a severe blow to its credit, which is being raised by a businesslike and intelligent administration to a point commensurate with the country's greatness.

"You are a business man yourself, and will therefore be best able to appreciate these circumstances, so that it would be redundant for me to explain myself further. What I have written has been communicated to me in confidence by his Excellency Prince von Metternich, and it is merely intended to inform you of the general position. In any case you may, although only confidentially (for you have no official instructions) discuss the matter with the chancellor of the exchequer, and endeavor to convince the English of the fairness of the offer which is being made. As I am aware of your devotion to the government here, I feel confident that you will be grateful to me for giving you an opportunity of proving yourself useful and well

disposed to them in such an important matter, and that you will show all the wisdom and caution necessary to assist it in attaining its ends. I hope that you will be able to inform me of the success of your endeavors by the next post ..."

Nathan thereupon got in touch with the bankers Baring and Reid-Irving, and also with the British government, and succeeded in persuading the government to agree to a payment of £2,500,000, whereas the negotiators, after at first asking for more, finally obtained from the Austrian government 30,000,000 florin 5% cash debentures at an issue price somewhat exceeding 82 2/3%. Stadion agreed to the offer made by the three firms mentioned above,[31] and on October 31, 1823, Solomon was able to send the following report to Metternich:[32]

MOST GRACIOUS CHANCELLOR!

It is with particular pleasure that I take this opportunity of informing your Highness of the pleasant news, that after considerable effort I have at last succeeded, in collaboration with my colleagues in London, in concluding the transaction with the English government on the basis of the amount of 30 million gulden 5% Metalliques Bonds. I have thus faithfully carried out the promise made to you on my departure, and am most happy to have been able to terminate a matter outstanding for so long, entirely to the satisfaction of the wishes of the imperial government.

I have been expressly requested by my colleague to endeavor to secure that the government of his Majesty the Emperor shall grant a commission of 2-3% to the underwriters in view of the fact that the transaction is such an advantageous one to the treasury. Mindful of the just and loyal principles of the government here, I may feel justified in assuming that if I submitted such a request it would not fail to receive consideration. But the reflection that my services and my zeal in this matter have resulted in

such definite advantage to the state, and effected such large savings, is so exceedingly pleasant that I gladly renounce the possibility of deriving any further emoluments. I have made a similar statement recently to his Excellency, Count von Stadion, and therefore flatter myself that I have given occasion for his Majesty to feel satisfied with me, and have earned his gracious consideration.

Your Highness will no doubt deign to appreciate with your customary gracious condescension the efforts that I am making in the interests of the imperial state, and I confidently flatter myself that you will graciously consider a request with which, lest I should seem immodest, I do not venture to trouble your Excellency yet. I am waiting to communicate it to you verbally. I await with extreme impatience the moment when I shall have the happiness of seeing your Highness again and in the best of health, and when I shall be able personally to renew the assurances of my most profound regard. . . .

As a matter of hard fact the whole transaction constituted a bull speculation in Austrian public securities by the three firms concerned. Their expectations were fulfilled directly after the negotiations had been concluded, for as early as January, 1824, the Metalliques showed a marked appreciation in value.

When the conclusion of the whole affair was reported to Emperor Francis, with a suggestion that the Austrian mediator Kubeck should be commended, Count Zichy wished to avail himself of the opportunity for obtaining some imperial recognition for the House of Rothschild. He minuted on the memorandum requesting the emperor's confirmation that, although the firms carrying through the settlement of this loan, which had so materially improved the credit of the Austrian state on the London Stock Exchange, had indisputably had their own

interests in view, they, and especially the House of Rothschild, nevertheless deserved recognition for the able way in which they had handled the business. Such a demand for Austrian securities had been produced that the last loan was already quoted at a premium of over 5%, while by making their credit available the firms had succeeded in the difficult matter of satisfying the English government.[33] Zichy accordingly proposed for the emperor's consideration that the following sentence should be added: "And we take cognizance of the efforts made by the London banking firms which have so materially raised Austria's public credit."

Baron von Lederer, however, added that in his view the services rendered in arranging the loan in England consisted merely in an intelligent appreciation of the circumstances ; and that on this service the banks had already realized no inconsiderable profit as shown by the prices of the securities published in the English papers.

Emperor Francis drew his pen heavily through Zichy's "frill," and took "cognizance with satisfaction" of the fact that the matter had been settled.[34] The whole transaction proved to be one of the most profitable pieces of business in which the House of Rothschild had ever engaged. The bonds continually increased in value, their average price in 1824 being 93, and in 1825, 94. It is obvious that the brothers Rothschild succeeded in very profitably realizing on the 30 million gulden debentures which they had subscribed at 82 2/3. It is not possible to estimate the actual profit, but according to the statement of Neumann it already amounted to £1,824,600 at the beginning of April.[35] Solomon Rothschild's "pleasant feelings" and the magnanimous gesture with which he refused a commission or "emoluments" are thus readily intelligible.

It is not surprising that, since Vienna offered opportunities of doing such excellent business, Solomon should

have grown more and more attached to that city. In spite of the restrictions imposed upon foreign Jews, his relatives also were attracted by the idea of settling there. One of these was a cousin of Solomon Rothschild, called Anton Schnapper, who was about to marry the daughter of William von Wertheimstein, Rothschild's Vienna manager, a Jew who had received the imperial "toleration" as a private wholesale merchant.

Through Solomon's powerful influence Anton Schnapper contrived to obtain an audience from the emperor, and to submit his request for toleration, and permission to carry on business. Although the emperor gave his consent, much time elapsed, as was the case with all applications, before formal sanction could be given, and the impatient young man decided again to make application to the emperor, but in writing.

"Your Majesty," the application ran,[36] "The undersigned desires henceforward to be included among the millions of fortunate subjects who enjoy the merciful and just rule of your Majesty. I was born at Frankfort-on-the-Main, and I am the son of honorable parents, my mother's name having been Rothschild. I have worked for several years as an assistant in the business of this well-known firm, and acquired such knowledge as goes to make a competent and honest business man.

"I now desire to settle in this city as a wholesale merchant, and to unite myself in the bonds of honorable matrimony with the virtuous daughter of the licensed wholesale merchant of this city, William von Wertheimstein. My request for 'toleration' and for authority to act as a wholesale tradesman has already been considered by all the departments concerned, found to be in order, and has been submitted to your Majesty for approval. May your Majesty be pleased most graciously to accede to this humble request, and speedily to grant it, and thus establish a family which in return for this priceless favor will never weary of beseeching the Almighty in their daily

prayers to grant prosperity to your Majesty and your Majesty's family."

Schnapper sent this in with the observation that his first application was still lying in his Majesty's office. "You have on several occasions," he wrote to Solomon,[37] "kindly promised me your support in this matter, and in view of the bonds of blood and friendship that unite us, I hope you will have the kindness to concern yourself with it now."

Solomon kept his word, and requested Metternich[38] very kindly to emphasize the importance of this petition quite briefly to Martin, his Majesty's principal private secretary, as his Majesty's signature was still required.

Metternich's position was such that a word from him put the matter through at once.

Stadion continued to employ the House of Rothschild in important financial operations. In February, 1824, the firm undertook to produce old 200 gulden bonds to the value of ten millions for a commission of 2 1/2%,[39] if he were granted new 100 gulden 5% bonds in return for each 200 gulden bond. Solomon indeed wanted to increase the sum to twenty million, subject to the condition that during this period the old debt should not be reduced, and that the strictest secrecy should be observed during the whole scheme. The offer came to Hofrat von Lederer for his opinion, and he at once minuted that he doubted whether the House of Rothschild would find it so easy to carry through the business to the tune of twenty millions.

He was to prove right; for in February, 1825, the House of Rothschild asked to be allowed to reduce the amount to seven (from ten) millions. In the meantime the older bonds had increased considerably in value, and the result was a loss to the firm. The House of Rothschild naturally did not do all its business at a profit; but if it ever failed to do so, or actually suffered a loss, the brothers generally succeeded in their efforts to reduce it to a minimum, and above all, to keep it secret. The firm's

transactions, even outside Austria, were constantly increasing in scope, and its undertakings were beginning to extend beyond Europe to other continents.

Brazil had, in 1821, also imposed a Cortes constitution upon its sovereign the King of Portugal, with the result that separation from the mother-country was decreed and the king's son Don Pedro was proclaimed constitutional emperor. This occurred with the support of England, but against the will of the conservative eastern powers, and especially of Metternich.

While the four brothers on the Continent were under Metternich's sway—James alone allowing himself occasional secret ventures with the liberals in Spain—Nathan had to do his best to follow the general political tendencies of liberal England. When, therefore, in 1824 Brazil was unable to fulfil its obligations to another London firm, Nathan intervened to the great satisfaction of British statesmen, taking over Brazil's liabilities, and in 1829 he concluded a loan of £800,000 with the new imperial state. This enabled Brazil to put her finances in order, while Nathan did not suffer financially.

However, such loans, being suggestive of liberal sentiments, would naturally arouse resentment amongst the conservative powers, and they also gave rise to considerable difficulties amongst the five brothers. Fundamentally the brothers were in complete agreement regarding their aims, and they had no intention in any circumstances of adopting any definite political line. Their adaptability made it impossible to do anything of the kind. But those Rothschilds who were living within the sphere of Metternich's power, and especially the Viennese Rothschild, were forced at any rate to pretend that they stood exclusively for the conservative tendencies represented by Metternich's system. It was often exceedingly difficult for them to explain away or put a good complexion upon Nathan's actions, a fact which frequently led to embarrassing situations.

At this time occurred an event of great importance to the House of Rothschild. On May 13 Solomon Rothschild came to see Gentz in a state of great excitement, and told him he had just received news that Count Stadion had suddenly had a stroke at his home. A man of the most scrupulous personal honor, and the most indefatigable industry, he was profoundly ambitious, and so permeated with the spirit of devotion to duty and with a sense of the importance of his work, that he took all the vicissitudes of his difficult office deeply to heart; he therefore used up his reserves of energy more quickly than other men. The excitement and the strain of the events of the last few years had prematurely worn him out. He died two days after the stroke, and was succeeded in office by Count Nadasdy.

This was a serious loss to the Rothschilds, for they owed it to Stadion more than to anyone else that they had come to Vienna. It is true that during the last years of his life he had grown much more skeptical and critical in his attitude toward the brothers; but they were so intimately connected with Austrian finances that a new minister, had he wished it, would have had the greatest difficulty in eliminating them. Even Metternich, who secretly cherished feelings of suspicion and aristocratic pride toward the Jewish parvenus, never thought of such a thing.

Moreover, Gentz and the Rothschilds themselves took care that no serious misunderstanding should arise. As Gentz reports, Rothschild not only repeatedly saw Metternich at his office during this period, he also often had meals with the prince; and Solomon's big dinners with thirty or more guests were attended by ministers and ambassadors and many members of the aristocracy. Through his numerous invitations, Solomon extended his connection, and got ideas for his operations.

The center of gravity of the House of Rothschild's business was at that time in France. The former leader

of the royalists and head of the government in that country had not forgotten the financial assistance rendered by the House of Rothschild at the time of the Spanish expedition. As it was his ambition to set France on her feet financially, it occurred to him that he might avail himself of the assistance of the House of Rothschild in this also. At that time France had to pay no less than 197 million francs interest on its public indebtedness. Villele meant to reduce this intolerable burden by converting the 5% loan, which already stood at par on February 17, 1824, to a loan at a lower rate of interest, namely 3%. In this way he anticipated saving about thirty-four millions annually in interest. Villele thought out his scheme and then made a detailed proposal to James Rothschild in Paris.[40]

The minister showed that in spite of the expense of the Spanish war, he could make his budget balance without a further loan or additional taxation. "In these circumstances," he wrote, "it appears to me to be possible to take advantage of the conditions that have caused public securities in England and throughout Europe to appreciate in value, for the purpose of carrying through the conversion of our 5% bonds into 4 or 3% bonds."

Villele asked James to cooperate in this plan, which was not to affect French credit. He meant in this way to convert no less than 150 million bearing 5% interest, and to issue to the underwriters a corresponding amount of 3% bonds at 75. The minister hoped that the 3% bonds would also soon rise in value; and he offered to allow the underwriters to keep the saving in interest during the first year after the conversion of the bonds bearing 150 million in annual interest had been effected.

James immediately informed his brother Nathan in London of the French finance minister's proposal for this gigantic transaction. All the brothers, and especially James, tacitly recognized Nathan as having the best finan-

cial brain. His connection with the British government also made him the most influential of all the brothers. The finance minister not only had sent his proposal to James in writing, but also had repeatedly discussed it with him personally, and immediately after such discussions, on the 2nd, 3rd and 4th of March, 1824, James sent a private courier to his brother Nathan in London. On March 6, Nathan, after consulting with the banker Baring, sent James the following reply:[41]

"MY DEAR BROTHER: ... the brothers Baring, as well as I myself, will be pleased to be of use to the French government in their plans for reducing the interest payments; and as the scheme seems to have been well thought out, there should not be much cause to fear for the result. At the same time, it is absolutely essential that the finance minister should be in complete agreement with us, and that no difficulties should arise in carrying out his intentions.

"It is quite clear that the present price of the bonds is maintained by speculators who have been exceedingly lucky for some time, and will no doubt continue to develop their success by further speculating on a rise. Such persons, however, have not the power to assist the finance minister in a scheme embracing such far-reaching possibilities, unless it be supported by such eminent capitalists as Messrs. Baring and Rothschild. I am sending you the draft of a scheme which I should like to have submitted to the minister, and the success of which would undoubtedly be of enormous importance to the country and to the government."

In this drafted scheme Nathan explained that the finance minister would have first of all to secure the chamber's consent to the operation, the government being allowed a completely free hand to carry through in the most advantageous way possible, as was done in similar cases by the British Parliament. In essentials, Nathan

followed Villele's proposal that he should jointly with Baring underwrite 150 million 3% bonds. He asked only that, in the event of the operation being less successful than was anticipated, the minister should be authorized by the chamber to issue treasury bills up to 100 million francs, so that in such a case Baring and Rothschild would be able to get money by cashing these bills, and would not be forced to sell the bonds.

"If the results work out satisfactorily," wrote Nathan, "the firms of Baring and Rothschild, who will apply all their energy and risk their property in carrying out the French minister's scheme, must expect to receive as their reward the profit which this operation will yield during the first years. The minister must persuade the bank to discount at 3%, and also to lend money on the bonds.

"His Majesty will thus be in a position when the chamber reassembles, to inform his subjects and the whole world of the flourishing condition of French finances, and that, too, directly after a war which has restored the Spanish Bourbons to their throne and to the hearts of their people. . . ."

If the whole operation were to go through successfully, and if 150 million of annual interest charges were really to be cut down from 5% to 3%, the saving effected by the French government would run into many millions, and the House of Rothschild was to receive the benefit of the first annual saving thus made.

Villele and the two firms soon arrived at an agreement Nathan had applied his experience in British transactions of a similar nature, and the whole matter had now to be submitted to the public.

When the chamber reassembled, the King of France referred to the contemplated operation for reducing the rate of interest payable on the public debt. The proposal came as a surprise to the public. The bonds were held by many thousands of small people, and the news made a great sensation because innumerable investors felt them-

selves hit, and most of the bondholders understood only that they would in future receive three francs interest instead of five.

Meanwhile the bonds had been driven up to a still higher figure, reaching 104 and 106. Each man felt himself threatened in the possession of this valuable paper, and a storm artificially raised by Villele's enemies broke out. This was increased by making enormous play of the government's statement that the former emigres should be compensated out of these savings. Vincent, the Austrian ambassador in Paris, reported that these operations would furnish the banking powers with fresh fields of gain, and that their avarice would lead them to suggest similar plans to all other governments.

The scheme met with harsh criticism in all quarters, the most devastating being contained in a report from Paris to Metternich, which concluded with the words: "The rentiers are wild with indignation, but Villele will attempt nevertheless to carry the thing through, for he is a minister quand meme." [42]

The king was so upset that he did not dare to show himself in the streets of Paris, fearing demonstrations by the small bondholders. Nevertheless, at the expense of his popularity he consistently supported the plans and intentions of his prime minister.

There were exceedingly severe critics of the role which the House of Rothschild played on this occasion. Ouvrard attacked them with special severity in his memoirs.[43] As, however, he belonged to the party which was hostile to the Rothschilds, his statements can be accepted only with reservations. There was no immediate prospect of the House of Rothschild making either profit or loss, for the proposals were carried in the lower house by a very small majority, while the members of the upper house, most of whom had strong personal interest as bondholders, rejected the proposal on July 3, at the instigation of Chateaubriand. Thus, the scheme failed.

Gentz does not seem to have been speaking so well of his friend Solomon at this time, or possibly he wanted to impress Metternich with the fact that he could assert his independence of the House of Rothschild. In any case he wrote to the chancellor on June 11, 1824: "I am secretly pleased that Villele's finance operation has not gone through. It will do no harm if that gentleman's arrogance is somewhat reduced. Besides, the scheme itself was exceedingly unjust and cruel; and France will certainly be impressed by the fact that the hundred thousand families who would have been hard hit by it owe the fortunate event entirely to the aristocratic opposition. Also there can be no harm in the coalition of big bankers having suffered a rebuff which will somewhat damp their ardor for getting new business. Everything must have a limit, and the all-powerful firms were beginning to go beyond theirs. They obviously had a fully prepared scheme for carrying through similar reductions in interest in all the principal states. It will now be as much as they can do to get out of the French scheme with a whole skin . . . and if I were Solomon Rothschild I would retire with all my millions after losing such a battle." [44]

If this remark was meant seriously, Gentz was to prove very much mistaken. It was not the habit of the Rothschilds to throw up the sponge at the first reverse. Moreover, one must be cautious in drawing conclusions from a perusal of the letters that passed between the brothers and Austrian politicians, as the letters suggest that they were inspired by unqualified devotion to the state of Austria, which would not have been consistent with their position with regard to other governments.

Carl Rothschild at Naples in particular soon realized that it would not be at all advisable for him to be regarded there merely as the agent of a foreign power. The occupation by the Austrian troops could not last forever, and it was all the more necessary for him to cultivate relations

with the local authorities since he was strongly inclined to settle permanently in Naples, and to found a new branch, the fifth, of his House there.

As the king and the members of the royal family at Naples were always in need of money, Carl had several opportunities of obliging them. His constant business dealings with the finance minister, Medici, resulted in their getting on very good terms in spite of the payments to Austria. While on the one hand the Rothschilds assured Austria of their anxiety to see the state paid by Naples, Carl protested to Medici that he would do everything he possibly could to lessen the burden that Naples had to bear. The results soon became apparent; Medici began to examine and criticize the accounts sent in by Austria for the maintenance of the troops. Ficquelmont now lamented[45] the fact that the sums to be paid by Naples had not been fixed once and for all, and demanded in 1822. He suggested that in that case Medici would not have had time to examine Austria's disbursements so closely.

"The real reason," he stated in a report to Vienna, "that he is induced to increase his demands, and to make difficulties, lies in the fact that he obviously knows of the savings that we are effecting; as Rothschild is transmitting them to Vienna, we may practically assume that Medici is bound to know of them, for Rothschild's staff is in too close touch with Medici's for this to be avoided.

"It would have been better to leave this business to the quartermaster's department of the army, as was done in the case of the first occupation of Naples; in that case nobody would have known the amounts that we transmit to Vienna, and we would also have saved the charges which we pay to the House of Rothschild. Our departments send in exaggerated accounts, and I should not like to have the task of defending them. It is exceedingly annoying that the figures made up by the accounts de-

partment should be submitted to a foreign government without revision. This is the most certain way of compromising us."

It was a bold admission to state that the expeditionary force was being used to get more money out of Naples than the expenses actually incurred; but Count Ficquelmont must be given considerable credit for the fact that he opposed these exaggerated demands, and pointed out that the annual claim of 13 million ducats, sent in by Quartermaster-General Roller, was gaining for the Austrian the enmity of the whole country.[48]

The king also was forced gradually to realize that he would not much longer be able to dissociate himself from the movement that pressed for the recall of the Austrian troops, for Medici daily reminded him of what terrible burdens the occupation imposed upon the kingdom, and how his sovereignty was limited thereby. But the king feared the outbreak of another revolution; and as he did not trust his own soldiers, he attempted to recruit Swiss regiments. These negotiations came to nothing because of the expense of raising the troops.

The king then proceeded to recruit in Ireland. The brothers Rothschild had very skilfully introduced this idea to him. Great disturbances had broken out in that country as a result of the wretched conditions under which the poor peasantry, oppressed by their landlords, were living. Nathan had come into contact with an Irishman, the Irish London banker Callaghan, who thought that the British government would also be in favor of such recruiting, as it would draw off dissatisfied and poverty-stricken elements of the population. Nathan saw the opportunity of killing three birds with one stone: he would be rendering a service to the English government by diverting a troublesome element; to the Ring of Naples by providing the neutral troops that he so much wanted; and, in addition, he would do good business for himself.

It was Nathan who, having prepared the ground in

England, advised his brother Carl to make a proposal on these lines to the King of Naples.[47] He enclosed the Irishman's letter, which stated that the difficulties that might previously have been put in the way of such a scheme had disappeared, now a new government had come into power. Callaghan stated emphatically that the overpopulation of Ireland, where it was scarcely possible to keep body and soul together, was at the root of all the trouble, and that it was positively desirable that some of the population should emigrate.

Carl Rothschild handed the letter to the minister Medici, telling him of Nathan's proposal. Medici hastened to inform the king of both these facts, the king's one wish being to have at last some sense of security.

Shortly afterwards King Ferdinand fell ill, and died on January 4, 1825. He was succeeded by Francis I, who was personally no less frivolous and extravagant than his predecessor, and was far from possessing a strong character. Under his rule the state of the kingdom tended to get worse rather than to improve. He too had reason to feel anxious about his personal safety, and in 1825 it was decided to recruit four Swiss regiments for Naples, and the Irish project was discarded. The incident illustrates how the Rothschilds would apply their energies in the most varied spheres, if there were any prospect of rendering a service to those in power, and incidentally filling their own pockets.

Meanwhile James was actively engaged in negotiations in Paris for a new Spanish loan, which the Madrid government wanted to put through at any price. Busy though he was, he contrived to steal time to make a journey to Frankfort in early July, 1824, in order to marry his nineteen-year-old niece Betty, the daughter of Solomon. He was acting in accordance with the wish of his dead father - which had come to be regarded in the family as an unwritten law—that the sons should refrain as far as possible from introducing other families into their circle

by marriage, and should in no circumstances marry a Christian.

Even on this journey James took with him private letters and dispatches reporting on the situation in France, from the Austrian ambassador to Prince Metternich, who was staying at his country place, Johannesberg. Forgoing his honeymoon, immediately after the marriage, James had to return to Paris as his brothers Carl and Solomon were there, carrying on discussions with the Spanish negotiators.

The three brothers decided that one of them should go to Nathan in London with a Spanish plenipotentiary, and ask him to try to persuade the House of Baring to participate in the loan. The Rothschilds, however, demanded that the seventy-two millions which Spain owed to France for her intervention should be included in the loan; to this proposal the Spanish government raised objections. As the Rothschilds in any case had little confidence in Spanish conditions, and tried in vain to secure a guarantee from other powers, the negotiations on this occasion also came to nothing.

On September 16, 1824, King Louis XVIII died. His brother, the former leader of the conservatives, succeeded to the throne as Charles X. He was already sixty-seven years old, and firmly convinced of the necessity of still more definite reactionary measures, as well as being full of religious intolerance. Villele remained in office for the time being, so that as far as the Rothschilds were concerned, there was no immediate change in the political and financial situation in France.

During this period their business expanded in all directions; Nathan founded a big insurance company in England, the Alliance Insurance Company; Amschel was collaborating with Bethmann, Gontard, and Brentano in a scheme for founding a bank at Frankfort, although through the opposition of the senate it came to nothing.

As the Rothschilds' business expanded, their correspondence naturally became more voluminous, and they found it necessary strongly to reinforce the system of couriers with which they had covered Europe. This circumstance entailed a consideration of the question whether their correspondence could be more closely watched.

In this connection the suggestion made by a Milan postmaster is illuminating. "I have often noticed," he reported to Vienna,[48] "that the Rothschild clerks who travel as couriers from Naples to Paris about once or twice a month take with them all the dispatches of the French, English, and Spanish ministers, accredited in Naples, Rome, and Florence. In addition to this not inconsiderable correspondence, they also deal with the communications passing between the courts of Naples and Rome and their legations at Turin, Paris, London, Madrid, Lisbon, etc., as well as all private letters that are of any importance.

"These couriers travel via Piacenza. As we have an Austrian garrison there, under the command of the reliable Colonel Eberl, it might perhaps not be impossible to induce one or another of these clerks to hand over their dispatches for our perusal. Such an examination should yield profitable results, especially if we wait for a favorable or important moment. A room at Piacenza under the protection of Austrian soldiers would be all that we should want in order to do everything necessary without attracting attention."

Since diplomatic correspondence was involved, this proposal concerned the chancellor, and was duly brought to Metternich's notice. He felt that it would be awkward to accept the suggestion. The scheme could turn out to be a double-edged weapon, as he himself often made use of the Rothschild couriers, and matters of the greatest secrecy might come to the knowledge of a subordinate postal official. On the other hand, Metternich would

have been exceedingly glad to get hold of the private correspondence between the brothers Rothschild and, as the technical term went, to submit it to "manipulation."

The result of these considerations was the issue of the following order: "The couriers of the House of Rothschild passing through Lombardy on their way from Paris to Naples, or from Naples to Paris are, when carrying dispatches bearing the seal of the I. and R. Consulates-General in those cities, to be regarded and treated as official couriers; if, however, they should be found carrying any letters which have nothing to indicate that they are of an official nature, such letters shall be subject to the usual regulations in force."[49]

Hormayr, the former director of the Vienna State Archives, who had been banished because of his association with the Archduke Johann in his venture for founding the so-called "Alpine Kingdom," was a bitter enemy of Metternich and the emperor. He was thoroughly familiar with the manner in which correspondence was tampered with, and used this knowledge for making a violent attack upon Metternich and Solomon Rothschild. He even went so far as to state[50] that Metternich had, in agreement with Solomon, waited at Fischamend, two stages from Vienna, for a post bearing important news from Constantinople, and held it up for two days.

"This was done to gain time in order to have two or three days to rig the market, and to make some hundreds of thousands for the chancellor, Zichy, and the rest of the pack of thieves, with the German fortress caretaker[50a] Rothschild, the King of the Jews and the Jew of Kings, at their head."

As far as Metternich's relations with Rothschild were concerned, these exceedingly offensive allegations were far from the facts; but it certainly was possible, through holding back news received by courier, to gain time for profitable deals on the exchange, and this was no doubt done.

The firm of Rothschild, which had now literally attained world-wide dimensions, was to enter upon a difficult period. The long years of peace which England was enjoying led that country to seek profitable investment for the enormously increased wealth which it had acquired since the successful termination of the Napoleonic wars. There was also an increasing tendency to unsound speculation, and a flood of new flotations. As the Central and South American republics freed themselves of Spanish dominion, they seemed to offer desirable opportunities for doing business in agricultural produce and mines.

At the end of 1824. there was feverish activity in the City. Companies sprang up like mushrooms, and millions of pounds in cash were subscribed. Almost all the principal London firms took part in this movement;[51] but the Barings and Rothschild, who regarded it as unnatural and artificial, held aloof. The year 1825 proved that they were right. The South American mining ventures collapsed, and numerous undertakings apparently on a solid foundation experienced the same fate, in a crisis that was becoming more and more general, and was spreading from London to the whole of Europe. Consols fell appreciably, and foreign public securities threatened to follow their example.

In these difficult circumstances, Wellington remembered the signal services Nathan had once rendered to him under the much more dangerous conditions of war. He consulted him as to how the crisis should be met, and Lord Liverpool's government followed Nathan's advice.

Nathan had intended to go to Paris to meet Metternich, who was staying there in 1825, but in view of the critical economic situation, he could not think of leaving London, and wrote the following letter to Metternich:

"It has been my daily endeavor to travel to Paris, in order to express to you the gratitude I owe for the gracious and fatherly kindness which your Highness has shown to the Rothschild family for so many years. The

date of my journey was actually fixed, but an entirely unexpected event unfortunately frustrated my intentions. The British funds, which had reached a very high level, have fallen rapidly, because of incorrect inferences drawn by the English from the meeting of sovereigns. I am accordingly forced to remain here to prevent if possible any further fall, the government being unwilling that I should be absent at this time.

"I hope your Highness will not misinterpret my absence, and will appreciate the obvious urgency of the matter which detains me . . . since, if a further fall in the funds is not speedily checked, the movement will spread abroad, and even affect the I. and R. Austrian funds. Nevertheless I cherish the hope that financial circles here will soon regain their confidence, and am looking forward to making the journey then, and waiting personally upon your Highness. Meanwhile I beg that your Highness will graciously accept my written expressions of thanks in the spirit in which they are offered, as proceeding direct from my heart, for I pray constantly to the Almighty that our beloved sovereign emperor may long be spared, and that your Highness may flourish."[52]

Thanks to Nathan's skill, the developments in England did not result in excessively serious losses to the House of Rothschild, in spite of the crisis through which that country passed, but the firm was severely affected indirectly by the commercial crisis in Paris. In spite of the change in the general situation, the French minister Villele had adhered to his conversion scheme, and although the Rothschilds were much less enthusiastic about it than they had been a year ago, James was so closely bound up with the French minister that when Villele took the scheme up again in May, 1825, he could not stand entirely aloof.

He certainly did not conceal his misgivings. While Metternich was in Paris, James openly said to him that it was wrong of Villele to resume the operation at that time.[53] James was more explicit in the following state-

ment to the Austrian ambassador, Baron von Vincent: "There are times when such an operation may be opportune. Last year the finance minister was assured of the success of his scheme; he was supported by powerful firms, and a large volume of English money was available for investment in France, but now it is flowing into other channels. The return of the capital sums that find their way to America is only partial, and much slower. Most of the banking operations in Europe are not carried through on a cash basis, but this is not the case in America. The . . . operations of Mr. Huchinson in England are moreover exactly contrary to those of M. de Villele. When one also considers the constant complaints in the press which bring the measures proposed by the ministry into bad odor, one cannot but fear that it will find itself deprived of the necessary resources."[54]

Villele, however, was not to be restrained. He succeeded this time in carrying his proposals in the upper chamber as well, and he proceeded to put his long-cherished plans into operation. The Rothschilds could not exclude themselves from the scheme, but they went into it very cautiously. The Paris market was reacting to the fall in prices in England, and as success was largely dependent upon a boom in French securities, the prospects were far from propitious.

James remarked to Vincent on July 7, that it was a long time since he had seen the Paris market so dull. He shared the antagonism of a certain party toward M. de Villele, and he said it was certainly not his fault that the House of Rothschild was regarded as seriously compromised in having supported the government.[55] This was a dig at Nathan, because James was a little jealous of Nathan's outstanding reputation.

The difficulties of the whole undertaking were increased through the public opposition of the authorities at the Bank of France. This was shown in the fact that they suddenly demanded the repayment of considerable

sums advanced by the bank to the treasury. James was, however, not altogether confident that he was right in taking up an attitude opposed to the operation. The matter might succeed in the end, and in that case James would have suffered a humiliating reverse. He accordingly thought it advisable to say[56] to Vincent as early as June 8, that in spite of the bank's hostility to Villele and to the House of Rothschild, matters could still be arranged, and Villele's plan would yet succeed.

Somewhat later, after the chambers had accepted the draft bills, James for a time saw everything in glowing colors, and wrote a letter to Metternich expressing his changed views :[57] "You may now be assured that Villele has won his case. The bonds will be a great success, and he will defeat all his opponents because he is right."

On June 18, Solomon, who was also staying in Paris, made the following statement: "I am now able to say that notwithstanding all the vigorous attacks to which M. de Villele has been subjected hitherto, and is still being subjected, in my view, his financial scheme will go through; and the count, who enjoys his Majesty's confidence to an exceptional degree, will be strengthened in his position; while the enemies of peace and of the ministry will be deprived for a long time yet of the pleasure of seeing it fall."[58]

Metternich condemned this remarkable change of opinion with the remark: "In Paris Rothschild said to me that Villele was wrong. It is often so with the world's judgment."[59]

James's first view had really been the right one. The general financial situation throughout the world did not in fact admit of such an operation's being carried through at that time. The government succeeded only in converting 30 millions to 3% bonds, and these quickly fell from 75 to 62 and 63.

Four of the Rothschild brothers—Nathan alone was absent—were assembled in Paris in August to take coun-

sel regarding the steps to be taken to limit the loss resulting from the decline in the 3% bonds. They admitted[60] that they had not reckoned with the possibility of such an unexpectedly sudden fall. The four brothers finally went to consult the family oracle Nathan, in London, with a view to taking energetic measures to save the situation. Villele's conversion scheme, however, could not be improved in any essential now. Even the 5% bonds were quoted some points under par at the end of the year. All they could hope to do was to limit their losses, and in this they succeeded to a certain extent; but the whole affair was an unfortunate piece of business.

In other, more distant fields also, the Rothschilds had not been over-lucky in their investments during that year. After several fruitless attempts at reconquering Haiti, the second largest island of the Antilles, it had to be surrendered by France, on the payment of an indemnity of 150,000,000 francs by the new republican government. This government borrowed the necessary money, the loans being taken up by a French syndicate, including Rothschild and Laffitte. The Republic of Haiti was never able to meet its obligations; and even though the French government eventually indemnified the two firms for their losses, the transaction had to be put down as unprofitable.

Whether the brothers Rothschild were fortunate or unfortunate in their dealings, their names were on everybody's lips; legends gathered around their activities and their wealth, and they were accredited with the most fabulous schemes by the general public. Thus the story gained currency in Austria that Rothschild had one day demanded the immediate repayment in convention coinage, of no less than 40 million gulden which he had lent the state. On being told that it was impossible to repay this sum, Rothschild was alleged to have proposed that he should either be handed over the whole customs revenue throughout the imperial dominion for a certain

period, or be granted the monopoly of the purchase of fleece in the Austrian dominions, whereby he would have been able to dictate the price of textiles. Although these rumors were obviously untrue, they indicated the estimation of the power of the House held by the public, whether it was well or ill disposed.

The Rothschilds were becoming the central figures in the jokes and caricatures of comic papers. In 1825 a caricature making fun of their versatility was circulated in Frankfort and South Germany. The drawing showed a Rothschild on horseback, with samples of all his businesses; wine-casks, seeds, buttons, etchings, state securities, umbrellas, pens, magic lanterns, etc., on his way from the north to the south of Europe. The easily interpreted legend ran: "Blueshield, commercial traveler, does business in all branches of trade."[61]

The brothers did in fact engage in every conceivable kind of venture, and they were approached with all sorts of schemes. Persons in high places especially had recourse to them for loans. Among them was Marshal de Marmont, Duke of Ragusa, formerly governor in Illyria under Napoleon I. He had joined the Bourbons after Napoleon's fall, and got on good terms with Metternich. As a reward for his change of allegiance and various political services, he was granted an annuity of fifty thousand francs by the Austrian government, in alleged compensation for a donation allotted to him by Napoleon I. The marshal had again got into serious financial difficulties, and the French government, which did not wish him to be publicly compromised, advised him to mortgage his Austrian annuity to Rothschild if the banker would put his affairs in order.

The duke did apply to Solomon Rothschild, but Solomon wanted first to make sure that the Austrian government would actually pay Marmont the annuity until he died. He therefore wrote to Metternich: "I would not have entered into any negotiations in this matter without

having previously asked your Highness's consent, had I not done so at the suggestion of Count de Villele. ... I am therefore venturing to ask your Highness in this most humble private letter, whether the assumption of these negotiations or their continuance is in accordance with your Highness's wishes. Will your Highness please to be assured that on receipt of the slightest hint of the contrary being the case, all negotiations will immediately be broken off, and in such a way that neither Count de Villele nor the Duke of Ragusa will discover the true reason of the change."[62]

Marmont also wrote to Metternich in order to get his support.[63] The chancellor replied cautiously.[64] He thought that the treasury would no doubt simply pay the annuity to Rothschild; but the finance minister would have to be asked for a special guarantee to that effect. Everything would be simple, "as long as the respective positions of the persons concerned remained the same."

This was rather a dangerous reply, and Solomon wanted to have various, and, as Marmont called them, "ridiculous" guarantees.[65] Rothschild, however, firmly adhered to the position that the Austrian government must give her full expressed consent to the arrangement, if he entered into it.

"I am fully aware," Marmont wrote, "that this requirement is not flattering to me, and that the only motive for making it is to obtain guarantees against the possibility of my mauvaise foi." But for fear of endangering the arrangement, he had to agree.

In November, 1825, the contract was submitted, constituting a speculation on the part of Rothschild that the marshal, who was fifty years old, would live a long time. Metternich, however, would not agree that Emperor Francis should give his express consent, as contemplated under the contract, because it was impossible to know in the case of a former marshal of Napoleon whether his political opinions would not undergo changes such as

might cause Austria to cease her payments. If, however, these payments were mortgaged to Rothschild for the full term of the marshal's life, it would not be possible to discontinue them. The contract was therefore not concluded, and in order not to rebuff Villele, James lent the marshal a small sum on the security of the next instalment of his pension.

On April 30, 1827, Solomon wrote the following letter to Metternich[66]: "Your Highness will perceive from the enclosed statement that Marshal de Marmont's affairs are in a state of the greatest confusion, and he is hard pressed by his creditors. He is bound to go bankrupt sooner or later, and in such a case our Paris branch would be a creditor to the extent of fifteen thousand francs, advanced to the marshal on the security of the personal annuity payable to him by the imperial government. There is only one way in which my firm can be secured against possible loss, and that is by impounding the two next instalments of this annuity. I therefore venture most humbly to request your Highness to issue the necessary authorization for the I. and R. Treasury to instruct the paymaster's office to accept a veto from me, in the usual form, upon the instalment of the pension now due and upon that due next quarter in so far as this may be necessary to cover our claim."

It was asking a good deal to expect the powerful Austrian chancellor to concern himself with securing a pay ment of 15,000 francs to the House of Rothschild. But Solomon was in a position to take this liberty, since Metternich himself was again negotiating a personal loan with the firm; and in fact on June 1, 1827, the prince received a loan of half a million gulden from the Rothschilds.

The failure of the conversion operation necessarily damped the Rothschilds' ardor with regard to any other ventures, the consequences of which could not be clearly foreseen. The situation in Spain was exceedingly critical,

and the lack of money was being acutely felt. In ignorance of the way in which the conversion scheme was working out, the Rothschild representative at Madrid had been somewhat rash in making promises to the Spaniards.

"The financial problem [in Spain]," Vincent reported to Metternich,[67] "is now in the hands of the House of Rothschild, all of whose members are just now in London. It seems to me that M. Renevier, the manager of the Madrid branch, has gone rather too far in what he has said to the Spanish government. The House of Rothschild will not enter into business negotiations with Spain without having made previous inquiries in England, and assured themselves of the probable attitude of bankers there with regard to assistance rendered to Spain, for such a loan might damage the loans made to the South American governments which are in rebellion against that country."

When James Rothschild returned from London in the middle of September, 1825, after spending five weeks there with his four brothers, he was assailed by questions from all sides as to whether Spain had any prospect of securing a loan of 25 millions. Nathan had advised against it because for political reasons he did not wish the reactionary Spanish government to be supported. Metternich on the other hand would have been pleased by the granting of a loan, and desired it to go through.

"So far as I have been able to ascertain," Vincent reported to the chancellor,[68] "the House of Rothschild is not much inclined to have anything to do with a financial venture in Spain. They have little confidence in the guarantees offered by the government, and they are afraid of damaging themselves with English firms having interests opposed to those of Spain. Although the House of Rothschild may pretend that their sympathies are purely monarchistic, the recognition of the engagements entered into by the Cortes government, and the liberation

of the Spanish colonies, would provide a far wider field for enterprise and political securities, the value of which they do not fail to appreciate."

The House of Rothschild could well be discriminating. Offers of business from governing circles flowed in on them from all quarters. Carl Rothschild had met Count Louis Philippe de Bombelles in connection with some payments which he was instructed by the Austrian government to make on the Neapolitan account for the passage of Austrian troops through Tuscany. Although large sums were involved the matter was promptly settled, and the Tuscan government gave him to understand that it would take the opportunity of demonstrating its satisfaction.

Grand Duke Leopold II, who had been ruler of Tuscany since 1824, was at that time considering a scheme of great benefit to his subjects, namely, to drain the Maremme, an area of marsh land in Tuscany embracing thousands of square miles. The grand duke proposed to Carl Rothschild through Bombelles that he should undertake a part of the drainage operation on his own account, subject to a suitable arrangement with the state of Tuscany. Such was the esteem in which the House was then held for its versatility and financial resources.

Carl Rothschild did not feel that he could undertake such a far-reaching scheme. "Would it not be better," he replied to Bombelles,[69] "if the Tuscan government which has conceived such benevolent plans for their subjects, would itself supervise the carrying out of the scheme with the assistance of a loan to be taken up gradually as the work progressed? Such a method of procedure seems to me to be more advantageous than to entrust the work to foreigners who do not know the country, and who would be compelled at great expense first to find and engage workmen."

These discussions took place in August, 1825, a most unfavorable time for persuading the Rothschilds, who

were uneasy at their losses, to agree to such a serious undertaking. The scheme nevertheless was carried through, and the firm took some part in financing it, although it had nothing to do with the work itself. It proved to be an inestimable boon to the country, although the work took very many years to carry out, and cost untold millions.

The relations of the House of Rothschild with Metternich had remained untroubled throughout the year 1825; and the Rothschilds actually ventured to intercede with the chancellor regarding the affairs of certain members of Napoleon's family. Toward these Metternich was in general anything but well disposed, and was always inclined to put the greatest difficulties in their way. Napoleon's mother, the aged Laetitia, who was then seventy-five years old, lived at Rome, and dearly wished to see again her eldest son Joseph, the former King of Spain, who was living in North America under the pseudonym of Count de Survilliers. Mother and son had not seen one another for ten years. Joseph had repeatedly attempted to get a passport, but the Austrian and French governments would not permit him to return to Europe. All entreaties had hitherto been in vain, and a friend of the family, Count Villeneuve, approached Solomon Rothschild, asking him to use his influence with Metternich, because the old lady was ill, and Joseph promised to return to America immediately after his visit. The world had indeed passed through great changes during the previous ten years when the son of a despised Frankfort tradesman was asked to intercede on behalf of the man who was once deemed all-powerful.[70]

Metternich, however, remained obdurate. To yield would not have been in accordance with the general principies of his policy. The House of Bonaparte was finished with, should remain finished with, and never be allowed to become dangerous to Metternich's system again. For this reason even the smallest favor was re-

fused to the family; Rothschild was not listened to, and had to realize the limits of his influence. Although when interference with his policy was involved Metternich might remain absolutely firm, he often gave the House of Rothschild much too much rope in matters of finance; and in such instances he relied upon the finance minister and the treasury.

An accident has revealed the details of a transaction which clearly shows that Metternich and his assistants sometimes went too far in their reliance on the Rothschilds; and an examination of this incident offers an opportunity of noting the treasury's own comments on its mistakes and on the loss involved, which, it should be pointed out, was incurred under Count Stadion's successor.

Since the first Austrian occupation of Naples in 1815, the kingdom had had to pay a war indemnity. Since the end of 1818, it had been the duty of the Austrian ambassador at Naples, Prince Ludwig de Jablonovski, to receive the instalments as they were paid in each month, and, in connection with a banking syndicate controlled by the Neapolitan firm Dollfuss, to arrange for their transmission to Vienna. Everything went well at the start, but the bill for the second instalment was protested in Vienna, because the firm of Dollfuss was in difficulties a

Dollfuss reported this fact to Jablonovski in January, 1819, but the ambassador had already received the orders on the Neapolitan Treasury for the following instalments up to March and drawn these sums in advance. Jablonovski was now in danger of losing this money, and was forced to accept a very unfavorable settlement offered by the firm of Dollfuss, under which they handed him public securities, for the sum they held, at 87, the price at which they had bought them, although these securities had by then fallen to 78. Jablonovski hoped that they would appreciate again, so that he would avoid any loss.

"The power," Jablonovski remarked later, "which

autocratically governs quotations throughout Europe, so that the most careful calculations go astray, the autocratic power of the House of Rothschild was a factor of which I was not then aware."[71]

Jablonovski had miscalculated. The bonds continued to fall, and the prince was unable to make the payments to Vienna on the due dates, because he felt he could not sell the bonds at such a loss. He therefore mortgaged them at 60% in order to be able to send at any rate part of the money, and still hoped that they would appreciate. Later on, however, the remittances to Vienna ceased altogether. This greatly annoyed and worried Stadion, who needed the money. As an imperial ambassador, who was under Metternich's orders, was affected, Stadion complained to the chancellor, and Metternich had to try to think of a way out. Again he had recourse to the brothers Rothschild, a constant refuge in distress. It was in the summer of 1819, and James and Carl had just come to Vienna from Naples. They had informed themselves as to conditions there, reported to Prince Metternich and been commissioned by him[72] to undertake the transmission of Austria's outstanding claims in Naples.

Rothschild stated that he would be delighted to carry the matter through in collaboration with Gontard at the "most favorable possible rates," and asked for 1/2% commission and 1/2% brokerage. "You may be assured," his offer concluded,[73] "that we shall do everything in our power to carry out your commands with all the diligence and economy of which we are capable, so that we shall continue to justify the confidence which you place in us." The matter was accordingly entrusted to them.

Prince Jablonovski had not yet been told anything about the negotiations with Rothschild, and he was exceedingly upset when he was suddenly instructed to hand the business over. He expressed his astonishment, especially in view of the fact that he had meanwhile arranged a solution of the matter with the finance min-

ister Medici by direct shipments of gold to Trieste.[74] "But," he wrote, "Herr James Rothschild was in Naples, and presumably heard of my unfortunate dealings with the firm of Dollfuss, and determined to turn them to his own advantage. Nothing else can explain how the House of Rothschild should have taken over such an unimportant business in a center with which they are not familiar, where the rate of exchange is constantly varying and unfavorable, or how they could have persuaded the I. and R. Treasury to renounce the advantages of transporting gold, and to bear the considerable loss of exchange."

In any case the matter was taken out of Jablonovski's hands, and his suggestion that further payments should be deferred until the Neapolitan bonds rose again was ignored. In January, 1820, Jablonovski received instructions to hand over all documents regarding the matter to a controller specially sent to Naples for this purpose. In July, 1820, the revolution broke out, and in the spring of 1821 the Austrian troops entered Naples. The immediate effect of these events upon the bonds was unfavorable, and they fell continuously until May, 1821. The result was that Stadion, who was always liable to sudden panics, hastily gave instructions that the bonds which had been mortgaged at 60% should be sold to Rothschild, and this was done in May, 1821, at the lowest point which they touched, namely 58 1/8.

The following year saw an extraordinary rise in Neapolitan securities, so that it may be readily imagined that the House of Rothschild made an enormous profit out of this purchase. This became particularly apparent when in August, 1827, the new finance minister Count Nadasdy, after going through these accounts, declared that Prince Jablonovski was liable to make good an amount of 584,-354.54 florins, and created a charge over his property at Rogozno for this amount.

The prince protested strongly with the result that an

imperial commission was appointed to investigate the matter. This investigation led to some lamentable revelations as far as Austrian public finances were concerned. The "most obedient loyal servant Count von Taaffe," president of the treasury, had some utterly devastating statements to make in his most submissive report[75] regarding the treasury's claims on the prince. He revealed that the transaction had been most unprofitable in every way, and declared that Prince Jablonovski's statement that it would have been better for him and for the treasury to have burned the certificates of the mortgage bonds, and rid himself of them completely, was correct, harsh though it sounded. For as the bonds[76] had been mortgaged for 60, and had later been transferred to Rothschild at 58 1/8, the Austrian state had not merely failed to receive anything further, but had actually had to make up the difference. Jablonovski's proposal to hold the bonds, and wait until they improved in value before realizing them, had been a sound business speculation. Instead of this they had been handed over to the House of Rothschild, together with the interest payments for the first half of the year 1828.

On this memorandum an imperial instruction was issued, ordering the finance minister to examine the accounts again in collaboration with Prince Jablonovski, and if the results showed that any added compensation had to be paid, to take the necessary steps to collect the amount as speedily as possible. The fianance minister carried out these instructions; and the report on the matter concluded with the following words: "The assessor appointed for the investigation is of the opinion that, although there is in a general way ... an obligation on the prince to make good the amount, the claim could be effectively resisted in the courts or otherwise. For we are not at all likely to succeed in replying to an order to show cause, such as will necessarily be granted if the charge created [on the prince's property] is not canceled."

The result of the further examination was that instead of being held liable for the amount of more than half a million florins, the prince was finally required to pay only 10,694 florins 34 kronen, in order that the complete failure of the treasury might be somewhat concealed from the outside world.

The facts which had thus been brought to light also gave the chancellor food for thought, and he afterwards observed a certain amount of caution in his relations with the House of Rothschild. They availed themselves of every occasion to make the sovereign and the leading statesmen forget such untoward occurrences, and endeavored to obliterate the bad impression by giving proof of their deepest devotion. This was especially the case when Emperor Francis fell ill in the spring of 1826, recovering only after many weeks of sickness. The whole of Europe had been in suspense, for the decease of the emperor would have involved profound political changes; and the news of his recovery offered an opportunity for the brothers Rothschild to send their congratulations to Metternich. It is true that they little guessed how cleverly he had provided for the continuance of his control of affairs, even in the event of Emperor Francis's death. It will suffice to quote the letter which Amschel wrote from Frankfort:

I have by today's post received the news of the fortunate recovery of his Majesty our universally beloved emperor. Having suffered the greatest anxiety since the emperor fell sick it was one of the most joyful moments of my life when I heard the news.

Heaven has heard our prayers in preserving the greatest and most virtuous of monarchs, and thus allowing the world to continue to enjoy a good fortune, the greatness of which I can but marvel at without venturing to appraise. It is impossible to describe the radiant joy that lights up all faces—only angels

could express in words our feelings of gratitude to Providence!
I cannot refrain from expressing to your Highness my congratulations on this blessed event. I would gladly make so bold as to lay my congratulations at the feet of his Majesty himself, our most benevolent emperor—so sincere and overwhelming are my feelings. May God preserve in full health this best father of mankind until the end of his days! And may it ever be my fortune in deepest reverence to call myself your Highness's most humble and most obedient servant,
AMSCHEL MEYER VON ROTHSCHILD. [77]

Now that the emperor had recovered, the fear that his death would deal a blow to Metternich's regime, and therefore also to the position which the brothers Rothschild had established in the I. and R. chancellor's office, was again remote. Solomon, who through Metternich and Gentz was constantly winning his way in Viennese court circles, was frequently invited to the chancellor's and also often entertained him in his own house.
One after another, families of the high aristocracy, requiring financial assistance, procured loans from the Frankfort banker who had settled at Vienna. In this way he placed many aristocrats under an obligation to himself, and whether they liked it or not they had to admit Solomon and his family to their exclusive salons. Thus both socially and in business Solomon climbed to dizzy heights at Vienna, and his commercial rivals began to become painfully aware of this, especially during the years of financial crisis of 1825 and 1826.
The firm Fries & Co., one of the four "monopolistic state bankers" which had come into prominence during the reign of Maria Theresa, had got into difficulties during the crisis of 1825. David Parish, a son of the well-known John Parish of Hamburg, and Rothschild's

partner in numerous transactions, had entered the firm some time previously, and was now involved in its fall Parish's extravagance and reckless speculation hac caused him to be excluded from a partnership in his father's business, and he had set up on his own account. Being unable to meet his liabilities he had no other course open but to require his most powerful patrons such as Metternich and Gentz, who were at the same time his debtors, to repay their loans. He thus forfeited their favor, though he could not save his firm from ruin.

When he saw that the crash was inevitable Parish put an end to his life by jumping into the Danube; but before doing so he wrote two bitter letters expressing his resentment at the fact that the House of Rothschild had elbowed him out of many transactions. He blamed Metternich for having sacrificed him to the cupidity of a family who had succeeded better than he had in securing the chancellor's interest. He described the brothers Rothschild in a letter to Metternich as "heartless persons, only interested in their money-bags, who, standing under the special protection of Metternich, have behaved in a most ungrateful manner to him."[78]

Just before his death, Parish also wrote to Solomon Rothschild, reproaching him for having squeezed him out, although he had in 1817 introduced him to the big French and Austrian financial business. Now it has been ascertained that the Rothschilds would have succeeded in establishing this connection even without Parish, and that he invited them to join in several transactions simply because he was not sufficiently rich and powerful to carry through these great state financial operations alone.

On the other hand there is no doubt that the brothers Rothschild were entirely ruthless in competing with the firm of Fries and Parish, and that they succeeded as no one else did in consolidating their position with the public departments. In any case, Solomon neither desired nor expected that the rivalry should have such a tragic end-

ing, and he was not a little shocked by it. He spent many hours discussing the tragedy with Metternich and Gentz, in its various aspects.

Two rivals had been disposed of, but life went on its course, and it appeared desirable to wipe out their memory, and to anticipate evil tongues by cleverly giving publicity to news regarding the fame, the business dealings, and the prestige of the House of Rothschild. The brothers had long recognized that good advertisement, which owing to the limitations of the time had to be of a literary nature, could be of the greatest value. Through their influence with the authorities, who were able to use the power of the censorship in order more or less to restrain press activities in all countries, they had little to fear from violent attacks in the press; and if any such occurred, they were almost always able to take effective countermeasures. Moreover, they had ample means at their disposal for influencing cowardly papers, and pressing the cleverest pens into their service.

First and foremost there was Gentz, the "Secretary of Europe." He had for a long time been writing propaganda articles for the Rothschilds in various papers, and exerting his influence—backed as it was by the powerful figure of Metternich looming behind him—upon the contemporary press in their favor. Gentz's growing intimacy with the House of Rothschild, which was marked by constant invitations to dinners and theatres, as well as by "highly welcome financial transactions with the excellent Rothschild," as faithfully recorded by Gentz,[79] gave a chance for carrying out a master-stroke of publicity.

In 1826 the Brockhaus publishing firm was just about to publish a new edition of its Conversational Encyclopedia, which had a very wide circulation at that time, and was regarded as an absolute gospel. The Rothschilds had not yet been featured in it, and it seemed to offer a convenient opportunity for describing the origin and progress of their House.

There was nobody better qualified to execute this, as regarded both manner and matter, than Gentz. Solomon Rothschild accordingly requested him in return for a princely fee, to undertake the task, explaining to him the points he wished to have emphasized. He was particularly anxious that the relationship with the Elector of Hesse should be described in such a way as to convey the impression that the whole of his enormous fortune had been entrusted to the management of the House of Rothschild; and that they had succeeded in saving it by risking all their possessions. Special emphasis was to be laid upon their integrity and disinterestedness, and the firm was to be described as more powerful than any contemporary firm, all the titles and dignities that the five brothers had acquired in the course of time being enumerated.

During the first week of April, 1826, Gentz wrote an essay entitled "Biographical Notes about the House of Rothschild," which was to serve as the basis of his article in the encyclopedia. The following extracts will give an idea of the way in which Gentz carried out his task. The essay was accepted at its face value by very large numbers of people, and after appearing in the Brockhaus publication was incorporated into similar foreign works, as for instance Encyclopedic des gens du monde. The article ran:

The Rothschilds, at the present time the greatest of all business firms, are among those who have achieved greatness and prosperity simply through intelligently taking advantage of opportunities which were available for thousands of others, through a spirit of enterprise seasoned by calm judgment, and through their understanding of men and affairs, and their capacity to adjust themselves to the conditions of the time. Meyer Amschel Rothschild, the father of the five brothers, who are now living, was the founder of this firm.... In a short space of time his knowledge, his tireless industry, and his

straight dealing won for him the confidence of highly respected firms; he was given important orders, and his credit as well as his wealth increased. The relationship which Rothschild established with the Landgrave, afterwards Elector, of Hesse was a decisive factor in the enormous subsequent development of his business. The elector appointed him crown agent in 1801, having come to realize that he was as reliable as he was useful. When in 1806 the French occupied the elector's territories, and he himself was compelled to flee, he left the rescue of his private possessions to Rothschild, their value amounting to many million gulden. It was only by sacrificing the whole of his own property, and at considerable personal risk, that Rothschild contrived to save the property that had been entrusted to him.

The well-known fact that all Rothschild's possessions had been confiscated by the French led the exiled elector to believe that his own property had been lost too. In fact he does not appear to have thought it even worth while to make inquiries about it. When matters had settled down again Rothschild immediately proceeded to do business with the property he had saved. . . .

The brothers are most scrupulous in observing the injunction that their father laid upon them when he was dying, which was to collaborate in absolute brotherly harmony in ail business matters. Indeed they treat the memory of their father with such piety that they refer to him in all important business matters, and Nathan generally applies to doubtful cases a rule his father recommended.

When the elector returned to his states in 1813, the House of Rothschild not merely offered immediately to return to him the capital sums with which it had been entrusted, it also undertook to pay the customary rate of interest from the day when it had received them. The elector, positively astonished by such an example of honesty and fair dealing, left the whole of his capital for several more years

with the firm, and refused any interest payments for the earlier period, only accepting a small interest from the time of his return. Through recommending the House of Rothschild, especially at the Congress of Vienna, the elector certainly assisted greatly in extending their connections, until now as the result of the political developments since 1813 the House has, through an uninterrupted series of great transactions, attained the position it at present holds in the commercial and financial affairs of Europe, which are partly directed by it. . . .

Students of economics and politics have no doubt frequently wondered how the House of Rothschild has been able to achieve so much in so short a time. Leaving the effects of chance out of account, its success is attributable principally to the strictest observance of certain fundamental maxims, together with wise business management, and the exploitation of favorable opportunities. The principal maxim is harmonious collaboration in all business matters, to which reference has already been made.

After their father's death every offer, whatsoever its origin might be, was made the subject of joint discussion between the brothers; any transaction of any importance at all was carried through according to a concerted plan by their joint endeavors, and all the brothers had an equal share in the result. They continued to act in close agreement, in spite of the fact that they gradually settled in places far removed from one another. This circumstance, indeed, instead of interfering with their collaboration, has proved an actual advantage; it has enabled them to obtain the fullest information as to the state of affairs in the principal markets, so that each of them can from his own center the more effectively take the preliminary steps in any business. The firm as a whole then takes it over and carries it through.

Another of the principles which the Rothschilds have adopted is to keep moving, and not allow themselves to become enmeshed by circumstances. . . .

Finally it should be noted that, apart from the reasonableness of their demands, the punctiliousness with which they carry out their duties, the simplicity and clarity of their schemes, and the intelligent way in which they are put into operation, the personal moral character of each of the five brothers has been a determining factor in the success of their undertakings. It is not difficult for those whose power enables them to attach large numbers to their interests, to secure the backing of a powerful party; but to unite the support of all parties and, in the popular phrase, to win the esteem of gentle and simple, implies the possession not merely of material resources, but also of spiritual qualities not always found in association with wealth and power. Ever ready to lend a helping hand, without distinction of person, to those who have come to them for assistance, all of the five brothers have achieved a real popularity. They have rendered the most important services in such a manner as to make them most acceptable, for they have been actuated not by considerations of policy but by natural benevolence and kindness.[80]

This eulogy of the Rothschilds was a masterpiece executed by a clever stylist; it was bound to raise the prestige of the House enormously, especially in the opinion of those who did not know how it came to be written. Then as now the great mass of the unthinking public accepted anything in print at its face value, and as the article, while containing statements that were untrue, did contain much that was the result of accurate observation, and attributed excellencies that were not fictitious, even the more critical were inclined to give credence to the description.

It was not signed by Gentz, although it is true he admitted to being the author, at any rate in conversation with his friends. Indeed he actually asked Adam Muller to express his opinion on it. "I should be glad," he wrote,[81] "if you would read the article on Rothschild in the supplement of the Conversational Encyclopedia. It

is my work, and I have endeavored to give briefly a simple and I hope not infelicitous explanation of the greatness of that House. I shall greatly appreciate your opinion on this little article."

Gentz was proud of his work, and as he has noted in his diary, he read it to Rothschild's manager Wertheimstein, who naturally listened to it with "undisguised admiration."[82] Ten days later Gentz called on Rothschild and received his "actual" cash reward.[83]

Apart from the great advantage which its publication brought to the brothers Rothschild, his essay contained some shrewd observations which are of general interest. One passage in particular, although not included in the Conversational Encyclopedia, may be worth quoting. "There is a truth," Gentz remarks, "which, although not quite new, is generally not properly understood. The word luck as commonly used in the history of famous individuals or eminent families is bereft of all meaning, when we endeavor to dissociate it entirely from the personal and individual factors in each case. There are circumstances and events in life in which good or ill luck may be a determining although not an exclusive factor in human destiny. Lasting success, however, and constant failure are always, and to a much greater degree than is generally supposed, attributable to the personal deserts or the personal failings and shortcomings of those who are blessed by the one or damned by the other. Nevertheless the most outstanding personal qualities may sometimes require exceptional circumstances and world-shattering events to come to fruition. Thus have the founders of dynasties established their thrones, and thus has the House of Rothschild become great."[84]

The circumstances could not have been more aptly described, for the family Rothschild of that generation did undoubtedly bring mental forces into play in a definite direction, the results which they achieved being favored by the circumstances of the time.

CHAPTER VI

The House of Rothschild Rides the Storm

THE control of the business of the House of Rothschild, established as it was in five different centers in Europe, had become exceedingly difficult with the passage of time as a result of the enormous extension of its operations and their intimate interactions with the events of general European politics. It is true that Nathan quietly exerted an influence that tended to harmonize the often conflicting aims of the various branches; but on account of the primitive nature of the communication at that time, and the inadequate postal arrangements, it was impossible, in spite of all the efforts he made, for him to supervise everything.

The result was that each brother had a fairly wide scope within his own center, it being left entirely to his own judgment within certain limits to do what he considered best in the interests of the firm as a whole. Between Vienna, Frankfort, Paris, and London, these places being linked up on the main European routes, communication was easier. It was just the least gifted of the brothers, Carl, who was practically isolated from the others at Naples, and therefore often had to travel personally to Paris and London in order to get into touch with his brothers.

A final solution of the problem of the Austrian troops at Naples had become urgently necessary. Since the end of the year 1822, Neapolitan statesmen had been constantly protesting that the Austrian Army of Occupation should be reduced, in view of the enormous expense of maintaining it. Memorandum after memorandum, ex-

plaining the intolerable burden and the necessity of relieving the situation, was sent in.[1] The Congress of Vienna had decided that the occupying forces should be reduced to 35,000 men; but before this decision was put into effect (August, 1824) the Austrian government had already realized savings to the extent of about 6,500,000 florins out of the sums paid by Naples.[2] This fact naturally soon leaked out and caused great dissatisfaction in the kingdom,[3] especially as a rumor was abroad that the government would shortly reduce the pay of all those in its service.

The greater part of Naples public securities was held abroad. Of the annual interest, only about two million ducats remained in the country itself, while the balance constituted a tribute that Naples had to pay to foreign capitalists. The budget suffered from the malady of a constantly growing deficit, which rose to 3,800,000 ducats in 1825. This meant that the interest on foreign debt was only slightly less than the state's annual deficit.

Count Apponyi, afterwards ambassador in Paris, had been sent to Naples by Metternich to examine the situation on the spot. "Cavaliere de' Medici," he reported,[4] "regards the presence of our troops as nothing but an intolerable burden. As finance minister he trembles at the idea that the foreign occupation may last until after 1826, and by compelling him to take refuge in another loan, still more increase the state's terrifying deficit. This caused him to say to Rothschild a few days ago: 'If the Austrian troops remain here after the limit of time fixed by the convention, I am determined to hand in my resignation.'"

Fundamentally Carl Rothschild was absolutely on the side of the finance minister. It was not in accordance with his wishes that the expenses of the occupation should lead to the whole internal economy of the state being thrown into confusion, so that the loans handled and

issued by the House of Rothschild would run the risk of declining seriously in value. He began, therefore, noticeably to adopt the Neapolitan point of view, and gradually to forget to consider the interests of Austria, although he owed his position in Naples to that country.

He too favored speedy evacuation, especially as the new king, who had succeeded to the throne in January, 1825, and on whom he wanted to make a good impression, cherished the same wish. At Vienna he was actually suspected of supporting the Neapolitan finance minister in his obstinate efforts to recover part of the moneys paid out to the Austrian troops on the ground that they were excessive. The Neapolitan government was claiming the repayment of 1,013,398 ducats as excess payments made only up to November, 1821, and proposed to retain 100,000 ducats each month from the moneys payable to the Austrian war account until the adjustment should have been fully effected. Austria offered only 650,000 gulden in satisfaction, and was contemplating making deductions even from this amount. However, she was afraid of any public dispute in the matter. The quartermaster-general himself admitted in a letter to Count Nadasdy that the estimate of 650,000 florins was too low. He said that in his view it would be better to agree to the amount demanded by the Neapolitan government as a lump sum, rather than to allow the matter to be discussed in detail, as that would be too damaging to Austria.[5]

Ficquelmont also expressed his fears[6] that innumerable claims might arise, the airing of which would be unpleasant for Austria. He offered to arrange for the settlement of the matter, "without publicity and without compromising the dignity of our government," asking only that the repayments should not be made out of the resources of the I. and R. war-chest at Naples, but through the House of Rothschild. For direct repay-

ments through the war-chest would furnish proof that savings had been effected out of the lump sums paid by Naples.

"Looking at the matter coldly and impartially," he added, "we find that we are to refund only the portion of the excess payments attributable to the period between February 1 and November 30, 1821."

But Vienna was not prepared to refund the money so quickly, and hesitated about making it available. Medici urgently needed the money, and would not wait any longer. He therefore applied to Carl Rothschild, informing him that the royal treasury required 1,500,000 ducats in excess of its normal revenue. He asked Rothschild to advance this sum, offering as partial security the claim exceeding a million ducats which had been recognized by Austria.[7]

Carl Rothschild immediately sent Medici's letter to Vienna in order to ascertain the imperial government's attitude in the matter. As, however, it was not yet inclined to give way, in spite of Ficquelmont's representations, it simply put the letter by. Nevertheless, in return for special securities in the event of Austria failing to pay, Carl Rothschild advanced 1,200,000 ducats, because he attached great value to being on good terms with Medici and the new king.

This brought him into great favor in high quarters, a fact which Carl exploited to create a position for himself in society in Naples, as his brothers had done elsewhere. During the winter of 1826 many distinguished foreigners flocked to the beautiful city of the south; amongst them were Leopold of Saxe-Coburg—afterwards King Leopold I of Belgium[8]—the Duke of Lucca, and other princes, as well as several wealthy English families. "This greatly enlivens our social gatherings," Carl said in a private letter.[9] "Amateur companies perform French plays; there are balls and soirees—in a word, in spite of everything, life is very gay. . . ."

Meanwhile, as the result of representations made by Solomon to Metternich,[10] the House of Rothschild had been informed that there was no objection to crediting to the House of Rothschild the moneys which Austria would finally refund to Naples. Their total, however, remained undefined, and as it went very much against the grain to pay these amounts at all, Metternich was somewhat annoyed that the House of Rothschild should intervene in the matter.

At the end of December, 1826, Emperor Francis and Metternich decided finally to evacuate the Two Sicilies,, although not without emphatically warning the king never to think of changing the form of government. On the occasion of the Austrians' leaving, General Frimont, the officer in command, had recommended various persons for decorations, including the finance minister Medici and Carl Rothschild. In view of the attitude adopted by both of these in the matter of the rebates, Vienna was not prepared to consider the suggestion, Metternich minuted on the proposal that Medici ought not to receive any distinction,[11] since he already possessed the Grand Cross of the Order of St. Stephen, and that Baron Rothschild should not receive one "because he is not qualified to receive the distinction suggested." This was, in effect, a reply to the new attitude which Carl Rothschild had assumed. People in Vienna were almost inclined to call him a traitor or a deserter.

The negotiations regarding the refund of the excessive payments made for the support of the army continued for some time. Austria maintained her resistance against paying in full the amount demanded, until the King of Naples finally yielded, in order not to upset the, agreement arrived at. But he wished at least to receive the interest on the excess that had been paid.

A memorandum on the matter states:[12] "The king does not doubt that the difficult circumstances in which Naples has been forced to accept her onerous obligation to the

House of Rothschild will so far influence the noble heart of the emperor that he will without delay carry out at least this wish of the Court of Naples." The Austrian government was to arrange the method of payment with the House of Rothschild. This appeal, however, met with little success; Austria finally paid only 338,564 gulden, which Rothschild took over on account of his claim against Naples, and at the end of 1829 this settlement was accepted for the sake of peace.

Although, as in Carl's case, Metternich was sometimes not entirely in agreement with the attitude of the brothers Rothschild, he always came back to them again, in both public and personal matters. There was no other financier who controlled such large sums of money and such important international connections. Moreover, it had been the chancellor's experience that the strictest secrecy was observed and maintained by the Rothschilds in all transactions of a delicate nature. In that respect they were in marked contrast to most other bankers; and this was of special importance to a man in such a public position as Metternich.

Transactions constantly arose in which the financial interests of the imperial house, to which Metternich naturally always wished to prove his devotion, had to be made to harmonize with those of the state in such a way as to avoid any public criticism. The Rothschilds were particularly skilful in handling such cases, and they thereby made themselves indispensable to Austria's leading statesmen, in spite of any disagreements.

A striking example of this was furnished when Metternich had recourse to the services of the Rothschilds in connection with the financial affairs of Marie Louise, wife of Napoleon I and daughter of Emperor Francis. Although she was far superior to her husband in birth, this lady was in general character and in intellectual gifts no fit consort for the Corsican genius. She remained with him as long as fortune favored him; but when his

collapse came she left him, with her son, and returned to her father without shedding a tear for her husband.

Notwithstanding Napoleon's entreaties, she never once expressed the wish to visit him at Elba, to say nothing of St. Helena, although it is true that if she had so wished, her father and, still more, Metternich would have opposed her. The chancellor wished Napoleon's memory to be completely obliterated, and he was particularly skilful in the case of Marie Louise in exploiting her weaknesses to that end. She was callous and pleasure-loving, and used to visit fashionable spas; she lived only for her own amusement and did not even trouble to answer Napoleon's letters.

In 1814, while the ex-empress was staying at Aix-les-Bains, Metternich allotted to her as courtier a man who not only played the part of courtier, but also had an important political role in Metternich's service. Adam Albert, Count von Neipperg, was a handsome man of thirty-nine; he had lost his eye through a sword-thrust in the war and wore a black eye-patch. He was a smart and elegant officer, and had the reputation of possessing unusual courage and exceptional intellectual and diplomatic gifts. It was his duty to obliterate all thoughts of Napoleon and the empire in Marie Louise's mind, and to keep her from all contact with any member of Napoleon's family or his supporters. He was to be only too successful.

The Congress of Vienna had decided that the dukedoms of Parma, Piacenza and Guastalla should belong to Marie Louise "en toute souverainete et propriete." As long as she ruled in accordance with the principles of an absolute monarchy, without constitution or representative bodies, she thereby acquired a kind of private property in these territories, by the act of the congress, this being quite in accordance with the contemporary attitude of regarding a state as a patrimony. It had, however, been laid down by the Treaty of Paris of 1817 that

these possessions should not be hereditary, but should pass to another prince on Marie Louise's death. Yet no provision had been made as to how the transfer should be effected, nor as to how the duchess's private property should be determined.

Marie Louise had entered Parma in 1816, Count Neipperg sitting with her in her carriage. He had in the meantime not merely obtained complete control over the duchess's actions, as Metternich had wanted—he had also won her heart. The man in gold-braided uniform, sitting next her in her carriage, as Marie Louise entered Parma, was already her lover, and Napoleon, the great emperor and general, her husband and the father of her child, had been completely forgotten.

The affair was no secret at Parma, and it proved useless to try to hush it up; it soon became publicly known that on May 1, 1817, a daughter had been born to Marie Louise and her courtier in the palace of the ruler of Parma. This child received the name Albertine at her christening. Two years later on August 8, 1819,[13] Marie Louise gave birth to a son, who received the names William Albert, Count of Montenuovo—this being the Italian equivalent to the name Neipperg (Neuberg).

Both children were therefore illegitimate, for Marie Louise's husband, from whom she never obtained a divorce, did not die until May 5, 1821, in his distant island prison at St. Helena, while the marriage between Neipperg and Marie Louise, who had been living constantly together for some years, was celebrated in secret in September, 1821.

As the Duke of Reichstadt was still alive, Neipperg feared that on the death of their parents, his children might be left unprovided for. He therefore begged Marie Louise, while there was still time, to extract from her small dominions some money that could be declared to be her private property so the children could be given portions out of it. Marie Louise too realized that some-

thing must be done for their future, since on her death her lands would pass to another prince. She knew that there was an intention to construct a dukedom out of some Bohemian estates for the son by her marriage with Napoleon, but nobody at Vienna knew anything about the Montenuovos.

Up to 1826 the annual income from the territories ruled by Marie Louise had never been completely absorbed in administration, and it had been possible to allot large sums to the building of castles and bridges, and to improvements in the ducal gardens, etc. The Castle of Piacenza had been built, and the palaces at Parma and Colorno had been magnificently refurnished; bridges had been constructed over the Taro and the Trebbia; a theater had also been built; and a survey had been made of the whole country. Neipperg argued that these outlays had been a drain on Marie Louise's personal income, since it could not be disputed that any balance left over in administering the state belonged to the ruler.[14] The expenditure in question amounted to 10,435,000 francs,[15] and he said that she should ask that at any rate a part of this sum should be refunded in cash and applied to forming a private estate for the duchess.

Neipperg fully realized how far his understanding with Metternich went, and that the chancellor would not be able to refuse his request. The general decided with Marie Louise that the matter should at first be dealt with without mentioning the Montenuovo children, but only the Duke of Reichstadt when necessary. The general then wrote to Metternich to say[16] that after all the sacrifices which Marie Louise had made for the peace and welfare of Europe, and in view of the enormous benefits which she had conferred on her subjects, the question of her personal and private property ought to be cleared up. It was obvious that the castles, etc., which had been built out of savings were her own private property, and in order to secure the furniture, pictures, library, horses,

and jewels, all of which she wished to leave to her son, negotiations should be immediately entered into with her successors, so that there should not be any dispute in the event of her death.

Neipperg proposed that either all the powers should conclude a supplementary convention, or a loan should be issued whereby what was due to the duchess could be made immediately available. Neipperg pointed out in a memorandum[17] written in support of his contention that "nobody can protest that, according to the law of the land, the whole direct and indirect income of the state, of whatever kind it may be, is absolutely at the sovereign's disposal; and she may, after the expenses of the administration in all its branches have been met out of the annual budget, dispose of any sums saved or balances left over, entirely as she thinks fit."

Metternich wanted to keep the other powers out of the matter as far as possible, and advised as a "less compromising procedure" that a direct agreement should be reached[18] with the Duke of Lucca, Marie Louise's designated successor. He too was in favor of "the application of carefully designed measures in order to place her Majesty's property beyond the reach of foreign claims and, in so far as it cannot actually be taken out of the country, to secure its separation from the property of the state."

The issue of an "appropriate loan" seemed to him to furnish an easier way out. "In considering a loan," he wrote, "we have, it is true, to keep in mind the fact that her Majesty is herself the beneficiary of the dukedoms; but this does not constitute a reason for denying her power to contract loans on the country's security by virtue of her recognized sovereign rights." The justification for such a loan was to be found in the fact that Marie Louise "has made notable and extraordinary sacrifices in carrying through important works for the benefit of her subjects and the country; and in order to a certain extent

to indemnify herself for these sacrifices without imposing new burdens upon her beloved subjects or exacting the taxes due with excessive severity, she has decided to have recourse to a loan."

Metternich stated emphatically that the questions of the Duke of Reichstadt's inheritance, of a civil list for Marie Louise, or of the distinction between private property and the public treasury should not be brought before the public. The only result of this would be to draw undue attention to the matter and to compromise oneself. Neither did he consider it necessary to go into any question of accounts with the public, excepting such as had reference to the amount and conditions of the loan.

After lengthy correspondence, Neipperg reported in a personal discussion of the matter with Metternich at Vienna that[19] "her Majesty the archduchess has decided to propose to her council that she shall apply one-sixth of the state property [patrimonium] which is valued at thirty millions to the formation of an allodial property, which would be hers to dispose of as she pleased, and to make a gift to her subjects of the rest of the sum that she had used in works for the benefit of the public weal, the cost of which amounted to 10,439,000 francs. Marie Louise wishes to leave it to the council to decide whether the public debt of Parma shall be increased from its present amount of four millions to nine millions, or whether steps shall be taken to sell some of the state lands."

Metternich felt it difficult to come to a decision. The problems involved were of a difficult and exceedingly delicate nature, such as were hardly suitable for official discussion. He therefore decided again to ask Solomon Rothschild for his advice. When the question became acute Metternich was staying on his Johannisberg estate on the Rhine. He first informed Marie Louise that he would ask Solomon Rothschild's advice on all these matters, and that he was certain that Solomon would

have the most useful ideas as to the best way of carrying out her wishes. He then wrote a long letter to Solomon,[20] carefully explaining to him that the archduchess wished to have available a capital sum of from five to six million francs, and to assure herself of the right to spend the income derivable from it in such a manner as she should deem fit. There were political objections to Neipperg's proposal that state lands should be sold; while if she increased the public debt, the archduchess was afraid of losing popularity.

"In my humble opinion," Metternich wrote, "the following scheme might be suitable. The archduchess should state publicly to her council that she could just as well have applied the state revenues—used of her own free will in erecting buildings for public purposes, or about to be so used—for acquiring a private property, but that she does not intend to do this; that she is leaving for the benefit of the state what has already been spent, as well as what will be spent, but wishes to secure a sum of five to six million francs out of the whole amount for her free disposal.

"After making this declaration she should take up the sum as stated and deposit it in the form of bonds in her treasury. The transaction may be a fictitious one, for she does not need ready money; she could leave the securities in her treasury, or issue them in whole or in part. My idea is that only five per cent securities should be created."

Metternich wished to have Solomon's views as to how this scheme should be put into practice in detail; and on receipt of the chancellor's letter, Solomon hastened "to submit his suggestions for his Highness's wise consideration."[21]

"In my humble opinion," he replied, "the object which you have in view could best and most effectively be realized in the following way. The government of Parma should create for the total capital sum involved a general

inscribed bond, made out in the name of our firm, which bond should be deposited at the government's option in the I. and R. Austrian National Bank at Vienna, or in the Bank of Milan. On the security of this general bond we should issue bearer certificates of varying amounts . . . the holders of which should be competent to change them at any time . . . for inscribed bonds registered in the Great Debt Book of the state."

Solomon submitted a three per cent rentes certificate, which the French government had privileged his House to issue. A sinking fund would furnish the necessary security, and punctual interest payments should place the business on a sound basis. Solomon certainly wished first to obtain information regarding Parma's outstanding loans, but he did not recommend sending anybody there yet.

"Perhaps," he concluded, "your Highness could obtain the documents relating to them direct from Parma. This would not arouse attention as would be the case if I did so. Finally, I assure your Plighness that I shall most zealously use all my endeavors to deserve the satisfaction of her Majesty the Archduchess, as well as the gracious commendation of his Majesty the Emperor in this matter, since, as your Highness is aware, I always deem myself richly rewarded when I have the good fortune to contribute to the fulfilment of the lofty aims of the Imperial Court of Austria."

This was Solomon's official reply, for Metternich's use in dealing with Marie Louise. He sent also a covering confidential letter, intended for the chancellor alone.[22]

"I take the liberty, in accordance with your Highness's wish, of writing a few separate lines regarding the business dealt with in the enclosed business letter.

"I am pleased to say that I am confident of arranging this matter to the full satisfaction of her Majesty the Archduchess, and of H. M. the Emperor and King, and of achieving the desired results. As the financial con-

siderations touch political questions at many points I venture to give it as my opinion that it is quite important for the archduchess to secure the capital in such a way that after her death the claims of her legal heirs cannot be disputed. The preparation of bearer bonds issued by an eminent banking firm, the holders of which will be constantly changing, seems to me to meet any possible eventuality. For if anyone attempted to seize such certificates . . . such action would ruin the credit of Parma for all time, consequently all governments who have an interest in maintaining an inviolable credit system would use their influence to prevent such a thing being done.

"In my opinion it would be better to fix the capital sum, not at six, but at ten millions, for as your Highness has yourself indicated, the state requires some millions for public institutes and buildings. In this way the bad impression which might, as the grand duchess fears, be produced by the issue of the loan would be largely counteracted by a consideration of the fact that the proceeds were to be adapted to purposes beneficial to the community and to the country. ... If on my return to Vienna your Highness should feel convinced that my personal presence in Parma would assist in promoting the business, I should not hesitate for a moment to obey your Highness's wish—which for me is a command—and should immediately proceed thither.

"I shall count myself happy indeed, if my efforts are crowned with the success we desire, and if I carry through the business to your Highness's satisfaction, which I value above all else."

Metternich acted in accordance with Solomon's wishes, and obtained documents regarding Parma's former loans; these he forwarded to Solomon. They, however, did not sufficiently enlighten Solomon. He wrote to Metternich that he could not obtain a clear view of the situation from them, such as was absolutely necessary to enable him to draw a valid conclusion, applicable to such an important

transaction as was involved. "I therefore venture to suggest that your Highness invite her Majesty the Archduchess of Parma to send to me a confidential man of business, furnished with the necessary powers, so that he can let me have any information I require, and I can negotiate the matter with him under the direction of your Highness. ... It is with particular satisfaction that I am able constantly to assure your Highness that I count it the greatest honor to devote my best services to her Majesty the Archduchess of Parma, and to justify the confidence which that gracious lady reposes in me."[23]

Solomon's wish was granted, and Colonel von Werklein, who directly controlled the duchess's public purse, set off for Vienna, taking with him a letter from Marie Louise to her father, the emperor.

"My one desire this year," she wrote,[24] "is to have the great happiness of seeing you again, and I cherish the firm hope that this may be fulfilled. This letter will be brought by Colonel Werklein, whom I am sending to Prince Metternich in Vienna, in accordance with his wishes, so that he may give Rothschild all the explanations he needs in the financial matter which you know about. The loan itself, however, which is to clarify my claims on Parma, will be formally negotiated and concluded here, with the assistance of the finance president, and a plenipotentiary of Rothschild's. I will then be much more at ease regarding the future."

The main lines of the proposal to be submitted to Marie Louise were decided in long secret conferences between Metternich, Werklein, and Solomon.

Solomon Rothschild had brought with him a detailed memorandum[25] in which he showed that the commercial crisis had affected the credit of all states, so that public enthusiasm for investments of the kind in question had been considerably damped. Moreover, Parma's public debt was too small to arouse interest in any of the principal money-markets of Europe. These facts were men-

tioned In explanation of the rather unfavorable conditions which he was offering. He made it a conditio sine qua non that the consent of the Duke of Lucca, the presumptive successor, should be obtained. State lands of the value of twenty-five million would realize only twelve to fifteen millions at the outside, so that a loan was preferable; but Parma would have to undertake not to incur any further debt for a period of years.

"Finally," Solomon's memorandum concluded, "as his Highness Prince von Metternich is well aware, local conditions in Parma make it of the greatest importance that the government should be told most emphatically to maintain the strictest secrecy regarding the proposed business until the time comes for carrying it into effect. We must also bear in mind that the new loan will almost double the public debt of Parma, a fact which will have a far from good effect upon the country's securities, so that the loan cannot be issued at a very high price."

There was no fear that Metternich and Werklein would attempt to modify these conditions. They were far too well satisfied that the matter was being arranged so easily, to attempt to obtain better conditions. They therefore signed the draft agreement submitted by Rothschild and Mirabaud, under which a loan of 6,000,000 livres, bearing interest at 5 per cent was to be issued at 75 per cent on the security of the three dukedoms.

Both bankers undertook the sale of the bonds, stating explicitly in the contract[26] that it had been arranged "at the invitation of the government of Parma and under the auspices of his Highness Prince Metternich." The government of Parma also undertook for fifteen years not to issue any other loans, without the consent of Rothschild and Mirabaud, to reduce the present loan by 3 per cent per annum, and to obtain the requisite consent of the Court of Lucca. Metternich and Werklein agreed because they hoped easily to secure the other's agreement. "If he [the Duke of Lucca] should refuse," Metternich

wrote,[27] "we should simply carry on and ignore him; that is, act against him."

Metternich expressed his satisfaction in a letter to Neipperg: "In settling the matter in this way every factor has been carefully considered. The best thing will be for your Majesty to sell your property to the House of Rothschild under a fictitious contract, and gradually . . . invest the funds skilfully. You will thus find in about twenty years that you have acquired the whole capital sum that you want without its having cost you a halfpenny, and you will also during the whole of the period have received 9 per cent interest upon it. . . . Unless I am very much mistaken you will then possess not merely six millions in cash but seven or eight."

The chancellor wrote a short letter to Marie Louise in which he expressed his satisfaction at the conclusion of such an excellent arrangement, which offered the prospect "of achieving the desired results in the simplest possible way. If on examining the contract," he added, "your Majesty shares my feelings, all my wishes will be completely satisfied."[28]

Marie Louise, who understood nothing of financial matters, but gathered that she would obtain the millions she wanted, agreed to everything, signed the contract, and rejoiced with Neipperg that the future of her children by the second marriage was now assured. She wrote to her father saying:[29] "I have accepted and ratified the fictitious loan of 300,000 francs annuities,[30] which Prince Metternich and Werklein have concluded at Vienna with Rothschild and Mirabaud. I should be glad if, when the Duke of Lucca is being asked to give his consent, everything affecting my private property and furniture could be cleared up at the same time, so that after my decease my son and those persons whom I wish to benefit will not become involved in actions and disputes with his successor."

Marie Louise, however, wished that Rothschild would

carry out the agreement, even if the duke's consent were not obtained. Metternich informed Solomon of this, assuring him that he would personally endeavor to secure the duke's consent. But Solomon was most unwilling to proceed without this security.

"I must honestly confess to your Highness," he replied,[31] "that I can see no prospect of this matter being satisfactorily settled in such a case. Her Majesty cannot flatter herself that it will be easy to double the country's indebtedness and to find a market for such a large quantity of bonds, without offering the public every kind of security." He therefore emphatically begged Metternich to use all his influence to secure the duke's consent. The chancellor concurred all the more readily in Rothschild's appeal, as he himself wished to secure this consent in view of possible further developments.[32]

Baron von Werklein accordingly went to see the Duke of Lucca with a letter from Marie Louise and Metternich. The duke unexpectedly made no difficulties. He authorized Werklein to write to Marie Louise and Metternich and say that it was a pleasure to him to be able to meet the wishes of the archduchess.[33] He also permitted Neipperg to have an inventory taken of Princess Marie Louise's personal effects. He stipulated only that the duchess should not arrange any further loan, that she should create a sinking fund and sell no property belonging to the state.

In the end all parties were satisfied, including the Austrian Treasury, which immediately recouped itself out of the loan to the extent of 400,000 francs disbursed on military expenditure and on the maintenance of Marie Louise during the years 1814 to 1816.

Metternich wrote a self-congratulatory letter to Marie Louise herself[34] in which he said: "The matter has so far worked out so entirely in accordance with my wishes that I cannot refrain from congratulating myself for having first conceived the idea of an arrangement that so

extensively harmonizes your Majesty's interests with the principles of justice."

There were certain distinctions to be conferred in connection with this business. Metternich wrote to Neipperg:[35] "Werklein will have told you that Herr von Rothschild wants a little St. George for his managing clerk.[36] This indicates a certain amount of vanity, the Rothschilds, in spite of their millions and their generous loyalty, having a craving[37] for honors and distinctions. At the same time I feel that it is not in the best of taste to ask that such an order should be conferred upon a clerk, and I suggest that you reply to this request that the order of Constantine is a knightly order. It constitutes a genuine religious brotherhood, and is not simply a distinction, and as the (Jewish) religion forbids its adherents to take the statutory oath of the order, the chancellor of the order would not be able to confer the cross. Temper your refusal with appropriate expressions of your extreme regret, and the matter will be disposed of. Write to . . . Herr Solomon on these lines, but do not mention me, as nobody can take offense at a statutory provision, while a single personal remark can do untold mischief, and I myself have committed the great offense of making it impossible for all time[38] for the Rothschild family to obtain an Austrian decoration. If he thought I was implicated he would regard me as a positive cannibal."

Metternich certainly did leave Rothschild under the impression that he was prepared to use his influence in favor of securing a distinction for Leopold von Wertheimstein; but Solomon himself had been disingenuous in the matter. In putting his secretary forward he had himself in view, for if Wertheimstein were to be made a Companion, he himself was bound to be made at least a Commander. As he took Metternich's pleasant words at their face value, and had no suspicion of the correspondence quoted above, he wrote the following letter to Werklein at Parma:[39]

"I have just taken the opportunity of asking our most esteemed prince to lend his powerful support to my request, and the gracious reply which I have received from his Highness justifies me in anticipating that if you will only be so good as to make a suggestion in that quarter, his Highness will not be averse from . . . graciously acceding to it.

"I leave it to you to choose the most propitious moment for putting forward the proposal, having full confidence in your feelings of friendship for me, which I know how to value. I feel a correspondingly lively desire to find a suitable occasion for reciprocating them, and you will afford me the best possible proof of your friendship if you will give me an opportunity of being of use to you on the earliest possible occasion."

Leopold von Wertheimstein set off for Parma with full powers to conclude the business. He brought with him a secret letter from Metternich to Neipperg. "To my great satisfaction the matter has gone through," the letter ran,[40] "and something must be done for the bearer. He is Rothschild's right-hand man, and a splendid young fellow of first-rate intelligence. He hopes to get the minor cross; you know my views on that matter. Give him a nice present of a more useful kind."

The deeds were sealed, signed and delivered.[41] The two contracting firms underwrote 284,000 lire 5 per cent perpetual annuities representing a nominal capital of 5,680,000 lire at 75 per cent, i.e., 4,260,000 lire altogether were to be paid in monthly instalments of 355,000 lire. Rothschild and Mirabaud were if possible to sell the securities within six months, and they received as their commission 2 per cent of the nominal capital of the whole public debt of Parma, which amounted to 12,008,000 lire, so that they got 240,160 lire. Marie Louise informed her father[42] that they had now concluded the contract with Rothschild and Mirabaud which

Prince Metternich had prepared at Vienna, and that she was exceedingly relieved.

No sooner had the transaction been completed than Solomon Rothschild began to wonder how Marie Louise proposed to invest the sums of which she would become possessed. He meant to get this business for himself to the exclusion of his partner Mirabaud; and he proposed to Metternich that the duchess should purchase shares in the Austrian National Bank through the firm of Rothschild "at a fixed average price to be agreed," and deposit these shares in Vienna. Metternich supported Solomon's plan because he hoped that the money would thus certainly remain in Vienna, and would not, as the emperor feared, be dissipated by the duchess. He therefore used his influence with Marie Louise and Neipperg in support of Solomon's proposal, without considering that Solomon was hoping thus to derive further profit from the transaction.

While Wertheimstein was on his way to Parma, "Metternich had accordingly written to the duchess in the following terms:[43] "Rothschild has some ideas regarding a transaction which is as easy as it should be advantageous for your Majesty, and which he would like to negotiate discreetly with someone who can be trusted. Monsieur Mirabaud will be in Parma, and Rothschild's authorized agent will not be able to discuss this matter in his presence. I know what Rothschild has in mind, and I guarantee that your Majesty cannot do better than to act in accordance with his suggestions."

Metternich wrote in the same sense to Neipperg and asked him to send Werklein to Vienna. Werklein brought with him a letter from Marie Louise to Metternich in which she said: "You have always given me such good advice that my interests cannot be in better hands, and I am entirely relieved with regard to my future."[44]

He also received a letter from Neipperg[45] stating:

"Herr von Wertheimstein has displayed as much zeal as he has understanding, and her Majesty has recommended that a ring with monogram of the value of 3,000 francs be given him."

Marie Louise also asked Metternich to let her know what would be a suitable present for Solomon, as the statutes of the Order of St. George made it quite impossible to admit him.

Metternich and Rothschild discussed the proposed investment of the money with Werklein at Vienna, and Werklein brought a detailed memorandum to Marie Louise[46] in which Rothschild showed that it would be to her advantage to sell the Parma bonds, and to invest the money thus made available in other suitable public securities. He pointed out that the Parma bonds did not constitute as good a security as those of larger states, since it was always the smaller states that were first endangered through political movements of any importance. He suggested that shares in the national bank would constitute an exceedingly good and safe investment.

Solomon Rothschild offered to carry through the business on the basis of the average purchase price of the shares during the years 1825 and 1826, this price to remain unaffected by any future changes, provided that he was granted a share in the dividends. Marie Louise accepted his offer, subject to the one condition that one-third of the share certificates should be sent to her at Parma, the others being deposited in the treasury at Vienna.[47]

Marie Louise maintained a constant business relationship with the House of Rothschild, even after the death of her second husband Neipperg. Everything connected both with the loan and with the budget of Parma went off sc well that in 1828 fully three million francs[48] were made available for Rothschild to apply in the purchase of 1,054 national bank shares. Marie Louise also en-

trusted Solomon with the settlement of the moneys due from her Bohemian estates, i.e., those of the Duke of Reichstadt; and Moritz Goldschmidt, a second secretary and confidential agent of Solomon, had to make several journeys to Parma.

When Marie Louise was staying in Vienna in July, 1828, Solomon had the great pleasure of being received in audience by her. At the end of 1829 Solomon sold Marie Louise's share, and the money received was divided into three parts. The amount of 484,824 gulden realized by 360 shares was put to a separate account "M," as a present to the children, William Albert and Albertine Montenuovo.[49] Two other accounts were opened for Marie Louise and for the Duke of Reichstadt. The money was first of all left with the Rothschilds to be invested in other securities at a suitable opportunity. The House of Rothschild had thus become the trustees of the property of the Montenuovo family, in which were merged the amounts standing in the accounts of the Duke of Reichstadt (who died early) and of Marie Louise on their respective deaths.

In view of the important position which the Princes Montenuovo came to occupy, owing to their relationship with the Imperial House of Austria, Rothschild's connection with the family was of great importance.

Gentz viewed with satisfaction the successes of his friend Solomon, for when his protege later prospered, he was not left out in the cold. At such times Rothschild was easier in the matter of presents, and Gentz scarcely ever allowed the occasion of one of Rothschild's visits to pass without obtaining a loan he had no intention of repaying. In return Gentz used his influence with Metternich in Rothschild's favor.

On the occasion of one of these visits the conversation turned upon Goethe, who had requested the Austrian government to forbid the printing of one of his works in that country. Gentz asked whether the House of Roths-

child had come into touch with the poet, who was also of Frankfort origin. They had in fact scarcely come into touch with each other at all, there having been only occasional and casual meetings between them. This was due primarily to the fact that Goethe did not stay at Frankfort at all during the period between 1796 and 1814, when the House of Rothschild was first coming to the front, and that in later years his visits to the town were always quite short; he was indeed not much attached to his native town, as is indicated by the fact that in 1817 he renounced Frankfort citizenship.

Nevertheless he, like the rest of the world, heard of the remarkable success of the family which had originated in the Jewish quarter of Frankfort. Born of patrician parents, Goethe had as a child, as he tells us in "Dichtung und Wahrheit," only rarely peered at the ghetto, as at a strange world.

From his earliest days he had been brought up in an atmosphere of hostility toward the Jews, and later when his intelligence matured he had scarcely developed any more friendly attitude toward them. These sentiments were often revealed in his conversation, and the efforts of the Jews to secure their emancipation would evoke harsh comments. The growing prominence of the Rothschilds, when he had reached an advanced age, often led to Goethe expressing his attitude on Jewish questions. The introduction at Frankfort on September 23, 1823, of a new law, permitting marriage between Christians and Jews, was the occasion of a passionate outburst in conversation with the Chancellor von Muller.

"This scandalous law," the poet exclaimed, "will undermine all family sense of morality, intimately associated with religion as it is. When this goes through, how can a Jewess be prevented from becoming principal Lady of the Bedchamber? Foreigners are bound to think that bribery has been at work to make such a law possible. I suspect the all-powerful Rothschilds are behind it."[50]

In 1823, therefore, Goethe was already referring to the Rothschilds as all-powerful, recognizing the fact that it was through their money and influence that the Jews had been enabled, with the support of foreign powers, to get their way against the senate and citizens of Frankfort. The poet also inferred quite rightly that the widely current myth that the Rothschilds had made all their money very easily, and practically at one stroke, was a pure fabrication.

On October 20, 1828, he was talking to Eckermann about the period required for cultural or any other great achievements and said: "Yes, my dear fellows, it all amounts to this; in order to do something you must be something. We think Dante great, but he had a civilization of centuries behind him; the House of Rothschild is rich, but it has required more than one generation to attain such wealth. Such things all lie deeper than one thinks."[51]

In any case this remark shows that Goethe found food for thought in the phenomenon of the rise of this family of fellow Frankforters. With the Bethmanns Goethe was more intimate, and he was interested in watching the rivalry between the two leading Frankfort banking firms; however, as he had little understanding for financial matters, he was amused rather than concerned about their rivalry, and enjoyed retailing good Frankfort jokes about Rothschild and Bethmann, and stories of the way in which they spoiled each other's game.[52]

It was only toward the end of his life that Goethe actually met any members of the Rothschild family. In his diaries we have only the short entry that on May 2, 1827, two young Rothschilds with their tutor John Darby called on Goethe. They were Nathan's two sons, Lionel and Anthony, who were twenty-three and twenty-one years old at the time. On August 7, 1831, Goethe noted: "Afterwards Frau von Rothschild, a young bright person." This may have been Betty, the wife of James

Rothschild of Paris, or more probably, perhaps, the wife of Solomon's son Anselm, who had married his cousin Charlotte, Nathan's twenty-four-year-old daughter.

The members of the Frankfort line are not mentioned by Goethe at all. The only other reference we find is to the effect that, a few days before his death, on March 14, 1832, Goethe was contemplating an oil painting, propped up on his easel, of the old bridge at Prague which was to go to "Baron Rothschild at Vienna."[53]

In view of these scanty references it is not unreasonable to assume that any personal intercourse during the latter years was of an exceedingly superficial nature, and that the colossus of intellect and the colossus of money, both originating from the same native city had had only the most casual intercourse, their knowledge of one another being derived practically from reading and hearsay.[54]

The Rothschild visitors referred to in the diaries were no doubt typical of the innumerable persons who called out of curiosity. Goethe had to receive many such, especially during the last years of his life. It had become a special honor to have seen the famous aged poet face to face, and this visit no doubt constituted a small step on the long road of social advancement.

James in Paris had had the best success, relatively, in making his way socially, since society in that city, having been convulsed by the changes of revolution and imperialism, did not hang together with the same consistency as in England and Austria. With few exceptions the most distinguished representatives of all parties and classes were to be found at James's house. At that time Metternich's son Victor,[55] who had already contracted a fatal disease of the lungs, was an attache at the Austrian embassy in Paris. In accordance with his father's wish he had got into touch with James; and he told the chancellor of a visite d'amitie which he had paid to Rothschild.

"I paid a friendly visit," he wrote, "to Baron James yesterday morning. His office was positively like a magic lantern, for people of the most various appearance and every kind of expression were constantly coming in and out. On that particular day the coming and going was specially noticeable, as securities quoted on the Bourse were fluctuating violently. The great banker himself, who generally maintained an attitude of such dignified calm, betrayed a certain nervousness. Our conversation was frequently interrupted by Bourse agents reporting quotations to their chief. The Duke of Dalberg was there, too, indulging in outbursts of liberalism."

Prince Victor Metternich described other strange callers who would take James aside, and all of whom wanted much the same thing—money and more money. This description of the office of the Paris money king showed how the House was constantly extending its sphere of influence. In the course of time, however, an opposition party grew up both in Paris and in London which attempted to check the firm's growing power.

Nathan Rothschild had not acquired the Austrian title of Baron, as he would have had to complete certain formalities as a naturalized British subject. He also feared that it might be damaging to his recently acquired British citizenship if he made use of a foreign prefix. But he did not conceal from the Austrian ambassador Prince Esterhazy that the title would have been welcome.[56] The ambassador asked Peel and Lord Aberdeen whether Nathan could be granted permission to use it, and they stated that they were aware of no objection, either legal or customary, to this being done. Nathan, however, decided to go no further in the matter, as he feared that his new fellow countrymen might regard him as a tool of the reactionary Metternich, and in general as a supporter of the system represented by the government of Austria.

Strong opposition against the Rothschilds made itself

felt when their friend Herries was suggested for the office of chancellor of the exchequer, on the reconstruction of the ministry consequent upon the death of Canning in 1827. The appointment of a Tory who would be so entirely amenable to the king aroused a storm of indignation amongst the Whigs. The appointment of Herries had actually been approved by the king, and he had been summoned to Windsor. Thereupon Lord Lansdowne and his party suddenly offered the strongest opposition and endeavored to persuade Herries to refuse office on the ground of ill health.

Herries refused to accede to their wishes, with the result that his opponents mobilized the press against him in order, if possible, to delay the appointment. The Times and the Morning Chronicle expressed the view that the appointment of Herries was out of the question, as he was closely associated with a big financier who controlled the European money-market. Other papers[57] took up the cry that this fact made it quite impossible to appoint Herries chancellor of the exchequer.

The conservative papers took up the issue, and for a week the whole British press was full of the relationship between Nathan and Herries. The First Lord of the Treasury actually felt called upon to intervene in the discussion with a public denial.

In the end, Herries was appointed, but he held office only for a few months. When the ministry, of which he was a member, was succeeded in January by a new government under Wellington, Herries had to resign the office of chancellor of the exchequer and content himself with the post of master of the mint. Nathan expressed his regret in a letter to Carl[58] written half in German and half in Yiddish, which was intercepted by the Austrian Police.

"Consols," he said, "have gone up because of our ministers. Our friend Herries is broges [slang for 'annoyed'] because he has been given a poor job—he is broges but

I cannot help him. He must be patient and perhaps he will get another job. Praise be to God that we have good news as Russia will wait, through Wellington everybody is for peace [scholem] which does not surprise me, for our king in his speeches is nothing but scholem al leichem [peace be unto you]."

In France, too, a new ministry had come to the helm in January, 1828. The harsh reactionary and clerical regime of Charles X had aroused such opposition in the country that in an election affecting 428 seats, only 125 supporters of the government were returned. Charles X was therefore forced to dismiss Villele, and to send for Martignac to form a moderate ministry; but he cherished secret plans of revenge.

Although the state of things in France afforded the Rothschilds some ground for satisfaction, the general situation in Europe was anything but pleasant. The Greek problem was still unsolved, and the battle of Navarino, in which the Turko-Egyptian fleet was destroyed, produced a tense situation. This sought relief in open hostilities between Russia and Turkey. The Porte went so far as to declare that the tsar was the arch-enemy of the Turks.

In these circumstances Emperor Alexander's successor Nicholas began to think of war. Whereas Metternich still congratulated himself on having converted Alexander into an Ultra from being a Jacobin,[59] and on having attached him permanently to his system, Nicholas inclined to a Russo-Nationalist policy. But for this, and especially for war against Turkey, he needed money. The Russian government therefore inquired of the House of Rothschild in Paris, toward the end of March, 1828, whether it would place its services at the disposal of the Russian government for floating a large loan.

The bank fully appreciated the political nature of the question of financial assistance at such a time and for such a purpose. While on the one hand it was offered

an opportunity of doing big business, it might on the other lose powerful patrons. The Rothschilds had struck their roots in Western and Central Europe. They had no considerable interests or connections in Russia, and their minds were oppressed by the ill treatment to which Jews were subjected in that country. It would, moreover, have been exceedingly dangerous to come to Russia's assistance without the chancellor's knowledge, at a time when Russian policy was starting out on a line hostile to Metternich.

James therefore decided to communicate the inquiry he had received to Metternich through his brother Solomon, asking the chancellor to express his opinion. Metternich naturally advised refusal, although his advice was clothed in soft words. Through a third person, probably Gentz, Solomon was shown a memorandum in reply, entirely in Metternich's handwriting, although composed in the third person. "The prince says," the memorandum ran, "that he entirely shares the opinions and sentiments of Solomon Rothschild. There are two questions that have especially to be considered in this matter. One is the purpose to which Russia is going to devote the money; and on this there can be no doubt. Russia is seeking money in order to pursue her plans, and these plans threaten the political peace of the world. In this case, therefore, the money would be applied to the most evil ends conceivable in the present dangerous condition of governments and of affairs generally.

"The other question is whether, if the House of Rothschild refuses to do the business, Russia will still find means for carrying through her plans. There is no one better qualified to answer this question than Herr Solomon Meyer Rothschild, for he alone can judge whether in the present state of credit there is a possibility of other firms being able to carry through such a considerable, if acceptable, business as Russia requires, without the assistance of the Rothschild bank. If the answer to this

question be in the negative, the House of Rothschild would alone have to accept the moral responsibility for all the evil which would result from its acquiescence. If the answer be in the affirmative, it remains for the House of Rothschild to decide whether, merely to prevent others from securing the profit, they wish to take upon themselves such a heavy responsibility, and incidentally whether under prevailing conditions, and in view of the risks necessarily attendant upon the carrying out of Russia's plans, the entrepreneur would be reasonably certain of realizing his profit.

"All these are questions which Herr Rothschild is alone qualified to decide. If the prince be asked what he considers sensible, he feels he must declare against the business. In any case, he advises Herr S. M. Rothschild to discuss the matter quite frankly with Wellington, and ascertain his views. Indeed, he has no objection to the duke being informed of his (the prince's) views . . ."

England was fundamentally opposed to Russia's warlike operations against Turkey, and Nathan was therefore also against granting the loan. Metternich's memorandum, moreover, did not fail of its desired effect. For the Rothschilds, who had acquired their enormous fortune by taking advantage of the cross-currents of war, were now opposed to all wars, with their inevitable effect of shattering public credit. They were also able to claim approval from their coreligionists for their refusal as constituting a protest against the ill treatment of the Jews in Russia.

The Russian loan was frustrated, and Metternich ascribed this fact principally to his dominant influence. The chancellor deemed himself superior to everybody, including the Rothschilds; he credited them with a special knowledge of technical financial matters that he himself lacked, but it never for a moment occurred to him that they might be cleverer than he. Whenever the Rothschilds did, or omitted to do, anything from motives

of personal interest, which happened to coincide with Metternich's wishes, they always conveyed the impression that it was Metternich who had won the day, and that they were making a sacrifice. Although not free from vanity themselves they recognized the great man's weakness very well, and exploited it cleverly.

It is true that their refusal did not prevent the Russo-Turkish war, for other financiers were found to provide the Russian government with the necessary cash, Solomon made great play with his refusal of Russia's request, to emphasize the extent to which the intentions of the Austrian government and Metternich's wishes were regarded as commands. Gentz especially had this dinned into him daily, so that he might be sure of retailing it to Metternich. In return, Wertheimstein industriously discounted Gentz's bills, greatly "facilitating his little financial transactions." The Rothschilds made extensive use of Gentz in other ways, too. He was paid to supply the banking firm with political information, the correspondence being carried on in the form of private letters.[60] This was an exceedingly important factor during such an unsettled period. Solomon, who was constantly traveling on business, was thus able to keep abreast of events. The written method of communication was, however, maintained, even when Solomon was staying in Vienna, as he sent the information on to his brothers.

Meanwhile the development of events in France was becoming more and more menacing. Although Charles X had at first seemed to yield, he demonstrated that he was unteachable by summoning on August 8, 1829, the ultra-royalist cabinet of Prince Polignac, whose slogan was "No more concessions."

Solomon, who was staying in Paris at the time, expected that the news of the change of ministry in France would exercise a marked influence on the Vienna bourse. He therefore sent a special courier with this news and appropriate financial instructions, to Wertheimstein at

Vienna. The letter was somewhat delayed, and when it arrived, Wertheimstein feared that he might not be the only person to have received the news, in which case he would be selling during a slump, and might sustain a loss.

"I had difficulty," he replied to Solomon, in the Hebraic language,[61] "in carrying out your instructions received by the post of the day before yesterday to sell 500 Metalliques and all our shares on the bourse. This was much increased by the fact that the postmaster of Sieghardskirchen, who brought us your letter himself, told us that another post had arrived at the same time as yours, which most probably also brought news of the change in the French ministry." The above letter was intercepted by the police, and a copy was laid before Metternich. It shows the manner in which the Rothschilds exploited political events, regarding which they always endeavored, through their own news and courier service, to have the earliest possible information.

The Russians had meanwhile been carrying on war against Turkey with varying success, and in August, 1829, they had advanced through the Balkans as far as Adrianople. Although their position was not by any means free from danger, their display of energy led the sultan to sign a treaty of peace at Adrianople on September 14, 1829, which, although it did not put Russia in possession of Constantinople, certainly secured her predominance in the East, improved her boundaries against Turkey, and offered great political and economic advantages.

The Danube Principalities served as a pledge for Russia. The Russians controlled the mouth of the river, and the straits were open to them. Turkey was to pay 11,500,000 Dutch ducats as war indemnity; in order to carry out this obligation, she applied to the principal European bankers, including Nathan Rothschild, for a loan.

Russia's successes gave little ground for satisfaction in England or Vienna. They had necessarily been achieved at the expense of England's influence; moreover, since the beginning of the war Russia had ignored all the protests made by England. Polignac was also disappointed, as he had hoped that European Turkey would be partitioned, and France would be indemnified by territorial acquisitions on the Rhine. Nathan sent a report on the situation to his brother Solomon in a letter written in Hebrew, of which Solomon made a personal, and therefore very poor, translation for Metternich's information.

"I am now going to tell you, my dear Solomon," the letter ran,[62] "all about how everything is here so far. There are some here who want to quarrel, and that with Lieven [63] . . . and want us to send angry notes, because Polignac is angry, too. Now I have spoken about the Turkish loan, and they said to me: 'Austria will do it, but it can't be done without us in England. Rothschild, speak to Wellington.'

"I must tell you Wellington and Peel would like to quarrel with Russia, but in the end we should have to go to war. I am not for demonstrations, and we must see to maintaining peace. What's the good of quarreling? The Russians have gone too far, and the world will be angry with us and will say: 'Why didn't you do it twelve months ago?' If England now says 'Yes, we are angry and want to go to war,' Austria and France will say: 'We will remain out.' They will leave us in the lurch, and we shall be involved alone.

"I went to Wellington and congratulated him on peace. He said: 'Peace is not yet. It is not yet ratified.' I spoke with him about Turkish loan as to whether he would give a guarantee. He replied, 'No, I cannot do so at the moment; you must get Austria to see to that.' Another minister said to me: 'I am afraid we shall make an enemy of Russia if we guarantee a loan.' The matter needs con-

sideration. Perhaps the Turks will give the Island of Candia as guarantee.

"Wellington also said to me that many people had been to him who wanted a guarantee. There is dissatisfaction with the Russian Peace in every respect. The cabinet has now decided for the present to remain quite calm and not to write a word to Russia, to keep quiet and to let come what may. I shall certainly not leave you without news as soon as I hear anything further."

Political considerations alone prevented the Rothschilds from participating in a Russian loan before the war, or in a Turkish loan after the war, for they had not been severely hit by such few failures as they had suffered, and their wealth had increased enormously during the last few years. So that the "banking firm of the five brothers of Europe," as the House of Rothschild was called in several papers, had several million of cash available, for which it was seeking profitable employment. As a result of their happy knack in floating loans that almost immediately afterward were most favorably quoted, all countries wanted to have recourse to the Rothschilds for their loans, and a positively jealous rivalry developed to secure their favor.

While needy states were seeking opportunities for obtaining money on credit, the brothers Rothschild were looking for safe and profitable investments for their accumulated capital. The state of Prussia again entered into negotiations with the banking firm. The 5% interest payable on the £5,000,000 loan of 1818 was a heavy burden on the state budget. All states at that time were endeavoring to convert their public debt, and the Prussian finance minister, Motz, wished to reduce the interest payable on the state debt of 36,000,000 thalers from 5% to 4%.

The finance minister entrusted the preliminary negotiations to Christian Rother, an important treasury official and president of the Public Debt Administration, who

had arranged the loan of 1818 with the Rothschilds. Rother asked[64] that he should not be hampered by detailed instructions, but that full confidence should be placed in him, as that was the only way in which he could be sure of success. From the start, Rother thought of no one but the Rothschilds. He went to Helgoland in July, 1829, where he met a confidential agent of Nathan's, and had a non-committal discussion with him about the business. He then went to Frankfort and negotiated with the house there. But he was offered conditions he could not accept.

"Gratuitous interference by business men here," Rother reported to his sovereign,[65] "has caused the Frankfort house to suspect the possibility of making large profits. In the course of our conversation conditions emerged, all of which I had to reject as being damaging to the interests of your Royal Majesty. I stated definitely that I would have to transact the business in question through the shipping interests, unless Solomon von Rothschild at Vienna would carry on the further negotiations, as I could not undertake a journey to London."

Rother thereupon decided to negotiate with Solomon, who, as he believed, had unlimited confidence in him. He met him at Troppau on December 24. They agreed-subject to Nathan's concurrence—"after two days' discussion, which was sometimes heated,"[66] on a draft agreement which Rother declared to be "extraordinarily advantageous," adding that "the state could not have secured such conditions through other channels or with other firms."

Rother wrote: "I have succeeded in obtaining what we wanted throughout—and in some matters far beyond my expectations—through the good nature of Solomon von Rothschild, who is really an estimable person."

Under the agreement the state of Prussia was to issue a new loan of £3,860,400 in 4 per cent Prussian bonds, at 98 1/2, through the House of Rothschild, the pro-

ceeds of which were to be devoted to redeeming a like amount of five per cent bonds of the 1818 loan within about two years. On signing the agreement Rother had to promise Solomon to indicate to his Royal Majesty that Solomon had not "done this business for financial gain, but regarded the whole affair as a matter of honor."

Benecke von Groeditzberg reported some details of the Troppau discussion to Berlin.[67] "Solomon Rothschild told me at the time," he wrote, "that in concluding this business—a highly profitable one for the State of Prussia, in my opinion—he had had the honor of his House particularly in view. He attached the greatest value to demonstrating to the royal government of Prussia that the consolidation of its public credit and the fulfilment of the assurances which his House had given in this matter were of more importance in his eyes than any considerations of private profit.

"While I do not wish to suggest that the least value should be attached to the unimportant part which I have played in this transaction, I consider it to be my duty in all humility to inform your Excellency of the sentiments expressed by Herr von Rothschild, which I believe to be sincere. We owe it entirely to him and to the efforts of Herr Rother that this business has been put through to the credit and profit of Prussia's finances."

Rother similarly reported[68] to the king that this extraordinarily favorable agreement had far exceeded anything that he had expected.

Nathan in London and his brother at Frankfort were less well satisfied. At first they turned the agreement down absolutely; but they had misgivings about disavowing their brother in Vienna, and Nathan contented himself with sending Solomon's son Anselm, who was then twenty-seven years old, to Berlin, to delay the signature of the agreement, and to secure improvements and alleviations. He was to agree only if better conditions were unobtainable.

Rother offered a stout resistance, and in the end, after some mutual concessions of minor importance, the matter was settled. The £3,809,400 in 5% debentures still outstanding with respect to the 1818 loan were to be fully exchanged for 4% bonds for the same amount, by October 1, 1832, in five half-yearly transactions. Rother himself was very high in praise of his own work. "This contract," he reported to his sovereign, "is purely advantageous to the state, and constitutes the first example of a financial operation by a great state for the reduction of interest on a large scale in which the nominal amount of the debt has not been increased, the interest payable on a debt of about 27,000,000 thalers being reduced from 5 to 4%. The commission of 1 1/2% is quite negligible and scarcely covers the cost of such a transaction."

The king expressed his satisfaction with Rother, and wrote saying,[69] "I gladly assure you also that the conditions have led me to the conviction that Baron Solomon von Rothschild concluded the agreement with you in the interests of the state of Prussia, as a matter affecting the honor of his house, wherefore I particularly instruct you to convey to him my satisfaction."

It was all an affair of "disinterestedness and honor," and Rother was zealous in emphasizing this aspect to his royal master. It was a matter of satisfaction to him, too, that the business had gone through so well, and in praising Solomon, he was indirectly praising himself for getting such good terms out of an astute business man. Yet in normal circumstances Solomon might have been able to make the transaction a highly profitable one. All that he needed was a continuance of fair weather on the bourse and the absence of any violent external influences, while the operation affecting the millions of pounds' worth of Prussian securities was carried through. Such conditions apparently obtained at the time, for the Russo-Turkish war was over, the general situation in Europe

was tranquil, and there then seemed to be no risk in carrying through operations on the bourse.

Further loans immediately followed on that of Prussia. The Austrian government also wished gradually to proceed to the conversion of her 5% state debt to 4%, and the ministerial conference decided on the issue of a loan of from twenty to thirty million gulden 4% state debentures through the four native banking firms, in which Solomon Rothschild had come to be included, after the ruin of the Fries Bank.[70]

Count Kolowrat, who had been appointed head of the commission of the privy council to control the financial administration, had recommended this issue on the ground that[71] the interest rates obtaining in Germany, France, England, and Holland were lower than 4% and a reduction in those countries either had been or was about to be undertaken. It did not seem that there was any prospect of political complications for some time.

The loan was decided upon, and on April 3, the emperor expressed his special satisfaction with the conduct of the four banks on this occasion.

Rothschild certainly endeavored to get rid of the bonds as speedily as possible, and invested all the ready cash in the three accounts of Marie Louise of Parma in the new 4% Metalliques bonds, at the issue price (subject to a commission for his trouble), on the ground that they were a particularly safe investment.

Metternich had—to use Solomon's words—"in constant and zealous endeavor to be of service to her Majesty the Archduchess," made it clear to him that he must devote himself as much as possible to the interests of the Montenuovo family. . . .

"I have repeatedly endeavored to demonstrate," Rothschild replied,[72] "that I am filled with the same zeal. To show this to her Majesty again, and also to please your Highness, I will now undertake to forego the commis-

sion which her Majesty has allowed me in the past on the investments that I have effected in Austrian securities, as far as the capital of the Montenuovo family under my control is concerned; and I hereby declare that when the time comes, that family shall enter into the new bonds at their issue price, without my having derived any benefit from them."

Rothschild did in fact waive the commission on Account M. and reduced the commission on the two other accounts by one-half. He did this the more readily as he had already made a large profit out of the Parma business ; but his sacrifice of the relatively trivial commission made a good impression. It was just such an occasion as Solomon would use for playing up to his reputation for "disinterestedness and honor." In any case Solomon was unable at once to find purchasers for the large volume of security issued in connection with the Austrian loan.

In addition to the Prussian and Austrian loans just described, they undertook an operation on a far larger scale, fraught with far more serious consequences, namely the underwriting of 80,000,000 francs of French rentes, needed by the French government to pay for the Algiers campaign on which it had just embarked. Several rival firms had stated that they were prepared to deal with it. Aguado offered[73] to underwrite it at 97-55%, a consortium headed by Mallet Freres offered 98%, the Syndicat des Receveurs-Generaux offered 100%, and the Rothschilds—102.72 1/2%. "The rivals perceived," wrote Capefigue, "that in future nobody would be able to stand against the Rothschilds."

Even these gigantic transactions left them unsatisfied. They suggested to Marie Louise that the public debt of Parma should be converted, and they also wanted to maneuver the House of Bethmann in Frankfort out of a connection it had recently established with Austria.

Solomon Rothschild had been informed by the finance minister Count Nadasdy that the Austrian administra-

tion was proposing to convert all its 5% securities to 4%. He promised on his journeys to ascertain foreign sentiment regarding this proposal, and to let Vienna know the result of his investigations. In June, 1830, he made his first report to Nadasdy;[74] it was sent from Frankfort and contained a proposal which in its essentials was directed against the House of Bethmann. His idea was that the 5% Bethmann bonds, which were still in circulation, should be redeemed at Frankfort by cash payments at par, through the Frankfort branch of the House.

"Your Excellency," he wrote, "is not unaware of my deep devotion to the Austrian state, which is shared by all my brothers and partners. I trust that you are convinced that we always have the best interests of the treasury in view, and that it must be our principal concern to fulfil your Excellency's wishes to the best of our ability."

The taking over of the Bethmann bonds was to serve "to secure and hasten the conversion operation as far as possible, and create enthusiasm abroad for the transaction." Not until he had delivered the 5% debentures did Solomon wish that his firm should receive 4% debentures at the rate of 105 florins for each hundred, or treasury notes, or money, or whatever else the authorities considered most convenient.

"Since my brothers and I," Solomon continued, "have no keener desire than constantly to furnish proofs to the Austrian state of our most disinterested service, unaffected by any private interests, we flatter ourselves that your Excellency will receive our most dutiful offer with your customary kindness." He hoped thereby to make the conversion more popular abroad.

"Your Excellency," he continued, "may be convinced it is neither pride nor self-interest that induces me to take this matter up. As I have already had the honor to prove to your Excellency, I always speak openly and

sincerely; and I can absolutely assure you that if my suggestion be adopted the conversion will go through speedily and successfully. If therefore your Excellency is agreed that direct cash payments shall be made through my Frankfort house—which, I flatter myself, possesses the confidence of the public—we shall arrange for such payments to be made, not to Herr Bethmann here, but by us direct to the holders of the bonds."

The Austrian treasury thereupon asked the firm of Bethmann to submit a preliminary memorandum on the question of conversion. This was done, and the authorities forthwith sent this memorandum, which naturally differed in many respects from the Rothschilds' offers, to Amschel at Frankfort. He made some very sharp comments on Bethmann's document, ascribing its feebleness to that bank's lack of resources and knowledge.

"If that firm," he wrote,[75] "is really serious about the conversion, and means to throw itself heart and soul into the business, it is inconceivable that it should have neither the confidence nor the means to acquire the small quantity of six hundred 4% Metalliques bonds in advance. Smaller firms, without such a well-known name or such a position as the firm in question, would certainly have offered to do so."

The Rothschild memorandum described the reasons put forward by Bethmann as evasions, because that firm was not strong enough, and did not sufficiently possess the confidence of the public to carry out so great an operation. Amschel Meyer asked Solomon, who was about to make a journey to Paris, to come and see him at Frankfort in order to discuss the matter. The memorandum of the Frankfort Rothschild, written in grotesque German, ran:

"The same [Solomon] assured me on his honor that he was not actuated by the least resentment at the conversion having been entrusted to the House of Bethmann. He also asseverated that his house was devoted life and

soul to the Austrian government, and that both his honor and his private interests were involved in carrying through the conversion. He had negotiated the French and the Prussian loan, 'all these things hanging upon one another and being interdependent,' and he did not propose to act against his own interest. His house held fifteen to sixteen million gulden of Austrian public securities, which he could produce on demand, whereas the House of Bethmann had neither the resources nor the knowledge of markets nor the influence that were necessary. Not one of its partners had the requisite energy to take control of such a business."

The memorandum went on to state: "It is possible and indeed probable that one or more banking firms and their supporters believe, if they directly or indirectly got fabricated articles into the papers, and spread unfounded rumors on several bourses, they could put the House of Rothschild in an unfavorable light to the Austrian government, and at the same time extend their own sphere of influence. We had expected such irresponsible newspaper articles as those that recently appeared in some French papers, attributing the fall in rentes to the action of the House of Rothschild, on the ground that we wanted to get rid of all our rentes at any price because we had taken over a Turkish loan of eighty million francs. They will not be the last, as they are not the first, of their kind."

The memorandum set forth that important firms dealing with governments would always have such fanciful stories attached to them. Truth and justice were, however, bound to prevail, and such lies would meet their own reward. By coming to the rescue with the greater part of its cash resources, the House of Rothschild had quite recently, in May, prevented a terrible crisis on the Frankfort bourse, which would have had serious consequences in other money-markets. Even now the political situation was far from satisfactory. In France nobody

knew what was going to happen, while in England the king was ill and a change of ministry expected. The memorandum concluded on its original note, asking that the Rothschilds might convert the Bethmann debentures.

The finance minister Count Nadasdy[76] was, however, unshakable. He was not willing to offend the House of Bethmann by allowing the conversion to be carried through by a different firm from that which had originally negotiated the loan. The brothers Rothschild were then holding enormous quantities of state securities; in addition to their large Austrian investments they held millions of the newly issued French rentes as well as the bonds of the conversion loan of Prussia. The Rothschilds were therefore overstocked with bonds at a time when the general state of Europe might change from one of apparent calm to one of acute crisis.

While James did not feel that the political situation in France was wholly satisfactory, he did not realize how critical it really was. He gave balls, which were attended by princes such as the Duke of Chartres and the Duke of Brunswick. He supported French theatrical undertakings to give performances abroad, as in Vienna for instance. He was associating with princes and ministers and financiers. But the opinions that he heard were so various and so conflicting that he did not feel he could predict the future with any confidence.

James's own particular domain, the sensitive bourse, was already showing signs of the coming storm. On June 1 there was a severe slump, and several politicians implored Rothschild to use his power to prevent a collapse.[77] The Duke of Decazes wrote to him: "If you do not succeed in preventing the fall in values, everyone will believe that a coup d'etat will occur such as you so rightly fear, for you may be sure that in such a case no creditor would be paid his debts."[78]

James Rothschild thereupon hastily went to see Poli-

gnac, as he had so often done before, and was again reassured by him. Anything of the kind was again out of the question; the bourse and the public were nervous, that was all.

Solomon, the chief of the Vienna house, had in the meantime also come from Frankfort to Paris. He had promised Metternich he would send an accurate report as to the state of affairs in France, and faithfully fulfilled his promise in spite of all difficulties.

His first report, dated June 19, 1830, reads as follows:[79]

MOST EMINENT PRINCE :

I hope that your Highness is enjoying perfect and constant well-being on your beautiful estate ... I am taking the liberty of reporting to you my arrival here the day before yesterday. I am venturing already to avail myself of the permission accorded me by your Highness to inform you occasionally of political events here through other than the ordinary channels. So far as I have had the opportunity during my short stay here of ascertaining from conversations with well-informed persons of all parties and opinions, it seems that the spirit of opposition, which has grown so very much more embittered in the last month, is directed not against the sacred person of the king and the dynasty of the Bourbons, but only against the leaders of the present cabinet, Messieurs de Polignac and Peyronnet.

Solomon still hoped that peace might be maintained, but he viewed with dismay Polignac's intention of changing the electoral and press laws, to which he adhered in spite of the strongest representations. The whole tenor of Solomon's report revealed his uneasiness.

Shortly afterwards Solomon reported that the result of the new elections had been markedly unfavorable to the government. The generally prevailing spirit of opposition had infected everybody, with the result that

elements hostile to the ministry had been returned to the chamber. In fact the elections had resulted in only 125 supporters of the ministry being returned for 428 seats.

"The list is odious and contemptible," Count Apponyi reported to Vienna. The ministry was dismayed and shocked by the result. The idea of changing the electoral law was again being mooted.

"Such a step," Solomon wrote to Metternich, "might lead to the most unforeseen results. Meanwhile the king is firmly determined not to weaken his royal prerogative at any point, for he knows only too well from his own experience how quickly one concession leads to another, and how gravely the royal authority is endangered thereby."

The general situation was exceedingly unpleasant, although Solomon and James, especially James, still hoped that the storm would pass over. But at the end of June rumors were thickening to the effect that the king and Polignac meditated a coup d'etat to rid themselves of the inconvenient liberal chamber before it met and to limit still further the rights of the people. Those who accepted these rumors, or whose actual knowledge confirmed them, secretly sold large holdings of bonds in the London market; and the House of Rothschild, being interested in maintaining their value, was forced to buy them.

James Rothschild, believing that as state banker[80] he must necessarily be in the confidence of the government, was convinced that before any such fatal decisions were made he would surely be consulted, or that at any rate he would be given a hint before any vital step was taken. He heard nothing, however; and the rumors of serious steps contemplated by the government increased. On Sunday, July 24, James accordingly decided to go to Monsieur Peyronnet, minister of the interior, and ask him what it all meant.[81] The minister expressed his astonishment that such an intelligent and well-informed

man as James should attach any significance to such gossip, and pointed to his office desk, covered with letters summoning the newly elected delegates to the first session of the chamber.

In a reassured frame of mind, Rothschild went to dine at the country house of Madame de Thuret, where the whole diplomatic corps had been invited. People asked him anxiously about the situation. He told them about his call on the minister, and the letters summoning the delegates which he had seen, and his statements reassured the diplomats who were present.

Meanwhile the ministers were secretly framing the famous ordinances in which the king, on Polignac's advice, dissolved the hostile chamber before it had ever met, ordered new elections on a different electoral basis, and severely limited the freedom of the press.

Early on July 26, 1830, the ordinances were published, to the general astonishment. The secret had been most scrupulously kept. The whole capital was swept by indignation. Everyone said that this meant the end of all liberty, and the relapse of France into the darkest medievalism. The press was particularly vocal, and protested most vehemently, in spite of any ordinance.

The excitement in Paris was prodigious. High barricades were erected in the principal streets; the populace collected in groups, marching through the streets shouting menaces at the king; shops with weapons and military stores were plundered, and strong opposition was offered to the royal troops, who were completely unprepared, and were present only in small numbers under the command of Marshal Marmont, who was himself taken by surprise. Stones were thrown at the windows of Polignac's private house, and his carriage was almost smashed to pieces. By July 28 the rising was in full swing. The streets reechoed with shouts of "Down with the Bourbons!" "Down with the ministers!" The garrison consisted of only twelve thousand men, and large sections

had gone over to the rebels. The remainder were far from being sufficient to hold down the indignant city.

By July 29 the revolt had extended to the whole of Paris. The royal troops were slowly forced back on Saint-Cloud, where the king anxiously awaited the development of events. He was now prepared to revoke the ordinances; but it was too late. Not only his position, but that of the whole of his House, had collapsed. The Louvre and the Tuileries, defended by Swiss troops, were stormed by the populace.

The revolution was victorious all along the line; on July 31 Charles X and his guilty ministers fled. Their dominion was at an end. If the monarchy was to be maintained, only one thing could make this possible: the old line of the Bourbons must be eliminated. Recourse would have to be had to the king's rival, Louis Philippe of Orleans, son of the notorious Philippe Egalite, of the days of the great revolution. This prince played his part very cleverly; he contrived to make the people feel that they were conferring the crown upon him. His liberal views, and his simple, unadorned appearance as he courageously showed himself to the angry mob, did not fail of its effect. The old royal house was finished, the Orleans followed it, and Louis Philippe became head of the state.

James and Solomon were both in Paris during this period, and were reduced to a state of the greatest anxiety as the revolution proceeded. They were not only afraid for their wealth. As foreigners who had been so closely associated with the hated king and his ministers, they went in fear of their lives. Holding, as they still did, such a large amount of paper from the state loan they had just taken over, they had watched with the greatest dismay the catastrophic fall in rentes, amounting to 20 to 30% during the first days of the revolution.

But this fear was for a moment kept in the background by their immediate bodily danger, although their ner-

vousness in this respect proved to be unfounded. The revolution of July was a bourgeois revolution. The people, it is true, sacked a few royal chateaux, but the life and property of private persons were spared.

Nathan Rothschild appears to have been the first man in London—apparently by means of a carrier pigeon sent by his brother—to receive news of the great event. Even if this particular is unfounded, it is clear that he received news of events at Paris before the British government. Talleyrand once stated in a letter to Madame Adelaide, the sister and adviser of King Louis Philippe:[82] "The English ministry is always informed of everything by Rothschild ten to twelve hours before Lord Stuart's dispatches[83] arrive. This is necessarily so because the vessels used by the Rothschild couriers belong to that House; they take no passengers and sail in all weathers."

On July 30, by which time peace had been restored in the capital after the "unexampled tumult and indescribable disturbances" of the previous three days, Solomon Rothschild remembered his promise to report to Metternich.

"We have been completely out of touch with the ministry for several days," he wrote,[84] "as we do not even know where the ministers are. We are also told that the king has left his residence today for the Vendee; the tricolor flag is flying on all public buildings, and the diplomatic corps here has ceased to function." Solomon's view was that the issue of events must be quietly awaited. He feared a civil war, and according to rumor the Duke of Orleans had accepted the crown. "Such is the state," he continued, "to which the self-confidence of three or four ministers has reduced France in three or four days."

Rothschild described how a new administration was being set up in the capital with the support of from thirty to forty thousand men, drawn from the dregs of the population, who had been "let loose against the king's

troops." It could certainly not be denied that the people had behaved well, for apart from the king's property, no public or private property had been touched, even while the excitement was at its height. "It is satisfactory," Solomon admitted, "to see the uniforms of the regular citizen guard appearing at every corner; they are forty thousand strong, and often protected the city from pillage in 1814 and 1815."

The confirmation of the rumor that the Duke of Orleans had accepted the crown was a great relief to the brothers Rothschild. In spite of their connection with Charles X and his ministers, they had rendered financial services to the Duke of Orleans too, and had thus come into touch with his house. They felt that they had been in a sense betrayed by Charles X, as he had never informed them of the ordinances; and now that the duke's star was in the ascendant, they saw a profitable opportunity of changing their allegiance. They accordingly began to sympathize with the victorious revolution, and a letter from Solomon to a friend[85] clearly shows that they were preparing to play up to the new powers. In that letter Solomon spoke of the general indignation aroused by the ordinances.

"There was no armed force," he said, "that could have controlled a people beside themselves with rage, who felt that they were being led to the slaughter by their king's command. The nation would have let itself be cut in pieces before submitting again to the domination of the Bourbon family."

Solomon referred to the fears aroused by such a terrible explosion, but said that everything had fallen out in the most amazingly satisfactory manner. Private property had not been in danger for one moment; and in fact the people had refused money they had been offered. The troops and the people had fraternized everywhere; and all were forsaking the cause of Charles X and turning to Louis Philippe, who claimed to have been always

devoted to liberty and to constitutional ideas. He was being received with the greatest enthusiasm wherever he appeared.

The Rothschilds' change of front was thus clearly stated; the revolution had triumphed, and the old powers were finished with, and the new man in whom they trusted seemed to be firmly in the saddle. They immediately adjusted their policy accordingly, and James offered his financial services to the new powers in the state, in spite of the losses incurred through the fall in the funds and the continuing uncertainty.

The news of the entirely unexpected revolution and the success it had gained in such a short time profoundly affected the whole of Europe. All governments saw with dismay how France—"Pandora's box," as Leopold of Coburg called her—was again spreading terror and unrest over Europe. There was a slump on all the bourses, while the hope of liberty ran high among the peoples; the consequences for Metternich's "peace of the world" seemed unpredictable.

It had been the worst possible blow for the chancellor and his system. At the time of the outbreak of the disturbances he was staying with Gentz at his country place Konigswart in Bohemia, and he received the first news of these events through the Frankfort ambassador Baron von Munch-Bellinghausen, who had received the news from Rothschild. It is remarkable evidence of the efficiency of the Rothschild news service even during times of such disturbance, that both the British government and the powerful chancellor, who controlled the vast diplomatic machine of the Austrian Empire, should have received the first news of these important events from the House of Rothschild.

Munch-Bellinghausen's report, dated Frankfort, July 31,[86] was based on a letter from Solomon and James in Paris, which Meyer Amschel had received at Frankfort on the 30th, and upon a short report brought by a

messenger. "Rothschild has just received through a courier who left Paris on the 28th," the report ran, "a short letter from his brothers, telling him not to worry about them, as they were well and hoped that things would improve within a few days. They could not write him any news, and the courier would tell them everything verbally. The courier's statement is to the effect that Paris is in a state of great commotion." There followed a description of the serious disturbances at the beginning of the revolution.

Metternich and Gentz were at first unwilling to believe the news. The chancellor had just expressed his great satisfaction at the issue of the ordinances. He was now quite terrified. He kept hoping that the news would not be substantiated.

"I confess to you," Gentz wrote to Pilat immediately after the first news was received,[87] "that I believe all this to be only partially true. The mysterious letter from a panic-stricken Rothschild and the stories of a courier are doubtful sources. But it is certain that things are not well."

Nevertheless the Rothschild courier was right; and liberals throughout Europe took courage from what had happened in Paris, and felt that freedom was in the air. The news of the revolution resulted in a catastrophic slump on the Frankfort bourse, and masses of securities were thrown on the market. While Meyer Amschel, being the first to receive the news, had made some provision for this, he had not been able to do much in the short time available, and the collapse of all public securities reduced him to a state of panic. He applied his efforts, to keep the disaster within bounds.

When disturbances consequently broke out in several German cities, and it was feared that they might occur in Frankfort too, the senate called up the special constabulary, so as to be ready for possible attacks. Amschel, who as a result of the last settlement enjoyed the rights

of citizenship, took up his duties as a special constable when his turn came. He had more reason than anyone else in Frankfort to fear for his possessions, and he heard with terror that outside the city walls the peasants were plundering country houses and driving landed proprietors from their estates.

He anxiously awaited his brother Solomon, who had just informed him that he would arrive from Paris early in September. He wanted to enlighten the head branch of the firm as to the present political situation in Paris, and to discuss the measures to be taken to meet the terrible losses which the House had incurred. In these hours of danger affecting the very existence of the House, the unity and harmonious collaboration of the brothers was particularly vital.

On his arrival at Frankfort, Solomon was able somewhat to reassure Amschel, at any rate as to the momentary position in Paris. After the abdication of the king, the funds had somewhat improved during the last few days, as compared with the lowest point which they had touched, and the proclamation of the Duke of Orleans had had a very good effect.

Solomon described that event as a particularly fortunate one for the House of Rothschild. Their difficulties consisted in their large holdings of securities. They would not be able at the moment to get rid of the enormous stock of French rentes except at very heavy loss. The conversion loan with the Prussian government, arranged during a boom period, would also prove to be a ruinous business. Austrian securities were still the best, but these too had suffered somewhat. The solution was: Get out of all engagements! Have loan agreements rescinded wherever possible; and especially the new Prussian loan.

Amschel promised to put out feelers in that direction, and especially to try to secure Rother's support. After the most pressing matters had been agreed upon, Solomon

immediately returned to Paris, where his presence was urgently required. The news of the July revolution had already begun to produce disturbances in all the states of Europe, and there was the danger of fresh complications in the form of military intervention by the absolutist conservative powers, whose peace was threatened.

There was still a possibility that the danger to the House of Rothschild arising out of the July revolution might be averted. But if a European war were to break out, securities would continue to fall in value and the very existence of the House would be imperiled. The brothers' slogan therefore was: Avert war at any price.

It was in their favor that the new king feared a campaign against his usurped powers, and was anxious at all costs to avoid external complications. He was at pains to show the powers that if he had not stepped into the breach, France must have fared far worse, and that possibly it would even have come to the establishment of a republic.

In order to put this view to Metternich more particularly, the king made use of James Rothschild. In the middle of August, as a member of the Societe des Antiquites, James was one of a deputation to congratulate Louis Philippe on ascending the throne. As the deputation was leaving, the king signaled to James to remain behind, and made the following remarks to him:

"Having seen the happiness that I enjoyed in the bosom of my family, such as accorded with my peaceful and entirely unambitious disposition, you know me too well to be deceived for a moment as to the state of mind in which I am approaching my present task. ... In giving up such a pleasant and carefree existence in order to mount to a throne set with dangers and difficulties, I have made an enormous sacrifice for my country. . . . France was heading straight for a republic. She would have ruined herself and perhaps the whole of Europe with her. . . . The monarchist principle has triumphed over

anarchy. . . . My most ardent desires are centered upon the peace of Europe, and I hope that the states will resume their former friendly relations with France, and come to have confidence in France's new government."[88]

James saw to it that this was accurately conveyed to Metternich at Vienna, and that the call to peace was properly emphasized.

Meanwhile there were occurrences in Paris that threatened further risings in various states of Europe. Countless emigrants from the period of the Neapolitan and Spanish revolutions thought that the moment had come for resuming their revolutionary activities. The Rothschilds knew some of these people and heard of their plans, and they did everything possible to induce the new authorities in Paris to refrain from supporting their efforts. What, for instance, would be the fate of Neapolitan bonds, which had already slumped heavily, if General Pepe, who was staying in Paris, were, as Solomon put it,[89] "again to arouse the spirit of the Carbonari"?

A rising was expected hourly in Spain. The Rothschilds immediately informed the newly constituted French government of everything that they heard of these activities, and through a common friend they also put Metternich in possession of such information.

"Count de Mole,"[90] Solomon wrote to Vienna,[91] "is well aware of all these activities, and has been enlightened as to the importance of suppressing them in the general interests of peace and of the tranquillity of France. He fully shares our convictions in this matter, and is applying all the means at his disposal to frustrate these unscrupulous schemes. I hope, my dear friend, that you will observe the strictest confidence in the use you make of this communication. It was made to me under the seal of the strictest secrecy ... it would be exceedingly unpleasant for me if there were the slightest suspicion that I had breathed a word about it. For this reason I am not signing this letter."

Owing to their excellent connections, the Rothschilds were thus receiving the most important and confidential information in spite of the complete change in affairs. The new king, Louis Philippe, and the bourgeois ministers who now received the seals of office had the greatest interest themselves in seeing that peace was maintained, that law and order was restored, and that private property was not interfered with. The aims of the Rothschilds were identical and they were to learn Louis Philippe's intentions from the best possible source, namely, the king himself.

On September 7, 1830, James was received by Louis Philippe in private audience, and discussed the general situation with him. "My brother," Solomon reported thereon to Vienna,[92] "yesterday had the opportunity of a leisured discussion with the King of France. The king said with regard to Austria, which was strengthening her forces in the Italian provinces, that she should not go too far with her military preparations, as this alone would automatically lead to war in the end. My brother represented to the king that he was not dealing firmly enough with the activities of the Spanish and Neapolitan exiles in the heart of the capital itself, and that such laxity might produce the most pernicious results. The king replied that he was using every means in his power to frustrate the agitators' schemes, but that his mandate as a constitutional monarch involved limitations which he could not legally exceed.

"The king assured me that he was opposing revolutionaries in all countries as far as his position as a constitutional monarch allowed him to do, but he stated that he was compelled to show a certain regard for liberal aspirations.

"'I should be exceedingly glad,' he said to James, 'if you could possibly be the means of communicating my views to his Highness Prince von Metternich, and request him in his wisdom to make urgent representations

to the court of Naples, so that it may be moved to make a few concessions in the general interests of the country, and in accordance with the progress of contemporary ideas.'"

Solomon skilfully incorporated in this letter, which he intended Metternich to read, a few flattering remarks about the chancellor, attributed to Louis Philippe. The letter concluded with the following words: "Such, my dear friend, are the essential points mentioned in my brother's conversation with the king. With the exception of certain highly placed persons, observe the strictest secrecy in regard to it, and accept again the assurance of my most friendly sentiments."

The fears that the revolutionary movement might spread prove to be well founded. The July revolution produced repercussions throughout Europe. Apart from minor disturbances in Germany, Italy and Spain, there were serious risings leading to important results. The peoples of the kingdom of the United Netherlands, which had been welded together in 1815 without any consideration of the diverse populations of Belgium and Holland living within its boundaries, had long been restive. On August 25, 1830, revolution broke out in Brussels, as the result of which a change in the form of government, separation from the dynasty of Orange, and indeed the severance of Belgium from Holland were demanded and soon afterwards achieved. This produced a severe crisis in the commercial world, and increased the fears of a general European war, for news was received from both Vienna and St. Petersburg that the authorities were not merely determined to suppress these revolutionary uprisings individually, but also proposing to use military force against the new regime in France, as the breeding-place of all these dangerous movements.

Meanwhile Solomon had returned from Paris on a most important mission. His brothers had urged him to bring all his influence to bear upon Metternich—to re-

strain his warlike zeal from embarking on such an adventure, which—quite otherwise than in the case of Naples—would be fraught with the gravest consequences, such as nobody could foresee, for Europe in general and for the House of Rothschild in particular. Solomon was to do what he could in the way of direct written and verbal communications with the chancellor, and also to bring pressure to bear upon Gentz daily, while enlisting the influence of third persons whom he had placed under financial obligations. His brothers in London and Paris unceasingly urged him in their letters not to flag in his efforts.

James wrote on November 24, 1830: [93]

MY DEAR BROTHER:

An Austrian courier will be passing through Frankfort, so I am taking this opportunity of writing to you. I hope that as Uncle [Metternich] will be back in Vienna, you will know more about what is happening. You know that Count Sebastiani, minister for foreign affairs, has given me permission to call on him every morning. I am on the most friendly terms with him, a fact which is not likely to be displeasing to Uncle, as it enables me often to let you have advance news. He said to me, "My dear Rothschild, the one question is, are the foreign powers seeking an excuse to declare war on the king? It will be a murderous one if they are, and God knows when and how it will end. We will leave nothing undone to preserve peace. We will do everything possible; and the king sent a man to Brussels yesterday to beg that the Nassau dynasty should not be excluded, and to say that if it behaved foolishly it was at its own risk, as France would not interfere."

Talleyrand has been written to in London to try and settle the question between Holland and Luxembourg. Sebastiani told me that the king had had a very long conversation with Apponyi and had no other wish than to preserve peace. Therefore, my

dear Solomon, do try to find out the position, for even though we are not carrying out any transaction in rentes, we have a holding of 900,000 rentes (i.e., 18 million francs nominal). If peace is preserved they will be worth 75%, while in case of war they will drop to 45. We should not be certain of dropping 25 to 36%, and I should say that we better go straight and secure ourselves.

You have no idea what the position is here with regard to actual rentes. People are selling every day in England, and today I sold 25,000 francs again in London; but I see no real sellers, and in spite of all the military preparations, the rentiers are not getting nervous, because it is not consistent with sanity that the powers should now undermine industry, trade, and public credit through a war.

Meanwhile, my dear Solomon, the whole world is arming, and this fact alarms me. They are already telling us here that they are going to station a defense force of 300,000 men on the frontiers. Now experience unfortunately teaches us that military preparations very easily lead to war, and if anybody wants war we shall have it. Believe me, I feel sure that it depends now on the prince alone, and he can use the opportunity to influence France as he wishes. If Uncle wants peace and convinces our government that he does, we shall have peace; and he will certainly have a firmer control over affairs here than he had in Polignac's time. For neither the ministry nor the chambers are, as has been supposed, ultra-liberal; indeed their views have been modified so much that they are much more inclined to royalism than in Polignac's time. You can see a proof of this in their way of dealing with the Spanish revolutionaries ; there are no more clubs or popular gatherings. Each day we have new laws for maintaining peace; there are no posters or tub-thumpers; the revolutionary papers are being suppressed.

Sebastiani also said to me: "The one person for whom I have unbounded admiration in all the minis-

tries is Prince Metternich, and he will find me a straight man to deal with. I want to maintain the existing agreements, but if he means to declare war on us we must conclude an agreement with England, but believe that I am making every effort to maintain peace. ... As far as I can see the issue of peace or war depends entirely upon your prince."

Stuart[94] believes that peace will be maintained; that peace and war are being discussed a great deal, but that peace will prevail. I beg you, if there is any news, send somebody to Strassburg, or send a special courier here, because it makes a great difference. We have been cautious enough to consolidate our position by realizing a large holding of rentes at a loss, and I am convinced that if peace is maintained, rentes will improve in three months by at least ten percent, since there is a shortage of actual rentes on the market, and the bear speculators require millions to cover. And it would be a very good thing to recover part of their ill-gotten gains from these wretched people, and this is just the moment for doing so. You yourself will see, my dear brother, how exceedingly important it is that I should have the earliest possible news of what we are to expect. People are for war here today because of an article in the Journal des Debats. Everybody here is very pleased with Apponyi. I assure you one nearly loses one's head here, because common sense is in favor of peace, but warlike ideas are getting the upper hand. I am hoping to have full news from you at an early date, and am your very affectionate brother [no signature].

This effusion was followed three days later by a second letter:

MY DEAR BROTHERS :[95]

The news that the Belgians have dethroned the Orange dynasty has shocked everybody deeply. Rentes fell to 60.25, but closed at 61.19, and the five

per cents at 91.15 while ducats were 65.40. As the Bourse was closing it was stated that Laffitte[96] would make a speech on Monday demanding 500,000 men; not that France should intervene in Belgian affairs, but only for her own security. I spent a long time with Laffitte and Sebastiani. I have never known them so moderate. They said to me, "We sent somebody to Brussels and they did not listen to us. Are we to set Europe ablaze in order to put Monsieur Merode on the Belgian throne? The powers are arming and we must do the same; we have bought 100,000 muskets in Hamburg; we have also bought munitions at Frankfort, as we must take precautions, and the interests of the powers are identical with ours." They said that they definitely believed that there would be no war; but the Belgian affair complicates everything very much.

Good news is supposed to have been received from Russia. I shall probably send you a courier on Monday night or on Tuesday with the speech, if it is important and likely to be helpful. The moderates, such as Perier and all the rest are wild, and are screaming against Russia, saying that the publication of Emperor Nicholas's letter was an insult to the nation. You have no idea of the war spirit among these people; but it is clear that none of those in real authority wants war.

Do tell the prince these things, my dear Solomon. The massing of troops exasperates them, hence these great preparations. Be assured, however, that it depends entirely on the prince, whether we have peace or war. If we have war I see the whole of France putting up barricades, and I assure you I tremble for Germany. The people are like a lion; and it is not well to rouse such a strong and powerful nation.,

This all amounted to the fact that Sebastiani wished to warn Austria through Rothschild not to prompt Russia to make war or to arm herself. While such developments might prove embarrassing to the new government

in France, they might also produce results disastrous to all absolute governments.[97]

On receipt of these letters Solomon went to see the prince and Gentz, and gave them copies. He tried to read the mind of the chancellor, and if possible to influence him. Metternich repeated his well-worn phrases, and realizing that his reply would be conveyed to the French government through James, just as that government's views had been conveyed to him by Solomon, he uttered an emphatic warning that Louis Philippe should render no assistance to revolutionaries, in any country, if he was concerned for the continuance of his rule and the maintenance of peace.

Solomon thereupon replied to James:[98]

MY DEAR BROTHER:

I have received your valued communication of November, and conveyed its contents to the prince. One may now infer that the French government must be principally concerned to secure its own position, and will therefore have no use for mere adventurers like Mole and Broglie.[99]

On behalf of the prince, Solomon conveyed an assurance that he also desired peace, but that he would strike a blow in Italy, not against a power but against the revolution which had to be fought everywhere in the interests of peace and order. If France permitted this, it would not be troubled, and peace would be maintained; but if not, there would be war, in which case Austria would certainly not stand alone, for it would be in the interests of all governments to support the state which desired nothing but peace and order.

"I have also informed the prince of your inquiry," Solomon continued. "If General Sebastiani wishes to say anything to him as man to man it is perfectly open to him to do so, either through you or through any particular person in whom he has confidence."

Metternich thus appointed the Rothschilds over the head of his Paris ambassador as the channel of communication between him and the French cabinet. This implied extensive confidence in them, and was a priceless advantage to the Rothschilds, for it meant that during those dangerous times they would receive news of the most important decisions before anyone else. However, they continued to be in a state of great anxiety as to whether peace would be maintained. Their losses already amounted to millions; in accordance with their own estimate, perhaps deliberately somewhat exaggerated, they had irrevocably lost about 17 million gulden at one blow through the July revolution.[100] A war might cause further losses, and perhaps occasion the collapse of their House. Even the tame extracts from the Rothschild Paris letter made for Prince Metternich's benefit still sounded exceedingly menacing.

"We have received your valued letter of the tenth of this month," one of these letters ran,[101] "and regret to learn that your securities are falling as badly as ours. Yesterday things got a great deal worse. War is on everybody's lips; there are those who want war for its own sake, and those who want it to take the public's mind off the proceedings against the ministers.[102] Sebastiani remarked today that it would be better for the public to have something else to think of now than these proceedings, and that after the action things would be much better.

"Others, such as our friend Stuart, are of a different opinion, and think that after the action things will be much worse, and that we shall have nothing but war to think about then, and that the present ministers are not strong enough to adopt an unpopular line. Rentes remain at 58.50, and from today all the gardes natioriaux must wear uniforms, so that you will see nothing but soldiers. On the Bourse were several soldiers in uniform. This does not look like peace.

"Last night Laffitte said that war was less likely now than ever, and that everything possible will be done to avoid it. He hopes that Prince Metternich will seriously think of means for settling matters before all the powers have their armies equipped, and everything is ready for war. For as soon as the young French are ready, and anything happens to set them off, the devil himself won't stop them. . . . Frankness and mutual forbearance are more than ever necessary.

"I read out to General Sebastiani what you told me about Uncle. He said that he was pleased with everything I had heard from the good gentleman; I assure you that he actually used the word 'good.' He went on to say, 'I am doing everything possible for peace . . . and I do not see what we should go to war about. I have given orders in Italy to be accommodating to Austria in all matters. If, however, which God forbid, anything should happen there, I do ask for God's sake not to let troops march into any other country, for that might produce war.'

"You see, my dear brother, that the issue of war and peace really does hang on a thread today; God grant that everything may remain peaceful in Italy, for if God does not maintain peace, He alone can say what will become of Europe."

James might have added "and of us" after "Europe." It is exceedingly probable that the original letter did contain some such phrase, for the passage quoted was only a carefully selected extract made for the benefit of the chancellor.

And indeed, when, in the last days of November, a rising broke out in Poland against Russian rule, the danger of hostilities against France, which stood before the world as the originator of all these revolutionary troubles, became particularly acute. The future destinies of the House of Rothschild largely depended upon whether the decision should be for peace or for war. They redoubled

their efforts to win the statesmen and persons in power for the cause of peace. The three brothers in Paris, London, and Vienna rivaled one another in their feverish efforts to influence their countries' policies.

Amschel Meyer at Frankfort had meanwhile been allotted the task of relieving the House of Rothschild from as many of its financial agreements and obligations as he possibly could. Carl stayed with him in order to help in this labor of Sisyphus, involved in dealing with the enormous ramifications of businesses that were mostly in a bad way. The great question continued to be, war or peace?

NOTES

CHAPTER I

(1) For further details see Geschichte von Frankfurt am Main in ausgew'dhlten Darstellungen, Kriegk (Frankfort-on-the-Main, 1871). (2) "Meyer Amschel Rothschild," der Griinder des Rothschildschen Bankhauses, Berghoeffer (Frankfort-on-the-Main, 1923) p. 5. (3) The usual story, which is given in all publications except Berghoeffer's, and according to which Rothschild was announced to the prince as he and Estorff were playing chess, is a myth. On the other hand we may take it as proved that General von Estorff effected the introduction, relying on the family connections between him and Hesse. (4) Published in full by Berghoeffer; see above, p. 7. (5) The original catalogues are in the Municipal Library at Frankfort. The reproductions here given of a title-page and a portion of the text are taken from one of these. (6) Dr. Philipp Losch, Kurfurst Wilhelm I., Landgraf von Hessen, (Marburg, 1923), p. 71'. (7) Vehse in his Geschichte der deutschen Hofe (pp. 27 and 266) declares that there were seventy-four illegitimate children in existence. Others put the number even higher. For further details see appendix to Losch's book referred to above. (8) Losch, as above, p. 43. (9) The family later received the name "von Carlshausen" as also did the estate which remains in their possession. The family is still flourishing, but now only bears the name of Barons von Carlshausen, without Buderus. (10) Losch, see above, p. 158. (11) Der Soldatenhandel deutscher Fursten nach Amerika, 1775-1783, Friedrich Kapp (Berlin, 1864), p. 57. (12) Berghoeffer, as above; p. 20. (13) Carlshausen archives: accounts entry dated Nov. 9, l790. Laubtaler ("leaf" thaler) were silver coins, so called from the foliage which formed part of the design. They were worth one Prussian thaler, fifteen silver groats. (14) The "green" shield has given rise to a good deal of error. The name is in fact derived from the earlier house with the red shield. (15) The illustration gives an excellent idea of the Rothschild house in its original condition. The Schiffs' old-clothes shop can also be seen. The descendants of this family have also achieved great things, particularly in America where they have made a huge fortune. (16) Reichsgulden; the Convention-gulden—so called because, in accordance with a Convention, 20 gulden (in 20 florin measure) or 24 gulden (in 24 florin measure) were coined out of 1 mark (16 loth) of fine silver—was worth rather more. One florin Convention coin in 24 florin measure was worth about 1 1/5 reichsgulden. (17) The Landgrave of Hesse-Cassel to Francis of Aus-

tria, Weissenstein, Apr. 30, 1792, State Archives, Vienna. (18) Francis of Austria to the Landgrave of Hesse-Cassel, May 10, 1792, State Archives, Vienna. (19) Die Fugger, Rothschild, Krupp, Richard Ehrenberg (Jena, 1925) p. 136. (20) Emperor Francis to the Landgrave of Hesse-Cassel (Baden, September 8, 1797) Draft in the State Archives, Vienna. (21) The eldest son's actual name was Amschel Meyer, but he later adopted the name of Anselm.

CHAPTER II

(1) Ehrenberg; see former ref., p. 50. (2) Berghoeffer; see former ref., page 75. (3) Lawaetz to Buderus (Altona, Feb. 2, 1805), Carlshausen Archives. (4) See Scherb, Geschichte des Hauses Rothschild (Berlin, 1872), p. 27. (5) Berghoeffer; see former ref., p. 35. (6) Losch; see former ref. p. 151. (7) Wilhelm Kurfurst of Hesse to His Majesty the Roman Emperor and Hereditary Emperor of Austria, Cassel, Jan. 11, 1805, State Archives, Vienna. (8) Baron von Wessenberg to Count Stadion, State Archives, Vienna. (9) Baron von Wessenberg to Count Colloredo, in September, 1805, State Archives, Vienna. (10) Correspondance de Napoleon I (Paris, 1863). (11) Berghoeffer, p. 37. (12) Baron von Wessenberg to Count Stadion, Cassel, Jan. 10, 1808, very secret special dossier. State Archives, Vienna. (13) Buderus to Lorentz, Hessian Charge d'Affaires in London; from Schleswig, Nov. 17, 1806. Carlshausen Archives. (14) The passage in the memoirs of General Baron de Marbot (Paris, 1891), Vol. I, pp. 309-311, from which the possible presence of Rothschild at Cassel might be inferred, will not bear serious examination, for it was not Marshal Augereau, but Mortier, who occupied Cassel, and the domiciliary search of the Rothschild house, as well as the cross-examination of the members of the family, occurred much later, at Frankfort, and not, in 1806, at Cassel. In publishing these "Memoirs," which appeared more than eighty years later, the writer was obviously influenced by the old and widely current legend regarding the rescue of the electoral property by the Rothschild family, the modest facts regarding which Berghoeffer was the first to bring to light. (15) Correspondance de Napoleon I, XIII, p. 588. (16) From Buderus in Schleswig to Lorentz in London, Nov. 17, 1806. Carlshausen Archives. (17) From Meyer Amschel Rothschild to William of Hesse, Dec. 15, 1806. Berghoeffer, p. 70. (18) Buderus to the elector, Hanau, Mar. 8, 1807. Carlshausen Archives. (19) Buderus to the elector, Hanau, Mar. 10, 1807. Carlshausen Archives. (20) Berghoeffer, p. 64. (21) Elector William of Hesse to King Frederick William III of Prussia, Rendsburg, Mar. 8, 1807. Prussian Secret State Archives, Berlin. (22) Elector William of Hesse to Emperor Francis, Rendsburg, Mar. 23, 1807. State Archives, Vienna. (23) Prince Wittgenstein to Frederick William III of Prussia, Altona, Mar. 31, 1807, Prussian Secret State Archives, Berlin. (24) For further details see Berghoeffer, p. 79. (25) Berg-

hoeffer, p. 78. (26) Berghoefrer, p. 132. (27) Emperor Francis to the Elector of Hesse, Vienna, Jan. 22, 1808, State Archives, Vienna. (28) Berghoeffer, p. 109. (29) An anonymous correspondent to Emperor Francis, June, 1808, Treasury Archives, Vienna. (30) Emperor Francis to Count Zichy, Mar.-July, 1808, Treasury Archives, Vienna. (31) Secret Police Report from Prague, Sept. 9, 1808, Treasury Archives, Vienna. (32) Autograph letter from Emperor Francis to Count O'Donnell, dated Sept. 13, 1808, Treasury Archives, Vienna. (33) Most humble ministerial address from Count O'Donnell, Sept. 14, 1808, Treasury Archives, Vienna. (34) Emperor Francis to Count O'Donnell, Oct. 6, 1808, Treasury Archives, Vienna. (35) Stein to Wittgenstein, Konigsberg, Aug. 15, 1808. Published in the Monitor of Sept. 8, 1808. (36) Memorandum from Wittgenstein to Metternich, Hamburg, Mar. 20, 1809, State Archives, Vienna. (37) Berghoeffer, p. 123. (38) Vienna Police Report, Feb. 25, 1809, Police Archives, Vienna. (39) Report of the Prague Chief of Police, Mar. 12, 1809, Police Archives, Vienna. (40) Berghoeffer, p. 112 and following pages. (41) Agreement between Buderus and Meyer Amschel Rothschild, Frankfort, Feb. 17, 1809. Copy in the Carlshausen Archives. (42) Elector William of Hesse to Emperor Francis, Prague, Mar. 6, 1809, State Archives, Vienna. (43) Berghoefrer, p. 173. (44) Les Rothschild, une famille de financiers juifs au XIXieme siecle (Paris, 1896) and in Les Rothschilds by a "petit porteur de fonds russes," who has used Demachy's distorted book and his documents in a manner showing extreme malice toward the Rothschild family.—Police Report of the French Imperial Police of Jan. 17, 1812, and Dec. 23, 1813, National Archives, Paris. Les Rothschild, p. 139 and following pages, and p. 158 and following pages. (45) Elector William of Hesse to Count Stadion, Prague, Nov. 4, 1809, State Archives, Vienna. (46) See the Police Report from the French National Archives, published in Les Rothschild, as above, p. 151. (47) William of Hesse to Count Metternich, Prague, Feb. 20, 1810, State Archives, Vienna. (48) Elector William of Hesse to Barbier, Prague, Aug. 31, 1810, Treasury Archives, Vienna. (49) The Treasury to the Elector of Hesse, Sept. 25, 1810, Treasury Archives, Vienna. (50) Baron von Hiigel to Count Stadion, Frankfort, Aug. 20, 1810, and Apr. 15, 1812, State Archives, Vienna. (51) The fifteen articles, from the Municipal Archives of Frankfort-on-the-Main, are published in full by Berghoeffer, p. 195 and following pages. (52) Ehrenberg: see former ref., p. 56. (53) Buderus to the elector, Nov. 12, 1810, Carlshausen Archives. (54) Buderus to the elector, Carlshausen, Nov. 2, ı8ı'0, Carlshausen Archives. (55) Baron von Hugel to Count Stadion, Frankfort, Feb. 16, 1812. There is a list attached to this report in which Meyer Amschel features under No. 41. State Archives, Vienna. (56) The elector to Buderus, Prague, Dec. 6, 1810, Carlshausen Archives. (57) Archives Nationales, Paris. Mainz, Mar. 3, 1812. Published in Les Rothschild, see former ref., p. 121. (58) Buderus to the elector, Hanau, Apr. 7, 1811, Carlshausen Archives.

(59) The elector to Buderus, Prague, May 20, 1811. (60) Buderus to the elector, undated, Carlshausen Archives. (61) The elector to Buderus, Prague, Aug. 28, 1811, Carlshausen Archives. (62) The elector to Buderus, Prague, Aug. 28, 1811, Carlshausen Archives. (63) Buderus to the elector, Carlshausen, Sept. 21, 1811, Carlshausen Archives. (64) Buderus to the elector, Carlshausen, Sept. 21, 1811. Carlshausen Archives. (65) Buderus to the elector, Carlshausen, Sept. 25, 1811, Carlshausen Archives. (66) Buderus to the elector, Hanau, Feb. 24, 1812, Carlshausen Archives. (67) The elector to Buderus, May 24, i8i'2. Carlshausen Archives. (68) An extract is published in translation in Les Rothschild, p. 132 and following pages. (69) Les Rothschild, p. 135. (70) Bacher to Savary, Feb. 17, 1812. Les Rothschild, p. 144. (71) Les Rothschild, p. 153. (72) Israel Jacobsohn, Privy Revenue Councilor. Most respectful plea to his Highness, the Prince President of the Confederation of the Rhine, concerning his new settlement and regulation for the protection of the Jews in Frankfort-on-the-Main. Brunswick, 1808. (73) Meyer Amschel Rothschild to a Land Registrar, Frankfort, Jan. 29, 1811. See facsimile in the Frankfort Municipal Library. (74) Dispatch from Weyland to Emperor Francis, Vienna, Oct. 27, 1814. Police Archives. (75) A copy was enclosed in Hugel's report to Metternich. Frankfort, Jan. 22, 1815. State Archives, Vienna. (76) Decree of the Grand Duke Carl Dalberg. Fulda, Oct. 17, 1812. (77) The Will, which is in the Municipal Archives of Frankfort-on-the-Main, is published in Berghoeffer, p. 201 and following pages.

CHAPTER III

(1) In 1834, on the occasion of a dinner to a friend, Nathan spoke about his career in England. This is described in the Memoirs of Sir Thomas Fowell Buxton, Bart., edited by his son Charles Buxton, Esq. (London, 1848), pp. 333 and foll. It has been often quoted and reprinted, but we should bear in mind that an account given by Nathan during a good dinner should not be taken too literally, and that it also had the object of increasing the; prestige of the House of Rothschild. Critically regarded, the account is worthy of consideration. (2) See Demachy and Les Rothschild, p. 168. (3) Mollien to Napoleon, Mar. 26, 1811. See Histoire financiere de la France depuis 1715, Marion (Paris, 1914), IV, p. 358. (4) Marion; see above, p. 358. (5) Wellington to R. H. J. Villiers, Ciomba, May 25, 1809. The Dispatches of Field Marshal the Duke of Wellington During His Various Campaigns, from, 1799 to 1811, IV, p. 374. (6) Wellington to Huskisson, Corticada, July 28, 1809. Wellington'Dispatches, IV, p. 473. (7) Wellington to the Earl of Liverpool, from Sanct Marinca, Mar. 23, 1811. Wellington Dispatches, VII, p. 392. (8) Wellington to Earl Bathurst. Madrid, Aug. 18, 1812. Dispatches, IX, p. 368. (9) In the somewhat boastful dinner conversation in 1834 with

Sir Thomas Buxton, Nathan estimated the value of this gold at £800,000. (10) James Rothschild to Nathan Rothschild, Paris, Apr. 6, 1812, Les Rothschild, p. 183. (11) Report of the Chief of Police in Hamburg of Jan. 24, 1812, Les Rothschild, p. 106. (12) Marshal Davoust, Duke of Auerstadt, to Emperor Napoleon, Hamburg, Feb. 13, 1812, Les Rothschild, p. 108 and following pages. (13) From Hubert the Commissioner of Police in Mainz, to Desmarets in Paris, Mainz Mar. 3, 1812. Les Rothschild, p. 117. (14) Count von Real, dispatch to Paris, Feb. 6, 1812, Les Rothschild, p. 77 and following pages. (15) James Rothschild to Nathan, Mar. 28, 1812, Les Rothschild, p. 181 and following pages. (16) Marion, see former ref., IV, p. 359. (17) The elector to Emperor Francis, July 14, 1813, State Archives, Vienna. (18) Die Judenfrage auf dem Wiener Kongress, Baron (Vienna and Berlin, 1920), p. 32. (19) Herries, Memoirs, p. B6. (20) Buxton, see former ref., p. 343. (21) Metternich, der Staatsmann und der, Mensch, Srbik, I, p. 130. (22) As in 1808, when Metternich was ambassador in Paris, 80,000 francs, and in September, 1813, 43,000 gulden for his personal expenses. These advances were made out of state money, and the emperor's action was to be kept strictly secret. Autograph letters from Emperor Francis, Dec, 1808, and Sept., 1813. Instructions from Count Stadion, Treasury Archives, Vienna. (23) Humboldt to Goethe, Jan. 10, 1797. Goethes Briefwechsel mit den Gebrudern von Humboldt, Bratranek, p. 24 and following pages. (24) Count Ugarte to Count von Metternich, Memorandum dated Sept. 15, 1813, State Archives, Vienna. (25) Baron von Wessenberg to Count von Metternich, London, Oct. 30, 1813, Court Archives, Vienna. (26) Emperor Francis to Count Ugarte, Dec. 12, 1813, Court Archives, Vienna. (27) Count Ugarte to the emperor, Dec. 24, 1813, Count Archives, Vienna. (28) Imperial Order from Freiburg, dated Jan. 11, 1814, Court Archives, Vienna. (29) The elector to Emperor Francis, Cassel, Apr. 14, 1814, State Archives, Vienna. (30) Barbier to Count Ugarte, Frankfort, July 28, 1814, Court Archives, Vienna. (31) Meyer Amschel Rothschild and Sons to Barbier, Frankfort, July 28, 1814, Court Archives, Vienna. (32) Meyer Amschel Rothschild and Sons to Barbier, Frankfort, Aug. I, 1814, Court Archives, Vienna. (33) Barbier to Count Ugarte, July 28, 1814, Court Archives, Vienna. (34) Barbier to Count Ugarte, Frankfort, Aug. 6, 1814, Court Archives, Vienna. (35) Meyer Amschel Rothschild and Sons to Barbier, Frankfort, Aug. 8, 1814, Court Archives, Vienna. (36) Barbier to Ugarte, Frankfort, Aug. 18, 1814, Court Archives, Vienna. (37) Count Ugarte to Barbier, Vienna, Aug. II, 1814, Court Archives, Vienna. (38) Meyer Amschel Rothschild and Sons to Barbier (written by Amschel), Aug. 22, 1814, Court Archives, Vienna. (39) Barbier to Count Ugarte, Aug. 29, 1814, Court Archives, Vienna. (40) Meyer Amschel Rothschild and Sons to Barbier, Frankfort, Aug. 8, 1814, Court Archives, Vienna. (41) Barbier to Ugarte, Aug. 9, 1814, Court Archives, Vienna. (42) Barbier to Ugarte, July 13, 1814, Court Archives, Vienna. (43) Meyer

Amschel Rothschild and Sons to Barbier, July 29, 1814, from Frankfort, Court Archives, Vienna. (44) Count Ugarte to Barbier, Aug. 17, 1814, Treasury Archives, Vienna. (45) Baron von Hugel in Frankfort to Metternich, Jan. IX, 1815, State Archives, Vienna. (46) Ehrenberg; see former ref., p. 65. (47) Histoire des grandes operations financieres, M. Capefigue (Paris, 1858), III, pp. 5 and 49. (48) Herries; see former ref., p. 92 and following pp. (49) Buderus to Lorentz, Cassel, May 13, 1814, Carlshausen Archives. (50) Baron von Hugel to Baron von Stein, Frankfort, Aug. 31, 1814, State Archives, Vienna. (51) Metternich to the attorney, Dr. Buchholz, Vienna, June 9, 1815, State Archives, Vienna. (52) For particulars see Ehrenberg, pp. 68-69. (53) Selbstbiographie und Bildnisse, Grillparzer (Vienna, 1923), p. 143. (54) Ibid., p. 118. (55) Ibid., p. 132. (56) Stadion to Prince Metternich, Vienna, Apr. 22, 1815, State Archives, Vienna. (57) Privy Council office to Count Stadion, May 4, 1815, State Archives, Vienna. (58) See Chapter II. (59) From Neumann, Counselor of Legation in London, to Baron von Hugel at Frankfort, London, May 22, 1815. State Archives, Vienna. (60) See National Biography, Vol. XLIX, p. 307. (61) Neumann to Schwinner, London, May 5, 1815, State Archives, Vienna. (62) Schwinner to Neumann, Frankfort, Nov. 13, 1815, State Archives, Vienna. (63) Limburger to Schwinner, Frankfort, Sept. 2, 1815, State Archives, Vienna. (64) Solomon and Carl Rothschild to Hardenberg, from Paris (undated; from its position in the files, was probably written in the summer of 1815), Prussian Secret State Archives, Berlin. (65) Meyer Amschel Rothschild and Sons to Hardenberg and Metternich, Paris, Aug. 29, 1815, Prussian Secret State Archives, Berlin. (66) Hardenberg to Metternich, Paris, Oct. 12, 1815. Above source. (67) Buol to Metternich, Frankfort, Dec. 5, 1815, State Archives, Vienna. (68) Barbier to Count Stadion, Paris, Nov. 10, 1815, Treasury Archives, Vienna. (69) Barbier to Count Stadion, Paris, Jan. 10, 1816, Treasury Archives, Vienna. (70) Meyer Amschel Rothschild and Gontard to Barbier, Paris, Jan. 6, 1816, Treasury Archives, Vienna. (71) Baron Frimont to the vice-president of the treasury Count von Herberstein, Colmar, Apr. 29, 1816, State Archives, Vienna. (72) Thus three million francs on Jan. 31, 1816. Barbier to Stadion, Jan. 1, 1816, Treasury Archives, Vienna. (73) Herries, see former ref., p. 108. (74) Mr. Herries's memorandum to Lord Liverpool and Vansittart, July 12, 1816. Herries, former ref., p. 247. (75) Mr. Herries's memorandum to Lord Liverpool and Vansittart, July 12, 1816. Herries, former ref., pp. 86-87. (76) Count Stadion to Barbier, Mar. 2, 1816, Treasury Archives, Vienna. (77) Report of the finance minister Count Stadion of July 18, 1816, State Archives, Vienna. (78) Report of the finance minister, Count Stadion of July 30, 1816, State Archives, Vienna. (79) Advice of Baron von Lederer, Aug. 6, 1816, State Archives, Vienna. (80) Note by Count Zichy (known as "Zuputz" among his colleagues) on Baron von Lederer's advice, State Archives, Vienna. (81) Emperor Francis to Metternich, undated, State Archives,

Vienna. (82) Emperor Francis to Ugarte, Vienna, Sept. 25, 1816, Old Gratz Registry, Vienna. (83) Emperor Francis to Ugarte, Vienna, Oct. 21, 1816, Old Gratz Registry, Vienna. (84) Count Stadion to Count Ugarte, Vienna, Sept. 30, 1816, Old Gratz Registry, Vienna. (85) Design for the Rothschild coat-of-arms, Old Gratz. Registry, Vienna. (86) Escutcheon Inspector von Holza. Most Obedient Report, Vienna, Jan. 28, 1817, Old Gratz Registry, Vienna. (87) James Rothschild to Barbier, July 2, 1817, from Paris, Treasury Archives, Vienna. (88) Meyer Amschel Rothschild and Sons and J. Friedrich Gontard and Sons to Barbier, from Paris, July 8, 1817, Treasury Archives, Vienna. It is not my intention, and it is in any case impossible to give a full account of the money transactions of the House of Rothschild; I have given as examples those which helped it to attain its unique position. (89) Barbier to Stadion, July 9, 1817, Treasury Archives, Vienna. (90) Stadion to Barbier, Vienna, Aug. 3, 1817, Treasury Archives, Vienna. (91) Meyer Amschel Rothschild and Sons and J. F. Gontard and Sons to Barbier, Paris, July 8, 1817, Treasury Archives, Vienna. (92) Ehrenberg, see former ref., p. 81. (93) Jordan to Buol, Berlin, Nov. 8, 181/6, Prussian Secret State Archives. (94) Amschel Rothschild to Metternich, Frankfort, November, 1817, State Archives, Vienna. (95) Amschel Rothschild to Stadion, Frankfort, November, 1817, State Archives, Vienna. (96) Carl Rothschild to Count Zichy, Berlin, Nov. 5, 1817, State Archives, Vienna. (97) Count Zichy to Metternich, Berlin, Nov. 23, 1817, State Archives, Vienna.

CHAPTER IV

(1) Les hommes de mon temps, Ignotus (Paris, 1889), p. 289. (2) Amschel Meyer to Hardenberg, Frankfort, Jan. 16, 1818, Prussian Secret State Archives, Berlin. (3) King Frederick William III of Prussia to Prince Hardenberg, Berlin, Nov. 25, 1817, Prussian Secret State Archives, Berlin. (4) Hardenberg's notes on the above. (5) Simon Moritz von Bethmann und seine Vorfahren (Frankfort-on-the-Main, 1898), p. 227. (6) Rother to King Frederick William III, Berlin, Mar. 9, 1830, Prussian Secret State Archives, Berlin. (7) Prince Hardenberg to Rother, Feb. 10, 1818, Prussian Secret State Archives, Berlin. (8) This report of Humboldt has often been printed, as in Ehrenberg, p. 86, and Balla, Die Rothschilds, p. 96. The Prussian loan of 1818 in England is dealt with only shortly here, as Ehrenberg's work, referred to above, deals with the matter exhaustively and admirably. (9) Rother to King Frederick William III, Berlin, Mar. 9, 1830, Prussian Secret State Archives, Berlin. (10) Ehrenberg, see former ref., p. 9. (11) Wilhelm und Caroline von Humboldt in ihren Briefen, 1815-1817, Vol. VI, p. 320. (12) Meyer Amschel Rothschild and Sons to the Elector of Hesse, Frankfort, July 10, 1818, Carlshausen Archives. (13) The Elector of Hesse to Buderus, Cassel, July 26, 1808, Carlshausen Archives. (14) Buderus

to the elector, Hanau, Aug. 4, 1818, Carlshausen Archives, (15) The elector to Buderus, Cassel, Aug. 12, 1818, Carlshausen Archives. (16) Buderus to the elector, Hanau, Aug. 15, 1818. Carlshausen Archives.
(17) Concluding letter, dated Oct. 15, 1818, Carlshausen Archives.
(18) The Elector of Hesse to Buderus, Feb. 6, 1819. Carlshausen Archives. (19) The Elector of Hesse to Carlshausen, Feb. 9, 1819, same source. (20) Meyer Amschel von Rothschild and Sons to Carlshausen, Frankfort, Mar. 10, 1819, Carlshausen Archives. (21) Tagebucher von Friedrick Gentz (Leipzig, 1874), Vol. I, pp. 365 and 430; Vol. II, pp. 27, 37, 39 and following. (22) Gentz, see above, Vol. II, p. 280. (23) Die Judenfrage auf dem Wiener Kongress, Baron (Vienna, 1920), pp. 191 and 192. (24) Meyer Amschel von Rothschild and Sons to Hardenberg, Frankfort, Sept. 11, 1818, Prussian Secret State Archives, Berlin. (25) Geschichte der Freien Stadt Frankfurt a. M., Schwemer (Frankfort, 1910), Vol. II, p. 138. (26) Gentz, see former ref., Vol. II, p. 277. (27) Gentz, Vol. II, p. 280. (28) Briefwechsel zwischen Friedrick Gentz und Adam Heinrich Midler, 1800-1829, Gentz (Stuttgart, 1857), p. 267. (29) Briefwechsel Gentz an Midler, as above, p. 267, Munich, Dec. 12, 1818. (30) Baron von Handel to Prince Metternich, Darmstadt, Dec. 12,
1818, State Archives, Vienna. (31) Will of Carl Frederick Buderus von Carlshausen, Hanau, Aug. 2, 1818, Carlshausen Archives. (32) Police report from Frankfort, dated June 19, 1819, Police Archives, Vienna. (33) A reference to the raising of the family to the nobility. (34) Deutscke Geschichte int 19. Jahrkundert, Heinrich von Treitschke (Leigzig, 1897), Vol. III, p. 756. (35) A derisive cry dating from the medieval hatred of the Jews. The term appears to have been derived from the sound which a goat makes, having reference to the traditional appearance of the Jews, with their goatee beards. (36) Le Monnier, secretary of the legation, to the president of the police Count Sedlnitzky, Frankfort, Aug. 6, 1819, Police Archives, Vienna. (37) Himly to the Frankfort Senate, Aug. 11, 1819, Prussian Secret State Archives, Berlin. (38) Burgomasters Metzler and Usemer to Himly, Aug. 11, 1819, Prussian Secret State Archives, Berlin. (39) Extract from a letter from James Meyer von Rothschild to David. Parish, in Carlsbad, Paris, Aug. 18, 1819, State Archives, Vienna. (40) Baron von Handel to Metternich, Frankfort, Sept. 3, 1819, State Archives, Vienna. (41) The Treasury to the Commercial Department, Sept. 16, 1819, State Archives, Vienna. (42) Ritter von Stahl to Count Stadion, Vienna, Sept. 27, 1819, State Archives, Vienna. (43) Count Stadion to Count Saurau, Vienna, Sept. 26, 1819, State Archives, Vienna. (44) Count Saurau to Ritter von Stahl, Vienna, Sept. 29,
1819, State Archives, Vienna. (45) Police Report of Le Monnier, from Frankfort, Oct. 8, 1819, Police Archives, Vienna. (46) Barbier to Count Saurau, Paris, Oct. 8, 1819, Treasury Archives, Vienna. (47) Barbier to Stadion, Paris, Sept. 23, 1819, Treasury Archives, Vienna. (48) Meyer Amschel Rothschild and Sons to Count Stadion, Dec. 20, 1819, Treasury Archives, Vienna. (49) See "Kaiser Franz

und Metternich;" ein nachgelassenes Fragment, Hormayr (Leipzig, 1848). (50) Tagebucher des Karl Friedrich Freiherrn Kubeck von Kubau (Vienna, 1909), Vol. I, Part 2, p. 319. (51) Simon Moritz von Bethmann, see former ref. (52) Handel to Metternich, Feb. 19, 1820, State Archives, Vienna. (53) Handel to Metternich, Frankfort, Nov. 28, 1819, State Archives, Vienna. (54) Le Monnier to the director of the Secret Service Dept., Vienna, Frankfort, Feb. 22, 1821, State Archives, Vienna. (55) Schwemer, see former ref., II, p. 33. (56) Stahl to Metternich, Vienna, Apr. 4, 1820, Archives of the Ministry of the Interior. (57) Metternich to Esterhazy, May 31, 1820, State Archives, Vienna. (58) The chancellor to Stahl, Vienna, May 27, 1820, State Archives, Vienna. (59) See Handel to Metternich, in the files of the period between the 6th and the 11th Nov., 1819, State Archives, Vienna. (60) Police Report dated May I, 1820. Police Archives, Vienna. (61) See story by Siegfried Loewy, "Hotel Rothschild," in the Neues Wiener Journal of Apr. 29, 1927. (62) Metternich to Barbier, Vienna, Oct. 6, 1820, Treasury Archives, Vienna. (63) Private letter from Barbier to Buol, Paris, July II, 1820, Treasury Archives, Vienna. (64) Memorandum on the discussion between Tsar Alexander and Metternich of Jan. 13, 1821, State Archives, Vienna. (65) Private letter from Count Stadion to Metternich, Jan. 29, 1821, State Archives, Vienna. (66) Solomon Rothschild to Count Nesselrode, Vienna, Jan. 29, 1821, State Archives, Vienna. (67) Stadion to Metternich, Feb. 18, 1821, State Archives, Vienna. (68) Solomon Rothschild to Metternich, Vienna, Feb. 3, 1821, State Archives, Vienna. (69) Stadion to Metternich, Feb. 18, 1821, State Archives, Vienna. (70) Stadion to Metternich, Vienna, Feb. 15, 1821, State Archives, Vienna. (71) Stadion to Metternich, Feb. 20, 1821', State Archives, Vienna. (72) Stadion to Metternich, Vienna, Mar. 2, 1821, State Archives, Vienna. (73) Stadion to Metternich, Vienna, Mar. 6, 1821, State Archives, Vienna. (74) Count Sedlnitzky to Metternich, Vienna, Mar. 3, 1821, State Archives, Vienna. (75) Count Stadion to Metternich, Vienna, Mar. 8, 1821, State Archives, Vienna. (76) Stadion to Metternich, a few days after Mar. 8, 1821, no nearer date being given, State Archives, Vienna. (77) Metternich to Field Marshal Count Bubna, Laibach, Mar. 10, 1821, State Archives, Vienna. (78) Carl Rothschild to Metternich, Laibach, Mar. 13, 1821, State Archives, Vienna. (79) Count Ficquelmont to Metternich, Rome, Mar. 13, 1821, State Archives, Vienna. (80) Tagebucher von Friedrich von Gentz, see former ref., Vol. II, p. 297. (81) Stadion to Metternich, Vienna, Mar. 22, 1821, State Archives, Vienna. (82) Stadion to Metternich, second letter of Mar. 22, 1821, State Archives, Vienna. (83) Metternich to Baron Vincent, Austrian Ambassador in Florence, Mar. 19, 1821, State Archives, Vienna. (84) Metternich to Baron Vincent, Laibach, Jan. 1, 1821, State Archives, Vienna. (85) Metternich to Baron Vincent, Laibach, Mar. 22, 1821, State Archives, Vienna. (86) Vincent to Metternich, Florence, Apr. 2, 1821, State Archives, Vienna. (87) Vincent to

Metternich, Florence, Apr. 5, 1821, State Archives, Vienna. (88) Vincent to Metternich, Florence, Apr. 5 and 8, 1821, State Archives, Vienna. (89) Vincent to Metternich, Florence, Apr. 8, 1821, State Archives, Vienna. (90) Carl Rothschild's offer of a loan to the Neapolitan Government, Apr. 19, 1821, State Archives, Vienna. (91) Count Ficquelmont to Metternich, Naples, Apr. 19, 1821, State Archives, Vienna. (92) Count Ficquelmont to Metternich, Naples, Apr. 19, 1821, State Archives, Vienna. (93) Carl Rothschild to Metternich, Naples, Apr. 28, 1821, State Archives, Vienna. (94) Losch, see former ref., p. 368. (95) President of the Commercial Department Ritter von Stahl to Emperor Francis, Vienna, Mar. 4, 1821, State Archives, Vienna. (96) Count Stadion to Emperor Francis, Mar. 6, 1821, State Archives, Vienna. (97) Baron von Lederer's note on Stadion's report, Apr. 14, 1821, State Archives, Vienna. (98) Count Stadion to Emperor Francis, Vienna, Apr. 11, 1821, State Archives, Vienna. (99) Histoire des grandes operations financieres, M. Capefigue (Paris, 1858), Vol. III, p. 103. (100) Ritter von Stahl to Count Stadion, Vienna, Apr. 23, 1821, State Archives, Vienna. (101) Metternich to Ritter von Stahl, Vienna, July 10, 1821. (102) Metternich to Ficquelmont, July 4, 1821, State Archives, Vienna. (103) Project for Naples Convention, Aug. 4, 1821, State Archives, Vienna. (104) Metternich to Count Ficquelmont, Vienna, July 21, 1821, State Archives, Vienna. (105) Carl Meyer Rothschild to Ficquelmont, Naples, Sept. 10, 1821, State Archives, Vienna. (106) Marquis dAndrea, Finance Minister, to Ficquelmont, Naples, Sept. 5, 1821. (107) Marquis d'Andrea to Carl Rothschild, Naples, Oct. 27, 1821, copy in the State Archives, Vienna. (108) Carl Rothschild to Ficquelmont, Naples, Nov. 17, 1821', State Archives, Vienna. (109) Marquis dAndrea to Carl Rothschild, Naples, Jan. 31, 1822, State Archives, Vienna, (no) Schwemer, see former ref., Vol. II, p. 138 and following pp. (III) Schwemer, Aug. 30, 1820, see former ref., II, p. 149. (112) Deed of Surety with respect to Barbara's obligations, Archives of the Ministry of the Interior, Vienna, (113) Amschel Meyer Rothschild to Metternich, Frankfort, Nov. 3, 1821, State Archives, Vienna. (114) From the publishing firm of J. G. Cotta, of Stuttgart, which kindly put its archives at the author's disposal. (115) Die Allgemeine Zeitung, 1798-1898, Heyck (Munich, 1898), p. 252 and following pp. (116) See Gentz's Diary for June 7, 1821. Gentz, former ref., Vol. II, p. 431. (117) The same, Vol. II, p. 432. (118) The same, Vol. II, p. 438. (119) The same, Vol. II, p. 439. (120) For several years Gentz had written political letters to the Princes of Moldavia and Wallachia, for pay. (121) Gentz's Diary for Dec. 22, 1821. See former ref., Vol. II, p. 484. (122) Abstract of the Cash Payments of the Neapolitan State Treasury for the Royal Imperial Treasury, Appendix to Report of Ficquelmont to Metternich, Naples, Dec. 5, 1824, Vienna, State Archives. (123) Count Mentz to Metternich, Naples, Feb. 16, 1824, State Archives, Vienna. (124) Count Ficquelmont to Metternich, Naples, Dec. 5, 1824, State Archives,

Vienna. (125) Stadion's memorandum to the emperor and Metternich, January, 1822, State Archives, Vienna. (126) Brthmann, sec former ref., p. 228. (127) Memorandum by Pillersdorff, Vienna, Apr. 12, 1822, Treasury Archives, Vienna. (128) Meyer Amschel Rothschild and Sons to Pillersdorff, Vienna, Apr. 12, 1822, Treasury Archives Vienna. (129) Meyer Amschel Rothschild and Sons and Parish to Pillersdorff, Vienna, Apr. 12, 1822, Treasury Archives, Vienna. (130) Gentz's Diaries, see former ref., Vol. III, p. 34.

CHAPTER V

(1) Solomon Rothschild to Metternich, Verona, Oct. 22, 1822, Slate Archives, Vienna. (2) Gentz's Diaries, see former ref., Vol. III, p. 97. (3) Briefe von Friedrich von Gentz an Pilot (Leipzig, 1868), Vol. II, p. 105. (4) An anonymous correspondent to Montmorency, Paris, Nov. 12, 1822, State Archives, Vienna. (5) Memoires et Correspondences du Comte de Villele (Paris, 1888), Villele to Montmorency, Feb. 18, 1822, Vol. III, p. 219. (6) Meyer Amschel Rothschild and Sons to the Chancellor's Office at Vienna, Vienna, Jan. 22, 1823, State Archives, Vienna. (7) Nathan Rothschild to the Commercial Commission, London, Sept. 3, 1822, State Archives, Vienna. (8) Bertran de Lis to the brothers Rothschild in Paris, Madrid, Feb. 20, 1823, copy in the State Archives, Vienna. Underneath is written in a different handwriting the words: "We beg that these lines may be kept secret, as we should not like them to be seen in the papers." (9) Bertran de Lis to the brothers Rothschild, via H. Belin in Bayonne, copy from the State Archives, Vienna. (10) Gentz's Diaries, see former ref., Vol. III, p. 155. (11) Villele to the Duke of Angouleme, Paris, May 11, 1823. See Memoires et correspondences, Villele, Vol. III, p. 366 and following pp. (12) Villele, see above, Vol. IV, p. 90.
(13) Villele, see above, Vol. IV, p. 51. Letter dated June 26, 1823.
(14) Villele, see former ref., Vol. III, p. 335. Letter dated May 30, 1823. (15) Villele, see former ref., Vol. IV, p. 212. Letter from Villele to Angouleme, July 10, 1823. (16) Villele, see former ref., Vol. IV, p. 228. Letter from Villele to Angouleme, July 11, 1823. (17) Villele; see former ref., Vol. IV, p. 244, Villele to Angouleme, July 19, 1823. (18) Villele, see former ref., Vol. IV, p. 276, Villele to Angouleme, July 31, 1823. (19) Francis Baring, John, Irving, and James Rothschild to Villele, one letter undated, and another dated Dec. 28, 1823. (20) Villele to Baring, Irving, and Rothschild, Paris, Dec. 25, 1823, copy in the State Archives, Vienna. (21) Gentz's Diaries, see former ref., Vol. III, p. 39. (22) Miinch-Bellinghausen to Metternich, Frankfort, Mar. 15, 1823, State Archives, Vienna. (23) Schwemer, see former ref., Vol. II, p. 157. (24) Schwemer, see former ref., Vol. II, p. 161. (25) Protocol dated Apr. 13, 1822, State Archives, Vienna. (26) Rescript of Emperor Francis, dated May 22, 1822, State Archives, Vienna. (27) Report from Stadion, dated Apr.

29, 1823, State Archives, Vienna. (28) Osterreichische Staatsvertrage, Alfred Francis Pribram (Vienna, 1913), p. 454 and following pp. (29) The same, p. 558. (30) Solomon to Nathan, undated, 1823, State Archives, Vienna. (31) Baring, Rothschild and Irving to Stadion, Oct. 15, 1823, State Archives, Vienna. (32) Solomon Rothschild to Metternich, Vienna, Oct. 31, 1823, State Archives, Vienna. (33) Count Zichy's Memorandum, Jan. 28, 1824, State Archives, Vienna. (34) Written in the Emperor Francis's hand, dated Feb. 18, 1824, State Archives, Vienna. (35) Pribram, see former ref., p. 573. From Neumann's report from London, dated Apr. 9, 1824. (36) Anton Schnapper to Emperor Francis, July 7, 1823, State Archives, Vienna. (37) Anton Schnapper to Solomon Rothschild, Vienna, Nov. 9, 1823, State Archives, Vienna. (38) Solomon Rothschild to Metternich, Vienna, Nov. 11, 1823, State Archives, Vienna. (39) Report of the finance minister, Count Stadion, dated Feb. 20, 1824, State Archives, Vienna. (40) Villele to James Rothschild in Paris, undated copy in the Vienna State Archives for 1824. (41) Nathan to James, London, Mar. 6, 1824, copy in State Archives, Vienna. (42) Vincent to Metternich, Paris, Mar. 25, 1824. Information supplied by Count Senft. State Archives, Vienna. (43) Onward, Memoires de, sur sa vie et ses diverses operations financieres (Paris, 1826), Vol. III, p. 289. See Ehrenberg, former ref., pp. no and III. (44) Briefe von und an Friedrich von Gentz (Berlin, 1909), Vol. II, Part II, p. 206. (45) Ficquelmont to Prince Metternich, Naples, Apr. 21, 1824, State Archives, Vienna. (46) Ficquelmont to Metternich, Naples, Aug. 17, 1824, State Archives, Vienna. (47) Ficquelmont to Metternich, Naples, July 19, 1824, State Archives, Vienna. (48) Postmaster Berger, from Milan, Mar. 24, 1825, Police Archives, Vienna. (49) Instructions to the Chief of Police in Milan, dated July 13, 1825, Police Archives, Vienna. (50) Kaiser Franz und Metternich, Hormayr (Leipzig, 1848), p. 80. (50a) A reference to the money for building fortresses which had been entrusted to Rothschild. See Chapter IV. (51) The Migration of British Capital to 1875, Leland Hamilton Jenks (New York-London, 1927). (52) Nathan Rothschild to Prince Metternich, London, Apr. 16, 1825, State Archives, Vienna. (53) Aus Metternichs nachgelassenen Papieren, Richard, Prince Metternich (Vienna, 1880), Vol. IV, p. 174. Private letter from Metternich to Gentz, dated June 30, 1825. (54) Vincent to Metternich, Paris, May 5, 1825, State Archives, Vienna. (55) Vincent to Metternich, Paris, June 8, 1825, State Archives, Vienna. (56) Vincent to Metternich, Paris, June 9, 1825. Lettre particuliere. State Archives, Vienna. (57) Metternich, see former ref., Vol. IV, p. 174. Private letter from Metternich to Gentz, June 30, 1825. (58) Solomon Rothschild to Metternich, Paris, June 18, 1825, State Archives, Vienna. (59) Metternich, see former ref., p. 474. (60) Vincent to Metternich, Paris, Aug. 14, 1825, State Archives, Vienna. (61) Communication from Scharding, Commissioner of Frontier Police, Linz, July 5, 1825, Police Archives, Vienna.

(62) Solomon Rothschild to Metternich, Paris, June 18, 1825, State Archives, Vienna. (63) Marmont to Metternich, May 20, 1825. Same source. (64) Metternich to Rothschild, Milan, June 28, 1825. (65) Marmont to Metternich, Paris, Nov. 6, 1825, State Archives, Vienna. (66) Solomon Rothschild to Metternich, Vienna, Apr. 30, 1827, State Archives, Vienna. (67) Vincent to Metternich, Paris. Aug. 26, 1825, State Archives, Vienna. (68) Vincent to Metternich, Paris, Sept. 14, 1825, State Archives, Vienna. (69) Carl Rothschild to Louis Philippe of Bombelles, Paris, Sept. 12, 1825, State Archives, Vienna. (70) Count Villeneuve to Metternich, through the medium of James Rothschild, Paris, Oct. 20, 1825, State Archives, Vienna. (71) Jablonovski's Statement, Mar., 1827, Treasury Archives, Vienna. (72) Barbier to Stadion, Paris, June 16, 1819, Treasury Archives, Vienna. (73) Meyer Amschei Rothschild and Sons and J. F. Gontard and Sons to Baron Barbier, Paris, June 16, 1819, Treasury Archives, Vienna. (74) Jablonovski's report of June 20, 1819, Treasury Archives, Vienna. (75) Vienna, Sept. 30, 1827, Treasury Archives, Vienna. (76) A total of 300,485 florins. (77) Amschel (Anselm) Meyer von Rothschild to Metternich, Frankfort, Mar. 20, 1826, State Archives, Vienna. (78) Ehrenberg, see former ref., p. 117. (79) Gentz's Diaries, see former ref., Vol. III, pp. 231 and 247. (80) Allgemeine deutsche Realenzyklopadie fur die gebildeten Stande, F. A. Brockhaus (Leipzig, 1826), Vol. IX, article on Rothschild. (81) Letters between Gentz and Miiller, see former ref., p. 406. (82) Gentz's Diaries, see former ref., Vol. IV, p. 61. (83) Gentz's Diaries, see former ref., Vol. IV, p. 164. (84) "Biographische Nachrichten fiber das Haus Rothschild," printed in Schlesier's Ungedruckte Denkschriften, Tagebucher und Briefe von Gentz (Mannheim, 1840).

CHAPTER VI

(1) Ficquelmont to Metternich, Nov. 21, 1822, State Archives, Vienna. (2) Ficquelmont to Metternich, Aug. 17, 1824, State Archives, Vienna. (3) Ficquelmont to the general-commander Count Frimont, Naples, Sept. 27, 1824, State Archives, Vienna. (4) Count Apponyi to Metternich, Naples, Feb. 22, 1825, State Archives, Vienna. (5) Baron von Koller to Nadasdy, Naples, Sept. 20, 1825, State Archives, Vienna. (6) Koller to Nadasdy, Naples, Dec. 10, 1825, State Archives, Vienna. (7) De' Medici to Carl Rothschild, Naples, May 30, 1826, State Archives, Vienna, (8) See the author's biography of Leopold I of Belgium (Vienna, London, and Brussels). (9) Carl Rothschild to Count Louis Philippe of Bombelles, Naples, Jan. 20, 1827, State Archives, Vienna. (10) Solomon Rothschild to Metternich, Vienna, Jan. 21, 1827, State Archives, Vienna, (n) Metternich's note on a report of Ficquelmont's dated Feb. 20, 1827, State Archives, Vienna. (12) Memorandum by the Neapolitan Embassy in Vienna, Aug. 11, 1827, State Archives, Vienna. (13) The dates of the births

of the Montenuoro children have been obtained from a letter of Empress Marie Louise to Metternich, dated Mar. 17, 1829 (State Archives, Vienna) in which, to use her own expression, she "confesses" these dates to the prince. Hitherto she had pretended, even to her own father, Emperor Francis, that the Montenuovo children had not been born until after Napoleon's death, and after her marriage with Neipperg. In Gotha (1914), however, William Montenuovo's birthday is wrongly given as August 9, 1821. (14) Neipperg to Metternich, Parma, Dec. 16, 1825, State Archives, Vienna. (15) See statement in the imperial family papers, State Archives, Vienna. (16) Count Neipperg to Metternich, Parma, Dec. 16, 1825. (17) Memorandum from Neipperg dated Dec. 16, 1825, State Archives, Vienna.
(18) Metternich to Neipperg, Jan. 14, 1826, State Archives, Vienna.
(19) Memorandum from Neipperg, dated June 26, 1826, State Archives, Vienna. (20) Metternich to Solomon Rothschild, Johannisberg, Aug. 28, 1826, State Archives, Vienna. (21) Solomon Rothschild to Metternich, Paris, Nov. 1, 1826, State Archives, Vienna. (22) Enclosure in letter from Solomon to Metternich, dated Sept. 1, 1826, State Archives, Vienna. (23) Solomon Rothschild to Metternich, Vienna, Nov. 27, 1826, State Archives, Vienna. (24) Marie Louise to Emperor Francis, Parma, Jan. 13, 1827, State Archives, Vienna. (25) Remarks on the projected loan to her Highness the Duchess of Parma, signed by Solomon Rothschild, Vienna, Jan. 31', 1827, State Archives, Vienna. (26) Agreement dated Feb. 4, 1827, signed by Metternich, Werklein, Solomon Rothschild, and Mirabaud and Co. (27) Metternich to Neipperg, Vienna, Feb. 4, 1827, State Archives, Vienna. (28) Metternich to Marie Louise, Feb. 4, 1827, State Archives, Vienna. (29) A capital sum, therefore, of six million francs. (30) Marie Louise to Emperor Francis, June 7, 1827, State Archives, Vienna. (31) Solomon Rothschild to Metternich, Vienna, Mar. 2, 1827, State Archives, Vienna. (32) Metternich to Count Neipperg, Vienna, Mar. 6, 1827, State Archives, Vienna. (33) Werklein in Lucca, to Count Neipperg, May 13, 1827, State Archives, Vienna. (34) Metternich to Marie Louise, Vienna, June 3, 1827, State Archives, Vienna. (35) Metternich to Neipperg, Vienna, Apr. 18, 1827, State Archives, Vienna. (36) Wertheimstein. (37) This word is difficult to decipher in the original. Author's note. (38) Metternich subsequently denied the permanent validity of his decision. (39) Solomon Rothschild to Werklein, undated, State Archives, Vienna. (40) Metternich to Neipperg, Vienna, June 3, 1827, State Archives, Vienna. (41) Decree, beginning "Noi Maria Luigia," etc., Parma, June 18, 1826, original in the State Archives, Vienna. (42) Marie Louise to Emperor Francis, June 17, 1827, State Archives, Vienna. (43) Metternich to Marie Louise, Vienna, May 3, 1827, State Archives, Vienna. (44) Marie Louise to Metternich, June 17, 1827, State Archives, Vienna. (45) Neipperg to Metternich, Parma, June 17, 1827, State Archives, Vienna. (46) Memorandum by Solomon Rothschild, Vienna, June 30, 1827,
State Archives, Vienna. (47) Marie Louise's dowry dispositions,

Casino dei Boschi, July 9, 1827. (48) Solomon Rothschild to Werklein, Vienna, Feb. 2, 1828, State Archives, Vienna. (49) Deed of gift, dated Jan. 1, 1829, State Archives, Vienna. (50) Goethe to Chancellor von Muller, Sept. 23, 1823. (51) Goethe to Eckermann, Oct. 20, 1828. (52) Eckermann, Apr. 11, 1829. (53) Eckermann, Mar. 14, 1832. (54) My efforts to discover dates of possible relations between Goethe and the Rothschilds yielded poor results. The keeper of the Goethe and Schiller archives at Weimar informed me that there were no letters or other documents that mentioned any connections between Goethe and the House of Rothschild. Tewele's Goethe und die Juden, as well as Bab's essay under the same title, mention only the passages which I have quoted. Dr. Max Maurenbrecher's Goethe und die Juden (Munich, 1921) introduces further material bearing on the poet's general attitude toward the Jews, but fails to furnish any other dates relative to the problem of Goethe and the Rothschild family. (55) By the marriage between Metternich and Eleonore Kaunitz; like his brothers and sister he died prematurely at Naples in 1829. (56) Prince Esterhazy to Metternich, London, Apr. 24, 1829, State Archives, Vienna. (57) See for instance the Morning Chronicle of Aug. 28, 1827. (58) Extract from a German-Hebraic communication from Nathan Rothschild to Carl, London, Jan. iy, 1828, Police Archives, Vienna. (59) Srbik's Metternich, see former ref., Vol. I, p. 628. (60) Aus dem Nachlasse Friedrichs von Gentz (Vienna, 1867), Vol. I, p. 9. The letters cover the period from October, 1828, to December, 1831. (61) Wertheimstein to Rothschild in Paris, from the Hebrew, Vienna, Aug. 13, 1829, Police Archives, Vienna. (62) Extract from a letter from Nathan to Solomon, Oct. 12, 1829, State Archives, Vienna. (63) Russian Ambassador in London. (64) Rother to von Motz., Apr. 14, 1829, Prussian Secret State Archives. (65) Rother to Frederick William III, Berlin, Mar. 9, 1830, Prussian Secret State Archives. (66) Rother to the privy councilor Count von Lottum, and to Motz, Jan. 9, 1830, Prussian Secret State Archives, Berlin. (67) Benecke to Count von Lottum, Rome, Jan. 14, 1830, Prussian Secret State Archives, Berlin. (68) Rother to the king, Berlin, Mar. 9, 1830. Prussian Secret State Archives, Berlin. (69) King Frederick William III to Rother, Mar. 17, 1830, Prussian Secret State Archives, Berlin, (70) The four Houses were Arnstein and Eskeles, Geymuller and Co., S. G. Sina, and M. A. Rothschild and Sons. (71) Count Kolowrat to Emperor Francis, Feb. 18, 1830, State Archives, Vienna. (72) Rothschild to Metternich, Vienna, Feb. 17, 1830, State Archives, Vienna. (73) Historie des grandes operations financieres, Capefigue (Paris, 1858), Vol. III, p. 158. (74) Solomon Rothschild to Count Nadasdy, Mainz, June 14, 1830, State Archives, Vienna. (75) Memorandum from the Frankfort branch of the House of Rothschild, June, 1830, State Archives, Vienna. (76) Nadasdy to Kolowrat. Memorandum dated Aug. 5, 1830, State Archives, Vienna. (77) La revolution de juillet en 1830 et l'Europe, Guichen (Paris, 1907). (78) Apponyi to Metternich, June 2, 1830, State Archives, Vienna. (79)

Solomon Rothschild to Prince Metternich, Paris, June 19, 1830, State Archives, Vienna. (80) Capefigue; see former ref., Vol. III, p. 312. (81) Memoires de la Princesse de Boigne, Charles Nicoullaud (Paris, 1908), Vol. III, p. 312. (82) Talleyrand to Mme. Adelaide, London, Oct. 15, 1830, Memoires du Prince Talleyrand (Paris, 1892), Vol. III, p. 456. (83) British ambassador in Paris. (84) Solomon Rothschild to Metternich, Paris, July 30, 1830. Because the letter might have fallen into the hands of the revolutionaries, it lacks the usual formal beginning and ending. State Archives, Vienna. (85) Probably Wertheimstein. Report from Solomon in Paris, dated July 31, 1830, State Archives, Vienna. (86) State Archives, Vienna. (87) Briefe von Friedrich von Gentz an Pilat (Leipzig, 1868), Vol. II, p. 288. (88) Apponyi to Metternich, Paris, Aug. 16, 1830, State Archives, Vienna. (89) Solomon Rothschild to a friend, Paris, September, 1830, State Archives, Vienna. (90) Minister of foreign affairs in Louis Philippe's new ministry. (91) Solomon Rothschild "to a friend," Paris, September, 1830, State Archives, Vienna. (92) Solomon Rothschild to a friend (in this case possibly Gentz), Paris, Sept. 9, 1830, State Archives, Vienna. (93) James to Solomon, Paris, Nov. 24, 1830, State Archives, Vienna. (94) British ambassador in Paris. (95) James to Solomon, Paris, Nov. 27, 1830, State Archives, Vienna. (96) France's new finance minister. (97) Also from a communication from Solomon to Baron von Kubeck. See Tagebucher des Karl Friedrich Freiherrn Kubeck von Kiibau (Vienna, 1909), Vol. I, Part II, p. 302. (98) Solomon to James, Vienna, Dec. 3, 1830, State Archives, Vienna. (99) Duke of Broglie, in the first Ministry of Aug. 11, 1830, when Mole was minister for foreign affairs. (100) Estimate of Rother in a report to King Frederick William III, based on a letter from Rothschild, Mar. 30, 1831, Prussian Secret State Archives, Berlin. (101) Extract from Rothschild's Paris letters dated Dec. 10 and 14, 1830, which Solomon handed to Metternich on Dec. 22, 1830, "for his gracious perusal," waiting upon Metternich personally later. State Archives, Vienna. (102) The intention was to take legal proceedings against Polignac, as being the originator of the ordinances, and against several of his fellow ministers.

BIOGRAPHICAL NOTES

on the principal persons mentioned

Bethmann, Simon Moritz von: Born 1768. Head of the Frankfort banking firm. Ennobled by Emperor Francis. Appointed consul-general and counselor by the Tsar. A patron of science and the arts. On his march through Frankfort, Napoleon I stopped at the Villa Bethmann in 1813. Died 1826.

Buderus von Carlshausen, Carl Friedrick: Born 1759. Son of a schoolmaster. Became principal revenue officer of Hesse and soon afterwards administrator oi William of Hesse's estates, and his financial adviser. Later he became president of the Hessian Treasury at Hanau, minister plenipotentiary and envoy extraordinary to the German Diet at Frankfort, and to the grand-ducal court at Darmstadt, as well as electoral privy councilor. Died 1819.

Dalberg, Karl Theodor, Baron von: Born 1744. Last Elector of Mainz, and electoral high chancellor. In 1806 he was the presiding prince of the Confederation oi the Rhine, bis residence being at Frankfort. In 1810 made Grand Duke of Frankfort. The fall of Napoleon brought about the end of bis rule. Died at Regensberg, 1817.

Gentz Friedrich von: Born 1764 in Breslau. Was first in the Prussian, and later in the Austrian service. Was a publicist and secretary to Metternich. Was councilor in the chancellor's office, and became his most trusted adviser. Died at Vienna, 1832.

Hardenberg, Karl August, Prince von: Born 1750. Prussian statesman. Minister of Foreign Affairs, 1803, 1806 and during part of 1807. Appointed chancellor and head of the government after Stein's retirement in 1810. Died at Genoa, 1822.

Herries, John Charles: Born 1778. Private secretary to Vansittart, Chancellor of the Exchequer. Commissary-in-chief for financing the British and Allied forces on the Continent from Oct. 1, 1811, to Oct. 24, 1816. Appointed chancellor of the exchequer in 1827, but had to retire shortly afterwards.

Louis Philippe of Orleans, King of France: Born 1773. Joined the National Guard on the outbreak of the revolution, and served in the Republican army until 1793. After his father's execution he emigrated to Switzerland, and during the Napoleonic period he lived in America, England, Sicily, and Spain, not returning to France until the restoration of the elder line of the Bourbons. Having been placed on the throne after the July Revolution of

1830, he ruled until the February Revolution of 1848, and then went to England, where he died in 1850.

Marie Louise: Born 1791. Eldest daughter of Emperor Francis, Married Napoleon 1810, and bore him a son I'8II, the King of Rome, afterwards Duke of Reichstadt. Left her husband on his abdication. Assumed the government of Parma, Piacenza, and Guastalla in 1816. After Napoleon's death, in 1822 married Count Neipperg morganatically, and after his death, Count Bombelles. Died 1847 at Vienna.

Marmont, Auguste Frederic de, Duke of Ragusa, Marshal of France: Born 1774. Regarded as an exceptionally fine general by Napoleon. Appointed administrator of the Illyrian Provinces. One of the first to desert Napoleon in 1814 and submit to the Bourbons. Commanded the household troops of King Louis XVIII and Charles X, but failed to suppress the revolution in 1830. Left Paris and accompanied Charles X abroad. Died at Venice, 1852.

Metternick, Clemens Lothar, Prince von: Born 1773. Married Princess Marie Eleonore Kaunitz in 1795. In Austrian diplomatic service until 1809. Appointed minister of foreign affairs October 8, 1809. Chancellor and secretary of state 1821. Appointed president of ministerial conference for internal affairs 1826. Fled from Austria on account of the revolution in 1848. Did not return to Vienna until 1851. Died there 1859. Metternich's second wife was Baroness von Leykam. Third wife (1831) Melanie, Countess Zichy-Ferraris.

Neipperg, Adam Adalbert, Count von: Born 1775. General in the Austrian service. Concluded an alliance with Murat at Naples in 1814. Intervened again in the military affairs of that town in 1815. Became majordomo to Marie Louise in Parma, and her morganatic husband in 1822. Died Feb. 22, 1829 at Parma.

Parish, David, Baron von Senftenberg: Son of a Hamburg banker. Set up on his own, and later became a partner of the Vienna banking firm Fries and Co., in whose fall he was involved. Committed suicide at Vienna in April, 1826.

Rother, Christian von: Born 1778. Prussian Treasury official. Principal accountant to Hardenberg, who entrusted him with most important business. Director of the merchant service 1819. Reorganized the financial department 1820. Minister of state 1836. Died 1849.

Rothschild, Meyer Amschel: Born at Frankfort-on-the-Main 1743. Founder of the firm. Married Gutli Schnapper on Aug. 29, 1770. Died at Frankfort 1812.

Rothschild, Amschel Meyer: Eldest son of the above. Born June 12, 1773. Married Eva Hanau Nov. 16, 1796. Head of the Frankfort Bank. Died Dec. 6, 1855.

Rothschild, Salomon Meyer: Eldest son of the above. Born Sept. 9, 1774. Married Caroline Stern Nov. 26, 1800. Head of the Vienna Bank. Died July 27, 1855.

Rothschild, Nathan Meyer: Brother of the above. Born Sept. 16, 1777. Married Oct. 22, 1806, Hannah Barent Cohen. Head of the London Bank. Died July 28, 1836.

Rothschild, Carl Meyer: Brother of the above. Born Apr. 24, 1788. Married Adelheid Hertz Sept. 16, 1818. Head of the Naples Bank. Died Mar. 10, 1855.

Rothschild, James Meyer: Brother of the above. Born May 15, 1792. Married daughter of Salomon Rothschild on July 11, 1824. Head of the Paris Bank. Died Nov. 15, 1868.

Stadion, Johann Philipp, Count von: Born 1763. Entered Austrian diplomatic service. Minister of foreign affairs 1805-1809. After 1812, sometimes employed diplomatically and was appointed president of the treasury and finance minister. Died at Baden, near Vienna, 1824.

Villele, Joseph, Count: Born 1773. French statesman. Member of the Chamber from 1815, and leader of the royalist ultras. Finance minister 1821. Prime minister 1822 to 1828. Died 1854.

Wellington, Arthur Wellesley, Duke of, Prime of Waterloo: Born 1769. Fought in East Indies and Denmark. Commanded British Expedition to Portugal 1808. Commander-in-chief against the French in Spain and Portugal until Napoleon's fall in 1814. Won the battle of Waterloo June 18, 181 S. Took part in politics and represented England at Aix-la-Chapelle in 1818, and at the Congress of Verona in 1822. Commander-in-chief of the British forces on land in 1827. Member of the House of Lords. Tory. Prime minister 1828. After the July Revolution resigned, on William IV coming to the throne in November, 1830. Secretary of state for foreign affairs 1834-1835, under Peel. Died 1852 at Dover.

Wilhelm von Hesse: Born 1713. Ruled as Landgrave Wilhelm IX from 1785-1803, then as Elector Wilhelm I. Died at Cassel, 1821.

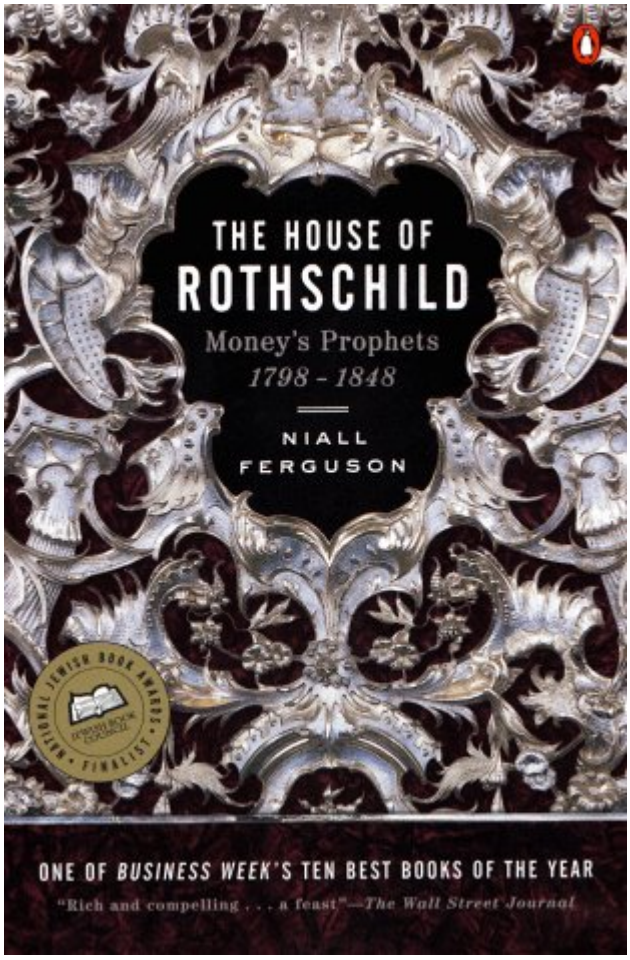
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The House Of the Rothschild Vol. 1

Niall Ferguson

The House of Rothschild

MONEY'S PROPHETS

1798–1848

Niall Ferguson



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Born in Glasgow in 1964, Niall Ferguson is Fellow and Tutor of Modern History at Jesus College, Oxford, as well as a political commentator and author. His previous publications include *Paper and*

Iron: Hamburg Business and German Politics in the Era of Inflation 1897-1927, the bestselling book, *Virtual History: Alternatives and Counterfactuals*, and *The Pity of War.*

The House of Rothschild

MONEY'S PROPHETS

1798–1848

Niall Ferguson

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For Susan, Felix and Freya

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See "Note: On Being an 'Authorised' Author" at the end of the acknowledgements.

Lord Weidenfeld was the match-maker who suggested that I might like to write this book and for that (and many other kindnesses) I shall always be in his debt. I am indebted too to Anthony Cheetham at Orion for investing in me and offering only encouragement as deadlines passed and the manuscript overshot the agreed length. Ion Trewin has been and is a superb editor; the same goes for Peter James, my copy-editor. I should also like to thank Rachel Leyshon, Francis Gotto and Carl Stott for their contributions.

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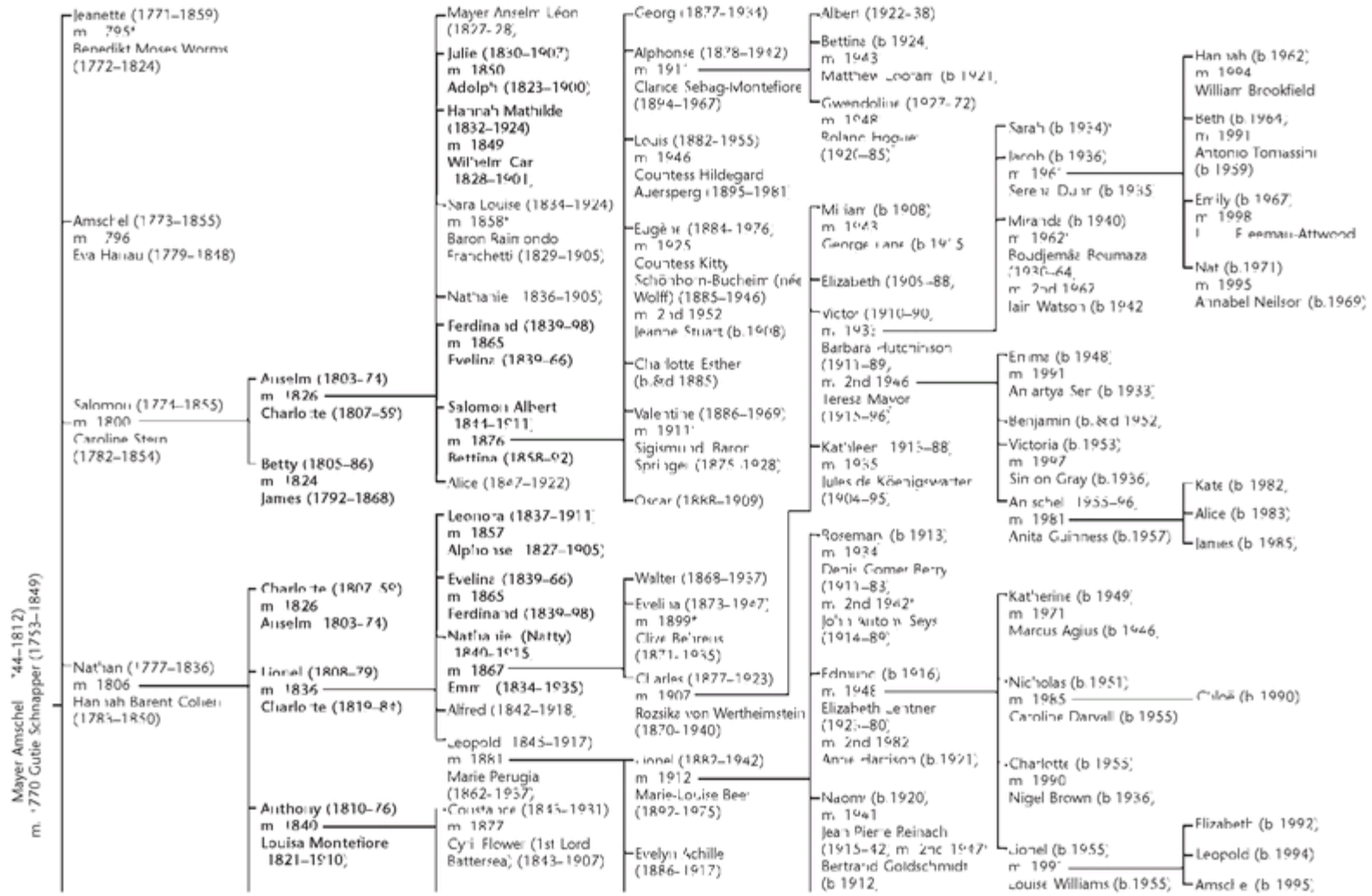
The Principal and Fellows of Jesus College, Oxford, have tolerated my absence or absent-mindedness throughout the five years this book has taken to write, as have the other members of the Oxford Modern History Faculty. I am especially grateful to my colleague Felicity Heal, who has often had to shoulder burdens we are supposed to share, as well as to Dafna Clifford, Don Fowler and Patrick McGuinness. I have also been indirectly helped by the college's staff; others will, I hope, forgive me if I single out Vivien Bowyer and Robert Haynes, who have regularly acted beyond the call of duty. I should also like to thank Doris Clifton of the Modern Languages Faculty. Nor could I omit the indispensable Amanda Hall.

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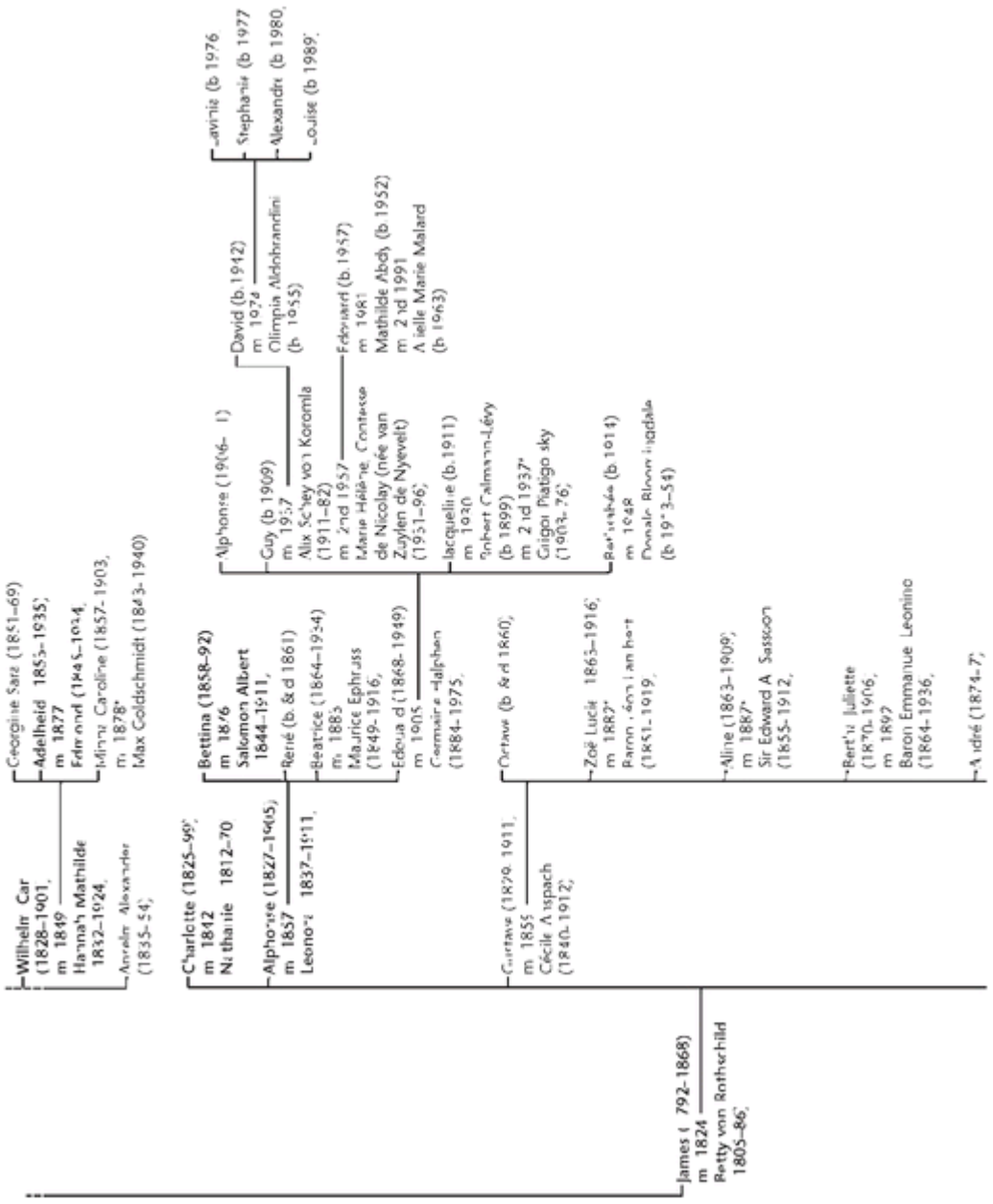
Note: On Being an "Authorised" Author

It may be as well to state explicitly that those members of the Rothschild family who read parts of the early manuscript were *not* acting as censors. From the outset, it was formally agreed that I would be entitled to quote freely from any material in the Rothschild Archive in London predating March 1915 (the date of the 1st Lord Rothschild's death); and, of course, from any other archives and private collections of papers as far as their curators gave me permission to do so. It was also agreed that N. M. Rothschild & Sons would have the right to comment on the manuscript. This arrangement has worked far better in practice than I could ever have hoped. For the avoidance of doubt: I have been able throughout to abide by the Rankean principle of trying to write history as far as possible "as it actually was," and the comments I have received from members of the family have only helped me in this attempt. Their commitment to historical accuracy has deeply impressed me. If the end-product falls short of Ranke's ideal, I hope it is only because relevant documents have not been read for lack of time, have not survived or never existed. Errors are, of course, my fault alone.

Niall Ferguson


Mayer Amschel [illegible]44–1812)
m. 1770 Gutle Schnapper (1753–1849)
Jeanette (1771–1859)
m. 795*
Benedikt Moses Worms
(1772–1824)
Amschel (1773–1855)
m. 796
Eva Hanau (1779–1848)
Salomon (1774–1855)
m. 1800
Caroline Stein
(1782–1854)
Anselm (1803–74)
m. 1826
Charlotte (1807–59)
Betty (1805–86)
m. 1824
James (1792–1868)
Nathan (1777–1836)
m. 1806
Hannah Barent Cohen
(1783–1850)
Charlotte (1807–59)
m. 1826
Anselm (1803–74)
Lionel (1808–79)
m. 1836
Charlotte (1819–84)
Anthony (1810–76)
m. 1840
Louisa Montefiore
1821–1910)
Mayer Anselm Léon
(1827–28)
Julie (1830–1907)
m. 1850
Adolph (1823–1900)
Hannah Mathilde
(1832–1924)
m. 1849
Wilhelm Car
1828–1901)
Nara Louise (1834–1924)
m. 1858*
Baron Raimondo
Franchetti (1829–1905)
Nathanie (1836–1905)
Ferdinand (1839–98)
m. 1865
Evelina (1839–66)
Salomon Albert
1844–1911)
m. 1876
Bettina (1858–92)
Alice (1847–1922)
Leonora (1837–1911)
m. 1857
Alphonse (1827–1905)
Evelina (1839–66)
m. 1865
Ferdinand (1839–98)
Nathanie (Natty)
1840–1915
m. 1867
Emm (1834–1935)
Alfred (1842–1918)
Leopold (1845–1917)
m. 1881
Marie Perugia
(1862–1957)
Constance (1845–1931)
m. 1877
Cyril Flower (1st Lord
Battersea) (1843–1907)
Georg (1877–1934)
Alphonse (1878–1942)
m. 191
Clarice Sebag-Montefiore
(1894–1967)
Louis (1882–1955)
m. 1946
Countess Hildegard
Auersperg (1895–1981)
Eugène (1884–1976)
m. 1925
Countess Kitty
Schönborn-Buchheim (née
Wolff) (1885–1946)
m. 2nd 1952
Jeanne Stuart (b.1908)
Charlotte Esther
(b.&d 1885)
Valentine (1886–1969)
m. 1911
Sigismund Baron
Springer (1875–1928)
Oscar (1888–1909)
Lionel (1882–1942)
m. 1912
Marie-Louise Beer
(1892–1975)
Evelyn Achille
(1886–1917)
Albert (1922–38)
Bettina (b.1924)
m. 1943
Matthew Loeram (b.1921)
Gwendoline (1927–72)
m. 1948
Roland Hague
(1920–85)
Miriam (b.1908)
m. 1943
George Lane (b.1905)
Elizabeth (1909–88)
Victor (1910–90)
m. 193
Barbara Hutchinson
(1911–89)
m. 2nd 1946
Teresa Mayor
(1915–96)
Kathleen (1915–88)
m. 1935
Jules de Koenigswarter
(1904–95)
Roseman (b.1913)
m. 1934
Denis Comer Berry
(1911–83)
m. 2nd 1962*
John Watson Seys
(1914–89)
Edmund (b.1916)
m. 1948
Elizabeth Gertner
(1923–80)
m. 2nd 1982
Anne Harrison (b.1921)
Naomy (b.1920)
m. 1941
Jean Pierre Reinach
(1915–42, m. 2nd 1947
Bertrand Goldschmidt
(b.1912)
Sarah (b.1934)*
Jacob (b.1936)
m. 196
Serena Dunn (b.1935)
Miranda (b.1940)
m. 1962*
Boudjemâa Boumaza
(1930–64)
m. 2nd 1967
Iain Watson (b.1942)
Emma (b.1948)
m. 1991
Antartya Ser (b.1933)
Benjamin (b.&d 1952)
Victoria (b.1953)
m. 1997
Simon Gray (b.1936)
Anschel (1955–96)
m. 1981
Anita Guinness (b.1957)
Hannah (b.1962)
m. 1994
William Brookfield
Beth (b.1964)
m. 1991
Antonio Tomassini
(b.1959)
Emily (b.1967)
m. 1998
[illegible] Freeman-Attwood
Nat (b.1971)
m. 1995
Annabel Neilson (b.1969)
Kate (b.1982)
Alice (b.1983)
James (b.1985)
Katherine (b.1949)
m. 1971
Marcus Agius (b.1946)
Nicholas (b.1951)
m. 1985
Caroline Darvall (b.1955)
Chloë (b.1990)
Charlotte (b.1955)
m. 1990
Nigel Brown (b.1936)
Lionel (b.1955)
m. 199
Louise Williams (b.1955)
Elizabeth (b.1992)
Leopold (b.1994)
Amschel (b.1995)

Eighth generation of the Rothschild family: simple genealogy
Notes
Descendants of female Rothschilds who did not marry members of the Rothschild family have not been listed; the omissions are marked with an asterisk.
Names given are as far as can be ascertained, the name by which individuals were known (usually, though not always, their first name.)



Pickup from old film

INTRODUCTION

Reality and Myth

I

Banking," the 3rd Lord Rothschild once remarked, "consists essentially of facilitating the movement of money from Point A, where it is, to Point B, where it is needed." There is a certain elementary truth in this aperçu, even if it did reflect Victor Rothschild's personal lack of enthusiasm for finance. But if the

history of the firm founded by his great-great-grandfather two centuries ago consisted of nothing more than getting money from A to B, it would make dull reading. It should not.

All banks have histories, though not all have their histories researched and written; only the Rothschilds, however, have a mythology. Ever since the second decade of the nineteenth century, there has been speculation about the origins and extent of the family's wealth; about the social implications of their meteoric upward mobility; about their political influence, not only in the five countries where there were Rothschild houses but throughout the world; about their Judaism. The resulting mythology has proved almost as long-lived as the firm of N. M. Rothschild & Sons itself. The name "Rothschild" (which translates from the original German as "Redshield") may be less well known today than it was a hundred years ago, when, as Chekhov remarked, a moribund Russian coffin-maker could use it ironically as a nickname for a poor Jewish musician.[1] But most readers will recognise it, if only from its still fairly regular appearances in the press. The bank may not be the financial giant it was in the century after 1815 and the family may be a great deal more dispersed and diffuse, but the name continues to attract attention—some of it prurient. Even those who know nothing about finance and care less are likely to have come across it at least once in their lives. Thanks to an apparently hereditary aptitude for zoology and horticulture, there are no fewer than 153 species or sub-species of insect which bear the name "Rothschild," as well as fifty-eight birds, eighteen mammals (including the Baringo Giraffe, *Giraffa camelopardalis rothschildi*) and fourteen plants (including a rare slipper orchid, *Paphiopedilum rothschildianum* and a flame lily, *Gloriosa rothschildiana*)—to say nothing of three fish, three spiders and two reptiles. The family's almost equally recurrent enthusiasm for the pleasures of the table has also bestowed the name on a soufflé (made with glacé fruit, brandy and vanilla) and a savoury (prawns, cognac and Gruyère on toast). There are towns and numerous streets named after members of the family in Israel, Rothschild-owned vineyards at Mouton and Lafite whose wines are drunk the world over, numerous Rothschild-built houses from the Vale of Aylesbury to the Riviera—and there is even a Rothschild Island in the Antarctic. Pieces of music have been dedicated to Rothschilds by Chopin and Rossini, as have books by Balzac and Heine. The family is as famous in the art world for its many collections (some of which can be seen in public galleries) as it is in horse-racing circles for its past Derby winners. In the course of writing this book, I have met few people who had not heard at least one Rothschild anecdote—most commonly the myth of the immense profits Nathan Mayer Rothschild made by speculating on the outcome of the battle of Waterloo; almost as often the story of the purchase of the Suez Canal shares which Disraeli did his best to make famous. And, for those who know no history, books of Jewish humour still contain Rothschild jokes. There have even been two Rothschild films, a play[2] and a bizarre, though moderately successful, Broadway musical.

It should be said right away that this book has very little to say about giraffes, orchids, soufflés, vintage wines or islands in the Antarctic. It is primarily a book about banking; and here some words of explanation and reassurance are in order for those readers who are more interested in what rich families do with their wealth than in how they get it.

In fact, the firm of N. M. Rothschild & Sons was not technically a bank at all—at least not according to that great Victorian financial journalist Walter Bagehot's definition in his *Lombard Street* (1873). "A foreigner," he wrote, "would be apt to think that they [the Rothschilds] were bankers if anyone was. But this only illustrates the essential difference between our English notions of banking and the continental":

Messrs Rothschild are immense capitalists, having, doubtless, much borrowed money in their hands. But they do not take £100 payable on demand, and pay it back in cheques of £5 each, and that is our

English banking. The borrowed money they have is in large sums, borrowed for terms more or less long. English bankers deal with an aggregate of small sums, all of which are repayable on short notice, or on demand. And the way the two employ their money is different also. A foreigner thinks "an Exchange business"—that is, the buying and selling bills on foreign countries—a main part of banking . . . But the mass of English country bankers . . . would not know how carry through a great "Exchange operation" . . . They would as soon think of turning silk merchants. The Exchange trade is carried on by a small and special body of foreign bill-brokers, of whom Messrs Rothschild are the greatest . . . [The] family are not English bankers, either by the terms on which they borrow money, or the mode in which they employ it.

Having begun his business career in England as a textile exporter, Nathan Mayer Rothschild was technically a merchant who came to specialise in various financial services. He himself said in 1817: "[M]y business . . . consists entirely in Government transactions & Bank operations"—but by the latter he probably meant operations with the Bank of England. He did not mean the kind of deposit banking which Bagehot called "our English banking" and which remains the principal activity of the big high-street banks today.

Nor can N. M. Rothschild & Sons really be regarded as an autonomous firm: until some time between 1905 and 1909 it was one of a group of Rothschild "houses" run by a family partnership—though the London house is the only one of these which has had an uninterrupted existence until the present day (Rothschild & Cie Banque is only an indirect descendant of the original Paris house, which was nationalised in 1981). At its zenith from the 1820s until the 1860s, this group had five distinct establishments. In addition to Nathan's in London, there was the original firm of M. A. Rothschild & Söhne in Frankfurt (after 1817, M. A. von Rothschild & Söhne), which his eldest brother Amschel took over when their father Mayer Amschel died; de Rothschild Frères in Paris, founded by his youngest brother James; and two subsidiaries of the Frankfurt house, C. M. von Rothschild in Naples, run by the fourth of the brothers, Carl, and S. M. von Rothschild in Vienna, managed by the second-born Salomon. Up until the 1860s, the five houses worked together so closely that it is impossible to discuss the history of one without discussing the history of all five: they were, to all intents and purposes, the component parts of a multinational bank. Even as late as the first decade of the twentieth century, the system of partnerships continued to function in such a way that "English" Rothschilds had a financial stake in the Paris house and "French" Rothschilds a stake in the London house. Unlike modern multinationals, however, this was always a family firm, with executive decision-making strictly monopolised by the partners who (until 1960) were exclusively drawn from the ranks of male Rothschilds.

Perhaps the most important point to grasp about this multinational partnership is that, for most of the century between 1815 and 1914, it was easily the biggest bank in the world. Strictly in terms of their combined capital, the Rothschilds were in a league of their own until, at the earliest, the 1880s. The twentieth century has no equivalent: not even the biggest of today's international banking corporations enjoys the relative supremacy enjoyed by the Rothschilds in their heyday—just as no individual today owns as large a share of the world's wealth as Nathan and James as individuals owned in the period from the mid-1820s until the 1860s (see appendix 1). The economic history of capitalism is therefore incomplete until some attempt has been made to explain how the Rothschilds became so phenomenally rich. Was there a "secret" to their unparalleled success? There are numerous apocryphal business maxims attributed to the Rothschilds—for example, to hold a third of one's wealth in securities; a third in real estate; and a third in jewels and artworks, to treat the stock exchange like a cold shower ("quick in, quick out"); or to leave the last 10 per cent to someone else—but none of them has any serious explanatory value.

What exactly was the business the Rothschilds did? And what use did they make of the immense economic leverage they could exercise? To answer these questions properly it is necessary to understand something of nineteenth-century public finance; for it was by lending to governments—or by speculating in existing government bonds—that the Rothschilds made a very large part of their colossal fortune.

II

All nineteenth-century states occasionally ran budget deficits and some almost always did—that is, their tax revenues were usually insufficient to meet their expenditures. In this, of course, they were little different from eighteenth-century states. And, as before 1800, it was war and the preparation for war which generally precipitated the biggest increases in expenditure; poor harvests (or troughs in the trade cycle) also caused periodic revenue shortfalls by reducing receipts from taxes. These deficits, though often relatively small in relation to national income, were not easily financed. National capital markets were not very developed and an internationally integrated capital market was only gradually taking shape with its first real centre in Amsterdam. For most states, borrowing was expensive—that is, the interest they had to pay on loans was relatively high—because they were perceived by investors as unreliable creditors. Budget deficits were thus often financed either by the sale of royal assets (land or offices), or by inflation if the government was in a position to debase the currency. A third possibility, of course, was to raise new taxes, but, as had been the case in the seventeenth century and as was to be the case throughout the nineteenth century too, major changes in tax regimes generally necessitated some kind of political consent via representative institutions. The French Revolution was precipitated by just such a bid for new revenue from the Estates General, after all other attempts at fiscal reform had failed to keep up with the costs of the crown's military activities. One exception to the rule was the British state, which since the later seventeenth century had developed a relatively sophisticated system of public borrowing (the national debt) and monetary management (the Bank of England). Another exception was the small German state of Hesse-Kassel, which was effectively run by its ruler at a profit through the hiring out of his subjects as mercenaries to other states. Involvement in the management of his huge investment portfolio was one of the first steps Mayer Amschel Rothschild took in order to become a banker rather than a mere coin dealer (his original business).

The period 1793-1815 was characterised by recurrent warfare, the fiscal side-effects of which were profound. Firstly, unprecedented expenditures precipitated inflation in all the combatants' economies, the most extreme form of which was the collapse of the assignat currency in France. The European currencies—including the pound sterling after 1797—were thrown into turmoil. Secondly, the disruptions of war (for example, the French occupation of Amsterdam and Napoleon's Continental System) created opportunities for making large profits on highly risky transactions such as smuggling textiles and bullion and managing the investments of exiled rulers. Thirdly, the transfer of large subsidies from Britain to her continental allies necessitated innovations in the cross-border payments system which had never before had to cope with such sums. It was in this highly volatile context that the Rothschilds made the decisive leap from running two modest firms—a small merchant bank in Frankfurt and a cloth exporters in Manchester—to running a multinational financial partnership.

Nor did the final defeat of Napoleon end the need for international financial services; on the contrary, the business of settling the debts and indemnities left over from the war dragged on for most of the 1820s. Moreover, new fiscal needs quickly arose from the political crises which beset the Spanish and Ottoman Empires in this period. At the same time, fiscal retrenchment and monetary stabilisation in Britain created a need for new forms of investment for those who had grown accustomed to putting

their money in high-yielding British bonds during the war years. It was this need which Nathan and his brothers successfully met. The system they developed enabled British investors (and other rich "capitalists" in Western Europe) to invest in the debts of those states by purchasing internationally tradeable, fixed-interest bearer (that is, transferable) bonds. The significance of this system for nineteenth-century history cannot be over-emphasised. For this growing international bond market brought together Europe's true "capitalists": that elite of people wealthy enough to be able to tie up money in such assets, and shrewd enough to appreciate the advantages of such assets as compared with traditional forms of holding wealth (land, venal office and so on). Bonds were liquid. They could be bought and sold five and a half days out of seven (excluding holidays) on the major bourses of Europe and traded informally at other times and in other places. And they were capable of accruing large capital gains. Their only disadvantage was, of course, that they were also capable of suffering large capital losses.

What determined the ups and downs of the nineteenth-century bond market? The answer to this question is central to any understanding of the history of the Rothschild bank. Obviously, economic factors played an important part—in particular, the conditions for short-term borrowing and the appeal of alternative private securities. But the most important factor was political confidence: the confidence of investors (and especially of big market-making investors like the Rothschilds) in the ability of the bond-issuing states to continue to meet their obligations—that is, to pay the interest on their bonds. There were only really two things which might cause them not to do so: war, which would increase their expenditures and decrease their tax revenues; and internal instability, ranging from a change of ministry to full-blown revolution, which would not only dent their revenues but might also bring to power a new and fiscally imprudent government. It was for indications of either of these possible crises, with their intimations of default, that the markets—and the Rothschilds more than anybody—watched.

This explains the importance they always attached to having up-to-date political and economic news. Three things would give an investor an edge over his rival: closeness to the centre of political life, the source of news; the speed with which he could receive news of events in states far and near; and the ability to manipulate the transmission of that news to other investors. This explains why the Rothschilds spent so much time, energy and money maintaining the best possible relations with the leading political figures of the day. It also explains why they carefully developed a network of salaried agents in other key financial markets, whose job it was not only to trade on their behalf but also to keep them supplied with the latest financial and political news. And it explains why they constantly strove to accelerate the speed with which information could be relayed from their agents to them. From an early stage, they relied on their own system of couriers and relished their ability to obtain political news ahead of the European diplomatic services. They also occasionally used carrier-pigeons to transmit the latest stock prices and exchange rates from one market to another. Before the development of the telegraph (and later the telephone), which tended to "democratise" news by making it generally available more rapidly, the Rothschilds' communications network gave them an important advantage over their competitors. Even after they lost this edge, they continued to exercise an influence over the financial press through which news reached a wider public.

Information about the chances of international or domestic instability fed directly into the bond market, leading to the daily fluctuations in prices and yields which investors followed so closely. However, the relationship between politics and the bond market went the other way too. For the movements of prices of existing government stock—the products of past fiscal policy—had an important bearing on present and future policy. To put it simply, if a government wished to borrow more by issuing more bonds, a fall in the price (rise in the yield) of its existing bonds was a serious discouragement. For this reason,

bond prices had a significance which historians have too seldom spelt out. They were, it might be said, a kind of daily opinion poll, an expression of confidence in a given regime. Of course, they were an opinion poll based on a highly unrepresentative sample by modern, democratic standards. Only the wealthy—the "capitalists"—got to vote. But then political life in the nineteenth century was itself undemocratic. Indeed, the kind of people who held government bonds were, very roughly speaking, the people who were represented politically, even if there was sometimes tension between those property owners whose assets were held primarily in the form of land or buildings and the bondholders whose portfolios were composed mainly of paper securities. These capitalists were thus to a large extent Europe's political class and their opinions were the opinions that mattered in a stratified, undemocratic society. If investors bid up the price of a government's stock, that government could feel secure. If they dumped its stock, that government was quite possibly living on borrowed time as well as money.

The singular beauty of the bond market was that virtually every state (including, as the century advanced, all the new nation states and colonies) had, sooner or later, to come to it; and most states had sizeable amounts of tradable debt in circulation. The varying fortunes of government bonds provide a vital insight into the political history of the period. They are also the key to understanding the extent and limits of the power of a bank like Rothschilds, which for much of the nineteenth century was the prime market-maker for such bonds. Indeed, it can be argued that, by modifying the existing system for government borrowing to make bonds more easily tradable, the Rothschilds actually created the international bond market in its modern form. As early as 1830 a German writer observed how, thanks to innovations in the form of bonds introduced by the Rothschilds since 1818,

each possessor of state paper [can] . . . collect the interest at his convenience at several different places without any effort. The House of Rothschild in Frankfurt pays the interest on the Austrian metalliques, the Neapolitan rentes and the interest of the Anglo-Neapolitan obligations in either London, Naples or Paris, wherever it suits.

At the core of this book, then, is the international bond market which the Rothschilds did so much to develop, though due attention is also paid to the many other forms of financial business the Rothschilds did: bullion broking and refining, accepting and discounting commercial bills, direct trading in commodities, foreign exchange dealing and arbitrage, even insurance. In addition to the inevitable web of credits and debits with other firms which arose from these activities, the Rothschilds also offered to a select group of customers—usually royal and aristocratic individuals whom they wished to cultivate—a range of "personal banking services" ranging from large personal loans (as in the case of the Austrian Chancellor Prince Metternich) to a first class private postal service (as in the case of Queen Victoria). Contrary to Bagehot's impression, they sometimes took deposits from this exclusive clientele. And the Rothschilds were also major industrial investors—an aspect of their business which has often been underestimated. When the development of railways raised the possibility of transforming Europe's transport system in the 1830s and 1840s, the Rothschilds were among the leading financial backers of lines, beginning in France, Austria and Germany. Indeed, by the 1860s James de Rothschild had built up something like a pan-European railway network extending northwards from France to Belgium, southwards to Spain and eastwards to Germany, Switzerland, Austria and Italy. From an early stage, the Rothschilds also had major mining interests, beginning in the 1830s with their acquisition of the Spanish mercury mines of Almadén and expanding dramatically in the 1880s and 1890s when they invested in mines producing gold, copper, diamonds, rubies and oil. Like their original financial business, this was an authentically global operation extending from South Africa to Burma, from Montana to Baku.

The primary concern of this book is therefore to explain the origins and development of one of the

biggest and most unusual businesses in the history of modern capitalism. Nevertheless, it is not intended as a narrowly economic history. For one thing, the history of the firm is inseparable from the history of the family: the phrase "the House of Rothschild," which has often been used by previous historians (and film-makers) was used by contemporaries, including the Rothschilds themselves, to convey this unity. While the regularly revised and renewed partnership agreements regulated the management of the Rothschilds' collective business activities and the distribution of the profits which accrued, of equal importance were the nuptial agreements which, at the height of the family's success, systematically married Rothschild to Rothschild, thus keeping the family's capital united—and safe from the claims of "outsiders." When Rothschild women did marry outside the family, their husbands were prohibited from having a direct involvement in the business, as were the female Rothschilds themselves. The partners' wills were also designed to ensure the perpetuation and growth of the business by imposing the wishes of one generation on the next. Inevitably, there were conflicts between the collective ambitions of the family, so compellingly spelt out by Mayer Amschel before he died, and the wishes of the individuals who happened to be born Rothschilds, few of whom shared the founder's relentless appetite for work and profits. Fathers were disappointed by sons. Brothers resented brothers. Love was unrequited or prohibited. Marriage was imposed on unwilling cousins, and husbands and wives quarrelled. In all this, the Rothschilds had much in common with the large families which populate so much nineteenth- and early-twentieth-century fiction: Thackeray's New-comes, Trollope's Pallisers, Galsworthy's Forsytes, Tolstoy's Rostovs and Mann's Buddenbrooks (though not, happily, Dostoevsky's Karamazovs). The nineteenth century, of course, was an era of large families—the birth rate was high and, for the rich, the death rate fell—and perhaps in this sense alone the Rothschilds were not (as Heine once called them) "the exceptional family."

Because they were so rich, the Rothschilds could plainly claim a material equivalence with the European aristocracy; their success in overcoming the various legal and cultural obstacles to full equivalence of *status* is one of the most remarkable case studies in nineteenth century social history. As men whose father had been prohibited from owning property outside the cramped and squalid Frankfurt Judengasse, the five brothers had an understandable interest in the acquisition of land and spacious residences; though it was the third generation[3] who were responsible for building most of the spectacular palaces and town houses which are the family's most impressive monuments. At the same time, the Rothschilds energetically pursued and acquired decorations, titles and other honours, securing the ultimate prize—an English peerage—in 1885. The third generation also threw themselves into hunting and horse-racing, those quintessentially aristocratic pastimes. A similar process of social assimilation is detectable in their cultural engagement. James and his nephews had a passion for collecting art, ornaments and furniture which they passed on to many of their descendants. They also extended their patronage to include writers (Benjamin Disraeli, Honoré de Balzac and Heinrich Heine), musicians (notably Fryderyk Chopin and Gioachino Rossini) as well as architects and artists. In more ways than one, they were the nineteenth century's Medicis.

Yet it would be wrong to see them as the archetype of the "feudalised" bourgeois family, "aping" the manners of the landed elite. For the Rothschilds brought to the aristocratic milieu patterns of behaviour which were distinctively commercial in origin. Initially, they bought land as an investment which they expected to pay an economic return. They regarded the large houses they built at least partly in functional terms, as private hotels for dispensing corporate hospitality. Nathan's sons and grandsons even saw the purchase of horses as a form of enjoyably speculative investment and placed bets on horse-races in much the same way that they engaged in stock market "specs." To put it cynically, mixing with members of the aristocracy was essential if it was they who governed, and almost as much political information came from informal socialising as from formal meetings with ministers.

At the same time, there is a sense in which the Rothschilds more closely resembled royalty than either the aristocracy or the middle classes. This was not just because they consciously imitated the many crowned heads they came to know. Like the extended family which provided so many of Europe's monarchs, the Rothschilds were extreme in their preference for endogamy. They relished the sense that they were *sans pareil*—at least within the European Jewish elite. In this sense, phrases like "Kings of the Jews" which contemporaries applied to them contained an important element of truth. That was exactly the way the Rothschilds saw and conducted themselves—as phrases like "our royal family" in their letters show—and the way they were treated by many other less wealthy Jews.

This relationship to Judaism and the Jewish communities of Europe and the Middle East is unquestionably one of the most fascinating themes of the family's history. For the Rothschilds, as for so many Jewish families who migrated westwards in the nineteenth century, social assimilation or integration in the countries where they settled posed a challenge to their faith, although the relaxation of discriminatory legislation allowed them to acquire not only money but many of the desirable things it could buy. Yet no matter how sumptuous their houses and how well educated their children, they constantly encountered anti-Jewish sentiment, ranging from the aggression of the Frankfurt mob to the subtle disdain of aristocrats and Gentile bankers for "the Jew." Many other wealthy Jewish families opted to convert to Christianity partly in response to such pressures. But the Rothschilds did not. They remained firmly committed to Judaism, playing an important role in the affairs of the various Jewish communities of which they were members. Moreover, they sought, from their earliest days, to use their financial leverage over individual states to improve the legal and political position of the Jews living there. They did this not only in their home town of Frankfurt, but consistently in almost every state where they did business thereafter as well as in some countries (for example, Rumania and Syria) where they had no economic interests. At least some members of the family saw such altruistic activities as in some sense linked to their own material success: by remaining true to the faith of their ancestors and remembering their "poorer co-religionists" the Rothschilds not only demonstrated their gratitude for their good fortune but ensured that it continued.

Finally, and perhaps most important, this is a political as much as it is a financial history: there are few major political figures in nineteenth-century history who do not feature in the index of this book. From the very earliest days, the Rothschilds appreciated the importance of proximity to politicians, the men who determined not only the extent of budget deficits but also the domestic and foreign policies which so influenced the financial markets; and politicians soon came to realise the importance of proximity to the Rothschilds, who at times seemed indispensable to the solvency of the states the politicians governed and who could always be relied upon to provide up-to-the-minute political news. Mayer Amschel's cultivation of the Elector of Hesse-Kassel's chief financial adviser Karl Buderus and later of Karl Theodor Anton von Dalberg, Prince-Primate of Napoleon's Rhenish Confederation, were the prototypes of countless relationships his sons cultivated with politicians throughout Europe. Beginning in 1813, Nathan became intimate with the British Commissary-General, John Charles Herries, the man responsible for financing Wellington's invasion of France. Another early Rothschild "friend" in England was Charles Stewart, brother of the Foreign Secretary Lord Castlereagh and the British delegate at the Congresses of Vienna, Troppau, Laibach and Verona. Nathan was also in direct contact with the Prime Minister Lord Liverpool and his Chancellor of the Exchequer Nicholas Vansittart in the early 1820s, and gave the Duke of Wellington important financial advice during the Reform crisis of 1830-32.

Rothschild influence extended to royalty as well. Nathan first came into contact with British royalty thanks to his father's purchase of outstanding debts owed by George, Prince Regent (later King George IV) and his brothers. These tenuous links were enhanced by careful cultivation of Leopold of Saxe-

Coburg, who married George IV's daughter Charlotte and later became King Leopold I of the Belgians. Nor was his nephew Albert above turning to the Rothschilds for financial assistance after he became Queen Victoria's Prince Consort. In turn, Victoria and Albert's eldest son was on friendly terms with many members of the family before and after he succeeded his mother as Edward VII. The list of Victorian politicians who were close to the Rothschilds is a long one: Lionel's campaign for admission to the House of Commons in the 1840s and 1850s enjoyed support from Whigs like Lord John Russell and Peelites like Gladstone, but also Protectionist Tories like Disraeli and Lord George Bentinck. Later, as his sons grew disillusioned with Gladstone, they were attracted not only to Disraeli but also to Lord Randolph Churchill, Joseph Chamberlain and Arthur Balfour. In the 1880s and 1890s their advice on imperial matters was sought by both the Marquess of Salisbury and the Earl of Rosebery, Gladstone's successor as Liberal Prime Minister. Indeed, Rosebery was married to a Rothschild: Mayer's daughter Hannah.

The French Rothschilds also took a direct role in politics. They were close to the comte de Villèle in the early 1820s, shifted their allegiance skilfully to Louis Philippe in 1830, managed to survive the 1848 revolution by cultivating leading republicans, and subtly undermined the rule of Napoleon III, whose foreign adven turism they disliked. They also had a firm friend in the Third Republic in the person of Léon Say, four times French Finance Minister. In Germany and Austria, the close relationship between Salomon and Metternich was of immense importance in the years 1818-48, but it was far from unique. Other "friends" of the Restoration era included Count Apponyi, the Austrian ambassador in Paris, and members of the Esterházy family; as well as (in Prussia) Prince Hardenberg, the State Chancellor, Wilhelm von Humboldt, the educational reformer and diplomat, and Christian Rother, the finance official who rose to become president of the Prussian royal bank. Links with Bismarck proved harder to forge, though by the 1870s Mayer Carl was able to act as a channel of diplomatic communication between "old B." and the governments in London and Paris. The Emperor William II awarded Alfred de Rothschild a medal for his diplomatic services and regarded his brother Natty as "an old and much respected acquaintance."

A central aim of this book is to illuminate these relationships. As Fritz Stern said in his pioneering study of the relationship between Bismarck and Gerson Bleichröder, historians used to be shy of acknowledging the role of financial factors in the policies of the great statesmen of the nineteenth century. Strangely, the many historians of a Marxist persuasion who were once so influential did hardly anything to rectify this, preferring to assert rather than to demonstrate that the interests of the ruling class were essentially the same as (or subordinate to) those of "finance capital." In recent years, historians of British imperialism have done much to refine our understanding of the relationship between the City and the Empire. But the model of "gentlemanly capitalism" advanced by Cain and Hopkins does not quite fit the Rothschild case; and, given the sheer scale of the Rothschilds' role in nineteenth-century finance, this is an exception which may do more than prove the rule. The Rothschilds after the second generation may have acted like gentlemen when they were in the West End or the country. But in the "counting house" they were unalloyed capitalists, applying rules and precepts of business which had their origins in the Frankfurt Judengasse.

III

The above is a sketch of what might be called the reality of Rothschild history which this book describes in detail. In itself, it is an absorbing story. Yet it becomes doubly so when juxtaposed with the extraordinary mythology which has grown up around the family since they first began to be noticed by contemporaries as "exceptional."

The origins of the Rothschild myth—as far as surviving published records go—can be traced back to 1813, the year after the death of the founder of the firm. Despite its eulogistic title and tone, it would be wrong to describe S. J. Cohen's memoir, *The Exemplary Life of the Immortal Banker Mr Meyer Amschel Rothschild*, as an authorised biography. Nevertheless, it set the tone for what might broadly be described as the sympathetic (if not the official) explanation for the Rothschilds' financial success, essentially portraying it as a morality tale of virtue rewarded. Not only was Mayer Amschel a pious and observant Jew, Cohen argued, but his life "proved beyond doubt that a Jew, as a Jew, can be religious and at the same time an excellent man and a good citizen." Like the authors of so many later works of homage, Cohen said very little about Mayer Amschel's business career. But the strong implication was that his success as a banker was a sign of divine approbation.

Some thirteen years later a more precise but comparably moralistic explanation was published. The *General German Encyclopaedia for the Educated Classes* produced by the Leipzig publisher F. A. Brockhaus was a typical example of the secular reference work of the Biedermeier era. It was popular, selling around 80,000 copies; but, though similar in form to the French encyclopaedias which had been associated with the pre-Revolutionary Enlightenment, its content was monitored by the conservative authorities. Indeed, the man who wrote the entry for "Rothschild" first published in the 1827 edition of the encyclopaedia was Friedrich von Gentz, secretary to Metternich; and the positive tone of the piece reflected the Rothschilds' growing influence over both Austrian public finance and Gentz's private affairs. This was an article which the family not only approved of but paid for: prior to publication Gentz read it aloud to Leopold von Wertheimstein, one of the Vienna house's senior clerks, and ten days later received his "actual reward" from Salomon von Rothschild himself.

Though he said little about their origins in the Frankfurt ghetto in the four columns which Brockhaus published—indeed, he did not mention their religion at all—Gentz implied that they had only recently become "the greatest of all business firms." This success had its roots, he suggested, in Mayer Amschel's "hard work and parsimony . . . knowledge and proven integrity." Likewise his five sons were celebrated for "the reasonableness of their demands . . . the punctiliousness with which they carry out their duties . . . the simplicity and clarity of their schemes, and the intelligent way in which they are put into operation." Apart from their skill as businessmen, Gentz also laid considerable emphasis on "the personal moral character of each of the five brothers" as "a determining factor in the success of their undertakings":

It is not difficult to create a party for oneself when one is powerful enough to draw many people into one's interest. But to unite the support of all parties and . . . to win the esteem of great and small, requires the possession not merely of material resources, but also of spiritual qualities which are not always found in association with wealth and power. Doing good works on all sides, never refusing help to one in need, always willing to fulfil the requests of anyone who asks for help, without regard to his class, and performing the most important services in the most gracious manner: by these means each of the five branches of the family has achieved a real popularity, and not in a calculated way but out of a natural philanthropy and kindness.

Such reflections had a faintly standardised quality to them, of course: paid hacks had been writing in such glowing terms about their wealthy patrons since ancient times. Privately, Gentz was more ambivalent. His first comment on the family (in response to a suggestion by his friend Adam Müller in 1818 that he write just such an essay) had been decidedly backhanded. They were, he agreed, "a distinct *species plantarum* with its own characteristic features:" to be precise, they were "common, ignorant Jews, who exercise their craft quite naturalistically [that is, instinctively], with no idea of the more elevated relationships between things." On the other hand, they were also "gifted with a

remarkable instinct which causes them always to choose the right and of two rights the better." Their enormous wealth was "entirely the result of this instinct, which the public are wont to call luck." In a section of his "Biographical Notes on the House of Rothschild" which was only published posthumously, Gentz elaborated on this last point—the relationship between ability ("virtue") and circumstances ("luck")—in a Machiavellian vein:

There is a truth, which, although not quite new, is generally not properly understood. The word *luck* as commonly used in the history of famous individuals or eminent families, becomes bereft of all meaning when we endeavour to dissociate it entirely from the personal or eminent factors in each case. There are circumstances and events in life in which good or ill luck may be a determining although not an exclusive factor in human destiny. Lasting success, however, and constant failure are always . . . attributable to the personal virtue or the personal failings and shortcomings of those who are blessed by the one or damned by the other. Nevertheless, the most outstanding personal qualities may sometimes require exceptional circumstances and world-shattering events to come to fruition. Thus have the founders of dynasties established their thrones, and thus has the House of Rothschild become great.

The readers of Brockhaus's *Encyclopaedia* were spared these somewhat hackneyed philosophical reflections. Instead—in the form of a footnote inserted by Gentz's editor—they were given a specific and hitherto unpublicised episode which was intended to illustrate precisely the relationship between virtue and luck which Gentz was driving at:

When the late Elector of Hesse had to flee in 1806 as the French approached, his large private fortune very nearly became Napoleon's booty. R. rescued a substantial part of it by his courage and cleverness, although not without risk to himself, and conscientiously took care of it.

In the 1836 version, the story was elaborated on. Now, it was said, the Elector had:

left the recovery of his private possessions to Rothschild, their value amounting to many million gulden. It was only by sacrificing the whole of his own property and at considerable personal risk that Rothschild contrived to save the property that had been entrusted to him. The well-known fact that all Rothschild's possessions had been confiscated by the French led the exiled Elector to believe that his own property had been lost too. Indeed he does not even appear to have thought it worth while to make enquiries about it.

But he underestimated the virtuous Mayer Amschel:

When matters had settled down again, Rothschild immediately proceeded to resume business with the property he had saved . . . When the Elector returned to his states in 1813, the House of Rothschild not merely offered immediately to return to him the capital sums with which they had been entrusted; they also undertook to pay the customary rate of interest from the day when they had received them. The Elector, positively astonished by such an example of honesty and fair dealing, left the whole of his capital for several more years with the firm, and refused any interest payments in respect of the earlier period, accepting a low rate of interest only as from the time of his return. By recommending the House of Rothschild [to others], especially at the Congress of Vienna, the Elector certainly assisted greatly in extending their connections.

This, then, was "the decisive factor in the enormous . . . development of [Mayer Amschel's] business." Few stories in financial history have been more frequently repeated, and the Rothschilds themselves

did their share of the propagation. Nathan gave a potted version to the Liberal MP Thomas Fowell Buxton over dinner in 1834, while the version in the 1836 edition of Brockhaus was read by Carl von Rothschild and probably expanded by his sons' tutor Dr Schlemmer. The story was even the subject of two small paintings by Moritz Daniel Oppenheim which the family commissioned in 1861.

Yet Gentz did not portray the morality tale of the Elector's treasure as the sole explanation for the Rothschilds' subsequent success: he also had some illuminating points to make about the Rothschilds' business methods. "Success in all great transactions," he argued, "does not depend purely on the choice and exploitation of the favourable moment, but much more on the application of consciously adopted and fundamental maxims." Besides their "shrewd management and the advantageous circumstances," it was these "principles" which the Rothschilds had to thank for the greatest part of their success. One of these principles obliged:

the five brothers to conduct their combined businesses in an uninterrupted community [of interest] . . . any proposal, no matter where it comes from, is the object of collective discussion; each operation, even if it is of minor importance, is carried out according to an agreed plan and with their combined efforts; and each of them has an equal share in its results.

As in the case of the Elector's treasure, the notion of perfect fraternal harmony was very probably inspired by the brothers themselves. When they submitted a design for a coat of arms in 1817 (following their ennoblement by the Austrian Emperor), the fourth quarter depicted an arm bearing five arrows, the symbol of the unity of the five brothers which the firm of N. M. Rothschild & Sons Ltd continues to use on its notepaper to this day. The motto later adopted by the brothers—"Concordia, integritas, industria"—was intended to depict precisely the virtues listed in Brockhaus's *Encyclopaedia*.

Gentz was the first of many writers to write about the Rothschilds in essentially friendly (if not sycophantic) terms. Perhaps the best of the more affectionate representations of the Rothschilds can be found in the novels of Benjamin Disraeli, who came to know the family intimately (and was also, like Gentz, not uninterested in their wealth). In Disraeli's *Coningsby* (1844), for example, the resemblance between Sidonia and Lionel de Rothschild is close (though not complete). Sidonia's father is described as having made money in the Peninsular War: he then "resolved to emigrate to England, with which he had, in the course of years, formed considerable commercial connections. He arrived here after the peace of Paris, with his large capital. He staked all on the Waterloo loan; and the event made him one of the greatest capitalists in Europe." After the war, he and his brothers lent their money to the European states and he "became lord and master of the money-market of the world." The younger Sidonia too has all the skills of a banker: he is an accomplished mathematician and "possessed a complete mastery over the principal European languages." In *Tancred* (1847), the Rothschild-inspired Jewess Eva asks: "[W]ho is the richest man in Paris?" to which Tancred replies: "The brother, I believe, of the richest man in London." They are, of course, of her "race and faith." Admittedly, Disraeli's Rothschild-based characters often act as mouthpieces for the author's own somewhat idiosyncratic reflections on the place of Jews in the modern world: in no sense can they be regarded as "realistic" portraits of individual Rothschilds. Nevertheless, there are enough traces of his original models to give the novels a genuine value to the historian.

Other "positive" fictional representations are less substantial. An Austrian novella of the 1850s, for example, portrayed Salomon von Rothschild as a kind of Viennese Santa Claus, benignly siding with a carpenter's daughter who wants to marry her rich father's gifted but poor apprentice. A later example of the same genre is Oscar Wilde's short story "The Model Millionaire, a note of admiration" (1887),

which describes how an impoverished man-about-town is helped to marry the girl he loves by the generosity of "Baron Hausberg." Such fairy stories, in which Rothschild-inspired characters are cast as benign dispensers of largesse, have echoes in some of the twentieth-century popular works about the family, particularly the books by Balla, Roth, Morton, Cowles and Wilson. The consciously (and sometimes cloy ingly) positive tenor of such works can be inferred even from their titles: *The Romance of the Rothschilds*, *The Magnificent Rothschilds*, *A Family Portrait*, *A Family of Fortune*, *A Story of Wealth and Power*. The 1969 musical about Mayer Amschel and his sons represents the *reductio ad absurdum* of this sycophantic tendency. Here the family's early history is transformed into a sentimental yarn of good Jewish boys overcoming the deprivation and degradation of a South German version of Hell's Kitchen: in a word, kitsch.

Yet such positive representations account for a relatively small part of the Rothschild myth. Indeed, it is not too much to say that for every writer who has been willing to attribute at least part of the Rothschilds' financial success to their virtues, there have been two or three who have taken the opposite view.

At first, in the 1820s and 1830s, it was not as easy to attack the Rothschilds in print as it later became, especially in Germany; for one of the other favours Friedrich Gentz did for his "friends" was to send instructions to newspapers like the *Allgemeine Zeitung* that the Rothschilds should not be criticised. Even in 1843 the radical republican Friedrich Steinmann still found it impossible to find a publisher for his detailed and highly critical history, *The House of Rothschild, Its History and Transactions* ; it did not appear for another fifteen years. The most that could safely be indulged in were mild digs of the sort published in 1826 by the German economist and journalist Friedrich List, whose brief report of a theft from the Paris house gratuitously described James de Rothschild as "the mighty lord and master of all the coined and uncoined silver and gold in the Old World, before whose money-box Kings and Emperors humbly bow, [the] King of Kings." Even in relatively liberal England, the earliest criticisms of the Rothschilds were made in the form of allegorical cartoons like Cruikshank's *The Jew and the Doctor*, or under the protection of parliamentary privilege, like Thomas Duncombe's contemporaneous allusion in 1828 to "a new, and formidable power, till these days unknown in Europe; master of unbounded wealth, [who] boasts that he is the arbiter of peace and war, and that the credit of nations depends upon his nod."

It was not untypical, therefore, that the earliest critique of the Rothschilds published in France took the form of fiction. In *The House of Nucingen* (1837-8), Honoré de Balzac portrayed a roguish German-born banker who had made his fortune from a series of bogus bankruptcies, forcing his creditors to accept depreciated paper in repayment. The resemblances between the overbearing, ruthless and coarse Nucingen and James de Rothschild were too numerous to be coincidental; and in his *Splendours and Sorrows of Courtesans* (1838-47), Balzac drew a famous conclusion which applied not only to Nucingen but also, by implication, to James: "All rapidly accumulated wealth is either the result of luck or discovery, or the result of a legalised theft."

It may also have been Balzac who originated or at least disseminated what rapidly became one of the favourite stories in the anti-Rothschild canon; for in *The House of Nucingen* he describes Nucingen's second greatest business coup as a massive speculation on the outcome of the battle of Waterloo. This story was repeated nine years later in Georges Dairnvaell's scurrilous pamphlet, *The Edifying and Curious History of Rothschild I, King of the Jews* (1846), which claimed that, by obtaining the first news of Napoleon's defeat at Waterloo, Nathan had been able to make a huge sum of money by speculating on the stock exchange. In later versions of the story, Nathan was said to have witnessed the battle himself, risking a Channel storm to reach London ahead of the official news of Wellington's

victory and thereby pocketing between £20 and £135 million. Other accounts have him bribing the French General Grouchy to ensure Wellington's victory; and then deliberately misreporting the outcome in London in order to precipitate panic-selling.

Of course, it is possible for modern writers to retell the Waterloo legend as an illustration of Nathan's business acumen—indeed, that is what most people today seem to infer from the anecdote. According to a later American banker, Bernard Baruch, it even inspired him to make his first million. However, the idea of a huge speculative profit made on the basis of advance news of a military outcome was a shocking one to many contemporaries: indeed, it epitomised the kind of "immoral" and "unhealthy" economic activity which both conservatives and radicals disliked when they contemplated the stock exchange. In refusing Gladstone's request to make Lionel de Rothschild a peer, Queen Victoria explicitly questioned whether "one who owes his great wealth to contracts with Foreign Govts. for loans, or to successful speculations on the Stock Exchange can fairly claim a British peerage" as this seemed to her "not the less a species of gambling, because it is on a gigantic scale—and far removed from that legitimate trading which she delights to honour . . ."

Another contemporary interpretation of the Waterloo story was as an illustration of Rothschild political neutrality: by implication, if Napoleon had won, Nathan would have been a bear rather than a bull of British bonds. Some writers, however, chose to see his speculation as evidence of positive support for the coalition against Napoleon. To French critics especially, the Waterloo story symbolised the "unpatriotic" (sometimes German, sometimes British) sympathies of the family. As Dairnvaell put it, "The Rothschilds have only ever gained from our disasters; when France has won, the Rothschilds have lost." That the Rothschilds gave their financial support to the opponents of Napoleon could equally well be taken as a sign of their political conservatism; as could the fact that they floated loans for Austria, Prussia and Bourbon France after 1815. Indeed, for radical opponents of the legitimist regimes restored at the Vienna Congress, the Rothschilds were notoriously the "chief ally of the Holy Alliance." To the German writer Ludwig Börne, they were "the nation's worst enemies. They have done more than any to undermine the foundations of freedom, and it is unquestionable that most of the peoples of Europe would by this time be in full possession of liberty if such men as Rothschild . . . did not lend the autocrats the support of their capital."

Nevertheless, it was not always easy to sustain the notion that the Rothschilds were politically biased towards conservative regimes. As early as 1823, in the twelfth canto of *Don Juan*, Byron had asked "Who hold the balance of the world? Who reign O'er Congress, whether royalist or liberal?" and answered: "Jew Rothschild, and his fellow Christian Baring." The crucial point is that Byron saw "Rothschild" as influential over both royalist and liberal regimes, his power stretching as far afield as the republics of Latin America. Even before the 1830 revolutions, the idea was gaining currency that the Rothschilds were more than merely bankrolling the legitimist regimes; consciously or unconsciously, they were acquiring a power of their own which rivalled and perhaps might even replace that of the monarchs and emperors. The events of 1830, when Charles X was toppled from the French throne but James de Rothschild survived unscathed, seemed to confirm this notion of a new financial royalty. "Would it not be a great blessing for the world," asked Börne sarcastically in 1832, "if all the kings were dismissed and the Rothschild family put on their thrones?" William Makepeace Thackeray joked that "N. M. Rothschild, Esq. . . . play[ed] with new kings as young Misses with dolls." Heinrich Heine described Nathan sitting as if on a throne and speaking "like a king, with courtiers all around him." The same point underlies Heine's vision of a children's fancy-dress ball given by Salomon:

The children wore lovely fancy dress, and they played at making loans. They were dressed up like

kings, with crowns on their heads, but there was one of the bigger lads who was dressed exactly like old Nathan Rothschild. He played his part very well, kept both hands in his trouser-pockets, rattled his money and shook with bad temper when one of the little kings wanted to borrow off him . . .

Elsewhere, Heine analysed the ambivalent nature of the Rothschilds' power in more detail. He acknowledged that in the short term it served to shore up the reactionary regimes because "revolutions are generally triggered off by deficiency of money" and "the Rothschild system . . . prevent[ed] such deficiencies." However, he insisted that the Rothschild "system" was also potentially revolutionary in itself:

No one does more to further the revolution than the Rothschilds themselves . . . and, though it may sound even more strange, these Rothschilds, the bankers of kings, these princely pursestring-holders, whose existence might be placed in the gravest danger by a collapse of the European state system, nevertheless carry in their minds a consciousness of their revolutionary mission.

"I see in Rothschild," he went on, "one of the greatest revolutionaries who have founded modern democracy":

Rothschild . . . destroyed the predominance of land, by raising the system of state bonds to supreme power, thereby mobilising property and income and at the same time endowing money with the previous privileges of the land. He thereby created a new aristocracy, it is true, but this, resting as it does on the most unreliable of elements, on money, can never play as enduringly regressive a role as the former aristocracy, which was rooted in the land, in the earth itself.

Not only had the Rothschilds replaced the old aristocracy; they also represented a new materialist religion. "[M]oney is the god of our time," declared Heine in March 1841, "and Rothschild is his prophet."

Nothing seemed to illustrate better the revolutionary significance of the Rothschilds than their role as railway developers. When the Rothschild-financed lines to Orléans and Rouen were opened in 1843, Heine wrote breathlessly of a social "tremor" with unforeseeable implications. By this time, however, a new note of scepticism can be detected in his allusions to the growing power of the "ruling aristocracy of money" and the apparent convergence of their interests with those of the old landed aristocracy. In the course of the 1840s a growing number of journalists began to express a more pronounced hostility than Heine ever dared—indebted as he was (and hoped to remain) to the Rothschilds. In particular, James's securing of the rail concession to link Paris and Belgium incensed more radical critics of the July Monarchy. Thus Alphonse Toussenel's *The Jews, Kings of the Epoch: A History of Financial Feudalism* (1846) was primarily directed against the financial terms under which the concession had been granted.

At one level, Toussenel was a kind of socialist who believed that the French rail network should be owned and managed by the state. However, his critique of the Rothschilds as capitalists was inseparably linked to an argument about their Jewishness. France had been "sold to the Jews" and the railways were directly or indirectly controlled by "Baron Rothschild, the King of Finance, a Jew ennobled by a very Christian King." It was this aspect of Toussenel's book which inspired the most imitation. Like Toussenel, the anonymous author of *Judgement Passed against Rothschild and Georges Dairnvaell* equated Judaism and capitalism: James was "the Jew Rothschild, king of the world, because today the whole world is Jewish." The name Rothschild "stands for a whole race—it is a symbol of a

power which extends its arms over the entirety of Europe." At the same time, in "exploiting all that is exploitable," the Rothschilds were merely "the model of all the bourgeois and mercantile virtues." The connections between tracts like these and what later developed into Marxism are well known. In his notorious 1844 essay "On the Jewish Question," Karl Marx himself spelt out his view of "the real Jew," by which he meant the capitalist, irrespective of his religious background. When, in the wake of the 1848-9 revolutions, the Rothschilds seemed to emerge intact along with the majority of the regimes temporarily overthrown, the moral was obvious to Marx: "[E]very tyrant is backed by a Jew, as is every Pope by a Jesuit."

By the 1850s, then, Heine's notion that the Rothschilds were in some sense the allies of revolutionary change seemed to have been comprehensively discredited and replaced by a critique of the Rothschilds not only as defenders of the political status quo, but also as archetypal capitalists and therefore economic exploiters. It tended to be writers on the revolutionary left in the 1840s who were most keen to equate this with their Judaism—though it was never really explained *why* Jews should have such different attitudes towards economic activity from Gentiles. (For a coherent—if largely fanciful and self-referential—explanation of Rothschild business success as a function of their religion and their race, we need to turn back to Disraeli's *Coningsby* and *Tancred*.)

Further distinctions were possible. In the France of the Second Empire, some contemporaries differentiated between the Rothschilds and other Jews—between the conservative *haute banque*, personified by the Rothschilds, and the "new" bank, embodied by the Crédit Mobilier which the Saint-Simonian Pereire brothers had established. Thus the Crédit Mobilier was portrayed by many writers as a primarily political challenge to the dominance of the Rothschilds over French public finance—Napoleon III's bid to "free himself" from Rothschild tutelage. Unlike most of the overtly anti-Semitic critiques of the Rothschilds, this has proved a more respectable line of argument: the Crédit Mobilier is still sometimes portrayed as a revolutionary new kind of bank, pursuing industrialisation as a developmental strategy in contradistinction to the "old" and implicitly parasitical private banks led by the Rothschilds. But contemporaries—notably the financier Jules Isaac Mirès—sometimes attributed this difference in style to the different cultural backgrounds of the two families (the Pereires were Sephardic Jews, originally from Spain, the Rothschilds Ashkenazim). Others conceived of the difference in more traditional political terms: Rothschild represented "the aristocracy of money" and "financial feudalism" while his rivals stood for "financial democracy" and an economic "1789." In those terms, the decline and fall of the Crédit Mobilier in the 1860s seemed to be more than just a financial event: it was a harbinger of the collapse of the Second Empire itself. Even in modern historiography, James's famous epigram, "L'Empire, c'est la baisse," is often cited as the death-knell for the Bonapartist regime and a reassertion of the *haute banque*'s political supremacy in France.

The advent of a republic in 1870 did nothing to dam the stream of French anti-Rothschild literature, however. All that happened was that the attacks now came from the right rather than the left. To those snobbish salon conservatives, the Goncourt brothers, the Rothschilds seemed to be the "Pariah kings of the world . . . coveting everything and controlling everything." Under the veil of republicanism, absolutism had been restored; but it was a corrupt and alien absolutism quite unlike the monarchical and imperial versions which had gone before. The catalyst for a fresh explosion of publications hostile to the Rothschilds was the collapse of the Union Générale bank in 1882, which its founder bitterly blamed on "Jewish finance" and its ally "governmental freemasonry." In his novel *L'Argent*, Emile Zola portrayed the affair as a triumph for the Rothschildian figure of Gundermann, "the banker king, the master of the bourse and of the world . . . the man who knew [all] secrets, who made the markets rise and fall at his pleasure as God makes the thunder . . . the king of gold." But Zola at least acknowledged that there had been a conscious attempt by anti-Jewish Catholics to overthrow

Gundermann. It took the twisted mind of Edouard Drumont to argue—in his *Jewish France* (1886)—that the Union Générale had itself been established by the Jews to rob Catholics of their savings. "The God Rothschild," Drumont concluded, was the real "master" of France. Another purveyor of similar libels was Auguste Chirac, whose *Kings of the Republic* (1883) and *The Speculation of 1870 to 1884* (1887) denounced the subjugation of the Republic to "a *king* named Rothschild, with a courtesan or maid called *Jewish finance*."

Such polemics against the social and political power wielded by the Rothschilds were probably most numerous in France, but they had their counterparts elsewhere. In Germany, for example, the Rothschilds were attacked in books like *The Frankfurt Jews and the Mulcting of the People's Well-being* published by "Germanicus" in 1880, Max Bauer's crudely racialist pamphlet *Bismarck and Rothschild* (1891), or Friedrich von Scherb's 1893 *History of the House of Rothschild*. Such works found an echo in the rhetoric of the anti-Semitic "People's" and "Christian Social" parties which enjoyed moderate electoral success in parts of Germany and Austria; Social Democrats also sometimes talked in this way. Indeed, so all-pervasive did the idea of Rothschild power become that the academically respected (though since discredited) Werner Sombart could assert in his book *The Jews and Economic Life* (1911): "[T]he modern stock exchange is Rothschildish (and thus Jewish)."

English examples can also be found. There, as on the continent, "anti-Rothschildism" was as likely to come from the left as from the right. A good illustration is John Reeves's book *The Rothschilds: The Financial Rulers of Nations* (1887), which returns a typical verdict: "The Rothschilds belong to no one nationality, they are cosmopolitan . . . they belonged to no party, they were ready to grow rich at the expense of friend and foe alike."

Reeves's argument that the Rothschilds wielded international as well as internal political power was nothing new. As early as the 1830s, an American magazine could marvel: "Not a cabinet moves without their advice. They stretch their hand, with equal ease, from Petersburg to Vienna, from Vienna to Paris, from Paris to London, from London to Washington." They were, according to the English diarist Thomas Raikes, "the metallic sovereigns of Europe." Alexandre Weill's essay "Rothschild and the Finances of Europe" (1841) went even further (in Reeves's translation):

There is but one power in Europe and that is Rothschild. His satellites are a dozen other banking firms; his soldiers, his squires, all respectable men of business and merchants; and his sword is speculation. Rothschild is a consequence that was bound to appear; and, if it had not been a Rothschild, it would have been someone else. He is, however, by no means an accidental consequence, but a primary consequence, called into existence by the principles which have guided the European states since 1815. Rothschild had need of the states to become a Rothschild, while the states on their side required Rothschild. Now, however, he no longer needs the State, but the State still has want of him.

An anonymous German cartoonist made essentially the same point (though more vividly) in 1845 when he portrayed a grotesquely caricatured Jew—manifestly a composite Rothschild—as "Die Generalpumpe," a monstrous engine pumping money around the world, with tentacles extending to control monarchs and ministers as far away as Spain and Egypt. A similar image appeared in Wilhelm Marr's *Mephistopheles* in 1850, portraying "Rothschild" surrounded by the kings of Europe, all holding out their hands for money, and again in 1870, when Lionel was depicted in the same pose by the *Period*. Twenty-four years later, the American populist "Coin" Harvey envisioned "Rothschilds" as a vast, black octopus stretching its tentacles around the world. The French cartoonist Léandre likewise portrayed Alphonse de Rothschild as a giant vampire, grasping the world in his claws.

The crucial question, however, was what *use* the Rothschilds made of this ubiquitous financial power. Was it merely an end itself, the result of a pathological appetite for interest and commissions? Perhaps the most frequent contemporary answer to this question was that it enabled the Rothschilds to prevent wars. As early as 1828 Prince Pückler-Muskau referred to "Rothschild . . . without whom no power in Europe today seems able to make war." Three years later Ludwig Börne explicitly argued that Rothschild sales of Austrian government bonds had prevented Metternich from intervening to check the spread of revolution in Italy and Belgium. He also implied strongly that the Rothschilds were keen to see France adopt a more pacific policy towards Austria. Similar claims were made by political insiders too, for example by the Austrian diplomat Graf Prokesch von Osten in December 1830: "It is all a question of ways and means and what Rothschild says is decisive, and he won't give any money for war." After the Polish crisis of 1863, Disraeli claimed that "the peace of the world has been preserved, not by the statesmen, but by the capitalists." Even a hostile writer like Toussenel took the same line: "The Jew *speculates on peace*, that is on a rise, and that explains why peace in Europe has lasted for fifteen years." Later authors have echoed this time and again. Chirac purported to quote a Rothschild saying: "There will be no war because the Rothschilds do not want it." According to Morton, the five sons of Mayer Amschel were "the most militant pacifists ever." And few writers omit the anecdote which attributes to Gutle Rothschild the declaration: "It won't come to war; my sons won't provide money for it."

To modern readers, it is axiomatic that the avoidance of war is a good thing, even if we have come to doubt the ability of bankers to achieve it. However, in the era of military conflicts which began with the Crimean War and ended with the Franco-Prussian War, there were often those who questioned the Rothschilds' motivations in seeking to preserve peace. At the time of the wars of Italian unification—which it was believed they were anxious to avert—the Earl of Shaftesbury found it "strange, fearful, humiliating" that "the destinies of this nation are the sport of an infidel Jew!" The Rothschilds' New York agent August Belmont was widely attacked in the North during the American Civil War because he favoured a negotiated peace with the South and supported General George McClellan's nom ination as Democrat candidate in 1864. In much the same way, the Prussian government was irked by the Rothschilds' efforts to avert military confrontation during the "wars of unification," when Bismarck actively desired it. Similar criticisms of Rothschild "pacifism" can be found in the diplomatic and political correspondence of the great powers before and after the turn of the century. To give a final hostile example, the foreign editor (and later editor) of *The Times*, Henry Wickham Steed, described Natty's efforts to avert a war between Germany and Britain in July 1914 as "a dirty German-Jewish international financial attempt to bully us into advocating neutrality."

Yet other commentators—on both Left and Right—often took the opposite line: that the Rothschilds positively fomented wars. In 1891 the *Labour Leader* denounced the Rothschilds as a

blood-sucking crew [which] has been the cause of untold mischief and misery in Europe during the present century, and has piled up its prodigious wealth chiefly through fomenting wars between States which ought never to have quarrelled. Wherever there is trouble in Europe, wherever rumours of war circulate and men's minds are distraught with fear of change and calamity, you may be sure that a hook-nosed Rothschild is at his games somewhere near the region of the disturbance.

The case was put in a more sophisticated form by the left-leaning Liberal J. A. Hobson, author of the classic *Imperialism: A Study* (1902). Like many radical writers of the period, Hobson regarded the Boer War as having been engineered "by a small group of international financiers, chiefly German in origin and Jewish in race." The Rothschilds, in his view, were central to this group: "Does anyone seriously suppose," he asked in *Imperialism*, "that a great war could be undertaken by any European State, or any

great State loan subscribed, if the house of Rothschild and its connexions set their face against it?" Scherb had made much the same point from a German nationalist perspective in his *History*: "The House of Rothschild has arisen from the quarrels between states, has become great and mighty from wars [and] the misfortune of states and peoples has been its fortune."

War or peace? There was, however, another possibility: that the Rothschilds saw their financial power as a means to advance the interests of their fellow Jews. To poorer Jews throughout Europe, Nathan Rothschild's extraordinary rise to riches had an almost mystical significance—hence the legend of the "Hebrew talisman," the magical source of his good luck, which became associated with him in Jewish lore. This extraordinary story—a version of which was published by an anonymous author in London just four years after Nathan Rothschild's death—imagined that the source of Nathan's financial success was his possession of a magical talisman. His wealth was in fact intended for a higher purpose: "to avenge the wrongs of Israel" by securing "the re-establishment of Judah's kingdom—the rebuilding of thy towers, Oh! Jerusalem!" and "the restoration of Judea to our ancient race."

The notion that the Rothschilds had a design to reclaim the Holy Land for the Jewish people was frequently canvassed in more serious terms than these. As early as 1830 an American journal suggested that "the pecuniary distress of the sultan" might lead him to sell Jerusalem to the Rothschilds. The French socialist Charles Fourier raised the same possibility in his book *The False Industry* in 1836. Disraeli too spoke in 1851 of the Jews being "restor[ed] . . . to their own land" with the help of Rothschild money. And the same idea can be found in popular stories from the Russian Pale of Settlement like "The Czar in Rothschild's Castle."

The other possibility (also raised in this story) was that the Rothschilds might use their financial power to force the Tsar to cease his persecution of the Russian Jews. This illustrated the choice which East European Jews had to contemplate throughout the nineteenth century: should one emigrate to some remote promised land, or stay and seek equality before the law? In the early part of the century, West European Jews had faced the same dilemma. Significantly, the author of the *Hebrew Talisman* concluded his tract by accusing Nathan of preferring the comforts of social assimilation in England to the rigours of his holy mission. Indeed, he claimed that Nathan's death was the result of his decision to seek political emancipation in England—and a peerage for himself—rather than continuing to strive for the restoration of Jerusalem.

The central dilemma which confronted the Rothschilds lay here: because of their wealth, other Jews looked to them for leadership in their pursuit of equal civil and political rights. As we shall see, this leadership was forthcoming from a remarkably early stage, beginning with Mayer Amschel's efforts to achieve civil rights for the Frankfurt Jews in the era of the Napoleonic Wars, and continuing with his grandson Lionel's campaign to secure the admission of Jews to the House of Commons in the 1840s and 1850s. It was a strategy which suited the Rothschilds well, allowing them to pursue their own familial strategy of penetrating the social and political elites where they lived without converting from Judaism; and allowing them to do good works on behalf of their "co-religionists" while at the same time acquiring quasi-royal status in the eyes of other Jews. However, the more the Rothschilds sought to pursue emancipation as an international objective—intervening on behalf of Jewish communities in Syria, Rumania and Russia as well as in the countries where they themselves resided—the more they encouraged the argument of anti-Semites that the Jews were a cosmopolitan race with no real national attachment. At the same time, when other Jews, despairing of assimilation as an objective, began to press for some kind of return to the Holy Land, the Rothschilds' position was further compromised; for they themselves had no desire to forsake their palatial town and country residences for barren Palestine. But that was just what their anti-Semitic enemies desired. Hostile cartoons from the 1840s and 1890s

depicted the Rothschilds in a throng of Jews leaving Germany for the Holy Land—travelling first class, but leaving nonetheless. Commenting on Lionel's campaign for admission to the House of Commons, Thomas Carlyle asked: "[H]ow can a real Jew, by possibility, try to be a Senator, or even a Citizen of any country, except his own wretched Palestine, whither all his thoughts and steps and efforts tend?"

This was broadly the argument (though not the language) of the early Zionists like Theodor Herzl, who came to believe that the only "solution to the Jewish question" was indeed for the Jews to leave Europe and found their own *Judenstaat*. Herzl made a succession of attempts to win the support of the Rothschilds in the belief that they were about to "liquidate" their vast capital as a response to anti-Semitic attacks. But his sixty-six-page address "to the Rothschild Family Council" was never sent, as he concluded from an initial rebuff that they were "vulgar, contemptuous, egoistical people." The Rothschilds, he later declared, were "a national misfortune for the Jews"; he even threatened to "liquidate" them or to "wage a barbaric campaign" against them if they opposed him.

If a Zionist could use such language in the 1890s, it is perhaps not surprising that the radical anti-Semites who flourished in the defeated states of Central Europe after the First World War did so too, albeit with a very different rationale. Indeed, perhaps the most interesting thing about early National Socialist or *völkisch* propaganda directed against the Rothschilds is its very lack of originality. A good example is Dietrich Eckart's address "To All Working People" of 1919:

The House of Rothschild owns forty billion! . . . [They] only need to administer their wealth, to see that it is nicely placed, they do not need to work, at least not what we understand by work. But who provides them and their like with such an enormous amount of money? . . . Who does this? You do it, nobody but you! That's right, it is your money, hard-earned through care and sorrow, which is drawn as if magnetically into the coffers of these insatiable people.

This was little different from the kind of thing radicals had been saying in France as well as in Germany since the 1840s. Another early National Socialist who cited the Rothschilds as examples of the "Jewish problem" he pledged to "solve" was Adolf Hitler. In an article in the Nazi *Völkische Beobachter* in May 1921, for example, he named them as one of a group of Jewish "capitalists" who controlled the socialist press. On at least two occasions in 1922 he gave speeches in which he referred to "the significant difference between the achievements of a man like Alfred Krupp, who has bequeathed an immense national achievement through his indefatigable work as an innovator, and the rapacity of a Rothschild, who financed wars and revolutions and brought the peoples into interest-servitude through loans." Alfred Rosenberg made a similar point in his book *The Myth of the Twentieth Century.*

Hitler's use of the past tense was not accidental, for by the 1920s there was no longer a Rothschild bank in Frankfurt, and even the three remaining Rothschild houses in London, Paris and Vienna had ceased to play a major role in the German economy. Yet that did not stop the Nazis from repeatedly using the Rothschilds as a subject for their anti-Semitic propaganda once they came to power: the old myths were recycled and embroidered to illustrate the various racial characteristics which Hitler so detested. For example, Eberhard Müller's play *Rothschild Wins at Waterloo* (1936) portrayed Nathan on the field of battle, intoning lines like: "My money is everywhere, and my money is friendly. It is the friendliest power in the world, fat, round as a bullet and smiling"; "My Fatherland is the London Stock Exchange"; and "The wealth of England is in my hands." Similar themes were taken up in May 1938 when Julius Streicher's anti-Jewish exhibition was sent to Vienna with a room devoted exclusively to the House of Rothschild. A later version in Frankfurt put on display forged "facsimiles of letters" by

Mayer Amschel to "an English banker" which appeared to explain "how he planned to send his five sons all over Europe for the purpose of dominating all Gentile commerce and finance."

The culmination of the Nazis' anti-Rothschild propaganda was Erich Waschnek's film *Die Rothschilds*, which was screened for the first time in July 1940 and then re-released after further editing a year later with the sub-title *Aktien auf Waterloo* ("Shares in Waterloo"). This was one of a trio of films designed to prepare the German population for harsher measures against the Jews: the others were *Jud-Süss* and the notorious "documentary" *Der ewige Jude* ("The Eternal Jew"). It is true that the Waterloo legend presented problems for the Propaganda Ministry at a time of uncertainty about the correct "line" to take towards Britain. While some British characters (Wellington and the "Finance Minister" Herries) are portrayed as corrupt and morally degenerate, others—in particular the banker "Turner" and his Irish wife—are cast sympathetically as victims of the Rothschilds' machinations. But the portrayal of the Rothschilds themselves is unambiguous enough, as the plot summary drafted by the Allies after the war shows:

In 1806 the "Landgraf " of Hesse escaping Napoleon has to entrust his fortune of £6,000,000 to somebody for safekeeping. He deposits the money with the Jewish banker, Meyer Amschel Rothschild in Frankfurt. The abusive use of this money becomes the foundation for the power of the Rothschilds. Amschel Rothschild sends the money to his son Nathan who is not respected by his business rivals. But Nathan ruthlessly outwits all of them. He gets money to Wellington in Spain with the help of his brother in Paris—Nathan is the first to receive news that Napoleon has escaped from Elba and the only one to gamble all he possesses on the reinstatement of Louis of Orleans [*sic*]. He is a joke in Society—nobody takes him seriously but his Jewish hirelings and the British Ministry of Finance. "Lord" Wellington is again sent to fight Napoleon. He has very little time to prepare for the war—the ladies keep him busy! But he has time enough (just as Fouché does in Paris) to confer with Rothschild who implies that Wellington will be well rewarded if Rothschild is the first to know the outcome of the battle. The moment Rothschild hears that Napoleon is beaten he spreads news that the English cause is lost. A panic follows—everybody sells Government Bonds—Rothschild buys them. The poor lose their money. The few honourable rich Englishmen (one of them is pictured as extremely decent due to the fact that he is married to an Irish woman!) lose all they own. The star of David lies over England—over the part of the world that Nazi Germany fights.

All the themes of Nazi anti-Semitism are here. The Jews have no allegiance to the countries where they live and merely wish to profit from the sufferings of others: "You can only make a lot of money with a lot of blood!" Mayer Amschel (Erich Ponto) tells Nathan (Karl Kuhlmann). Under their direction, "International Jewry" engages in "gigantic speculations" while "soldiers bleed to death on the battlefields." The Jews are physically different and repellent: Mayer Amschel sports a kaftan and ringlets, while his oleaginous son lusts grotesquely after the wife of his Aryan rival—a typical Goebbels touch. Despite the Propaganda Minister's apparent dissatisfaction with the film, it appears to have been relatively popular: the secret police reported excitement when it was first released in Berlin and surrounding districts and it also played to large audiences in occupied France. When a British prisoner-of-war was leafing through a German newspaper in January 1945, he was so amazed to find a version of the story on the front page that he translated it and took it home when the war was over.

It is instructive to compare Waschnek's film with its American precursor and model, *The House of Rothschild*, directed by Darryl Zanuck in 1934 and starring George Arliss as both Mayer Amschel and Nathan. In the earlier film, the Rothschilds are portrayed sympathetically: their rise from rags to riches is a version of the "American dream" (complete with a wholesome romance between a Rothschild daughter and the dashing young British officer who brings the news of victory at Waterloo), while the

obstacles they confront—the sinister Prussian Minister Baron Ledrantz (Boris Karloff) and rioting mobs in Frankfurt—allude to contemporary developments in Germany. Yet even the American version of the Rothschild story is largely myth, much of which could be construed in a less sympathetic light. Mayer Amschel may be a lovable old man with a twinkle in his eye and matinée idols for children; but he still has a plan for world domination. Indeed, in places the films are like mirror images of one another. In Waschnek's version, Nathan draws a map of Europe to show the centres of Rothschild power and a family tree which, when its branches are connected, forms a Star of David; the flaming star is then superimposed over a map of England with the accompanying title: "As this film was being completed, the last members of the Rothschild family are leaving Europe as refugees and escaping to their allies in England. The fight against British plutocracy continues!" The Zanuck film uses very similar imagery: on his deathbed, Mayer Amschel tells his five sons to go to the various European cities. These are then depicted on a map, and a Star of David is again superimposed. However, the concluding sequence of the film emphasises the parallel between Nazi anti-Jewish policy and the "Hep" riots against the Frankfurt Jews in 1818. In essence, then, the two films tell the same story, albeit with the moral signs pointing in opposite directions.

This Janus-faced quality to the cinematic representations of the Rothschilds' early history is symptomatic of a more general ambiguity. For there is a sense in which all the various Rothschild legends can be thought of as a single myth—a myth of immense wealth; of meteoric social ascent; of limitless political and diplomatic power; and of some enigmatic *ultima ratio*, connected with the family's religion. Usually, the myth is told in pejorative terms: the wealth is ill-gotten, the social ascent unsuccessful, the power based on corruption and the objective sinister. But it can equally well be told in the Hollywood style, as a tale of economic over-achievement, social success, legitimate power and moral ends. Other subjects exploited by the Nazis for their propaganda have, of course, since become taboo—and in some countries even illegal. But the ambivalent quality of the Rothschild myth seems to guarantee its constant replication and modification. This is perhaps most obvious in France. Parts of the special edition of the magazine *Crapouillot* published in 1951 were undoubtedly anti-Semitic, reproducing the stories (and cartoons) from the nineteenth century radical and right-wing literature; but other "grandees" included in the magazine were not Jewish, and the tone of the text as a whole was relatively temperate. As the work of writers like Coston and Peyrefitte shows, it was possible in the atmosphere of the Fourth Republic to repeat more or less verbatim the old legends about the "200 families who rule France" with only a slight modification of tone. Typically, when the former de Rothschild Frères director Georges Pompidou became Prime Minister in April 1962 (and later President in 1969), *le Canard enchaîné* commented simply: "RF = République française = Rothschild frères." However, similar echoes of the Rothschild myth can be found in the British press too. Hostile inferences were sometimes drawn in the 1980s from the fact that a number of Conservative politicians had worked for N. M. Rothschild & Sons Limited either before or after their political careers, at a time when the firm was handling a number of important privatisations. Indeed, the Labour Shadow Chancellor Roy Hattersley went so far as to allege a "correlation between contribution to the Tory party and the receipt of business from Government" following the first Rothschild privatisation—an allegation he was later forced to withdraw.

Nowhere is the continuing vitality of the Rothschild myth on the lunatic fringe more apparent than in the writings of David Icke, the erstwhile environmentalist turned "New Age" evangelist. According to Icke, the Rothschilds are members of the "Global Elite or Brotherhood"—also referred to as the "All-Seeing Eye Cult" and the "Prison Warders"—which secretly rules the world. Ever since the time of Mayer Amschel, they have "manipulated governments and worked through the Brotherhood network to create wars and revolutions." They are the hidden power which "controls" other well-known banks such as Warburgs, Schroders and Lazards, as well as being "behind" American financiers such as J. P.

Morgan, the Rockefellers, Kuhn, Loeb & Co. (an "obvious Rothschild front"), the Speyers and the Lehmans—not to mention the Bank of England and the Federal Reserve system. Through this network of global power, they have been responsible for, among other things: the murder of Abraham Lincoln; the Boer War; the creation of Israel (a gambit to control the oil of the Middle East); the Russian revolution ("a coup on Russia by the United States financial arm of the Global Elite largely controlled by the Rothschilds"); the financing of Hitler; and even the floating of the dollar by President Nixon. Today, Icke alleges, they and their associates in the Conservative party and the press are plotting to monopolise the world's energy supplies—hence their interest in electricity, coal and gas privatisation.

A cursory search of the Internet reveals a plethora of equally bizarre conspiracy theories. A "Study of Corporate and Banking Influence" by Don Allen purports to show the "linear connection" between the Rothschilds, the Bank of England and the Federal Reserve. The "A-albionic Research Weekly" by James Daugherty claims to have identified "The 'World Money Cartel' or 'Empire of the City (of London)' operated for the 'Crown' by the 'legendary' Merchant Bankers of the Bank of England, including the Warburgs, Rothschilds [and] Barings." "Scriptures for America" gives a more elaborate version of Icke's claims about the economic rationale behind Rothschild support for Zionism, "the single purpose" of which is supposedly "to secure permanent and secure access to [the] vast natural resources in the Far East." In a similar vein, Sherman H. Skolnick's "Conspiracy Nation" repeats the claim that the Rothschilds "arranged the murder of President Lincoln," as his "post-war policies would have wrecked [their] commodity speculations." Skolnick also repeats the allegation that "the Rothschilds . . . financed the rise of Hitler as a bulwark against the Soviet Union," adding by way of "explanation" that "the Rothschilds are interwoven with the Catholic Church and, jointly with the traditional mafia and the American CIA, interlocked with the Vatican Bank, which was pro-Nazi."

Such surreal libels are not confined to the Internet. The television preacher and Republican politician Pat Robertson's book *The New World Order* (published in 1991) states that the Rothschilds were "polluted by the occultism of . . . Illuminated Freemasonry" and that "Paul Warburg, architect of the Federal Reserve System, was a Rothschild agent." From a completely different political milieu, Khalid Muhammad—a former assistant to Louis Farrakhan, the leader of the radical African-American organisation Nation of Islam—has repeated the suggestion that "the Rothschilds . . . financed Hitler" and "aided" his anti-Semitic policies; as well—needless to say—as "gaining control of" the Bank of England and the Federal Reserve system. It might be thought that a serious banking history should scrupulously avoid reference to this kind of nonsense. Yet it is impossible to appreciate the need for a scholarly history of the subject if one blithely pretends such myths do not exist.

IV

Part of the purpose of this book, then, is to supplant Rothschild mythology with historical reality, in so far as that can be "reconstructed" from surviving documentary evidence. It might be wondered why this has not been done before; why only a tiny fraction of the books which purport to be about the Rothschilds are in fact based on serious archival scholarship. Part of the answer, of course, lies in the enduring appeal of a rich and successful family to hack writers, who are always able to turn a penny by rehashing the myths and anecdotes already in print. Another reason is that, until recently, it was far from easy to gain access to the relevant documentary material. Tragically, the vast archive of the Frankfurt house—which also included all that had been kept of the Naples house's papers—was largely destroyed in 1912, with the exception of a very few early documents which were sent to Paris.[4] Part of the archive of the Vienna house was confiscated by the Nazis in 1938 and passed into Soviet hands at

the end of the war along with various papers belonging to members of the French family which were seized during the German occupation. This material lay buried in the Moscow "trophy" archive of the KGB throughout the Cold War and became available to outside researchers at the Centre for the Preservation of Historical Documents only in 1990.[5] When Count Corti wrote his two-volume study of the "Rise" and "Reign" of the Rothschilds in 1927-8, he had to rely mainly on the Austrian state archives and the published correspondence, memoirs and diaries of nineteenth-century politicians. The archive of the London house was not generally open to scholars before 1978, though members of the family and "insiders" like Lucien Wolf made use of documents there to produce a number of important monographs.

On the other hand, the archive of the French house—the basis of Bertrand Gille's monumental two-volume study published in the 1960s—was deposited in the Archives Nationales following the nationalisation of Banque Rothschild in 1981. Considering the wealth of material which has been available in both Paris and London since the family began to relax its restrictions on access, it is remarkable how little serious research has been done. A mainly social and political history of the English family and a handful of articles and monographs on quite specialised subjects is a relatively low yield for such important—indeed, in many ways unique—documentary collections. Even the volume of essays produced to coincide with the successful 1994-5 exhibition at the Frankfurt Jewish Museum entitled *The Rothschilds: A European Family* contains relatively few contributions based on new archival research. Pauline Prevost-Marcilhacy's volume on Rothschild architecture is the only book to date which has made use of all the major Rothschild document collections in London, Paris and Moscow.

There is, however, a further explanation for this relative lack of scholarship, and that is the intractability of so much of the material. There is a vast amount of it. "We Rothschilds are inveterate scribblers," wrote Charlotte de Rothschild to her children in 1874, "and cannot live without letter writing and letter receiving." It was only too true. The most important letters in the London archive are the so-called "private letters" (the XI/109 series) between the partners in the bank, which cover the years from 1812 to 1898. Altogether, these fill 135 boxes. Of these letters, I have referred to around 5,000 in the text. (To give an idea of the relative importance of this series, the final database of letters which I and my researchers wholly or partially transcribed from all archives contains around 13,000 entries.) The frequency of this private correspondence—which was private in the sense that, with a few exceptions, only the partners and the scribes they occasionally used saw it—varied enormously, depending on the volume of business, political news, the number of partners in the various offices and the time of year. Sometimes the partners in Paris might send out only two or three letters in a quiet week; but at peaks of activity, three partners might write one or sometimes two letters a day. To give a single example, in March 1848, the London partners received at least sixty important private letters from their partners on the continent. These letters were often quite lengthy, especially in the early years of the partnership, when Amschel and Salomon routinely sent their brothers five or six sides, mingling political news, financial information, business enquiries and answers with family gossip and personal grumblings. These were, it might be said, the telephone calls of the nineteenth-century, in that they contain the kind of information businessmen today rarely commit to paper. They were also, it should be stressed, untypical by nineteenth century standards. Firstly, because their partners were not so geographically dispersed, few if any of the Rothschilds' rivals corresponded in this way on a regular basis. It is unlikely that a comparable series of letters exists in any other banking archive. Secondly, because the Rothschilds were exceptionally well connected, the political intelligence their letters contain was usually of a very high quality. James did not exaggerate when he spoke in the 1840s of being able to see King Louis Philippe "daily": at times of political crisis, he could do just that. His

letters to London—the series which I have used most fully—constitute one of the most remarkable sources for nineteenth-century financial and diplomatic history.

There are only two causes for regret. There is a substantial and unexplained gap in the XI/109 series for the period 1854 to 1860, and after 1879 it trails off (though the letters from Paris in the series XI/101 continue up until 1914). More seriously, nearly all the copies of the outgoing letters *from* the London partners (in so far as these were made at all) were destroyed at the orders of successive senior partners. All that survive are eight tantalising boxes covering the period 1906-14. We therefore have precious few letters by Nathan compared with the thousands from his brothers which have survived; only a frustratingly small number from his eldest son Lionel; and next to nothing from his grandsons for the period before 1906. It should also be said that relatively few non-business letters by the partners were preserved; indeed, the first Lord Rothschild insisted that all his private correspondence be burnt after his death (though I have been able to find a number of letters in the archives of politicians to whom he wrote). If at times the history of N. M. Rothschild & Sons seems to have been written from the point of view of their continental relatives, that is an unavoidable consequence of this imbalance in the sources. We are fortunate that Nathan's sons (especially Nat) spent a good deal of time on the continent and that their letters "home" to their parents and brothers have been preserved; but these are no substitute for the letters written from London. By comparison, I have been unable to do more than take occasional samples from the even more voluminous general and private correspondence from the various Rothschild agents—particularly those in the major agencies in Madrid, Brussels, St Petersburg, New York, Mexico and San Francisco. There is an equally huge amount of mostly routine business letters from less important firms who merely acted as "correspondents" or did occasional business with the Rothschilds: again, I have had time only to dip into these letters, which came from as far afield as Calcutta, Shanghai, Melbourne and Valparaiso.

A further difficulty—which explains why the XI/109 files have never before been fully utilised by historians—is that, up until the late 1860s, all of the second generation and a number of key figures in the third generation of partners (as well as a few of the firm's agents) corresponded with one another primarily in *Judendeutsch*: German written in Hebrew characters. This was partly because it was the family's first language. But it was also partly to ensure that prying eyes would not be able to read the firm's private correspondence. The difficulty which even Hebrew readers find in deciphering the relatively archaic script used by the brothers has deterred previous scholars, who have been content to rely on the highly selective English extracts translated somewhat freely by a group of refugees from Germany employed as researchers in the 1950s (the so-called "T" files), or on the letters written by Nathan's children in easily legible English. However, the heroic work of Mordechai Zucker in translating or reading aloud the original letters on to tape has removed this obstacle for me, making available for the first time a "virgin" historical source of the very first importance.

The great benefit is that, partly because their letters were so hard for outsiders to read, the Rothschilds were able to write to one another with more or less complete candour. As a result, their correspondence has a uniquely direct and intimate quality. The partners were frank—sometimes even abusive—with one another, and made no secret of their opinions of the monarchs and ministers they had to deal with, which were rarely flattering. Their tone is colloquial, sometimes crudely so. The contrast could hardly be greater with the formal, functional business letters sent from one Rothschild house to another, or the much more carefully crafted letters they addressed to political friends and business associates outside the closed circle of the partnership and family. When used in conjunction with the other archival sources listed in the bibliography, the Rothschild letters reveal a reality which is in many ways more fascinating than even the most fantastic myth.

V

Academic historians like to contribute to historiographical debates. The Rothschilds are relevant to so many that it would be tedious to do more than merely list them, which I dutifully do now. The five Rothschild houses constitute an early version of what later became known as the "multinational:" business historians may find it illuminating to learn more about the way in which the firm worked as an international private partnership. Economic historians have for many years sought to assess the contribution of banks to industrialisation; there is ample material here on that question, especially as regards the role of the Rothschilds in the development of continental railways. The history of the Rothschilds also helps to illuminate the long-running debate about the differences between British, French and German banking, for the obvious reason that the various Rothschild houses worked in similar though not identical ways in each country. There is some new light too on the much-debated question of European capital export: those still concerned with the Hobson/Lenin paradigm may like to contrast it with the realities presented here. I would like to think that the book will also contribute, albeit indirectly, to some of the more technically sophisticated debates in the still-young specialism of financial history. I fear this is not a "model" history of a bank. I am conscious that I have not written anything about "asymmetrical information," "credit rationing" and "portfolio management," but I hope that those interested in such things will not be wholly disappointed by the sections of the book which concentrate on profits, losses and balance sheets. If nothing else, these data can now usefully be compared with those in other published bank histories—a task I have been able only to begin here.

Social historians will find this, I hope, a useful contribution not only to the old debates about class, but also to more voguish controversies about family structure and relations between the sexes within the wealthy elite: although the partners in the bank were exclusively male, I have taken care not to neglect their mothers, wives and daughters, who were often (as Miriam Rothschild recently pointed out) as capable as the Rothschild men, if not more so.

Specialists in Jewish history may be suspicious of yet another book written about a family which has always loomed uncomfortably large in their field; I can only hope that as an atheist from a Calvinist background I have not misunderstood too much the exceedingly complicated relationship between the "exceptional family" and their "co-religionists." I do not think I am guilty of overestimating the very important role the Rothschilds have played in modern Jewish history. Though it is not my forte, I have endeavoured to satisfy cultural historians by paying due attention to the contemporary allusions to the Rothschilds in high and low literature, and by doing my best to summarise the family's contribution as art collectors and as patrons of some of the nineteenth century's most distinguished architects, writers and composers. The book should also be of use to political historians, especially those with an interest in France, Britain and Germany. I am conscious that I have probably misinterpreted some of the more obscure allusions to the high politics of nineteenth-century France in the letters of James and his nephews; but I look to French historians to correct me by doing their own research on the relevant correspondence. Perhaps, on reflection, the book will give most satisfaction to those unfashionable scholars who continue to be interested in diplomatic history. There is more here than I had originally expected to write about Belgian neutrality, Schleswig-Holstein, the Eastern Question and the origins of the various wars which were fought (or averted) in the century between Waterloo and the Marne. But after finance—or rather inseparable from it—diplomacy was what the Rothschilds themselves regarded as important.

To all these different readerships, I offer apologies for sins of omission: because the book was supposed to be written in three years (it took nearer five) there are letters which I did not read, books I merely

skimmed, archives I did not visit. In deciding what not to do, I have tried to give priority to documents hitherto unknown or only partially known. Where an archive has apparently been well sifted by a previous historian, I have elected not to re-sift, at the risk of perpetuating error. This volume should thus be regarded as something of a research agenda: the London archive in particular cries out for further investigation, and I hope to see a steady stream of monographs in the coming years, correcting my broad-brush interpretations and doubtless many points of detail.

The fact that a book can at least pretend to be relevant to so many different spe cialisms should in itself reassure the non-academic reader, who I hope will forgive those passages of the book which betray the author's profession, just as those readers who are themselves bankers or Jews will forgive the errors and false notes which doubtless remain. If this book does something to help reintegrate economic, social, cultural, political and diplomatic history, and in the process to make both the nineteenth century world and the "exceptional family" more intelligible, it will have got the author from Point A, where he began, to Point B, where he wished to end up.

I

Father and Sons

ONE

"*Our Blessed Father": Origins*

Yes, my dear fellow, it all amounts to this: in order to do something you must be something. We think Dante great, but he had a civilisation of centuries behind him; the House of Rothschild is rich but it has required more than one generation to attain such wealth. Such things all lie deeper than one thinks.

—GOETHE, OCTOBER 1828

A traveller arriving in eighteenth-century Frankfurt, as he passed across the main Sachsenhäuser Bridge leading to the Fahrtor Gate, could hardly miss the *Judensau* —the Jews' Sow (see illustration 1.i). An obscene graffito on the wall, it depicted a group of Jews abasing themselves before—or rather beneath and behind—a fierce sow. While one of them suckled at her teats, another (in rabbinical garb) held up her tail for the third (also a rabbi) to drink her excrement. The "Jews' devil" watched approvingly. If the traveller looked up, he could also see a second and still more repellent image: that of a dead baby, its outstretched body punctured by countless small knife wounds and beneath it nine daggers. "On Maundy Thursday in the year 1475," read a caption, "the little child Simeon, aged 2, was killed by the Jews"—an allusion to the case of Simon of Trent, who had allegedly been a victim of "ritual murder," the fictional practice whereby Jews murdered Gentile children in order to put their blood in unleavened bread.

Such a graphic expression of anti-Jewish sentiment was by no means unique: the image of Jews worshipping a pig can be found in numerous woodcut and printed versions dating as far back as the fourteenth century, while the myth of ritual murder gained currency in Germany in the fifteenth. What made the Frankfurt pictures remarkable—at least in the eyes of the city's most celebrated son, Johann Wolfgang Goethe—was that they were "not the product of private hostility, but erected as a public monument." The *Judensau* and the murdered child were officially sanctioned symbols of a long-standing tradition of hostility to an enemy within the free imperial town.[1]

The first records of a Jewish community in Frankfurt date back to the middle of the twelfth century, when it numbered between one and two hundred. Its history was one of periodic persecution by the Gentile populace. In 1241, more than three quarters of the Frankfurt Jews were massacred in the so-called "Battle of the Jews" (*Judenschlacht*). The community re-established itself over the subsequent decades, but just over a century later, in 1349, there was a second pogrom. In both cases, popular millenarianism played a part: in the first "battle," fears that the Jews were in league with the Mongol horde; in the second, fears instigated by members of a fla gellant order that the Jews would attract the plague to the town.



1.i: Anonymous early-eighteenth-century print of Simon of Trent and the *Judensau.*

There were, however, worldly reasons why both the Holy Roman Emperor—who declared the Jews "servi nostri et servi camerae nostri" in 1236—and the municipal authorities were inclined to encourage Jewish settlement. The Jews were a source of tax revenue and credit (given their exemption from the laws prohibiting usury) who could be offered "protection" and restricted privileges in return for hard cash. But protection and restriction went hand in hand. In 1458, at the order of the Emperor Frederick III, the Jews were confined to a ghetto (from the Italian *borghetto* or suburb): a single,

narrow street on the north-eastern edge of the town at both ends of which gates were erected. To the 110 Jews living in the town, this capitivity in what became known as the Judengasse (Jews' Lane) suggested a "New Egypt." On the other hand, the persistent risk of popular violence could give the ghetto the character of a sanctuary. Allegations of ritual murder in 1504 and an attempt to declare the Jews heretics five years later provided a reminder of the vulnerability of the community's position, as did the conversion of the majority of the town's population to Lutheranism in 1537, given the avowed hostility of Luther towards the Jews. The Judengasse provided sanctuary of sorts in a perilous world; and between 1542 and 1610 its population grew from around 400 to 1,380 (an increase which was paralleled by Huguenot migration to Frankfurt from the Netherlands). The economic and social tensions which coincided with—or were caused by—these influxes culminated in yet another outbreak of popular violence against the Jewish community: the "Fettmilch riots," named after their shopkeeper leader Vincenz Fettmilch. However, wholesale looting of the Judengasse was this time not accompanied by mass murder (the Jews were expelled from the town) and, after a brief period of popular rule, imperial troops quashed the insurrection. Fettmilch and the other leaders of the revolt were hanged and the Jews marched back into the ghetto, their status as protégés of the Emperor reaffirmed.

In practice, as before, "protection" meant extraordinarily tight regulation, the details of which were set out by the Council in the Stättigkeit, a statute which was read out each year in the main synagogue. Under its terms, which remained in force until the very end of the eighteenth century, the Jewish population was restricted to just 500 families; the number of weddings was rationed to just twelve a year and the age of marriage fixed at twenty-five. No more than two Jews from outside were allowed to settle in the ghetto each year. Jews were prohibited from farming, or from dealing in weapons, spices, wine and grain. They were forbidden to live outside the Judengasse and, until 1726, were obliged to wear distinctive insignia (two concentric yellow rings for men and a striped veil for women) at all times. They were confined to the ghetto every night, on Sundays and during Christian festivals; at other times, they were forbidden to walk in the town more than two abreast. They were barred from entering parks, inns, coffee houses and the promenades around the town's picturesque walls; they were not even allowed near the town's ancient cathedral; and had to enter the town hall by a back door. They were permitted to visit the town market, but only during set hours, and were forbidden to touch vegetables and fruit there. If he appeared in court, a Jew had to swear a special oath which reminded all present of "the penalties and maledictions which God imposed on the cursed Jews." If he heard the words "Jud, mach mores!" ("Jew, do your duty!") in the street, he was obliged—even if they were uttered by a mere boy—to doff his hat and step to one side. And if he had occasion to go outside Frankfurt—for which a special pass was required—he paid double the amount of toll paid by a Gentile when entering the town. In return for this supposed "protection," every Jew also paid a poll (or "body") tax.

All this meant that the Frankfurt Jews spent most of their lives within the high walls and gates of the Judengasse. Today virtually nothing remains of this prison-cum-street. All but a couple of houses were demolished by the Frankfurt authorities in the course of the nineteenth century, and what little remained was flattened by American bombers in May 1944. However, the foundations of a part of the old street have recently been excavated, and these give at least a rough idea of the inordinately cramped conditions of life in the ghetto. Curving from the Börnheimer Gate in the north towards the Jewish cemetery in the south, it was just a quarter of a mile long and no more than twelve feet wide—in places less than ten. Having originally been designated a ghetto at a time when the Jewish population was little more than a hundred, the lane was horribly overcrowded: by 1711 there were no fewer than 3,024 people living there. Accommodating them all in such a small area required a high degree of architectural ingenuity: houses were just eight feet wide and had up to four storeys, and behind each row an additional row was constructed. Fire was an inevitable hazard—indeed, all or part of the

Judengasse was destroyed by major conflagrations in 1711, 1721 and 1774. This meant that life there was both dear and cheap: dear because the demand for housing far outstripped the supply, so that a four-room house in the north of the Judengasse cost as much as Goethe's father paid for his twenty-room mansion in the Grosse Hirschgraben; cheap because lack of sanitation, light and fresh air reduced life expectancy. In the 1780s it was estimated that average mortality among Jews was 58 per cent higher than among Gentiles. A traveller in 1795 observed how "most of the people among the Frankfurt Jews, even those who are in the blooming years of their life, look like the walking dead . . . Their deathly pale appearance sets them apart from all the other inhabitants in the most depressing way." Later, after the walls around it had been partly demolished, the Judengasse was to some extent romanticised by artists like Anton Burger; indeed, it became something of a Victorian tourist attraction (Charles Greville and George Eliot were among the English visitors). At the time, it struck the young Goethe as a hellish slum:

The lack of space, the dirt, the throng of people, the disagreeable accents of the voice—altogether, it made the most unpleasant impression, even upon the passer-by who merely looked through the gate. It was a long time before I dared to go in there alone, and I did not return there readily when once I had escaped from that multitide of people, all of them with something to hawk, all indefatigably buying or selling.

One who knew it more intimately was the poet Ludwig Börne, who (as Juda Löw Baruch) grew up there in the 1780s and 1790s. Looking back in anger rather than nostalgia, he remembered a

long dark prison, into which the highly celebrated light of the eighteenth century has not yet been able to penetrate . . . Stretching ahead of us lay an immeasurably long street, near us just enough room to reassure us that we could turn around as soon as the wish overcame us. Over us is no longer sky, which the sun needs in order to expand in his breadth; one doesn't see sky, one sees only sunlight. An evil smell rises everywhere around us, and the cloth that is supposed to shield us from infection serves also to catch the tears of compassion or to hide the smile of malice from the gaze of the watching Jews. Tramping laboriously through the filth slows our pace down enough to permit us the leisure for observation. We set our feet down skittishly and carefully so that we don't step on any children. These swim about in the gutter, creep about in the filth innumerable as vermin hatched by the sun from the dungheap. Who would not indulge these little boys in their small desires? . . . If one were to consider play in childhood as the model for the reality of life, then the cradle of these children must be the grave of every encouragement, every exuberance, every friendship, every joy in life. Are you afraid that these towering houses will collapse over us? O fear nothing! They are thoroughly reinforced, the cages of clipped birds, resting on the cornerstone of eternal ill-will, well walled up by the industrious hands of greed, and mortared with the sweat of tortured slaves. Do not hesitate. They stand firm and will never fall.

As Börne commented, even at a time of supposed "enlightenment," when other German cities were relaxing the restrictions imposed on Jews, Frankfurt held out, refusing to implement the Emperor Joseph II's Edict of Toleration (1782) and confiscating copies of Ephraim Lessing's philo-Semitic play *Nathan the Wise*. When the Jewish community petitioned in 1769 and again in 1784 to be allowed to leave the ghetto on Sundays, the request was rejected as an attempt "to put themselves on an equal footing with the Christian residents."[2] As in the past, this policy was to some extent forced upon the Council by the majority of the Gentile townspeople. Typically, when a Jewish mathematics teacher was granted permission to live and teach outside the ghetto in 1788, there was such a popular outcry that the licence had to be revoked; and a similar request by a Jewish doctor in 1795 was turned down flat. For

much the same reason—as a letter of complaint signed by seven leading Jewish merchants makes clear—the rules governing travel outside the Judengasse on holidays and Sundays were made more rather than less restrictive in 1787, with the introduction of a complicated system of identity cards:

As a human being, every Jew has the same rights as any other and a just claim for protection by his sovereign. Unfortunately, the lower classes are still so bound to the prejudices of their fathers as to doubt that a Jew is a human being like themselves. They mistreat [the Jews] in all sorts of ways and many an old man seems pleased when his son is mistreating a Jew. Even soldiers indulge in this punishable tyranny. Would they not take [the new system] as an invitation for countless acts of harassment? They would use the smallest difference in clothing, hair, beards and the like as an excuse to perform the most stringent examinations at the town gate. The slightest deviation [would] enable them to arrest the Jew and march him off to the main guard house like a common thief.

There was more to this persistent and systematic discrimination than mere ancestral prejudice, however. An important factor was that the Gentile business community genuinely feared the economic challenge which they believed would be posed by an emancipated Jewish population. The fact that a slum like the Judengasse could produce mathematics teachers and doctors in itself tells us something important about its culture: it was not as closed as it seemed. As Goethe himself discovered, when he plucked up the courage to enter the ghetto, the Jews were "human beings after all, industrious and obliging, and one could not help but admire even the obstinacy with which they adhered to their traditional ways." Despite—perhaps partly because of—the grim conditions in which they lived, the Frankfurt Jews were anything but an underclass in cultural terms.

Of course, the culture of the Judengasse was an unfamiliar one to a Gentile like Goethe. It was an intensely religious culture, with the rhythm of life still dictated by the religious laws of the *Halakha*. Every morning and evening, men were summoned to worship at synagogue by the *Schul-Klopper* knocking on their doors with a hammer. The Sabbath was, as an English visitor recalled, "in the picturesque phrase of their prayer-book, 'a bride,' and her welcome, week by week, was of a right bridal sort. White cloths were spread and lamps lit in her honour. The shabbiest dwellings put on something of a festive air." Education at the lane's three primary schools (*heder*) and the rabbinical college (*yeshivah*) was, by the standards of the time, conservative, with children learning to read the Torah, the foundation of Mosaic teaching law, then moving on to Rashi's commentaries and finally the Talmud, the compilation of rabbinical commentaries and debates on rules of observance. The community had its own fire brigade and hospitals, its own cemetery and its own voluntary associations to provide for the poor.

Yet, despite the high walls which surrounded it, and despite the relatively limited impact of the Jewish Enlightenment on the community (as compared with that of Berlin), the culture of the Judengasse was far from insular. Although Gentiles sometimes sneered at their manner of speech, Heinrich Heine later insisted that the Frankfurt Jews spoke "nothing but the proper language of Frankfurt [which is] spoken with equal excellence by the circumcised as well as by the non-circumcised population." This was a slight, though pardonable, exaggeration. Those Jews who did manage to secure for themselves a secular as well as a religious education—like the doctor mentioned above—would have spoken, read and written *Hochdeutsch*. The surviving letters of Mayer[3] Amschel Rothschild, however, confirm that his was a rough and often ungrammatical German, with an admixture of Hebrew; and when he wrote to his sons he used Hebrew characters, as did they when they wrote to one another. Nevertheless, the *Judendeutsch* of the Judengasse was not the Yiddish of the Polish and Russian stetl; and in all probability many Gentile merchants in Frankfurt wrote ungrammatical letters too. When Frankfurt

Jews left the Judengasse to do business—the avenue of activity most accessible to them—there was no insuperable language barrier between them and the Gentile merchants they encountered.

More than most German towns in the eighteenth century, Frankfurt was a businessman's town. At the junction of several major trade routes linking the towns of South Germany (Strasbourg, Ulm, Augsburg and Nuremberg) to the Hanseatic ports of the North (Hamburg, Bremen and Lübeck), and linking Germany as a whole to the economies of the Atlantic seaboard, the Baltic and the Near East, its prosperity was bound up with the two annual fairs in the autumn and the spring which had been held in the town since the Middle Ages. And because of the enormous variety of coinage circulating in Europe up until the late nineteenth century, the town's commerce necessarily went hand in hand with banking: in particular, money-changing and bill-broking (buying and selling the IOUs generated by more complex transactions). In addition—and in some ways more importantly—Frankfurt acted as a financial centre for the princes, archdukes and electors who governed the numerous petty territories of the region. The revenues from their lands and subjects (rents, taxes and so on) and the expenditures of their courts (on grand residences, gardens and entertainments) made these rulers the biggest customers of the pre-industrial German economy, even if most of them were considerably less well off than their counterparts in the English aristocracy. In particular, the fact that the majority generally spent more than they earned created lucrative if sometimes risky opportunities for German bankers.

Perhaps the most successful firm in this field prior to 1800 was that of Simon Moritz and Johann Philipp Bethmann, who imported from Amsterdam to Germany the system of "sub-bonds" (*Partialobligationen*) whereby a large loan could be subdivided into more manageable portions and sold on to a wide clientele of investors. A typical transaction was the Bethmann Brothers' loan to the Holy Roman Emperor of 20,000 gulden (around £2,000) in 1778, which they sold on to investors in the form of twenty 1,000-gulden bonds, handing over the cash thus raised—minus their substantial commission—to the imperial Treasury in Vienna, and subsequently ensuring the prompt payment of interest from Vienna to the bondholders. Between 1754 and 1778 the Bethmanns floated loans totalling nearly 2 million gulden, and no fewer than fifty-four separate loans totalling nearly 30 million gulden in the following five years. Other Frankfurt bankers became involved in the same kind of business, notably Jakob Friedrich Gontard.

Neither Bethmann nor Gontard was Jewish. Yet there is no question that, by the later eighteenth century, it was Jews who had come to be seen as the most enterprising operators when it came to money-changing and all kinds of lending. After more than a century of scholarly reflection on the subject, it is still hard to say quite why this was. Any advantage Jews enjoyed over Gentile financiers can have been only an indirect result of their system of education: Mayer Amschel Rothschild once recalled that "in my youth I was . . . a very active merchant, but I was disorganised, because I had been a student [of the Talmud] and learnt nothing [about business]." Probably membership of a tightly knit "outsider" group helped when it came to constructing credit networks. And perhaps there was a kind of business ethic derived from Judaism. But these points can be made with equal force about other religious minorities, as they were by Max Weber, who unconvincingly contrasted "the Protestant ethic" with the Jewish ethos of "politically and speculatively oriented . . . pariah capitalism." The least unsatisfactory answer is that, at a time when most fields of economic activity were closed to them, Jews had little alternative but to concentrate on commerce and finance. At the same time, their Gentile rivals in these fields probably tended to exaggerate the extent of the "Jewish threat" to their business. The non-Jewish bankers of Frankfurt were complaining as early as 1685 that "the Jews had torn the bills trade from their hands"—a claim which led to a ban on Jews entering the stock exchange. Twelve years later the Council was trying, not for the last time, to prevent Jews from renting warehouses in the Fahrgasse, the town's main street.

Perhaps the most notorious conflict of this sort centred around the role of Joseph Süss-Oppenheimer, who rose from being *Hoffaktor* (court agent) to Duke Karl Alexander of Württemberg to the much more political posts of privy councillor and, in 1733, envoy in Frankfurt, where his privileged position allowed him to live outside the Judengasse in the comfort of the Golden Swan Inn. Four years later Oppenheimer was executed, having been found guilty of wielding excessive political power and undermining the position of the Württemberg estates (*Stände*). Oppenheimer—the *Jud Süss* of later anti-Semitic legend—was only the most notorious of the Jewish court agents, however. By the mid-eighteenth century Frankfurt Jews were acting as agents for the Palatinate, the Electorate of Mainz, the Grand Duchy of Hesse-Darmstadt, the Kingdom of Prussia, the imperial court in Vienna, as well as Hesse-Kassel and Saxe-Weimar. Löw Beer Isaak, for example, was court agent to the Prince of Nassau-Saarbrücken in 1755, while David Meyer Kupl challenged the dominance of the Kann family when he became imperial court agent at around the same time. Such men formed a rich and privileged elite within the Judengasse.

Mayer Amschel

It was into this partly, but not wholly, segregated world that Mayer Amschel Rothschild was born in either 1743 or 1744. About his parents, grandparents and more remote ancestors we know little. Benjamin Franklin once observed that in life only death and taxes are inevitable; they are also virtually the only things about which records survive for the earliest Rothschilds. It is worth noting at once that the family might never have been called "Rothschild"—literally "red shield"—at all. We know that Isak, son of Elchanan, built a house in the 1560s known as "zum roten Schild" ("the red shield"), presumably after some kind of shield of the sort often hung at the front of houses. It was common enough for residents of the Judengasse to become known by their addresses. However, Isak's grandson Naftali Herz (who died in 1685) left the house with the red shield and moved to another house, "zur Hinterpfann" ("the warming pan"). The Rothschilds could thus conceivably have become known as the "Hinterpfanns." As it was, although Naftali Herz's son, grandson and great-grandson continued to use the name "Rothschild," they also used the name "Bauer." It was probably only in the next generation—Mayer Amschel's—that the name Rothschild stuck firmly as a surname, though even he might possibly have changed it again when he moved to another house known as "zum grünen Schild" ("the green shield").

The most we can say about the early Rothschilds is that they were pious and relatively successful small businessmen dealing in, among other things, cloth. Five years before his death in 1585, Isak zum roten Schild had a taxable income of 2,700 gulden, and when he died he was remembered on his gravestone for his "virtue," "righteousness" and "honesty." A century later his great-grandson Kalman, a money-changer who also dealt in wool and silk, had a taxable income more than twice as large; and it seems that his son—Mayer Amschel's grandfather Moses—successfully developed his father's business, continuing the process of steady social ascent by marrying, successively, the daughters of a tax collector and of a doctor. Unfortunately, we know next to nothing about the economic achievements of Mayer Amschel's father, Amschel Moses—though the fact that the family continued to live in the modest house at the Hinterpfann, with its ground-floor office, its first-floor kitchen and cramped bedrooms above, suggests at best consolidation, at worst stagnation. To judge by the lengthy and fulsome praise on his gravestone inscription, the family had done no more than attain solid respectability within the ghetto by the time he died.

Amschel Moses was evidently a studious man—he was, according to his gravestone, "a man who observed the prescribed time for the study of the Torah." This may possibly explain why he sent his son Mayer Amschel away to the rabbinical school at Fürth when he had completed his primary education in

Frankfurt. Whatever his reasons, it is not the case (as some historians have erroneously inferred) that Mayer Amschel was intended for the rabbinate; Cohen, who wrote a brief and laudatory biography shortly after Mayer Amschel's death and probably knew him, states that he only "studied his religion in order . . . to be a good Jew." However, Mayer Amschel's studies at Fürth were cut short by the untimely death of his parents in 1755 and 1756, victims of one of the epidemics which still periodically swept through German towns. He was just twelve years old.

At this point, he might well have returned to rejoin his elder sister, Gutelche, and two brothers, Moses and Kalman. Instead, he was sent to Hanover to learn the rudiments of business in the firm of Wolf Jakob Oppenheim (presumably a business associate of his father's). This was a formative experience, because it brought him for the first time into direct contact with the privileged world of the court agents. Of course, Mayer Amschel almost certainly knew something of this world already. Süss-Oppenheimer, after all, had been executed just six years before he was born. Moreover, we know that Süss had been involved in at least one bills transaction with Mayer Amschel's grandfather. But now the boy could see at closer quarters what it meant to be a "court Jew," since Oppenheim's grandfather Samuel had been court agent to the Austrian Emperor, and his uncle was agent to the Bishop of Cologne. It was in Hanover that Mayer Amschel began to acquire an expertise which was calculated to help him acquire the status of court agent for himself. He became a dealer in rare coins and medals, a line of business in which clients were almost invariably aristocratic collectors, and in which a knowledge of Samuel Maddai's complex system of numismatic classification was indispensable.

When he returned to Frankfurt—as he was obliged by residence laws to do when his apprenticeship ended—in around 1764, Mayer Amschel was quick to put this expertise to good use. Within a year of his return, he had succeeded in selling rare medals to a well-born client whose future importance to the Rothschilds was to be considerable. Admittedly, Mayer Amschel's first transaction with William, Hereditary Prince of Hesse-Kassel, was small beer. Assuming that he was the "Jew Meyer" referred to in William's Privy Purse accounts for June 1765, it involved nothing more than 38 gulden and 30 kreuzers—a trifling sum, and one of many such small purchases the Prince made from various dealers in the years after 1763, as he built up his fashionable collection of medals and coins.[4] Nevertheless, this —along with "various deliveries" of which no record survives—was enough to justify a request in 1769 that Mayer Amschel be granted the title of court agent, a request which was duly granted in September of that year. A year later he consolidated this new status. In August 1770 (at the age of twenty-six) he married Gutle, the sixteen-year-old daughter of Wolf Salomon Schnapper, court agent to the Prince of Saxe-Meiningen. In addition to the benefits of association with her father, the match brought Mayer Amschel vital new capital, in the form of a dowry of 2,400 gulden. It was to prove the first of a succession of carefully calculated Rothschild marriages, laying a foundation of prosperous kinship every bit as important as the foundation of royal patronage represented by the title of court agent.

In the years which followed, Mayer Amschel—initially in partnership with his brother Kalman, before the latter's death in 1782—successfully established himself as Frankfurt's leading dealer not only in coins and medals, but also in all kinds of antiques. We can see how he operated from the meticulous catalogues he circulated to his widening circle of aristocratic customers. By the 1780s the items listed included ancient Greek and Roman as well as German coins, and also a variety of other antiques and "curiosities" of the sort a wealthy collector might display alongside his coin collection: carved figures, precious stones and the like. The total value of the goods for sale in each catalogue varied from around 2,500 gulden to 5,000 gulden; however, if an item interested a client, Mayer Amschel would send it for inspection and then, if the customer wished to make a purchase, negotiate a selling price, often some

way below the guide price in the catalogue. According to the surviving Privy Purse accounts, Prince William did not become a regular customer until 1790, after which date he made purchases almost every year. Other clients included Goethe's patron, the Duke of Weimar.

That the basis of the Rothschilds' fortune was mail-order antique sales to aristocratic numismatists may seem surprising; but there is no question that without the capital Mayer Amschel was able to accumulate by buying and selling "curiosities," he would never have had the resources to move into banking. It is not immediately obvious how successful he was as an antique dealer: his property tax assessment remained a constant 2,000 gulden between 1773 and 1794. However, the *Maaserbuch* or *Zehentbuch* in which he punctiliously recorded his charitable donations (a tenth of his annual income, according to Jewish law) suggested to his later biographer Berghoeffer that Mayer Amschel's annual *income* in the 1770s must have been in the region of 2,400 gulden—roughly the same as that of the Goethe family, and rather more than was earned at the time by a local official like a tax assessor (*Schultheiss*). On the basis of these and other available figures, Berghoeffer estimated Mayer Amschel's total wealth in the mid-1780s at around 150,000 gulden (around £15,000).

We also know that Mayer Amschel was rich enough to move house in 1787. Shortly after returning to Frankfurt, he and and his two brothers had acquired complete ownership of the Hinterpfann house, buying out the distant relations with whom their parents had shared it. Now, some twenty years later, Mayer Amschel sold his three-eighths share of the Hinterpfann to his brother Moses (for 3,300 gulden) and, beginning in 1783, bought a substantially larger house, "zum grünen Schild" ("the green shield"), for more than 11,000 gulden.[5] By the standards of a Gentile family like the Goethes, this was still a wretchedly cramped place to live: just fourteen feet wide, with rooms so narrow that beds could be placed only along the side-walls at right angles to the street. It was wretched by the standards of the next generation of Rothschilds too: Mayer Amschel's sons would look back without nostalgia on the days "when we all slept in one little attic room." But by the standards of the Judengasse it was a desirable residence. Located in the middle of the street—roughly opposite the middle, western gate—it had been rebuilt after the 1711 fire and, unusually, had its own waterpump. On each of the three upper storeys of the main building there was a narrow room looking over the street—each with three small windows, a stove and wall cupboard—and a similar room looking inwards over the yard. Through the back door, there was a little courtyard with a small two-storey building, part of which housed the single lavatory. Unusually (and usefully) the house had two cellars, one of which was reached through an obvious enough trapdoor in the entrance hall, and the other—a larger cellar which the house shared with its next-door neighbour—which was accessible only through a concealed opening underneath the stairs, and was unconnected to the other cellar.[6] The new space above the ground, limited though it may have been, was needed; for Mayer Amschel and his wife were proving to be a remarkably procreative couple, even by late-eighteenth-century standards. It appears that Gutle Rothschild gave birth virtually every year between 1771, the year after her marriage, and 1792. Of these nineteen or so children, ten lived: Schönche (1771), Amschel Mayer (1773), Salomon Mayer (1774), Nathan Mayer (1777), Isabella or Betty (1781), Breunle or Babette (1784), Kalman or Carl (1788), Gotton or Julie (1790), Jettchen or Henrietta (1791) and Jakob or James (1792).[7]

It was only after the birth of his youngest child that Mayer Amschel began to engage in business which can properly be called banking. In some ways, the transition was a natural one. An antique-dealer with a growing circle of suppliers and customers naturally would extend credit to some of these from time to time. As early as 1790 we find Mayer Amschel listed as one of the creditors of Joseph Cassel in the nearby town of Deutz, albeit for a mere 365 gulden. In a similar way, the coin and medal business inevitably brought him into contact with the Hessian mint, especially as his most coveted client, Prince

William, often commissioned new medals to be struck. In 1794, for example, Rothschild offered to sell a quantity of silver to the Hessian war treasury "at the best possible price."

However, the speed with which Mayer Amschel's wealth grew in the 1790s marked a real break with his earlier business activity. At the beginning of the 1790s Mayer Amschel Rothschild was no more than a prosperous antique-dealer. By 1797 he was one of the richest Jews in Frankfurt, and a central part of his business was unmistakably banking. The evidence for this breakthrough is unequivocal. In 1795 the official figure for Mayer Amschel's taxable wealth was doubled to 4,000 gulden; a year later he was moved into the top tax bracket, with property worth more than 15,000 gulden; and in the same year he was listed as the tenth richest man in the Judengasse with taxable wealth of over 60,000 gulden. Thanks largely to Mayer Amschel, the Rothschilds had become one of the eleven richest families in the Judengasse by 1800. It was at around the same time that he began to rent a large four-roomed warehouse outside the Judengasse. He also took on a talented and multilingual accountant from Bingen named Seligmann Geisenheimer. Further evidence of increased wealth can be found in the generous dowries Mayer Amschel was able to give his children as they began to marry. When his eldest daughter married Benedikt Moses Worms in 1795, she received a dowry of 5,000 gulden and was promised a legacy of 10,000 after her parents' deaths. When his eldest son married Eva Hanau the following year, he was given a share of the business worth 30,000 gulden.

Just what such a share meant can be seen from one of the most important documents to have been found in the recently opened Moscow "trophy" archive: the first known balance sheet of Mayer Amschel Rothschild's firm, dating back over 200 years to the summer of 1797. The total assets of the firm at this stage were given as 471,221 Reichsthaler or 843,485 gulden, the total liabilities as 734,981 gulden, leaving 108,504 gulden (around £10,000) as—in Mayer Amschel's own words—"the balance of my capital, praise God" ("Saldo meines Vermögens, Gott lob"). This remarkable document repays close scrutiny, for it reveals that Mayer Amschel was already far more of an international merchant banker than has previously been realised. The "assets" side of the balance-sheet evidently excluded Mayer Amschel's personal property, in that the family house does not appear there: by "my capital" he already meant his firm's capital. Most of the assets listed were either state bonds of various sorts, or personal loans and credits to a widely dispersed range of other firms. On the other side, the liabilities consisted of sums owed by Mayer Amschel to an equally broad spectrum of institutions and individuals.

The geographical range of Mayer Amschel's business credit network at this early stage was wide. The balance sheet shows that he was doing business with firms located not only in the immediate vicinity of Frankfurt (for example, in Kassel and Hanau) but also in more remote parts of Germany, ranging from Hamburg and Bremen to Regensburg, Augsburg, Leipzig, Berlin and Vienna, as well as in Amsterdam, Paris and London. Moreover, in addition to the names which might have been expected to feature in such a list of creditors and debtors (such as Mayer Amschel's son-in-law Worms and his future son-in-law Sichel), there appear the names of a number of eminent Gentile firms, including the Bethmanns, de Neufvilles and Brentanos (whom he owed a good deal of money). The celebrated art-collector Johann Friedrich Städel also had deposits with Rothschild totalling 17,600 gulden. Finally, the balance sheet provides evidence of a new kind of relationship with the government of Hesse-Kassel, which he owed some 24,093 gulden. It is not without significance that the names of two Hessian officials—Louis Harnier and Karl Buderus—appear in their own right as creditors.

This was a rapid economic ascent by any standards. Indeed, Mayer Amschel's success had been so swift and so great that it had to some extent outstripped his own capacities. In 1797 he was appalled to discover that one of his most junior employees—a youth named Hirsch Liebmann—had been able to

embezzle a substantial sum virtually from under his nose. The proceedings of the subsequent criminal case have partially survived and give a good insight into the chaotic state of his rapidly expanding business at this period. According to Mayer Amschel, Liebmann, who had been with the firm some three years, had stolen between 1,500 and 2,000 gold carolins (as much as 30,000 gulden) from his office. The theft had been possible for three reasons. Firstly, Mayer Amschel allowed Liebmann to buy and sell goods on his own account to supplement his meagre wages—one and a half gulden a month after the rent of a shared room. Indeed, Rothschild even lent him a small sum on one occasion to help finance this. No one was therefore surprised when Liebmann appeared to be supplementing his wages, even if he was doing so with singular success. Secondly, the firm had no safe for valuables and scarcely any office security: the cupboard in the main office was frequently left open during business hours and employees and clients seem to have come and gone as they pleased. No one therefore noticed when coins, notes and other valuables began to disappear. And thirdly, Mayer Amschel's system of book-keeping was woefully primitive: when he came to lay charges against Liebmann, he had virtually no documents to prove how much had been stolen. No one therefore realised that money was missing until some time after Liebmann had begun stealing. It was only when a local broker appeared in the office, claiming that Liebmann wished to buy seed from him, that Mayer Amschel's suspicions were aroused. When pressed, the man admitted that this was a cover story suggested by Liebmann; in fact, he was there to buy an Austrian bill worth around 1,220 gulden which Liebmann had offered to sell him. Mayer Amschel belatedly grasped where his employee had been getting the money for his gold watches and handmade shirts. Further enquiries confirmed his suspicions: Liebmann had not only been spending money on himself, but also sending it to his parents in Bockenheim, who were notoriously "as poor as could be" but who suddenly seemed able to afford a 500 gulden dowry for Liebmann's sister. When the thief was arrested, eight thaler coins and an imperial treasury note were found among his possessions, as well as some silver spoons, a gold salt pot, a gold mug and seven medals, belying his protestations of innocence. Further proof of guilt was unwittingly provided by Liebmann's own father, who offered to return 1,000 gulden which his son had given him plus an additional 500 if Rothschild would drop his charges. Eventually, though only after prolonged interrogation, Liebmann confessed.

Liebmann gave conflicting accounts of the theft, at one point saying that he took the money in small amounts over a prolonged period, later claiming that he had simply snatched two sacks of coins from the office cupboard while Mayer Amschel's second son, Salomon, was talking with some clients. Either way, the case illustrates that by 1797 at the latest the business was turning over so much cash that Rothschild himself could not keep track of it: bags of money were lying around the office, as he himself told the court, some in the cupboard, some on the floor. He always had a lot of money in his house, he said, because of his "extensive business dealings." The subsequent decade would see those dealings become more extensive still.

The Dual Revolution

In his *Biographical Notes on the House of Rothschild,* written long after Mayer Amschel's death, Friedrich von Gentz fulsomely praised his business acumen. "Nevertheless," he added wisely, "the most outstanding personal qualities may sometimes require exceptional circumstances and world-shattering events to come to fruition." This was doubly true.

The epoch-making events which followed the summoning of the French Estates General by Louis XVI in 1789 took time to affect the lives of German Jews like Mayer Amschel Rothschild and his family.

But when finally the Revolution reached Frankfurt, its effects were profound—indeed, literally explosive. The advance guard came as early as October 1792, when French troops temporarily occupied Frankfurt, just ten weeks after the coronation of the last Holy Roman Emperor, Francis II. We should not, of course, exaggerate the significance of this superficially symbolic change of regime. Frankfurt had been occupied by French troops before (during the Seven Years' War) and it seems that the Jewish community was no more pleased than the rest of the town's population at this renewed foreign incursion. Indeed, for all the potential benefits of French influence which could be inferred from the National Assembly's emancipation of French Jewry in 1791, the immediate, tangible effects of the French presence were distinctly negative. In June 1796, following the defeat of the Austrian army at Lodi, Frankfurt was bombarded by the victorious French forces so heavily that nearly half the houses in the Judengasse were destroyed by fire.[8]

On the other hand, the upheaval of war had its advantages. The destruction of the Judengasse obliged the Frankfurt Senate to relax its residence restrictions, granting permits (albeit for only six months) to the 2,000 or so people left homeless by the fire to live outside the Judengasse. It was presumably in the wake of this relaxation that Mayer Amschel was able to begin renting the warehouse in the Schnur gasse. Later French incursions led to a real, if temporary, improvement in the legal status of the Frankfurt Jews, an improvement foreshadowed by the emancipation of the Jews in those parts of the Rhineland which the French now annexed. (One beneficiary of this was Geisenheimer, the man Mayer Amschel hired as his book keeper.) Of more immediate importance, the war presented Mayer Amschel with a new and lucrative business opportunity. He and two other partners, Wolf Loeb Schott and Beer Nehm Rindskopf, were able to secure a contract to provide the Austrian army with grain and cash during their operations in the Rhine-Main region.

The French Revolution was not the only revolution to transform Mayer Amschel's life and business. The British Industrial Revolution, in its first phase by the 1780s if not before, exerted an equally important influence. For although Mayer Amschel had already begun building up his banking business by the late 1790s, this did not imply a winding up of his previous coin-dealing business, which continued in a small way even after his death; and nor did it preclude expansion into other potentially profitable fields of business activity. Of these, none was more profitable in the late eighteenth century than that generated by the English revolution in textile manufacturing. In particular, the dramatic growth of (partly) mechanised cotton spinning, weaving and dyeing in Lancashire signalled an unprecedented and genuinely revolutionary change in the pace of economic life. Although this industrialisation was regionally as well as sectorally concentrated—so much so that it barely registers in the aggregate national income figures extrapolated by modern economic historians—its ramifications were felt as far as Africa, whence the slave labour of the cotton plantations came, America, where the cotton itself was grown, and India, where an established native textile industry was soon to face lethal competition from the cottages and mills of Lancashire and Lanarkshire. Those mills exerted a powerful pull in Germany too, where demand for the cheaper yet better British cloths—shawls, handkerchiefs, checks, gauzes, muslins, muslinettes, quiltings, dimities, velveteens, sallampores and jaconets—grew rapidly in the 1790s. Mayer Amschel was only one of many German businessmen to scent a unique and highly profitable opportunity. Around fifteen Jewish firms in Frankfurt alone were importing English textiles by the turn of the century, and a number of these established permanent agents in Britain at around this time. Between 1799 and 1803 no fewer than eight German merchants settled in Manchester for this purpose.

It is against this background that we must see the decision to send Nathan, the third of the Rothschild brothers, to England at some point on the eve of the new century. The date of his departure from

Frankfurt and the reasons for his going have long been a source of confusion to historians. Although some have Nathan arriving in England in 1797, 1799 or 1800, the majority opt for 1798. There is little evidence to support this last date. We know from the balance sheet discussed above that Mayer Amschel had begun to have dealings with firms in London from at least as early as 1797, but on a fairly limited scale. It was only February 1800—the date of his first letter to the London bankers Harman & Co., requesting that he be permitted to draw on them—that he began to expand his English business. The first documentary evidence of Nathan's presence in England comes from 1800 too. Wolf cites a letter from Nathan dated May 29 in which he requests an acquaintance to reserve "a room with two beds in it, in some respectable lodging house" for himself and his "business manager." We also have a letter from Mayer Amschel to Harman, dated June 15, which mentions that Nathan would "soon be at your place," and a letter from Nathan dated August 15 from a London address (37 Cornhill). From this Williams concluded that Nathan had actually arrived in England in 1800, spent the summer in London, then proceeded to Manchester. But this cannot be right. Not only was Nathan's first letter to Harman addressed *from* Manchester; we also have several later letters in which Nathan explicitly states that he had first come to Manchester the year before, 1799. It therefore seems reasonable to conclude that Nathan did not arrive in Manchester before 1799, though he and his father were not doing English business on a large scale until the following year. This leaves the possibility—though it is nothing more—that Nathan first crossed the Channel in 1798, staying in London for some months before proceeding northwards.

Why did Nathan go to England? In the absence of hard evidence, most historians have followed Nathan's own account of his emigration—which he related to the MP Thomas Fowell Buxton in 1834—in which he portrayed the decision to leave as his own:

"There was not," he said, "room enough for all of us in that city. I dealt in English goods. One great trader came there who had the market to himself: he was quite the great man, and did us a favour if he sold us goods. Somehow I offended him, and he refused to show me his patterns. This was on a Tuesday; I said to my father, "I will go to England." I could speak nothing but German. On the Thursday I started . . ."

There is no reason to think that this version of events was wholly fictitious. Nathan was a fiercely ambitious and competitive man, as quick to take offence as to give it in his business dealings, and it is not difficult to imagine him responding impetuously to such a contretemps. However, in a number of respects his retrospective account was misleading. Perhaps he could not resist romanticising his own rags-to-riches story; perhaps he was indulging in irony for the benefit of his after-dinner audience (the latter would have been more in character). In any event, it seems highly unlikely that his father would, or indeed could, have entrusted him with as large a sum of money as he suggested to Buxton—£20,000, or roughly double the net assets shown in the 1797 balance sheet—on the strength of a youthful impulse. However much "start-up" capital Nathan took with him, the idea that he was doing much more than following his father's orders seems unlikely.

For political reasons, it soon became imperative to conceal the fact that Nathan was acting as the agent of a Frankfurt firm, and this has led some historians to assert that, once he arrived in England, he effectively operated independently from his father and brothers. But the evidence in the firm's archives for this period is unequivocal: initially, Nathan took his orders from Frankfurt—indeed, his elder brother Salomon was sent over to assist him in 1801—and it was only gradually that he began to trade on his own account. A number of Nathan's earliest letters from London and Manchester are signed "pp. Meyer Amschel Rothschild." Correspondence between father and son was evidently regular (though very little of it has survived), and Nathan wrote frequently on his father's behalf to the London firms of

Salomon Salomons and Harman & Co., which handled the firm's insurance and banking business in London. It was not untypical for letters of this early period to begin with phrases like "My father wishes me to write to you" or "Agreeable to the direction I have just received from my father." On one occasion when a firm let him down, Nathan warned them that if there were more "complaints of this nature . . . [I] am certain my father will order me to turn myself to somebody that will attend more punctually." On another, he informed Salomons: "I received letters from home this morn[in]g advis[in]g me of my father being very discontented w[ith] your packing, writing that I must not send any more goods to London as you have neglected the shipping." And for most of this period the chests of cloth which Nathan was sending to the continent in increasing quantities all bore the insignia "MAR" for Mayer Amschel Rothschild. Nathan was not sparing his father anxiety when he concealed a brief illness from him in the summer of 1802. Rather, he did not want his father to think he had been unable—for whatever reason—to attend to business. In a letter to a recalcitrant French customer not long after this illness, Nathan left for posterity a revealing insight into his father's character, and his own view of it: "Do you think that my Father will sell . . . Goods upon his own bills . . . without Profit? You are quite mistaken, my father's Chimney will not smoke without Profit." Just ten days later he received a stern letter from his father accusing him of not keeping "regular" accounts.

Nathan's slapdash approach to paperwork was evidently a recurrent source of friction. Three years after this first admonition on the subject, Mayer Amschel was still harping on the same theme, in a way which makes it abundantly obvious where power lay in their relationship. This rare letter—one of the few of Mayer Amschel's private letters which survive—is worth quoting at some length to give a flavour of the early Rothschild correspondence:

[T]o begin with, all our correspondents complain about you, dear Nathan, and say that you are so disorganised when sending consignments. Sometimes you write that you have sent, for example, the chest with this number, then later [it arrives with] another number. If you send a chest today, you only let Esriel Reiss know six months after. One of his clerks said to me that you are very disorganised. My dear friend, if you don't write down all the numbers of the chests when you send them off, if you don't write them down until you receive acknowledgement that they have arrived, if you don't pay attention, if you [don't] ask where the chest has gone when you don't receive an answer from your correspondent, if you are so disorganised and don't have someone or a friend with you, then you will be swindled. What is the good of that[?] Everyone can be a millionaire if they get the [right] opportunity. I already complained in Frankfurt about your extraordinary expenditures and disorganisation, dear Nathan; I don't like it.

This repetitive, haranguing style—which was inherited by Mayer Amschel's elder sons Amschel and Salomon—does not make for easy reading today; it cannot have given Nathan much pleasure either. However, the father's determination to bludgeon his son into mending his ways provides a fascinating insight into the business methods of the day:

I have seen the orderly way in which Heckscher and the merchant Baresch despatch and return consignments. They have special clerks in order to keep an eye on everything. They say that without good order a millionaire can go broke the more business he does, because the whole world is not, or not very, honest. When people see that you are not orderly in your despatching, they will do business with you only in order to cheat you . . . Mostly they will pick quarrels with you in order to cheat you, the more so when they see how disorganised you are with your consignments. In sum, they will do business with you to exploit your disorganisation. There was a man in Frankfurt called Eluzer Elfelt who made a great deal of money, but the whole world made money from him because he was so disorganised and it went as badly for him in the end as he himself had been badly organised. Dear

Nathan, don't be angry with your father. When it comes to penmanship you are not much good. Take on a clerk to manage the despatching of consignments and take my advice, be more organised with your despatching, otherwise I don't give your business much chance. The more you sell the worse it will get if you aren't organised. My dear son, don't be cross that I write like this . . . You have to be careful, and Amschel says that you don't keep a proper record when he sends you remittances. That is wrong . . . It really is necessary that you keep a precise record of everything that you send us and all that we send you, you really must keep your books properly. If you can't manage to keep all our accounts in good order because of your book-keeper, write home and maybe we can suggest a plan . . . If you are organised, organised in your writing and careful in the way you give credit, I don't doubt that you will do well.

Nor did this paternal lecture end there. Mayer Amschel went on to berate Nathan for failing to calculate his profits net (as opposed to gross); for doing business with Rindskopf in precious stones ("But you are no jeweller") and for failing to discount bad debts:

My dear son, you must not be angry when a father, who has the happiness of all his children at heart, asks to know the real state of your finances, because if you have many bad debts, which God forbid, and enter them as if they are good, that is simply to pretend that you are rich . . . My dear son, you are hard-working. Do your bit like a good boy. You can't do more. I just want to encourage you to be more organised . . . You really have a good brain but you haven't learnt [the importance of] order, and here I see that all the merchants who are well organised are the ones who get very rich, and the ones who are disorganised are the ones who go broke. So dear son don't take it badly when I write you my opinion.

What is unmistakably apparent from this letter is that, in Mayer Amschel's eyes, Nathan was still just one of five subordinates within an essentially patriarchal family firm. Provided Nathan improved his business methods, he could look forward to having "as good a share in my business as your brothers" once their sisters had been married off. But until then, Mayer Amschel would give the orders.

Another possibility which has been suggested is that Nathan left Frankfurt in order to escape from the religious restrictions of the ghetto. It is true that Jews—who had been readmitted to England only in 1656 after three and a half centuries of exclusion—enjoyed far greater liberty in England than in Germany in the early 1800s. There were very few economic restrictions on Jews in England by this time,[9] though (in common with Catholics, Non-conformists and unbelievers) they were still excluded from Parliament, local government and the universities, and, as foreigners, new immigrants were subject to increasingly stringent supervision as the war with France intensified (Jews born in Britain were British subjects). In London, confident and prosperous Jewish communities had developed during the eighteenth century including Sephardic families like the Mocattas and Ashkenazim like the merchant Levi Barent Cohen, whose father had been a successful Amsterdam linen-dealer. In the late 1790s Benjamin and Abraham Goldsmid were already playing just the sort of dynamic financial role which Nathan would later imitate with such success, challenging the dominance of the Baring brothers and their Amsterdam correspondents Hope & Co.—and incurring in the process a version of the sort of religiously tinged but essentially economic resentment we have already encountered in Frankfurt. We know Nathan had an entrée into this world through his father's business contacts with Salomons. Yet he apparently spent no more than a few months in London when he first arrived in England, before setting off northwards to the far less socially congenial environment of Manchester, where the small and still embryonic Jewish community was overwhelmingly made up of poor shopkeep ers—dealers in old clothes, cheap jewellery, umbrellas and patent medicines. Though he was subjected to much less formal discrimination in Manchester than he had been in Frankfurt, it is hard to believe that Nathan was

attracted there by anything other than business.

How successful was Nathan in what contemporaries sometimes disparaged as the "rag trade"? Very, according to his own account, thanks mainly to his own business acumen:

. . . the nearer I got to England, the cheaper goods were. As soon as I got to Manchester, I laid out all my money, things were so cheap; and I made good profit. I soon found that there were three profits—the raw material, the dyeing, and the manufacturing. I said to the manufacturer, "I will supply you with material and dye, and you will supply me with manufactured goods." So I got three profits instead of one, and I could sell goods cheaper than anybody. In a short time I made my 20,000£ into 60,000£. My success all turned on one maxim. I said: I can do what another man can, and so I am a match for the man with the patterns, and for all the rest of them! Another advantage I had. I was an off-hand man. I made a bargain at once.

This was not a bad summary of Nathan's mode of operation, but again it greatly oversimplified matters. Nathan arrived in Lancashire with orders for British textiles from his father, and continued to receive these by post. Having assessed the market to establish the quality and price of cloth available, he then proceeded to place these orders with manufacturers—not only those based near Manchester, but also from firms as far afield as Nottingham, Leeds, Stockport and even Glasgow. The cloth was then manufactured (usually by sub-contracted weavers in their cottages) and "finished" by dyers and printers, usually small firms in and around Manchester. In order to drive down the price of the goods he bought, Nathan tried as far as possible to pay up front "on present bill terms," which meant "drawing on" (that is, borrowing from) his London bankers "at three months" (for three months). As he explained in December 1802:

On Tuesdays and Thursdays the weavers who live in the country twenty miles round Manchester bring here their goods, some twenty or thirty pieces, others more, others less, which they sell to the merchants here at two, three and six months' credit. But as there are generally some of them in want of money and willing to sacrifice some profit to procure it, a person who goes with ready money may sometimes buy 15 or 20 per cent cheaper.

Nathan did not actually have to pay the bigger manufacturers until their goods were shipped for the continent. On the other hand, it was necessary to wait—usually two months—before expecting payment from Frankfurt. Obviously, the profit to be made in such a business took the form of simple percentages. However, at a time when profit margins in the textile industry could be as high as 20 per cent, Nathan's charges were modest: 5 per cent on the cost price for purchases in cash from his warehouse, as little as 9 per cent for goods which had to be despatched to the continent. This was a deliberate ploy to attract customers and increase his market share: in his letters to potential buyers, Nathan constantly stressed that his mark-up as a middle-man was lower than those charged by his competitors. As he told his father in September 1802: "No House in Manchester purchase the Goods cheaper—if so cheap—as I do and none are at so much trouble as we are to procure them to advantage." "You cannot find any person in Manchester who will serve you with so small a Profit as myself," he assured one new customer. "I have the pleasure to tell you my meaning plainly, if you will do any business with me in future, you may depend that I shall send you Goods as cheap as any Person in the whole World." Moreover, as his business expanded and he began to export to firms other than his father's, Nathan began to offer not only low prices but also reasonable credit terms, telling the same buyer that he regarded his money as being "as safe in your hands as if I had it in my Pocket." His continental customers were generally expected to pay with bills falling due after three months—in

effect, five months after the goods had been shipped (and paid for) by Nathan. The more Nathan could pay in cash or "present bills," the less he could pay his suppliers; the more credit he could give his customers, the more customers he attracted. This seems to have been his fundamental principle.

The practical implications of this system were, as the letter copy books of the period show, nerve-racking. To begin with, Nathan himself had to do a great deal of travelling to establish a network of suppliers and customers. As early as November 1800 he left Manchester for Scotland, where he apparently found better cloth or better prices. He returned there again in 1801 and 1805. Frequent trips to London (like the one he made in the summer of 1800 or 1801) were also necessary to maintain good relations with the bankers on whose overdraft facilities he depended. And although some buyers sent agents to Manchester, Nathan preferred to deal directly with continental firms, making at least two major expeditions across the Channel to drum up new business. The spring of 1802 saw him in France and the Netherlands, establishing links with firms in Paris, Nancy, Lyon, Liège, Metz, Brussels, Maastricht, Antwerp and Amsterdam. Before returning to England, he also went to Germany and Switzerland, securing orders from firms in Hamburg, Nuremberg, Heidelberg, Cologne, Munich, Memmingen, Salzburg, Leipzig, Königsberg and Basel. His list of customers for 1803 even included a firm in Moscow. One of the catalogues he took with him on such trips still survives and shows—on page after page studded with small squares of cloth—the extraordinary range of patterns and textures British manufacturers were able to produce.[10] These absences in turn meant that a considerable amount of work devolved on his clerks, principally Joseph Barber, an English book-keeper he had hired shortly after arriving in Manchester.

Yet no amount of travelling could ensure that suppliers delivered their goods on time, or, for that matter, delivered the goods that had actually been ordered. Much of Nathan's correspondence was therefore concerned with cajoling manufacturers to comply with his orders. At the same time, there was no guarantee that customers would always be satisfied with the goods they received, and almost as much time had to be spent in haggling retrospectively about the price and the quality of consignments. As he remarked ruefully to Geisenheimer "If I send off the goods it is two months before I can draw at 3 months date and then . . . I may be kept out of my money five or six months . . . it is very easy to get commissions but not quite so easy to get paid for them." Nathan also had recurrent disputes with his bankers in London over their interest charges, and the very high costs of insurance which they took care of. These three pressures seem to have led to a degree of diversification on Nathan's part. It seems that in 1801 dissatisfaction with his suppliers prompted him to become directly involved in manufacturing himself—hence the purchase of a copping machine from Boulton & Watts. Then, in 1805, he went into partnership with another immigrant from Frankfurt, Nehm Beer Rindskopf (the son of Mayer Amschel's business associate Beer Nehm), leaving the latter to deal with sales to customers. Rindskopf soon led Nathan to diversify further, placing orders on his behalf not only for cloth but also for indigo, and later pearls, tortoiseshell and ivory (so-called colonial goods imported to Britain from her overseas empire). Finally, Nathan began to concentrate increasing amounts of his own attention on the various credit transactions generated by his business. He constantly shopped around for better borrowing and bill-discounting facilities, dealing with a succession of London bankers including Lyon de Symons, Goldsmid & D'Eliason and Daniel Mocatta, as well as continental bankers, notably Parish & Co. and the Schröder brothers. Like his father, he was gradually shifting from being a merchant to being a merchant banker.

The frenetic, hustling atmosphere of these formative years is vividly captured in the letter books of Nathan's which have survived. In a market crowded with numerous small businesses, subject to rapid fluctuations in prices and interest rates and almost completely unregulated, it took a combination of

burning aggression and cool calculation to survive and thrive. Nathan Rothschild possessed both in abundance. He was prepared, in his earliest days, to be ingratiating, on one occasion sending Salomon Salomons a cask of wine in the hope of getting better insurance rates.[11] But soon the brash, even bullying tone which seems to have come most naturally to him began to predominate. As early as December 1800 he could write confidently to one Scottish manufacturer with whom he had placed an order: "[P]rovided you will exert your best endeavours to please me and expeditiously, [you] may rest assured that it is in my power to furnish you regularly with considerable commissions." Two weeks later he underlined the message: "I expect any day commis[sion]s from the Continent. I certainly shall give you the preference but wish to have the commis[sion]s you have . . . executed first before I can give you any more. You request to have 3 weeks more to execute it but the quicker you are in serving me, and the lower you do it, the more com[missions] you may depend on." When no response was forthcoming, Nathan was indignant: "I am astonished that I have not heard from you before this. When I was in Glasgow you promised me faithfully to execute my order instantly and now it is a long while ago that I never even heard from you. If you could execute orders in a short time you might depend upon large commission for it is of no use to give commission if they are not executed by the promised time." Another Scottish firm which delayed dispatching goods he had ordered was reproached even more forcefully:

I suppose you keep them in possession as a security untill I had sent you your very large *Bill* ! which I think is very ungenteel conduct . . . I suppose you think I shall never come to Glasgow or Paisley any more but I give you my honor I will come again in 2 mo[nths] and I believe I shall be able to procure plenty of goods for my method of payment.

A year later, he did not hesitate to accuse an awkward French buyer of "chicanery."

At times, Nathan felt himself almost at war with his business rivals. He was on one occasion "surprized beyond measure to be informed of the most scandalous and unfounded reports that have been so industriously circulated in Frankfort by my enemies." There were, he told his father, "many people in this country that would be very glad to support their own credit and character by destroying mine—But I thank God that I am so firmly established, that they cannot effect their purpose, by their wicked and weak attempts." No doubt his rivals did seek to get the better of him. However, it is hard to avoid concluding that at times he let his combative temper run away with him. "You are a great rascal," the Hamburg banker Behrens told him in the course of a minor spat:

I . . . cannot but express my astonishment at the tune [*sic*], as well as the contents [of your letter]; to be sure you would like to make me believe you as virtuous as Cato and as rigid in being as good as your word as Regulus; however whether your wishes in this respect will ever succeed with me remains a question which I have neither the leisure nor the humour to investigate . . . You are often crazy, that's what I think. Do you fancy that you might frighten me because of your money? I have as much as you have and I am not even living in England.

His partner Rindskopf once made the mistake of criticising Nathan in the early stages of their collaboration. A subsequent letter from Rindskopf suggests that Nathan had not taken this well: "My speaking my mind openly to you proceeded from a real friendship I bear towards you and if any unguarded expression made its appearance it ought to be placed to the disappointment of the moment and by no means the fault of the Heart but on my part everything is buried in oblivion and I hope and wish you will on your part do the same and consider myself now writing to my old friend Mr Rothschild." When a London merchant accused him of doing business with "none but swindling

houses," Nathan was incensed:

I can assure you Sir that there is not a House with whom I have transactions but both for respectability and solidity are equal to your own; the richest and greatest Houses in London, Hamburg and other places on the Continent are not swindlers, and it is those houses with whom I do business . . . I can prove to anyone that I never made a bad debt or lost a single penny thro' any of my friends being insolvent which I presume would not have been the case had my business been done principally by Swindlers . . . No one abhors chicanery and complaints more than I do.

True, it was always extremely important, in the volatile world of the early-nineteenth-century textile business, to preserve one's reputation as an honourable businessman, for on that depended one's creditworthiness in the eyes of others. All the same, one sympathises with another correspondent, who evidently found Nathan's extreme belligerence hard to take:

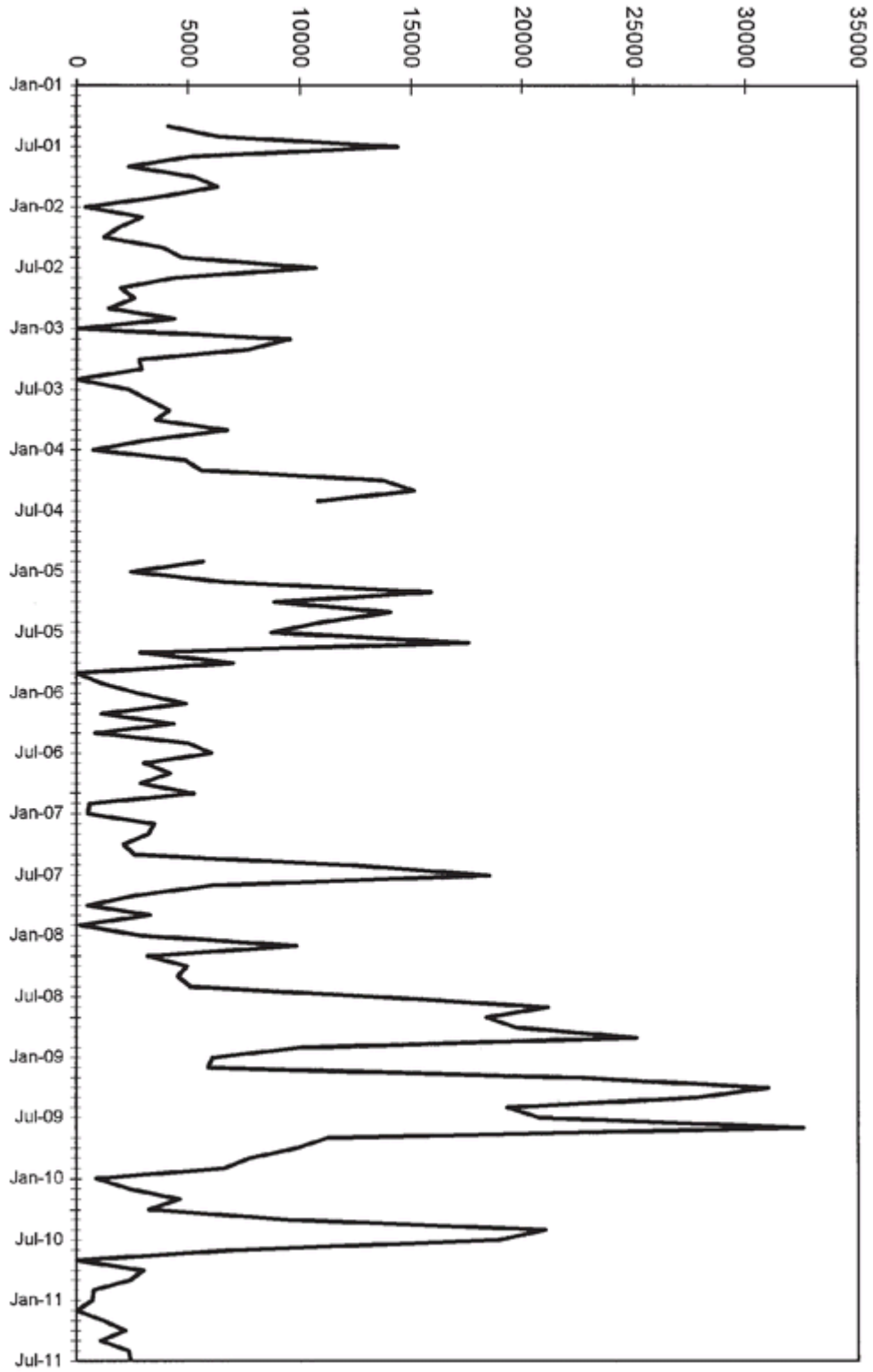
The great misfortune is, that as soon as you are answered on one point the vivacity of your imagination makes you suggest another and a person in business who has something better to do than eternally refute futile obsessions of every sort must be naturally averse to follow you through the labyrinth of misconceptions or erroneous statements in which the fertility of your mind hurries you so continually to so little purpose to yourself and to the dissatisfaction of others.

The question remains how financially successful this aggressive young man actually was. Circumstantial evidence suggests that Nathan did indeed do well. By 1804, when he was granted letters of denization, he had a house in Downing Street, Ardwick, a prosperous area of the town, as well as his warehouse in Brown Street. Four years later he owned a "large and commodious" warehouse adjoining a "spacious, modern and well built" town house at 25 Mosley Street, "the most elegant street in Manchester." Such figures as it is possible to construct for the turnover of Nathan's business between 1800 and 1811 (when he closed down his Manchester office) confirm the impression of rapid economic ascent (see illustration 1.ii). Indeed, if we assume that he achieved profits of, to err on the conservative side, 5 per cent on his gross sales of around £800,000 over the whole period, then his subsequent claim to Buxton that he made £40,000 as a textile merchant looks about right. On the other hand, his progress was far from being as smooth as he later claimed. As illustration 1.ii indicates, a good period beginning in early 1804 and continuing until the autumn of 1805 was succeeded by nearly two years of low turnover. This repeated itself when rapid growth in the volume of Nathan's business in 1808 and 1809 was choked off sharply in 1810.

Such abrupt ups and downs should not surprise us. Business of the sort Nathan was engaged in was susceptible to sharp seasonal and cyclical fluctuations at the best of times; Nathan had to deal with the added disruption of intermittent war, with all the restrictions on trade between England and the continent which characterised the Napoleonic period. Even before war resumed between England and France in 1803, he had been warned of possible embargoes on cross-Channel trade.[12] The climate for business was already deteriorating in 1805, so that the formal imposition of a blockade—by the Berlin decree banning British imports to the territories under French control (November 1806)—merely set the seal on a disastrous collapse. As one correspondent lamented as early as November 1805: "The present time is the most critical and the most unhappy for the Continent . . . no trade whatsoever, the market overstocked with goods [and] no debts coming in." At least three firms with which Nathan had dealings, including M. M. David in Hamburg, collapsed in the first months of 1806, well before the imposition of the blockade in June. Thereafter, the choice for firms like Nathan's was between inactivity and sanctions-busting, with all the risks that entailed. In May 1806 the Admiralty took

possession of five ships at Hull and seized contraband worth around £20,000 which had been purchased in Manchester by three Jewish merchants. Another, who had merely come to settle accounts with Nathan, was arrested at Stockport. The French meanwhile did the same, arresting Nathan's new Hamburg agent Parish, who was forced to sell goods of his at a heavy loss to avoid their confiscation. The surviving letter copy books reveal that this was an especially difficult period for Nathan, as his bills became progressively harder and harder for Rindskopf to discount. As early as April 1806 Parish complained to Mayer Amschel that his son had exceeded his credit limit by drawing on them for £2,000. And by the end of August he appears to have owed Rindskopf over £28,000, on which he was paying interest at 4.2 per cent per annum. Matters were improved by the Treaty of Tilsit between Napoleon and the Tsar, reports of which reached Nathan from his brother Amschel in July 1807; but the restrictions on cross-Channel trade remained in force.

1.ii The turnover of Nathan Rothschlid's textile exporting business, 1801-1811(f).



Under these circumstances, Nathan therefore had little option but to carry on his export business illegally—he became, in a word, a smuggler. In October 1807 he was sending a consignment of coffee to Sweden via Amsterdam, using an American-registered ship and fake Dutch documents. Other favoured routes for contraband were through Heligoland and the Baltic ports. Of course, such shipments could not legally be insured, so that the risks involved were very substantial. But so,

presumably, were the potential rewards. By 1808 Nathan had earned a reputation as a man who had, thanks to his superior "management, judgement, foresight and connections," regularly "succeeded in getting goods to the Continent"—though "not a word was passed about . . . *how* the goods had been sent." The recovery his business enjoyed in 1808 and 1809 was short-lived, however. In September 1809 a large shipment to Riga was seized and could be released only by means of "bribery—and a heavy tax indeed it was." Another cargo suffered the same fate at Königsberg.

The final blow came in October 1810, and it fell in Frankfurt. Ironically, by this date, the Edict of Trianon of August 5 had relaxed somewhat the ban on imports, legalising the import of so-called "colonial wares." However, most Frankfurt firms continued smuggling, partly in order to avoid the steep import tariff imposed under the new rules, partly so that they could continue to deal in goods defined as purely British. Mayer Amschel, for example, received no fewer than seven shipments from England in July 1810 alone, worth altogether £45,000. On October 14 the Edict of Fontainebleau was published, ordering the confiscation of all English and colonial goods found to have been smuggled into French controlled territory. Two infantry regiments occupied Frankfurt and, on the basis of reports by a spy named Thiard, some 234 firms had their premises raided. Mayer Amschel was caught with 60,000 gulden of contraband on his hands, about half of it indigo, presumably sent by Nathan. Not only was the Trianon tariff levied on the goods retrospectively (a fine which cost Mayer Amschel nearly 20,000 francs); all the goods seized—worth around 100,000 gulden in all—were also publicly burnt. As one observer reported, "The extent of general confusion which this has caused beggars description." Although Mayer Amschel got off relatively lightly—the Bethmanns had to pay a fine of more than 360,000 francs—the crisis was a watershed. Henceforth, such trade in commodities would play a declining role in the Rothschilds' business.[13]

For Nathan, this transition had begun in October 1806, with his marriage to Hannah, the daughter of Levi Barent Cohen, a leading London merchant. Not only did this add to Nathan's capital, to the tune of £3,248 from her dowry and a further substantial sum from his own father; it also made him the partner of one of the more eminent figures in London's Jewish community. It was with Cohen that Nathan undertook much of his smuggling business in 1807; and, like his previous partner Rindskopf, Cohen encouraged his new son-in-law to widen the range of goods he exported to the continent to include Indian and Baltic products as well as British textiles. This was merely a stepping stone, however; for by now Nathan had made up his mind to become a fully fledged banker. In the eyes of at least one of his Manchester associates, he had already achieved this as early as 1808, though he was not yet known as such in London, having only acquired an address in the city (12 Great St Helens) that summer. Although Nathan's earliest London ledger books suggest that he was doing banking business by 1810 at the latest, the move from Manchester was quite protracted, and it was not until the beginning of July 1811 that he was able formally to announce:

that the business heretofore carried on by the undersigned Nathan Meyer [*sic*] Rothschild at Manchester, under the firm of "Rothschild Brothers" will cease to be carried on from this day, and any persons having dealings with that firm are required to send their demands to pay their accounts to N. M. Rothschild, at his Counting-House, in No. 2 New Court, St Swithins-lane [*sic*], London.[14]

He had travelled a long way since leaving behind the cramped confines of the Judengasse—and the discrimination symbolised by the *Judensau*—just twelve years before. But Nathan Rothschild could not have acquired his new City address at a more propitious moment.

TWO

The Elector's Treasure

The Old Man . . . made our fortune.

—CARL ROTHSCHILD

Nathan Rothschild's success in the heartland of the early Industrial Revolution was of undeniable importance to his father's business back in Frankfurt. In this sense, the Rothschilds were authentic children of the industrial age. Yet it was Mayer Amschel's parallel success in the old-fashioned role of "court Jew" which contemporaries came to believe counted for more in the family's economic rise. Indeed, even Mayer Amschel's own sons themselves tended to regard his relationship with William IX, Hereditary Prince, Landgrave and after 1803 Elector (Kurfürst) of Hesse-Kassel, as the real foundation of their fortune. Since it first began to gain public currency in 1826, the myth of the Elector's treasure has been related so often and with so much embroidery that it has never seriously been questioned. Yet a close scrutiny of the surviving records suggests that the Elector's significance has been exaggerated —or at least misunderstood.

William of Hesse-Kassel was almost exactly the same age as Mayer Amschel, and shared with him an interest not only in old coins but in money of every sort. In every other respect, however, the two men were as different as could be, not least in their religious backgrounds. William's father, Landgrave of Hesse-Kassel between 1760 and 1785, had caused consternation to his Protestant relatives—not only his own father, but his father-in-law George II of England as well—by converting to Catholicism as a young man. As a result, the young William was effectively removed from his care. During the Seven Years' War, he and his brother Karl were sent to Denmark, where they came under the influence of another Protestant monarch (also linked by marriage to George II), Frederick V of Denmark, whose daughter William married in 1763. Until his father's death, William ruled independently the small Grafschaft of Hanau-Münzenberg, which lay immediately to the north and west of Frankfurt. Yet, for all the political significance of religion in his life, it cannot be said that William observed the Commandments with anything approaching the punctiliousness of his lowly Jewish contemporary. He had at least twelve illegitimate children by at least three mistresses, including four by a Hessian noblewoman, Caroline von Schlotheim, and no fewer than seven by a Swiss woman, Rosalie Dorothea Ritter. Far from seeking to conceal the fruits of his adultery, William gave them all suitably grand titles and names—von Hessenstein, von Heimrodt and von Haynau.

His besetting sin, however, was avarice—a sin he was singularly well placed to commit. For, unlike the great majority of kingdoms and principalities in eighteenth-century Europe, Hesse-Kassel was rich, to the extent of between 30 and 40 million gulden at William's accession. Nor was its ruler prevented from disposing of this wealth as he pleased by any of the political restrictions which had developed in other parts of Western Europe: the assets of the state were effectively indistinguishable from the personal wealth of the Prince. This great accumulation of capital had been achieved primarily by selling the services of the Hessian army to the highest bidder—usually Britain—a system which reached its zenith during the American War of Independence. Even before succeeding his father,

William was already engaged in this trade, selling a regiment of around 2,000 men from Hanau to fight for George III against the rebellious colonists. The terms were lucrative: William received 76 gulden (around £7) per man, plus an additional charge of 25 gulden for each man wounded, and 76 for each man killed. This money was paid not in the form of cash, but in (non-interest-bearing) bills of exchange which were initially paid to William's account at the London bank of Van Notten & Son. When he wanted to convert these into cash before they fell due, he sold them to brokers in Germany. Although he did spend considerable sums—for example, on building himself a new palace, Wilhelmshöhe—his object in realising such bills was more usually to invest his earnings so that they yielded the highest possible interest. And, as the majority of his fellow princes in Germany were frequently in want of money, he had no difficulty in doing so by lending to them.

The finances of Hesse-Kassel consequently resembled less those of a small state than those of a large bank. While the Exchequer (Kammerkasse) collected regular revenues from the royal estates and indirect taxes which were then disbursed on regular civil expenditures, the War Chest (Kriegskasse) received revenue not only from the state's property taxes but also from the hiring out of mercenaries and the interest on the Landgrave's investments, which it managed. William's total assets in 1806—adding together the assets of each financial department—stood at more than 46 million gulden (more than £4 million). More than half of this (28.8 million) was held in the form of loans to other German princes, notably the Duke of Mecklenburg-Strelitz and the Prince of Lippe-Detmold, while a further 4.6 million was invested in English annuities. The fact that his net income after all expenditures was around 900,000 gulden speaks for itself: the contemporary view that he was one of the richest of European "capitalists" was not far wrong. From the point of view of an aspirant banker like Mayer Amschel, William therefore exerted a magnetic attraction. Not only was there money to be made from buying and reselling his English bills; there was also money to be made from placing his immense and constantly growing capital in secure investments. The only problem from Mayer Amschel's point of view was that other people were already making that money.

The truth was that, despite his efforts to gain a foothold at William's court while he was still residing in Hanau, Mayer Amschel was still to all intents and purposes a nobody when the new Landgrave moved north to Kassel on his father's death in 1785. We know from the fact that he requested a special Sunday pass to leave the Judengasse in 1783 and from later correspondence that Mayer Amschel had already begun to involve himself in the English bills business. But it was not until 1789 that he was able to squeeze himself into the main market for these bills at Kassel by offering to pay more than the established local firms. Even then he was granted only the most meagre credit facility—£800, compared with the figure of £25,000 given to the leading Kassel broker Feidel David—and when he requested a higher credit limit the following year he got just £2,000, compared with the £10,000 he had asked for.[1] At this point, however, Mayer Amschel struck up one of those peculiarly instrumental friendships based on mutual advantage which were to become a hallmark of his sons' (and grandsons') *modus operandi*. Karl Friedrich Buderus had begun his career in William's service as the tutor of his bastards by Dorothea Ritter. In 1783 he had moved into the financial administration at Hanau and in 1792, at the age of thirty-three, he moved to Kassel to work for the all-important War Chest, rising swiftly through the civil service ranks.

The first sign of tacit co-operation between Buderus and Rothschild came in 1794 when the former explicitly recommended that Mayer Amschel be allowed to join five established firms in bidding for a sale of £150,000 of English bills. Evidently, his recommendation was ignored, but Buderus tried again in 1796 and this time succeeded. The two Gentile banking partnerships of Rüppell & Harnier and Preye & Jordis had offered 1 million gulden of Frankfurt city bonds to the War Chest, of which the Chest had

bought 900,000. Buderus then tipped off Mayer Amschel that he should offer to sell the remaining 100,000 gulden to the Chest at a more generous price (97.5 per cent of face value) than the other banks were offering (98 per cent). This was hardly profitable as the bonds were quoted at par (that is, 100) on the Frankfurt bourse, but the slightly larger discount he was offering secured Mayer Amschel the foothold he had so long sought. In 1798 most of the £37,000 of English bills sold were bought either by him, by Rüppell or by Jordis for cash. In the following years, Mayer Amschel steadily increased his share of William's investment business as well. Altogether, between 1801 and 1806, he was involved in at least eleven major loans, of which the most important were to Denmark, Hesse-Darmstadt, Baden and the Order of St John. He also became involved in purchases of real estate on William's behalf, while continuing to supply him with his beloved medals.

The negotiations leading up to the various Danish loans are of particular interest because they give us an insight into the way Mayer Amschel squeezed out his business rivals. At first, in 1800 and 1801, he was content merely to take a share of loans which were organised by the likes of Rüppell & Harnier and Bethmanns. Before long, he was being treated by them as an equal partner. Finally, from around 1804, he was able to establish what amounted to a monopoly of Danish business, partly thanks to the "douceurs" and discounts he gave the obsessively penny-pinching William, partly thanks to the good relationship he established with the Hamburg banker J. D. Lawätz, who played a mediating role between Kassel and Copenhagen. Altogether, Mayer Amschel sold William Danish bonds worth a total of at least 4.5 million gulden (roughly £450,000) in this period; placed three loans to the Landgrave of Hesse-Darmstadt totalling 1.3 million gulden, of which around half was taken by William; and one loan to Baden of 1.4 million gulden. These are impressive figures and, understandably, Mayer Amschel's success aroused considerable envy and resentment among his competitors. In 1806 Rüppell & Harnier complained bitterly (but vainly) about aspersions being cast on their honour by "Jewish commercial rivals" who seemed to believe that "the name Rothschild" enjoyed more credit in Hesse-Kassel than that of the Danish government itself.

Nor was such ill-feeling confined to Gentile firms. In 1802 the Kassel Jewish community lodged a complaint against Mayer Amschel, on the ground that he was to all intents and purposes residing in the town (where most of the business described above was done) without having the status—and tax liabilities—of a "protected Jew." Having been obliged to pay 180 gulden to buy exemption from the relevant dues, Mayer Amschel then decided to secure protected status for his eldest son Amschel. With wonderful insincerity, he argued in his application that the presence of a Rothschild in Kassel would "not impair the activities of the local merchants in any way and those who conduct business in bills will rather profit from this, as such transactions always benefit from a large competition." Opposition from the local Jewish community and hesitation on the part of Mayer Amschel as to whether the residence permit should be in his or his son's name meant that it was not actually issued until June 1806.[2]

Yet, despite the title of senior court agent (*Oberhofagent*) bestowed on him in 1803, it is important to stress that at this juncture it was not Mayer Amschel so much as William who was the real banker; Rothschild was in many ways more of a stockbroker, catering to his client's growing preference for bearer bonds as opposed to personal loans.[3] Typically, Mayer Amschel's commission when he bought bonds for William was no more than around 1.75 or 2 per cent, so that his total profits from this business probably did not exceed 300,000 gulden. Moreover, on at least two occasions, it was Mayer Amschel himself who borrowed from William. At the same time, it is important to remember that, although William was Mayer Amschel's most important client in this period, he was by no means his only client. The objective, in this era of multiple states, was to establish links with as many princely courts as possible—something which the loans business he did for Hesse-Kassel made easy. By 1803

he had been appointed court agent to the Order of St John (on the strength of a decidedly ill-starred loan), the Prince of Thurn und Taxis (hereditary postmaster of the Holy Roman Empire), the Landgrave of Hesse-Darmstadt and Karl Friedrich Ludwig Moritz zu Isenburg, Count of Büdingen. The most prestigious of these appointments came in 1800, when Mayer Amschel secured the title of imperial court agent from the Austrian Emperor, in return not only for his earlier services as a supplier of war *matériel*, but also for his work in collecting the interest on the Emperor's considerable borrowings from Hesse-Kassel. His only failure came in 1802, when the court of Bavaria ignored his application for the title of agent.

The importance of such titles should not be exaggerated, of course. In 1803, for example, Hesse-Darmstadt customs officials simply refused to recognise Mayer Amschel's privileged status as a court agent. In any case, the whole system of petty principalities and overlapping jurisdictions which had made such titles matter in the eighteenth century was on the brink of an unprecedented and revolutionary upheaval—an upheaval which was to transform the Rothschilds' relationship with their princely patrons. Up until 1806 they had depended on the Elector and his ilk for their business and the privileges they could confer. Thereafter, William found that, little by little, it was he who began to depend on Mayer Amschel and his sons.

The Origins of a Myth

As we have seen, there had already been one major collision between Hesse-Kassel and the forces of Revolutionary France in the 1790s, culminating in the bombardment of Frankfurt which destroyed the Judengasse in 1796. That had led to a strengthening of the traditional links between Kassel and London: not for the first time, William put troops in the field against France in return for English money. True, he had subsequently accepted the terms of the Peace of Lunéville (1801), which transferred the left bank of the Rhine to France. But when war broke out again between England and France in 1803 a showdown became almost inevitable. William was too committed to England to follow the lead of those sixteen German states which seceded from the defunct Holy Roman Empire to form the Francophile Confederation of the Rhine in the summer of 1806. He was also too intent on driving a hard bargain with the various powers bidding for his support to realise the vulnerability of his own position. Napoleon offered Hanoverian territory. On the other hand, the Elector (as William now was) had lent money to Austria and to Prussia, who had joined the coalition against France in 1805. When the Prussian army was defeated at Jena and Auerstadt in the autumn of 1806, he was hopelessly exposed. Neither the hasty demobilisation of his troops, nor his belated request to join the Rhine Confederation, nor even the plaintive signs he hastily ordered to be put up at his borders—"Electorat de Hesse: Pays Neutre"—could deflect the wrath of Bonaparte, in whose eyes he was now merely "a field marshal in the service of Prussia." "My object," Napoleon declared bluntly, "is to remove the House of Hesse-Kassel from rulership and to strike it out of the list of powers." William had little option but to flee, heading initially for his brother's estate at Gottorp in Holstein (then Danish territory).[4] On November 2 General Lagrange occupied his residence at Kassel as Governor-General; two days later he issued a proclamation formally confiscating all his assets and threatening anyone who sought to conceal these with trial by a military tribunal.

According to legend, it was at this critical moment that William turned to his faithful court agent Rothschild, hastily leaving in his care the entirety of his movable wealth:

The French army was actually entering Frankfurt at the moment when Rothschild succeeded in burying the prince's treasures in a corner of his little garden. His own property, which in goods and money was

worth about 40,000 thalers, he did not hide, well knowing that, if he did so, a strict search would be made and that not only his own but the prince's hoard would be discovered and plundered. The Republicans who, like the Philistines of old, fell upon Rothschild, left him not one thaler's value of his own money or property. In truth, he was, like all the other Jews and citizens, reduced to utter poverty but the prince's treasure was safe . . .

According to this not untypical version of the story from an English newspaper in 1836, when Mayer Amschel finally returned the money to William, he replied: "I will neither receive the interest which your honesty offers nor yet take money out of your hands. The interest is not sufficient to replace what you lost to save mine; and further my money shall be at your service for 20 years to come and at no more than two per cent interest."

As discussed in the introduction, this story first gained currency in 1827, when it appeared in F. A. Brockhaus's *General German Encyclopaedia for the Educated Classes*. Though there is good reason to think that it was initially inspired by the Rothschilds themselves, it was subsequently so widely disseminated as to take on a life—and a variety of significances—of its own. Initially, it was intended to illustrate the family's exceptional probity as deposit-holders: willing to risk everything rather than fail to protect and pay interest on a client's money. That was certainly the message of Moritz Daniel Oppenheim's two paintings on the subject commissioned by the family in 1861. By the later nineteenth century, however, it was beginning to acquire an alternative reading: the Elector's treasure was "blood money" because it had been earned by the sale of mercenaries, while Mayer Amschel made the most of it rather than merely preserving it. The positive and negative versions of the myth are vividly juxtaposed in the American and German films *The House of Rothschild* (1934) and *Die Rothschilds* (1940).

As has long been realised, the story is fiction—though, like so much of the Rothschild myth, it contains a very tiny grain of truth. In fact, William's movable property was widely dispersed in the period after the French occupation and only a few relatively unimportant items came into Mayer Amschel's possession. Some of the most important valuables—mainly bonds (without their coupons, which were stored separately)—were successfully smuggled out of Kassel by Buderus, who made the hazardous trip through the French lines to Itzehoe in early November. The bulk, however, was stored in caches at William's country houses. According to a meticulous list drawn up by the Elector himself, twenty four chests—containing not only securities and coupons but also accounts, silverware and clothes—were hidden under the stairs of the north wing of the Wilhelmshöhe, while another twenty-four, including important War Chest papers, were concealed in another part of the palace. In the cellar of the nearby Löwenburg were hidden a further twenty-four chests, including securities belonging to the Elector's mistress, official papers, porcelain and clothes. Finally, at his hunting lodge at Sababurg, there were forty-seven chests, most of them filled with silverware. Most of this would in fact have been lost to the French—who quickly managed to obtain an inventory of the Elector's silver—had it not proved possible to strike a deal with Lagrange. In return for a bribe of 260,000 francs (modest under the circumstances) he agreed to allow forty-two of the chests to be spirited away; the rest were confiscated. Accordingly, on the night of November 8, one of the Elector's officers led a convoy of carts with the freed chests to Hof Stölzingen, where they were divided up. War Councillor Lennep took some of the most important documents (including papers relating to the Elector's London investments) back to Kassel; ten chests were deposited with the Münden firm of Thorbecke, of which two were sent on to Schleswig and the rest to Eisenach; and nineteen were smuggled into Frankfurt and left in the hands of the bankers Preye & Jordis.

By this time, however, Lagrange had realised that he had undercharged the Elector's men. Having

managed to recapture some of the chests he had previously released, he now demanded more money. Eventually, an agreement was reached: in return for a second, rather larger payment, Lagrange promised to understate the total value of the Elector's assets. A list was drawn up totalling 19.8 million gulden (composed mainly of the larger loans to other German princes), and this became the "official" French inventory. All documents relating to the Elector's other assets—an estimated 27 million gulden—were then handed over to Buderus. Some of these were sent to the Elector at Schleswig. Some were kept by Buderus himself. The rest, mostly routine papers from the War Chest and Privy Purse, were packed into four chests. It was these four chests which were given to Mayer Amschel. A few others containing medals and a few bonds were also temporarily left in his care in Hamburg when the Elector left Itzehoe for Austrian territory in the summer of the following year.[5] But that was all.

Yet this prosaic account understates Rothschild's importance to the exiled Elector. For one thing, William still had need of a skilled stockbroker and investment adviser. Having managed to hang on to assets worth 27 million gulden, his investment income remained substantial, even after the extra costs imposed by exile. (According to Berghoeffer's figures, the surplus was something like 740,000 gulden a year.) Part of Mayer Amschel's role in this period was to collect this income from the various borrowers concerned. In addition, he had to reinvest it in new loans. For example, he arranged a loan of 100,000 gulden to the Hanau Treasury and a large loan to Graf Karl von Hahn zu Remplin (the profligate "Theatergraf," who was shortly afterwards made a ward of court by his family). He looked after a current account for money the Elector had entrusted to Buderus. On one occasion, at Buderus's suggestion, he also borrowed money from the Elector himself. He repurchased a substantial part of the Elector's coin collection, which had been sold off and dispersed, as well as fourteen cases of wine which had been stolen from the Hanau cellars. He handled various transfers of money which the Elector had to make for military and diplomatic purposes: payments to Hessian prisoners-of-war held by the French, to the Machiavellian Prince Wittgenstein, who had offered his diplomatic services, as well as to Russia and Prussia in 1813. He lent around 160,000 gulden to the Elector's son in Berlin. He looked after the finances of the Elector's mistress, Gräfin von Schlotheim. He even sold the Elector a diamond ring.

Much of this was trivial, admittedly, and a good deal of it was unprofitable. A lot of time was wasted in 1809 and 1810 on an abortive scheme to assist the depleted Austrian Treasury by transferring some of William's assets—with a nominal value of over 10 million gulden—to the Emperor. But there was one service performed by the Rothschilds for William which made all the rest worthwhile: the management of his English investments. Nathan later claimed that "The Prince of Hesse-Cassel . . . gave my father his money; there was no time to be lost; he sent it to me. I had 600,000£ arrive unexpectedly by the post; and I put it to such good use, that the prince made me a present of all his wine and his linen." This has a superficial plausibility: one of the most important financial consequences of the French wars was a large migration of capital from the continent to London. As with the story of the treasure, however, the reality was rather more complex.

At the start of his time in exile, William already had a very substantial English portfolio, primarily annuities with a nominal value of £635,400 paying interest of £20,426 a year. In addition, he was owed a considerable sum—around £200,000—by the Prince of Wales and his brothers (though they were characteristically in arrears with their interest payments). As an ally of the crown, he also received subsidies totalling £100,150 between 1807 and 1810.[6] The critical question was what should be done with the interest payments and subsidies as they were paid to William's current account with Van Notten. As early as 1807—in other words, some time before his move from Manchester to London—Nathan approached William's envoy in London, Lorentz, with suggestions as to how the money might

be invested, but he was rebuffed at the Elector's express instruction.[7] It was not until two years later, once again at the prompting of Buderus, that Mayer Amschel was instructed to purchase 3 per cent consols (redeemable state annuities, or what would now be called gilt-edged securities) with a face value of £150,000 at 73.5 (that is, at 73.5 per cent of their face value or price at redemption). It was to be the first of no fewer than nine such purchases up until the end of 1813, totalling £664,850. This was the money to which Nathan later alluded in his conversation with Buxton. His brother Carl was also alluding to it when he observed in 1814 that "the Old Man"—mean ing William—had "made our fortune. If Nathan had not had the Elector's £300,000 [*sic*] in hand he would have got nowhere."

How could such purchases of consols on someone else's behalf have been so vital to the Rothschilds? The answer lies in the way these investments were carried out. At first sight, there was not a great deal to be made from this business, as Mayer Amschel charged only one-eighth of a per cent brokerage on each purchase. On closer inspection, however, much more stood to be made. William did not actually put up all the cash at once for each purchase; it was the Rothschilds who effectively bought the consols, albeit on his behalf, and with money they had largely borrowed. If they had wished, they could have paid only a fraction of the market price, postponing full payment until a future settlement date. But this would have involved a double speculation: on the price of the consols and on the gulden-sterling exchange rate. Mayer Amschel preferred not to do this. He was content to derive advantage from the difference between the price and the exchange rate agreed with William, and the actual price and exchange rate paid by his son in London. For the first three purchases, the difference in price was of the order of 2 per cent, reflecting the fact that, at this low ebb in Britain's campaign against Napoleon, consols were falling. It is probable (though impossible to prove) that Mayer Amschel was also deriving some benefit from differences in the exchange rate.

The Elector probably suspected what was going on: when consols reached a low of 62.5 in the summer of 1811, he called a halt to new purchases and ceased remitting money to cover previous purchases until May of the following year. But this probably suited the Rothschilds well. For the consols remained registered in Nathan's name until they were fully paid for by William. That meant, for example, that even as late as March 1813 consols with a face value of £121,000 were notionally Nathan's. Of course, they had largely been bought with borrowed money, and, from the moment the Elector's remittances arrived until the stocks were formally transferred to him or his agents, the Rothschilds also had to pay interest. On the other hand, a certain latitude was possible, given the difficulty of getting certificates of ownership from London to the Elector in Prague.[8] Whatever profits Nathan was able to make on the market price and the exchange rate, purchases of more than £600,000 worth of consols and the actual possession of over £100,000 signalled the advent of a new financial force in the City of London. In this sense, as Carl later noted, it gave Nathan a kind of "security"—the impression of capital resource in excess of what the family actually had. Amschel spelt out the significance of this in a letter to his brothers in 1818: "The good Nathan would have been unable to draw during the war bills to the amount of £132,000 and to handle all the businesses if . . . we had not obtained for him in Prague the big deal of the Elector's stocks, which he handled . . . [U]p to then Nathan did not even know what stocks looked like." In effect, the war had allowed the Rothschilds to make a part of William's financial strength their own.

On the other hand, the price of that security was a high level of insecurity on the continent. For the risks the Rothschilds ran in serving William were real. The French authorities were in earnest about tracking down the Elector's wealth and they were prepared to use all the means at their disposal to do so. Under the Berlin Convention of 1808, for example, Napoleon extended a tempting offer to the Elector's numerous debtors, inviting them to settle with the French authorities instead of the Elector in

return for reductions in their debts. More alarmingly, the departure of General Lagrange put paid to the deal which had been struck with him. Mayer Amschel's offices were searched by the French police, as were those of Preye & Jordis. It was probably at this time that the contents of the four chests in Mayer Amschel's possession were concealed in the secret cellar described above. In August 1808 Salomon was interrogated by a French police official, as was a representative of another bank suspected of acting for William, and the following month Buderus and Lennep were briefly arrested. The same happened in the summer of the following year, in the wake of a minor anti-French revolt. The Special Commissioner of Police in Westphalia—a man named Savagner—had Buderus and Lennep arrested again and then, acting on information supplied by one of the Rothschilds' business rivals, proceeded with a senior Frankfurt police officer to Mayer Amschel's office. There followed a bizarre interrogation in which the French attempted to get Mayer Amschel to admit to having supplied money on William's behalf to the instigators of the recent revolt.

Savagner was undeniably well informed. He knew about Mayer Amschel's visits to Hamburg and Itzehoe in 1807—where he had "spent hours with [the Elector] in his office, walking in his garden and conversing with him." He also knew about his dealings with Buderus. But Mayer Amschel was apologetic: "Because of a painful illness from which he had suffered for years, he had developed a short memory." Yes, he had been in Hamburg, but only on account of some goods which had erroneously been impounded as contraband. Yes, he knew Buderus and Lennep, but he had "never trusted them, as neither of them had ever sincerely been his friends, merely appearing to be in the world's eyes." Yes, he had been the Elector's court agent and had in the past made loans on his behalf to Denmark—or was it Emden? Far from relaying money to Buderus, he had received 20,000 gulden from him, from which he had made various payments, though to whom he could not recollect. The next day, Savagner tried again with Salomon, the fifteen-year-old Jacob, Salomon's wife, Amschel's wife and even Mayer Amschel's wife Gutle. Each stonewalled in turn. Gutle in particular was the embodiment of feminine innocence: "She knew about nothing at all, she was at home throughout the year and had nothing whatever to do with business. She had never seen [Buderus], she only concerned herself with her housework." In the end, Savagner seems to have admitted defeat and, like most Napoleonic officials the Rothschilds encountered, settled for a small "loan." Matters only eased in 1810 when Frankfurt was transformed into a grand duchy under the direct jurisdiction of Baron Karl Theodor Anton von Dalberg, erstwhile Archbishop of Mainz and, since 1806, Prince-Primate of the Rhenish Confederation.

Mayer Amschel had already begun to ingratiate himself with Dalberg some three years before by offering the inevitable loan. He now proceeded to facilitate a payment of 440,000 gulden to secure the emancipation of the Frankfurt Jews by discounting bonds worth a total of 290,000 gulden and to advance Dalberg 80,000 gulden to finance his journey to Paris for the baptism of Napoleon's son. Indeed, Mayer Amschel was soon formally acting as Dalberg's "court banker," assisting him in the speculative purchases of land he undertook with the money paid by the Frankfurt Jews. It was a sign of the esteem in which Dalberg came to hold Mayer Amschel that he appointed him to the electoral college of the new département of Hanau, along with such eminent Gentiles as Simon Moritz von Bethmann. Whether he was aware how far Mayer Amschel continued simultaneously to serve the man whose most fervent wish was to oust him and his French patrons from Hesse-Kassel is not known. There is a startling symmetry in the fact that, only a few years previously, Mayer Amschel had been arranging payments of some 620,000 gulden from the Elector to Austria, to pay for troops and horses in the 1809 campaign against France. Shortly after Mayer Amschel's death, his son Amschel was advancing 255,000 gulden to Dalberg, partly in order to purchase horses for the French army!

It is possible, of course, that Mayer Amschel—like Buderus, who also accepted an official appointment

by Dalberg—no longer expected William to be restored to his estates. But if so, he never wrote him off completely. He simply backed both sides. Such a strategy has obvious attractions, and it was to become a frequent Rothschild gambit in the decades ahead. However, the double agent always runs the risk of forfeiting the trust of both sides and ending up the loser, whichever wins. For this reason, it is not surprising that during the years of the Elector's exile Mayer Amschel developed a penchant for secrecy—another of his most enduring bequests to later generations. At first, he had been blasé. He and his son Carl made numerous trips to the vicinity of Itzehoe in the first months of the Elector's exile—indeed, they established a permanent office for the purpose in Hamburg—and corresponded regularly and openly with one of William's most senior officials, Knatz. As we have seen, this did not go unnoticed by the French police, and Mayer Amschel quickly came to appreciate that "these days one has to set to work carefully." By the middle of 1808 correspondence between the Rothschilds and the Elector's officials, much of which was relayed via Buderus and Lawätz, was being written in a crude code. Buderus was referred to as "Baron von Waldschmidt," Knatz as "Johann Weber," Mayer Amschel as "Peter Arnoldi" or "Arnold" and William himself, variously, as "Herr von Goldstein," "Johannes Adler" or "the Principal." The Elector's English investments were known as "stock fish" (a pun on the German for cod, *Stockfisch*). For additional security—"for the more care that you take, the better it is"—letters were sent not to Mayer Amschel but to Juda Sichel, whose son Bernhard had married Isabella Rothschild in 1802. When Carl and Amschel travelled to see the Elector in Prague, following his flight south from Denmark, correspondence was hidden in specially fitted secret compartments. Sometimes the Rothschilds even took the precaution of transliterating incriminating letters into Hebrew characters. And it seems highly probable that two sets of books were kept in this period, one complete, the other specially doctored for the consumption of the authorities. Such precautions were justified; in addition to the searches and interrogations described above, the French police succeeded in intercepting at least one letter in 1811.

In Austrian territory too, Rothschild moves were monitored by the police. There was less reason to fear the Austrian authorities, of course, but there was no guarantee that relations between William and the Emperor would remain friendly. Indeed, after the French victory over Austria at Wagram, there was a strong likelihood that the Elector would be forced once again to move on. Nor can the failure of their financial discussions have endeared him to the authorities in Vienna. For this reason, the Rothschilds continued to operate behind a veil of secrecy even in Prague, leading the police to draw somewhat exaggerated inferences about their political role:

[T]his Jew [Amschel] is at the head of an important propaganda scheme in favour of the Elector, whose branches extend throughout the former Hessian territories . . . These suppositions are based on facts: whenever I enter the Elector's quarters, I always find Rotschild [*sic*] there, and generally in the company of Army Councillor Schminke and War Secretary Knatz, and they go into their own rooms and Rotschild generally has papers with him. We may assume that their aims are in no sense hostile to Austria, since the Elector is exceedingly anxious to recover the possession of his Electorate, so that it is scarcely open to question that the organisations and associations, whose guiding spirit Rotschild probably is, are entirely concerned with the popular reactions and the other measures to be adopted if Austria should have the good fortune to make any progress against France and Germany. Owing to his extensive commercial connections it is probable that he can ascertain this more easily than anybody else, and can also conceal his machinations under the cloak of business.

Yet for all the risks they took on his behalf, the Rothschilds were never wholly trusted by William. No part of the myth of the hidden treasure is more at variance with the truth than the idea that he was grateful to Mayer Amschel for his efforts on his behalf. On the contrary, Mayer Amschel had to endure repeated bouts of paranoia on the Elector's part. William's first concern was that Mayer Amschel might

betray him to the French. Later, he began to worry that his agent had his hand in the till, suspicions which were only encouraged by envious rivals. He accused Mayer Amschel of swindling him of the interest on his English stocks. He accused him of deliberately hanging on to the valuables which had been left in his care at Hamburg. Throughout this time, Mayer Amschel had to rely on Buderus to reassure the Elector. Buderus was unstinting in his praise. His reasons for entrusting so much business to Mayer Amschel were, he told William,

the most punctual payment which one can expect of him, the certainty that he always reckons by the official exchange rate on the day of a transaction, the conviction that he never discloses Your Majesty's transactions to anyone, as he has handled the realisation [of your assets] with such care that French officials who were sent to interrogate him to find out whether he had received English money on Your Majesty's behalf, could find no trace of the money in the books which were laid before them.

The irony, however, is that Buderus's assurances were themselves far from disinterested. For, unbeknown to the Elector, he had entered into an agreement with Mayer Amschel which effectively made him a sleeping partner in the Rothschild firm. In return for investing 20,000 gulden—the sum which Mayer Amschel admitted to having received when questioned by Savagner—Buderus promised "to advise that firm in all business matters to the best of his ability and to advance its interests as far as he may find practicable." In the light of this—to say nothing of the deals struck by Mayer Amschel with the French authorities and with Dalberg—the Elector's mistrust begins to look rather less like paranoia. As William came to realise, the Rothschilds' skill at forging new business relationships was liberating them from their early dependence on him. When, in May 1812, he requested that one of Mayer Amschel's sons move to Prague to act as a kind of court agent in exile, he was politely but firmly rebuffed.

It is therefore something of an exaggeration to say, as Carl did, that "the old man" had made their fortune. In 1797 Mayer Amschel's capital had been 108,504 gulden (around £10,000). Ten years later the balance sheet showed a total capital of 514,500 gulden (around £50,000).[9] It seems unlikely that the business he did with William in this period accounted for as big a share of this increase as the import-export business between Frankfurt and Manchester. By 1810, to be sure, the firm's capital had risen to 800,000 gulden (around £80,000) and a substantial part of this increase probably was due to the income generated by managing William's portfolio. But the real significance of the Elector's treasure, as both Carl and Amschel implicitly acknowledged, was that it helped Nathan to make the transition from Manchester merchant to London banker. Once this was achieved, the Rothschilds needed "the Old Man" less.

Mayer Amschel's Legacy

A letter Buderus wrote to William at around this time provides a neat summary of the firm's radius of activity in the last months of its founder's life:

Their father is old and ailing. His eldest son Amschel Mayer, and his second son Salomon, who is delicate, are indispensable to him in his extensive operations. The third [*sic*] son, Carl, is almost continually engaged in travelling in the service of your Electoral Highness, while the fourth [*sic*] son, Nathan, is very usefully established in London and the youngest, James, spends his time between London and Paris.

By this stage, power in the firm had effectively passed from Mayer Amschel to his five sons. Only a few years before, however, the old man had still been playing the role of *Herr im Haus*. As we have seen, even the mercurial Nathan, far away in England, was still having to do as he was told as late as 1805. His brothers were treated even more like employees:

Amschel writes that Kalman [Carl] would like to come to you, but what is the point of that? . . . I still need to have Kalman with me in Frankfurt for the moment and he would be much less use with you . . . He is keen to go to London. But I don't think it sensible from the point of view of our house, as Salomon has hard work to do cashing in and paying out bills. He has the obligations to deal with too . . . [If Kalman goes] then all my commodity business will have to be done through Seligmann and Abraham Schnapper, and Mayer Schnapper his son, because although Jakob [James] is already in the office he has only just had his bar mitz vah. So it really is necessary for Kalman to stay with us. He really wants to go to London [and] if you really need him then I will write him off. But it is stupid not to leave Kalman here for a few more years until Jakob has grown up. Don't write to Kalman that I said this to you . . . Furthermore, my dear son Nathan, when you are writing to my son Kalman, I advise you to praise him a lot. With God's help he is a very clever man for his age, though he is rather too bold . . . He really wants to come to you but I really don't want this dear boy, may he live to be a hundred years old, crossing the sea for just a three-week trip and we cannot do without him for long[er] because as I told you Amschel has business in Kassel. Much as I would like my son Kalman to travel to London for three weeks it would end up being six months, and it is simply not possible to teach conceited outsiders how to run my indigo business.

Mayer Amschel prevailed and Carl stayed; it may have been a sop to Nathan that James was sent to join him for a spell three years later.

As this letter also shows, Mayer Amschel's in-laws, the Schnappers, were now involved in the business; so too were the Sichels, into which family Isabella had married, and the Beyfus brothers, Seligmann and Mayer, who married Babette and Julie respectively in 1808 and 1811. He was also well aware of Nathan's work in partnership with Rindskopf and his own father-in-law Levi Barent Cohen. But from the outset, Mayer Amschel kept his in-laws at one remove from the management of the firm: the reference to the Schnappers as "outsiders" is revealing. In the same letter to Nathan, he asked a characteristic question: "Dear Nathan, do our letters come directly into your hands alone, so that one can write what one wants, or do you read our letters to your whole family [meaning Nathan's in-laws, the Cohens]? Let me know." Even at this early stage, Mayer Amschel had formulated a rule which was to be followed strictly for more than a century: his male descendants were, as far as the running of the firm was concerned, the inner circle. In practice, this meant a distinction between family or private correspondence—almost always written in Hebrew characters—and business correspondence, usually written in German, French or English by clerks. Mayer Amschel more than once had to reprimand Nathan for forgetting this distinction: "I repeat for the last time that your Hebrew written letters may be good enough for family purposes, but for account and business matters you have to write in German, French, or English; I cannot give to my clerks in the office your muddled Jewish letters mixed with family news, if they are to keep good books—accordingly, a good deal of confusion arises." For the historian, of course, it is precisely these letters—repetitive and unstructured though they often were—which have by far the greater value.

The transition of the family business into "Mayer Amschel Rothschild & Sons" happened in September 1810, when he and three of his sons—Amschel, Salomon and Carl—issued a printed circular announcing that they would henceforth act as partners (*wirkliche Theilhaber*) in a new firm (*Gesellschaft*). When members of the family had been interrogated by Savagner the year before, Mayer

Amschel was still calling himself the sole proprietor (*Inhaber*) of the firm, while his sons were merely his "assistants" (*Gehülfen*). However, he may have been lying in order to protect them in case Savagner decided to prosecute the firm. Earlier in the year it had been Amschel, Salomon and Carl who had negotiated the purchase of a vacant lot in the Judengasse (as reconstruction work at last began) in order to build a proper office for the firm. And when a formal legal partnership contract was drawn up in September 1810, its preamble explicitly stated that "a trading company already existed" in which Mayer Amschel, Amschel and Salomon were the "associates." The principal function of the 1810 agreement was to make Carl a partner, giving him a 30,000 gulden share of the total capital of 800,000 compared with Mayer Amschel's 370,000, Amschel's 185,000 and Salomon's 185,000; and to guarantee that James would become a partner (also with a share worth 30,000 gulden) when he attained his majority.

It was not only in terms of capital that Mayer Amschel remained *primus inter pares*: he alone had the right to withdraw his capital from the firm during the period of the agreement; he alone had the right to hire and fire employees of the firm; and his unmarried sons could marry only with his permission. The agreement made the grounds for this explicit. It was Mayer Amschel who had, "through the industry which he had evinced from his youth onwards, his commercial abilities and the indefatigable activity which he had maintained into his old age, laid the basis for the prosperity of the firm, and thereby established the worldly fortune of his children."

In other respects, however, the agreement would act as a model for future agreements between the brothers and their descendants for most of the nineteenth century. Profits were divided in proportion to capital shares, no partner was to engage in business independently of the others and the agreement was to run for a fixed period of years (in this case, ten). The most remarkable clause in the agreement stated what would happen were one of the partners to die. Each solemnly renounced the rights of his wife, children or their guardians to contest in any way the amount of money agreed by the surviving partners to be the deceased's share of the capital. Specifically, his widow and heirs were to be denied any access to the firm's books and correspondence. This was the first formal statement of that distinctive and enduring rule which effectively excluded Rothschild women—born Rothschilds as well as those who married into the family—from the core of the business: the hallowed ledgers and letters.

The death of a partner was, of course, no longer a remote possibility. Not only was Mayer Amschel now an old man—he was sixty-six or sixty-seven when the 1810 agreement was signed—he was also a sick man. He had been seriously ill two years before, possibly with a rectal abscess arising from chronic haemorrhoids, and, although an operation was successfully performed, his health never fully recovered. It was a common complaint in the Judengasse, whether because of the sedentary lives its inhabitants perforce led, or because of a genetic defect which intermarriage—also imposed by the Stättigkeit—had spread through the street's 500 families. On September 16, 1812, he was taken ill; he died just three days later. But even as he lay on his deathbed, Mayer Amschel hastily revised his will, as if wishing to reinforce the message conveyed to his sons in the 1810 agreement. The new will pre-empted the agreement's provisions by withdrawing just 190,000 gulden from the firm as his notional share of the capital—obviously a substantial understatement. And it repeated emphatically the rule excluding the female line from the business:

I hereby decree and therefore wish that my daughters and sons-in-law and their heirs have no share in the capital of the firm "Mayer Amschel Rothschild & Sons" and even less that they are able or are permitted to make a claim against it for whatever reason. Rather, the said firm shall exclusively belong to and be owned by my sons. None of my daughters and their heirs therefore has any right or claim on the said firm and I would never be able to forgive a child of mine who, against this my paternal will,

allowed themselves to disturb my sons in the peaceful possession of their business.

If his daughters did do so, they would forfeit all but their minimal statutory claims as heirs under the Napoleonic code. The distinction between sons and daughters could scarcely have been more strongly expressed.[10]

That Mayer Amschel's testament was so strictly adhered to, not just by his immediate heirs but by his descendants for generations to come, confirms the impression given by those letters to his sons which have survived. Within his immediate family circle, he was a commanding and perhaps also intimidating figure. Interestingly, this is not how he was remembered by the rest of the world. To Gentiles who had dealings with him, he had tended to conform to the intelligent but deferential stereotype of the court Jew. It should be stressed that modern portrayals of Mayer Amschel—especially the screen performances by George Arliss and Erich Ponto—probably exaggerated the "Jewishness" of his appearance and manner, the former sporting a long beard and fez-like hat, the latter ringlets and a skullcap. On the other hand, the most commonly reproduced nineteenth-century lithograph—of a rather square-jawed clean-shaven man in a neat wig—was the product of an artist's imagination. One contemporary who met him in her youth remembered "a rather big man, who wore a round unpowdered wig and a small goatee beard." Another remembered him wearing the kind of hat and clothes which would have been worn by a Gentile merchant of the same generation, albeit slightly threadbare.

This tallies with Mayer Amschel's somewhat ambiguous reputation within the Judengasse as relatively orthodox in matters of religion, but progressively more and more liberal in matters of education and politics. Mayer Amschel was not one of those *maskilim* who were inspired by the Jewish Enlightenment, nor did his attitudes anticipate the later Reform movement to modernise Judaism as a religion; but nor was he a staunch conservative. Cohen's unauthorised memoir (published shortly after his death) portrayed him as the personification of a kind of middle way between the new and the old —"proof that the dogmas of the Jewish religion, even according to the teachings of the Talmud, contain nothing which conflicts with the laws of morality." Rothschild had been "a zealous believer in the Talmud and chose it alone as the guiding principle of all his actions"; indeed, according to Cohen, his attitude towards religious conservatism had been "a little exaggerated." He and his brother Moses (who administered the community's poor-relief fund for some years) were active members of the Jewish community. But Mayer Amschel was also a "good citizen"—a significant phrase, as we shall see.

This is evident in Mayer Amschel's attitude towards charity. As noted above, he and his brothers were conscientious in paying their tenth to the poor of the community. Ludwig Börne remembered the crowd of beggars who used to lie in wait for Mayer Amschel as he walked through the street, and the patience with which he distributed alms. Yet he was less conventional in not confining his charity to the Jewish community. Cohen recalled an occasion when a street-urchin had shouted "Jew!" at him. Mayer Amschel

calmly reached into his purse and gave the needy youth some money with the request that he might often repeat what he had said. No one could have been happier to oblige. He took what he was offered and cried at the top of his voice: "Jew! Jew!" Several other youths came up and mockingly joined in. Rothschild listened with evident pleasure, pronouncing the Hebrew blessing: "Praise be to Him, who gave the laws to His people of Israel!"

In his will too he bequeathed 100 gulden to "three praiseworthy, charitable Christian foundations."

Even his charitable work within the Jewish community became increasingly secular in its orientation. In 1804 he played a leading role in establishing a new school for poorer Jewish children—the Philanthropin—the curriculum of which had a thoroughly secular flavour. This seems to have reflected the influence of his book-keeper Geisenheimer and of the tutor he employed for his own children, Michael Hess, a follower of Moses Mendelssohn who later became the school's headmaster. It may also have been inspired by his younger sons, at least one of whom (Salomon) was a member of the same masonic lodge as Geisenheimer.[11] The important point is that Mayer Amschel continued to favour a communal basis for education at a time when an increasing number of Jewish families were sending their children to Gentile schools outside the ghetto. Ludwig Börne was one of those who rebelled against the relatively conservative atmosphere of the Frankfurt ghetto, ultimately converting to Christianity rather than endure discrimination. But, as Heine later recalled, he could not help admiring the unaffected piety of the Rothschild household. Passing the old family home in the Judengasse in 1827, he noticed nostalgically that Mayer Amschel's widow Gutle had decorated its windows with white curtains and candles in celebration of the great feast of joy (Chanukkah):

How gaily the candles sparkle—those candles which she has lit with her own hands in order to celebrate the day of victory on which Judas Mac cabeus and his brothers liberated their fatherland as heroically as did in our own day King Frederick William, the Emperor Alexander and the Emperor Francis II! When the good lady looks at these little lights, her eyes fill with tears, and she remembers with melancholy joy her younger days when Mayer Amschel Rothschild, of blessed memory, still celebrated the Feast of Lights with her, and when her sons were still little boys who placed candles on the floor and leapt over them with childlike pleasure, as is the custom in Israel.

It was Mayer Amschel's work to win full civil and political rights for the Frankfurt Jews, however, which best expressed his loyalty towards Judaism.We know that his political activism predated the French Revolution because he had been one of the seven signatories of the protest to the Senate of 1787 (quoted in chapter 1) about increased restrictions on travel outside the ghetto on Sundays and holy days. However, it was only with the advent of a French-backed regime that the possibility arose of more substantial improvements in the lot of the Jews. Things would have moved faster if Frankfurt had been under the direct jurisdiction of Napoleon's brother Jérôme who, as King of Westphalia, favoured a policy of complete emancipation. By contrast, Dalberg was cautious, partly because he could not risk alienating the local Gentile establishment, partly because he himself feared that a liberated Jewish community might "balance Christian injustice, as soon as they breathed some air, with Jewish impudence." The new Stättigkeit which he issued in 1808 seemed, if anything, a step backwards, as it reasserted the ban on Jews living outside the (still dilapidated) Judengasse, reimposed the poll tax and confirmed the traditional restrictions on numbers of families and marriages.

It was at this point that Mayer Amschel was able to use his financial leverage over Dalberg to force the pace of change—the first time a Rothschild acted in such a way for what he explicitly called "our nation," and not the last. Dalberg, as we have seen, was biddable: if a sufficiently large capital sum could be paid to compensate his duchy for the loss of tax revenue which Jewish emancipation would entail, he was prepared to give his consent. After preliminary discussions conducted via Dalberg's Jewish police commissioner Itzstein, the sum of 440,000 gulden was agreed on—twenty times the sum paid each year by the Jews for their "protection"—of which Mayer Amschel raised 290,000 on behalf of the community by discounting bonds. In December 1811, after further negotiations with the Frankfurt Senate, Mayer Amschel was able to inform his son, with understated satisfaction: "You are now a citizen." Two weeks later the decree on the "civil-legal equality of the Jewish community" came into force.

To be a citizen of his native state, but to remain unequivocally a member of "our nation," meaning the traditional Jewish religious community: this was Mayer Amschel's aim. For the critical distinction between the Rothschilds and many other successful Jewish families of this period was that, while they fervently desired social, civil and political equality with their Gentile counterparts, they refused to abandon Judaism as their religion in order to achieve it. Their own ambition was therefore from the outset inseparable from the political campaign for Jewish emancipation not only in Frankfurt, but throughout Europe.

In this, as in so much else, Mayer Amschel's influence on his descendants was profound and enduring. Four days after their father's death, his sons sent out a circular to their most valued clients to reassure them that there would be no change in the conduct of the family business: "His memory will never fade among us, his surviving partners . . . Our blessed father remains unforgettable to us." Such pious sentiments are not always translated into practice once the first pain of bereavement has passed; but the sons of Mayer Amschel meant what they said. Time and again in the years after his death, they harked back to their father's words—to his business aphorisms, to his views on Jewish emancipation and, above all, to his paternal commandments to them, his male descendants. In many ways, these numerous allusions to Mayer Amschel—unremarked by previous historians—reveal more about his character than any other source.

A typical example is Amschel's request for better stock market information from Nathan in October 1814: "Father used to say: 'A banker has to calculate, there is no merit in making transactions in the dark.' " He made a similar point in 1817: their father had told them "that Jewish fortunes as a rule don't keep longer than two generations for two reasons. One because the housekeeping and other expenses are not being considered, second because of Jewish stupidity." While these echoed Mayer Amschel's criticism of Nathan's somewhat casual approach to accounting, other maxims related more to the firm's relations with governments. One point was obvious enough, given the benefits Mayer Amschel had derived from his relationship with William of Hesse-Kassel: "I [learned?] from our blessed father," Salomon told Nathan in 1818, "who always said, 'The evil eye of the court brings fewer advantages [than the title of consul or court banker].' " But, as Amschel remembered, it was not enough just to acquire minor titles like "court agent": "Nowadays everybody calls himself 'Excellency.' I remember, however, what our father used to say, 'With money you become an Excellency.' " The key was to establish some kind of financial leverage. As Amschel put it, "It is better to deal with a government in difficulties than with one that has luck on its side. We heard this from our father."

Nor was it only the elder brothers who reminisced in this fashion. In March 1817 James remembered a tip which he would often put into practice in his relations with rival firms: "Father used to say, 'If you can't make yourself loved, make yourself feared.' " As late as 1840 Carl could still be heard recalling how "his Father had often taught him, when he had occasion to apply to an inferior or a man who had little power to assist him in carrying an object he had in view, he spoke with the person as if the whole depended entirely on him, though perhaps he knew he had but the smallest possible influence in the business." Of all these pieces of business advice, the one most frequently cited was probably Salomon's favourite, on the importance of cultivating politicians. He cited this in a letter to Nathan in October 1815: "You know, dear Nathan, what father used to say about sticking to a man in government." It came up again a few days later: "But you remember father's principle that you have to be ready to try everything to get in with such a great government figure." And Mayer Amschel had left them in no doubt as to how such politicians could best be wooed: "Our late father taught us that if a high-placed person enters into a [financial] partnership with a Jew, he belongs to the Jew" ("gehört er dem Juden").

The brothers' consciousness of their Jewishness and of their responsibilities to the rest of the Jewish

community also owed much to their father's influence. Intriguingly, both Salomon and Carl seem to have regarded carrying on their father's work for Jewish emancipation in an almost instrumental way. As Carl put it in May 1817, "It is the best thing on earth to be of service to the Jews. Our father did so and we see how well we are paid back." Salomon made the same connection between good works and good fortune a few months later when he wrote to Nathan reminding him to put pressure on the British government on behalf of European Jewry: "If we want our children to be one day really happy, we have to do all that is in our power to bring to a good end all the work which . . . father of blessed memory . . . began in the interest of our people." And he repeated the point early the next year:

If everything depends, as it does, on God, if we want, as we do, to be fortunate, then, dear Nathan, [the interests of the entire Jewish people] must be as important to you as the most important business deal once was. How can we show more respect for our blessed father, than by supporting that work which he laboured at for years[?]

But of all their father's advice, his last commandment—to maintain fraternal unity—had the greatest and most enduring impact. Salomon once attributed "all our luck to the benediction which our father gave us an hour before he passed away." Amschel remembered that benediction too: "I remember what our father, peace be with him, told me on his deathbed: 'Amschel, keep your brothers together and you will become the richest people in Germany.' This has almost come true." That advice was often invoked when the brothers quarrelled—as they frequently did in the turbulent years immediately after Mayer Amschel's death. "Our blessed father ordered us to live in peace," Salomon reminded Nathan, following an especially bitter attack by the latter on Carl. He had to say it again just a week later: "My good brother, dear Nathan, our blessed father ordered us to live in peace, otherwise we shall lose our courage. Let us have peace." More than twenty years later the same principle was elaborately enshrined in a new partnership agreement, drawn up following the death of Nathan himself:

We wish to offer a proof of our reverence for the holiest memory of our father, whose virtuous conduct in all of life's relations is a noble example to us all. Through pious acceptance of the higher wishes of God, through faith in God's help, through conscientious honesty and indefatigable industry, this noble and philanthropic man laid the foundation of our good fortune, and when, almost forty years ago, he took his sons into partnership with him in his business, he told them that acting in unison would be a sure means of achieving success in their work, and always recommended fraternal concord to them as a source of divine blessing.

In accordance with his venerable wishes, and following the prompt ings of our own hearts, we therefore wish today, through this renewed agreement, to reinforce our mutual dependence and hope, in this new league of brotherly love, to guarantee the success of the future activities of our House. May our children and descendants in the future be guided by the same aim, so that with the constant maintenance of unity the House of Rothschild may blossom and grow into full ripeness . . . ; and may they remain as mindful as we of the hallowed precept of our noble ancestor and present to posterity the godly image of united love and work.

The same theme of paternally ordained brotherly unity was developed still further in an annexe to the agreement, which solemnly hoped that "in the future [as in the past] the blessing of our blessed father and grandfather upon our House and our family" would be fulfilled. He had promised them "the protection of the Almighty; the success of our undertakings; the prosperity of our family and the continuing honour and respect of our reputation and name," but only if they "always preserved concord, love and faith" with one another.

Of course, it is easy to detect in all this the influence of the Old Testament; and no doubt many another Jewish (or Calvinist) patriarch before and after Mayer Amschel tried to instil similar values into his sons. Nor was the ideal of familial unity peculiarly biblical: Plutarch relates the parable of Scilurus, who showed his sons that a bundle of arrows could not be broken, but that the individual arrows could. The impressive thing about the Rothschilds, however, is that the sons heeded their father so zealously. This was a point Gentz stressed in his article for the 1827 Brockhaus *Encyclopaedia.* The first of the Rothschilds' guiding principles, he suggested:

obliges the five brothers to conduct their combined businesses in an uninterrupted community [of interest]. That was the rule which their dying father bequeathed them. Since his death, any proposal, no matter where it comes from, is the object of collective discussion; each operation, even if it is of minor importance, is carried out according to an agreed plan and with their combined efforts; and each of them has an equal share in its results.

In the very first paragraph of his essay, Gentz had in fact already alluded to Mayer Amschel's last commandment to his sons to maintain "unbreakable unity." "Never has a father's last testament been carried out more conscientiously and more profitably," he observed. "It is a peculiar characteristic of this family, that all its members consult the shade of their father at every important stage of their lives, and when assessing every business deal; remind themselves—often verbatim—of his wise teaching . . . and never mention his name without deep reverence." In the 1836 edition it was even stated that the brothers "revere their father with such piety that that they refer back to him in the course of all important business undertakings and indeed Nathan usually decides all doubtful cases on the basis of a rule which he attributes to his father."

This would not have been worth writing if it had been commonplace behaviour. It clearly was not. Even as late as 1841, nearly thirty years after Mayer Amschel's death, his eldest son could feel moved to remind all the other partners—including those who had never even met their grandfather—of the same, all-important nexus between unity and success:

Unity was what our blessed father, with his last words, enjoined me to uphold as [our] first and holiest of duties—our father, who united in himself boundless integrity, the deepest of insights, the wisdom of experience and the pious habits of a sage. It is my conviction, and I am sure it is yours too, that, along with God's blessing, we owe not only our wealth but also our honourable position in society primarily to the [spirit of] unity and co-operation [that binds together] all our partners, bank houses and establishments. I therefore request most urgently that you, beloved brothers and nephews, will always take care to implant in your heirs the same consciousness of concord and togetherness, so that the same [spirit of] unity and co-operation continues to exist for as long as is at all possible. To do so will be of benefit both to you and to your descendants. It will prevent our business interests from being split up, and will stop others benefitting from our great efforts, our knowledge and the experience [we have] laboriously accumulated over many years. So I ask you, for the sake of ensuring unity, whenever there should be any differences of opinion which might lead to ill feeling, not to make an immediate decision, but to let a few days pass first to allow tempers to cool, in order to avoid any overhasty steps being taken. May the unity, integrity, sympathy and mutual trust of the community of all Rothschild houses be always preserved and forever affirmed.

In the years between 1812 and 1841, there were, as we shall see, many times when Amschel and his brothers came close to just the kind of breakdown in fraternal unity which their father had warned them against. That they always avoided it—that, even thirty years after his death, they still remembered his

dying commandment—is a striking testament to the patriarchal power of Mayer Amschel Rothschild.

II

Brothers

THREE

"*The Commanding General" (1813-1815)*

My brother in London is the commanding general, I am his field marshal . . .

—SALOMON ROTHSCHILD

It is an established rule with us that no disapprobation shall be expressed by either of us at the conduct of the other, since as partners we act always for the joint interest and consequently neither of us has the right to blame the other when he has acted for the best.

—SALOMON ROTHSCHILD

Napoleon's celebrated aphorism—"An army marches on its stomach"—left open the question of how that stomach was to be filled. So did the Duke of Wellington's equivalent: "To gain your objects you must feed." All the armies which fought in Europe between 1793 and 1815 resorted at times to the age-old practice of requisitioning provisions from civilian populations. To varying degrees, they also relied on their own lines of supply from secure territory. But taking supplies at gunpoint has the disadvantage of making an army unpopular and food scarce, while extended supply lines are a source of vulnerability. In protracted campaigns like Wellington's in the Iberian peninsula, more sophisticated methods of procurement were necessary. Above all, it was essential to be able to purchase supplies and to pay troops. The truth of Cicero's maxim was never more apparent than in the years between 1808 and 1815: *nervos belli, pecuniam infinitam*, or, as Henry Dundas had put it to William Pitt at the outset of the wars with Revolutionary France: "All modern Wars are a Contention of Purse."

As early as May 1809 Wellington was complaining to the government in London that he did not have enough of it. In March 1811 he wrote to the Prime Minister, Lord Liverpool, threatening that he would have to halt the campaign altogether because of the lack of cash. A year and a half later, on the eve of the invasion of France itself, the problem was once again acute. The outgoings of his military chest were running at around £100,000 a month, including not only payments to his own troops, but also subsidies to Portugal and Spain (now forcibly won over to the British side). But, as he explained to Earl

Bathurst, he was only just able to pay for the subsidies to his allies. In the absence of cash, he was reduced to paying officers in depreciated paper money, while the lower ranks (who refused to accept payment in paper) were not being paid at all. "Unless this army should be assisted with a very large sum of money at a very early period," he warned the government,

the distress felt by all the troops will be most severe . . . and it will be quite impossible for me to do anything . . . [The Spanish troops] are in so miserable a state, that it is really hardly fair to expect that they will refrain from plundering a beautiful country, into which they enter as conquerors; particularly, adverting to the miseries which their own country has suffered from its invaders. I cannot, therefore, venture to bring them back into France, unless I can feed and pay them . . . Without pay and food, they must plunder; and if they plunder, they will ruin us all.

The nadir was reached in February 1813, when Wellington reported that he could "scarcely stir out of my house on account of the public creditors waiting to demand payment of what is due to them." As it was Wellington's financial difficulties which provided Nathan Rothschild with the decisive business opportunity of his career, it is worth saying a few words about the cause of them.

Of all the states of the *ancien régime*, Britain had the most efficient financial system. The key institutions had evolved in the century after the Glorious Revolution: a relatively cheap and centralised system of revenue collection; a fairly transparent budget-making process in parliament; a more or less stable system of public borrowing, the funded national debt; and an equally stable monetary system revolving around the Bank of England and the convertibility of paper notes into gold. It was this which enabled Britain to wage six major wars in the course of the eighteenth century without succumbing to the kind of political crisis which precipitated the overthrow of the more financially backward French state. But the cost of war rose rapidly after 1789 (partly because the Revolutionary regime was able to field armies of unprecedented size): it has been estimated that the annual cost was five times higher in real terms during the Napoleonic Wars than it had been a century before. Public expenditure in Britain rose sharply between 1793 and 1815, from something like £18 million a year to around £100 million (around 16 per cent of estimated national income). The total cost of war with France in that period was around £830 million, of which some £59 million took the form of subsidies to Britain's less solvent allies. A host of new taxes had to be created, of which the income tax was the most important, but these only paid for about a quarter of the war's costs. As a result, the national debt soared from £240 million in 1793 to £900 million in 1815, close to 200 per cent of national income. Moreover, in 1797 the Bank of England felt obliged to suspend gold convertibility, ushering in a period of currency depreciation. The combination of wartime shortages and the growth of paper-money circulation led to inflation: prices roughly doubled in the twenty years before 1815. Wellington's campaign was therefore being fought at a time of unparalleled fiscal "overstretch."

This does not fully explain the Duke's difficulties, however, which were partly logistical. Even if the Exchequer in London had been overflowing, it would still have been difficult to get money to Wellington in a form that Spanish merchants would accept. Up until 1813 there were two ways in which this could be done. Either bullion (in the form of gold guineas)[1] could be shipped to Portugal or Spain, and exchanged there for local coins; or the Duke could borrow from local bankers by selling them bills on London. Given the risks which attended large-scale shipments of gold, it was the latter method to which Wellington more often had recourse. The problem was that by 1812 the Iberian market for bills on London was saturated, and Wellington found that he could sell new bills only at a prohibitively steep discount: "The patriotic gentlemen at Lisbon," he complained to Bathurst, "will give us no money, or very little, for the draughts on the Treasury." It was into this breach that Nathan

Rothschild stepped.

War and Peace

Historians have never adequately explained how an obscure Jewish merchant banker—who only a few years before had been a smuggler, and a few years before that a minor textiles exporter—was able to become the principal conduit of money from the British government to the continental battlefields on which the fate of Europe was decided in 1814 and 1815. Of all the steps in the ascent of the house of Rothschild, this was surely the greatest; yet it is also the least understood.

Three distinct elements were required to turn Nathan into (as his brothers later said, only half in jest) the "commanding general"—the Napoleon of finance. The first was the absence of competition. This was a matter of sheer good luck, for before 1810 the City of London was not short of able bankers. Harman & Co. (whom we have already encountered among the Rothschilds' earliest correspondents in London), Reid, Irving & Co., Smith, Payne & Smith and above all Baring Brothers—all might have been expected to assist the government in its financial difficulties. Indeed, the Barings had already been involved in relaying British funds in the form of loans to Portugal. Nor was Nathan the only Jewish merchant seeking to challenge the established banks: Abraham and Benjamin Goldsmid had been doing so since the 1790s, while a succession of German bankers arrived in London in the years after 1802 (notably Schröder, Brandt and Huth) intending to emulate their achievements. As the new Commissary-in-Chief who had been entrusted with the task of providing Wellington with funds observed in November 1813, "Many houses have already offered their services to me." Indeed, his first instinct was that Barings were "on every score the most proper channel for our money transactions." Yet it soon became apparent that neither Barings nor any other established firm was in a position to act. In the case of Barings, this was partly because leadership of the firm had only recently passed from Francis Baring (who died in 1810) to his son Alexander. The main reason, however, was that the City as a whole was reeling from two major shocks. The first was the crisis of 1810, partly occasioned by the report of the Bullion Committee, recommending (against the advice of the Bank of England) an early resumption of gold payments. The prospect of a period of tight money—which this implied—led to a slump in the price of government stocks and left the Barings and the Goldsmids holding substantial amounts of the most recent government loan. Barings lost around £43,000. Abraham Goldsmid committed suicide, leading (as William Cobbett remarked with distaste) to "*alarm* and *dismay*" in the City and an intensification of the panic. Probably of equal importance was the simultaneous collapse of the Amsterdam market occasioned by Napoleon's annexation of the Netherlands. This left Barings' continental partner Hope & Co., which had for some time played a dominant role in Russian finances, a mere "empty shell."

The second factor in Nathan's favour was the appointment of John Charles Herries as Commissary-in-Chief in October 1811. Herries was to be Nathan's Buderus, his first "friend" in a high place. Himself the son of a minor merchant banker, Herries had risen through the political ranks rapidly since becoming a junior clerk at the Treasury in 1798. Three years later he was appointed private secretary to Nicholas Vansittart, the Secretary to the Treasury, and served Spencer Perceval in the same capacity when he was Chancellor of the Exchequer in 1807-9. It was not only his family background in finance, however, which enabled Herries to identify Nathan Rothschild as the solution to his problem as Commissary. For Herries, unusually, was something of a Germanophile. Not only had he studied in Leipzig; he had even translated Friedrich Gentz's anti-French tract *On the State of Europe before and*

after the French Revolution. It also seems possible that it was a friendship dating back to his Leipzig days which alerted him to the potential usefulness of the Rothschilds. According to one account, Herries had, as a student, been involved romantically with a woman who was now the wife of an ennobled Leipzig tobacco merchant named Baron Limburger—to the extent that he had an illegitimate child by her. The Limburgers later claimed that it was on their recommendation that Herries had involved Nathan in the financing of Wellington's campaign; and it seems reasonable to infer something of the sort from the fact that they subsequently felt able to claim between £30,000 and £40,000 as a 1 per cent commission on the money made by Nathan on government business. On the other hand, it was not until February 1814—after Nathan's first commission from the government—that Limburger wrote to Herries, praising the Rothschilds' "zeal and prudence," but at the same time offering his own services as "an upright and prudent individual" to superintend their operations; and Herries was initially cool in his response. On reflection, he did decide to employ Limburger in the way suggested, but he was careful to emphasise that his confidence in Nathan predated Limburger's involvement. Similarly, it was not until June of the same year that the Rothschilds began to regard Limburger as having influence with Herries.

It is possible that Limburger was merely one of those unscrupulous and opportunistic conmen who abounded in Napoleonic Europe, and that he was subtly blackmailing Herries on account of his bastard child. As Carl commented sceptically in early 1815, Limburger's wife was "a great lover of money," and Amschel suspected Limburger himself of merely "playing the great man." In the end, the Limburgers had to be paid off with £15,000 in a manner which was more appropriate to blackmailers than partners. Nevertheless, as Carl had to admit, Limburger "had done us a favour," if only by acting as an aristocratic go-between in the brothers' dealings with continental governments.

The third and most important reason Nathan became involved in British war finance was that, unlike his rivals, he had a solution to the problem of how to get money to Wellington. As so often, Nathan subsequently made what he had done sound easy:

When I was settled in London, the East India Company had £800,000 worth of gold to sell. I went to the sale, and bought it all. I knew the Duke of Wellington must have it. I had bought a great many of his bills at a discount. The Government sent for me and said they must have it. When they got it, they did not know how to get it to Portugal. I undertook all that and I sent it to France; and that was the best business I ever did.

And, of course, the story has been embroidered by myth-makers, attributing patriotic motives to Nathan and even imagining James crossing the French lines in woman's clothing. The reality was very different. At some point before March 1811 the Rothschilds became involved in smuggling gold bullion from England to France. This was technically a breach of the Continental System, but it was tolerated by Napoleon and later actually licensed. The youngest Rothschild brother took care of the business on the other side of the Channel, at Gravelines or Dunkirk, exchanging the imported guineas for bills on London, the prices of which were naturally very low in France at that time and which could then be redeemed at a profit in London. A typical series of six shipments from Nathan to James in April 1812 amounted to some £27,300 in guineas, in return for which James sent Nathan bills from Paris bankers like Hottinguer, Davillier, Faber and Morell with a face value of £65,798. The other Rothschild brothers contributed by relaying suitable bills to James from Hamburg and Frankfurt.

As with the earlier covert operations on behalf of the Elector of Hesse-Kassel, an unsophisticated code was devised which more or less sufficed to allay French suspicions. Nathan became "Langbein,"

London became “Jerusalem,” and the transfers of bullion across the Channel were codenamed “Rabbi Moses” or “Rabbi Mosche.” Incriminating consignments were referred to, variously, as “beer,” “fish” or “children.” Other key figures (no longer identifiable) were known as “the fat man” and “the cursed one.” In addition, to ensure that cross-Channel communications were as secure and swift as possible, agents at Dover were authorised to charter boats for Rothschild business. It was one such vessel which smuggled James himself across the Channel when he visited Nathan in 1813. “Playing hide and seek” with the authorities was becoming second nature to the brothers. Indeed, even their sons were already being taught to attach importance to secrecy: at the age of just eleven Salomon’s son Anselm refused to let his teacher correct a letter he was writing to his father. “My dear mother,” the boy explained, “how can I possibly divulge the secrets which I share with my father to Mr Sachs?”

It was probably the scale of Nathan’s purchases of bullion in London which first brought him to Herries’s attention. It may also be that some of the bills which were finding their way back to London through the Rothschilds were Wellington’s, having been sold on by his Spanish, Portuguese and Maltese bankers to Paris houses. And it is just possible that James was already using the bullion sent to him by Nathan to buy bills on Spanish and Portuguese houses which were then sent across the Pyrenees to Wellington. Although evidence for this assertion is scant, it is not implausible. After all, money had been sent in 1806 and 1807 from Spain’s American colonies to France by an even more circuitous route starting in Vera Cruz, heading north to New York and then crossing the Atlantic, via London, to Paris. Indeed, on one occasion Mexican piasters worth over 14 million francs were shipped across the Channel to the French Treasury by a British warship! Generally speaking, the profits to be made from such transactions were regarded as outweighing the benefits the enemy derived from the money itself. In addition, there was a degree of theoretical confusion as to the economic significance of such transfers of bullion, which helps to explain why the French authorities tolerated James’s activities in Paris and Bordeaux (about which they were quite well informed). Although some French police officials had their suspicions, Napoleon followed the advice of his Minister of the Public Treasury, François Nicholas Mollien, who argued that any outflow of bullion from Britain was a sign of economic weakness and therefore advantageous to France.

This was a bad miscalculation; on the contrary, the Rothschilds’ ability to relay specie across the Channel was about to become a decisive source of strength to Britain. On January 11, 1814, Nathan was officially charged with the task of financing Wellington’s advance through France. In Vansittart’s words, Herries was to “employ that gentleman [Nathan] in the most secret and confidential manner to collect in Germany, France and Holland the largest quantity of French gold and silver coins, not exceeding in value £600,000, which he may be able to procure within two months from the present time.” These were then to be delivered to British vessels at the Dutch port of Helvoetsluys, whence they would be relayed to Wellington via St Jean de Luz, near Biarritz. It was to be “distinctly understood by Mr Rothschild . . . that he is to take upon himself all risks and losses, which may occur, prior to the delivery on board His Majesty’s ship.” If successful, he would be entitled to a commission of 2 per cent on the sum delivered. But, at all costs, secrecy must be maintained. This was a breakthrough, in that it was the Rothschilds’ first official commission from the British government and it brought Nathan into direct contact not only with Herries—by March, he was “almost continually” in Herries’s office—but with Vansittart and the Prime Minister himself, Lord Liverpool.

Admittedly, the operation proved to be rather more difficult than Nathan had anticipated. Meyer Davidson, whom Nathan sent to Amsterdam, complained repeatedly about the short supply of suitable coins in the wake of the French occupation, and quickly concluded that new napoléons d’or (the imperial successor to the old louis d’or coin) would have to be struck if Nathan was to fulfil his contract. By the end of February Davidson had been able to accumulate no more than £150,000, “Yet

this is like a drop of water in the ocean. Why? Because it is . . . an English government commission and the English government could make use of all the cash that exists on the continent and even this would not satisfy them." Davidson began to fear that the transaction could not be carried out, and there was talk of reducing the target figure from £600,000 to half that amount.

Despite these difficulties, however, Herries was impressed. As early as February 22 Wellington was writing to thank Bathurst for "the supplies of money which are very ample." By April Nathan and James were able to convert over £20,000 into guilders for immediate use by the British forces, and the Rothschilds continued to furnish the advancing army with money until the end of the year, when the government resumed normal methods of payment. As Herries told Sir George Burgman, the British paymaster in Amsterdam, "Rothschild of this place has executed the various services entrusted to him in this line admirably well, and though a Jew, we place a good deal of confidence in him." One reason for Herries's satisfaction was that the Rothschilds delivered substantial amounts of the cash to Helvoetsluys in advance of being paid by the government, leading some historians to assume that Nathan was using Prince William's London stocks as collateral for large-scale borrowings in London and Paris. This is possible, but it cannot have been the brothers' sole source of credit, given the size of the sums involved. As Neal has put it, Nathan was "financ[ing] the war against France with the resources of the continent"—merchants' bills on London which the Rothschilds were buying up and converting into bullion, which they then sent to Wellington's army on Herrries's account. By the middle of May Nathan was owed as much as £1,167,000 by the government—a sum large enough to terrify his brother Salomon, and evidently more than even Nathan could sustain. As Herries told Drummond, his representative in France, he was

not surprised at the extreme solicitude of the brother in London to obtain money from you. They are now serving us to a very considerable extent by their credit and if we fail to supply [them] with funds to meet these engagements the weight is greater than any individual however rich could be expected to support. The brother here is doing the business remarkably well and seems capable of supplying one with money to any extent.

It was not only the British army which received money from the Rothschilds on Herries's account in 1814. Of rather more importance—because potentially more lucrative—were the payments which had to be made by the British government to finance the military efforts of its less solvent allies on the continent. Such payments had previously been handled by banks such as Barings and Reid, Irving, but now Nathan, having won Herries's confidence, was well placed to take them over. The only difficulty lay in persuading the recipient countries to place similar confidence in his brothers on the other side of the Channel. This was achieved most easily with Russia, rather less easily with Prussia and only to a limited extent with Austria. Smaller Allied states—including Mecklenburg and, predictably, Hesse-Kassel—also received money through the Rothschilds, as did the returning French monarch, Louis XVIII. The total amounts involved were huge. Altogether between 1811 and 1815 Britain paid around £42 million to her allies. The Rothschilds became involved late in the day, but swiftly established a dominant position. In June 1814 Herries listed the payments they had so far made to Prussia, Austria, the French King and the British army. Including money that had not yet been disbursed, the total was 12.6 million francs, and more was to come. Small wonder Lord Liverpool referred to "Mr Rothschild" as "a very useful friend." "I do not know," he told Castlereagh, "what we should have done without him last year [1814]."

It proved relatively easy to secure a substantial share of the Russian business. The agreement reached between Britain, Russia and Prussia at Reichenbach in June 1813 had promised a total payment of £1,333,333 to Russia and £666,666 to Prussia, partly in the form of interest-bearing treasury bills.

However, the cash-strapped British government repeatedly deferred payment and it was not until the end of May 1814 that an agreement was reached which provided for fifteen monthly instalments of a million Prussian thaler each (in the form of interest-bearing drafts), two-thirds to Russia, one-third to Prussia. Gervais, the Russian diplomat charged with converting the subsidy into cash, initially turned to Hope & Co., seeking an advance on the first seven months' payments and offering a discount of 2 per cent. But the Hope director Labouchère hesitated and the Rothschilds—represented ably by Salomon and James—snapped up the business. They offered not only to convert instalments worth 4 million thaler into louis d'or and ducats, but to deliver most of the money to Hamburg, Dresden and Warsaw, where it was urgently needed to pay Russian troops.

The Rothschilds' terms were evidently attractive enough, especially in the initial absence of competition. As James said, Gervais "needed cash, and soon," and no other firm would risk delivering so much cash to remote Warsaw. It was also advantageous from a British viewpoint to let the Rothschilds handle the transaction, as they undertook to reduce the interest Britain had to pay and to secure a more favourable exchange rate from pounds to thalers than had originally been agreed. Indeed, James exuberantly claimed that "a better deal had never been made for [a] government." "You can confidently tell Lord Liverpool," he told Nathan with youthful bravado, "that this transaction is a masterpiece."

It was a masterpiece in more ways than one. As their father had taught them, the brothers were always careful to make their terms attractive not only to governments, but also to the individual officials with whom they were negotiating. Thus, to ensure that Gervais acquired a personal interest in doing business with Rothschilds—to make him a reliable "friend" or "helper" of the house—he and other Russian officials were discreetly plied with money in the form of commissions and interest-free loans. This was, as the brothers themselves privately acknowledged, no more or less than bribery. Under the terms of a separate agreement with Russia, a 1 per cent commission went straight into Gervais's pocket. "Our friend baksheesh" ("der Freund Schmiergeld") had, as James and Carl said, played a vital role not only in clinching the deal, but in paving the way for future deals. For, as Davidson archly put it, "Now the Russian knows Salomon and Salomon knows the Russian." Characteristically, the brothers had widely differing views as to how much Gervais should receive. Salomon knew—or thought he knew—Gervais's price. On reflection, he felt James had given the Russian "too much of the profits" and "obviously [did] not understand how bribes are given": the gift of a watch and some English stocks would have sufficed. But James dimissed this as "really stupid," assuring his brothers that he would be able to secure an even bigger commission on the next Russian transfer: "The money given to Gervais makes all the difference and I happen to know the man." Carl appears to have sided with James in this argument, but could not resist pointing out that bribing Gervais had originally been his idea.

Such payments to politicians and civil servants should not, of course, be judged by the standards of late-twentieth-century Britain, where holders of public office are forbidden to accept bribes, and Members of Parliament are obliged to declare their private business interests, consultancy fees and even gifts. As we shall see, bribery was common practice in most of Europe for most of the nineteenth century, and the Rothschilds frequently obliged the more venal politicians and civil servants they encountered with cash payments. To be sure, as contemporaries often remarked, "corruption" varied in its character and degree from place to place as well as over time. Even in 1814—long before the spread of Gladstonian notions of public probity—British officials were understood to be more scrupulous than Russian; or, rather, they were known to be more subject to parliamentary and press scrutiny. For this reason, the payments to Gervais were carefully concealed from Herries, and there was no question of Herries himself receiving similar sums. But more subtle ways could be found of taking his private interests into consideration. In July 1814 Amschel sent Nathan a letter from Madame Limburger

relating to her illegitimate child—a letter he advised his brother to show to the child's father, Herries. "It would be good [if you could]," he wrote, "because he may give you the Prussian and Russian business, as he would very much like the child to make some more money. And if the child gets a quarter of the profit, then we would have our profit, too."

The Russian subsidy deal was indeed a *Meistergeschäft*—for the British government, for Gervais, and above all for the Rothschilds themselves. Taking into account their 2 per cent commission from Britain, an additional 2 per cent to cover costs and a further 4 per cent from the Russian government, their gross profit on the first tranche of 4 million thaler was of the order of 8 per cent. Later payments (of 3.7 million francs and 5.3 million thaler) yielded comparable returns. Other governments were equally willing to pay substantial commissions in order to convert their subsidies into ready cash. The government of Mecklenburg "needed money like bread," James reported from Schwerin, and was willing to forgo up to 30 per cent of its 1.5 million thaler subsidy entitlement—and pay a 5 per cent commission—if the Rothschilds could arrange "immediate payment." "They would do anything we want them [to do]," wrote James gleefully, "in order to obtain money quickly." The returning French King, Louis XVIII, was also furnished with money by Rothschilds in the form of bills on Paris. There were equally easy pickings in Hesse-Kassel, where, following the departure of Dalberg and prior to the return of the Elector, a skeleton administration struggled to pay the costs imposed by Allied armies in transit. With the Russian Second Army Corps requisitioning already scarce grain and not a penny left in the War Chest, William's officials turned in desperation to the Rothschilds for a 250,000 gulden loan. Initially intended to be for only six months, part of this loan had to be prolonged because of the virtual impossibility of raising adequate taxation from the "plundered" and "exhausted" populace.

By contrast, the Prussian subsidy business proved at once harder to secure and less lucrative. In part, this was because Prussian negotiators were less biddable than Gervais. The brothers made overtures to the Finance Minister Prince Bülow and to Prince Hardenberg's adviser Christian Rother, but elicited only a lukewarm response, despite the positive impression made by Herries's recommendation. James managed to secure three instalments totalling a million thaler, but the Prussians dismissed the 2 per cent commission he asked as too high. "There's money to be made from Russia," James suspected, "but none from Prussia." Six months on, he saw no reason to revise that initial judgement: "There is generally no pleasure in doing business with the Prussians," he grumbled as yet another bid was rejected. In the end, the brothers had to do without a commission altogether, and although the 3 per cent profit finally realised on this deal was better than had initially been expected, they had to console themselves with the thought that they had at least secured a foothold in Berlin, which might prove more profitable in the future. "At any rate," James reflected, "we have now, thank God, managed to push our way into the business, and it will be of considerable use in bringing us into contact with the Prussian court."

It proved harder still to "establish contact" with the Austrian court. Under the Treaty of Treplitz of 1813, the Austrians were to be paid a million pounds as a subsidy, and the Treaty of Chaumont of January 1814 increased the total by two-thirds, to be paid in monthly instalments of £138,888. After the French defeat, the total due was scaled down to £555,555. Again the Rothschilds put in a bid to handle part of the transfer, backed up as usual by Herries. The terms were deliberately generous: not only did the Rothschilds offer to waive any commission, but they offered to convert sterling into gulden at the rate of 8.48 to the pound. But Barbier, the Vice-President of the Austrian Treasury, and his superior, the Finance Minister Count Ugarte, rejected the offer in the belief that Viennese banks should be employed. A second bid to transfer monies to Austria from Belgium (to defray the costs of occupation) also fell through because the Austrians sought to attach unacceptable conditions to the Rothschild

offer.[2]

All the diverse inter-governmental payments the Rothschilds succeeded in making in 1814 had one thing in common: in each case, there were at least two ways (and sometimes three) to make a profit. The first and most obvious took the form of commissions, which ranged, as we have seen, from as much as 8 per cent to as little as zero. The second—potentially more lucrative but also riskier—lay in exploiting the often rapid and large exchange rate movements which occurred in this period. This was how the otherwise unattractive Prussian transfer was made to yield a profit; and it seems to have been attempted on most of the other transfers too. Essentially, the brothers were able to take advantage of the variations in exchange rates from place to place, which reflected the absence—especially pronounced in wartime—of an integrated European foreign exchange market, and the effects of political uncertainty—also at a peak in 1814-15. On a given day, a draft or bill denominated in sterling might be worth quite different amounts in terms of gulden in London, Amsterdam and Frankfurt. Arbitrage transactions sought to exploit those differences by buying a currency cheap in one market and selling it dear in another. In the same way, the exchange rate of the thaler or the ducat could vary dramatically within a short space of time. Classic forward exchange speculation meant timing payments so that a particular currency could be bought when its exchange rate was weakest and sold when it was strongest.

The Rothschild brothers were singularly well placed to carry out such transactions. Not only did they have permanent bases in Frankfurt and London and semi-permanent offices in Amsterdam and Paris; individual brothers also continued to undertake business trips as far afield as Berlin and Prague. Moreover, thanks to their relationship with Herries, they had a large advantage over their competitors. For one of the main *causes* of volatility on the foreign exchanges was the very transfers of money from Britain to the continent which the Rothschilds themselves were being asked to undertake. Long before 1814, British observers had realised that large purchases of foreign currency with sterling bills tended to cause the pound to depreciate. The bigger the deficit on the British balance of payments—in effect, the more such unrequited subsidy payments had to be made—the more the pound's exchange rate slid. It was precisely Nathan's commitment to Herries to undertake the transfers with the minimum exchange rate depreciation which secured him the subsidy business in the first place; and the brothers never ceased to draw Herries's attention to their success in this regard. (This was what James was driving at when he described the first major Russian transfer as a "masterpiece" from the British point of view.) At the same time, however, the Rothschilds were able to derive substantial benefits for themselves by exploiting the effects of their transactions on the various currency markets.

The key lay in controlling the sterling exchange rate, and this was in many ways the brothers' principal concern in this period. As early as June 1811, when they were first engaged in smuggling bullion across the Channel, Amschel accused James of "forcing the rate of exchange in Jerusalem [London] too high" (meaning, in fact, that the pound was falling against the franc); and James's letters to Nathan the following year frequently refer to his efforts to keep the franc from rising. "It is impossible," he assured Nathan, "to do more than I do to keep [the exchange] so low as possible." These early experiences explain the success with which the Rothschilds avoided substantial depreciation when transferring larger sums for Herries. To Herries's surprise and satisfaction, Nathan was able to disburse as much as "£700,000 in the purchase of bills on Holland and Frankfurt, without its having produced the smallest effect or excited any sensation on the market . . . The exchange is better now than when the operation commmenced . . . I am convinced that £100,000 negotiated by a foreign minister or an officer of the commissariat would have produced ten times the effect of Rothschild's operations." The fall of Paris to the Allied armies naturally strengthened the pound, but the continued payment of subsidies soon threatened to weaken it again. For this reason, the Rothschilds intervened to push it up further. By now

the markets were tending to follow the Rothschild lead. As Carl noted: “When we buy, everybody buys.” This reflected the widespread belief that the Rothschilds were acting “on behalf of the English government and that this is being done in order to force the rate of the pound sterling up [and] . . . that we succeeded very well in doing so.”

In reality, of course, the Rothschilds had reasons of their own for holding up the pound. With movements of sterling more or less predictable, it was possible to engage in profitable arbitrage on the back of the big subsidy transfers. In May 1814, for example, Salomon drew Nathan’s attention to the substantial gap between the Paris and London gold quotations. A month later it was Nathan’s turn to urge James to buy undervalued pounds in Frankfurt. The subsidy payments to Gervais generated a succession of profits from exchange rate differences. For example, Amschel went to Berlin in July to take advantage of the premium on ducats over louis d’or. The ducats which were delivered to Gervais in August and September had been bought by James at a lower price in Amsterdam, yielding an extra profit of some 4 per cent.

Such transactions probably accounted for the lion’s share of the profits the Rothschilds made in this decisive period. Amschel was only half joking when, during the post-war surge in sterling, he wrote urging Salomon: “Do your stuff, make the Frankfurt house richer by a million francs, the Paris house richer by a million louis d’or and the London house richer by a million pounds, and you’ll be awarded the order of the *Grande Armee*!” Yet it must be stressed that this was a strategy fraught with risk. It was exceedingly difficult to accumulate the cash necessary to carry out the subsidy transfers to Russia and Prussia on time. The Frankfurt house found its sources of credit all but exhausted on more than one occasion, and Carl and Amschel frequently complained that Nathan was biting off more than they could chew. Raising sums of the order of 600,000 gulden was, as Carl complained, “no joke.” At the same time, the governments concerned in the subsidy transfers naturally resented the fact that the Rothschilds were making these large profits on the side. Even Herries and Gervais on occasion complained about what was going on, while the Prussian government managed to pass at least some of the costs occasioned by the unexpected fall of the pound in August back on to the Rothschilds. The exchange rate was also a stumbling block in the negotiations with Austria.

Moreover, the success of arbitrage and forward exchange operations hinged on rapid communication. As far as possible, the brothers sought to keep one another abreast of news which might affect the exchange markets: the impending payment of a new subsidy, the likelihood of further military action, the imminence of the peace treaty being signed. And, as we have seen, they were already able to transmit such information through their own couriers considerably faster than was possible through official channels or the regular post. Yet the time-lags could still be substantial and Nathan was constantly being urged to speed up the system. When sterling surged by 6 per cent in Amsterdam, James wrote impatiently for guidance:

Now, dear Nathan, if you think the subsidies are going to stop, then you can be sure that the exchange rate will rise again, as there will be fewer bills. But if you think that there will be further transfers, then the exchange [rate] will fall again . . . One simply no longer knows what to do about the exchange rate. It is terrible that you, dear brother Nathan, don’t bother to write me your opinion, because now it is vital to know what is going on over there.

So anxious was Amschel to have up-to-date news from London that he asked Nathan to send his letters by more than one route—via Paris and Amsterdam as well as Dunkirk—and to use colour-coded envelopes so that his contact at the post office could tell at a glance whether the exchange rate was

rising (blue) or falling (red).

And even with the benefit of swift communications, it was still possible to be caught out. In July 1814 Nathan unexpectedly remitted—"like a madman"—more than £100,000 to his brothers in Frankfurt. This caused the pound to drop at once in Frankfurt; and when the slide persisted into August and spread to Amsterdam, a "depressed" Carl began to fear that Nathan had lost control of the market. Salomon nervously warned Nathan not to "bring the pound below a certain level": "If you are not careful you will not remain the master of the Stock Exchange." Even as matters stood, confidence in sterling on the continent had been badly damaged. These anxieties were merely compounded by Amschel's continuing confidence (which may have been due to the fact that, just as he had feared, bad news had not reached him soon enough). It was time, Carl felt, to stop speculating in sterling:

But if you were to write about this to Amschel [in Berlin] he would do exactly the contrary and would buy sterling immediately without thinking things over first. No one on earth can imagine what I have to go through. Immediately after his arrival in Leipzig he proceeded to purchase £10,000 at 136. His opinion is that the pound will rise to 140 but if it were to reach 140 he still would not be able to decide whether he could sell or not. He would maintain the fact that it would rise to 150 and so forth . . . If therefore you write to him, have a fixed . . . amount in your mind and tell him half of it, as he will no doubt buy more in any case.

When Amschel realised his mistake, he found it "astonishing"—the more so as he was held responsible for the fall of sterling in Berlin! "Could I have been more careful?" he retorted, stung by his brothers' criticisms. "You really want to be able to go out in the rain without getting wet." Salomon's gloomy conclusion was that Nathan had overreached himself: "No man on earth can at any time fix the rate of the pound except a government which would be ready to risk half a million pounds during one year in order to carry out a monetary plan . . . I do not think there is any point in buying sterling for the purpose of keeping the rate of the pound from falling, because there is too much of this currency already in the world." James even suggested a change of strategy: running up sterling debts on the assumption of continuing depreciation. It was only gradually—and with Nathan "operating . . . as much as lies in my power" to push the rate back up—that the brothers recovered their confidence in the pound. By November James found that it was once again enough for him "to put in an appearance" at the Hamburg stock exchange for the pound to rise, and the same was true when he visited Berlin early in the New Year.[3] By February he could confidently report to Nathan: "It depends solely on me whether the pound rises or falls in Paris."

There was another (and not dissimilar) way of profiting indirectly from the subsidy business: by speculating on fluctuations in bond prices. Like exchange rates, bond prices were highly sensitive to large international transfers, as well as to related political developments. For example: the price of Russian bonds had plummeted from 65 per cent of their face value to just 25 between February and October 1812, for the reason that the French invasion had led to the suspension of interest payments on the government debt. News of the retreat from Moscow led to a rally: on November 30 they were quoted at 35 in Amsterdam and by March 1813 they had risen to 50, only to fall back to 41 in June on news of Napoleon's victories in Saxony. As the prospect of an Allied victory neared, so Russian bonds rallied, with the payment of subsidies from Britain strongly implying an imminent resumption of interest payments. It therefore made sense for anyone who anticipated the defeat of France to buy the bonds of states allied to Britain while they were still in the doldrums. The Rothschilds attempted to do so, albeit rather late in the day. By the time Nathan sent his brother-in-law Moses Montefiore to Paris with instructions to make some speculative purchases, Russian bonds were already close to par.

Nevertheless, James was convinced that they would go higher, having received information (from Gervais) that interest payments would soon be resumed. Amschel also made purchases of modest amounts of bonds from neighbouring German states that August. And in March 1815 Rothschild purchases based on similar calculations pushed up the price of Austrian bonds. However, it seems that much less money was made from these transactions than from arbitrage and foreign exchange speculation, which were on a much larger scale. Indeed, the last bond purchases very probably led to considerable losses—for reasons which will become clear.

Nathan's Waterloo

As soon as the French had been defeated, of course, and Napoleon exiled to Elba, the end of the subsidy business was in sight—or seemed to be. Nor did any major new money-making opportunity present itself. The French financial position in 1814 appeared to preclude the payment of reparations. Although the debts of the French state accumulated in the period before around 1800 had been largely wiped out by the assignat inflation, Napoleon's wars had run up a new internal debt of 1.27 billion francs and rentes perpétuelles (the French equivalent of British consols) stood at around 58 (that is, 42 per cent below par). Napoleon had succeeded in reforming the currency, giving a monopoly on note issue to the Banque de France and effectively placing the new franc on a bimetallic (gold and silver) standard. But by 1814 the reserves of precious metal in Paris were severely depleted. The most the victorious Allies therefore asked of the restored Bourbon regime was a modest contribution to the costs of the military occupation of France in the form of interest-bearing bons royaux. The Rothschilds might have expected to play a major part in these transactions, given their dominant role in the British subsidy transfers. But they were disappointed. Although they seem to have handled some franc-denominated payments to Russia, their bid to convert the Austrian share of the bons royaux into cash for a commission of 0.5 per cent was rejected, as were later proposals to the other Allied powers.

For this reason, it is tempting to see Napoleon's return from Elba on March 1, 1815, as an immense stroke of luck for the Rothschilds. Just as the brothers appeared to be losing the peace, Bonaparte's "Hundred Days" plunged Europe back into war, restoring the financial conditions in which the Rothschilds had hitherto thrived. This idea that Nathan profited from the dramatic events of 1815 is central to Rothschild mythology: it has been repeatedly claimed that, by obtaining the first news of Napoleon's defeat at Waterloo—before even the government itself—Nathan was able to make a huge sum of money on the Stock Exchange. The more fabulous elements of the myth—Nathan's presence at the battle itself, his riding alongside Wellington, his stormy night crossing from Ostend to Dover, his profits of between £20 and £135 million—have long ago been debunked. Nevertheless, historians—including Victor Rothschild himself—have continued to assume that the Rothschilds benefited at least to some extent from the resumption of war and the final Allied victory. Even if the money made from buying British government stock immediately after the battle can have amounted to little more than £10,000, their total profits from the Waterloo campaign have been estimated at around a million pounds.

The real story is very different. It is true that the resumption of war *appeared* to promise a return to the lucrative business conditions of 1814—but not because of its effect on consols, which, as we have seen, had hitherto been of relatively minor importance to Nathan. (It was the Barings who were once again given responsibility for a new issue of gilts in 1815.) Rather, it was to a resumption of his previous business with Herries that he now looked, on the assumption that Napoleon's return would create the

same urgent need for transfers of money from England to the continent as the year before. Up to a point, this was perfectly correct. But the Rothschild correspondence reveals that the resumption of payments to Wellington and to Britain's continental allies proved a source of far less easy pickings than in 1814. Indeed, it is possible that a series of miscalculations by the brothers led to losses rather than profits in the critical period before and after Waterloo. On this occasion, it seems, reality is diametrically opposite to myth.

To begin with, Napoleon's return was, as Nathan put it, nothing but "unpleasant news" for the Rothschilds. Early March had seen the brothers buying Austrian stocks in the expectation of a bull market in both Vienna and London. When the news of the escape from Elba reached Nathan on March 10, this prospect evaporated. There was, he informed Salomon, "stagnation on 'Change . . . in the bill way, and I am prevented from making you a large remittance." The effect on Paris was even worse: "It is practically not possible to continue business at present," reported James. True, Nathan was quick to reorientate his operations. On the assumption that the British government would soon once again need cash on the continent, he began buying up bullion in London, which he then sold to Herries for shipment to Wellington. Immense sums were involved: in the first week of April alone, Nathan bought "100,000 guineas gold, £50,000 foreign and upwards of 100,000 Spanish dollars and . . . nearly £200,000 good bills." To maximise the amount he could offer Herries, Nathan also sent Salomon to Amsterdam and James to Hamburg with orders "to purchase plenty of gold for the armies" and send it to London. The first shipment to the continent—three ingots worth around £3,000—was despatched on April 4; around £28,000 followed on May 1, and by June 13 more than £250,000 had been sent. On April 22 Nathan sold Herries gold worth around £80,000; by October 20 he had provided gold coins worth a total of £2,136,916—enough to fill 884 boxes and 55 casks. In addition, he offered his services again to relay a new tranche of subsidies to Britain's allies, which at their peak reached the unprecedented level of a million pounds a month. This time, not only Russia and Prussia but the previously aloof Austrians found they had little option but to accept payment from the Rothschilds—as did a gaggle of other states, including Saxony, Baden, Württemberg, Bavaria, Saxe-Weimar, Hesse, Denmark and Sardinia. Altogether, Herries's account with Nathan in 1815 amounted to £9,789,778.[4]

Assuming that the commissions charged for these transfers were, as in 1814, somewhere between 2 and 6 per cent, that figure might seem to imply profits in the region of £390,000. However, this overlooks the role of exchange rate fluctuations which, as in 1814, were the key to the profitability of the transfer payments. The immediate impact of Nathan's bullion purchases in London was to weaken sterling, pushing up the price of gold by as much as 23 per cent. This represented a major gamble, as it remained uncertain throughout March whether Britain would in fact go to war against Bonaparte once more. (Had it been postponed, Nathan might have found himself with a large stock of unwanted and depreciating bullion.) When the decision for war was finally confirmed, Nathan sought once again to strengthen sterling's exchange rate with the continental currencies—he was duly credited with pushing the pound up from 17.50 francs to the pound to 22. The Rothschilds' "commanding general" was now quite confident of his ability to control the exchanges: "You need be under no uneasiness from anywhere," he told James. "Our resources here are like lions, equal if not superior to all and every demand." He was equally sanguine in a letter to Carl: "I am not limited to a trifling difference in the exchange . . . which will give me great command over the market." Nathan was also convinced that his latest agreement with Herries was effectively risk-free, as it provided for immediate reimbursement of every amount sent to the continent (where previously he had advanced the government considerable sums).

But he miscalculated in two vital respects: in assuming that it would take another lengthy war to defeat

Napoleon, and in assuming that the financial paralysis which had prevailed on the continent a year before would quickly return, leaving the field empty of competition. In fact, barely three months elapsed between the return from Elba and the defeat at Waterloo, and for the first two of these there was minimal military action. As a consequence, the Rothschilds' rivals in Amsterdam, Hamburg and Frankfurt were able to compete in the money markets in a way they had not in 1814. The first signs of trouble came in Hamburg, where—to Nathan's dismay—James found himself unable to hold up the exchange rate in his purchases of bullion. Then from Amsterdam it was reported that Wellington had more bullion than he knew what to do with, so that on May 5 Nathan "received orders from Government this day to desist in my operations owing to your having sent off so much specie." Furiously, he laid the blame on James:

I certainly feel at a loss to understand the reason you cannot follow the instructions I have so repeatedly given you . . . I am certain you cannot be aware of the injury you are doing me . . . by your inattention I have lost at least ⅞ of the business I expected . . . What do you suppose will be the result *for they are not my orders but Government's* as I before mentioned and I am continually blamed. I beg of you to do nothing whatever for the present in purchasing coins or bills to draw on London a single bill, and if you do I shall not countenance your operations in any way whatever, and will not accept the bills, but let them be returned protested to you. I hope I shall not have occasion to repeat this.

Yet it was hardly James's fault. It was simply—as Davidson pointed out—that he was being undercut by continental bankers like Heckscher who discerned the absurdity of the Rothschilds' shipping gold from Hamburg and Amsterdam to London only to ship it back to the continent:

When I left London, Mr R, the Commissary in Chief in fact everyone was anxious that as much bullion might be obtained as possibly might be done. To execute this order there was no alternative but to draw on London. Things have since taken a different turn, and the long expected war remains hitherto only in preparation, and no actual war having commenced, has the effect that bullion can be collected fom all quarters. Moreover the Houses which at the time when Bony recaptured France had no desire to be connected in that line of business, appear more anxious to receive a share thereof.

James—despatched back to Paris in disgrace—and Salomon, now joined in Amsterdam by Carl, struggled to reverse the slide of sterling, but the damage had been done.

It was at this juncture that the military situation came to its epoch-ending climax at Waterloo. No doubt it was gratifying to receive the news of Napoleon's defeat first, thanks to the speed with which Rothschild couriers were able to relay a newspaper version of the fifth and conclusive extraordinary bulletin—issued in Brussels at midnight on June 18—via Dunkirk and Deal to reach New Court on the night the 19th. This was just twenty-four hours after Wellington's victorious meeting with Blücher on the battlefield and nearly forty-eight hours before Major Henry Percy delivered Wellington's official dispatch to the Cabinet as its members dined at Lord Harrowby's house (at 11 p.m. on the 21st). Indeed, so premature did Nathan's information appear that it was not believed when he relayed it to the government on the 20th; nor was a second Rothschild courier from Ghent.[5] But no matter how early it reached him, the news of Waterloo was anything but good from Nathan's point of view. He had expected nothing as decisive so soon; indeed, just five days before the battle, he had arranged a new million pound loan for the British government in Amsterdam, and was in the middle of organising a subsidy payment to Baden even as his courier neared London. Now Waterloo threatened to bring his financial operations on behalf of the anti-French coalition to a premature and highly inconvenient end. For the brothers were encumbered not only with substantial amounts of depreciating bullion, but also

with over a million pounds' worth of treasury bills to be sold in Amsterdam, to say nothing of a succession of half-finished subsidy contracts which would cease the moment a peace treaty was signed. As reports reached New Court confirming that the end of the war was imminent, Nathan was faced not with the immense profits of legend but with heavy and growing losses. John Roworth, his agent with the British army, described a gruelling journey on foot from Mons to Genappe, walking by day "in the midst of a cloud of dust under a burning and scorching sun" and sleeping at night "under the cannon's mouth on the ground." But when he finally caught up with Wellington's Commissary-General Dunmore, he was handed back unwanted Prussian coins worth £230,000.

Although Nathan told his brothers to carry on delivering specie to Wellington's military chest, the business had ceased to be viable. Towards the end of July an "alarmed" Carl temporarily halted payments to the military chest. Two months later James found himself so strapped for cash that he had to do the same. Amschel, by contrast, was "swimming" in money in Frankfurt, but money which no one needed. As Carl admitted, "Now we don't need money for the army, as the army has enough." By the end of the year James was reduced to offering Drummond deposit facilities in Paris in an attempt to get some of the specie back—a suggestion which was curtly rejected. Even bigger difficulties arose in Amsterdam, where Carl found himself unable to sell the British treasury bills at the relatively modest discount agreed between Nathan and Herries. Indeed, the sudden advent of peace had made the Amsterdam market so liquid that such long-dated bills could scarcely be sold at all, precipitating another round of ill-tempered recrimination between the brothers.[6] The French collapse also had a disruptive impact on the subsidy business. In Berlin, James's negotiations with the Prussian government were thrown into confusion as the news of Waterloo caused a surge in the sterling exchange rate. Other German states quickly began demanding more generous exchange rates for their subsidy payments. To compound the brothers' misery came news of a family tragedy: the death of their sister Julie at the age of thirty-five. "I feel my spirits very depressed indeed," Nathan confessed to Carl just two weeks after Waterloo, "and [am] by no means able to attend to business as I could wish. The melancholy communication of the death of my sister has entirely unhinged my mind and have done but very little business today on that account." Far from being hugely profitable, the aftermath of Wellington's victory was a period of acute crisis for the Rothschilds.

In London, a frantic Nathan sought to make good the damage; and it is in this context that the firm's purchases of British stocks have to be seen. On July 20, the evening edition of the London *Courier* reported that Nathan had made "great purchases of stock." A week later Roworth heard that Nathan had "done well by the early information which you had of the Victory gained at Waterloo" and asked to participate in any further purchases of government stock "if in your opinion you think any good can be done." This would seem to confirm the view that Nathan did indeed buy consols on the strength of his prior knowledge of the battle's outcome. However, the gains made in this way cannot have been very great. As Victor Rothschild conclusively demonstrated, the recovery of consols from their nadir of 53 in fact predated Waterloo by over a week, and even if Nathan had made the maximum possible purchase of £20,000 on June 20, when consols stood at 56.5 and sold a week later when they stood at 60.5, his profits would barely have exceeded £7,000. Much the same can be said of Omnium (another form of government bond), which rose eight points on the news of victory. In fact, the brothers' correspondence suggests that such purchases were not made on a large scale until some time later, in the period before the Paris peace treaty was finally signed. An unusually anxious letter from Nathan suggests that even these were nerve-racking speculations, dependent as they were on the assumption that this time the French would not seek to resist the peace terms:

Everything is going well, so help me God, better [even] than you would imagine. I am quite pleased. I

went to see Herries, he made me feel . . . well. He swears that everything is going well. I bought stock at 61⅛ and 61½ and Herries swears . . . that everything is going well, with God's help . . . We are all in better spirits. I hope it will have the same effect on you.

According to Salomon, Nathan had also purchased around £450,000 of Omnium funds at 107; if he had followed his brother's advice and sold at 120, his profit would have been around £58,000. But this evidently did not strike him as a significant sum; he fretted at having bought too few in the first place, and held on for higher prices in the new year. Indeed, it may not have been until quite late in 1816 that Nathan made perhaps his most successful speculation in stocks to date: the purchase of £650,000 at an average price of 62, much of which he sold in November 1817 at 82.75, yielding a profit of £130,000. However, this was not his to keep, as the original investment had been made with government funds at Herries's suggestion.

A second and more important way of recouping some of the losses caused by Waterloo lay in prolonging for as long as possible the subsidy payments to Britain's allies. In this, the Rothschilds had invaluable accomplices in the Allied powers themselves, who naturally wished to pocket as much as they could before peace was signed and the subsidies ceased. In October the Prussian representative Jordan privately admitted that the continental powers were spinning out the negotiations to secure an extra month's subsidy; a gift of £1,100 in British stocks ensured that the Rothschilds handled the payment. Another amenable official was, as before, the Russian Gervais, who received a generous cut (2 per cent) of the subsidy business he sent the Rothschilds' way. "The main thing," reported James from Paris, "is that Gervais, thank God, had been made Commissar in Chief for everything. Yesterday he said to me: 'Rothschild, we must make money!' " The previously wary Austrian government too (thanks partly to lobbying by Limburger) now entrusted some of its subsidy business to the Rothschilds. As Carl observed, it was "not easy to do business with the Austrians . . . but once you have their confidence you can depend upon it." On the other hand, the increase of competition on the continent reduced the commissions which could be charged, and it was harder to make money on the side from arbitrage. Some governments—for example, that of Saxe-Weimar—were eager to avoid "falling completely and utterly into the hands of Mr Rothschild, who is, after all, a Jew." The brothers repeatedly alluded to the meagreness of the profits (often as little as 1 per cent) they were making in this period, and it seems questionable whether the various petty German states which Amschel provided with subsidy payments—including Frankfurt as well as Saxe-Coburg and Coburg-Saarfeld—were worth the "heartbreak" of which he complained. Salomon and Amschel were philosophical: "You can't make millions every day," wrote the former as negotiations with Prussia dragged on. "Nothing in this world can be forced to happen. Do what you can; you can do no more." The whole world could not "belong to Rothschild." "Things here are not the way they are in England, where transactions worth millions happen every week. For a German 100,000 gulden is a big deal." It is doubtful whether such fatalism impressed their brother in London.

The summer of 1815 was therefore anything but a time of unalloyed success for the Rothschilds. The agreement drawn up in March of that year would seem to suggest that the brothers' collective assets had grown substantially since the last balance sheet of 1810. But no less than two-thirds of the total capital in 1815 was credited to Nathan, and he had not been party to the 1810 agreement. Taking into account only the shares of his four brothers, there may in fact have been a contraction in the continental side's capital. Moreover, this agreement predated the crisis of the Hundred Days and should therefore be regarded as evidence of earlier success (primarily, it seems reasonable to conclude, the highly lucrative business done for Herries in 1814). By the summer of 1816, it is true, the brothers estimated that their combined capital amounted to between £900,000 and £1 million, implying a doubling of their capital between March 1815 and July 1816. Given that the figure agreed between them in June 1818

was £1,772,000 (a three-quarters increase over two years), this was a remarkable rate of growth. But there is good reason to doubt whether the period immediately after Waterloo was when the bulk of this increase occurred.

The trouble is that it is almost impossible to say precisely how the Rothschilds performed financially in this period because they had no idea themselves. So tumultuous were the events precipitated by Napoleon's return from Elba, and so enormous the turnover of their various transfer operations during 1814 and 1815, that their already rudimentary accounting procedures collapsed altogether.

The problem first surfaced in June 1814, as Carl scrambled to raise the cash needed for an especially large subsidy instalment. The only way he had been able do this, he complained, was by "swindling" (issuing accommodation bills, or bills unrelated to "real" purchases of commodities). When James complained about this, Carl pointed out that it was not his responsibility to "keep the books." At this stage, it was Salomon who was regarded as the accountant of the family—the one who could always cheer their father up by making him "on paper . . . rich in a minute." But even he was soon unable to keep track of the immense commitments Nathan was making on his brothers' behalf. By August 1814 he and Amschel had to confess that they were "completely confused and do not know where the money is." "Together we are all rich and if all the five of us are taken into consideration we are worth quite a lot," wrote Salomon anxiously to Nathan. "But where is the money?" Nathan's (perhaps rather acid) response was that "a book [should] be kept where [Carl] should enter business rules."

The problem recurred in September 1815, when the brothers on the continent experienced a severe cash-flow crisis. "But dear Nathan," wrote Salomon, "you must have a frightful amount of money over there because here I am in debt [and] Amschel hasn't much left over. It must all be over there and [yet] you write that you are so much in debt. Where is our [cash] reserve?" Calculating that he owed as much as £120,000 in Paris alone, he repeated the question a few days later:

You must have all our money over there with you. We here are stinking poor. We haven't a penny to spare. Amschel has less than a million left and therefore the whole lot must be with you, including what we owe . . . Work out where the family money is, my good Nathan. I don't know . . . Where is our money? Well, it's just absurd. God willing it will turn up when we do the spring cleaning!

When Nathan wrote back suggesting that it was Amschel who was the "big rich man," there was something close to panic.

The problem was that Amschel had a string of subsidy payments to make in Berlin and elsewhere, and virtually no cash in hand, while Carl's funds were almost entirely tied up in the British treasury bills in Amsterdam. In Paris too the position was alarmingly tight. "This eternal indebtedness is not very pleasant," complained James. "The payments we have to make are big, far too big," echoed Salomon. "Dear Nathan, you write that you have one million or two million over there. Well you really must have, because our brother Amschel is bust. We are bust. Carl is bust. So one of us must have the money." In fact, the continental Rothschilds averted "bankruptcy" at this time only by means of short-term borrowing and by making further use of accommodation bills. Not surprisingly, they blamed Nathan for their predicament. Echoing their father's earlier criticisms, Salomon bitterly accused his brother of mismanagement: "We are relying on miracles and luck, and I say to you once again that you don't write clearly enough. In the name of God, such important transactions have to be carried out precisely. Unfortunately, there is absolutely no order in the way you deal with these." Too much of their accounting was being done "in the head" instead of on paper. Was it any wonder the Austrian

government feared that the Rothschilds might "go bankrupt?"

Nathan tried to reassure his brothers that their position was secure. But Amschel continued to yearn for some tangible proof of the family's wealth. "You state that I need not enquire as to where the money actually is," he complained to Nathan. "In this respect I am like little Anselm [Salomon's son, then aged thirteen] who always inquires as to where the money is. 'People say my father possesses five millions,' he says. He would like to see it all in one single heap." Were they millionaires, he demanded to know, or bankrupts? The uncertainty was making him ill: "I have to tell you that since *Sukkoth* [October 1815] I have not been well and I cannot bear it any longer. If you wish to keep your brother in good health then you must try to reduce his money worries. I have sacrificed my health. I have to take it easy . . . I have lost my spirit of speculation." They were, he complained, "living like drunkards": "We don't know whether we owe money to the English Government or not."

To compound the problem, this period of chaos came just as Herries was facing allegations of "maladministration" in the Commons and was therefore pressing Nathan for detailed account statements. His principal parliamentary critic, Alexander Baring, had an axe to grind, needless to say. On the other hand, there was some justification for his claim. In their dealings with at least one government (the Russian) the Rothschilds had secured additional commissions and paid bribes about which Herries had not been informed. In addition, they had made the most of exchange rate differences during the early phase of subsidy payments. The need to cook books which were already in a state of some confusion no doubt explains the months of prevarication in the face of repeated requests for accounts from the "very particular" Herries. Even if it meant keeping the clerks in Paris working until midnight, it was vital, as Salomon said, to avoid damaging the Rothschilds' reputation in London, "as England is our bread basket." So fearful was Nathan of a scandal that in early 1816 he wrote to Amschel advising him not to purchase a new house in Frankfurt:

I asked Herries and he gave me a rather incomplete answer saying that I should not go in for luxuries because the papers would immediately commence writing against me and officials here would start questioning . . . It would be best to take mine and Herries's advice, do not buy a house, wait until my accounts are straight.

Herries was already receiving disquieting reports from Drummond in Paris about a "simulated transaction" which James assured him had been necessary to avoid disturbing the exchange rate. "This I dare say is very true," commented Drummond nervously, "but on the other hand in matters of account that are to come before the auditors nothing is more to be avoided than fiction to which a suspicion is always likely to be attached . . . Would it not be a proper general injunction to all accountants to *banish all fiction*?" What Drummond did not know was the extent of the fiction. When his colleague Dunmore paid a visit on James in March 1816, the latter confessed: "My heart was beating terribly as I was scared that he might give me the order to send his money to the army." James had in fact no more than 700,000 francs, far less than the sum Dunmore could legitimately have demanded.

In the end, none of the brothers was equal to the task of untangling the accounts. It was left to Benjamin Davidson to try to reconstruct the extraordinary transactions of the previous year—and then to try to conceal the numerous irregularities which had occurred. The difficulties he confronted were daunting. For a start, none of the brothers had yet adopted the system of double-entry book-keeping. As Amschel put it, the Berlin banker Mendelssohn "know[s] how he stands with each of [his joint accounts] while in the House of Rothschild we have to rely on what the book keepers say. Gasser tells me: 'We have made nice profits on the Prussian transactions' and I have to believe him." This in itself

is remarkable: after all, the double-entry system had first been described by the Venetian Luca Pacioli in 1494 and was widely known in most European countries by the end of the sixteenth century. The fact that the Rothschilds were so slow to adopt it suggests that the capitalism of the Frankfurt Judengasse was technically quite backward (though it also, of course, suggests that business geniuses can do without accountants—for a time). Secondly, there were substantial gaps in the records, reflecting the habits of concealment which had developed in Frankfurt and elsewhere during the period of French occupation. Thirdly, there was the problem of the large profits which had been made on exchange rate fluctuations without Herries's consent. Finally, and most embar rassingly, there were the "fictional" accommodation bills which had been issued, which totalled more than £2 million. As Davidson put it drily, "One should have thought earlier . . . that one day Herries [would] have to look at these accounts."

Fortunately, Davidson was able to arrive at figures which showed the government rather than the Rothschilds as the principal beneficiary of the subsidy and other payments; and in the end Salomon's verdict seems to have been accepted by Liverpool and his colleagues that "not even a hundred banking houses would have been able to carry out a business transaction of this size within nine months and to show a profit for the government." Herries was discharged honourably with a pension when the office of commissary was wound up in October 1816 and a Commons motion to prevent his appointment as auditor of the Civil List was defeated. Nevertheless, Salomon was still fretting about the accounts as late as January 1818:

We are not yet in the clear with the government . . . As long as the government leaves the accounts with Herries in suspension, we are not yet in the clear. [Are we] rich men or are we at ease? As far as I can see, the serving boy is more at ease with the little he has than we are with the great deal we have. Why? Because he doesn't have a bungled account with a government hanging round his neck . . .

It is fair to conclude that the huge profits of 1814 and 1815 were made in ways much more mysterious —and hazardous—than the traditional Waterloo myth implies.

Fraternity

The idea of brotherhood was profoundly important in nineteenth-century Europe. Freemasons, liberals and later socialists all idealised the fraternal relationship, creating a bewildering variety of associations which sought to forge artificial brotherhoods beyond the narrow familial realm. This was nothing new, of course. Religious orders had done the same for centuries. But "Alle Menschen werden Brüder" was a line which, when penned by Schiller and set by Beethoven, had a thinly disguised revolutionary significance. As the French Revolution's best-known slogan implied, to imagine all men becoming brothers was as radical as to imagine them all becoming free and equal.

Contemporaries often inferred from the Rothschilds' extraordinary success that they exemplified this ideal of fraternity. This was not because it was exceptional, as it is in Europe today, for a family to produce five sons or, indeed, five daughters, as Mayer Amschel and Gutle Rothschild also did. Francis Baring also had five sons. Indeed, as late as the 1870s nearly a fifth (18 per cent) of women who married in Britain had ten or more live births, and more than half had six or more; the statistics for Germany are similar. What impressed contemporaries was that the Rothschild brothers seemed to work together in uncommon harmony. This had been one of the points strongly emphasised by Friedrich

Gentz in his influential article for the Brockhaus *Encyclopaedia:*

With the greatest conscientiousness, the brothers [have] obeyed their father's heartfelt deathbed injunction to maintain unbreakable unity and co-operation in all business transactions . . . [E]ach [business] proposition is the subject of their joint deliberations; every operation of even moderate importance is carried out according to an agreed plan and with co-ordinated efforts; and all the brothers have an equal share in the results.

Simon Moritz von Bethmann, their rival in Frankfurt, echoed this view: "The harmony between the brothers contributes largely to their success. None of them ever thinks of finding fault with another. None of them adversely criticises any of the others' business dealings, even when the results do not come up to expectations." "The prosperity of the Rothschilds," remarked Benjamin Disraeli later, "was as much owing to the unity of feeling which alike pervaded all branches of that numerous family as in their capital & abilities. They were like an Arabian tribe." This soon hardened into the myth of "the five Frankfurters." As one German writer put it in the 1830s:

These five brothers together formed an indomitable phalanx . . . and, true to their principle never to undertake anything individually and to agree all operations precisely among themselves, always followed the same system and pursued the same goal.

Such comments would have been otiose if fraternal harmony had been the norm; the paradox is that, unlike the idealised brotherhood of the poets, real brothers seldom worked well together. Jews and Christians alike knew the story of Joseph and his brothers, one of the best biblical accounts of fraternal strife: the hatred of Gad and Asher for their half-brother, the precocious favourite Joseph; the intense affection between Joseph and his young brother Benjamin; the ambivalent feelings of Reuben, the first born; the violent confrontation and final reconciliation. Relations between the Hope brothers and the Baring brothers were less turbulent, but they failed to transcend their personal differences in the name of fraternal unity. As the Rothschild brothers overtook them financially, they seemed to personify an elusive ideal.

In reality, however, brotherly love was far from easy to maintain in the chaotic circumstances of 1814 and 1815. As their resources were stretched by a succession of huge and risky undertakings, personal relations between the Rothschild brothers frequently deteriorated—on occasion, to the point of complete rupture. The main reason for this was undoubtedly Nathan's increasingly imperious treatment of his supposed partners in the business. Technically, according to the 1815 agreement, the brothers were equals: profits were divided equally, and Nathan gave each of them a promissory note worth £50,000 to compensate for his much larger share of the capital. But as Salomon and others commented at the time, the combination of Nathan's aggressive temper and the increasingly Anglocentric nature of the firm's operations effectively reduced the other brothers to the status of mere agents. Nathan was, as Salomon half joked, "the commanding general," the others were his "marshals," while the sums of "capital resources" they had to dispose of were "soldiers" who had to be "kept in readiness." The implied comparison with Napoleon himself—against whom, after all, their financial operations were ultimately directed—was a revealing one, and Nathan's brothers were not alone in making it. As Swinton Holland said to his partner Alexander Baring in 1824: "I must candidly confess that I have not the nerve for his operations. They are generally well planned, with great cleverness and adroitness in execution—but he is in money and funds what Bonaparte was in war, and if any sudden shake comes, he will fall to the ground like the other." To Ludwig Börne, Nathan and his brothers were all "Finanzbonaparten," and the parallel was still being drawn by writers in the 1870s. But it was really

Nathan who became the Bonaparte of the banking world, and he shared with the French Emperor his superhuman appetite for risks and his intolerance of inept subordinates.

As early as 1811—even before their father's death—Nathan's brothers had begun to complain about the occasionally bullying tone of his letters. But it was not until the middle of 1814 that he really began to emerge as the dominant, not to say domineering, partner. The key issue was his desire to dictate his brothers' movements. In June 1814 he ordered Salomon to go to Amsterdam to assist James and took the opportunity to let fly at their brothers in Frankfurt: "I tell you, Amschel and Carl make me damned upset. You have no idea how idiotically they write and they draw on me like madmen . . . By God, they write me such idiocies that today I feel very cross. Amschel writes to James as if he could do the business by himself." This evidently touched a raw nerve, and Davidson's appeal to Nathan to desist from "disparaging correspondence" came too late. A distraught Carl took to his bed, warning that "if he carried on in this way," Nathan would "soon have a partner in the other world," so ill did his letters make him feel. Salomon also complained of "severe pains in my back and legs," but his tone was angrier:

I cannot for one moment believe that even if I were the learned Nathan Rothschild I would regard the other four brothers as stupid schoolboys, and myself as the only wise one . . . I do not wish to be upset any more and made more ill than I already am. To put it quite bluntly, we are neither drunk nor stupid. We have something you in London obviously do not have—we keep our books in order . . . If my tears were black I would write a lot more easily than with ink . . . The English mail day is a regular terror for me. Every night I dream of these letters . . . One just doesn't write that way to one's family, one's brothers, one's partners.

But all their protests merely elicited from Nathan a stark threat to dissolve the business:

I have to admit that I was thoroughly fed up with the longwinded business and its disagreeable consequences . . . And now from today on . . . I think that it would be best if Salomon would close the Paris accounts and come to London. And David[son] can bring the Amsterdam accounts with him. Then we could clear up the accounts. I expect from Frankfurt an account [too] . . . because I am fed up with the partnership . . . I know that you are all clever men and now all five of us shall have, thank God, peace.

This had the desired effect; henceforth Nathan gave the orders more or less unchallenged, as Salomon acknowledged in a letter to Salomon Cohen in August 1814:

My brother in London is the commanding general, I am his field marshal and consequently I have my duty to fulfil in my capacity as such, and therefore I have to give the commanding general reports, comments etc. I may have made the case somewhat stronger so as to show him how serious I am in what I say, but it is still an exaggeration to say that I lose my head . . . Being a good general, you ought to know exactly what a good general has to know and not think continually of advancing only, but you ought to go on the defensive occasionally in order to safeguard your strength.

As this letter suggests, Salomon continued to worry that Nathan was overreaching himself, but he now obviously saw himself in a subordinate, advisory role: "[W]e regard you as general-in-chief, with ourselves as lieutenants-general. God may give us luck and blessing, and success. In this case we [remain] generals. Those, who, God forbid, have no peace, nor luck, are not even corporals." Carl too accepted Nathan's primacy, though he employed a slightly different metaphor: "I am only the last

wheel [of the carriage] and look upon myself in the sense of a machine only." He and Salomon might not care for Amsterdam, but they stayed there if Nathan told them to. Even Salomon's requests to return to Frankfurt—where he had spent just three weeks in the previous three years—to see his wife or to be present at his son's barmitzvah were evidently regarded by Nathan as unreasonable; the second request was granted only on condition that Salomon return to Paris after just a day and attend to the Frankfurt accounts while he was there. Nathan had only one concern: business. "All you ever write," complained Salomon wearily, "is pay this, pay that, send this, send that."

Since 1811 . . . I have gone where business called me. If I were needed today in Siberia I would . . . go to Siberia . . . Please do me a favour and desist from posting any more ill-tempered letters. One sits in his inn, often at the light of a candle, waiting for the brothers' letters. Instead of going to bed in a happy mood, one is depressed and remains sleepless. What kind of pleasures are still open to us? We are all well on in years, the pleasures of youth are out of our reach; unfortunately we have had to say "good night" to [all] that; our stomachs are bad [so] there is no gluttony for us. Consequently nearly all the worldly pleasures are closed to us. Should we have to renounce the pleasure of correspondence [too]?

But Nathan gloried in his ascetic materialism:

I am writing to you giving my opinion, as it is my damned duty to write to you . . . I am reading through your letters not just once but maybe a hundred times. You can well imagine that yourself. After dinner I usually have nothing to do. I do not read books, I do not play cards, I do not go to the theatre, my only pleasure is my business and in this way I read Amschel's, Salomon's, James's and Carl's letters . . . As far as Carl's letter [about buying a bigger house] is concerned . . . all this is a lot of nonsense because as long as we have good business and are rich everybody will flatter us and those who have no interest in obtaining money through us begrudge us for it all. Our Salomon is too good and agreeable to anything and anybody and if a parasite whispers something into his ear he thinks that all human beings are noble minded[;] the truth is that all they are after is their own interest.[7]

Privately, even Gentz had to acknowledge that in reality Nathan was *primus inter pares*. It was he who had the "remarkable instinct which causes them always to choose the right, and of two rights the better":

Baring's most profound reasoning inspires me, now that I have seen everything at close quarters, with less confidence than the sound judgement of one of the more intelligent Rothschilds—for among the five brothers there is one whose intelligence is wanting and another whose intelligence is weak—and if Baring and Hope ever fail, I can state with confidence that it will be because they have thought themselves cleverer than Rothschild and have not followed his advice.

The use of the singular "Rothschild" is important. There was only one true *Finanz bonaparte.*

It was probably Amschel and Carl whom Gentz had in mind when he spoke of "one whose intelligence is wanting and another whose intelligence is weak." This was unfair: a more accurate characterisation would be that they were more risk-averse than their brothers. Amschel was the most cautious of the five and constantly yearned to lead "a quiet life." "Me, I don't want to eat the world," he wrote in a typically homespun letter. His ideal was "to work in tranquillity," without the anxieties which Nathan's Napoleonic approach necessarily generated. Carl, the fourth brother, was nervous and insecure, and shared Amschel's limited ambition. "I am fed up with business," he confided to his eldest brother in a characteristic letter. "I wish God would give me but little, enough to live, garments for myself and

bread to eat. I do not wish to float above the skies." This feeling doubtless intensified at the time of the Amsterdam treasury bills fiasco, which brought a torrent of recrimination down upon him. After this, as Salomon wrote, Carl was genuinely "afraid" of Nathan, though he was still capable of muttering criticisms behind "the boss's" back. As we have seen, Salomon himself had the intellect and self-confidence to question Nathan's strategy; but he was too "quiet and thoughtful" and "took things too much to heart"—according to senior Rothschild employees like Davidson and Braun—to withstand his brother's belligerence. He preferred, where possible, to side with Nathan against the others.

Yet Nathan's dominance was never absolute: the partnership did not degenerate into a dictatorship. There were several reasons for this. Firstly, Nathan's youngest brother James—who was just twenty-three in 1815—was markedly less submissive to his will than the other three. At the height of the bitter row in June 1814, James remained cool, sardonically telling Salomon Cohen that he was allowing Nathan "to dictate to him about millions as if they were apples and pears." Although there were times when James contemplated leaving Paris, it is unlikely that he stayed there just because Nathan told him to. The youngest brother was intellectually and temperamentally Nathan's equal; he also had the advantage of a better schooling. Revealingly, it was James who urged his brothers to adopt double-entry book-keeping. It was only really the age difference between the two which obliged James to defer for the next twenty years to his brother. Even in acknowledging Nathan's leadership, James was less than deferential. "The main point is now to work out a sensible plan for England," he wrote to Nathan in March 1818. "*You* will have to do this . . . I leave the decision to you. My duty is mainly to draw your attention to this matter and your duty, as chief commander, is to work it all out." As early as December 1816 Carl had cause to complain about James's critical letters, the burden of which was that the Frankfurt house was not making enough money. Already he was evincing Nathan-like traits. At the same time, Nathan (and later James) occasionally needed to be restrained by their less bullish relations. As Amschel said to James following one of the most serious setbacks of the post-war period:

[O]ne should [n]ever lose one's head. Here lies the advantage of a partnership. If one of the partners loses his senses, the others must remain serene. If all of them lose their heads—then good night. I hope that [this letter finds you] quietened down and that you will give thanks to God that we gained a fortune quicker than anybody else.

There were indeed occasions when Nathan was only too glad to postpone a difficult decision by claiming that he needed to consult his brothers. At times, this was a gambit; at times, he genuinely listened to them.

Finally, no matter how much they quarrelled, the brothers had no one else whom they could trust as much. We know that on occasion Salomon forged Nathan's signature on bills when Nathan had forgotten to endorse them; it is inconceivable that anyone else could have done so. Even the best clerks were kept at one remove: when one named Feidel appeared to be gaining an undue influence over Amschel, Carl's response can only be described as jealous. Similarly, their brothers-in-law—sisters' husbands and wives' brothers alike—were always viewed with a measure of suspicion, as outsiders with designs on their business. James was especially worried that Nathan was confiding too much to his wife's relatives Salomon Cohen and Abraham Montefiore (Moses's brother), and was relieved to hear otherwise:

It is rare that a man should realise that even what friends are telling him is nothing more than flattery, that there is not a true word in it; when they leave you they are laughing at your credulity. Well, dear Nathan . . . you are clever and honest, you know the world . . . Before your letter arrived, a stone fell

from my heart because Salomon told me that London is now different, not only are [Abraham] Montefiore and Salomon Cohen no longer allowed to read and deliberate [about] the letters and all the business, but not even Davidson is allowed to do so. This is now confirmed by your letter.

In the same way, the other brothers were kept abreast of Carl's attempts to find a wife in Hamburg because it was a matter of intense interest to all of them which family Carl married into. In the end, there were authentic bonds of brotherly love, forged in the Judengasse, which no other ties could rival. "Did anyone promise us more when we all slept in one little attic room?" asked Salomon when Nathan was grumbling at having sold some consols too soon. Such memories were never wholly forgotten, no matter how far apart the brothers lived and how many harsh words they exchanged by post.

The extent—and limits—of fraternal unity were most apparent as the brothers debated whether or not to modify the 1815 partnership agreement. The legacy of the great transactions of 1814 and 1815 was a tangle of financial interdependence which could not easily be undone. The question now was whether James should be allowed to establish a new house in Paris under the explicitly collective name of "de Rothschild Frères." Although James was against merging the accounts of the various establishments, Amschel had his anxieties, fearing that James might embroil him in risky business. He and Carl were only brought round when James agreed that the capital of the partnership should not be made public—an important decision in favour of secrecy which was to set an enduring precedent. The result was a compromise which it took almost two years to hammer out. The 1818 agreement accordingly defined the brothers' partnership as "three joint mercantile establishments [conducted] under their the said five partners' mutual responsibility" but at the same time "*form*[ing] *but one general joint concern*." It was a nice distinction which quite accurately encapsulated the way the brothers reconciled their individual differences with a deep and enduring sense of common fraternal purpose.

FOUR

A" Court Always Leads to Something" (1816-1825)

You are certainly right that there is much to be earned from a government which has no money. But you have to take risks.

—JAMES ROTHSCHILD TO NATHAN ROTHSCHILD.

N. M. Rothschild . . . has the money, the strength and the power.

—NATHAN ROTHSCHILD TO CHRISTIAN ROTHER.

In 1823 the twelfth, thirteenth and fourteenth cantos of Byron's Don Juan were published in London, at a time when their author was embroiled—fatally, as it proved—in the Greek struggle for independence. Byron's aristocratic profligacy with money was by now as notorious as his libertinism. Nevertheless, these late verses indicate a keen awareness of the power of money—and specifically of the new kind of financial power personified by Nathan Rothschild. "Who hold the balance of the world?" asked Byron in the twelfth canto, "Who reign

O'er Congress, whether royalist or liberal?
Who rouse the shirtless patriots of Spain?
(That make old Europe's journals squeak and gibber all.)
Who keep the world, both old and new, in pain
Or pleasure? Who make politics run glibber all?
The shade of Bonaparte's noble daring? -
Jew Rothschild, and his fellow Christian Baring.[1]

Those lines have been quoted by historians before. It is worth, however, reading the verse which follows too, for it nicely illustrates the ambivalent feelings with which contemporaries regarded the spectacular financial boom of the early 1820s. To Byron, Rothschild and Baring were, along with the "truly liberal Laffitte," "the true Lords of Europe," whose every loan

Is not a merely speculative hit,
But seats a nation or upsets a throne.
Republics also get involved a bit;
Columbia's stock hath holders not unknown
On 'Change; and even thy silver soil, Peru,
Must get itself discounted by a Jew.

Byron went on to discuss—with remarkable insight—that ascetic materialism which, as we have seen, was such a distinctive early Rothschild trait. Indeed, it seems not unreasonable to suggest that the poet's reflections on "gaunt Wealth's austerities" may have been inspired by Nathan himself:

He is your only poet;—passion, pure
And sparkling on from heap to heap, displays
Possess'd, the ore, of which *mere hopes* allure
Nations athwart the deep: the golden rays
Flash up in ingots from the mine obscure;
On him the diamond pours its brilliant blaze,
While the mild emerald's beam shades down the dyes
Of other stones, to soothe the miser's eyes.

The lands on either side are his: the ship
From Ceylon, Inde, or far Cathay, unloads

For him the fragrant produce of each trip;
Beneath his cars of Ceres groan the roads,
And the vine blushes like Aurora's lip;
His very cellars might be kings' abodes;
While he, despising every sensual call,
Commands—the intellectual lord of all.

Perhaps he hath great projects in his mind,
To build a college, or to found a race,
A hospital, a church,—and leave behind
Some dome surmounted by his meagre face:
Perhaps he fain would liberate mankind
Even with the very ore which makes them base:
Perhaps he would be wealthiest of his nation,
Or revel in the joys of calculation.

The allusion to "his nation" may indicate that there was more of Rothschild than of Baring in this inspired evocation of financial might.

That Byron could suggest—even satirically—that Nathan Rothschild held, along with Alexander Baring, "the balance of the world" requires some explanation. The name of Baring was, of course, well established. Like the Rothschilds the family hailed from Germany (Francis Baring had emigrated from Bremen in 1717); and, like Nathan, Francis's son John had made his fortune in the textiles business, as a wool manufacturer, before his sons established the merchant bank of Baring Brothers in 1770. However, as Lutherans the Barings had easily been absorbed into the social elite of Exeter and later London. John's younger son Francis had been an MP since 1784, a member of the board of the East India Company since 1779 and a baronet since 1793. Alexander, his son and successor at the bank, also became an MP in 1806. By contrast, only a few years before *Don Juan,* the Rothschilds' role in the financing of the war against Napoleon was still largely a secret, known only to political and financial insiders. Even the Paris banker Jacques Laffitte was better known as Governor of the Banque de France between 1814 and 1820 and one of Napoleon's financial backers in the Hundred Days. What happened in the years after the upheaval of Waterloo to catapult Nathan to such celebrity—and notoriety—that he could be said to "reign" over royalists and liberals, "rouse" Spanish patriots and "keep the world, both old and new, in pain / Or pleasure?"

The Economic Consequences of the Peace

The answer must be sought in what might be called (to adapt a phrase used in similar circumstances a century later) the economic consequences of the peace—the Second Peace of Paris, imposed on France after Waterloo. The First Treaty of Paris had imposed no reparations on the restored Bourbon regime, but the mood of the victorious powers after Waterloo was less clement. Quite apart from any desire to punish the French collectively for the actions of those who had rallied to Napoleon in the Hundred Days, there was a practical need to pay for the troops occupying northern France, who at one stage numbered more than a million. Even before the peace was signed in November, a charge or "contribution" of some 50 million francs was levied to pay for their upkeep. The final terms of the treaty set a total for reparations of 700 million francs to be paid over five years beginning in March

1816, during which time an occupying force of 150,000 men would remain on French soil. The costs of this occupation were also to be met by the French Treasury.[2]

The Rothschilds evidently hoped that the financial provisions of the peace—which implied a new and potentially lucrative series of international transfers, this time from Paris rather than London—would provide them with plentiful opportunities to recoup the losses of the Hundred Days. At first, there were grounds for optimism, at least as far as relations with the recipient states were concerned. Gervais as usual promised to hand Rothschilds the better part of Russia's share, and Herries was likewise expected to secure a large tranche of the British. However, it quickly became apparent that any business arising from the French "contributions" would have to be shared with other bankers, who now rushed to challenge the Rothschild monopoly on international transfer payments. Only by entering into loose partnerships—with Mendelssohn in Berlin, Bethmann and Gontard in Frankfurt, Arnstein & Eskeles in Vienna and Parish & Co. in Hamburg—were Salomon and James able to participate in the initial payments to Prussia and Austria. Even the British and Russian contributions could not be taken for granted.

Partly, the problem was one of declining influence. Dunmore, Herries's representative in Paris, was less "friendly" than Herries himself, while the Russian minister Count Nesselrode had reasons for favouring Gontard. It was a serious setback when first Gervais and then Herries left office. To make matters worse, some of the other officials they found themselves dealing with—the Russian Merian and the Prussian Rother—declined to accept bribes. But the real problem was that peace had brought competition. As James complained, contemplating profits of 1.5 per cent and less, there was "not much joy to be had from the contributions business, because there are too many people here." Salomon was especially irked by the Austrian representatives, who "run from one house to the next for the sake of an extra sou." Ultimately, he and James became almost fatalistic: "There are no big, brilliant deals to be made here. But now that we're here, we're happy to take all that we can to prevent it going to anyone else." The only consoling thought—frequently repeated—was that contacts with courts, no matter how unprofitable, might lead to business in the future. The brothers never turned up their noses at small-scale transactions and gladly advanced the contributions due to the smaller German states and the minor compensation payments which Russia had to make for damage to private property by Russian troops.

Far more disappointing, however, was James's failure to win a share of the business generated on the other side of the reparations equation. That France would be able to pay reparations and the costs of occupation only by means of a large loan had become obvious by late 1816. Despite efforts to cut spending and raise taxes, there was no realistic way of achieving an annual surplus in excess of 170 million francs, not least because of the unhelpful attitude of the ultra-royalist "Incredible Chamber" which—like most nineteenth-century assemblies elected by income or property tax payers—showed little enthusiasm for raising direct taxes. Indeed, the 1816-17 budget showed a deficit of over 300 million francs, which was financed only with the greatest difficulty by short-term borrowing. Moreover, the Paris capital market by itself was far too weak to absorb unassisted the new issues of rentes which were inevitably going to be needed. With the price of 5 per cent rentes down as low as 50, the government had little option but to look abroad.

In the immediate aftermath of Napoleon's defeat, the Rothschilds' prospects of influence at the French court had been good. Not only had they been responsible for relaying a British loan to the returning French King, but Dalberg, the former Prince-Primate of Napoleon's Rhenish Confederation and Grand Duke of Frankfurt, had emerged as a member of the French provisional government—one of a number

of opportunists (the most famous being Talleyrand) who managed to survive yet another change of regime by a well-timed defection.[3] However, the resignation of Talleyrand and the formation of a new government under the duc de Richelieu appear to have weakened the Rothschild position. James made every effort to cultivate Richelieu's secretary, who evidently provided valuable inside information on French intentions. But, when the question of a loan was raised in the autumn and winter of 1816, the Finance Minister Corvetto elected to give the business to Baring and Pierre-César Labouchère of Hope & Co.,[4] who had successfully been wooed by Gabriel-Julien Ouvrard, another survivor of the imperial era. An agreement was reached in early 1817 whereby, in return for a 2.5 per cent commission, Baring provided the French government with an initial 297 million francs in return for 5 per cent rentes. Because the bonds were issued over a period of several months in three tranches at prices of 52.5, 55.5 and 61.5, this meant that the French government had increased its national debt by around 534 million francs for the sake of less than 300 million francs in cash—or to put it another way, it was paying interest at an effective rate of around 9 per cent, nearly double the nominal rate on its rentes. Contrary to later mythology, the Rothschilds found themselves more or less excluded from this immense operation, "to prevent," so Baring claimed, "a selling race at the exchanges with resulting depreciation."

This was a bitter blow to James, who had expended considerable energy on his own plans for a loan, and who believed up until the eleventh hour that, at the very least, he would be able to participate in some kind of consortium. "Depressed" and angry, he railed at Baring's duplicity, claiming that his rival had bribed the French government to exaggerate its inability to pay and thereby secure a six-month breathing-space. His anger was redoubled when a last-ditch effort (in partnership with Laffitte and Parish) to join the Baring group for the third issue of rentes in July 1817 came to nothing. Salomon, returning to Paris from London, could not help but admire the way his brother had been outmanoeuvred:

He is quite a crook this Baring. Today he is going to dine with us, together with Laffitte . . . We must certainly watch our step as far as he is concerned. Baring's lot are and were as well versed in the way of using influence as we are. There is not a single man of importance amongst the authorities here who would not work with Baring hand in glove . . . The Russian ambassador Pozzo di Borgo is on the side of France and of Baring whose orbit he is in . . . Baring and the French Minister of Finances are sharing the profit. The Minister is reputed to be one of the most corrupt of all.

Whatever the truth of these allegations, Baring was in a strong enough position to exclude James again when the negotiations began for a final loan to pay off the remainder of the indemnity. Although rentes with a face value of 290 million francs were issued directly to the public in May 1818, the government appears to have taken fright at the frantic speculation these attracted (the issue was oversubscribed almost ten times, pushing prices up to a peak of 80 compared with an issue price of 66.5), and a second issue of 480 million francs (nominal) in the same month was entrusted to Baring. When James—along with the other Paris banks Baguenault, Delessert, Greffulhe, Hottinguer and Laffitte—was offered a mere 10 million francs, to be shared with David Parish, he was disgusted, fulminating at the "abominable" way he had been treated. He and the others had to content themselves with shares of a 31 million franc loan to the city of Paris. As the Duke of Wellington reported to Lord Liverpool, "The fact is that Baring, having the French finances in his hands, and French loans being in fashion in England, has to a certain degree the command of the money market of the world. He feels his power, and it is not a very easy task to succeed in counteracting him." If there was ever a moment when Barings deserved to be called "the sixth great power" (a probably apocryphal phrase attributed to Richelieu), then this was it.

There were admittedly arguments for limiting the brothers' direct involvement in a large-scale loan to France. After the trauma of the Hundred Days, Nathan had good reason to doubt the stability of the restored Bourbon regime. Salomon might reassure him that, according to best sources in Paris, there would be "no more revolution in France," but he added the important rider: "at least not in the foreseeable future, and if there is something, it is certainly not be feared in the next three months." After all, as he admitted, there was "no way of insuring against the hot heads of the French," and a future default could not be ruled out. Such comments suggest that he had no more confidence than Nathan in French funds. This pessimism was reinforced by "talk of war" which James heard in Paris in May 1816. A few months later he was even more alarmed by news that the British government might favour replacing Louis XVIII with the duc d'Orléans, which James warned would lead to civil war. Widespread social unrest in 1817 caused by a bad harvest and high food prices reinforced such anxieties.

On the other hand, the financial position of the restored Bourbon regime was less shaky than it appeared, and this helps explain the rapid rise in the price of rentes during 1817 and the first half of 1818 which made the loan so profitable for its contractors. Because of the great assignat inflation of the 1790s, France—unlike Britain—had more or less wiped out the accumulated debts of the eighteenth century. Its total public debt in 1815 stood at just 1.2 billion francs, roughly 10 per cent of national income—so much less than the equivalent figure for Britain that it amounted to a clean slate. It was therefore easy, once Baring had started the ball rolling, for France to issue further loans without in any way depressing the price of rentes. As the price of rentes rose, Baring was getting, as James ruefully observed, "money for nothing." France's resources were in reality "formidable" and the political situation stable: "If the Allies withdraw, France will remain quiet. Be assured that there is no party left here which could put up resistance to the Government, at least not soon."

The Rothschilds' failure to secure the 1817 and 1818 reparations loans was therefore a costly defeat. The implication was clear: if they had stolen a march on other bankers in early 1814, now they had to face a determined effort by the Barings and Bethmanns to reclaim their earlier predominance in European public finance, as well as new competition from less established figures like Gontard and the Bavarian financier Adolph d'Eichthal.[5] As Carl had put it in 1814, "The main thing is that people are hostile towards us because we have the business." "We have enemies aplenty," James lamented a year later, "though it is more a matter of envy than enmity. Every five minutes someone else is going to the [Prussian] minister and asks: 'Why does Rothschild get given everything?' " It had been easier before, commented Carl, when the risks were greater, because there had been less competition. Indeed, James even acknowledged that, in seeking to exclude them from the reparations payments, the Viennese bankers were only "doing what the Rothschilds had done" over the subsidies. Baring seemed to pose the biggest threat at this stage. Not only did he and his associates "want to subject all of France according to their will so that they can do what they like"; they also posed a threat to Nathan's position in London. As Amschel said, Nathan seemed to be "rather upset if somebody else does any business transactions with London. He feels that he more or less owns London." It cannot have pleased him to hear it said "that [because of Baring] you don't play any longer the first [role] on the Stock Exchange and that you are unable to fix the quotation" of stocks. However, the growth of competition was just as marked in smaller financial markets like Kassel, where the end of the war and the return of the Elector led to frenetic efforts to end the Rothschilds' near-monopoly over his finances, built up during his years in exile, and to win a share of the Rothschilds' "mountains of gold."[6] As James put it in early 1818, "The whole world is jealous."

The Rothschilds did not suffer competitors gladly. Indeed, they had a wide range of abusive terms for

them, such as *Schurken* (scoundrels), *Bösewichte* (rogues) and *Spitzbuben* (rascals). Even before Waterloo, there had been much talk of "putting spokes in wheels" of rival "scoundrels" and "sharpshooters," and dealing them "blows where it hurts." The question in 1818 was how best to "hurt" Baring and Labouchère. Tradition has it that the brothers did so by means of a huge intervention in the market for rentes. First, they invested heavily in the new rentes being created under the Baring scheme. Then, just as the great powers met at Aix-la-Chapelle to negotiate the final reparations payments, they allegedly turned from bulls into bears, dumping rentes on the market with devastating consequences for prices. In this way, they decisively weakened Baring's position, forcing him to call off the final loan which he had been on the point of making on behalf of France. There is no doubt that we need an explanation for the remarkable speed with which the Rothschilds outstripped their more established rivals. And it is true that Baring was acutely embarrassed by the sharp drop in rentes to a nadir of 60, and was saved only by the fact that so many of the ministers present at Aix—including Nesselrode, the Austrian Chancellor Prince Metternich and his Prussian counterpart Prince Hardenberg—had themselves taken shares, and therefore had a common interest in cancelling the final loan.[7] However, no archival evidence has come to light to support the notion that the Rothschilds were directly responsible for the crisis.

The brothers undoubtedly sought to join in the bull run in the French bond market after 1816. James held rentes worth 3 million francs (nominal) at the beginning of March 1817, and by the end of the month he had acquired a further 7 million, all bought on the assumption of a sustained rise. Soon he was inundated with orders to purchase rentes for Nathan and his London relatives too, though he himself still felt "in the dark" as to how long the rise could be sustained. It also seems quite likely, as Ouvrard later claimed, that James took advantage of the system of part-payment to maximise his speculative purchases. But there is no evidence of a concerted policy of selling at any time in 1818. When James did take profits, he took care that his sales should not be noticed, precisely to avoid weakening the market as a whole; and when rentes did weaken in the summer of 1817, the brothers actually made purchases to support the market. Indeed, it is from this period that we can date that keen preoccupation with the health of the rente, and any news which might affect it, which was to be a feature of his correspondence for the next fifty years. A year later, in July 1818, he saw no reason to question Laffitte and Delessert's assumption that rentes would reach par by the end of the year.

None of this should surprise us. The Rothschilds would have been taking a grave risk if they had sought to subvert the final "liquidation" of the French indemnity. In February 1818 Salomon explicitly argued against an attack on Baring: it would be counter-productive if people were able to say, "The Rothschilds organised a diversion, the loan fell through, the troops can't be withdrawn." In any case, Baring was an MP and had already asked enough awkward questions about Herries's activities as Commissary-in-Chief. There were good reasons not to antagonise him. The best explanation for the downturn in the price of rentes during the Aix conference in fact lies in the policy of the Banque de France, which had fuelled the surge in rente prices after May by lending over-generously to the Paris banks. When a run on its reserves alerted the Banque to its mistake, it over-compensated by tightening its discounting terms. It was this contraction on the money market which temporarily halted the speculation in rentes and depressed prices. Once the Banque had been persuaded to relax its policy again, rentes recovered rapidly, though it was not until 1821 (with prices at 87) that sufficient confidence had been recovered to float the final reparations loan. Moreover, if the Rothschilds had hoped to benefit from Baring's retreat from the French market, they were disappointed: the 1821 loan went to the Paris bankers Hottinguer, Delessert and Baguenault.

In reality, it was British consols, not French rentes, which the Rothschilds sold, and they did so at the

end of 1817, not in late 1818—making a profit in the process which more than compensated for any losses they may have suffered in the summer of 1815. As we have seen, at the end of that year Nathan had, at Herries's recommendation, made substantial purchases of 3 per cent consols at prices of 61.1 and 61.5 as well as £450,000 of Omnium stocks at 107. Throughout 1816 he ignored his nervous brothers' repeated advice to take profits, so that by the end of that year he held altogether £1.2 million (nominal) worth of consols. This must have been very nearly equivalent to the entire capital of the firm. Family opinion on this strategy was divided: cautious as ever, Amschel regarded it as "stupid . . . to invest one's whole fortune in one single security" and continued to urge that Nathan sell, especially as he and Carl found themselves increasingly strapped for cash in Frankfurt. James was more enthusiastic —as he said, this single investment had already earned them "as much as a loan"—but he questioned Nathan's assessment that consols would reach 80, and by April 1817 he too was urging a halt. Those closer to New Court, however, joined in Nathan's "spec" with their own private savings. Caroline, Salomon's wife, had evidently caught the bug while staying with her brother-in-law: by August 1816, she was actually having dreams about consol prices reaching 86!—a revealing insight into the indirect participation of the Rothschild women in the family business in this period. In May of 1817, when the upward trend was momentarily checked, Nathan finally gave in to his brothers' pleas by selling around £600,000, but he evidently did so with the greatest reluctance and moved quickly to reinvest even more before the rise resumed the following month. By July, with consols leaping to above 82 and a total holding of £1.6 million (nominal), Salomon had to acknowledge that his brother had pulled off another business "masterwork."

It was at this point that Nathan began to sell, realising profits of more than £250,000. Interestingly, this was five months ahead of the market's final peak at 84.25 in December 1817 (see illustration 4.i) and this may explain why he delayed slightly before relaying the advice to sell to others. Even his brothers-in-law and his oldest client in the market, the Elector of Hesse-Kassel, were not tipped off until after Nathan had sold. As it became apparent that the market had indeed peaked—by 1820 prices were back below 70—Moses Montefiore hailed his brother-in-law's coup:

I am very happy to learn you make as good a Bear as you formerly did a Bull, you must have had some difficulty with my brother Abraham, indeed it is quite a new character for both . . . You have beaten your antagonists so frequently that I am surprised there are any so hardy to be found in the Stock Exchange to oppose you in any considerable operation.

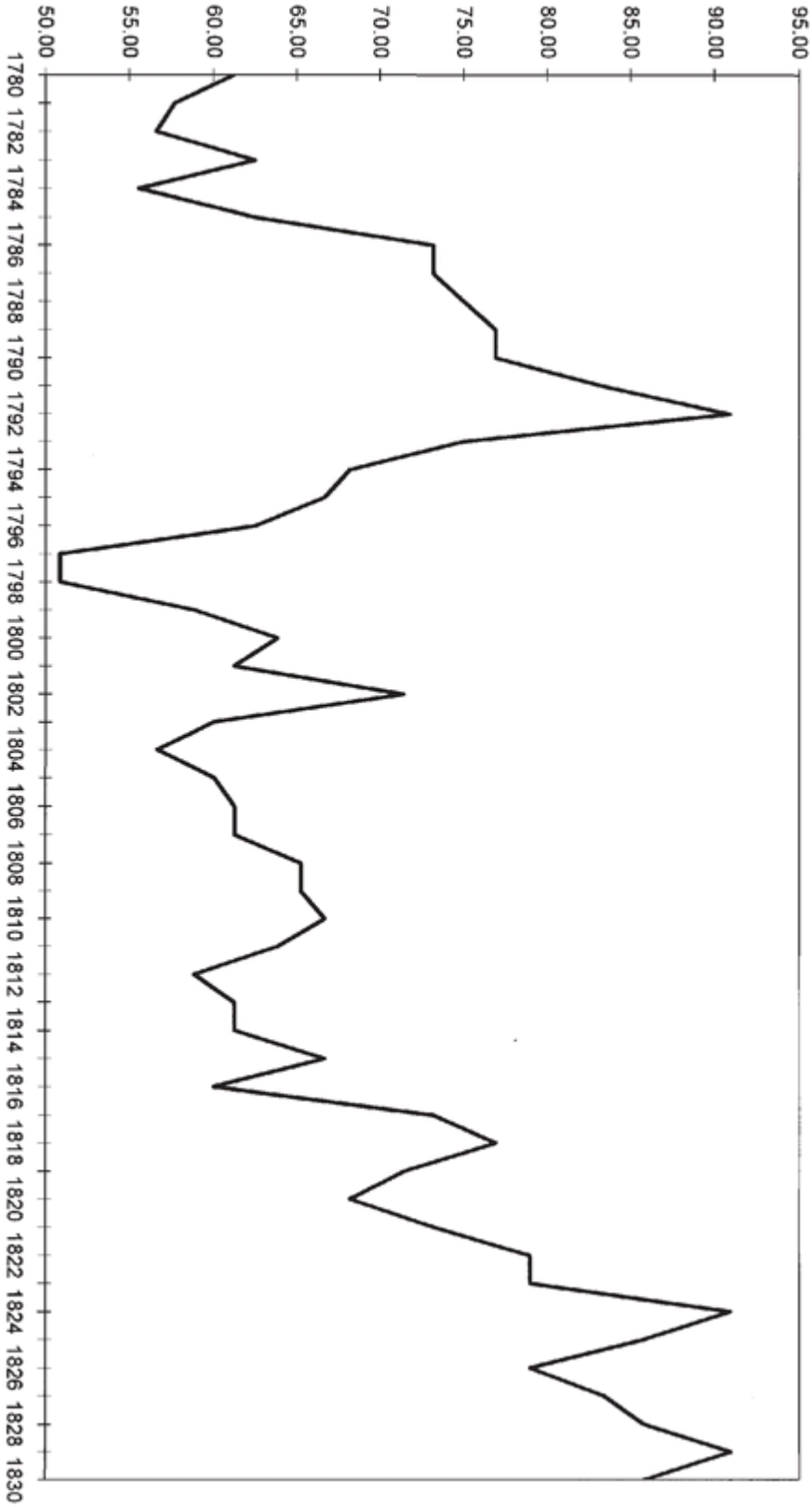
There is no simple explanation for the Rothschilds' triumph over their rivals in the 1820s: but this great coup undoubtedly played an important part.

What had made Nathan decide to dispose of his consols at the end of 1817? Part of the reason may have been a premature alarm sounded by his brothers in Paris about the possibility of war over Spain: not for the last time, the brothers interpreted any threat of armed conflict between the great powers as an argument for selling government bonds. But of greater importance was the invaluable inside information he was receiving about changes in British fiscal and monetary policy. This was the fruit of Nathan's growing proximity to the Chancellor of the Exchequer, Nicholas Vansittart, as well as his brothers' first direct contacts with the Duke of Wellington—"old Stiff-back"—in Paris. As the Rothschilds hastened to point out, it was not only they but the British government too which had benefited from the rise in consols. The surplus funds in the military chest which had been left over after Napoleon's defeat had also been used to purchase £650,000 (nominal) of consols at 62 in 1816. Now that consols stood at over 82, the Treasury stood to make a profit of around £130,000. This good turn was clearly felt to deserve another: Nathan was tipped off about a funding operation—involving the issue of £27 million in new 3.5 or 3.25 per cent government stocks—which was bound to depress the

market for 3 per cents. As Salomon's letters at this time show, it was this inside information more than anything else which determined Nathan's move:

Vansittart is a very fine man, insofar as he gave you a hint of a forthcoming funding operation. He well knows that you were the only one who drove up the stocks, who lifted England's credit, and that you are the great holder of stocks . . . Now it is time to work out a plan. We agree with you that in the case of a funding carried out . . . stocks will fall to 80 or even a little less . . . I assure you that the whole of New Court as soon as they get wind of it are going to be "bears" of millions.

4.i: The average price of 3 per cent consols, 1780-1830.



As he put it to an incredulous James: “Nathan’s relation with these gentlemen [of the Treasury] is such as between brothers . . . Our New Court gives me the impression of being like a Freemasons’ lodge. He who enters becomes a Stock-mason.” The significance of this remark will be returned to below.

In fact, the operation Vansittart mentioned to Nathan ran into trouble because of mounting political opposition to the Chancellor's financial policy. Indeed, Nathan's sale of consols at the end of 1817 may have been one of the abuses which Vansittart's critics had in mind when they accused him of being "at the Mercy of the Money Market" and fuelling "the inordinate spirit of gambling." Vansittart's task was in many ways a hopeless one. As noted in the previous chapter, the British public debt had grown to immense proportions—£900 million, or roughly 200 per cent of national income—as a consequence of the wars against France. But in 1815 the House of Commons defied the government by refusing to renew the wartime income tax (and the malt tax), causing an immediate loss of over £14 million in revenue. Faced with annual debt service charges of over £30 million, to say nothing of the continuing costs of the army and navy, the government had little option but to increase indirect taxes—of which the duty on imported corn or "Corn Law" was to become the most controversial—and to carry on borrowing.

Vansittart's strategy in 1818, which aimed at concealing the extent of the deficits he was running in order to boost consol prices, was to borrow short term by issuing exchequer bills, in order to continue making payments to Pitt's sinking fund. This hand-to-mouth system undoubtedly suited those, like Nathan, who bought and sold both bills and consols. But it was criticised, given the inflationary consequences of issuing exchequer bills to redeem consols, by those political economists who regarded the continuing depreciation of paper money and the exchange rate in terms of gold as the principal post-war problem. Led within the government by William Huskisson and supported (after initial doubts) by Robert Peel, the proponents of the resumption of gold or "cash" payments by the Bank of England gradually gained the upper hand over Vansittart and the directors of the Bank itself. With the setting up of the "Secret Committee on the Expediency of the Bank Resuming Cash Payments" under Peel's chairmanship in 1819, the "bullionists" had effectively won.[8] Dismayed, Nathan sought to dissuade Liverpool from going back on to gold, even pursuing ministers into the country to make his case. But the Prime Minister's mind had been made up, as he indicated to Vansittart in October 1819:

Nothing can be more foolish than Rothschild's following you, and intending to follow me, into the country. If his proceeding is known it can of course only augment the general alarm, and increase all the evils he is desirous of preventing . . . The point . . . upon which I feel most anxiety is the idea suggested by Rothschild, of a continuance of the Bank restriction. I am satisfied that no measure could be more fatal, and that the very notion of its being a matter for consideration would do harm . . . As to continuing the restriction from the dread of their diminishing their [the Bank of England's] circulation too much, this would be a ground for perpetual restriction, and is the idea of all others that it was most necessary to combat last year. Let us therefore determine to stand upon our present system, and let no one entertain a doubt that this is our determination.

Given the ultimate triumph of the gold standard in the nineteenth century, it is easy to dismiss Nathan's position as special pleading. Yet Nathan's opposition to cash payments was far from unjustifiable, and it was an error on the part of the bullionists and radicals to assume that he was motivated solely by self-interest. Nathan never opposed the resumption of cash payments as a matter of theoretical principle: he and his fellow bankers made a practical argument that the short-run effects of a deflationary policy would be economically destabilising, and that this might tend to run counter to the government's goal of fiscal and monetary stabilisation. The Treasury official George Harrison was right to worry in October 1818 about the consequences of tightening monetary policy at a time when the budget remained unbalanced. As he said to Vansittart,

Its effect upon our concerns and upon the Stocks may be very considerable—for such a proceeding

would drive . . . *our* Agent [meaning Nathan] in all probability to become a Seller of his stock . . . and would inevitably affect the Funds more or less . . . We could not with justice or propriety be pressing him to extend his accommodations to us, when the Bank refused to accommodate him by Discounts—as he would then be driven to become a Seller to a larger extent to enable him to meet our Wants.

In fact, as we have seen, Nathan had already done most of his selling. But his brokers and their clients felt the effects of the government's deflationary policies when he issued a new loan of £12 million for the government in the summer of 1819. The decision to stick to 3 per cents more or less precluded a rapid rise in the new stock at a time when consol prices were already in the doldrums not far above the issue price of 69. It was this link between monetary tightening and the continuance of government borrowing which he had sought to point out to Liverpool, who preferred to believe Baring that there would soon be "a reaction" (that is, a recovery) in consol prices. Similarly, in his evidence to the Committee of Cash Payments in 1820, Nathan did not deny for a moment that the depreciation of sterling and outflow of specie into foreign bonds was due in part to the suspension of gold payments. The key point was that the combination of tight money and a mountainous government debt was a perilous one for the economy as a whole:

Have the goodness to state to the Committee in detail, what you conceive would be the consequence of an obligation imposed upon the Bank to resume cash payments at the expiration of a year from the present time?—I do not think it can be done without very great distress to this country; it would do a great deal of mischief; we may not actually know ourselves what mischief it may cause.

Have the goodness to explain the nature of the mischief, and in what way it would be produced?—Money will be so very scarce, every article in this country will fall to such an enormous extent, that many persons will be ruined.

This was no exaggeration. Events would amply demonstrate that in embarking on monetary stabilisation before resolving the post-war fiscal crisis, the government was sailing into uncharted and potentially dangerous waters. As Nathan's brother-in-law Abraham Montefiore shrewdly observed in 1821, defending the record of "the poor inoffensive Old Lady, Mr. V[ansittart]": "The only really effective plan would be a good property tax properly and judiciously levied to reach only the opulent and those that can afford to spare part of their income, but unfortunately it so happens that these very persons are the law-makers themselves and their patriotism does not go so far as to reach their pockets." The attempt to balance the budget with virtually no direct taxation at a time of monetary deflation would prove a recipe for instability.

"*The Chief Ally of the Holy Alliance"*

There was one obvious response to the difficulties experienced by the Rothschilds in London and Paris between 1815 and 1819: to seek new business elsewhere. The alternative was to assist with the financial stabilisation of the other great powers: Austria, Prussia and Russia, now grouped together, at the Tsar's suggestion, as a "Holy Alliance," as well as the various smaller states in Italy and Germany in their respective spheres of influence. Like France and Britain, the Central and East European states emerged from the war with dire financial problems which could be addressed only with the assistance

of foreign capital. As Disraeli later put it in his novel *Coningsby:* "[A]fter the exhaustion of a war of twenty-five years, Europe must require capital to carry on peace . . . France wanted some; Austria more; Prussia a little; Russia a few millions." Moreover, the policy of the Holy Alliance was bound to create additional financial needs from which the Rothschilds could also profit. For the principal aim of the Alliance was to avert a recurrence of the revolutionary "epidemic" which had caused such upheaval in Europe between 1789 and 1815—if necessary by military intervention. That implied further expenditure.

The first major post-war loan which the brothers succeeded in making was to Prussia, which had ended the Napoleonic period with a debt burden of around 188 million thaler (£32 million) and continued to run large deficits in 1815, 1816 and 1817. Although the Frankfurt-based Rothschilds had arranged a small Prussian loan of 5 million gulden (£450,000) in early 1817 (much of which they placed with the Elector of Hesse-Kassel), the size of the floating debt reached 20 million thaler by the autumn, and the government began to contemplate raising a loan in London. The idea for such a loan in fact originated with the representative of the Prussian Seehandlung bank in London, a merchant named Barandon, who came close to scuppering the entire project when he rashly published details of Nathan's proposed terms in January 1818. As these were singularly tough—the issue price was to have been 60, implying an interest rate of 8.33 per cent—they provoked an outcry in Berlin, where the local bankers hastened to put together a better offer. Berating Nathan for having involved Barandon, whose reputation in Paris was that of a bankrupt small-time commodities dealer, Salomon hastened from Paris to Koblenz for fraught talks with the Prussian State Chancellor Hardenberg, and then proceeded to Berlin, where he and Carl managed to undo at least some of the damage. With the connivance of the Prussian minister in London, the great educational and political reformer Wilhelm von Humboldt, Barandon was quietly sidelined—though it was not until after five days of continuous bargaining with the finance official Rother (now Director in the new Prussian Treasury) that an agreement was finally secured in London at the end of March.[9]

Historians have long claimed that the Prussian government's decision to raise a loan in London was intended to avoid the need for political concessions—such as the summoning of an assembly of the estates *(Stände)* or the creation of an independent judiciary—which the recourse to domestic sources of finance might have necessitated. However, the Rothschild correspondence tells a different story. From the outset of the negotiations, Nathan argued that any loan would have to be secured by a mortgage on Prussian royal domains guaranteed by the *Stände* of the domains concerned. When Hardenberg demurred, Nathan spelt out his reasons for wishing such a guarantee in a remarkable memorandum:

[T]o induce British Capitalists to invest their money in a loan to a foreign government upon reasonable terms, it will be of the first importance that the plan of such a loan should as much as possible be assimilated to the established system of borrowing for the public service in England, and above all things that some security, beyond the mere good faith of the government . . . should be held out to the lenders . . . Without some security of this description any attempt to raise a considerable sum in England for a foreign Power would be hopeless[;] the late investments by British subjects in the French Funds have proceeded upon the general belief that in consequence of the representative system now established in that Country, the sanction of the Chamber to the national debt incurred by the Government affords a guarantee to the Public Creditor which could not be found in a Contract with any Sovereign uncontrolled in the exercise of the executive powers.

In other words, a constitutional monarchy was seen in London as a better credit-risk than a neo-absolutist regime. Was this a subtle form of political pressure—a kind of financial liberalism, lending

its weight at a critical time to the efforts of the Prussian reformers who had been pressing Frederick William III to accept some kind of system of representation? Or was Nathan merely justifying the differential between his terms and those obtained by France from Baring? James's positive allusion to the (notional) ability of French deputies to go to the Treasury and "examine the books" suggests that the Rothschilds really did see some kind of constitutional control over public finances as desirable, if only as a way of reassuring British investors. Admittedly, Nathan was prepared to settle for much less than parliamentary control in the Prussian case: clause 5 of the final contract merely stated that "for the security of the creditors" there would be a special mortgage on the royal domains "which are wholly disposable according to the House[hold] Law of November 6, 1809, passed by H. M. the King of Prussia and the princes of the royal house with the assent of the provincial estates." The allusion to the estates could hardly have been more oblique. On the other hand, the astonishing tone of some of Nathan's letters to Rother—especially when Rother attempted to modify the terms after the contract had been signed—reveal his lack of respect for the Prussian regime:

Dearest friend, I have now done my duty by God, your King and the Finance Minister von Rother, my money has all gone to you in Berlin . . . now it is your turn and duty to do yours, to keep your word and not to come up with new things, and everything must remain as it was agreed between men like us, and that is what I expected, as you can see from my deliveries of money. The cabal there can do nothing against N. M. Rothschild, he has the money, the strength and the power, the cabal has only impotence and the King of Prussia, my Prince Hardenberg and Minister Rother should be well pleased and thank Rothschild, who is sending you so much money [and] raising Prussia's credit.

Moreover, Nathan's insistence on some kind of political guarantee had important political implications. There is an obvious link from Nathan's negotiations with Rother to the subsequent Clause 2 of the "Decree for the Future Management of the State Debt" of January 17, 1819, which imposed a ceiling on the state debt, earmarked revenues from the royal domains to service it and declared: "If the state should in future for its maintenance or for the advancement of the common good require to issue a new loan, this can only be done in consultation with, and with the guarantee of, the future imperial estates assembly." Drafted by Rother himself, this meant that any future loan by the Prussian state would automatically lead to the summoning of the estates; in other words, it conceded the link between public borrowing and constitutional reform. Only by raising loans indirectly through the notionally independent Seehandlung could the Prussian state henceforth borrow money without summoning the estates. This explains why, of all the German states, Prussia borrowed the least in the 1820s and 1830s and why, when the policy of retrenchment broke down in the 1840s, the consequences were revolutionary.

Whatever its significance for Prussian politics, the 1818 Prussian loan was without question a watershed in the history of the European capital market, as contemporaries came to recognise. For Nathan's demand for some kind of political security was, in financial terms, probably the least important of the conditions he attached to the loan. Firstly, the loan was to be not in thaler, but in sterling, with the interest payable (half-yearly) not in Berlin but in London. Secondly, there was to be a British-style sinking fund to ensure the amortisation of the loan (though Rother managed to get rid of Nathan's initial stipulation that it take the form of £150,000 of British consols). This deliberate Anglicisation of a foreign loan was a new departure for the international capital market. The Baring French loans had paid interest in francs in Paris, with attendant inconvenience and exchange rate risks for British investors. Now it was much easier to invest in foreign funds; and the fact that throughout the century all foreign government bonds paid higher yields than British consols meant that people did. *The Times* did not exaggerate when it later described Nathan as "the first introducer of foreign loans into Britain":

for, though such securities did at all times circulate here, the payment of dividends abroad, which was the universal practice before his time, made them too inconvenient an investment for the great majority of persons of property to deal with. He not only formed arrangements for the payment of dividends on his foreign loan in London, but made them still more attractive by fixing the rate in sterling money, and doing away with all the effects of fluctuation in exchanges.

Moreover, the loan was issued not just in London but also in Frankfurt, Berlin, Hamburg, Amsterdam and Vienna. In other words, it represented a major step towards the creation of a completely international bond market. In his book *On The Traffic in State Bonds* (1825), the German legal expert Johann Heinrich Bender identified this as one of the Rothschilds' principal contributions to modern economic development: "Any owner of government bonds . . . can collect the interest at his convenience in several different places without any effort." Henceforth, an investor could receive the interest on Austrian metalliques, Neapolitan rentes or any other Rothshild-issued bonds from any of the Rothschild houses. In stipulating these conditions, Nathan not only succeeded in making the Prussian loan attractive to British and continental investors; he also established a model for such international bond issues which would swiftly become standard.[10]

Although the terms of the loan were heavily criticised in Berlin (not least by the bankers there), Humboldt and Rother were impressed. Nathan, Humboldt reported to Hardenberg, was not only "the most enterprising businessman here"; he was also "dependable . . . fair, very upright and understanding" in his dealings with governments. Rother went further: "The Rothschild in this country . . . has an incredible influence upon all financial affairs here in London. It is widely stated, and is, indeed, close to the truth, that he entirely regulates the rate of exchange in the City. His power as a banker is enormous." His reputation in Berlin firmly established, Nathan was able to secure a second loan (to the Seehandlung) in 1822 for £3.5 million.

In one respect, Rothschild activity in Germany was far from innovative. Hesse-Kassel was one of those states which had emerged intact from the Napoleonic period, and Amschel was careful to continue cultivating the special relationship his father had developed with the Elector. Now that he had been restored to his lands, however, William needed the Rothschilds less, and the family's old rivals in Kassel hastened to reassert their influence at court. The Rothschilds continued to manage some of the Prince's financial affairs, collecting his reparations from France, selling his English stocks (as we have seen) at a healthy profit, trying to sort out his tangled Danish investments and involving him in their post-war loans to Prussia. Amschel even indulged his old coin-collecting enthusiasm. But there was no doubt that the days of mutual dependence were over, especially when Buderus had ceased to be the dominant force in the Kassel bureaucracy. Although the brothers lent considerable sums to William's spendthrift son, their hopes that these highly unprofitable transactions would bring more lucrative business after he succeeded his father were disappointed when this finally happened in 1821. Apart from two large loans in 1821 and in 1823 for a total of 4.3 million gulden (£390,000), business in Kassel dried up.

On the other hand, Hesse-Kassel was only one of thirty-nine German states which had emerged from the Napoleonic upheaval and were now grouped together as members of the loose German Confederation. And because the Confederation's Diet met in Frankfurt—in a rented hall in the Thurn und Taxis palace—it was easy for Amschel and Carl to establish contact with senior diplomatic representatives of all the member states. This led to a stream of relatively small-scale loans to minor German states and princes—including the neighbouring Grand Duchy of Hesse-Darmstadt, as well as Schaumburg, Homburg, Saxe-Weimar, Anhalt-Coethen and Nassau-Usingen—throughout the 1820s.

Though the individual loans only rarely exceeded 500,000 gulden (£45,000), taken together they represented a substantial amount of business. Between 1817 and 1829 total loans of this sort by the Frankfurt house amounted to more than 24.7 million gulden (£2.2 million). While some were little more than personal loans to petty princes, others took more sophisticated forms, like the Hesse-Darmstadt lottery loan of 1825, one of many premium-bond-style loans issued in this period. On occasion, the Rothschilds also acted as bankers to the Confederation itself. Twenty million francs—paid by France under the terms of the Peace of Paris for the construction of fortifications in Germany—were deposited with the Rothschilds in 1820, pending a decision by the Confederation to proceed with building them. Given the slowness with which such decisions were reached in Frankfurt, this turned out to be a long-term deposit; but it was never certain how much notice would be needed for its withdrawal, nor indeed who had the right to request it. The difficulties this created for the Rothschilds may explain why they never did much to attract similar deposits.

Real power in Germany, however, lay not in Frankfurt, but in Vienna, the capital of the Confederation's dominant member: and it was the Austrian court more than any other which the Rothschilds sought to cultivate in the 1820s. As we have seen, the Austrians had been reluctant to leave the payment of their British subsidies to the Rothschilds in the later stages of the war against France, preferring to deal with Viennese houses like Arnstein & Eskeles,[11] Fries & Co. and Geymüller & Co.; they had driven hard bargains over the French reparations payments too. Only in partnership with the Frankfurt banker Gontard were the brothers able to handle the minor payments Austria had to receive in the wake of the peace from Russia and Naples. But Vienna needed cash just as badly as the other continental states if it was to consolidate its large floating debt and stabilise its heavily depreciated currency. Although its first major post-war loan of 50 million gulden was concluded—to Rothschild chagrin—with the Anglo-Hanseatic Parish brothers in partnership with Baring, Bethmann and Geymüller, it was obvious, with annual expenditure running above 100 million Austrian gulden, that more would soon be needed. The breakthrough came in 1820, when Salomon jointly organised two lottery loans worth 45 million Austrian gulden (c. £4.8 million) in partnership with David Parish—a transaction so profitable that, despite the hostile comment it aroused, Salomon resolved to remain in Vienna on a more or less permanent basis.

The final coup which completed the Rothschilds' emergence as "bankers to the Holy Alliance" came in 1822, with the loan to Russia. Here, as in Prussia and Austria, the war had generated acute fiscal and monetary problems: public spending had roughly quadrupled between 1803 and 1815 as had the circulation of paper roubles, leading to the inevitable inflation and currency depreciation. And despite having allowed the Rothschilds to handle so much of her wartime subsidy payments and subsequent reparations contributions, Russia too turned first to others for assistance with stabilisation: it was Baring and Reid, Irving who handled the 1820 loan, for example. This, however, was no great disappointment, as the Russians at this stage were still refusing to follow the Prussian example of issuing a loan denominated in sterling and with interest payable in London. Two years later the Russians, like the Austrians before them, had come round. In the summer of 1822 a loan of £6.6 million was issued by Nathan in 5 per cent bonds priced at 77, which he had no difficulty in selling at prices of 80 and more to his network of London brokers, led by his brother-in-law Moses Montefiore.

Thus by the end of 1822 the Rothschilds could justifiably be regarded as bankers to the Holy Alliance —"la haute Trésorerie de la Sainte Alliance." Indeed, when the itinerant German Prince Pückler-Muskau first described Nathan in a letter to his wife, he introduced him as "the chief ally of the Holy Alliance." There is unquestionably a sense in which it was the Rothschilds who gave the alliance substance. When the Austrian Emperor remarked to his envoy in Frankfurt that Amschel was "richer

than I am," he was not being wholly facetious. *The Times* correspondent reported from St Petersburg that the mere appearance of James Rothschild at the bourse was expected to boost Russian bond prices. Without the financial support which Nathan in particular could provide, it would have been harder to make the Austrian strategy of "policing" Europe effective in the 1820s. Political critics of this strategy recognised this. Nathan was caricatured as the "Hollow Alliance's" insurance broker, helping to prevent political fire in Europe. In 1821 he even received a death threat because of "his connexion with foreign powers, and particularly the assistance rendered to Austria, on account of the designs of that government against the liberties of Europe."

Finance and Revolution

It had, of course, been assumed by the founders of the Holy Alliance that the best way of preventing a renewed revolutionary upheaval in Europe would be a policy of "containment" directed against France, the *fons et origo* of revolution since 1789. While that would prove to be the right strategy later, in 1830 and in 1848, in the 1820s it quickly had to be abandoned as it became evident that the political order established at Vienna could be challenged almost anywhere. When August von Kotzebue—a minor hack reputed to be in the pay of the Tsar—was murdered in Mannheim by a radically inclined student, Karl Sand, it suited Metternich quite well as the pretext for a crackdown on liberal tendencies throughout the German Confederation. Like the assassination of the King's nephew, the duc de Berry, in Paris in February 1820, one death did not portend a serious revolution. But the Cadiz mutiny by army units destined for South America that January was the real thing, as it led not only to the reimposition of the 1812 Cortes constitution on the Spanish King Ferdinand VIII, but also to the imposition of the same constitution on his uncle, Ferdinand I of Naples, just six months later. The "domino effect" continued in August 1820, with a military revolt in Portugal. In March 1821 there were risings by Italians in Piedmont and by Greeks throughout the Near East. The abortive Decembrist movement in Russia in 1824-5 was part of the same pattern: the unrest was often led by disenchanted soldiers (the victims of post-war cuts in defence spending), or by secret societies like the Italian Carbonari or the Spanish Freemasons. Indeed, so widespread was the political instability that France, the former outcast, had to be co-opted into the counter-revolutionary coalition. The question which came to dominate the congresses of Troppau (October to December 1820), Laibach (January 1821) and Verona (September to December 1822) was how far this coalition should intervene in the affairs of other states to prevent the success of localised revolutions. The financial question this begged, of course, was whether or not they could afford to do so. In so far as they helped to finance Austrian intervention in Italy and French intervention in Spain, the Rothschilds deserve to be thought of as financiers of "reaction."

From the Rothschild viewpoint, however, the instability of Restoration Europe was not only a source of potential new business; it was also a threat to the stability of financial markets. Existing loans to regimes which suddenly looked vulnerable slumped as alarmed investors sought to sell their bonds. Even successful armed intervention, by throwing the Austrian and French budgets into deficit, had similar negative side-effects. On the other hand, the emergence of new states in those regions where revolutions actually succeeded created a source of new business too. In particular, the creation of independent states in Brazil, in formerly Spanish America and in Greece led to numerous new bond issues as fledgling regimes rushed to the London and Paris capital markets. For that reason, the role of the Rothschilds' financial power was ambivalent.

On the Italian peninsula, matters were relatively straightforward: the Rothschilds supported Metternich's policy of divide and rule by lending to the various monarchical regimes which had his backing. As early as December 1820 Metternich wrote to Salomon from Troppau alluding suggestively to a transaction involving 25 or 30 million francs "with respect to the future fate of the Kingdom of Naples." The banker's initial response was positive. "Even our financiers, led by Parish and Rothschild," so the Austrian Finance Minister Stadion assured Metternich at Laibach in January 1821, "are only anxious to see our troops across the Po at the earliest possible moment, and marching on Naples." Nevertheless, Salomon was unenthusiastic when Metternich and Nesselrode invited him to Laibach to discuss possible loans, the purpose of which was evidently to pay for intervention. "My presence there," he explained to Nesselrode, "might give rise to numerous and probably highly inaccurate newspaper reports. Persons with base motives might unearth the fact that a loan to the most gracious monarchs was being discussed; rumour would be piled upon rumour, and this would not be at all agreeable in the highest quarters." Firstly, the prospect of a new Austrian loan would depress the Vienna market, already shaken by the Italian crisis. Secondly, the Rothschilds had no desire to make their role in financing the Holy Alliance so public. Instead, Salomon insisted to Stadion that any loan should be raised by Ferdinand I only after his restoration to power, the proceeds to be used to reimburse the Austrian government for the costs of intervention. In the meantime, he offered Stadion short-term advances to finance General Frimont's advance south. As in the Napoleonic Wars, the Rothschilds used their extensive banking network to make cash available at reasonable rates to an army on the march. And, as before, one of the brothers—this time Carl ("un petit frère Rothschild," as he seemed to Stadion)—had to be sent to the scene of the action to ensure that all ran smoothly. In March 1821 Carl set off from Vienna to join Metternich and the exiled Neapolitan king at Laibach.

To Metternich, the Neapolitan campaign was nothing less than a counter-revolutionary crusade: "We have embarked," he told Stadion,

on a great undertaking, one that contains the possibilities of greater results than any of our time. It is great, for upon its success or failure the whole future depends; not merely the future of the Austrian monarchy, but that of the whole of Europe . . . It was impossible for us to take any other action, for it is a matter of life or death . . . everything now depends upon success. If not, the result will be the same as if we had ventured nothing; the revolution will engulf first Italy and then the world. I will spare no effort until I am killed myself.

But financial reality gave the lie to such rhetoric. There were recurrent shortages of supplies at the front, while in Vienna Stadion despairingly foresaw a return to the fiscal and monetary morass of the Napoleonic period. Indeed, Salomon had to intervene to prevent a slump in the price of "metalliques" (Austrian silver-denominated bonds). The crisis deepened when reports reached Laibach of further revolutionary outbreaks in Piedmont. The impact of this news in Vienna appalled the hapless Stadion:

If the enemy were at the gates there could not be more unreasoning panic. The whole of the population of Vienna is rushing to the Bourse to get rid of our public securities . . . Our credit (which has only just been established) is on the eve of vanishing completely. I shall be forced to suspend the conversion of paper money into cash . . . destroying in one day the labours of the preceding five years . . . This is the first step to our destruction. It is impossible that a loan should be considered, either at home or abroad, at a time when our securities are becoming worthless.

By March 24, however, Naples had fallen, and Carl hurried south after Ferdinand to organise the now desperately needed loan from which the Austrians were to be reimbursed.

At this point, a conflict of interests emerged: the Austrian government wished to exact the maximum sum possible, but the Rothschilds had a low opinion of Neapolitan creditworthiness, and were willing to lend to the restored regime only at punitive rates, while the Bourbon regime itself faced the prospect of renewed unrest if it was burdened with onerous new debts. The first Neapolitan loan was a hard-won compromise, with Carl being forced to improve his initial offer to head off competition from a rival Milanese banker: instead of 10 million ducats at a discounted price of 54, he agreed to lend the government 16 million (around £2 million) at 60. To help meet the costs of the continuing Austrian occupation, a second loan was issued in November 1821, of 16.8 million ducats, underwritten at 67.3. Two more loans followed for 22 million ducats in 1822 and £2.5 million in 1824, increasing the state's debt to around £13 million in all. Nevertheless, the price of Neapolitan securities rose in Paris from 65 to 103, and in London there was considerable enthusiasm for the sterling-denominated bonds. This successful stabilisation partly reflected the good relationship which had developed between Carl and the new Neapolitan Finance Minister, Luigi de' Medici, whose claim that the Austrians were unnecessarily prolonging the occupation and overcharging for their presence Carl was inclined to support. Even before the Congress of Verona in late 1822, it was obvious that the Austrians intended to recoup the costs of the invasion in full: of 4.65 million gulden which Metternich demanded in August 1821 as payment for the actual invasion, 4 million had been received by the following February, and to this were added occupation costs of 9 million ducats per annum. By 1825 Medici was accusing the Austrian government of deliberately profiting from the occupation and threatened to resign unless more than 1 million ducats were repaid. When the Viennese authorities stalled, Carl advanced the money to Medici—to Metternich's evident irritation.[12]

The Austrian intervention in Naples provided a classic illustration of the difficulty of maintaining good relations with both sides in a bilateral international transfer. Nevertheless, Carl had probably struck the right balance between Austrian and Italian interests. While his establishment in Naples flourished on the strength of his ties with the Bourbon regime (and also did some business with the Grand Duke of Tuscany), Metternich continued to turn to Salomon for financial assistance over other Italian matters—notably the complicated 5 million lire loan organised to provide for the children of the Archduchess Marie-Louise, the Habsburg Princess who had briefly been married to Napoleon, and who had been established after his fall in the duchies of Parma, Piacenza and Guastalla.[13] Another such case concerned the finances of Napoleon's former Governor in Illyria, Marshal de Marmont, the Duke of Ragusa. At the same time, the Austrian government found itself once again having to turn to the Rothschilds to satisfy its own burgeoning financial needs. For no matter how much could be squeezed out of Naples, the costs of the military intervention there far exceeded what Stadion could raise in current revenue. There was no alternative but another loan; and although some officials were minded to reject the initial Rothschild bid, the government ended up bowing to the inevitable, although it managed to secure improved terms.[14]

Vienna's dependence on the Rothschilds was further increased in 1823, when the British government, in an attempt to exert pressure on Vienna to end its occupation of Naples, raised the question of outstanding loans—now notionally totalling £23.5 million including interest—which had been given to Austria in the early stages of the war against France. Once again Austria turned to the Rothschilds, pressing Salomon to use his brother's influence in London to get the debt scaled down—the first of many occasions when the Rothschilds would act as an unofficial channel for Metternich's diplomatic communications. When this had finally been achieved, the Rothschilds offered to organise yet another loan, in partnership with Baring and Reid, Irving, to pay the agreed sum of £2.5 million. Thirty million gulden of new metalliques were taken by the banks at an underwriting price of 82.33, and were soon trading at 93, yielding a substantial profit to the banks. Another 15 million gulden loan followed in

1826. Ultimately, the Austrian policy of intervention in Italy had yielded multiple profits for the Rothschilds.

By contrast, the outbreak of revolution in Spain raised more serious dilemmas. For two years after 1820, the gout-ridden despot Ferdinand VII endured the Cortes constitution, and in that period the liberal government raised a number of loans (which were needed to compensate for the shortfall in revenues caused by the revolution). Although the Rothschilds—as Salomon hastened to reassure Metternich—were not at first involved in these, they were preparing to take a hand when, in July 1822, Ferdinand and his Ultra-royalist supporters unexpectedly attempted to overthrow the Cortes, calling for foreign intervention when their coup failed. At this point James became involved in an attempt by the Spanish financier Bertran de Lys to forestall an invasion by reconstituting the government on less "exalted" (that is, radical) lines.[15] It was too late, however; in April 1823, a French expedition analogous to the Austrian invasion of Naples was launched under the leadership of Louis XVIII's surviving nephew, the duc d'Angoulême, and with the enthusiastic support of revanchist diplomats like the vicomte de Chateaubriand.

Ever the pragmatist—and anxious not to be out-flanked by that seasoned military paymaster Ouvrard—James now offered his services to the French Prime Minister, the comte de Villèle: just as his brother had supplied the Austrian army in Italy with cash, so he now made himself "useful" to d'Angoulême, even raising the ransom money needed to buy Ferdinand VII's release.[16] And just as military intervention had necessitated a new loan in Vienna, so too in Paris the government was obliged to fund its military adventure by borrowing: in 1823 James was at last able to overcome the suspicion of the Restoration regime and secure a major French loan. Worth 462 million francs (nominal) or £18.5 million, it was the biggest single issue of rentes by a French government between 1815 and 1848 and had been preceded by a smaller issue of 120 million in 6 per cent treasury bills, also handled by James. Given the importance of such issues throughout James's long career in Paris, it is worth noting how he pulled off this deal. Rather as his father had initially squeezed out his rivals in Kassel, James won his first rentes issue by outbidding Lafitte and three other Paris bankers, offering a price (89.55) which was actually above the current market rate. This was more than enough to beat the rival group's offer of 87.75, but it did not leave James out of pocket: the success of the operation quickly pushed rentes up above 90 and by the end of 1823 they had reached 100.

The difference between Naples and Spain was that after the restoration of the Spanish Bourbon (which had been achieved by the end of 1824), the Rothschilds declined—after contemplating a joint operation with Baring and Reid, Irving—to lend to his neo-absolutist regime without guarantees which the French government was unwilling to give.[17] There were three reasons for this: the regime's refusal to recognise and redeem the bonds issued by the Cortes, its refusal to repay France the costs of the invasion and, finally, the bankers' suspicion that any money lent to Ferdinand might be used in a last and probably vain attempt to recapture his former colonies in South America, which had been fighting successfully for their independence since 1808. After all, had not the 1820 revolution begun with a mutiny by soldiers about to be sent across the Atlantic? And were not Ferdinand's advisers convinced that recovering the American colonies would solve all his financial problems? It was the South American dimension which particularly concerned the British government. While London had been prepared to put up with the French expedition into Spain, despite its implicit negation of Wellington's victory in the Peninsular War, the notion that this might be the prelude to some kind of reconquest of Latin America, with whose fledgling republics Britain was rapidly forging close economic ties, was wholly unpalatable. As the Austrian ambassador in Paris reported to Metternich: "Although the House of Rothschild may pretend that their sympathies are purely monarchist, the recognition of the

engagements entered into by the Cortes Government, and the independence of the Spanish colonies, would provide a far wider field for his [Nathan's] financial enterprises and afford political security, the value of which they do not fail to appreciate." In short, the Rothschild role in Spain had been ambivalent: initially showing signs of interest in the Cortes government, then financing the French invasion, but declining to bankroll the restored regime. James, Salomon and Nathan all came under conflicting pressures from the governments in Paris, Vienna and London; but the final outcome was a united and carefully calculated policy of non-commitment, which was continued throughout the decade. As James put it succinctly in 1826, "Spain's bankruptcy is uppermost in my mind."

The Rothschilds kept a safe distance from the numerous bond issues by the former Spanish colonies which were generating such speculative enthusiasm in London at the time of the French intervention. The years 1822-4 were the time of the great South American "bubble," as investors rushed to lend to new republics like Chile, Colombia, Buenos Aires and Guatemala. Even as unlikely a figure as Gregor MacGregor, a Scottish adventurer and former general in the Venezuelan army, was able to raise £200,000 by styling himself the "Caique of Poyais" and persuading investors that the malarial swamp in Honduras which he claimed to rule was ripe for development. With a bravado it is impossible not to admire, MacGregor even wrote to Nathan outlining a project for an independent Hebrew colony in his "kingdom" on an island called Ruatan. From all this the Rothschilds remained aloof, with one exception: Brazil. There were two reasons for this preference. Firstly, Brazil remained closely linked to Portugal and therefore enjoyed close commercial ties with Britain; secondly, it retained a monarchical form of government even after gaining independence in 1825. (Indeed, the fact that the Brazilian Emperor was married to an Austrian princess inclined some contemporaries to regard Brazil as a kind of American representative of the Holy Alliance, though this exaggerated Austrian influence.)[18] Nathan's first step in this direction came in 1823, with a loan of £1.5 million to Portugal, secured on Brazilian revenues. This once again demonstrated his willingness to lend to a constitutional regime, as the Portuguese King had accepted a Spanish-style constitution drafted by the Lisbon Cortes on his return from Brazil in 1822. The water for Brazilian bonds proper was tested in 1824 by a City group led by Thomas Wilson, which sold over a million pounds' worth of 5 per cent bonds at an issue price of 75. When these rose to 87, Nathan took over, issuing a further £2 million in 1825 at a price of 85. As Heinrich Heine later joked, Nathan was now "the great Rothschild, the great Nathan Rothschild, Nathan the Wise, with whom the Emperor of Brazil has pawned his diamond crown." Though it fell into disuse during the middle decades of the century, the relationship with Brazil was to prove one of the firm's most enduring.

By the summer of 1825, therefore, the Rothschilds had succeeded triumphantly in establishing themselves as the leading specialists in European public finance—and not only European. One by one, the powers of the Holy Alliance had followed the British lead, entrusting their loans to Rothschilds: first Prussia, then Austria, then Russia. Finally, France too had to abandon her preference for more established Parisian houses. In the space of three years, the brothers had provided the crucial financial assistance which enabled Austria to suppress revolution in Naples, and France to restore royal absolutism in Spain. Yet their contemporary image as "bankers to the Holy Alliance" was in some respects a caricature. It understated what might be called their political agnosticism, their tendency to assess business opportunities in financial rather than political terms. James neatly summed up the Rothschild attitude to Restoration politics in an exuberant letter to Nathan in late 1826:

It would be a mortal sin to be dependent on a Villèle and on a Canning and on what these Gentlemen may wish to say in the Chambers, as a result of which one will be unable to sleep at night, and why so? Because they want more than they can afford to pay and we have to thank the dear Lord that we can

extricate ourselves from this situation. What we now want to say is, "[You want] a loan? You can have one, as much as you want, and draw a certain profit from it. But to keep all the millions, to that we say no!"

The attraction of counter-revolution, in other words, was not that it restored despots, but that it generated new financial needs. Nor were conservative regimes given preferential treatment. As the conditions attached to the 1818 Prussian loan show, Nathan in fact saw constitutional structures for controlling government finance as preferable to the extravagance and inefficiency which often characterised absolutist regimes, and which in any case tended sooner or later to generate revolutionary pressures. Ultimately, that was why he was unwilling to lend to absolutist Spain without a guarantee from constitutional France. Such views would also condition the Rothschilds' attitude to the increasingly reactionary drift of French policy under Charles X, who succeeded his brother in September 1824. And if, on the other hand, the Rothschilds preferred to lend to a constitutional monarchy like Brazil rather than a republic like Colombia, events would soon confirm the economic rationality of that preference. Where Laffitte, the follower of Saint-Simon, was "truly liberal" (in Byron's phrase), Rothschild was more politically ambivalent, a conditional supporter of the Holy Alliance at best.

Saving an Old Lady

If the French Prime Minister Villèle had hoped the large 1823 loan would ultimately "free him from the hands of these gentlemen"—meaning the Rothschilds—he quickly found himself more firmly in their grip. The sustained rise of the rentes in 1823-4 was not so much proof of "the strength and power of France"; it was proof that interest rates throughout Europe were falling. This presented the Rothschilds with a new business opportunity: the conversion of government bonds bearing higher rates of interest into new bonds with lower rates. Though new to France, such operations had been undertaken in Britain before (for example, in 1717 and 1748-57). Indeed, Vansittart had converted £150 million of 5 per cents into 4 per cents in 1822; and two years later a further £75 million of 4 per cents were converted into 3.5 per cents by Frederick Robinson, his successor. For the governments which undertook such conversions, the benefit was obvious: the annual burden of debt service was significantly reduced. For the Rothschilds, the benefit was obvious too: such large-scale operations justified fat fees. The only difficulty lay in persuading bondholders who had enjoyed substantial capital appreciation and wished to continue enjoying annual interest of 4 or 5 per cent to accept less. One reason for the boom in continental and Latin American bonds between 1822 and 1824 was precisely the refusal of British bondholders to do so. Confronted with the option of converting their British 5 or 4 per cents or redeeming them and reinvesting the cash in higher-yielding assets, many did the latter, fuelling the speculative fever.

In France, when Villèle proposed to convert 2,800 million francs of 5 per cent rentes into 3 per cents issued at 75, the bondholders' reaction took a different form. The arguments for conversion were the same as in England: more than a third of the French budget was being consumed by the costs of servicing the state's debt and, with 5 per cents rising from 93 to a peak of 106, the time for such an operation seemed right.[19] But the proposal became mixed up with the vexed question of compensation for losses suffered by royalist émigrés during the Revolution and was narrowly rejected in the Upper

House following spurious claims by Chateaubriand and others (notably financiers like Casimir Périer who had been excluded from the deal) that it was an Anglo-Austrian racket to defraud the humble French rentier. A second, heavily modified scheme—which offered to convert 5 per cents on a voluntary basis in return for tax breaks—was pushed through in 1825, but only 30 million francs' worth of bonds were exchanged, leaving James with a substantial sum on his hands at a time when the market price was falling. Ouvrard later claimed that the Rothschilds had doubly insured themselves against the possible failure of the first conversion scheme by not only insisting on an official safety net of 100 million in treasury bills (to be issued if the banks were left with large quantities of rentes on their hands), but also surreptitiously selling both 5 per cents and 3 per cents. Suspicions that the Rothschilds were cutting their losses by selling rentes—which were justified in 1825[20]—brought to an end the brief period of harmonious relations with Villèle which had begun in 1823. In the wake of the conversion fiasco, the French premier made a concerted effort to direct government business back to James's rivals in Paris, organising Laffitte and the Receivers-General into a syndicate to undertake a loan to Haiti and to issue 1,000 million francs of 3 per cent rentes for the benefit of the dispossessed émigrés.

Yet the reality was that the Rothschilds had enjoyed a lucky escape. As Nathan's well informed *Times* obituarist remembered:

[H]ad it [the Villèle conversion] been carried, the convulsion in the money markets of Europe which shortly followed it would probably have proved fatal to him with such a burden on his shoulders, notwithstanding all his vast resources. Indeed, it was a common remark of his own at the time, that neither he nor the houses engaged in the undertaking with him could have stood the shock.[21]

It was indeed fortunate that Villèle's scheme foundered when it did. For 1825 was to be the year in which the great speculative bubble burst on the London stock exchange. And not only would it have been awkward for Nathan to have been left holding millions of 3 per cent rentes at such a time; the conversion might also have made it more difficult for his brother James to assist him in containing the English banking crisis of that year.

The 1825 crisis had in many ways been prophesied by Nathan and the other opponents of the decision to resume gold convertibility six years before. Between 1818 and 1823 the Bank of England's note circulation fell by around a third, a dramatic contraction. In 1824 a temporary influx of gold generated a big expansion in the note issue, but this was followed by an equally sharp contraction in 1825. At the same time, though fiscal policy was gradually being brought under control following Vansittart's resignation in December 1822, the enthusiasm of Huskisson at the Board of Trade for cuts in import duties made balancing the budget harder than it might have been. The medium-term aim of these first steps towards free trade was to increase the volume of commercial activity, in conformity with the principles of the political economists; but the short-term effect was to reduce revenues. Even with sharp cuts in expenditure, the government still found itself having to resort to both short- and long-term borrowing. Moreover, as Nathan complained, Huskisson's policy was also giving rise to a trade deficit: as he told Herries in April 1825, "The consequence of admitting foreign goods (which had not been met by any corresponding liberality on the other side of the water) was, that all the gold was going out of the country. He had himself sent two millions within the last few weeks; the funds fell rapidly, and no advantage is gained by any human being." It was this outflow of gold which lay behind the sharp monetary contraction of 1825. Under these circumstances, the high prices which had been reached on the London stock exchange during the 1822-4 bubble could not be sustained. In April 1825 the market began to slide. The heaviest falls were experienced by British industrial securities and Latin American bonds: the Brazilian bonds which Nathan had issued at 85 were down to 81.25 by July and just 56 by

March of the following year.[22] But the bonds of the formerly Spanish republics fared even worse: Mexican, Colombian and Peruvian all fell below 20. Even the best paper—British 3 per cent consols—was affected, falling below 75 compared with a peak of more than 97 the previous year. Such a severe asset-price deflation was bound to bring a banking crisis in its wake.

There is an old anecdote which describes Nathan threatening to exhaust the Bank of England's reserve by bringing an immense number of small denomination notes to its counter and demanding gold. This is another Rothschild myth which is diametrically opposed to the truth. In fact, Nathan's relations with the Bank of England were close and mutually beneficial. Beginning in the summer of 1823, when he borrowed 3 million silver dollars to finance his first loan to Portugal, he set out to establish a direct line of communication with the Governor with the intention of circumventing the Bank's established bullion brokers Mocatta & Goldsmid. It worked, though his parallel challenge to Mocatta & Goldsmid's position as the East India Company's sole bullion brokers and his later efforts to deal directly with the Mint were thwarted. Thereafter, Nathan's dealings with the Bank were regular, as he later told the 1832 Committee on the Bank Charter (with characteristic oversimplification): "You bring in your bank notes, they give you the gold." Much of the time, Nathan was a buyer or borrower of gold and silver. In December 1825, however, it was the other way round: the Rothschilds gave the Bank their gold, supplying the "Old Lady" of Threadneedle Street with enough specie from the continent to avert a suspension of cash payments. James had in fact been sending substantial quantities of gold across the Channel since the beginning of 1825, if not earlier. In the first week of January alone, he had sent gold worth nearly £500,000, which he expected to "impress your Bank" (meaning the Bank of England). By the middle of the month, he was talking about "our old established practice" of "buy[ing] some gold whenever we can find any."

It was at the end of the year, however, that his assistance mattered most. As a succession of banks stopped their payments—six failed in London alone—the Governor of the Bank informed the government that a suspension of cash payments might be the only way to avert a general financial collapse, as he would be unable to meet the demand for gold likely when exchequer bills fell due. Liverpool and his colleagues were determined not to sanction this, suspecting the Governor of exaggerating the shortage of bullion to undo the work of the 1819 Committee. On the other hand, the Bank's reserve of *coined* gold which could be used immediately was running out fast, and the Cabinet was sufficiently alarmed at the prospect of an unauthorised suspension by the Bank that "orders had been given to the regiment of Guards to remain in the City in case of disturbance." Some City insiders —notably Henry Thornton, who was battling to rescue Williams & Co.—had already realised that "the Jew King of the City, Rothschild" had a stock of gold in reserve, and according to one account, "by dint of a little persuasion and exhortation [by Alexander Baring] the Jew was induced to bring out his gold, first charging 2½ per cent commission, then saying he did it out of public spirit, and lastly begging that they would never tell it or he would be besieged night and day."

The government, however, may have hesitated to approach Nathan because of his well-known antipathy towards Huskisson, whose policies, as we have seen, he held responsible for the crisis. On December 17 - the turning point of the crisis—the wife of Charles Arbuthnot, the Joint Secretary of the Treasury, recorded in her diary "the detestation in which Mr Huskisson is held in the City" as well as their "utmost contempt" for the Chancellor, Robinson. The feeling was evidently mutual. According to her informant, Nathan's old friend Herries (now Financial Secretary to the Treasury),

Mr Huskisson has done all he can also to ruin Rothschild by spreading reports that their house was in danger, & he made Mr Canning write to Paris to enquire into the affairs of [Rothschild's] brother. Ld.

Granville sent his private secretary to pump Rothschild. R found out what he was at & instantly shewed him his accounts & proved to him that he was worth 2½ millions.

Evidently, this led to a change of heart on both sides, which no doubt owed something to Herries's mediation and Huskisson's absence: "Rothschild has made the most gigantic efforts to assist the Bank and he told Mr Herries that, if he had been applied to sooner, he wd. have prevented all the difficulty. As it is, if they can hold out till Monday or Tuesday, he will have enormous sums over in sovereigns from Paris, & the pressure will be entirely relieved."

Nathan had done two things that evening: firstly, he had advised the government to intervene in the money market itself by purchasing exchequer bills to inject liquidity into the market; secondly, and more important, he had delivered gold to the Bank, beginning with £300,000 of sovereigns, and continuing with larger sums in the succeeding weeks until confidence had finally been restored. In fact, the reserve touched its lowest level (just over a million pounds) on December 24; however, Nathan was still delivering gold a year later, pledging a million pounds in the course of March 1826 and a total of £10 million by September. His principal source was James in Paris (as he later reminded Nathan, "I emptied my coffers for your gold"). But, as Nathan recalled, "there was a good deal [of gold] supplied from the whole world; I imported it, and it was imported almost from every country; we got it from Russia, from Turkey, from Austria, from almost every quarter in the world." The Bank's ledgers describe the influx of myriad kinds of gold coin from France, Italy, Holland and Germany.

The crisis of 1825 had come close to being another 1797 (the year when the Bank had last suspended cash payments), a monetary crisis with the potential to destabilise the British economy as a whole. As it was, 73 out of 770 country banks failed and, as Huskisson himself admitted, the country came within forty-eight hours of "putting stop to all dealings between man and man except by barter." Looking back in 1839, Wellington had no doubt who had averted disaster: "Had it not been for the most extraordinary exertions—above all on the part of old Rothschild—the Bank must have stopped payment." Of course, Nathan would not have made such immense deliveries of gold without asking for a generous commission in return. The operation has to be seen as part of his campaign to establish himself as the dominant force in the London bullion market. On the other hand, there is no reason why he should have bailed out the Bank and the government free of charge, when the crisis was so manifestly the product of policies he had advised against. The rescue of the Bank was a remarkable achievement which owed everything to the international nature of the Rothschilds' operations. In effect, the brothers were establishing that system of international monetary co-operation which would later be performed routinely by central banks, and on which the gold standard came to depend. Increasingly, their position in the international bullion market was becoming as dominant as their position in the international bond market.

Byron was therefore not far wide of the mark when he suggested in *Don Juan* that Baring and Rothschild reigned over both royalists and liberals, and that their loans could "seat a nation or upset a throne." He erred only in regarding the two bankers as financial equals. In 1815 they had been. By 1825 they were not. As early as August 1820 the Bremen delegate to the German Confederation's Diet in Frankfurt had a conversation with his Austrian counterpart Count Buol which acutely identified the unrivalled extent of the Rothschilds' political influence in Europe:

This house has, through its enormous financial transactions and its banking and credit connections, actually achieved the position of a real Power; it has to such an extent acquired control of the general money market that it is in a position either to hinder or to promote, as it feels inclined, the movements

and operations of potentates, and even of the greatest European Powers. Austria needs the Rothschilds' help for her present demonstration against Naples, and Prussia would long ago have been finished with her constitution if the House of Rothschild had not made it possible for her to postpone the evil day.

The Frankfurt banker Simon Moritz von Bethmann echoed this judgement in a letter written at around the same time:

N. M. Rothschild, who is equipped with a vulgar talent, audacity and vanity, constitutes the centrifugal point around which the stock exchange revolves. He alone determines the exchange, buying and selling £100,000 each day . . . I can well understand why the Rothschilds are such useful instruments for the [Austrian] government.

Both men had their reasons for disliking this phenomenon, as we shall see; but they did not exaggerate it.

FIVE

"*Hue and Cry" (1826-1829)*

Seyd Umschlungen Millionen.

—CAPTION TO A GERMAN CARICATURE OF NATHAN ROTHSCHILD

It is not wholly surprising, in view of the decisive role they played in so many post war financial transactions, that the Rothschilds first became famous in the 1820s. Even as early as 1816 Carl was conscious that he and his brothers were becoming "very famous" in their home town. As he told James, "these days a lot is written about us in consequence of the freedom of the Press." He encountered similar publicity when he visited Berlin later the same year. Carl evidently felt uneasy about such celebrity, not least because of the inaccuracy of much that was written. "We are every day in the news," he complained to Amschel. "Last week you were mentioned in the papers in connection with the poor . . . Today you are mentioned in connection with grain, and that you are going to become [the Elector of Hesse-Kassel's] Minister at the Diet of the Confederation." It was the same in Hamburg:

Whenever any one of us arrives gossip and marvellous stories are spread by people. Lawätz told me that at some party in town the story was told that the King of Prussia wrote to us asking to arrange a bond issue of three millions. We are supposed to have replied that this was not necessary, because we were able to advance this sum from our own money.

Amschel too was struck by the public propensity to exaggerate: "People think that we are ten times as rich as we really are." "Wherever we go now," Carl found, "people think it is a political trip." The

arrival of James at the St Petersburg stock exchange, or of a ship chartered by Nathan in port, was enough to bring business to a standstill. James had only to buy a certain security in Paris for "everybody" to buy it. Unlike Carl, the youngest brother relished this new-found fame. As he told Nathan, "It is indeed nice to possess so much prestige." "They all say: 'Il n'a jamais existé à Paris une maison aussi fameuse que la nôtre.' . . . We are now regarded as *the* first . . . I sent last week [bills for] three millions to the Banque de France. There was a lot of rubbish among them—yet not a single one was returned."[1] Salomon and Nathan too could make light of publicity. "We are not going to cry about the fact that you have been caricatured," he told Nathan. "As you say, so are kings and emperors . . . May God grant that this is the worst thing that ever happens to us . . . May my Anselm and your Lionel also be caricatured, please God, as soon as they become well known in this world. I wish this for our darling children . . . [Idle] dreams!" Nathan's attitude was typically robust: "*Gagesh* [nobody] is not being written about." Press interest—including unsubstantiated claims that they were in financial difficulties—was merely the price of success.

Public Relations

As the brothers' comments suggest, little of this publicity was good publicity. From the very earliest years of their fame, the Rothschilds were subjected to markedly more vilification than glorification in the public sphere. Of course, most monarchs, politicians and other public figures in the early nineteenth century occasionally found themselves held up to ridicule in newspapers, pamphlets and other media, especially in those parts of Europe where censorship was lax. But the Rothschilds often seemed to attract a specially intense form of criticism. One reason for this was their religion. To those who regretted the steps taken towards religious equality in the Revolutionary period, the fact that the most economically successful family of the Restoration era was Jewish was an inexhaustible source of irritation. However, other factors undoubtedly played a part, and it would be a mistake to equate anti-Semitism with anti-Rothschildism. A good deal of the hostility which the brothers encountered after 1815 can be attributed to plain economic rivalry. The other Frankfurt bankers, for example, would have been envious of the meteoric rise of the Rothschilds even if they had not been Jews. Moreover, some of the Rothschilds' most determined opponents were other Jews—as in Kassel. Additionally, anti-Rothschildism had a political dimension: their identification with conservative regimes and the policy of the Holy Alliance made them targets for liberal criticism. The bad publicity of the Restoration era was therefore often a synthesis of economic envy and religious antipathy, with an admixture of political radicalism.

In Frankfurt, for example, the Rothschilds' emergence as a financial great power threatened to eclipse the Bethmanns, hitherto the town's pre-eminent bankers. Simon Moritz, the dominant partner in this period, viewed his own relative decline with remarkable and indeed admirable equanimity; of all their many rivals, he yielded with the best grace. As early as September 1815 he actively sought to work in partnership with Salomon and James, observing in a letter from Paris to his own house in Frankfurt, "The more contact I have with the two Rothschilds here, the more confidence they give me." Although he did not pretend to like Nathan's "audacity and vanity," he insisted that he was "far from wanting to criticise or envy" the Rothschilds, and described Salomon as "a very estimable man of character, to whom I am sincerely well disposed." He even referred to Nathan as "our fellow countryman." "The five Rothschild brothers are a remarkable phenomenon of our time," he wrote in February 1822. "What they lack in genius they make up for with relentless activity, an enviable unity and mutual consideration." However, such remarks were partly informed by Bethmann's awareness that the best

place to be in the 1820s was on the Rothschilds' coat-tails. His mood changed markedly when he found himself left out of the 1821 Neapolitan loan, in which he believed Carl had promised him a share. "I do not think it fair," he wrote angrily, "that I should commit myself to you for a period of months, while you find it suits you to retain the option whether you will keep your offer open or withdraw it."

Such complaints about the Rothschilds' ruthless methods were nothing new: it had been the perennial complaint of the Gentile business community in Frankfurt that the Jews' business methods were "unfair." Early German caricatures of the Rothschilds emphasise this point: in I. Nussgeig's *Musterreiter*, Carl is portrayed as "Blauschild," a travelling pedlar heading south to Italy with his bedraggled pony bearing all kinds of wares, including muskets and swords.[2] A later caricature contrasts the elegant figure of Bethmann, riding his coach-and-four in fashionable apparel, with a scruffy and grotesquely ugly Amschel, standing atop a large cash box which a two-headed eagle struggles vainly to pull forward.[3]

As in the past, such business rivalry also had a political dimension. The fact that the Rothschilds were now "richer than Bethmann" was widely seen as evidence of the need to restore the traditional legal restrictions on the Jewish minority. In Amschel's words, it "irked the Gentiles that a Jew should set the tone." Hostility was growing daily, he reported in September 1815: "They begrudge us Jews the eyes in our heads . . . [and want] to drink our blood." Matters were not helped by the fact that other Jews were inclined to boast about the Rothschilds' wealth as a matter of communal pride, something which Amschel and Carl felt only fuelled Gentile resentment. This resentment generated a spate of anti-Jewish pamphlets and plays in the post-war years—the best-known was *Unser Verkehr*, about a cowardly Jewish soldier—and finally boiled over in the so-called "Hep" riots of August 1819, when a noisy crowd rampaged through the Judengasse, chanting the traditional anti-Jewish slogan "Hep-Hep! Jude verreck!" and vandalising houses. A good deal of this hostility was specifically targeted at the Rothschild family. In 1817 noisy crowds had gathered outside Amschel's newly acquired garden, itself a symbol of Jewish social mobility, to mock his even more recent ennoblement, "chanting 'Baron Amschel' and all sorts of stupidities." Caricatures were pinned to his door and the Rothschilds' office windows were among those broken during the "Hep" riots.[4] At around the same time, Amschel received death threats.

Such demonstrations—which prompted Amschel to contemplate leaving Frankfurt altogether—do much to explain the Rothschilds' ambivalence about popular political participation. When Metternich expressed his disapproval of the riots (a disapproval which, of course, extended to all "outbreaks of the vulgar masses") he did much to reinforce the Rothschilds' sense that conservatism might offer them more personal security than the more radical forms of liberalism. This was especially true in Germany, where traditionally the Habsburg Emperor had given the Jews "protection" from the local populace and where the proto-liberal associations of the Restoration era espoused a nationalism which was occasionally anti-Jewish in its rhetoric. At the same time, the closer the Rothschilds drew to the established order, the easier it was for its critics to identify them with it. When marriage between Jews and Gentiles was legalised in Frankfurt—one of a number of minor concessions wrung from the Frankfurt Senate in the 1820s—the eighty-year-old Goethe was moved to comment:

This scandalous law will undermine all family sense of morality, intimately associated with religion as it is. When this is passed, how can a Jewess be prevented from becoming Principal Lady of the Bed Chamber? Who knows whether or not bribery has played a role in all this; who knows whether or not the the all-powerful Rothschilds are behind it?

If so august and enlightened a figure could express such a view, it is no wonder the Rothschilds were content to see popular participation in German political life kept to a minimum.

Anti-Rothschildism was not confined to Frankfurt. Wherever the Rothschilds secured a large proportion of government business, local rivals often reacted with religiously-tinged attacks. In Vienna, for example, the 1820 lottery loan which Salomon arranged in tandem with David Parish was widely criticised as "a shameful Jewish ramp" because of the substantial profits the bankers stood to make. Sometimes, it should be stressed, such attacks had no religious dimension. Six years later it was Parish himself who directed one of the most vitriolic blasts against the Rothschilds of the entire period. Parish had gradually been surpassed by his erstwhile partner: by 1823 he was the junior partner (if not the messenger boy) in Nathan's loan to Portugal, and his eclipse was completed by the 1825-6 crisis, which claimed Parish's Viennese bank Fries & Co. as one of its victims. On the eve of drowning himself in the Danube, Parish wrote four letters—to his brother John, to the banker Geymüller, to Metternich and to Salomon himself—all blaming his downfall on the Rothschilds and pledging to discredit them publicly. Metternich, said Parish, had "sacrificed me to the cupidity of a family who, for all their riches, are heartless men who only care about their cash box." He had been "deceived" by Salomon "in the most shameful way and rewarded for very considerable service with the blackest ingratitude." The strong implication was that the Rothschilds had secured Metternich's "protection" and left Parish out in the cold by underhand means. Parish's letters show that it was perfectly possible to be anti-Rothschild without being anti-Jewish. Yet few German journalists could resist alluding to the family's religion when reporting such stories. A good example is Friedrich List's newspaper report of a minor case of embezzlement by a clerk at the Paris house in 1826, which referred quite gratuitously to "Rothschild, the pride of Israel, the mighty lender and master of all the coined and uncoined silver and gold in the Old World, before whose money box Kings and Emperors humbly bow . . ."

The brothers encountered similar kinds of hostility in Paris as well. "It's always a case of 'The Jew has done too well, has done this, has done that,' " Salomon reported to Nathan in October 1815. These were the complaints of business rivals, who battled to elbow the Rothschilds aside in the scramble for post-war pickings in the French capital. Ten years later, by contrast, James found himself the target of a primarily political critique. The liberal Fournier-Verneuil's *Paris*, published in 1826, contains the first of many French claims that the government—in this case Villèle's—was the corrupt puppet of "the aristocracy of finance, the most unfeeling and ignoble of all aristocracies" at whose head stood none other than "M. le baron R." Fournier quoted Chateaubriand (an unlikely ally for a liberal): "How hard it would be if Providence had shaken the world, thrust the heir of so many kings under the [guillotine's] blade, led our armies from Cadiz to Moscow [and] chained Bonaparte on a rock, simply in order that MM. Villèle, Rodchild [*sic*] and company can make money with the debris of our glory and our liberties." Even this struck Fournier as understating the problem, however:

The Jew R. and his co-religionists . . . see in the kingdom of the heavens no more than . . . money devoted to usury . . . It is a singular race of men; I am not intolerant, but Napoleon, in calling together the grand Sanhedrin [Jewish assembly] did not create a [new] Frenchman. They . . . are still Jews, and nothing but Jews. I do not hold it against them that they retain their faith; but I reproach them for profiting from all quarrels, for charging them up; they are everywhere. They were in Poland on the corpses of our brothers; they are [currently] supplying Ibraham [Pasha], and they are dancing at this very moment on the tomb of Achilles.

The references to the Ottoman oppression of the Greeks make the author's liberal sentiments obvious. Equally evident, however, is an anti-Jewish rhetoric which would only later come to be located on the political right. Fournier's was in many ways an embryonic version of that elaborate conspiracy theory

which was to evolve and expand for years to come in France, and which almost invariably ascribed a central and malign political influence to the Rothschilds.

In London too—where anti-Jewish feeling is often assumed to have been less prevalent—the 1820s saw a spate of more or less hostile public allusions to Rothschild power. Indeed, the volume of such allusions was probably greater in London than anywhere else—a reflection partly of Nathan's relatively greater importance, but also of the freedom of the press. Again, hostility often had its roots in business rivalry. If the rivals were both Jews—as when Mocatta & Goldsmid denounced "the overwhelming attempt of Mr Rothschild to benefit himself at the expense of any person or establishment"—this could be acrimonious without having a religious dimension. But when Alexander Baring referred to his principal rival, it was often (disdainfully) as "the Jew." According to Laffitte, it was explicitly on religious grounds that Baring sought to exclude the Rothschilds from the French reparations loan in 1817. Although James tended to think this was merely a pretext, he acknowledged that a measure of prejudice was at work:

In Frankfurt one got used to [it] so one is not astonished [there], but here the case is the contrary and if something of this kind happens here, one is more amazed . . . Yesterday Laffitte asked me to come and see him. Baring came to see him and gave clear explanations that he could not possibly make [the loan] with us. True, he himself was not of the same opinion [but] his associés and the English . . . are prejudiced against the Jews. If he were to take us in partnership, the operation would be spoiled. He is unable to do such a business with a Jew . . . It all originates in Labouchère's pride and in Sillem's envy; as these two *are* Hope [& Co.], they think that their honour would suffer if they had to get in line with a Frankfurt Jew and that we would become great by that fact . . . Baring told him: "These gentlemen are working like Jews. How could we co-operate? Their principles are different. They are working on twenty transactions at the same time . . . with the only aim to do business. It is like stock-jobbing. Take for example the Prussian business. They cut off Prussia's credit . . . then this printing [of circulars] before anything is known." . . . He added that we are right in what we did because we succeeded and made money. However, he does not want—so he said—to do business in this manner. Now we try—so he said—to bring down the English stocks after having sold ours, in order to buy them back.

It was the Rothschilds' (very successful) methods, in other words, which Baring found objectionable; but he instinctively thought of these as "Jewish" in character. Such attitudes were widespread. *Devotion in Dukes Place*, one of the earliest English caricatures thought to be of Nathan, shows him at the front of a Jewish congregation in the Great Synagogue "returning thanks for a loan." (see illustration 5.i).

As elsewhere, however, there was also a political dimension to anti-Rothschildism. The Rothschilds, as we have seen, often worried in the post-war years about the extent of Baring's political influence in London and Paris, seeing this as the key to his dominance of the post-war reparations business. To less influential businessmen, however, it was the Rothschilds who seemed to have the political power. As early as 1818 an anonymous member of the stock exchange wrote to Lord Liverpool, attacking Nathan for his opposition to the resumption of cash payments:

Let me inform you, the Capitalists of Money Market . . . have set their faces against your Plan because it serves not their purpose or puts Money in their Pockets. The Jew interest alias Mr Rothschild are . . . straining every nerve to defeat your objects . . . If a Man asks Mr Roth-schild, what is his opinion of the Funds, he answers they must be better and at the very same time he acts contrary[;] [that] in so great a country as this, Your Lordship and Colleagues should be the Sport [&] the caprice of a Jew Party . . . is

truly lamentable.



5.1: *Devotion in Dukes Place—or Contractors returning thanks for a Loan* (1818).

A cartoon of 1824 made a similar allusion to Nathan's role in the debate about resumption, portraying Nathan rising above the stock exchange in a balloon. Although the balloon is held aloft by a bull and a bear and carries the inscription "Everything must rise," it is held down by ballast labelled "Cash Bags." Here too there is a religious allusion. Indeed, the most striking feature of this cartoon is the ambiguous way it portrays Nathan's relationship to a group of poorer Jews. Nathan holds two flags, bearing the mottoes "Those who give to the poor lend to the Lord" and "Charity covers a multitude of sins"; but he says: "I am going to receive my Dividends," and a figure on the left, emerging from Capel Court with a copy of *The Times*, exclaims: "We stop the press to announce that one of the greatest capitalists in the City has gone on a secret *Financial Expedition*." The six poor Jews on the right—labelled "The Old Stock reduced"—are left to direct their lamentations to King, the guard of the Royal Mail coach, who is carrying a Way-bill bearing eight Jewish names, each of which has been allotted a shilling.

If these critics portrayed Nathan as an interloper within the City, it was nevertheless also plausible to portray him as the personification of the City as a whole: as the leader of the "Change-Alley People," of "Muckworm," the gang of financiers and stockjobbers whom the Tory radical William Cobbett blamed for the post-war policy of deflation. A graphic example of this sort of critique is another 1824 cartoon, *A New Court Fire Screen*, which portrays the Rothschild-founded Alliance Assurance Company as a racket for defrauding country gentlemen. At the same time, this print also attacks Nathan's connections with the Holy Alliance. The company's building has an inscription which reads "Hollow Alliance Fire and Life Preserving Office" and is surmounted by five royal busts marked "Russia," "Prussia," "Naples," "France" and "Austria." At the very top of the print is a longer inscription which alludes to the Rothschilds' counter-revolutionary role:

Persons insured in this Office will be supplied gratis with a Box of veritable German Paste which if

applied according to the directions of Prince H [or M?] & Co. will prevent fire. NB Should any Person obtain fraudulently a Box of the above miraculous Paste without being insured in this Office it will have the contrary effect and consume the House on the first appearance of the New Moon.

Although the emphasis here is on the Rothschilds' foreignness—Nathan and Moses Montefiore are pictured speaking French to one another, and there is a German porter with a thick accent—there is no mistaking the Jewishness of the three brokers in the foreground, congratulating one another on their profits.

It was, however, a complex crisis at the highest level of British politics which did most to bring Nathan into the British public eye. In the wake of Lord Liverpool's illness in February 1827, a ministry had been formed by Canning which united Liberal Tories, notably Huskisson, with Whigs like Lansdowne, but excluded Ultra-Tories led by the Duke of Wellington, who shared Nathan's distaste for Huskisson's liberal economic policies. When Canning unexpectedly died in August of the same year, the King commissioned the Chancellor of the Exchequer, Robinson (now Lord Goderich), to form a new Cabinet. But the King's insistence that Herries be appointed Chancellor (as well as his refusal to have the Whig Lord Holland as Foreign Secretary) meant that Goderich's term in office was exceedingly brief. At the Whig leader George Tierney's instigation, Goderich and Huskisson appointed Lord Althorp as chairman of a finance committee without consulting Herries, prompting the latter to threaten resignation unless Althorp's appointment was rescinded, and Huskisson to threaten resignation if it was. In the event, Goderich himself resigned in January 1828 and the King turned to Wellington to form a government—though the conflict between Huskisson and Herries was resolved only when Wellington agreed to replace him as Chancellor with Goulborn, demoting Herries to the office of Master of the Mint.

The significance of the whole tangled affair lay in the identification of Herries with the King and his increasingly influential physician and private secretary Sir William Knighton; with the opposition within the Tory party to Catholic emancipation; and, perhaps decisively, with the financial interests—principally those of New Court—which were hostile to Huskisson. As early as August 1827 the Ultra-Tory *Morning Chronicle* was suggesting that Herries's close connections with Nathan disqualified him from serving as Chancellor. In the debate which followed Herries's demotion in February 1828, this charge was repeated by the Whig MP for Hertford, Thomas Duncombe, who called for the "mystery . . . about the late change" to be "cleared up, by the rising of the curtain which concealed persons of great consequence, incorporeal as well as corporeal":

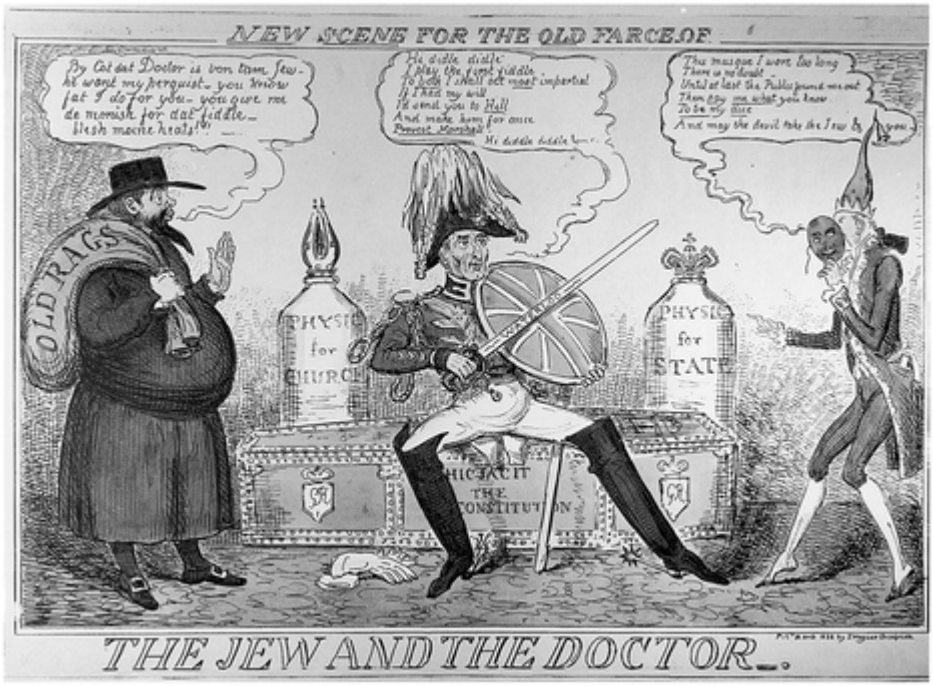
There is . . . deny it who can, a secret influence behind the throne, whose form is never seen, whose name is never breathed, who has access to all the secrets of State, and who manages all the sudden springs of ministerial arrangement . . . Closely connected with this invisible, this incorporeal person, stands a more solid and substantial form, a new, and formidable power, till these days unknown in Europe; master of unbounded wealth, he boasts that he is the arbiter of peace and war, and that the credit of nations depends upon his nod; his correspondents are innumerable; his couriers outrun those of sovereign princes, and absolute sovereigns; ministers of state are in his pay. Paramount in the cabinets of continental Europe, he aspires to the domination of our own; even the great Don Miguel himself [see below], of whom we have lately heard and seen so much, was obliged to have recourse to this individual, before he could take possession of the throne. Sir, that such secret influences do exist is a matter of notoriety; they are known to have been but too busy in the underplot of the recent [ministerial] revolution. I believe their object to be as impure as the means by which their power has been acquired, and denounce them and their agents as unknown to the British consitution, and derogatory to the honour of the Crown.

Duncombe “trusted that the duke of Wellington and the right hon. Secretary for the Home Department [Peel], would not allow the finances of this great country to be controlled any longer by a Jew, or the distribution of the patronage of the Crown to be operated on by the prescriptions of a physician [a laugh].”

Responding for the government, Peel shrugged the attack off, denying knowledge of “the mysterious, incorporeal, and incomprehensible, being of which he had spoken” and denying “that the other more substantial personage had interfered, in the way stated by the hon. gentleman, with the financial affairs of the country.” But Duncombe’s speech was widely followed up. On February 25 a letter appeared in *The Times* signed “Algernon,” which declared indignantly: “We cannot suffer the destinies of a mighty Empire to be wielded by the unclean hands of a Jew and a man-midwife.” Writing under the pseudonym “Malcolm Macgregor, jun.,” the young Thomas Babington Macaulay contributed some satirical verses about the “mysterious two, / Lords of our fate, the Doctor and the Jew.”[5] A number of satirical cartoons were also published on the subject, at least two of which were inspired by Thomas Dibdin’s 1800 play *The Jew and the Doctor*. In the first to appear (see illustration 5.ii), Nathan is pictured as a pot-bellied angel, descending from the clouds with bags of gold towards the “Ex-Clerk, Ex-Commissary, Ex-Auditor, Ex-Secretary, Ex-Chancellor” Herries. “Si help me Cot!” he declares in what is supposed to be a thick German-Jewish accent, “de *Sinking Job* will go to de Bottom of de melting pot if you don’t stick out Herry! You bote know dat *I* and only *I* am de Incorporial—never mind. I gave de Don Miggel and all de oder Dons de monish! plesh my hearts!” A second cartoon by Robert Cruikshank (see illustration 5.iii) shows Nathan—bearded, in a broad-brimmed hat and with a sack marked “Old Rags” over his shoulder—approaching Wellington with the words: “By Cot dat Doctor is von tam Jew—he want my perquist—you know fat I do for you—you give me de monish for dat fiddle—blesh moine heats!!!—.”



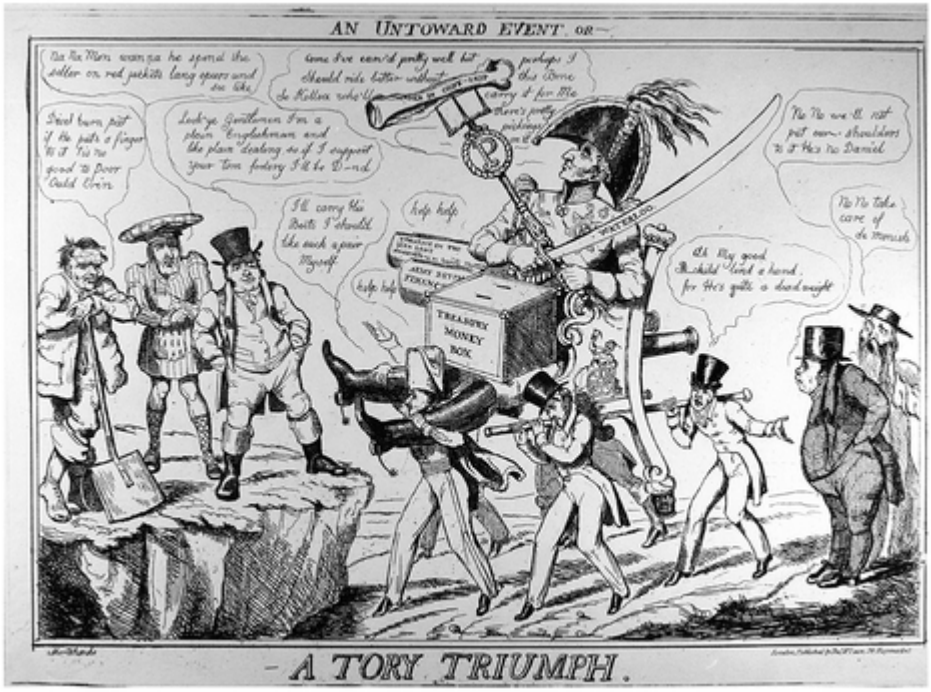
5.ii: George or Robert Cruikshank, *The JEW and the DOCTOR, or SECRET INFLUENCE BEHIND THE CURTAIN!! (Vide Times Feby. 19th 1828).*



5.iii: Robert Cruikshank, *NEW SCENE FOR THE OLD FARCE OF THE JEW AND THE DOCTOR* (March 1828).

Duncombe was something of a maverick figure who moved to the left in the 1830s and 1840s, emerging as a keen supporter of Chartism, as well as of Italian and Hungarian nationalism. But it is suggestive that, though he never completed it, he also attempted to write a book entitled *The Jews of England, Their History and Wrongs.* It seems reasonable to infer that he, like Fournier in France, was one of those liberals of the 1820s who saw no contradiction in attacking conservative ministers and Jewish financiers, even in terms which by modern standards seem quite anti-Semitic. The cartoonists' motives were not dissimilar. The original play *The Jew and the Doctor* is about a generous Jew who brings up a Christian child and endows her with £5,000. The cartoons invert the story by portraying Nathan in the act of trying to bribe Wellington. The recurrent theme is of a tottering government, inextricably tied not only to a corrupt court but also to a corrupting banker. In Cruikshank's cartoon, Wellington sits on a coffin marked "Hic Iacit the Constitution," with two bottles behind him marked "Physic for Church" and "Physic for State."

Another cartoon of 1828 (see illustration 5.iv) entitled *An Untoward Event, or a Tory Triumph* shows Wellington being carried by Londonderry and two others. (Wellington carries the "Treasury Money Box," a "Treatise on the Corn Laws," the "Army Estimates," a sword marked "Waterloo" and a bone marked "Commander in Chief ship," on the end of an elaborate fork—an allusion to the post he relinquished while serving as Prime Minister.) One of the bearers says to Nathan: "Ah My good R- child, lend a hand, for he's quite a dead weight." But Nathan replies: "No, no, we'll not put our shoulders to it. He's no Daniel," and a bearded Jew whispers: "No, No, take care of de Monish." Old Corruption and New Corruption are portrayed as two sides of the same political coin. Yet, in each cartoon, stress is laid on Nathan's Jewishness: sometimes his foreign accent is exaggerated, sometimes his appearance is altered to make him conform to the stereotype of the unassimilated immigrant, sometimes he is seen in the company of such a stereotype.



5.iv: "Shortshanks" [Seymour], ***AN UNTOWARD EVENT, OR A TORY TRIUMPH*** **(February 1828).**

The only qualification which needs to be made is that the cartoonists of the period can scarcely be accused of singling out Jews as targets for their satire. The Irishman and the Scotsman in *A Tory Triumph* are scarcely more sympathetically portrayed than the Jews. The Irishman has simian features and leans on a spade, muttering "Devil burn peat if he [Wellington] puts a finger to it, 'tis no good to poor Erin"; while the hook-nosed Scot in his kilt exclaims: "Na na Mon wanna he spend the siller on red jackets lang spurs and sic like." Nevertheless, they conspicuously stand next to the "plain Englishman" John Bull. Nathan and the poor Jew stand on the other side of the road.

From Canning to Wellington

Was there any truth in these various allegations of hidden Rothschild influence? The answer is that there was, though the reality was more complex than the Rothschilds' critics could know. As we have already seen, Nathan Rothschild had good reason to feel loyalty towards Herries, whose patronage had given him his single most important business opportunity, and hostility towards Huskisson, whose monetary and commercial policies he had consistently opposed. However, there was an additional political dimension which explains Nathan's (at first sight puzzling) lack of sympathy with Herries. When he heard the news of his old associate's defeat, he did no more than shrug, telling Carl: "Our friend Herries is annoyed because he has been given a poor job. He is annoyed, but I cannot help him. He must be patient, and perhaps he will get another job." In fact, what interested and pleased Nathan far more was the fact that the Duke of Wellington had emerged from the crisis as Prime Minister.

The cartoonists who depicted Nathan as trying to bribe Wellington or refusing to support his government were only slightly wide of the mark. Not only had the Rothschilds been cultivating the

Duke assiduously since his victories over France (which they had, of course, largely financed); more importantly, his conception of British foreign policy accorded far better with Rothschild interests than that of his mercurial predecessor Canning.

George Canning no more believed in "regenerating" Europe than his predecessor Castlereagh. What distinguished the two was Canning's determination to pursue British interests, with minimal regard for the other great powers. As he put it, famously: "For *Europe* I shall be desirous *now* and *then* to read *England*." He pointedly declined to take into account "the wishes of any other Government, or the interests of any other people, except in so far as those wishes, those feelings and those interests may, or might, concur with the just interests of England." This explains Britain's refusal to sanction the French intervention in Spain, to which Canning had responded with a strong pledge to uphold Portuguese neutrality and recognition of the Latin American republics' independence from Spain. That did not much bother the Rothschilds, who comfortably played both ends against the middle over Spain. However, in his last years—particularly in his brief period as Prime Minister (April-August 1827)—Canning took bolder steps which did much to alarm the Rothschilds.

There was already a degree of tension in their relationship even before Liverpool's death. As James said in November 1826, "It would be a mortal sin to be dependent . . . on a Canning." The feeling was mutual: the following month, when Canning received details of an important speech in Paris from the Rothschilds twelve hours before the official report of the speech from the British embassy, he wrote angrily to his ambassador:

You must make full allowance too for the day which I passed on Saturday. "Good God! what! nothing direct from Paris! Perhaps it is a mere stock-jobbing report." "Perhaps it is a trick of M. Rothschild's." . . . Such were the *propos* of the morning . . . I hope you will contrive to establish some communication with the F.O. at Paris, that will prevent Rothschild from getting official *papers*, (*news* you cannot help), before you.

That this less than friendly figure was to be Prime Minister deeply alarmed the Rothschilds. James immediately anticipated "a very serious crisis on our hands in Spain and in Portugal" and "a complete standstill in business activity" in Paris. For in December 1826, "to defend and preserve the independence of an Ally," Canning had sent troops to Portugal in support of the young Portuguese Queen Maria, whose claim to the throne was being challenged by her uncle Dom Miguel. Because Miguel had the backing of the reactionary Bourbon regime in Spain, which in turn was supported by France, this raised the possibility of a confrontation between Britain and France. For the first time, the Rothschilds appreciated what a large stake they had in peace between the great powers. For nothing could do more to weaken the price of consols, rentes and every other security they and their clients held than a war. Although Villèle had reassured James in November "that I should not be silly because England and France would never go to war on account of such miserable people like the Spanish and Portuguese," James had been worried enough about Canning's attitude "to remain on the sidelines" (that is, to make no major purchases or sales) until the crisis blew over. The appointment of Canning as premier revived these fears of Anglo-French conflict over Portugal. The brothers took the view that Canning was backing the wrong side in what might prove to be a bloody civil war. At an early stage they seem to have made a decision in favour of Dom Miguel, though it is not clear why.

The second reason for Rothschild anxiety about Canning was his anti-Turkish (and therefore pro-Russian) policy over Greece. By 1826 the risings by Greek communities in Moldavia, the Peloponnese and Missolonghi against Ottoman rule had been largely crushed by the Egyptian Prince Ibrahim Pasha

(the son of Mehemet Ali). From the point of view of Metternich, this was an entirely satisfactory outcome: another revolutionary threat to the status quo had been thwarted. However, Greek sympathisers in Britain and France, excited by reports of Byron's death at Missolonghi and of Turkish cruelty, clamoured for some kind of intervention. More seriously, traditional Russian ambitions in the region appeared to revive with the accession of Nicholas I as Tsar. In the hope of averting unilateral Russian intervention on behalf of the Greeks, Canning sent a reluctant Wellington to St Petersburg in April 1826 to agree a joint Anglo-Russian policy. The deal struck effectively gave Russia a free hand in Moldavia, while committing the two powers to impose some settlement on the Turks—forcibly, if need be—which would grant the Greeks limited self-government; a policy which Villèle endorsed in July 1827. The upshot was that in the autumn of 1827 a joint naval expedition was sent to the Eastern Mediterranean and inflicted a decisive defeat on the Ottoman forces at Navarino.

As Villèle himself put it, however, "Cannon fire is bad for money"; and, like Canning's threat of war over Portugal, his commitment to joint military action against Turkey perturbed the Rothschilds. There were two reasons for this: firstly, they were inclined to share Metternich's pro-Turkish attitude, even if plans for a loan to Constantinople had come to nothing in 1825; secondly, their relations with St Petersburg had taken a distinct turn for the worse since the appointment as Finance Minister of Count Kankrin, who made no secret of the fact that he regarded the Rothschilds' 1822 loan to Russia as "useless."

All this helps to explain why Nathan was so delighted by the emergence of Wellington as Prime Minister in 1828; for it was well known that the Duke disapproved of Canning's policy abroad, sharing the King's view that he had played into the Tsar's hands by turning against Britain's "ancient ally," the Sultan. "Consols have gone up because of our [new] Ministers," Nathan reported gleefully to Carl. "Praise be to God that we have good news, as Russia will wait [before taking further military action], through Wellington everybody is for peace which does not surprise me, for our King in his speeches is nothing but *schalom aleichem* [peace be with you]." When Mrs Arbuthnot asked Nathan at around the same time "what they thought of the Duke in the City, [h]e said they had unbounded confidence in him." In the two and a half years of Wellington's premiership which followed, that unbounded confidence was translated into concrete financial support for a foreign policy markedly different from Canning's. Not only did Nathan purchase substantial sums of exchequer bills in 1828 (£1 million) and 1829 (£3 million); he also provided Dom Miguel with £50,000, "under the guarantee of the British Government," to enable him to take possession of his office as Regent in Portugal. At the same time, he floated a £769,000 loan to Miguel's brother Pedro, the Emperor of Brazil, in an effort to stabilise Brazilian finances, still reeling from the 1825 Latin American debt crisis.[6]

Predictably, this somewhat confused policy was grist to the satirists' mill. We have already seen the various references to "Don Miggel's monish" in the cartoons of 1828. Brazil's financial difficulties were also ridiculed in *The Hue and Cry*, a cartoon published in the wake of Pedro's default on the earlier 1823 loan (see illustration 5.v). Here Nathan is pictured advising Dom Pedro not to pay the British bondholders—represented by John Bull prostrate on the ground. "If you pay them you'll want more monies," says Nathan to Pedro, "and that is not convenient just now." The devil whispers in Nathan's ear: "Tell him to call it political expediency—*you* know how easily John Bull is *humbugg'd*."

The Rothschilds were equally in accord with Wellington when, against Nathan's expectations, Russia renewed hostilities against Turkey in 1828. A Russian request for a loan was politely turned down, much to Metternich's delight, and the broth-ers continued to hope for Russian military reverses throughout the campaign. When, to their chagrin, the Russians won and imposed a modest indemnity

on the Turks under the terms of the Treaty of Adrianople (September 1829), the Rothschilds hastened to offer their services to facilitate the payment. Their sole anxiety throughout this, the first of many Eastern crises they would have to weather, was that Wellington might feel obliged to intervene against Russia. As over Portugal, the Rothschild view was now overtly pacifist, as Nathan emphasised to Salomon:

There are some here who want us [meaning Britain] to quarrel . . . with [the Russian ambassador] Lieven . . . and want us to send angry Notes . . . I must tell you Wellington and Peel would like to quarrel with Russia, but in the end we should have to go to war. I am not for demonstrations, and we must see to maintaining peace. What's the good of quarrelling? The Russians have gone too far, and the world will be angry with us and will say: Why didn't you do it twelve months ago? If England now says, Yes, we are angry and want to go to war, Austria and France will say, We will remain out—they will leave us in the lurch, and we shall be involved alone. I went to Wellington and congratulated him on peace. He said: "Peace is not yet. It is not yet ratified." . . . There is dissatisfaction with the Russian Peace in every respect. [But] the Cabinet has now decided for the present to remain quite calm and not to write a word to Russia, to keep quiet and to let come what may.



5.v: "Sharpshooter," *The HUE and CRY; or JOHN BULL between two Knaves, Stools, and the Heads of Police called to rescue him from Pickpockets. Dedicated to the holders of Foreign Bonds in General* (1829).

James neatly summed up the rationality of this pacifism: "If England were earnestly to attack [over] the [Turkish] issue then I assure you that we will suffer a fall of at least 5 per cent over here. If on the other hand the reports from there turn out to be better, then we could get a small improvement." The connection between international peace and bond market stability was to become a first principle of Rothschild policy in the decade to come.

It was not only a shared view of foreign policy which united the Rothschilds with politicians like Wellington or Metternich, however. Where the conspiracy theorists of the 1820s came closest to the mark was when they suggested that private financial interests also played a part.

We have already seen that it was common practice for European politicians of the period to accept favours—ranging from investment tips to outright bribes—from bankers. At the Congress of Aix-la-Chapelle, it was the fact that Baring had sold stakes in his impending French reparations loan to most of the ministers present that made them so eager to postpone the loan when the market unexpectedly crashed. The Rothschilds were adept at playing the same game. Indeed, Amschel was "convinced that we as Jews could not get by without bribing and that the Gentiles have the advantage." In 1818, for example, the Frankfurt house distributed shares of the Rothschilds' new Prussian loan not only to other Frankfurt bankers like Bethmann and Gontard, but also to their old sleeping partner Buderus, the Austrian representative at the Bundestag, Count Buol, and a number of other members of the diplomatic corps. In Paris, the political figures who were offered Prussian bonds included Talleyrand.

Another way of securing political influence by financial means was by lending money to such individuals. The most eminent of all French recipients of Rothschild loans in this period was Louis XVIII himself, whom Nathan had advanced £200,000 on behalf of the British government to meet the costs of his return to France in 1814. This did not much endear Nathan to the Bourbon family, however, for he insisted on repayment with interest three years later. By contrast, the loans made in the 1820s to the duc d'Orléans (the future Louis Philippe) were a more long-term investment which paid ample dividends in the subsequent decade. Prussian recipients of loans included the son-in-law of Prince Hardenberg. More routine banking facilities like current accounts were offered to other Prussian officials—notably the ambassador in London, Wilhelm von Humboldt, and the key official during the 1818 loan negotiations, Rother. Because these usually led to the granting of generous overdrafts, however, such accounts often performed the same role as loans. No sooner had Caroline von Humboldt been introduced to Salomon than he asked her point blank "whether he could be of any use to me in the matter of money, and said that his purse was at my disposal."

Finally, when a more subtle approach seemed appropriate, the Rothschilds gave presents to those they wished to cultivate. As Carl put it, "One must have something when going to see the great and good, either gossip or something to show them." The roots of the family's later penchant for collecting art and natural curiosities can be found here; for the brothers prided themselves on their ability to find exotic gifts for jaded palates. They had an advantage in Nathan's access to the London market, by far the best in the world because of the growing superiority of British trade and manufacturing. In 1816, for example, Nathan sent Amschel two tortoises, one of which he suggested be given to the Elector of Hesse-Kassel. (When they arrived dead, Amschel had them stuffed and presented them to William anyway.) Other luxury goods requested by his brothers for prospective clients included jewelled caskets for the Elector, a horse suitable for a lady and "a carving knife and fork with ivory handles" for "someone who helped us."

The first British official to benefit materially from his relationship with Rothschilds was, as we have seen, Herries. Though the full extent of his personal stake in the firm's wartime operations is impossible to ascertain, he was a regular participant in post-war loans like the 1817 loan to the city of Paris. Herries—"your own Buderus over there"—was, as Salomon put it, one of the "important people whose favours are essential." Another was Lord Stewart, Castlereagh's brother, the British representative in Paris in the post-war years. He first asked Salomon and James to "speculate for him in rentes" in October 1817, and thereafter became "very friendly with us. Between ourselves he likes to gamble," reported Salomon, "and I let him share in our business . . . to the amount of 50,000 francs

rentes." This was the case which reminded Salomon of his father's precept that "if a high-placed person enters into a [financial] partnership with a Jew, he belongs to the Jew." When Stewart came to them asking for assistance with his English affairs, Salomon urged Nathan to oblige him: "We must routinely accede to this minister's wishes, as he is everything here, and is helping us to get the loans, the liquidation [of French reparations] and everything, and is the *English* minister." Twenty years later James gave the Prime Minister Lord Melbourne's brother Frederick investment tips during his time as ambassador in Vienna. "Well, Lamb is of the opinion that there will not be any war," he wrote in a typical letter. "I told him that if he sees that rentes are rising over there then I will buy 24,000 francs of rentes for him in order to resell them at a profit, for he currently has some £30,000 to his credit in London." British officials who directly borrowed from the Rothschilds included George Harrison and Charles Arbuthnot at the Treasury: the former owed Rothschilds over £3,000 in 1825; the latter borrowed four times as much.

It should be stressed that such relationships were not in themselves illegal—the Rothschilds had every right to extend banking services to politicians and civil servants. However, the brothers privately referred to "bribery" as a feature of their relations with Arbuthnot and with numerous foreign officials, notably the Russian Gervais. And, as the case of Herries illustrates, allegations of corruption in the press could be highly damaging to the career of the politician concerned. Indeed, the brothers had been anticipating a political row of the sort which blew up in 1828 for more than a decade, ever since they first began to worry that their wartime accounts with Herries might not bear close parliamentary scrutiny.

In this context, it is not entirely surprising to find that the Duke of Wellington also banked for a time with Rothschilds. Indeed, it was Stewart who formally introduced the Duke to Salomon and James. The importance of this relationship was probably small in financial terms: the surviving 1825 balance sheet suggests that Wellington did not make much use of his overdraft facility. But in Salomon's eyes the prestige of being "Wellington's bankers" was what mattered:

It is a great honour . . . You may say, "What does honour matter? Honour is not money." As an honest man I tell you that now I prefer honour to money. One cannot do more [with money] than to eat [from the proceeds] and we have enough to eat. [But] food does not taste good without honour. Wellington stands here higher in public esteem than the king himself.

Just two months later, James was already boasting of his influence with the Duke, whom he had "already given various things."

Wellington, however, was not the most senior British political figure to whom the Rothschilds "gave things." It is extraordinary to find that the family's interest in the financial affairs of King George IV predated his accession to the throne by as much as fifteen years. The earliest document referring to "bills of exchange from Prince George to the nominal amount of 150,000 Frankfurt gulden" is in Mayer Amschel's hand and is dated 1805. Two years later they figure in one of his earliest surviving balance sheets, entered with a discounted value of just over 127,784 gulden—though even this figure he regarded as questionable. For, even as the heir to the throne and Prince Regent, George was regarded as a singularly unreliable debtor. How did Mayer Amschel, then the father of an obscure Manchester textile merchant, come to acquire a bill on the Prince Regent? The likeliest answer is that he bought it from the Elector of Hesse-Kassel, who had made a number of loans to the sons of George III in the 1790s. Ten years later, with Nathan firmly established as a banker in London, the sons of Mayer Amschel turned to these other royal debts with the intention of making Nathan—in Amschel's

somewhat old-fashioned phrase—"court banker" in England. All told, the Prince Regent owed £109,000, the Duke of York £55,000 and the Duke of Clarence £20,000, making a total of £184,000. Only the Prince Regent had ever paid interest on his loan. After protracted negotiations with the Elector's advisers—and despite the objections of Buderus—the Rothschilds succeeded in buying these debts in return for the equivalent of their face value in consols. Superficially, this was far more than they were worth. In reality, it was an inspired investment—another of Nathan's "master-strokes." As Salomon commented: "This makes me a very powerful man." "There is luck attached to everything English," he enthused. "Everything touching them turns out happily. So it is with the court of our Elector. The two courts fit together."

The value of these old royal debts was that, by making Nathan one of the Prince Regent's creditors, they brought him into direct contact with the officials charged with managing the future King's troubled financial affairs. And not only his financial affairs: by the end of 1817 Nathan was asking Salomon and James to gather information which might be of assistance to the so-called "Milan commission," set up to gather evidence against "the great man's wife"—Princess Caroline of Brunswick—whom he was determined to divorce. In 1822, just after George had finally ascended the throne, a loan of £50,000 was arranged with Nathan, secured on the revenues of his Hanoverian possessions. A year later a further £125,000 was requested. It was at around this time that he came into contact with Sir William Knighton, though the key figure in the loan negotiations was George Harrison, who assured the King of Nathan's "great loyalty and honesty towards your Majesty . . . in everything relating to this transaction." As we have seen, Harrison himself borrowed several thousand pounds from Nathan not long after this.

Nor was George IV the only member of the British royal family to whom Nathan lent money in the 1820s. In 1824, for example, he lent £10,000 to the Duke of York on the security of some jewels, as well as giving him 100 complimentary shares in the Alliance Assurance Company.[7] The Rothschilds also looked ahead to the next generation. In 1816 the only child of the Prince Regent, Princess Charlotte, was betrothed to a minor German prince, Leopold of Saxe-Coburg, the youngest son of Duke Francis Frederick. The brothers at once recognised Leopold's potential importance (his new father-in-law was, after all, in his fifties and notoriously sybaritic). When he passed through Frankfurt on his way to England for the wedding, Carl made his move: "We went to see him. He is a good man. We gave him a bill for £700 on you against gold as well as a letter of credit . . . He intends to buy jewellery. Please offer him your services." Nathan needed no further prompting. By April he was being entrusted with delivery of Leopold's private correspondence to Germany, and by August a loan of 10,000 gulden was being discussed.

Only the effort Nathan put into cultivating Leopold can explain the brothers' extraordinary reaction in May the following year to the news that Princess Charlotte had died, apparently extinguishing Leopold's hopes of power in Britain. "We are unable to write you fully today," wrote Salomon to Nathan,

because of the heartbreak caused by that disaster, the death of Princess Charlotte. We lost our heads. I still cannot make myself believe that the noble woman died. We received the bad news on Saturday afternoon at five o'clock. We were negotiating with Baring for another million of rentes and we arranged with him that we are going to give him a final answer on Sunday . . . But when he came on Sunday for the answer, our consternation was so great that we told him that we could do nothing for the time being, we are far too confused for it. Unfortunately, we are losing terribly much, my dear Nathan. It is terrible, my heart breaks when I speak about it . . . I can't write anything about business. We did

not do any. We should . . . draw the moral of it: money, honours are worth nothing, we are all only dust; man should give up his pride . . . he should not make himself believe anything; we are mud and dust. It pains me very badly, this unfortunate event.

"Believe me," Salomon added two days later, "I was so horrified [at the news], that since then I have had no appetite. It is as if my stomach has shrunk and I have never-ending pains in the joints." Nathan, he assumed, would also be "thrown off his feet" and "made ill" by the news. Yet the brothers were always quick to come to terms with adversity. "Nobody is immortal," reflected Salomon, "and we have to get over this . . . Unfortunately, our sorrow and sadness cannot bring her back."

Another bank might have been tempted to end Leopold's privileged status now that he was a mere widower. Salomon urged Nathan to do the reverse: "According to the English papers the Prince of Coburg will stay in England and is going to remain an important person there. We should show even more friendship towards a man who fell on hard times than before. I ask you to show him more feeling than hitherto." This accounts for the subsequent efforts of Nathan to arrange life insurance not only for Leopold but for his father, and for the fact that Carl happily put Leopold up at his Naples villa in 1826.

It was to prove an extremely shrewd strategy. For the link forged in these years between Nathan and the man James called "your Coburg" was to prove enduring and mutually beneficial. Not for nothing did one anti-Rothschild writer of the 1840s point out the similarity between the House of Rothschild and the House of Saxe-Coburg-Gotha, those two extended German families which were to rise from obscurity to glory in the course of the nineteenth century. Indeed, theirs was to be an almost symbiotic relationship. The 3.5 million gulden lent to the Saxe-Coburgs by the Frankfurt house between 1837 and 1842 was only one aspect of the connection. Of greater importance was the support which the Rothschilds gave to those members of the family who left Coburg in search of new thrones elsewhere.

Not that the Rothschilds lost interest in the question of the British succession following Princess Charlotte's death. When the Prince Regent's brother, the Duke of Kent, set off for Germany to marry Victoria of Saxe-Coburg, he took with him a letter of credit on the Frankfurt Rothschilds. When the marriage produced a daughter, Victoria—who at once became next-in-line to the throne—Nathan hastened to offer the proud father financial advice and his exclusive messenger service. In 1823 he also lent a substantial sum (400,000 gulden) to the Prince of Leiningen, the Duchess of Kent's son by her first marriage. Nathan's sons continued to act as the Duchess's banker after the Duke's death, occasionally relaying money to her brother Ferdinand of Saxe-Coburg.

Yet even the English royal family were not the most influential of the Rothschilds' clients and "friends" in this period. For, as historians generally agree, this was an era in which European politics were to a large extent dominated not by Britain but by Austria. As we have seen, the man who made Austrian policy between 1809 and 1848 was Metternich; and he too banked with Rothschilds. Indeed, the relationship which developed between Metternich and Salomon Rothschild may be seen as in some respects the prototype for the relationship which later developed between Bismarck and the Rothschilds' associate in Berlin, Bleichröder—except that Metternich came to feel far closer to his banker emotionally and intellectually than Bismarck ever did.

Although he came from an aristocratic family with estates in the Mosel valley, Prince Klemens Wenzel Nepomuk Lothar von Metternich-Winneburg was "cash-poor" for much of his long political career. Within a year of their first meetings with him—in Paris during the 1815 peace negotiations—he raised the possibility of a loan of 300,000 gulden with Amschel and Carl in Frankfurt. Metternich had already

proved a useful ally to the brothers, supplying political news in Paris, supporting their efforts to secure Austrian financial business and apparently also sympathising with their campaign for Jewish emancipation in Frankfurt. The arrangement he now proposed was that the Rothschilds should advance him 100,000 gulden and sell a further 200,000 gulden of 5 per cent bonds to other investors, all secured on the new estate at Johannisberg which the Austrian Emperor had just given him. However, Carl was reluctant to lend so much to a single individual, no matter how wealthy, recalling how unsatisfactory similar loans had been for Prince Wilhelm. Despite the fact that Metternich continued to prove himself "a great friend of ours"—supporting the requests for noble and consular status—the brothers preferred at this stage to limit their generosity to routine banking services and occasional gifts, like the Wedgwood china Nathan sent him in 1821.

It was in October of that year that Metternich—accompanied by his mistress, Princess Dorothy de Lieven—first publicly accepted an offer of Rothschild hospitality, "taking soup" with Amschel in Frankfurt on his way back to Vienna from Hanover.[8] This was interpreted by some observers as a calculated gesture of support for the Frankfurt Jewish community at a time when conflict over the civil rights question was at its height. Less than a year later, Metternich received his thanks: a loan of 900,000 gulden, agreed just six days before the brothers received the title of "baron" from the Emperor. This loan sealed the "friendship" between Metternich and the Rothschilds. At Verona in 1823, Salomon furnished Metternich with cash to meet his (considerable) personal expenses. In Paris two years later, James played host to Metternich, throwing a lavish dinner for "the representatives of the Holy Alliance" which greatly impressed the *Constitutionnel* newspaper. It commented ironically:

Thus does the the power of gold reconcile all the ranks and all the religions. One of the more curious spectacles our time—rich as it is in contrasts—is that of the representatives of the Holy Alliance established in the name of Jesus Christ attending a banquet given by a Jew on the day that the law of sacrilege is being debated in the chambers.[9]

A year later James was present at another equally grand soirée. It was in this period that Metternich began to make use of the Rothschilds' courier service for important correspondence. From this point onwards, he and Salomon shared political news on a regular basis, Metternich informing Salomon of Austrian intentions while Salomon provided him with news he received from his brothers in London, Paris, Frankfurt and Naples. By the end of the 1820s the Rothschilds had begun to provide Metternich —or "Uncle," as they often called him—with an unofficial diplomatic channel, through which he could relay his political views indirectly and discreetly to other governments.

All of this puts the bitter accusations of David Parish on the eve of his suicide in a new light. The Rothschilds, Parish complained to Metternich, had "understood better than I how to draw you into their [sphere of] interest" and how to secure "your special protection." It was, he insisted in his letter to Salomon, "the new alliance" between Metternich and the Rothschilds which had ruined him. "Under the protection of Prince Metternich, you succeeded in securing exclusive control over numerous transactions in which I had a moral and legal claim to a substantial share." If Salomon had given him his rightful cut of the profits from the Austrian and Neapolitan loans, he might have been able to rescue Fries & Co. "But you found it easier and more advantageous to come to an agreement with the Prince over the old rentes operation and in this way to put him wholly on your side."

Although Parish's allegations cannot be taken at face value, there was real substance to his claim that an alliance had developed between Metternich and Salomon Rothschild. This can be demonstrated with reference to the contents of the silver box, recently rediscovered in Moscow, in which Salomon kept

Metternich's accounts and private financial correspondence. These long-lost bank statements show that between 1825 and 1826 Metternich was in a position to repay much of the loan of 1822. However, no sooner had the loan been paid off—ahead of schedule—than a new loan for 1,040,000 gulden (*c*. £110,000) was arranged, roughly half of which Metternich used to purchase a new estate at Plass, and the rest he took as cash. The balance sheet of the Vienna house shows that Salomon retained some 35,000 gulden of the bearer bonds issued by Metternich for the purchase of Plass, on top of which the Prince owed an additional 15,000 gulden. His total private debt to the Rothschilds grew in the succeeding two years to nearly 70,000 gulden. In addition, the Frankfurt house advanced over 117,000 gulden to Metternich's son Viktor. When Metternich married again in 1831, Salomon was on hand to help resolve the financial difficulties of his third wife, Countess Melanie Zichy-Ferraris.

Nor did the Rothschilds confine themselves to loans and overdrafts. "Our friend Salomon's devotion always touches me," remarked Princess Melanie in her diary in May 1841, on receiving a present from him of American deer for their estate near Frankfurt. A few months later she described a visit by "Salomon and James, their nephew Anthony and Salomon's son and finally Amschel, who made a great point of our coming to dine with him at Frankfurt next Tuesday. James brought me a pretty mother-of-pearl and bronze box from Paris, filled with sweets, which was all to the good." At Christmas in 1843 Salomon visited the Metternichs at Ischl, bringing "lovely things to the Metternich children, such as tempted their mother to play with them herself."

Metternich was not the only eminent Austrian to put his private financial affairs in Salomon's hands. In 1821—in a classic example of financial speculation based on inside information—a senior Austrian commander, General von Wolzogen, asked Salomon to purchase 100,000 gulden worth of metallic bonds on his behalf. His calculations provide a fascinating insight into the dispassionate attitude of one senior military figure to the Austrian military intervention in Italy:

My reasoning is as follows: either it will stay cold, or it will get hot. In the first case, [metalliques] will immediately go up anyway. If it turns hot, then it is probable that the [army?] will march into Naples and in that case I believe they [metalliques] will rise too . . . If peace remains, one can expect high prices. The only question is therefore whether to buy now or after the declaration of war. I am inclined to buy soon . . . But I leave it to you to do as you think best, and indeed not to buy at all if you do not think it advantageous.

Other political figures who feature in the accounts of the Vienna house include Stadion and the influential diplomat Apponyi, as well as a number of the most important families of the Austro-Hungarian aristocracy. Of these, the Esterházys, with their immense estates in Hungary and links to the still wealthier Thurn und Taxis family, were the most important—and problematic. Beginning with £10,000 in 1820 and 300,000 gulden in 1822, the Esterházys borrowed often from the Rothschilds. Three years later Salomon went into partnership with two leading Vienna houses, Arnstein & Eskeles and Simon G. Sina, to float a large 6.5 million gulden loan (at 6 per cent). This was secured on Prince Esterházy's estates and was intended "definitively to reorder" the family finances. However, balance sheets for the succeeding years show Esterházy continuing to run overdrafts with Rothschild houses in London and Vienna: £28,000 in London in 1825, 2,300 gulden in Vienna three years later. By 1831 matters were bad enough for Esterházy to approach Salomon (through Metternich) for another loan. Although Salomon was hesitant, the Vienna accounts for 1832 put Esterházy's total debts at 827,000 gulden, and three years later the debt was larger still. When the Prince was succeeded by his son Paul in 1836, there was another attempt at stabilisation in the form of a 7 million gulden lottery loan, issued jointly by Salomon and Sina. Yet another loan (for 6.4 million gulden) followed eight years later—one of a spate of major loans to the aristocracy floated by Rothschilds and Sina in the 1840s. Small wonder

Esterházy "spoke very flatteringly of the family" to third parties. As in the case of Metternich, financial ties were inseparable from social and political ties. In London, Prince Esterházy dined regularly with Nathan while serving as Austrian ambassador and received much of his correspondence from Metternich via Rothschild couriers. In Vienna, the relationship appeared so close that in 1822 unfounded rumours appeared in the press suggesting that Esterházy had persuaded Salomon to abandon Judaism.

The strategy of extending credit and other financial facilities to influential but profligate figures like Metternich and Esterházy was a highly effective way of ensuring political goodwill and "friendship." Of all the private financial relationships of this era, none illustrates this better than that between Salomon and Metternich's secretary, Friedrich von Gentz. Gentz was an intelligent, conservative and thoroughly venal man of letters—a kind of Central European Edmund Burke gone wrong—who had acquired the habit of selling the influence he had in Vienna for cash long before he came into contact with the Rothschilds. Indeed, for a time it was David Parish whom he regarded as "the matador, the pearl of the merchant class of all Christendom"—a view which was not unrelated to the 100,000 gulden stake Parish had given him in the 1818 Austrian loan. It did not take the Rothschilds long to purchase Gentz's fickle allegiance. After an initial encounter in Frankfurt, he, Carl and Salomon met at Aix in 1818. On October 27 Gentz recorded in his diary that Salomon had handed him 800 ducats, supposedly the proceeds of a successful speculation in British stocks. A few days later there were more "pleasant financial dealing with the brothers." Gentz was soon paying regular visits to his new friends, whose apparently instinctive ability to make money deeply impressed him. He had regular business dealings with Salomon thereafter: a minor transaction in late 1820, a small loan at Laibach in 1821, a share in the Neapolitan loan of the same year which earned him 5,000 gulden within a year. His diaries in this period make repeated references to "very agreeable communications" from Salomon; "important financial arrangements" with him; "a proof of real friendship" over breakfast; "matters which, although not so elevated [as diplomacy], were far more pleasant"; and "highly welcome financial transactions with the excellent Rothschild." The pattern continued throughout the decade. In 1829 Salomon lent Gentz 2,000 gulden "with the most amiable readiness," bringing his total debts to Salomon and other bankers to over 30,000 gulden. To Gentz, such loans were to be regarded as "donations pure and simple." Indeed, according to one account, Salomon finally dispensed with the fiction that the money would ever be repaid by paying Gentz an annual retainer, though this did not prevent Gentz from pleading for yet another loan of 4,500 gulden from Salomon, and gratefully settling for 500 gulden to tide him over.

Gentz performed a number of valuable services in return for his money: supplying news and facilitating access to Metternich, for example. In addition, he was responsible for the Rothschilds' first real foray into public relations. At a time when the brothers were the objects of an increasing volume of negative comment in the press, an experienced and politically influential journalist like Gentz was a useful ally. In 1821 he wrote twice to the editor of the *Allgemeine Zeitung* to express his "grave dissatisfaction" about recent articles by the paper's Frankfurt correspondent which had been critical of the Rothschilds. "The constant attacks upon the House of Rothschild," he argued, "invariably, and sometimes in the most outrageous manner, reflect upon the Austrian government by necessary implication, since, as everybody knows, it is transacting important financial matters with that House, which is not only unimpeachable, but is honourable and thoroughly respectable." Facing the threat of a ban throughout Austrian territory, the editor of the newspaper was obliged to "promise not to accept . . . anything in future relating to the value of Austrian public securities, or *anything whatever* relating to the House of Rothschild (at least affecting its relations with Austria)." When Salomon heard that he had been awarded a Russian decoration in 1822, he immediately asked Gentz to arrange for a newspaper article on the subject. Four years later, at Salomon's request, Gentz himself put pen to paper, writing the first

"official" account of the family's history—or , as he described it, an attempt "briefly and I hope not infelicitously to explain the phenomenon of the greatness of this House." After Gentz had read it to one of Salomon's senior clerks and received his "actual pay" from Salomon, it was published in the Brockhaus *Encyclopaedia*. These were the first Rothschild attempts to exert some influence on a generally hostile press, and far from the last. In 1831, with Gentz's influence waning, Salomon made overtures to the satirist Saphir in the hope of winning his services as a pro-Austrian—and implicitly also pro-Rothschild—publicist.

Money Makes Money

The evidence that the Rothschilds established a network of private financial relationships with key public figures in Restoration Europe is therefore compelling. Yet the conspiracy theorists of this and later periods misunderstood the role of such relationships when they portrayed them as the key to Rothschild power. The image of the Rothschilds at the centre of a web of "corruption" would become a recurrent one in the years after 1830. But it was not, in reality, the bribes, loans and other favours they bestowed on men like Metternich which made them the dominant force in international finance after 1815. It was the sheer scale—and sophistication—of their operations.

In 1822 their old rival Simon Moritz von Bethmann "heard from a reliable source that Salomon Rothschild has stated that the annual balance-sheet of the 5 brothers showed a net profit of 6 million gulden." As he observed, "This is certainly a case where the English proverb applies: 'Money makes money.' Having regard to their industry and judgement, we may expect their business to continue to flourish; indeed, one hopes so, since the overthrow of this Colossus would be terrible." The evidence now available from the firm's accounts amply confirms this judgement. In 1815 the combined capital of the Rothschild houses in Frankfurt and London was at most £500,000. In 1818 the figure was £1,772,000; in 1825 £4,082,000; and in 1828 £4,330,333. The equivalent figures for the Rothschilds' nearest rival, Baring Brothers, were £374,365 in 1815, £429,318 in 1818, £452,654 seven years later and £309,803 in 1828. In other words, having been on a more or less equal footing with Barings in 1815, the Rothschilds' resources had grown to be more than ten times greater than their principal competitor's in as many years. While Barings' capital had actually declined in size, the Rothschilds had increased theirs by a factor of eight. These are astonishing figures.

The explanation for this disparity is not just that the Rothschilds made bigger profits. Just as importantly, they ploughed the bulk of these profits back into the business. Here, the contrast with Barings, which tended to distribute profits to the partners (even in years when the bank made a loss) rather than allowing capital to accumulate, is impressive. Nor did the Rothschilds lose momentum in the succeeding years. In 1836—the next time the partners met to settle accounts and renew their contractual agreement—the capital had increased again to £6,007,707. Such figures as are available for the profits of the individual houses in this period confirm the broad impression of rapid and sustained growth. Even in the relatively sluggish years between 1825 and 1828, the Paris house alone made profits totalling £414,000. Between 1823 and 1829 the profits of the Naples house totalled 7,390,742 ducats (£924,000).

These figures explain the dominance of the Rothschilds on the international capital market in the 1820s; perhaps the only thing that is surprising is that they were not more dominant. Between 1818 and 1832 it has been estimated that N. M. Rothschild accounted for seven out of twenty-six loans contracted by foreign governments in London, and roughly 38 per cent (£37.6 million) of their total value. This was more than twice the value of their nearest rivals, B. A. Goldschmidt. Moreover, the

bank's own figures suggest that this may be an underestimate: according to Ayer, the value of loans issued by Nathan in this period was in fact £86 million. The equivalent total for loans issued by the Frankfurt house in this period was 28 million gulden (*c*. £2.5 million). In Paris, James came to exercise a near monopoly over French government finance, issuing seven loans with a nominal capital of 1.5 billion francs (£60 million) between 1823 and 1847.

In a sense therefore the French journalist Alexandre Weill was not exaggerating when, looking back in 1844, he declared:

The house of Rotschild [*sic*] is merely a necessary consequence of the principle of state which has governed Europe since 1815; if it had not been a Rotschild, it would simply have been someone else . . . it is this system . . . dominant throughout Europe, which has created, produced and elevated the house of Rotschild . . . Rotschild reigns and governs on the bourse and in all the cabinets . . .

This was too deterministic a view, of course. There had been moments in the 1820s when the "principles" governing the European states had come close to calling the Rothschilds back out of existence, and it is hard to imagine any other contemporary financier easily taking their place. But Weill was closer to the mark than Richelieu: if there was a sixth great power in the 1820s, it was no longer Barings, but Rothschilds. Small wonder there was such a hue and cry about them.

SIX

Amschel's Garden

Oh what joy to be in the open air
and draw breath easily!
Here alone, here alone there's life.
. . . Speak softly! Restrain yourselves!
There are ears and eyes upon us.

—*FIDELIO*, ACT 1, FINALE

The Jew, who may have no rights in the smallest German states, decides the fate of Europe.

—BRUNO BAUER

Nothing symbolised the Rothschilds' escape from the gloomy confines of the Frankfurt ghetto better than their acquisition of real estate outside it. In 1815 virtually all the family's wealth was held in the form of paper—bonds and other securities—and precious metal. Such "immovable property" as they possessed was all in Frankfurt; everywhere else, the brothers still lived in rented accommodation. Inside the old Judengasse, there was of course the old *Stammhaus* "zum grünen Schild" where the brothers had grown up. It was a matter of public curiosity that their mother Gutle continued to live there until the end of her life; her sons, however, felt no such attachment. By 1817 Carl had had enough of his old room on the third floor of his mother's house: "Of course, you will say that in the ghetto we slept on the fourth floor. Yes, but one is getting old. Also [it is galling] that one should make much money and live a dog's life while others who have not a tenth of our fortune live like princes." By this time the first steps out of the Judengasse had already been taken. Although the plot they had acquired in 1809-10 for their new offices was technically in the Judengasse, the sandstone neo-classical building they built there had its entrance in the Fahrgasse, the main thoroughfare off which the Judengasse ran. (In the absence of its old gates, the Judengasse itself was now increasingly referred to as the Bornheimer Strasse.) Salomon had already been given permission to move his residence to a house in the Schäfergasse in 1807; but the real escape came when Amschel bought a house in the suburbs on the road to Bockenheim in 1811 (10 Bockenheimer Landstrasse). For the first time, he found himself living in fresh air.

Almost as soon as he had acquired the house, Amschel became consumed with the desire to buy the garden next to it. It should be stressed that the object of his desire was no country estate, merely a small suburban plot of at most a few acres, similar to those owned by Gentile banking families like the Bethmanns and the Gontards. Nor was Amschel merely bidding for social status. He seems genuinely to have fallen in love with the garden. After all, he had spent virtually all of his forty-two years cooped up in the ghetto, working, eating and sleeping in its cramped and dingy rooms, walking up and down its crowded and pungent thoroughfare. It is not easy for a modern reader to imagine how intoxicating fresh air and vegetation were to him. On a spring night in 1815—in an act as pregnant with emancipatory symbolism as the prisoners' release into the "free air" in Beethoven's *Fidelio* (1805)—he decided to sleep there. He described the experience in an excited and moving postscript to his brother Carl: "Dear Carl, I am sleeping in the garden. If God allows that the accounts work out as you and I want them to, I will buy it . . . There is so much space that you, God willing, and the whole family can comfortably live in it." As that implied, Amschel regarded his purchase of the garden as dependent on the outcome of the brothers' business activities, which Napoleon's return from Elba just weeks before had thrown into turmoil. He was also torn between his love of open space and his brother Carl's preference for a large and respectable town house in which visiting dignitaries could be entertained. Fortunately for Amschel, Nathan categorically rejected Carl's arguments as "a lot of nonsense," but accepted the need for a garden for the sake of Amschel's health. By April 1816 part of the garden had been bought and Amschel was bidding to add a further two-thirds of an acre to it. Now when he slept outside—in a garden he could call his own—it was "like paradise." Finally, more than a year after his first night under the stars, he bought the remainder. "From today onwards the garden belongs to me and to my dear brothers," he wrote exultantly. "There is therefore no need to remind you of what you could contribute to make it more beautiful. I would not be in the least surprised if Salomon were to buy all sorts of seeds and plants at the very first opportunity, as this garden will be inherited by the family Rothschild."

As this illustrates, Amschel insisted that he had bought the garden for the family as a whole, a sense of collective experiment which his brothers were happy to encourage, sending him the seeds and plants he asked for (including African seeds from Alexander von Humboldt) and agreeing to his plans to enlarge the plot or build greenhouses. Their mother Gutle also made frequent visits there. But there was little

doubt that it was really Amschel's garden—a place where he could potter, study and sleep, in peace and in fresh air. Revealingly, he could not help regarding it as a personal indulgence—hence his need to seek his brothers' approval for what were often quite trivial expenditures, and his almost apologetic promises to earn the money back in business. After much agonising about the cost, he added a greenhouse and a winter garden and, during the 1820s, had the house substantially enlarged and improved in the neo-classical style by the architect Friedrich Rumpf. Later it acquired a pond, a fountain and even a medieval folly—an early (and rare) Rothschild venture into the romantic genre.

Amschel's garden was the first of many Rothschild gardens; and its story does much to illuminate the family's enduring passion for horticulture. Its significance was partly religious: now the Tabernacles feast could be celebrated properly in a tent amid the greenery. But the full meaning of Amschel's passion for what was, by later Rothschild standards, a tiny patch of land becomes manifest when his purchase is set in its political context. For, as we shall see, the period after 1814 saw a concerted effort by the re-established Frankfurt authorities once again to remove the civil rights which had been won by the Jewish community from Napoleon's Prince-Primate Dalberg. Under the terms of the old statute governing the position of Jews, not only had the ownership of property outside the Judengasse been forbidden; Jews had even been barred from walking in public gardens. Amschel therefore fretted that the Senate would either prevent his purchase of the garden altogether, or compel him to relinquish it if the purchase went ahead—anxieties which were only exacerbated by the appearance of abusive crowds outside the garden at the time of the "Hep" riots. When he was allowed to keep it, he still suspected "a kind of bribe" to keep him from leaving Frankfurt, or even a sop to avoid more general concessions to the Jewish community as a whole. It became, in short, a symbol of the much bigger question of Jewish emancipation. Something of its significance in this regard can be inferred from a guidebook description from the mid-1830s, which described the garden in semi-satirical terms:

The flowers are glittering in gold and the beds are fertilised with crown thalers, the summer houses are well papered with Rothschild bonds . . . A magnificent wealth of foreign flora spreads across the garden and each flower twinkles with ducats from Kremnitz rather than with leaves; golden figures glow from within the buds . . . To my mind, in his garden Amschel von Rothschild resembles a lord in his seraglio.

"*Good Jews"*

It would, of course, have been a good deal easier for Amschel to have acquired his garden if he and his brothers had converted to Christianity. The fact that they did not is of the greatest significance for the history of both the family and the firm. As Ludwig Börne observed with grudging admiration, they had

chosen the surest means of avoiding the ridicule that attaches to so many baronised millionaire families of the Old Testament: they have declined the holy water of Christianity. Baptism is now the order of the day among rich Jews, and the gospel that was preached in vain to the poor of Judaea now flourishes among the wealthy.

The Rothschilds, however, remained resolutely Jewish—a fact which also impressed Disraeli, himself (like Börne) born a Jew. Disraeli's Younger Sidonia in *Coningsby*—a character partly inspired by Lionel—is "as firm in his adherence to the code of the great Legislator as if the trumpet still sounded on Sinai . . . proud of his origin, and confident in the future of his kind." Eva (a character based in part on Carl's daughter Charlotte) declares in *Tancred:* "I will never become a Christian!"

Such a defiant repudiation of conversion could well have come from a real Rothschild. "I am a Jew in

the depths in my heart," wrote Carl in 1814, commenting on the extent to which Jewish families in Hamburg were converting to Christianity. When he encountered the same thing in Berlin two years later, he was scornful: "I could marry the richest and most beautiful girl in Berlin; but I am not going to marry her for all the world because, here in Berlin, if [one is] not converted [then] one has a converted brother or sister-in-law . . . We have made our fortune as Jews and we want nothing to do with such people . . . I prefer not to mix with the *meshumed* [converted] families." The brothers regarded the Bavarian banker Adolph d'Eichthal with considerable suspicion precisely because he was a convert (a mere "goy" would have been less objectionable). As James put it, "It is a bad thing when one has to deal with an apostate." When the Hamburg banker Oppenheim had his children baptised in 1818, the Rothschilds were scandalised. "The only reason I find these people contemptible," Carl sneered, "is that when they convert to Christianity they adopt only what is bad but nothing that is good in it." By converting, Oppenheim had "brought about a revolution in Hamburg": "He is sorry about it. He was weeping when I left . . . after speaking to him about it . . . However, I foresee that Oppenheim's lead will be followed. Well, we are no custodians of others' souls. I will remain what I am, and my children too . . ."

The brothers saw themselves as "role models" in this regard. The more they could achieve socially without converting, the weaker the arguments for conversion would seem, given that the majority of conversions were a response to continuing legal discrimination against Jews. "I am quite ready to believe that we have enough money to last us all our life," wrote James in 1816. "But we are still young and we want to work. And [as] much for the sake of our prestige as Jews as for any other reason." This was the way Amschel saw Nathan's appointment as Austrian consul in London. "Though it may mean nothing to you," he wrote, "it serves the Jewish interest. You will prevent the apostasy of quite a few Vienna Jews." When a newspaper reported that Salomon himself had been baptised, he hastened to publish a denial. When the allegation was repeated in a French encyclopaedia fourteen years later, he insisted it be corrected in all subsequent editions.

However, while their adherence to Judaism was unbending, the brothers were far from uniformly strict in their religious observance. In Frankfurt, Amschel retained his "old-Hebrew customs and habits," invariably eschewing work on the Sabbath, keeping kosher strictly and fasting and feasting on the appropriate holy days. At banquets, noted a contemporary journal, he sat "in true penance, as he never touches any viands or dishes that have not been cleansed or prepared in the Jewish fashion. This strict and unaffected observance of the religious injunctions of his faith is greatly to his honour; he is regarded as the most religious Jew in Frankfurt." By the 1840s he had built a synagogue in his own house. Salomon always ate his own specially prepared kosher food, even when he invited Austrian grandees like the Metternichs to dine with him; and refused to write letters on the Sabbath and holy days.

Their brother Nathan too was mindful of his religious duties. We know that even when he was in Manchester, where the majority of Jews were relatively poor shop-keepers and pedlars, Nathan "conformed to all the rites and ceremonies of our faith, his dinner being cooked by a Jewess and taken to him at his warehouse every day" and the *shamas* "bringing him the palm branch and citron daily during the Tabernacle festival."[1] When Prince Pückler tried to engage him in a religious argument, he found Nathan unexpectedly well informed, reflecting afterwards that he and "his co religionists are of older religious nobility than we Christians; they are the true aristocrats in this sphere." Nathan's wife Hannah later subscribed to the Holy Society of the House of Learning of the Ashkenazim in London (Hevrah Kadisha Beit Ha-Midrash Ashkenazim Be-London), a thoroughly Orthodox institution, and kept a close watch on her children's religious conduct. When he went up to Cambridge in 1837 Mayer

was warned to "avoid everything possible in infringing upon our religious duties," specifically, to "abstain from these indulgencies such as riding on Horseback on Saturdays" and to refuse to attend chapel services in college; while his brother Nat felt the need to apologise profusely to her for missing the Day of Atonement during a trip to Switzerland four years later. James too always kept a *mahzor* (prayer book for the holidays) in his office. When a new baby boy was circumcised, James "thank[ed] God . . . we have one more good Jew in the family."

However, the younger brothers were regarded by Amschel as lapsing dangerously in a number of respects. When the need arose, Nathan, Carl and James all read and wrote business letters on the Sabbath—covertly if they happened to be with Amschel. And one by one they abandoned the strict kosher diet (though not completely: the English family still avoided pork). When Carl was trying to find himself a wife in 1814, Amschel and Salomon objected to his choice of Adelheid Herz on the ground that her family did not keep kosher. The issue was the source of constant arguments. "As to piety," wrote Carl in response to yet another complaint on the subject from Amschel, "when I am old I will be pious too. In my heart I am nothing but a Jew. I don't wish to take care of your soul, but you wrote me once that I should find means to enable you to come occasionally to my house to eat there. That [the lack of kosher food] does not mean that I am not pious." In 1814 James complained bitterly from Berlin: "I am really fed up with the food here, I think it is the worst one could possibly have anywhere. [Amschel] is still concerned about eating only kosher food, as he is still pious and he knows that I am not; yet he will insist that I eat with him." Some years later Heine joked that although James had "not gone over to the Christian Church," he had "gone over to Christian cooking." The younger brothers also abandoned all sartorial vestiges of the ghetto.

The religious differences between—and within—branches of the family grew more acute in the next generation. In London, Nathan's elder children continued to worship more or less as their parents had done. Although not deeply spiritual, they were fundamentally conservative in their habits of worship. Indeed, they found their uncle's family in Paris rather too lax. Lionel pointedly refused to work when he was in Paris for Passover in 1829, though James continued to write letters as usual. Nat too, despite sharing his uncle's aversion to kosher food,[2] found it surprising that during Passover "although we go to *shul* and eat *matzot*, in Paris it is impossible to shut up shop." The ascendancy of the Reform movement in Frankfurt (which essentially sought to remodel the rabbinate and Jewish forms of worship along Protestant lines) perturbed them too, accustomed as they were to Amschel's old-fashioned ways. "They have a new Rabbi here who preaches uncommonly well," reported Anthony ambivalently in 1844. "He preached on Friday for the first time, I did not like anything that he said—but perhaps it was the fault of the Reformers here. They go a good deal further than they do in England. I should like to hear a man who could preach as well in England . . . I was very disquieted with the whole service."

The influence of Reform on Carl's daughter Charlotte was strong, judging by the way she later critically compared Jewish practices in England with those of some Christian denominations. Yet when her brother Wilhelm Carl went to the other extreme, outdoing even Amschel in his Orthodoxy, the English Rothschilds were even more disconcerted. His aunt Hannah reported to Lionel on his condition rather as if "his enthusiasm in observing all the stricter duties of the Jewish religion" were a sign of possible mental imbalance:

I have seen him twice, he came to his Brother one Evening and remained an hour, and as much as propriety allowed I remarked his manner &c. which is very rational and not in any way different from others of his age and situation, tranquil and civil, plain in his dress[,] not conspicuous either for much attention to it . . . There is nothing in my opinion to fear, that this religious devotion will be followed by

fanaticism. I saw him again at Baron A. de Rothschild['s] . . . he accompanied us to look at the same things and took as much interest in all as any of us . . . [H]e said, I am determined to be firm and will always be so. Should he be fortunate to find proper and sensible Instructors, no ill can be anticipated from his present good principles.[3]

When Amschel withdrew a substantial donation (150,000 gulden) intended to finance the building of a new synagogue because "they [the Jewish community's board] have chosen a new [deputy] Rabbi for the synagogue who is not an Orthodox one," Anthony could only shake his head: "You have no idea what a parcel of Donkeys . . . the Jews are here."

To most members of the family, the conflicts between Reformers and Orthodox Jews—which had only a muted echo in England—were an unwelcome nuisance. Internecine theological and liturgical controversies held little interest for them; and any weakening of Jewish unity struck them as self-defeating in a hostile world. Thus Mayer Amschel's sons and grandsons followed his example in accepting lay offices within their communities, but rarely intervened in religious disputes, save to appeal for harmony. Nathan was *Parnass* (warden) of the Great Synagogue in Duke Place, and was almost certainly behind a scheme for "an organisation of Jewish charity" to combine the efforts of the three major Ashkenazi synagogues of the metropolis (the Great, the Hambro' and the New)—a move foreshadowing the later emergence of the United Synagogue. For the Rothschilds, religious activism was primarily about giving practical, material assistance to a stable Jewish community—not defining the community, much less the nature of its faith, which they tended to regard as an immutable given.

Of course, the relationship between the Rothschilds and the wider, poorer Jewish community has long been the subject of myths and jokes. In the classic anecdotes on the subject a stereotyped "Rothschild" is the target for a range of ingenious bids for alms from *Schnorrer*—those distinctively unabashed scroungers and spongers of the folkloric Jewish community. "Rothschild" is their long-suffering but ultimately indulgent victim, sometimes even entering into the spirit of the game—as when a begging letter thrown through a window onto the dinner table is thrown back with a coin. ("Placiert"—"sold"—mutters Rothschild to himself, as if selling a bond to an investor, when he sees the *Schnorrer* catch the coin.)[4] Such stories—which continue to be republished in anthologies of Jewish humour today—are not entirely fanciful: they are echoes of the era when the Rothschilds, because of their great wealth and apparent political power, had a mythic, talismanic status in the eyes of other Jews: not only "the Jews of the Kings" but also the "Kings of the Jews"—at once exalted by their wealth,[5] and yet mindful of their own lowly origins. As such, they were the focus of all kinds of aspiration, ranging from the mercenary to the visionary. The Rothschild archives contain numerous unsolicited letters requesting assistance from Jews and Jewish communities all over the world: the Dublin Hebrew Congregation; the friends of a Jewish doctor in reduced circumstances; the St Alban's Place Synagogue; the New Hebrew Congregation at Liverpool. These were the real *Schnorrer*—rarely the cocky figures of legend, more often humble supplicants.

Because copies of outgoing correspondence were either not kept or subsequently destroyed at New Court, it is far from easy to tell which of these pleas were heeded, and therefore even harder to detect a pattern in Rothschild charitability. We know that Nathan subscribed to a number of charities for the poor and sick: the Bread, Meat and Coal Society (Meshebat Naphesh); the Jews' Hospital (Nevé Zedek) at Mile End, of which he was vice-president and later president; the Holy Society for the Assistance of the Poor for the Needs of the Sabbath in London; the charitable fund of the Great Synagogue, and the Bethnal Green Society for the Relief of the Sick Poor. He also became a Governor of the London Hospital, which had a tradition of providing for Jewish patients, in 1826. But education

seems to have been his main charitable interest. He subscribed to the Talmud Torah in London Society in 1820 and a year later donated 1,000 guilders to a society for the education of poor Dutch Jews. In particular, he supported the Jews' Free School, donating 10 guineas to the building fund in 1817 and helping to pay for the new schoolhouse in Bell Lane, Spitalfields. The school was "a charity he took so decided an interest in" that his widow made a further substantial donation to mark the third anniversary of his death. It has been calculated that the firm of N. M. Rothschild & Sons gave the school an average of £9,500 a year throughout the nineteenth century, a figure which is more than doubled when individual family members' benefactions are added.

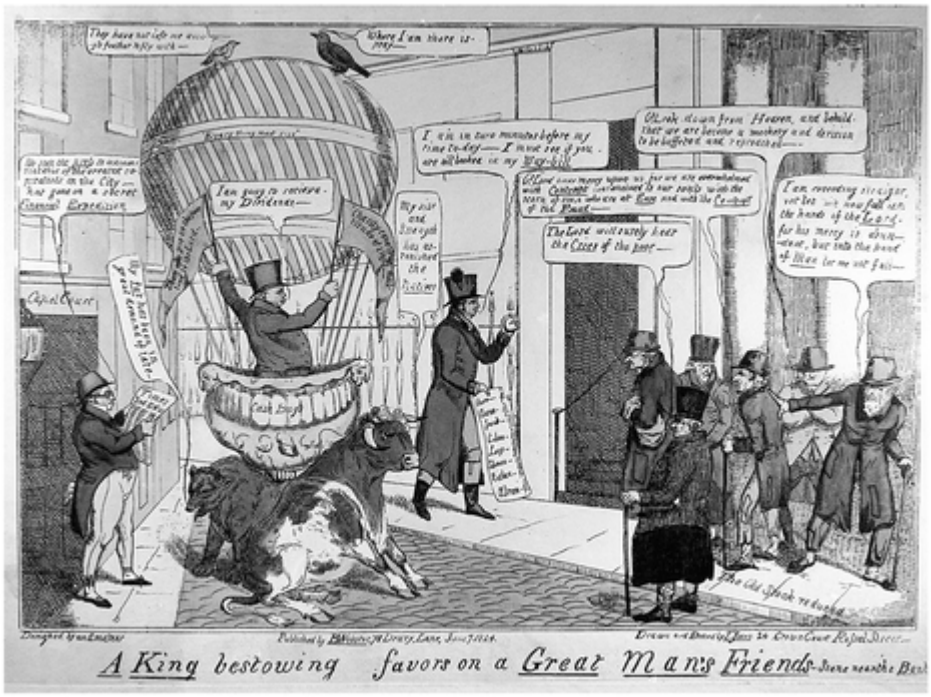
In all this, Nathan may have been consciously following his father's example; but he was also falling in with the priorities of his Cohen and Montefiore relations. It was one of his sisters-in-law who made him "promise . . . to give to the poor" in 1814; and it was probably his brother-in-law Joseph Cohen who involved him in the Jews' Free School, of which Hannah herself became a Life Governor in 1821. When Lionel became a trustee of the Bread, Meat and Coal Society, the board was already dominated by Cohens; indeed, his mother was later described as "a zealous advocate of its prosperity & a munificent Contributor to its funds"—not surprisingly, as her father had been one of its founders. Another of Hannah's pet charities was the Jewish Lying-in Charity. By the later 1830s her sons were actively involved in the Jews' Hospital, of which Lionel was president and Mayer later steward, and the Jews' Free School. At the same time, they continued to disburse small amounts to societies like the (Jewish) Society for Relieving the Aged Needy and, through the Great Synagogue, to unfortunate individuals like a mother whose child had a club-foot.

In Frankfurt, Mayer Amschel's legacy still made itself felt. Like his father, Amschel routinely gave 10 per cent of the Frankfurt house's running costs (not its income) to the poor. And in 1825 Amschel and his brothers donated 100,000 gulden to the two Jewish insurance funds in Frankfurt to build a new hospital for the community in the Reichneigrabenstrasse, "in accordance with the wishes of their late father . . . [and] as a memorial to filial respect and fraternal harmony." Curiously, James preferred to keep a much lower profile within the Paris Jewish community, channelling his contributions indirectly through Salomon Alkan, president of Société de Secours, and Albert Cohn, his sons' tutor (and later a leading light of French Jewry). In 1836 he even stipulated that his donations to the new synagogue in the rue Notre-Dame-de-Nazareth should be kept secret.

At least one contemporary cartoonist suggested that, having made their millions, the Rothschilds were indifferent to the plight of their "poorer co-religionists" (a favourite phrase). In *A King bestowing favors on a Great Man's Friends* (1824) (illustration 6.i), a group of ragged Jews—labelled "The Old Stock Reduced"—can be seen to the right of Nathan as he prepares to ascend in a balloon "to receive my Dividends." One exclaims: "The Lord will surely hear the *Cries* of the *poor*." Another pleads, "O! Look down from heaven and behold that we are become a mockery and derision to be buffeted and reproached." A third cries: "O Lord, have mercy on us for we are overwhelmed with contempt; overwhelmed is [*sic*] our Souls with the Scorn of those who are at ease and with the contempt of the proud." This accusation was unfounded.

Yet it is important to stress that the Rothschilds did not confine their charitable activities exclusively to the Jewish community. At times of economic hardship—1814 in Germany, 1830 in France, 1842 in Hamburg, 1846 in Ireland—they donated money to the poor without religious distinction. Nathan contributed to a number of apparently non-denominational establishments, including the Society of Friends of Foreigners in Distress (though it is likely that some of the "foreigners" in question were poor Jewish immigrants). His children also lent their support to the London Orphan Asylum, the London Philanthropic Society and the Buckinghamshire General Infirmary. Especially unexpected is the fact

that in 1837 either Hannah or Charlotte—more probably the latter—was "one of the most liberal contributors" to a new Church of England school at Ealing and Old Brentford. It was not only Jews who applied for assistance to the Rothschilds: the *Schnorrer* even included the early socialist Robert Owen and a congregation of the secessionist Scottish Free Church!



6.i: T. Jones, *A King bestowing favors on a Great Man's Friends—Scene near the Bank* (1824).

"*A Heavenly Good Deed": Emancipation*

Although their wealth and influence allowed them to achieve what was in many respects a privileged social status, the Rothschilds never lost sight of the fact that they and their co-religionists remained subject to a wide range of discriminatory laws and regulations after 1815. They remembered Mayer Amschel's injunctions to "bring to an end all the work" which he had begun "in the interest of our people." As a result, the history of the Rothschilds is inseparable from the history of what is somewhat anachronistically called Jewish "emancipation": to be precise, the gradual process whereby Jews (with the assistance of some sympathetic Gentiles) sought to achieve full legal equality in the various European states. Though self-interest undoubtedly was part of the reason for the family's sustained involvement in this, the principal motivation was a sense of moral obligation to other Jews: a point neatly made by Amschel when he ended a letter to his brothers in 1815: "I remain your brother, who wishes you, and me, and all Jews, all the best, Amschel Rothschild." Those who assumed that Amschel was concerned to protect his own position misunderstood him. In 1814 he urged Nathan to maintain his "influence at the English court . . . for two reasons: firstly, in the interests of the Jewish people, secondly, in the interests of the prestige of the House of Rothschild." "It is . . . good that we own so much money," he wrote to Nathan and Salomon three years later. "Thus we can lend help to the whole of Jewry."

What were the handicaps under which Jews continued to labour in Restoration Europe? The situation was perhaps best in France, where the restored Bourbons, despite their devotion to Catholicism, not only preserved the legal emancipation of Jews achieved by the Revolution, but also failed to renew the so-called *décret infâme* passed by Napoleon in 1808, which had reimposed various economic restrictions. All that formally remained was a special oath which Jews had to take in court, though in practice they were also largely excluded from political life before 1830. In Britain, although native-born Jews were automatically British subjects, they—along with Catholics and Non-Conformists before 1828-9—were excluded from parliament (whether as voters or members), local government and the ancient universities. On the other hand, there were few economic and social barriers.

The position in Germany varied from state to state. Prussia had the most liberal legislation following the emancipation edict of 1812, which granted Jews equal legal rights, though in practice they continued to be excluded from the bureaucracy and the officer corps, and after 1822 were also excluded from schoolteaching and municipal government. In Austria, by contrast, little had changed since the Tolerance Edict of 1782 (which had reduced economic restrictions somewhat): Jews continued to be denied the right to own land in the Empire, had to pay a special poll tax, were subject to marriage restrictions and, if born outside the Empire, required a special "toleration permit" to reside there, renewable every three years. They were also excluded from the civil service, though they could and did serve in the army and some had even become officers during the Napoleonic Wars. When Lionel went on his tour through Germany in 1827, it was only in Vienna that he found the position of Jews so bad as to be noteworthy: "Jews are very much oppressed, they can hold no situation under Government nor possess any land property, not even a house in the town, they are obliged to pay a heavy tolerance tax, and must have a permission to hire lodgings." All these restrictions directly affected his Uncle Salomon. He had to seek permission from Metternich in 1823, when his cousin Anton Schnapper wanted to move to Vienna to marry a relative of his senior clerk Leopold von Wertheimstein. Ten years later he had to apply for renewal of "toleration" for another senior clerk, Moritz Goldschmidt (who had also been born in Frankfurt). Salomon himself could only rent accommodation in Vienna, and his request in 1831 that he and his brothers be allowed "to convert part of the wealth with which a kind providence has blessed us into a form in which it will be remunerative whatever vicissitudes may befall us" was turned down—despite Salomon's ingenious argument that this would be "not wholly inconsistent with [the government's] own advantage, since it cannot regard with indifference the possibility of attracting considerable capital sums to the country which will become subject to taxation." If such exceptions could not be made even for the state's most powerful and loyal banker, efforts to improve the collective position of the Austrian Jews were foredoomed to failure before the 1840s.

In western Germany, matters were left in a state of flux by the end of French control in 1814. Dalberg's 1811 decree giving Jews full rights of citizenship in Frankfurt was effectively suspended shortly after his abdication as Grand Duke. In March 1814 the special Jewish oath was reintroduced in the courts and Jews were dismissed from public sector posts. Later the same year, membership of the citizens' assembly was once again restricted to Christians. The situation in neighbouring Hesse-Kassel was similar. As we have seen, this reaction partly reflected popular anti-Jewish feeling, which in Frankfurt was distinctly threatening. Amschel's letters of this period are full of lurid images of impending violence: the Gentiles "could drink Jews' blood" or even "eat a grilled Jew." There was, however, a chance to stem this reaction at the Congress of Vienna (1814-15), where the constitutional form of the new German Confederation was to be determined, raising the possibility of a general emancipation applicable to Germany as a whole. Although the Rothschilds were mainly preoccupied with the financial aspects of the post-war settlement, which were largely decided in Paris, they nevertheless took a close interest in this aspect of events in the Austrian capital, where a delegation had been sent by the

Frankfurt Jewish community to press the Jewish case. It would appear that the first member of the family to see the need for such lobbying was Salomon's wife Caroline. On July 21, 1814, she wrote to her husband, who was then in London:

It does not look rosy for us as regards our citizenship . . . As far as I can see from a distance, we still have a long struggle before us. This matter interests me so much that, if I catch a simple word about it, I listen eagerly to what is said . . . I am very curious to know what the result is going to be. Can't you, my dearest Salomon, contribute to this through your acquaintances over there? This would be a heavenly good deed, which cannot be bought even with very much money. Perhaps a minister there would give you an introduction to Austria, Russia or whomso ever has a say in this matter. You may ask what has a woman to do with public affairs? Better she should write about soap and needles. However, I see what I am doing as necessary. Nobody is doing anything about this matter. Time is passing slowly and we will reproach ourselves for not having done more . . . This matter is now most pressing; and here in Frankfurt nobody is doing anything.

Amschel and Carl needed no such prompting. In August and September the former was in Berlin on business, from whence he relayed news of the likely Russian and Prussian positions on the subject to Isaac Gumprecht, one of the leaders of the Frankfurt Jews in Vienna (the other key figures were Ludwig Börne's father Jacob Baruch and the lawyer August Jassoy). Carl meanwhile wrote to Nathan asking him whether an "English Lord" then on his way to Vienna—probably Castlereagh—"could possibly help in the question of the civil rights with regard to the Jews."

From an early stage, the brothers pinned considerable hopes on the Prussian Chancellor Hardenberg, one of the architects of the Prussian emancipation. According to Amschel, he had "a very friendly attitude towards the Jews . . . [H]e obtained citizenship rights for the Danzig Jews. And he did this despite the anti-Jewish representations which the Danzig Gentile merchants made to the King." He also urged Nathan to "send a few small presents for the Minister's [probably the Prussian Finance Minister Bülow's] wife. [He] is most certainly in a position to help the Jews." The Prussian diplomat Wilhelm von Humboldt received similar blandishments: though he scrupulously refused a gift of three emerald rings from the Jewish delegation at Vienna in 1814, two years later Amschel offered to purchase some caskets from him at what he considered an excessive price "if by it something could be achieved." Their other great hope was Metternich, though his apparently sympathetic attitude was known not to be shared by other senior Austrian ministers. A letter from Salomon in October 1815 asked Nathan to make a speculative purchase of British stocks worth £20,000 for "the great man who does everything for [the] Jews." This could refer to either Hardenberg or Metternich, whom Salomon had seen the previous day. Buderus—who had been restored to power by the Elector in Hesse-Kassel—was also seen as a possible source of support, though the fact that the Jewish community owed him money was expected to complicate his attitude.

At first, it seemed as if a compromise could be reached in Vienna. In December 1814, for example, Carl heard that citizenship could (once again) be secured for the Frankfurt Jews in return for a cash payment of 50,000 gulden; following his father's example, he offered to contribute 5,000, in addition to the 3,000 the community already owed the firm. But there was a serious setback when, at the suggestion of the Bremen Bürgermeister Smidt, article 16 of the German Bundesakte—the loose confederal constitution signed by the member states in June 1815—referred only to rights previously granted to Jews "by" (as opposed to the original "in") the German states, effectively invalidating all the Napoleonic measures, and leaving future arrangements in the hands of the individual states. Nevertheless, after the interruption of Napoleon's Hundred Days, the brothers continued their efforts in the hope of bringing pressure to bear directly on the Frankfurt authorities. In September Amschel sent

the latest details of the situation in Frankfurt to Paris, urging his brothers to show them to Metternich and to "Bülow who is a good friend of Hardenberg and promised me in Berlin that he would help . . . If you can help you will be blessed, for Baruch is in Vienna but will be back soon. But with such things you must strike while the iron is hot." Salomon should tell Bülow what Amschel had told Hardenberg: "That we should not be regarded as aliens. In critical times, we [Jews] served [in the army] as well as any native. I believe you will be doing good if you do this, as we have many enemies and otherwise you won't get anything; we just have far too many enemies, and I will be very sorry if we end up with nothing."

Salomon was soon able to report a promise of support from Metternich as well as Hardenberg, which led to letters being sent to the Frankfurt authorities by both Austria and Prussia, urging that the agreement between Dalberg and the Jewish community of 1811 be upheld—or, as Salomon rather optimistically put it, telling them "that the devil may take all non-Jews in Frankfurt and that the Jews in Frankfurt will keep their citizenship."[6] James meanwhile urged Nathan to get a letter from a senior British figure in the same sense. When Hardenberg came to Frankfurt at the end of November, Carl pressed him to receive a deputation from the community, among them Amschel, and was further encouraged to hear him speak "very graciously about our Jewish matters." "You cannot do too much on acount of the Jewish matters," he exhorted his brothers. Caroline even wrote to congratulate her husband on his efforts on December 7.

Such congratulations were premature. Amschel sensed the coming disappointment as early as September, when he heard that Baron vom Stein might be given a decisive say in the matter, as Stein was regarded as having "turned against the Jews." By November the messages he was receiving from Baruch in Vienna were gloomy, while the Frankfurt authorities were unmoved by the Austrian and Prussian letters. Nor was help to be had from outside Germany: according to Nathan, the British representative sent to Frankfurt, the Earl of Clancarty, was "no friend of our people." Worse, the Austrian delegate to the Confederation's Diet in Frankfurt, Count Buol-Schauenstein, turned out to share the Frankfurt authorities' view that "this nation, which never integrates with any other, but always hangs together to pursue its own ends, will soon overshadow Christian firms, and with their terribly rapid increase of population they will soon spread over the whole city, so that a Jewish trading city will gradually arise beside our venerable cathedral."

Although Amschel and Carl continued to lobby the representatives of the various German states and to receive encouragement from Hardenberg and Humboldt, as well as from the Russian envoy in Frankfurt, they were increasingly pessimistic. Indeed, Amschel began to talk of leaving Frankfurt altogether—though this may have been intended partly as a threat to embarrass the Frankfurt authorities. It was at this time that he and Carl made their first concerted efforts to overcome their social isolation in Frankfurt: the first dinners they gave were in fact primarily designed to lobby influential figures in diplomatic and financial circles "in the interests of the Jewish people." They attached particular significance to winning over the banker Bethmann, whose utterances on the subject appear to have varied considerably according to the company he was in. At the same time (November 1816), Amschel, Baruch and Jonas Rothschild sent a memorandum to the Federal Diet challenging the legality of the Frankfurt Senate's action.

Under these circumstances, it was inevitable that the legislative settlements reached in the various states would fall far short of what had been achieved in 1811. In Kassel, although the Jews were given citizenship (in return for the inevitable payment), it was hedged around with economic restrictions preventing Jews from unrestricted ownership of real estate and prohibiting street-hawking. To

Buderus's wife, Carl was fulsome in his flattery of the Elector: "I said, the Prince knows that he alone began the reform, it was his own initiative, and that the world now saw how liberally-minded he had been all along." Indeed, he pressed William to give the same rights to the Jews in his other territory of Hanau. But he and his brothers knew full well that, while the conditions attached to Jewish citizenship seemed "trivial things in principle," they were "big things for those affected." Moreover, as Carl privately remarked, the Elector was "an expert when it comes to going back on his word"—a verdict which seemed to be vindicated in 1820, when it was rumoured that new residence restrictions were going to be imposed on Jews in Kassel. The new law was in fact typical of the kind of qualified "emancipation contract" which German states wanted to make with Jews—offering rights only in return for social "regeneration" and assimilation; it was better than nothing, but it did not satisfy the Rothschilds.

In Frankfurt, despite the example of Electoral Hesse, the debate appeared to end in an even more complete defeat in October 1816, when a revised constitution confirmed the equality of Christian citizens only, leaving Jews as second-class *Schutzgenossen* (literally "protected comrades"). It was especially galling that, even as they revoked the decree of 1811, the authorities specifically cited Amschel's garden as evidence of their enlightened attitude towards the Jewish community. If this was intended to buy off the Rothschilds, however, it failed; it merely made Amschel the target for antagonism on the part of those in the town who wished even stricter measures against the Jews—namely a wholesale return to the ghetto. As we have seen, anti-Jewish feeling in Frankfurt grew more and more overt in this period, with the performance of plays like *Unser Verkehr* and the publication of numerous anti-Jewish pamphlets. During the debates on the Jewish question, some members of the Senate had even been heard to propose as a "solution" that the Jews should be expelled from Frankfurt altogether "as the endeavour of these money-grabbing nomads is solely directed at the ruin of [us] Christians, so that within a few years a large part of the Christian burghers and residents will have been deprived of all happiness and prosperity." In September 1816 a group of anxious representatives of the Jewish community wrote to the Rothschild brothers, noting "how tirelessly and eagerly you are working for us, how strong your solidarity with us is," but admitting: "[T]he good results which we were justified in hoping for have not been achieved . . . We fear that the fortress will not capitulate before very decisive measures are taken."

What form could such measures take? In the wake of the Frankfurt defeat, Amschel angrily talked of "hurting" the Gentile bankers in Frankfurt "by doing business, even if it entails losses." More plausibly, the Rothschilds might make use of their rapidly increasing wealth in a more positive way. Some German Jews looked to Nathan—the richest and most influential of the brothers at this time—to provide some kind of English *deus ex machina*. "I hope in days to come the British who conquered Napoleon," wrote one of the Frankfurt community's leaders, "are going to call the Frankfurt Senate to set free Jewish slaves here as they have freed Christian slaves elsewhere." Amschel himself urged Nathan to "have the British Minister [in Bavaria, Frederick] Lamb egged on again" to support the Jewish case. According to the brothers' correspondence, Nathan did what he could. A number of letters credit him with securing support on the issue from the Dutch King, as well as acting to protect the interests of other Jewish communities in British jurisdiction, notably in Corfu and Hanover. "I think it might be easy to improve our lot should you approach the Prince Regent," a Hamburg Jew named Meyerstein wrote to Nathan in 1819. "Why should the Hanoverian Jews, living in an English province, not be given the same laws conceded to their brethren in England? The barbarity of the past century has got to be stopped and it is from your direction that we expect the sun to rise also for us." In the case of Frankfurt, of course, British influence was minimal: the best tactic still seemed to be to apply pressure in Berlin and Vienna, in the hope that the larger German states would finally force Frankfurt to soften its attitude. But here too Nathan could make a contribution. In what was to become the pattern for

much of their later activities of this sort, the brothers sought to win stronger Prussian support for the Jewish case in the course of the negotiations for the 1818 sterling loan. The brothers also endeavoured to raise the issue at the Congress of Aix; indeed, Amschel argued that Salomon should go there "not for business reasons but in the interest of the whole Jewry." It was in fact this issue which brought them into contact with Friedrich Gentz for the first time, as he and Metternich passed through Frankfurt on their way to the Congress.

Such pulling on the purse strings in Berlin and Vienna could not prevent popular antagonism in Frankfurt finally boiling over into the violence of the "Hep" riots of August 1819. On the other hand, the unrest served to strengthen the case against the town authorities, and the Rothschilds sought to press home the point by reiterating Amschel's threat to leave Frankfurt for good. A letter by James to the Vienna banker David Parish, which was evidently intended for Metternich's eyes, illustrates the way the brothers were now explicitly using their financial leverage on behalf of their "nation" (a phrase they often used):

What can be the result of such disturbances? Surely they can only have the effect of causing all the rich people of our nation to leave Germany and transfer their property to France and England; I myself have advised my brother to shut up house and come here. If we make a start, I am convinced all well-to-do people will follow our example and I question whether the sovereigns of Germany will be pleased with a development which will make it necessary for them to apply to France or England when they are in need of funds. Who buys state bonds in Germany and who has endeavoured to raise the rate of exchange if it be not our nation? Has not our example engendered a certain confidence in the state loans so that Christian firms have also taken heart and invested part of their money in all kinds of securities? . . . The object of the agitators at Frankfurt seems to have been . . . to collect all the Israelites into a single street; if they had been successful in doing this, might it not have led to a general massacre? I need not point out how undesirable such an occurrence would be, especially at a time when our house might be holding large sums for the account of the Austrian or Prussian Court. It seems to me to be really necessary that Austria and Prussia should devise measures to be applied by the Senate at Frankfurt for energetically dealing with occurrences such as those of the 10th of this month, and thus making each man secure in his possessions.

In the view of their avowed adversary, the Bremen delegate to the Frankfurt Diet, the Rothschilds were making full use of their financial leverage. Besides Austria and Prussia, "several minor states have also had recourse to this financial Power in their difficulties, which puts it in a strong position to ask for favours, especially for a favour of such an apparently trivial nature as the protection of a few dozen Jews in a small state."

The brothers kept up the pressure in 1820, pressing Metternich to lean on Buol, who continued to support the Frankfurt authorities. They also lobbied the Bade nese government on behalf of the Jews there. When Metternich visited Frankfurt in October 1821, he signalled his own sympathies by lunching with Amschel; Salomon meanwhile came to an "important financial arrangement" with Gentz, after he had once again "bent his ear about the fatal Frankfurt 'Jews' affair." In 1822 Amschel even wrote to Metternich's lover Princess Lieven "asking for the withdrawal of certain instructions towards [the Frankfurt Jews] that Count Münster must have sent to the Minister of Hanover."

This campaign was not a total failure. A year after his letter to Princess Lieven, for example, Amschel was able to celebrate Buol's recall and the arrival of the more sympathetic Münch-Bellinghausen. And, writing from Berlin in March 1822, Heine detected "better prospects" that the Jews would win back

their citizenship. Yet Princess Lieven's private reaction to Amschel's letter was revealing: it was, she told Metternich, "the funniest letter imaginable . . . Four pages of sentiment, begging my help for the Jews of his town, and I, the patroness of the Jews! There is a kind of naive confidence in it all, which is at once laughable and touching." If this was how Metternich felt too, the brothers' efforts in Vienna may have been less productive than they imagined. In the end, the Frankfurt authorities made only the most minimal concessions. Although there was to be no return to the ghetto—in itself a cause for relief rather than rejoicing—a plethora of restrictions on Jews remained, and their citizenship was clearly of the second-class variety. The new law confirming the "private citizen's rights" of the "Israelite citizens" (1824) excluded the Jews from political life as before; imposed restrictions on their economic activities; subordinated the community to a Senate commissioner; permitted, as before, only fifteen Jewish marriages a year (only two of which could be with outsiders); and restored the Jewish oath in the law courts.[7] It is important to bear in mind that these regulations applied to more than a tenth of the town's population (some 4,530 people). Most of the rules—including the restriction on marriages to Jews from outside Frankfurt—remained in place until 1848. Indeed, the Frankfurt Jews did not secure full legal equality until 1864.

Heine used the Rothschilds' role in the emancipation debate to make a sarcastic joke about businessmen in general:

Frankfurt citizenship papers . . . are said to have dropped 99 per cent below par—to adopt the language they speak in Frankfurt . . . But—to speak like a Frankfurter again—have not the Rothschilds and the Bethmanns stood at par for a long time? A businessman's religion is the same all the world over. The businessman's . . . office is his church; his desk is his pew, his copybook is his bible, his warehouse his holiest of holies, the bourse bell his church bell, his gold his God, his credit his faith.

But this was to miss the point. It was not the position of the Rothschilds which was at issue, but the position of Jews in general. What Heine had to say about the religion or lack of religion of businessmen would be echoed by that other apostate Marx (who argued conversely that capitalism was the universalisation of Jewish "huckstering"); it was not, however, true in the case of the Rothschilds. In any case, the idea that Bethmann and Rothschild stood at par was not one which many Gentiles in Frankfurt accepted.

There is an obvious continuity running from the battle for Jewish rights in Frankfurt to the involvement of Nathan and his sons in the campaign to secure emancipation in Britain after 1828. For here the remaining legal discrimination to which Jews were subject did not in any way personally inconvenience the Rothschilds. Nothing prevented Nathan doing the business he did at the Royal Exchange; nothing prevented him buying the houses where he wished to live. The fact that British Jews were excluded from political life and the English universities could have been a matter of complete indifference to him, as he had no desire or need to enter any of these institutions. Yet it was not. Even Nathan, of all the brothers the most single-minded in his pursuit of profit, felt an obligation to act on behalf of the Jewish community as a whole, even for the sake of rights he himself had no intention of exercising.

In 1828 and 1829 Protestant Dissenters and then Catholics secured the repeal of the laws excluding them from political life, but Jews did not—thanks to the parliamentary Oath of Abjuration (originally intended to exclude "popish recusant convicts"), which contained the phrase "upon the true faith of a Christian." This inconsistency appears to have galvanised Nathan—or, rather, to have galvanised his wife. For, like his brother Salomon, Nathan was evidently susceptible to feminine pressure on the issue.

On February 22, 1829, his brother-in-law Moses Montefiore recorded in his diary how he and his wife Judith

took a ride to see Hannah Rothschild and her husband. We had a long conversation on the subject of liberty for the Jews. He said he would shortly go to the Lord Chancellor and consult him on the matter. Hannah said if he did not, she would. The spirit manifested here by Mrs. Rothschild, and the brief but impressive language she used, reminded me most strikingly of her sister, Mrs. Montefiore.[8]

In the subsequent manoeuvrings, Nathan and Montefiore worked closely together. Broadly speaking, they tended to urge a more cautious strategy than the leading figure on the London Committee of Deputies of the British Jews (later generally known as the Board of Deputies), Isaac Lyon Goldsmid.

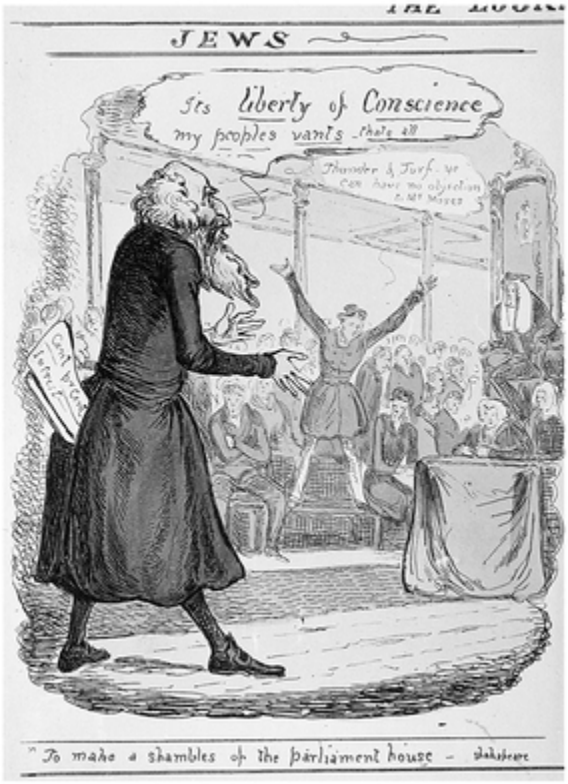
For Nathan, the issue revealed with sudden clarity the limits of his relationship with the Tory government, and particularly with the Prime Minister Wellington. Perhaps somewhat naively, he offered to sound out his Tory contacts about the possibility of emancipation in early April, at the height of the political crisis over Catholic emancipation which was close to toppling the government. The Lord Chancellor, Lord Lyndhurst, was evasive:

He advised them to remain quiet until . . . the Catholic business . . . was settled, but if they thought it more to their own interest to bring the matter forward immediately, to set Lord Holland to do so, and he would support him, as he considered it right that the Jews should be relieved from their present disabilities; at the same time they must be guided by public opinion.

On the basis of this ambiguous message, Nathan recommended to the Board of Deputies "that a petition praying for relief should be prepared, in readiness to be presented to the House of Lords whenever it may be thought right." At Nathan's suggestion the petition dealt solely with British-born Jews, and he advised that only British-born Jews sign it (hence his son Lionel's name appeared, rather than his own). He and Montefiore then took it to their old friend, the former Chancellor Vansittart (now Lord Bexley), who agreed to present it in the Lords after some minor alterations. The Deputies were impressed, and wrote thanking Nathan "for the zeal and attention he has manifested on behalf of his Hebrew Brethren, and more especially for his personal Attendance this day and evincing so ardent a desire in promoting through his powerful influence a relief to the Jews of this Kingdom from those disabilities under which they are labouring." Work was begun on drafting a bill.

Yet in the course of the following month it became evident that Wellington was opposed to the introduction of any such bill that year; nor would he commit himself as to the next parliamentary session. When Nathan went to see him in February 1830 to "entreat" him "to do something for the Jews," the Duke replied that "he would not commit the Government on the question of the Jews, and advised them to defer their application to Parliament, or, if they did not . . . it must be at their own risk, and he would make no promise." In the face of this, Nathan became pessimistic. The Liberal Tory Robert Grant proceeded to introduce a petition in favour of the Jews a week later, followed on April 5 by the first of many bills—an event Nathan himself may have witnessed. Two days later, however, he informed his brother James "that the Jewish matter is not going through." He lobbied another old Tory friend on the subject—Herries, now President of the Board of Trade—but the government position remained unchanged and the bill was duly defeated by 228 to 165 on its second reading. It was now obvious that support for Jewish emancipation was much more likely to come from the Whigs. After years of proximity to the Tories, Nathan suddenly found himself siding with the Opposition.

The emancipation issue cut across party lines: supporters included the socialist Robert Owen, the Irish Catholic Daniel O'Connell and the Liberal Tory William Huskisson, while its most vehement early opponents included William Cobbett. A flavour of the more radical opposition can be gleaned from the numerous cartoons devoted to the subject. A caricature produced shortly after the introduction of Grant's bill (though dated March 1, 1830) depicts a bearded Jew in the House of Commons listening to Thomas Babington Macaulay's maiden speech in support of the bill and declaring: "It's *Liberty of Conscience my peoples vants*—that's all" (illustration 6.ii). The figure bears no physical resemblance to Nathan, but the fact that he has a bill in his coat pocket bearing the legend "Cent per cent interest" makes the connection between the Jews and finance clear enough.

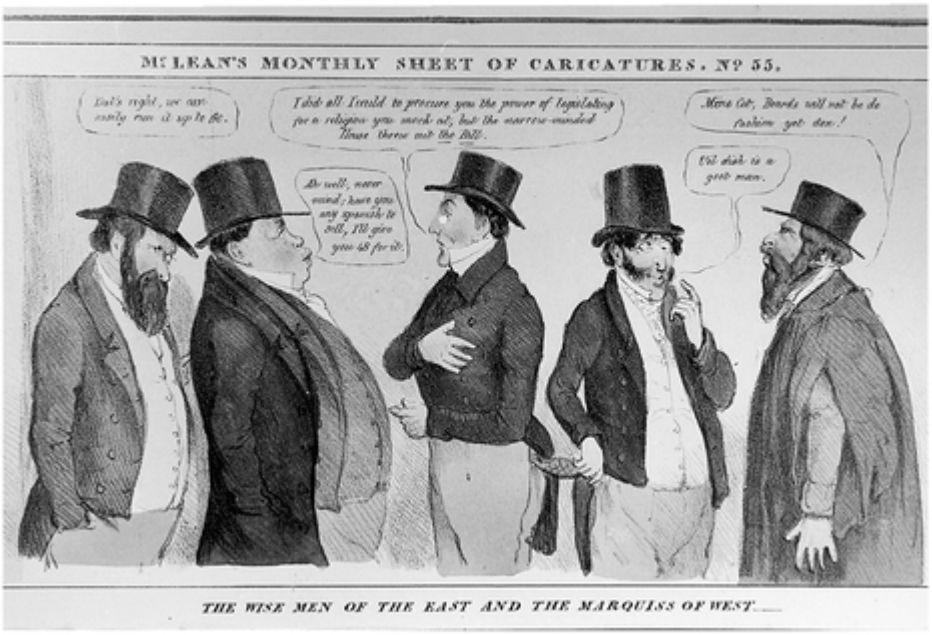


6.ii: Anon., "*To make a shambles of the parliament house—Shakespeare*," the *Looking Glass* No. 3 (1830).

In a contemporaneous cartoon entitled *The Wise Men of the East and the Marquiss of West*, Nathan himself is depicted in conversation with Grant (see illustration 6.iii). "I did all I could to procure you the power of legislating for a religion you mock at," Grant says, "but the narrow-minded House threw out *the Bill*." Nathan replies, "Ah well, never mind: have you any Spanish to sell, I'll give you 48 for it." A more stereotyped Jew behind Nathan whispers, "Dat's right, we can easily run it up to 50"; while another exclaims, "Mine Cot, Beards will not be de fashion yet, den!" In both cases a pun is intended on the word "bill": the implication is that the Jews were more interested in the financial variety and that the proponents of a parliamentary bill for emancipation were ingenuous.

Tory opposition continued to thwart emancipation even when the Whigs returned to power after the Reform crisis. A second bill passed its third reading in the Commons in 1833, only to founder in the Lords in the face of opposition led by Wellington and the majority of bishops; a pattern repeated the following year. During Peel's brief ministry of 1834-5, Nathan was one of the signatories of a letter to

the Prime Minister—known to be more pragmatic in his views—suggesting that the government at least back a bill for Jewish enfranchisement. But Peel declined; and the measure was taken up only when the Whigs came back in the following month. A year later, in 1836, when the Chancellor of the Exchequer Thomas Spring Rice introduced yet another emancipation bill, it too failed to get past the Lords.



6.iii: Anon., *The Wise Men of the East and the Marquiss of West, McLean's Monthly Sheet of Caricatures*, No. 55 (1830).

It is hard to believe that the Tories' opposition to emancipation had no influence on Nathan's political views. As we shall see, his attitudes to the Reform Bill crisis underwent a sea-change between 1830 and 1832, and it seems likely that this was linked to disappointment with Wellington over emancipation. Certainly, when his sons took up the cudgels in the one major battle their father had failed to win, they did so as avowed Whigs, and even Liberals. Amschel's garden had been saved in Frankfurt; but the next symbol of the Rothschild role in Jewish emancipation—Lionel's seat in the House of Commons—would not be secured until twenty-two years after his father's death. And it would be another three decades more before the Rothschilds and the Tories were reunited.

"*The Exceptional Family"*

Yet for all their commitment to Judaism and to the interests of their "co-religionists," there was one important respect in which the Rothschilds sought to distance themselves from the wider Jewish community. By the 1820s they were unquestionably exceptional in financial terms. They were also exceptional in the privileged status they enjoyed relative to other Jews: this was what Heine was specifically alluding to when he used the phrase "exceptional family." But they were also exceptional in the way they operated *as* a family.

Most eighteenth- and nineteenth-century family firms had a limited life-span. The idea that successive generations would lose the economic motivation—the "work ethic"—which had driven their fathers and grandfathers was far from being an invention of Thomas Mann, whose *Buddenbrooks* immortalised the phenomenon. It was all too obvious to Francis Baring. As he wrote ruefully in 1803, conscious already of his progeny's lack of business acumen, "Families founded on the acquirements of an individual do not last above sixty years one with another . . . [T]he posterity of a Merchant, Banker etc., particularly when they are young, abandon the pursuit of their predecessor as beneath them, or they follow it by agents without interfering themselves, which is only a more rapid road to ruin." In fact, the Barings survived relatively well as a financial dynasty, relinquishing control over their own bank only in the 1990s. Innumerable other nineteenth-century family businesses had far shorter lives, lasting just one or two generations. The Rothschilds took exceptional precautions to avoid this decadence.

The necessary first step towards perpetuating the firm was, of course, to produce "posterity"; and, given the terms of Mayer Amschel's will (as well, needless to say, as the social conventions of the period), that meant sons. While Amschel failed to produce any children whatsoever, his brothers produced heirs aplenty—thirteen in all. Salomon had the first, Anselm, born in 1803; Nathan had four sons, Lionel (b. 1808), Anthony (b. 1810), Nathaniel (b. 1812) and Mayer (b. 1818); Carl also had four, Mayer Carl (b. 1820), Adolph (b. 1823), Wilhelm Carl (b. 1828) and Anselm Alexander (b. 1835); and so did James: Alphonse (b. 1827), Gustave (b. 1829), Salomon (b. 1835) and Edmond (b. 1845).

When this generation duly married, male children continued to be at a premium. Indeed, the pressure to produce sons was if anything rather greater. "What do you think of my new little girl?" Anselm asked Anthony, following the birth of his second daughter Hannah Mathilde in 1832. "A boy would have been more acceptable." (His wife Charlotte's first child had been a boy, but he had died in infancy in 1828.) When Lionel too was presented with a daughter, Leonora, one of the senior clerks in Paris wrote to console him: "I actually compliment you that it is a daughter which our dear lady has given you—for you know it is necessary that the first child in our family is of that sex . . . it is a superstition, but that's the way it is." "You may have wished for a son," he added, "but he will come—in two years you will announce him." But when, at the appointed date, another girl was born, Anthony could not disguise his disappointment: "Congratulations to you & your good lady. In these affairs one must take what one can get." He too had to rest content with two daughters; his brother Mayer with just one. Carl's sons Mayer Carl and Wilhelm Carl had no fewer than ten girls between them, but no sons. It was not until 1840 that the third generation produced a boy (Lionel's son Nathaniel, followed by Alfred two years later); and when news broke that Nat's wife was pregnant, there was hope of a winning streak. "Nat has determined not to be outdone by the Rest of the family & intends next year to present you to his son & heir—that is the great news of the day," enthused Anthony. "It is quite [certain] & if he intends keeping par with his eldest brother a pretty lot of little ones will be in the family & the more the happier." It was another girl, and she died before her first birthday.

It would be wrong to infer from such remarks a crude "sexism," however. They were more indicative of an anxiety—which lasted for some years—that the third generation would fail to produce male heirs altogether. In the eyes of Nathan's wife Hannah, as she put it in 1832, it was "of no consequence to our gratification whether a boy or a girl, so [I] have no pity for any who choose to grumble." Nor was this just the female point of view. Once his wife had produced a son, Anselm lost his preference for male children, as he revealed when she became pregnant again:

If Carlo Dolee [apparently a nickname for Nat, whose wife was also pregnant] has fabricated a little girl or boy my offspring will . . . be very acceptable as for a husband or for a wife . . . The Public will not say the Rothschild family has been idle that year. I hope Billy will soon follow the good example, if

he goes to [the spa at] Ems, he may be sure of success.

So far, so conventional. But Anselm's light-hearted letter also touches on what was perhaps the most remarkable aspect of the Rothschilds' history as a family. For the principal reason daughters were not regarded as much less desirable than sons was that the family practised a remarkably sustained strategy of endogamy.

Before 1824 Rothschilds had tended to marry members of other, similar Jewish families, often those with whom they did business. That was true of the wives of all but one of Mayer Amschel's sons—who married, respectively, Eva Hanau, Caroline Stern, Hannah Cohen and Adelheid Herz—as well as of his daughters' husbands—Messrs Worms, Sichel, Montefiore and the two Beyfuses. This was not unusual by nineteenth-century standards. As we have seen, the Stättigkeit imposed on the Frankfurt Jews had more or less made intermarriage within the small community of the Judengasse compulsory. Even without that compulsion, however, most people—and not only Jews—tended to marry within their own religious community, seeking out an equivalent community (as Nathan did in London) if they happened to leave their home town. After 1824, however, Rothschilds tended to marry Rothschilds. Of twenty-one marriages involving descendants of Mayer Amschel between 1824 and 1877, no fewer than fifteen were between his direct descendants. Although marriage between cousins was far from uncommon in the nineteenth century—especially among German-Jewish business dynasties—this was an extraordinary amount of intermarriage. "These Rothschilds harmonise with one another in the most remarkable fashion," declared Heine. "Strangely enough, they even choose marriage partners from among themselves and the strands of relationship between them form complicated knots which future historians will find difficult to unravel." It is only too true; not even the royal families of Europe were as closely inbred, though self-conscious references to "our royal family" suggest that the Rothschilds regarded them as a kind of model. This was one of the other things the Rothschilds had in common with the Saxe-Coburgs.

It began in July 1824 when James married his own niece, his brother Salomon's daughter Betty. (Because he was so much younger than Salomon, the gap in age was not impossibly large: he was thirty-two, she nineteen.) Two years later Salomon's son Anselm married Nathan's eldest daughter Charlotte. There was then a ten-year lull, until the marriage of Nathan's eldest son Lionel to Carl's eldest daughter Charlotte—at a decisive turning point in the history of the family, as we shall see. Six years after that, Nat married James's daughter Charlotte (the limited range of names adds to the genealogical complexity); and Carl's son Mayer Carl married Nathan's third daughter Louise. Although their wives did not have the surname "Rothschild," Nathan's other sons Anthony and Mayer also married first cousins: Louisa Montefiore (in 1840) and Juliana Cohen (in 1850). (The former was also a descendant of Mayer Amschel as her mother was Nathan's sister Henrietta; the latter was Hannah's niece.) And so it went on, into the fourth generation. In 1849 Carl's third son Wilhelm Carl married Hannah Mathilde, Anselm's second daughter; a year later his brother Adolph married her sister Caroline Julie. In 1857 James's son Alphonse married Lionel's daughter Leonora; in 1862 his brother Salomon James married Adèle, Mayer Carl's daughter; and in 1877 James's youngest son Edmond married Adelheid, Wilhelm Carl's second daughter. Anselm's sons Ferdinand and Salomon both married fellow Rothschilds: Lionel's second daughter Evelina (in 1865) and Alphonse's first daughter Bettina (in 1876). Finally, Lionel's eldest son Nathaniel—usually known as "Natty"—married Mayer Carl's daughter Emma Louise (in 1867); and Nat's son James Edouard married her sister Laura Thérèse (in 1871).

Why did they do it? Romantic love, the conventional modern rationale for marriage, was plainly a minor consideration in the eyes of the older generation, who drew a distinction between a "marriage of

convenience" and a "marriage of affection"—Carl's typology when scouring Germany for a suitable wife for himself. "I am not in love," he assured his brothers, when justifying his choice of Adelheid Herz. "On the contrary. If I knew [of] another, I would marry her." Nor did Amschel marry Eva Hanau for love; according to one contemporary account, he openly acknowledged that "the one creature that I ever really loved I have never been able to call mine"; and his nephew Anselm regarded their golden wedding anniversary as marking "fifty years of matrimonial struggle." Caroline and Salomon were less ill suited to one another; but we have already seen how little time they spent together in the years 1812-15, when he was constantly on the move as business—or rather as Nathan—dictated. Five years later not much had changed: Caroline (in Frankfurt) was urging Salomon (in Vienna) not to go to St Petersburg merely because "your Nathan wants you to":

That is really incomprehensible; is there anywhere you aren't expected to go? Please, dear Salomon, do not let yourself be *talked into it*, [resist it] with all your strength and your considerable intelligence. Moreover, I do not understand your letter very clearly. For there are places in it which seem to suggest that you are going to have to go to Paris or even London. I am usually willing to accept your Nathan's arguments for the above-mentioned business. But I cannot see the justification for this . . . Your Nathan cannot simply ignore the views of all of you . . . In any event, dear Salomon, you are *not* going to London without my knowing the reason why. Understood, my dear husband? You are *not* doing it.[9]

If there ever had been a romantic relationship between these two, there was not much left of it by the time Salomon finally ended his years of nomadism and settled in Vienna. She never joined him there, and the son of one of Salomon's senior clerks recalled that by the 1840s he had developed a somewhat reckless enthusiasm for young girls.

To be sure, love could and did develop within such marriages. Nathan's relationship with Hannah illustrates this well: her letters to her "dear Rothschild" suggest a genuine affinity, albeit one based in large part on a shared enthusiasm for making money.[10] But such affinities were supposed to follow rather than precede marriage; they were not elective. As for James, he evidently treated his niece and wife, beautiful and intelligent though she was, primarily as a useful social asset. "To deprive oneself of one's wife is difficult," he confided in Nathan after just months of marriage. "I could not deprive myself of mine. She is an essential piece of furniture." The James fictionalised as Nucingen by Balzac was respectful of his wife—indeed, treated her as an equal—but went to a succession of mistresses to satisfy his sexual needs and fell in love only once: with a courtesan.

The next generation might have been expected to be less hard-nosed in their attitudes towards marriage, following the trend we associate with the reign of Victoria (who successfully converted her own arranged marriage into a passionate romance). There is some evidence to suggest such a softening. Lionel's letters from Paris to his cousin Charlotte, before their wedding in Frankfurt in 1836, seem to indicate a genuine passion. "Now that I am separated," he effused on January 7, "I only know the meaning of the word and am only able to judge of my love, of my entirely and devoted love for you Dear Charlotte, & wish I were able to express it in words. But I cannot, even in endeavouring to do so my pen has fallen from my hand and more than an hour has passed thinking of you, without taking it up —" Her reply spurred him on:

I had passed several long days anxiously and tediously without hearing one word from you Dearest Charlotte, when I received your few lines and was then, for the first time since I have left, rendered happy for a few minutes, but I am now again in my melancholy state, your letter I have read over and over, and each time have regretted more and more the great distance that now separates us. I was also

grieved to see that you still have such an indifferent opinion of me; you talk of Amusements, Occupations etc. Do you think I can have any that I do not enjoy with you Dear Charlotte? I have been invited everywhere, been entreated to join in some parties of amusement with old friends, but have declined. The only manner of passing my time without being annoyed is when I am alone at my Hotel, thinking and only thinking of you Dearest Charlotte . . .

A week later, his tone was was even more desperately romantic:

It is a little gratification in obliging you to occupy yourself with and to think of, if only for a few minutes, an absent friend, whose thoughts have never strayed for you, since his departure. Is it the case with others or am I different to the world in large? I have so much to say to you and feel so much the want of conversing with you Dearest Charlotte, that my ideas are confused. I begin with the same and end with the same, and then find myself in the same place; if I cannot have the happiness of telling you so verbally within a short time, I shall go mad.

Yet Lionel rather spoiled the effect of his love-letters when he added: "How happy [my parents] are to see me so attached to you and so fortunate as to have obtained the favours of a person of whom every person speaks in such high terms, and whose acquaintance they are so anxious to make." And only months before, while still on business in Madrid, he had expressed altogether less passionate sentiments in a letter to his brother Anthony:

I will do whatever my parents and uncles think best about staying or returning. If Uncle Charles [Carl] is gone to Naples, it will not be necessary for me to go soon to Frankfurt. Everything will therefore depend upon the family plans, as I think it makes very little difference for me to go to Frankfurt a few months earlier or later as I have no particular fancy to get married just immediately, a few weeks earlier or later makes no difference without our good parents' wish to go to Frankfurt.

Moreover, it seems that Charlotte (as Lionel evidently realised) was still less excited at the prospect of marrying her cousin. His letters to her in fact suggest a combination of cribbing from fashionable novels and determined auto-suggestion—which, to give Lionel his due, seems to have achieved its object. By the time they were married, as his brothers discerned with some surprise, he really did seem to love her, even if the feeling was not yet reciprocated.

In truth, then, Rothschild-to-Rothschild marriages of the third generation were no more the products of spontaneous attraction than their parents' had been, even if one or both partners managed to summon up more than affection for their chosen spouse. "They want to make some arrangement with Aunt Henrietta about Billy [Anthony] and Louisa [Montefiore]," reported Lionel to his brothers on the eve of his own wedding, rather as if reporting the performance of stocks on the Frankfurt bourse. "Joe [Joseph Montefiore] does not find much favour in H[annah] M[ayer]'s good graces. He runs after Louise who takes no notice of him. Of young Charles [Mayer Carl] and Lou [Louise] there is nothing going on; they have only spoken but a few words with each other." Immediately after the wedding, he was able to provide an update: "H[annah] M[ayer] and J[oseph Montefiore] do not take much notice of each other. The latter runs after L[ouise] who is also courted by another cousin [Mayer Carl] who has taken a fancy to her. Please God, it will be a match and he will be doubly my Brother in Law." His mother was watching the marriage market equally closely. Mayer Carl, she reported, "is more agreeable & communicative than I expected and very capable if he pleases to make an impression on a young lady's heart. I fancy him now to be more manly than our other young beau; there is no alteration in Mayer, no flirtation between him and the other Charlotte Rothschild, therefore whoever is to be the happy man at

a future period, will have no cause for jealousy." Six years later she married her daughter Louise off to the said Mayer Carl, while the "other Charlotte"—who had been barely eleven years old when she first discussed her prospects—married her son Nat.

The typically Victorian corollary of this system of arranged marriages was that male Rothschilds were allowed to "sow wild oats": the personal letters which Nathan's sons, nephews and their friends exchanged hint at a number of premarital liaisons. These were tolerated by the older generation provided nothing took place which might impede or damage the system of intermarriage. In 1829, for example, Anthony—who was evidently the playboy of the generation—overstepped the mark by forming too serious an attachment with an unidentified (but unsuitable) girl in Frankfurt. His father angrily summoned him home, accusing Amschel of having failed in his avuncular duties.

The first and most important reason for the strategy of intermarriage was precisely to prevent the five houses drifting apart. Related to this was a desire to ensure that outsiders did not acquire a share in the five brothers' immense fortune. Like most arranged matches of the period, each marriage was therefore accompanied by detailed legal agreements governing the property of the two contracting parties. When James married Betty, she acquired no right to his property, but her dowry of 1.5 million francs (£60,000) remained part of her own distinct property and, had he predeceased her without issue, she would have recouped not only the dowry but a further 2,250,000 francs. When Anselm married Charlotte a year later, she received not only a dowry of £12,000 (in British stocks) from her father, but a further £8,000 from her uncle and new father-in-law "for her separate use," and £1,000 from Anselm as a kind of pre-nuptial down-payment; while Anselm got £100,000 from his father and £50,000 from Nathan. Such large dowries were easily given when the money was staying in the family.

But, mercenary considerations aside, there was also a genuine social difficulty in finding suitable partners outside the family. By the mid-1820s the Rothschilds were so immensely rich that they had left other families with similar origins far behind. Even as early as 1814 the brothers had found it hard to find a suitable husband for their youngest sister Henrietta, only deciding on Abraham Montefiore (to whom Nathan was already related through his sister-in-law) after much agonising. Their original choice, a man named Holländer, had seemed unsuitable to Carl not because Henrietta did not love him —that was neither here nor there—but because, as he put it, "There seems a horrible crowd connected with the Holländers . . . [T]o tell the truth young men of good class are very rare these days." On the other hand, the man she loved, Kaufmann, was "a crook." A decade later, when the brothers' eldest sister Schönche (also known as Jeannette or Nettche) was persuaded by Amschel and Salomon to remarry following the death of her husband Benedikt Worms, her younger brothers disapproved. As James complained to Nathan, her new husband was merely an impecunious stockbroker from the Judengasse:

She has nothing to live on and she told my wife that she doesn't have any bread in the house. The man is a scoundrel. He gambled her dowry away. Today he went to the Bourse again and perhaps he will earn again what he lost. However I don't believe that he will. Tell me, what is your opinion? Do we want to make something for her every year? In the meantime I personally gave her a present of several thousand francs.

By this time only a Rothschild would really do for a Rothschild.

Nothing illustrates better the exclusiveness of both the partnership system and the intermarriage policy than the experience of Joseph Montefiore in August 1836. Though his mother Henrietta was born a

Rothschild, his suggestion (in the wake of her brother Nathan's death) that he might be "taken as one of the partners in the Firm" elicited an icy response from Lionel. "He was averse to this," Montefiore told his uncle Moses, "alleging that there were already too many [partners] and that it would be a bad precedent, however that I might ask my Uncles at Frankfort, and that he should vote with the majority, observing that if I became a partner I must change my name to that of Rothschild." This was plainly calculated to kill the idea, and it had the desired effect: Montefiore "most decidedly did not like this condition" and indeed "approved of it so little that [he] resolved not even to speak about it to [his] Uncles." As the next best thing, this thick-skinned young man then suggested that he might join the London house without the status of a partner but with the possibility of marrying Lionel's sister Hannah Mayer. But this proposal too was rejected, as we shall see.

There was a danger in the policy of intermarriage, however, which the Rothschilds can scarcely have realised. Prohibitions on cousin marriage had been widespread within Christian culture since the sixth century, when Pope Gregory ruled that "the faithful should only marry relations three or four times removed." In nineteenth-century America, eight states passed laws criminalising cousin marriage and a further thirty made it a civil offence. William Cobbett even cited the fact that "Rothschild married his own niece" as an argument against Jewish emancipation. But Jewish law had no such restrictions, while the enforced exclusiveness of the ghetto in a town like Frankfurt positively encouraged cousin marriage. It was not until later in the nineteenth century that the scientific study of heredity began, and only in the second half of the twentieth century that a real understanding of the effects of cousin marriage and other forms of group endogamy has been reached by geneticists. It is now known, for example, that the high incidence among Ashkenazi Jews of Tay-Sachs disease—a condition which fatally damages the brain—is the legacy of centuries of marriage between relatively closely related individuals. Marrying a cousin—especially when the family had spent centuries in the Frankfurt ghetto—was from a strictly medical point of view risky, no matter what the financial rationale. If either Mayer Amschel or Gutle had carried a single copy of a harmful recessive gene, then every time two of their grandchildren married (and it happened four times), there would have been a one in sixteen chance of *both* partners inheriting a copy of the damaged gene; in which case their children would have had a one in four chance of receiving two copies of it and hence suffering from the disease in question.

The Rothschilds were fortunate not to fall victim to the kind of recessive gene which spread haemophilia through the ranks of nineteenth-century royalty. The only indication of poor health in the next generation is the fact that, of Mayer Amschel's forty-four great-grandchildren, six died before the age of five. By modern standards that is a high level of infant mortality (13.6 per cent compared with 0.8 per cent today); on the other hand, around 25 per cent of all children died before their fifth birthday in Western Europe in the 1840s. Of course, the alternative possibility exists that there was a Rothschild "gene for financial acumen," which intermarriage somehow helped to perpetuate. Perhaps it was that which made the Rothschilds truly exceptional. But that cannot easily be demonstrated, it seems unlikely, and, even if it was the case, those concerned knew nothing of it.

SEVEN

Barons

When [Rothschild] obtained the . . . title [of baron], it was said,"Montmorency est le premier Baron Chrétien, et Rothschild est le premier Baron Juif."

—THOMAS RAIKES

Amschel's garden in the Bockenheimer Landstrasse was a symbol of emancipation from the ghetto. However, it would be wrong to suggest that his brothers and their descendants were motivated solely by the same yearnings as Amschel in their decisions to purchase property. As Carl's counter-proposal for a more imposing town house suggests, considerations of economic utility and social prestige also required more spacious residences—a place where members of the political elite could be wined and dined in comfort. Two possibilities were discussed at the same time that Amschel was buying his garden: the purchase of more elegant town houses; and the purchase of country estates.

Carl got his way in Frankfurt with the purchase in 1818 of the relatively modest house at 33 Neue Mainzer Strasse. In Nathan's case, the need for a town house separate from New Court was, of course, even more pressing: by 1817 he and Hannah had no fewer than five children—all under ten—and another on the way. (As yet, all his brothers apart from Salomon were still childless, and Salomon had only Anselm and Betty, who lived in relative comfort with their mother in the Schäfergasse house in Frankfurt.) In June 1817 Nathan therefore offered the stockbroker James Cazenove £15,750 "payable in cash immediately" for Grosvenor House. Characteristically, however, Nathan refused to pay more than he thought an investment was worth: when Cazenove demanded £19,000 the deal fell through. In fact, it was not until 1825—by which time there were seven children—that Nathan finally acquired the lease on 107 Piccadilly from a member of the Coutts family. At the same time, Moses Montefiore, his brother-in-law and neighbour in St Swithin's Lane, also moved west to Green Street, off Park Lane.

James, of all the brothers the most aesthetically and socially ambitious, was quicker off the mark. In 1816 or 1817 he moved from his original quarters in the rue Le Peletier to the rue de Provence in the Chaussée d'Antin (Paris's main financial centre, in the 9th arrondissement). This did not satisfy him, however, for in December 1818 he bought the hôtel at 19 rue d'Artois (renamed rue Laffitte in 1830) which had been built for the banker Laborde before the Revolution, and occupied during the Empire by Hortense, the daughter of Josephine, and Napoleon's Police Minister Fouché. Twelve years later, his brother Salomon bought the house next door (17 Rue Laffitte), though it was not until the mid-1830s that the work of renovation and redecoration of both houses was complete.[1] Only in Vienna did it prove impossible to purchase a town house in this period: Salomon continued to rent the Hotel zum Römischen Kaiser in the Renngasse until in 1842 he finally secured an exemption from the rule barring Jews from owning property in the imperial capital.

Nathan, Salomon and James also lost no time in acquiring places in the country—though it should be remembered that in those days, before the growth of London and Paris and the development of railways, it was neither feasible nor necessary to travel far in search of a rural retreat; "suburban retreat" might be a more accurate description. Nathan's first step in this direction was taken in 1816, when he purchased what his sister Henrietta called "a beautiful country estate"—in fact an eight-acre property on the road between Newington and Stamford Hill in the Parish of St John at Hackney. It was there, rather than in New Court, that he and his family thenceforth lived—in contrast to James, who continued to live "over the shop," just a short distance away from the bourse and the Banque de France.

It was not until nearly twenty years later that Nathan moved westwards (and upwards), buying the larger and more distinguished Gunnersbury Park near Acton. Built in 1802 for George III's youngest daughter Amelia, Gunnersbury was a large Italianate villa with extensive gardens including a small ornamental lake and a neo-classical "temple." Nathan commissioned the architect Sydney Smirke to enlarge the building, adding an orangerie and a dining room, and to enliven the austere façade with some fake marble decoration; he also consulted the landscape specialist John Claudius Loudon about the park.

Nathan himself remained at heart an urban creature: country life—even at Stamford Hill—did not really suit him. "One of my neighbours," he told Buxton a year before the move to Gunnersbury, "is a very ill-tempered man; he tries to vex me, and has built a great place for swine, close to my walk. So, when I go out, I hear first grunt, grunt, squeak, squeak." Though he was quick to insist that "this does me no harm, I am always in good humour," it is hard to miss the confirmed city-dweller's unease with the alien world of agriculture. It may just have been the smell, of course, but Nathan may also have suspected that his neighbour's choice of livestock had an anti-Jewish connotation. Nor—in marked contrast to James and his own sons—did he have the slightest desire to ride, hunt or watch horses race.[2] In this passage from *Endymion*, Disraeli evidently had Nathan (here "Neuchatel") and Gunnersbury ("Hainault House") in mind:

[Neuchatel] was always preparing for his posterity. Governed by this passion, although he himself would have been content to live forever in Bishopsgate Street . . . he had become possessed of a vast principality, and which, strange to say, with every advantage of splendour and natural beauty, was not an hour's drive from Whitechapel.

Hainault House had been raised by a British peer in the days when nobles were fond of building Palladian palaces . . . [I]n its style, its beauty, and almost in its dimensions, [it] was a rival of Stowe or Wanstead. It stood in a deer park, and was surrounded by a royal forest. The family that had raised it wore out in the earlier part of this century. It was supposed that the place must be destroyed and dismantled . . . Neuchatel stepped in and purchased the whole affair—palace, and park, and deer, and pictures, and halls, and galleries of statue and bust, and furniture, and even wines, and all the farms that remained, and all the seigneurial rights in the royal forest. But he never lived there. Though he spared nothing in the maintenance and the improvement of the domain, except on a Sunday he never visited it, and was never known to sleep under its roof. "It will be ready for those who come after me," he would remark, with a modest smile.

Although we know that Nathan did sometimes stay there during the week as well, there seems little doubt that he bought Gunnersbury primarily for the sake of his children; and it was not until two years after his death that the house was used for large-scale entertainment.

In France, James and Salomon both bought houses outside Paris, beginning in 1817 when James acquired what was in effect a summer house with a three acre garden at Boulogne-sur-Seine. Nine years later Salomon bought the rather grander house across the river at Suresnes built for the duc de Chaulnes in the eighteenth century. With its ten acres situated on the banks of the Seine (near what is now the rue de Verdun), it played a similar role to Gunnersbury as a country residence within convenient distance of the city. James waited until 1829 before buying the much bigger hunting estate at Ferrières, with its dilapidated château and 1,200 acres some twenty miles to the east of Paris. Unlike Nathan, James genuinely seems to have enjoyed country life. He looked forward to sleeping at Ferrières as soon as he had bought it and when Hannah Mayer visited him and Betty there in 1833, she

found them happily "superintending a little farm."

For the Rothschilds based in Frankfurt and Vienna, however, the purchase of rural estates had to wait. Amschel himself observed that "the first question anyone asks in Germany is: 'Do you have a country estate?' " But he and Carl agreed that it would be a mistake to rise to this socially alluring bait. The ownership of an estate implied a claim to aristocratic status which the ownership of a mere garden did not, and they evidently feared that evincing such delusions of grandeur would fuel the anti-Jewish backlash of the post-war period. At the same time, they doubted the economic rationality of buying agricultural land. What did they know about farming? "Often these estates bring in not more than two per cent," warned Carl—indicating that the brothers were still inclined to regard land as just another form of investment. Such attitudes persisted: Rothschild purchases of land in the next generation were always based on calculations of future yield; and the family managed its immovable assets as carefully as the more liquid components of its portfolio.

Society

The original and most frequently cited justification for acquiring these properties had been typically instrumental: each of the brothers needed a large and respectable house in which to entertain the ministers and diplomats who were their most important clients. The acid test of this strategy was whether the sort of figures the Rothschilds wished to entertain would accept their invitations. It was an uphill struggle.

In December 1815 Buderus—the brothers' trusted partner in their dealings with Wilhelm of Hesse-Kassel—threw a ball. "Bethmann, Gontard, and all the ministers and merchants are invited," complained Amschel bitterly. "We lent the silver. [But] the *Finanzräte* Rothschild are again left out and not invited." Carl's theory was that Buderus was embarrassed by his former intimacy with them: "He thinks we do not feel the proper respect for him, and that he therefore could not appear before us in such a dignified state. For you ought to know that honours and profits do not go hand in hand." There was a similar snub three months later, when Amschel was bluntly informed that, had he been invited, "rumours would have gone round that we had paid for the ball." At around the same time, Amschel complained that Gontard refused to see him too frequently on business lest his friends "start to treat him as a Jew." Their exclusion as Jews from the Frankfurt Casino (gentlemen's club) also rankled.

The tables could be turned, however. In May 1816 Salomon gave a dinner to which he invited the leading members of the diplomatic corps, as well as Bethmann and Gontard. All accepted. As a Rothschild cousin related with glee:

Today Kessler [a Frankfurt broker] asked me at the Stock Exchange whether it was true that it was really so exquisite at the Rothschilds' house. Apparently there was much talk about it at the casino. He also wanted to know who was present. I mentioned the Ministers, Bethmann, Gontard etc. I assure you that Bethmann as well as Gontard were full of praise, saying that it was a very lively affair and that Madame Rothschild knew how to arrange everything well. Bethmann especially liked the children, Anselm and Betty; he said that Betty had a fine education.

When one of the family's most ardent foes heard that "Gontard was dining with Salomon, he said: 'Mr Gontard as well?' and sighed . . . He seemed upset and that is something." Three months later Amschel

and Carl threw an even larger dinner, principally for the diplomatic representatives of the larger German states. Among those present was Wilhelm von Humboldt. The exercise was successfully repeated a year later. Only the Frankfurt Bürgermeister and one other invitee declined to attend.

The speed of this shift in attitudes astonished the Bremen Bürgermeister Smidt, one of the most determined opponents of Jewish emancipation of all the state delegates in Frankfurt. "Right up until the end of last year," he commented in August 1820,

it was against all customs and habits of life to admit a Jew into so-called "good society." No Frankfurt banker or merchant would invite a Jew to dine with him, not even one of the Rothschilds, and the delegates to the Confederal Diet had such regard for this custom that they did the same. Since my return I find to my great astonishment that people like the Bethmanns, Gontards [and] Brentanos eat and drink with the leading Jews, invite them to their houses and are invited back, and, when I expressed my surprise, I was told that, as no financial transaction of any importance could be carried through without the co-operation of these people, they had to be treated as friends, and it was not desirable to fall out with them. In view of these developments, the Rothschilds have also been invited by some of the ambassadors.

It was not long before Amschel was inviting him too. He accepted. By the 1840s Amschel was routinely giving such dinners "about once a fortnight [to] all visitors of rank."

In Vienna it proved much harder to overcome the traditional social barriers. Although Metternich had no objection to "taking soup" with Amschel in Frankfurt in 1821, the Austrian capital was a different matter. Contemporary comment strongly suggests that social life in Vienna remained more segregated along religious lines than elsewhere. In the 1820s, Gentz remarked, the Jewish "aristocracy of money" tended to dine and dance together, apart from the aristocracy proper. When the English writer Frances Trollope (the novelist's mother) visited Vienna in the 1830s, she encountered the same schism:

Neither in London nor in Paris is there anything in the least degree analogous to the station which the bankers of Vienna hold in their society. Their wealth as a body is enormous and, therefore, as a body they are, and must be, of very considerable influence and importance to the state . . . And yet with all this—with title, fortune, influence and a magnificent style of living—the bankers are as uniformly unadmitted and inadmissible in the higher circles, as if they had continued as primitively unpretending in station as their goldsmith progenitors.

Trollope was no unbiased observer, of course. She herself disliked being "surrounded . . . at the the largest and most splendid parties of the monied aristocracies . . . by a black-eyed, high-nosed group of . . . unmistakable Jews" (a prejudice which she managed to pass on to her son). But, writing in the 1830s, it was not unreasonable for her to doubt:

how far they are, or will ever be kindly or affectionately amalgamated with the other members of this Christian and Catholic Empire . . . Their power, as a rich body, is very great and penetrates widely and deeply amongst some important fibres of the body politic; but they are not, perhaps, the better loved for this by their Christian fellow subjects, and the consequence is, that their social position is more pre-eminently a false one than that of any set of people I have ever had an opportunity of observing . . . No one who visits Vienna with his eyes open and mixes at all in society, but will find reason to agree with me in the opinion that any attempt to blend Christians and Jews in social and familiar union may answer for an hour or a day, but will not eventually lead to affection or tolerance on either side.

Only in the late 1830s were senior political figures willing to accept invitations to dine with Salomon in the Hotel zum Römischen Kaiser. The Metternichs did so in January 1836, along with Princess Marie Esterházy and a number of other distinguished guests who were duly impressed by his French chef. But when Count Kolowrat accepted an invitation from Salomon (evidently for the first time) in 1838, "some people of his own position in society told him that this was giving offence. 'What would you have me do?' he said. 'Rothschild attached such enormous importance to my coming that I had to sacrifice myself to the interests of the service, as the State needs him.' "

Nathan had fewer difficulties. Foreign ambassadors and other dignitaries accepted his invitations to dinner from an early stage: he dined with the Humboldts in 1818, as we have seen, Chateaubriand dined with him in 1822, and the Esterházys were regular guests. Prince Pückler's letters record a number of different social occasions at Nathan's, including a "splendid dinner" in 1828, the dessert of which was served on solid gold dishes. What is not certain is whether Nathan's apparently close relations with Tory politicians like Herries, Vansittart and Wellington extended as far as the dinner table: quite possibly the greater part of the conversations he had with such figures took place in their offices. By contrast, proponents of Jewish emancipation among the Whig aristocracy like the Duke of St Albans and the Earl of Lauderdale were happy to dine with him, as was the historian Thomas Babington Macaulay, a prominent supporter in the Commons, who was a Rothschild guest in 1831. It also seems reasonable to assume that most of the visiting English aristocrats whom James invited to dinner in Paris had already been entertained by Nathan: "your charming Lady Londonderry," for example, whom James "stuffed" with best British venison provided by Nathan in 1833; and the Duke of Richmond, whom he invited to dinner a year later. The brothers' careful cultivation of the British royal family and its Saxe-Coburg relations also paid social dividends (though it was not until after Nathan's death that the Duke and Duchess of Cambridge accepted an invitation to Gunnersbury). In the winter of 1826 Carl played host to Leopold of Saxe-Coburg, entertaining him with amateur dramatics, "balls and soirees" at his villa in Naples. Then, as now, members of the social elite found it difficult to resist the offer of Mediterranean hospitality in the middle of the North European winter. The Montefiores also found Carl entertaining and being entertained by the indigenous aristocracy when they visited him in 1828.

Of all the Rothschild brothers, James made the most determined effort to achieve social success; perhaps his superior education gave him the confidence to do so. In 1816, equipped with a handbook of etiquette, he scored his first success, inviting the duc de Richelieu's private secretary to dinner *à deux*. But he too encountered resistance. Despite the social upheavals of the Revolutionary and Napeolonic eras, the French capital was far from free of snobbery and prejudice, and he was treated to an especially flagrant snub from his rivals Baring and Labouchère in 1818. It was not until March 2, 1821, that James really launched himself as a society host with his first full-scale ball in the refurbished rue d'Artois hôtel. The somewhat world-weary Berliner Henrietta Mendelssohn described how

for the past two weeks nothing has been talked about in the world of the great and the rich here, save a ball which Herr Rothschild finally gave yesterday evening in his new and magnificently decorated house. As yet I have no details as to how it went, but I can scarcely believe it was other than as I have heard for more than ten days—I do not exaggerate—from people of every age and class: that 800 people were invited and at least as many besieged him with visits, letters and pleas in the hope of getting an invitation . . . As I am presently feeling—for whatever reason—daily more miserable and peevish, I did not make use of my invitation to this ball, though it was sent by Herr Rothschild with the most courteous billet ever written.

The campaign was relentless. In April 1826 the Austrian ambassador described a sumptuous meal *chez*

“M. de Rothschild” attended not only by the other ambassadors of the great powers, but also by Metternich, the Duke of Devonshire, the Russian Prince Razumovski and a small galaxy of French aristocrats: the duc and duchesse de Maillé, baron de Damas (the French Foreign Minister of the day), the duc de Duras and the comte de Montalembert. A year and a half later, when the maréchal de Castellane dined with James, he encountered the English and Russian ambassadors, the duc de Mouchy and the comte Juste de Noailles. On average James had around four dinners a week, each with at least ten guests and sometimes as many as sixty. The night before the birth of his first child, Charlotte, he had eighteen to dinner; the following evening twenty-six.

Part of the attraction of a Rothschild event—as James well knew—was the sheer extravagance of the hospitality. As Henrietta Mendelssohn commented sardonically, invitations to James’s ball in 1821 went to a premium when it was heard “that all the ladies would be given a bouquet of flowers on entering the ballroom with a diamond ring or brooch” or that there would at least be “a lottery which would give a prize to each of the ladies.” When Apponyi dined with him in 1826, the table was dominated by an immense silver-plated platter in the form of a candelabrum—worth, Apponyi guessed, at least 100,000 francs—and the food was prepared by the famous chef Antonin Carême, who numbered among his previous employers the Prince Regent and Tsar Alexander. So rich was the combination of turtle soup and madeira that a dyspeptic Apponyi resolved to pay the customary *visite de digestion* eight days later than usual.

In many ways, Carême’s elaborate cuisine was James’s principal attraction in this early phase of his social ascent. The popular writer Lady Sydney Morgan was only one of many who drooled over his cooking when she dined with James at Boulogne: “[T]he delicate gravies were made with almost chemical precision . . . each vegetable still had its fresh colour . . . the mayonnaise was whipped ice cold . . . Carême deserves a laurel wreath for perfecting an art form by which modern civilisation is measured.” The *coup de théâtre* on this occasion was an enormous cake with her name inscribed in icing sugar, surrounded by all the supporters of the Holy Alliance. James took pains to find a worthy successor to Carême when he needed a new cook. Nor was he the only member of the family to value his chef. Though they themselves never tasted a mouthful of it, both Amschel and Salomon insisted on providing their guests in Frankfurt and Vienna with the best of French cooking. Disraeli was one of the most frequent recipients of Rothschild food outside the immediate family itself, and his account in *Endymion* of “delicate dishes which [guests] looked at with wonder, and tasted with timidity” gives an idea of its crucial social function.

Snobbery

Yet, although their invitations were accepted, it cannot be said that the Rothschild brothers were liked. Contemporaries found Nathan Rothschild an intimidating man: unprepossessing in aspect and coarse to the point of downright rudeness in manner. Prince Pückler was given a typically rough ride when he called on “the ruler of the City” at New Court for the first time in 1826:

I found the Russian consul there, engaged in paying his court. He was a distinguished and intelligent man, who knew perfectly how to play the role of the humble debtor, while retaining the proper air of dignity. This was made the more difficult since the guiding genius of the City did not stand on ceremony. When I had handed him my letter of credit, he remarked ironically that we rich people were fortunate in being able to travel about and amuse ourselves, while on him, poor man, there rested the

cares of the world, and he went on, bitterly bewailing his lot, no poor devil came to England without wanting something from him. "Yesterday," he said, "there was a Russian begging of me" (an episode which threw a bittersweet expression over the consul's face) "and," he added, "the Germans here don't give me a moment's peace." Now it was my turn to put a good face on the matter . . . All this in a language peculiarly his own, half English, half German, the English with an entirely German accent, yet all declaimed with an imposing self-possession which seemed to find such trifles beneath his notice.

Flattery was only partially successful. When Pückler and the visiting Russian declared "that Europe could not subsist without him" Nathan "modestly declined our compliment and said, smiling, 'Oh no, you are only jesting; I am but a servant whom people are pleased with because he manages their affairs well, and to whom they let some crumbs fall as an acknowledgement.' " This was sarcasm, as the discomfited Pückler knew only too well.

In his novel *Tancred*, Disraeli—who, as we shall see, came to know Nathan's son Lionel well in the 1830s—drew on similar recollections when describing his hero's attempt to gain an audience with the elder Sidonia, a character at least partly based on Nathan:

At this moment there entered the room, from the glass door, the same young man who had ushered Tancred into the apartment. He brought a letter to Sidonia. Lord Montacute felt confused; his shyness returned to him . . . He rose, and began to say good morning when Sidonia, without taking his eyes off the letter, saw him, and waving his hand, stopped him, saying, "I settled with Lord Eskdale that you were not to go away if anything occurred which required my momentary attention." . . .

"Write," continued Sidonia to the clerk, "that my letters are twelve hours later than the despatches, and that the City continued quite tranquil. Let the extract from the Berlin letter be left at the same time at the Treasury. The last bulletin?"

"Consols dropping at half-past two; all the foreign funds lower; shares very active."

They were once more alone.

Such bruising encounters in the office were later distilled into the famous "two chairs" joke, probably the most frequently reprinted Rothschild joke, which must surely have been inspired by Nathan. An eminent visitor is shown into Rothschild's office; without looking up from his desk, Rothschild casually invites him to "take a chair." "Do you realise whom you are addressing?" exclaims the affronted dignitary. Rothschild still does not look up: "So take *two* chairs." (One of many variants has the visitor indignantly announcing himself as the Prince of Thurn *und* Taxis; Rothschild implicitly offers each a chair.)

Nor was it only on his own territory—his office—that Nathan was famed for his blithe disregard for social rank. Even to the dining rooms of polite society he brought the abrasive manners and harsh, puncturing humour of the Frankfurt Judengasse. When Prince Pückler was invited to dine with Nathan he was "diverted" to "hear him explain to us the pictures around the dining room, (all portraits of the sovereigns of Europe, presented through all their ministers) and talk of the originals as his very good friends, and, in a certain sense, his equals":

"Yes," said he, "the ____ once pressed me for a loan, and in the same week in which I received his autograph letter, his father wrote to me also with his own hand from Rome to beg me for Heaven's sake

not to have any concern in it, for that I could not have to do with a more dishonest man than his son. '*C'était sans doute très Catholique*'; probably, however, the letter was written by the old ____ who hated her own son to such a degree that she used to say of him,—everybody knows how unjustly,—'He has the heart of a t_____ with the face of an a____ .' "

After a dinner at which Nathan had brutally deflated a fellow guest, the German ambassador Wilhelm von Humboldt wrote to his wife:

Yesterday Rothschild dined with me. He is quite crude and uneducated, but he has a great deal of intelligence and a positive genius for money. He scored off Major Martins beautifully once or twice. M. was dining with me too and kept on praising everything French. He was being fatu- ously sentimental about the horrors of war and the large numbers who had been killed. "Well," said R., "if they had not all died, Major, you would probably still be a drummer." You ought to have seen Martins" face.

Even in less exalted company Nathan could seem a boor: witness the Liberal MP Thomas Fowell Buxton's account of Nathan's table talk at a dinner they both attended at Ham House in 1834. Here, it seems, is the self-made millionaire at his self-satisfied worst, proffering pat explanations for his own success and banal advice to others:

"I have seen . . . many clever men, very clever men, who had not shoes to their feet. I never act with them. Their advice sounds very well, but fate is against them; they cannot get on themselves; and if they cannot do good to themselves, how can they do good to me? . . .

"To give . . . mind, and soul, and heart, and body, and everything to business; that is the way to be happy. I required a great deal of boldness and a great deal of caution to make a great fortune; and when you have got it, it requires ten times as much wit to keep it. If I were to listen to all the projects proposed to me, I should ruin myself very soon. Stick to one business, young man . . . stick to your brewery, and you may be the great brewer of London. Be a brewer, and a banker, and a merchant, and a manufacturer, and you will soon be in the Gazette."

When a guest at the same dinner expressed the hope "that your children are not too fond of money and business, to the exclusion of more important things. I am sure you would not wish that," Nathan retorted bluntly: "I am sure I should wish that."

Nathan struck some who encountered him as a tight-fisted philistine. The ornithologist Audubon recalled failing to persuade Nathan to subscribe to his lavishly illustrated *Birds of America*, instead sending him the work in advance of payment. But when Nathan was presented with the bill he "looked at it with amazement and cried out, 'What, a hundred pounds for birds! Why sir I will give you five pounds, and not a farthing more!' " A frequently repeated anecdote has Nathan telling the composer Louis Spohr: "I understand nothing of music. This"—patting his pocket and making his money rattle and jingle—"is my music; we understand that on 'Change." In another he responds irritably to a request for a charitable contribution: "Here! Write a cheque; I have made one [damned] fool of myself!" Buxton was shocked by Nathan's somewhat crass attitude towards philanthropy. "Sometimes," he explained, "to amuse myself, I give a beggar a guinea. He thinks it is a mistake, and for fear I shall find it out, off he runs as hard as he can. I advise you to give a beggar a guinea sometimes; it is very amusing." It was entirely in character for him to point out to his own dinner guests that a particular service had cost £100.

The notion that an ill-educated Jew could behave this way in polite society and get away with it purely on account of his newly acquired and largely paper wealth variously fascinated and appalled contemporaries, depending on their social position and philosophical attachment to the traditional hierarchical order. Prince Pückler, for example, did not apparently resent the way Nathan teased him when he first presented himself at New Court with his credit note. On the contrary, he summed him up as "a man who one cannot deny has geniality and even a kind of great character . . . really *un très bon enfant* and generous, more than others of his class—as long, that is, as he is sure he is not risking anything himself, which one can in no way hold against him . . . This man is really a complete original." As we have seen, Humboldt was also condescendingly amused by the combination of bad manners, sharp wit and lack of deference which Nathan brought to polite society.

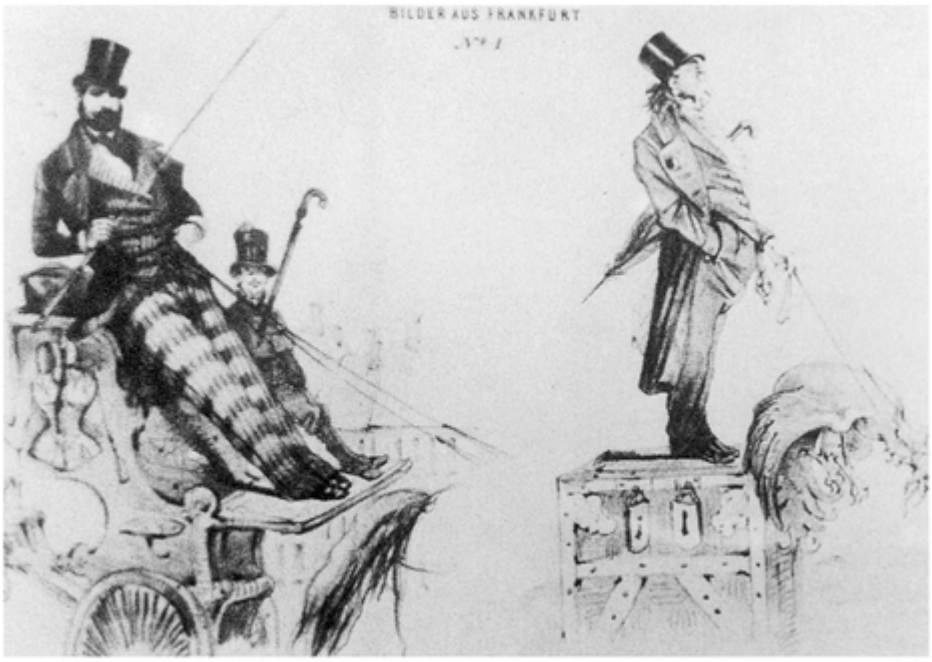
In the Paris of the Bourbon Restoration, by contrast, James's many *faux pas*—his unprompted introduction of his own wife to the duc d'Orléans, for example, or his use of Count Potocki's Christian name Stanislas—were viewed with distaste. Like so many of James's socially superior guests, the maréchal de Castellane did not much care for his host even as he accepted his hospitality: "His wife . . . is pretty enough and very well-mannered. She sang well, though rather tremulously; her German accent is disagreeable. James . . . is small, ugly, arrogant, but he gives banquets and dinners; the grand seigneurs make fun of him and yet are no less delighted to go to his house, where he brings together the best company in Paris."

According to Moritz Goldschmidt's son Hermann, whose memoir is one of the few detailed first-hand descriptions we have, Salomon was even more lacking in social graces. "Why should I eat badly at your place, why don't you come and eat well at mine," he was once heard to reply to a dinner invitation from the Russian ambassador. Another "highly placed personality" who asked for a loan received a blunt negative: "Because I don't want to." Salomon therefore "seldom went into high society, [because] he felt that because of his lack of education he would have to play a difficult and uncomfortable role," and preferred to leave "intercourse with the beau monde" to Goldschmidt's father. On the rare occasions when he did have the Metternichs to dine with him, he could not resist vulgar displays of wealth, showing them the contents of his safe as a post-prandial treat. Even in his own more familiar (that is, Jewish) circle, he cut a coarse figure. If his barber was late in the morning—and Salomon habitually rose at 3 a.m.—he would be reviled as "an ass." If someone came into the office smelling slightly, Salomon would press his handkerchief to his nose, open the window, and shout: "Throw him out, the man stinks." He dined unsociably early at 6.30 p.m. and habitually drank two bottles of wine before going for a stroll in the park with "blindly loyal toadies and hangers-on." When he visited the Goldschmidts at their house in Döbling on Sundays he flirted with the prettier girls present "in a manner which was not always proper or polite." This included cracking crude jokes if any women present were pregnant.

It is not that all these stories are wholly misleading; no doubt Nathan and his brothers did seem to many who met them like the incarnation of "new money," with all its rough edges. Nothing makes the point more explicit than the 1848 cartoon (produced as the first of a series of "Pictures from Frankfurt") which cruelly juxtaposed Moritz von Bethmann and Amschel, the former elegant on his coach and four, the latter slouched atop a money box (see illustration 7.i).Yet such judgements are not the best kinds of historical evidence. Firstly, they tell us only how the Rothschilds *seemed* to others. Secondly, because "new money" has been the object of scorn for more than 2,000 years, there are tropes which tend to be repeated no matter how little the *nouveau riche* individual in question actually conforms to the stereotype. The brothers' own letters tell a very different story.

In fact, the brothers themselves disliked intensely the great majority of social functions they gave.

Amschel “thanked God” when his dinners were over, and Carl thought them expensive “humbug”—“it was very nice, but the money was nicer,” he commented when the chef they had hired presented his bill. “However,” he con-ceded, “it is as good as bribes”: it is noteworthy that at least five of the guests at the 1817 dinner also received parcels of the new city of Paris loan. In Berlin too, where he had relatively little difficulty in securing prestigious invitations from Hardenberg and the British and Austrian ambassadors, Carl retained his scepticism about the value of such socialising: “I don’t really care, because I find we always do better business with those who do not invite us.” Nathan was as much out of his natural element in the ballroom or the salon as in the countryside. As Amschel said of him in 1817, if Nathan gave a mere tea party, he felt his morning had been “stolen.” Even his daughter Charlotte expressed a utilitarian view in 1829 when she hoped that “the Season will be very lively as this is always, I think, an encouragement for trade.”



7.i: Ernst Schalk and Philipp Herrlich, *Baron Moritz von Bethmann and Baron Amschel von Rothschild, Bilder aus Frankfurt,* Nr. 1 (1848).

James shed light on his brother’s fundamentally anti-social temperament when, contemplating yet another ball, he said: “I now feel exactly as you do. I would gladly stay at home and don’t want to drive myself crazy with all the rubbish.” He too was much less enamoured of such occasions than his condescending guests generally assumed. From the outset, he took much the same functional view of socialising. “I think of nothing else but business,” he assured Nathan. “If I attend a society party, I go there to become acquainted with people who might be useful for the business.” To prove the point, early social contacts like Richelieu’s secretary were pumped for useful information. Privately, James admitted to being weary of his lavish balls; he continued to give them, he confessed to Nathan in January 1825, only lest people think he could no longer afford to. “My dear Nathan,” he wrote wearily,

I am obliged to give a ball because the world claims that I am broke, for the people who have become accustomed to my giving three to four balls, as I did during the previous winter, will otherwise set their tongues wagging, and quite honestly the French are evil people. Well, the carnival takes place next week and I wish it were already over. I give you my word that my heart is not in it but one must do

everything to put on a show for the world.

Six years later, in the wake of the revolutionary crisis of 1830, Charlotte discerned the same link between her uncle's economic performance and his sociability: although Betty felt too "fatigued" to give "her customary balls," "the rentes still [continue] to rise so rapidly [that] James would be disposed to give them." As we shall see, throwing balls was one of the vital ways in which James signalled to the Parisian beau monde that he had survived the financial and political storm of 1830.

The Honours "Racket"

It was not only by giving parties that the Rothschilds sought to transcend the traditional social barriers which confronted Jews, no matter how wealthy, in Restoration Europe. In a social world still dominated by a hierarchy of ranks and orders, they hastened to acquire formal marks of status for themselves. It is perhaps a sign of how fragile the restored Metternichian regime was that they found this exceedingly easy: that is the real point of the "Jew baron" story quoted at the beginning of this chapter.

Perhaps the most striking illustration of this point is the fact that the Rothschilds were able to acquire noble status from the Emperor Francis II as early as 1817. This was arranged in Vienna after lobbying by the Austrian Treasury official Schwinner, the Finance Minister Stadion and Metternich, and was seen by them primarily as a reward for the Rothschilds' role in paying British subsidies and French reparations payments to Austria. The significance of this should not be exaggerated, of course. The Rothschilds were not the first Jews to be elevated in this way: six other families had been ennobled (though all the others had converted to Christianity by 1848). Nor did ennoblement by the Habsburg Emperor connote social elevation of the sort achieved two generations later, when Nathan's grandson Natty Rothschild was given a hereditary peerage by Queen Victoria. Like the Austrian currency, the Austrian nobility had been debased compared with its more exclusive British counterpart. On the other hand, ennoblement gave the brothers three valuable assets: the right to the prefix "von" ("de" in France and England); a coat of arms (albeit not quite the grandiose design they had originally hoped for); and, in 1822, the title "Freiherr" ("Baron" in France and England).[3]

Nor were these the only trophies of social ascent which the Rothschilds picked up in the years after 1814. Just as their father before them had sought to enhance his prestige by acquiring the title of *Hoffaktor* and court banker from as many courts as possible, so too his sons and grandsons applied to be appointed "Financial Councillors" by the family's old friend the Elector of Hesse-Kassel, and later by the King of Prussia. Such titles were purely honorific, but socially useful because they entitled the bearer to wear a uniform, almost a *sine qua non* when attending court functions. The titles of Austrian consul, which was secured for Nathan in 1820, and consul-general, which he and James received in 1821-2 as rewards for their financial support during the Neapolitan crisis, had essentially the same sartorial significance, though notionally they also entailed some responsibility for protecting Habsburg commercial interests in Britain and France. That the Rothschilds made use of such uniforms can be seen from a variety of contemporary references. As early as 1817 Carl sought permission to wear the navy and gold uniform of the Hessian Kriegscollegium. James was spotted in 1825 wearing his red consular outfit to Charles X's coronation at Rheims. Two years later the young Charles Bocher mistook him for an English general when saw him emerging from the Tuileries in his scarlet coat with gold

epaulettes.

A uniform was good; but a uniform with decorations—medals, ribbons or braid—was better. These too the brothers began to thirst after from as early as 1814. In late 1817 Carl was publicly presented with a ribbon by the Prussian Chancellor Hardenberg, having found himself one of only two people at the Prussian court with nothing on his chest. A year later the Grand Duke of Darmstadt bestowed orders on James. When he and Salomon both received the Order of St Vladimir from the Tsar during the Congress of Verona in 1822, Salomon made sure—through Gentz—that it was reported in the German press. A year later James added the Knight's Cross of the French Legion of Honour to his tally (though he did not become a full member of the Legion until 1841). By 1827 Salomon was sufficiently blasé to request an order—the Constantine Order of St George—for his senior clerk, Leopold Wertheimstein, for services rendered to the Duchess of Parma. When Nat went to Constantinople in 1834—the first Rothschild to do so—he could not conceal his excitement at the prospect of a new and exotic gong:

You do not know what it is to be received by the Sultan, no person of inferior rank than a minister plenipotentiary can be presented at court—I however consider myself Ambassador . . . & consequently have a right to the most brilliant reception.—The Sultan signified that it was his intention to bestow a mark of his satisfaction, but I do not know whether it is to be a ring, a snuffbox or a grand decoration—I hope the latter. I have already given them to understand that the diamond crescent will be the most acceptable.

As his letter suggests, royal gifts like rings and engraved snuffboxes, though not unwelcome, were second best.

The Rothschilds' pursuit of titles and orders is often seen as a kind of absurd foible: a "weakness" for imitating the nobility, as Capefigue put it. That is undoubtedly the way it seemed to established nobles. Metternich suspected them of "vanity" and "a craving for honours and distinctions"; while critics of the Restoration regime, notably Heine, mocked their apparent deference to aristocratic mores.[4] Yet the brothers themselves privately viewed these mores with a certain amount of contempt. Coats of arms were, as Carl put it, "part of the racket. As for uniforms, James privately joked that "if you go to see a Minister here, you must always be made up as if on a visit to your bride." The brothers even parodied their new titles on occasion: Carl, for example, addressed one letter to "James de Rothschild, Knight of the Society for the Liberation of Christian Slaves [*sic*], Financial Councillor of Electoral Hesse etc. etc. etc.." When the King of Denmark also invited him "to ask for a title," he could only ask: "What are we going to do with all these titles?" Indeed, when he was offered "a ribbon with a buckle such as soldiers wear" by the Elector of Hesse-Kassel, he turned it down as beneath his dignity. Nor were the Rothschilds willing to pay over the odds for badges of status: when Nat heard that the Austrian government wished to provide his brother Lionel with a consular secretary—at an annual cost to the firm of £500—he was outraged: "For my part I wd. see the whole consulate at the deuce before I would pay £500 a year for it & have a disagreeable fellow to be master . . . I should like to know who will pay £500 a year for the honor of being Austrn. Consul." Even Amschel, in many ways the most susceptible of all the family to such things, knew their place. As he put it in 1814, "If we had always worried about what other people were going to think, we would now be left with a great many decorations etc., but without money. And in the end, we would be left without praise, without decorations and without money." "The highest decoration," in his view, was "a quiet life, God willing."

There were two arguments for nevertheless accepting such honours. The first, as we have seen, was that they improved the partners' access to the corridors of power. The second argument was that titles and

other honours were “a mark of distinction for our nation”—that is, for European Jewry. The Rothschilds’ ennoblement was widely interpreted in Frankfurt as a slap in the face for those in the town who wished to to reimpose the old disabilities on Jews. “[I]f one Jew is a Baron every Jew is a Baron:” that was how they saw it in the Judengasse. In the same way, Nathan’s appointment as Austrian consul in London was “a lucky thing for the Jews” according to Carl. Even the fact that the brothers could be awarded decorations with explicitly Christian insignia—the names of saints, even the sign of the cross itself— was regarded as a kind of victory. Though Amschel refused to accept such orders, Carl had no hesitation in accepting the ribbon and star of the newly founded Order of St George from Pope Gregory XVI in 1832, while Lionel accepted the Order of Isabella from the Queen of Spain three years later. As Heine noted, the Order had originally been established “to glorify the expulsion of the Jews and Moors from Spain”; how piquant that “Herr von Shylock zu Paris” should thus be acknowledged as “the mightiest Baron of Christendom.” Certainly, it seemed that way to scandalised Christian commentators like the Austrian Baron Kübeck:

His Holiness receives a member of the House of Rothschild, and with heavenly forbearance the representative of Jesus Christ on earth decorates a descendant of the people that allowed Christ to be put to death, with the ribbon and star of a newly founded order of St George, and in return allows his hand instead of his foot to be kissed. And still Rothschild refuses to become a Christian.

In this light, perhaps the hardest thing to explain is Nathan’s apparent doubt about the value of such honours. For example, a number of letters would seem to suggest that he was offered but turned down the offer of a knighthood (or “Night-hood,” as James wrote it) in 1815 or 1816. When someone tried to tell Carl that his brother had accepted, he refused to believe it “because you love simplicity.” The 1816 ennoblement patents conspicuously omitted Nathan, and the approved coat of arms showed four arrows instead of five. Furthermore, unlike his brothers and eldest son, he rarely used the title “Baron” or the prefix “de.” Was this a matter of milieu, as Corti suggested—a desire not to be too publicly associated with reactionary Austria?[5] Mace argues that there is a more practical explanation: although Nathan secured the right to bear arms in 1818 (hence legitimising the fifth arrow), when he applied to the Royal College of Arms for registration of the Austrian title in 1825 he was turned down—probably because he had only received his own royal letters patent of denization eight years before. However, it may also have been partly because, as Amschel thought, Nathan just “did not want” to be ennobled. Thus, when Nathan declined a Prussian decoration in 1818, he suggested that it be given to Salomon instead because “here in London I have no use for such a thing” whereas “my brother . . . loves ribbons and is a Baron who intends to live in Paris, where one can decorate oneself with such things.” James too was at first reluctant to call himself “de Rothschild.” “Let us remain merchants,” he urged his brothers in 1816. “It is extremely nice to possess the title and not to make use of it, except in private.” A positive business letter from a finance minister was “worth more than all the titles of nobility.”

But, while James’s reservations faded quickly, in Nathan’s case disdain for aristocratic trappings persisted, and perhaps ran deeper. When Prince Pückler visited the English Rothschilds in 1827, he was treated to a bizarre after-dinner performance, as an evidently tipsy Nathan donned “his new Austrian consular uniform, which, as he said, his friend M[etternich] had send him from Vienna”:

[He] showed it to us, and even suffered himself to be persuaded to try it on before the looking glass, and to walk about in it. And, as virtuosi when they have once begun never know when to stop, he now sent for other magnificent Court dresses, and changed his toilette several times, as if he had been on the stage . . .

It was . . . rather droll to see how this otherwise serious tradesman like man tried to assume the various bendings and bowings, and the light and gracious air, of a courtier, and, not in the least disconcerted by our laughing, assured us, with as much confidence as joviality that N.M.R., if he liked, could act any part; and, with the help of five or six glasses of wine extra, could make as good a figure at Court as the best of them.

As Pückler's evidently somewhat mixed feelings suggest, this was surely a characteristic bid by Nathan to *épater l'aristocratie*. He might be willing on occasion to exchange his sober surtout for the gaudy apparel of the old order; but he regarded it as little more than fancy dress. In its way, this vivid scene—of a tipsy Jewish banker making fun of the Habsburg Empire's diplomatic finery in front of an impecunious prince—encapsulates the deep ambivalence of the Rothschilds' relationship with the Restoration social order.

"*Fine Education"*

Despite their reputation as philistines, the younger Rothschild brothers took at least some interest in what we would now call "high culture"—something of a misnomer given the rapid development of a "public sphere" in this period as a more or less free market for the production and consumption of music, drama, books and paintings. This interest was partly a logical consequence of entertaining in the ways described above: it was, at the very least, difficult to own a large house without acquiring pictures and other ornaments to decorate its rooms. At the same time, in order to be able to communicate with members of the social elite about matters other than money and politics, a basic knowledge of their favourite painters, composers and authors was a prerequisite. Yet busy middle-aged bankers (all the brothers save James were over forty in 1820) generally make poor students of the arts. True, they had all inherited from their father an appreciation of antique *objets d'art*, and were discerning about the gifts they sent their favourite politicians. They commissioned portraits of themselves, their wives and children from respectable artists like Sir William Beechey, Louis Amié Grosclaude and Moritz Daniel Oppenheim;[6] and in both Frankfurt and Paris they had regular boxes reserved at the theatre. But James was the only member of the second generation to show any serious interest in culture on his own account. He read Schiller and Goethe when he was in his twenties, for example, and in the 1820s retained an artist named Allard on 5 francs a month, as well as subscribing to the *Courrier des Spectacles* and *Journal des Théâtres*. His brothers tended to take the view that this sort of thing was better made available to their children.

The obvious is perhaps worth stating here: if the Rothschild brothers really had been philistines, they would not have educated their children as well as they did. Of course, Nathan wanted his sons "to give mind, and soul, and heart, and body, and everything to business"; at the time he made that much misunderstood remark, all but one of them had completed their educations and had been working for the firm for several years. And he and his brothers recognised that there might be a conflict between *higher* education and a successful business apprenticeship. As Carl put it when Salomon was pondering the fifteen-year-old Anselm's future: "I advise you not to let him study . . . more than another two years so that he should enter the business when 17 years old. Otherwise he would not be deeply attached to business." The subsequent business career of Mayer, the only one of Nathan's sons to attend an English university, proved that analysis to be only too accurate. But none of the brothers for a moment doubted that a successful business career was compatible with the best possible *secondary* education. Indeed, they viewed the latter as an essential preparation for the former. Moreover, the male Rothschilds of the

third generation were in practice given even longer than Carl suggested before being expected to abandon their studies and enter the "counting house." Judging by the first appearance of his name in the business correspondence, Anselm was twenty-three before he took a serious part in the running of the firm (though he was admitted a partner a year earlier, and presumably did routine work for his father which has gone unrecorded). Lionel was twenty when he first began to write and receive business letters; Anthony and Nat were eighteen, and Mayer twenty-one. None of Carl's sons feature in the firm's deliberations before the age of twenty; indeed, the pious Wilhelm Carl was not really regarded as competent to act unsupervised until he was twenty-four. Both James's sons, Alphonse and Gustave, were nineteen before they began to write their own business letters. Given their parents' view that the best apprenticeship was learning by doing, there is little reason to think that any of the third generation had worked for long before these first recorded appearances.

In any case, the older Rothschilds had no desire to impose on their offspring the deprivations and rigours of their own childhoods. Anselm's mother took pride in her eleven-year-old son's precocious letter-writing not just because it would stand him in good stead in business; she genuinely wanted him and his sister to have "a fine education" for its own sake. The influence on her of contemporary notions of *Bildung* is apparent in a letter she wrote to her husband in 1820 (which accompanied another letter from their now teenage son): "He is so uninhibited towards me, the good, sweet boy, which pleases me particularly, for you know, dear husband, that it has always been my aim that our dear children should not conceal from us their true, innermost feelings; and I—or rather we—have achieved it." Nathan indulged his children in less sentimental ways. After work, he played with them, letting them (as a friend recalled) "make their equestrian exercises on your back'; indeed, on one occasion he horsed around so energetically that he managed to dislocate his shoulder. He bought them a miniature carriage with four white goats to drive about the garden at Stamford Hill. The family painted by William Armfield Hobday in 1821 was—as it looks today—a happy one: to the left, the three-year-old Mayer tries to pull a letter from his father's hand; at Charlotte's feet, Hannah Mayer has dropped her bonnet; and the older boys vainly attempt to restrain the family dog as it chews Lionel's hat. Small wonder the faintest hint of a smile plays on the lips of the relaxed *paterfamilias* as he reclines, legs crossed, in his armchair.[7] And he continued to indulge them—even to spoil them—as they grew up. At the age of seventeen, Hannah Mayer was enjoying life in Brighton, sitting for her first portrait. When Thomas Fowell Buxton met Anthony the following year, he was already "a mighty hunter; and his father lets him buy any horses he likes. He lately applied to the emperor of Morocco for a first-rate Arab horse. The emperor sent him a magnificent one, but he died as he landed in England. The poor youth said very feelingly, 'that was the greatest misfortune he ever had suffered.' "

In *Coningsby*, Disraeli portrayed the younger Sidonia as a model of modern education:

Shut out from universities and schools, those universities and schools which were indebted for their first knowledge of ancient philosophy to the learning and enterprise of his ancestors, the young Sidonia was fortunate in his tutor . . . [He] penetrated the highest mysteries of mathematics with a facility almost instinctive . . . The circumstances of his position, too, had early contributed to give him an unusual command over the modern languages . . . When he was nineteen, Sidonia . . . possessed a complete mastery over the principal European languages . . . At seventeen he . . . commenced his travels. He resided . . . some time in Germany, and then, having visited Italy, settled at Naples . . .

This was not far removed from the kind of education Lionel and his brothers and cousins actually received. One of the Montefiores recalled how in 1815 Lionel and Anthony had been taken away from their first teacher, "a Pole [who] used to wear a tall Polish hat and stride about the schoolroom with a

cane ferociously stuck in his Wellington boots." Instead, their parents and some friends "got Garcia, who was previously a book-keeper at Barrow and Lousada's counting house, to establish a more select academy at Peckham, and there Lionel and Anthony . . . were sent." The favoured curriculum was indeed modern, rather than classical, and that slant continued when the time came for a kind of modified grand tour in 1827. Aged respectively nineteen and seventeen, the two boys were despatched to see the sights of Germany—not Italy, the classicist's favoured destination—travelling with their tutor John Darby from Frankfurt through the principal towns of Saxony, then on to Prague and Vienna, returning via Baden and Strasbourg. (Prussia was conspicuously omitted, though they do seem to have gone to Hanover in order to visit the university at Göttingen.) The aim was obviously to acquire a grounding in German *Kultur*: besides trailing round countless art galleries and princely piles, the brothers paid a respectful call on the aged Goethe.

It was only after this tour that Lionel and Anthony were expected to turn their minds to business: in January 1829 one of the bookkeepers in the Frankfurt office was entrusted with the task of raising Anthony's numeracy to the level required of a banker. "I ceaselessly instruct him in all the arithmetical problems," the new tutor reported to Nathan, "and I am glad to perceive that he has the intellectual grasp and makes good use of what I have to teach him. In due course I shall give to the young Baron systematically the knowledge of the art of arithmetic and I shall continue to explain to him arbitration of exchange and all of the business circulation of the counting house."

Visits like the one made by Nathan's sons to Frankfurt evidently encouraged a degree of Anglo-German parental rivalry. In 1831 Charlotte wrote to her mother Hannah urging her to "make [Mayer] write a letter in German if he can, if not, in his best writing in English to Mrs S[alomon] de R[othschild]. Uncle Charles's boys [Mayer Carl and Wilhelm Carl] both write very well and it is sure to be compared." Four years later it was the English Mayer's turn to visit Germany; but this was a more academic trip than his elder brothers had made. With his tutor Dr Schlemmer he spent several months studying at the University of Leipzig before going on to Heidelberg. In this he was following in the footsteps of Anselm, the first Rothschild to attend university, who had acquired "a lively interest in science" while studying at Berlin. He then returned to England, where he became the first of many Rothschilds to study at Cambridge, first at Magdalene and then, when the college proved punctilious about his attendance at chapel (still formally a requirement for undergraduates), to larger and laxer Trinity. (Oxford was ruled out because matriculation was conditional on subscription to the thirty-nine articles; whereas in Cambridge non-conformists and Jews could become members of the university, though they could not be awarded degrees, scholarships or fellowships.)[8]

Not to be outdone, Carl sent his son Mayer Carl to Göttingen, where he studied law, and then to Berlin, where he attended lectures by the leading light of German jurisprudence, Friedrich Karl von Savigny, and Leopold von Ranke, the pre-eminent historian of the age. His brother Wilhelm Carl was in turn subjected to an extraordinarily rigorous secondary education: at the age of fifteen he was studying twenty different subjects including five languages and five sciences under a team of tutors led by the French physiologist Henri Blanvalet. His flight into religious Orthodoxy may have been partly a reaction against such state-of-the-art cramming. James's sons were no less thoroughly educated. Alphonse studied at the Collège Bourbon (later the Lycée Condorcet) and was tutored privately for his baccalauréat by Désiré Nisard, who later became director of the Ecole Normale and a member of the Académie Française. Nor was it only the Rothschild boys who were given the benefit of a good education. Though little is known about her formal schooling, Carl's daughter Charlotte—perhaps the brightest Rothschild of the third generation—was a highly literate woman, to judge by her elegant English letters and intense German diaries.

If the aim of all this had been to produce great intellectuals, we would have to judge it a failure: with the exception of Charlotte, none of the third generation can be said to have had scholarly minds. But the aim was rather to produce men and women who would fit more easily into the elite social milieus of Europe than their fathers—without losing the desire to carry on their business as bankers. In those terms, the education of the third generation of Rothschilds was a success. Mayer Amschel's grandchildren no longer spoke the rough-hewn German of the Judengasse: Castellane disliked Betty's *German* accent not her Jewish accent, and no contemporary appears to have detected anything remotely unusual about the easy and idiomatic way Nathan's sons spoke English. Nor did the younger Rothschilds invariably write their letters in the Hebrew characters used by their fathers: although Salomon and Carl's sons continued to do so, the English and French Rothschilds of the third generation did not (though they could read *Judendeutsch* without difficulty). Indeed, from the late 1820s onwards, the business of the five houses was conducted multilingually, with each partner tending to write in his first language, occasionally lapsing into the language of his place of work or addressee in postscripts. To all intents and purposes, as their letters show, the third generation wrote English, German and French as well as—and in some cases rather better than—their aristocratic contemporaries. Moreover, the very conventionality of their cultural tastes was proof that the tutors had done their work well. They liked Scott's novels; Meyerbeer's operas; Murillo's paintings; Marie Antoinette's furniture. The boys also picked up the hobbies and vices of the social elite—riding horses, hunting foxes and stags, betting on racehorses, as well as smoking cigars, drinking fine wines and chasing unsuitable women. They even had clubbish nicknames for one other: Lionel was "Rab," Anthony "Billy" or "Fat Bill" and Mayer "Muffy" or "Tup." All outward traces of the Frankfurt ghetto had been expunged, save, it might be said, those of physiognomy—and even in that respect few members of the family actually conformed to the hostile caricaturists' Jewish stereotypes, least of all James. He and his brothers had found it easy to become barons, wearers of royal orders, property-owners and society hosts. Now they had made it possible for the third generation of Rothschilds to become something more elusive: gentlemen.

EIGHT

Sudden Revolutions (1830-1833)

In the present state of Europe something great & decisive must be done or its kingdoms and their population will be soon again in worse confusion than they were under the French Revolution and the influence of Napoleon. The march of mind is too rapid to permit the old arrangements of society to continue long as they are. The modern extraordinary advance in the arts and sciences, will 'ere long, if I am not greatly deceived, change the whole organisation of the social systems over the world greatly to the benefit of all; but it may very suddenly render all anticipated wealth, as money is, of very little use. It may be well therefore, without losing the advantages which money gives under the existing arrangements of society, to secure also similar benefits in case of sudden revolutions in all the states of Europe which may now any day take place.

—ROBERT OWEN TO HANNAH ROTHSCHILD, JULY 1828.[1]

In July 1830 the French King Charles X was overthrown by a combination of parliamentary opposition and popular violence in Paris. In something like a political chain-reaction, comparable changes of regime occurred or were attempted (with varying degrees of violence) in Brussels, Warsaw, Modena and Bologna, as well as in a number of German states, notably Brunswick, Hesse-Kassel and Saxony, and in Portugal. In Belgium, Italy and Poland, the revolutionaries were as much concerned to free themselves from foreign rule as to achieve constitutional reforms. Elsewhere, constitutional reforms were enacted without the deposition of a monarch. This was the case not only in England, Scotland and Ireland—sometimes neglected in accounts of the 1830 revolution—but also in Hanover, where the change of monarch was the result of George IV's not untimely death in June 1830. In Baden, Württemberg and Bavaria, rulers felt constrained to make concessions to liberals. Nor did political instability end in 1832, by which time the revolts in Poland and Italy had been crushed and Holland had been obliged to accept the secession of Belgium. Uncertainty about the stability of new political arrangements persisted throughout Europe until the middle of the decade and beyond.

The fact that the Rothschilds were able to survive these political upheavals led many observers to conclude that, as Byron and others had earlier suspected, their power was actually as great as, if not greater than, that of the kings to whom they lent money. In November 1931, in his tenth bulletin from Paris, Ludwig Börne explicitly "equated Rothschild . . . with kings":

[T]hat should certainly not annoy him, even if he should not wish to belong in their ranks, because he should know best how far below par a king stands in Paris today. But he is the great dealer in all state bonds, who gives monarchs the power to spite freedom and deprives peoples of the courage to resist violence. Rothschild is the high priest of fear, the Goddess on whose altar liberty, patriotism, honour and all civic virtues are sacrificed. Rothschild should sell off all his paper in one hour on the stock exchange, so that they crash into the deepest abyss; then he should rush into my arms and feel how strongly I press him to my heart.

The new French King Louis Philippe would, suggested Börne sarcastically in his bulletin of January 1832,

have himself crowned if he is still king in a year's time; not at St Rémy at Rheims, but at Notre Dame de la Bourse at Paris, and Rothschild will officiate as archbishop. After the coronation, pigeons will be sent out, as usual, and one of them . . . will fly to St Helena, settle on Napoleon's grave, and laughingly inform his remains that they saw his successor anointed yesterday, not by the Pope but by a Jew; and that the present ruler of France has taken the title, "Emperor of the five per cents, King of the three per cents, Protector of bankers and exchange agents."

In both letters, to be sure, Börne continued to harp on the familiar theme that the Rothschilds were the supporters of reaction:

It is always the same game that these Rothschilds play, in order to enrich themselves at the cost of the land they exploit . . . The financiers are the nation's worst enemies. They have done more than any to undermine the foundations of freedom, and it is unquestionable that most of the peoples of Europe would by this time be in full possession of liberty if such men as Rothschild . . . did not lend the autocrats the support of their capital.

But it was rather harder to make this argument stick when the Rothschilds had so quickly lent their support to Louis Philippe's regime, which was plainly the product of a liberal revolution, even if it was not liberal enough for Börne. Moreover, the Rothschilds were also, as Börne said, lending money to establish Greece as an independent monarchy, which had been another liberal goal of the 1820s. Indeed, they even appeared to be in a position to influence the decision as to which prince would become the new Greek king. ("M. de Rothschild finds that all the princes of Europe are in his credit book except Prince Frederick of the Netherlands, and he concludes that the prince who has never asked him for credit is the most worthy of it.") It therefore made more sense to argue that the Rothschilds were beginning to *supplant* rather than merely shore up the European monarchies:

Would it not be a good thing for the world if the crowns were placed on their [the Rothschilds'] heads instead of lying at their feet as they do now? . . . Although the Rothschilds do not yet occupy thrones, they are at all events asked their advice as to the choice of a ruler when a throne falls vacant . . . Would it not be a great blessing for the world if all the kings were dismissed and the Rothschild family put on their thrones? Think of the advantages. The new dynasty would never contract a loan, as it would know better than anybody how dear such things are, and on this account alone the burden on their subjects would be alleviated by several millions a year.

Born Löw Baruch in the Frankfurt Judengasse, a convert not only to Christianity but to German nationalism, Börne had his own complex personal reasons for disliking the Rothschilds. For a rather more nuanced assessment of Rothschild power in the age of revolution, we need to turn to Börne's friend, the poet and journalist Heinrich Heine. Before 1830 Heine thought of the Rothschilds in much the same way as other liberally inclined writers. In his "Travel Sketches," for example, "Rothschild I" appears alongside Wellington, Metternich and the Pope as a bulwark of reaction. Even at this stage, however, Heine had an awareness of the ambivalent nature of the relationship between the Rothschilds and the established monarchies. In "The Baths of Lucca," the Jewish Figaro-figure Hirsch-Hyacinth recalls cutting Nathan Rothschild's corns:

This happened in his inner sanctum while he sat on his green armchair as though it were a throne. He spoke like a king, with courtiers all around him; he ordered them about and sent messages to all the kings of the world; and while I was cutting his corns, I thought to myself: what you now have in your hand is the foot of the man whose own hands hold the whole world. Now you are somebody too: if you cut too deep down below he'll lose his temper up above and he'll cut the kings more sharply. That was the greatest moment of my life.

For Heine, Nathan already has the power to "cut" the kings to whom he lends. Yet his Rothschilds have not lost sight of their own lowly and Jewish origins. Nathan's bank in London is a glorified "pawnshop" and when Hirsch-Hyacinth is introduced to Salomon as a former seller of lottery tickets, he invites him to dine with him, saying: "I am something like that myself, I am the chief agent of the Rothschild lottery." "He treated me," says Hirsch-Hyacinth, "like his equal, quite famillionaire" (*ganz famillionär*). That much analysed pun hints at an idea to which Heine later returned: that, despite their enormous wealth, the Rothschilds were far from being mere props of the traditional social hierarchy.

The same point underlies the memorable allegory in which Hirsch-Hyacinth describes a children's fancy-dress ball given by Salomon:

The children wore lovely fancy dress, and they played at making loans. They were dressed up like kings, with crowns on their heads, but there was one of the bigger lads who was dressed exactly like

old Nathan Rothschild. He played his part very well, kept both hands in his trouser-pockets, rattled his money and shook with bad temper when one of the little kings wanted to borrow off him—only a little lad with the white coat and red trousers [Austria] got a kindly pat on the cheek and was praised: "You're my boy, my pet, I'm proud of you; but your cousin Michel [probably Germany] had better keep away from me, I'll give nothing to a fool like that who expends more in a day than he has coming in a year; he'll make some trouble yet in the world and spoil my business." As true as the Lord shall help me, the boy played his part wonderfully well, especially when he helped a fat child dressed in white satin with real silver lilies [France] in its effort to walk and said to it occasionally: "Now, you, behave yourself, make an honest living, and see that they don't chase you out again, or I'll lose my money." I assure you, Herr Doktor, it was a pleasure to listen to that lad; and the other children too—dear sweet children they all were—played their parts extremely well—until the cake was brought in and they all started fighting for the best piece [and] tore the crowns off one another's heads . . ."

Once again, Heine's Nathan feels contempt for the various rulers who approach him for loans: it is he who is their master. In an unpublished passage, Heine made it clear that he shared that contempt for "stupid princes," "but before Nathan Rothschild I tremble with fear. Before you can say Jack Robinson, he could send a few kings, stockbrokers, and policemen to my rooms and have me carried to the fortress prison."

In an unpublished passage of "The Baths of Lucca," Heine sought to analyse the nature of the Rothschilds' power more precisely. Here he acknowledges that in the short term it served to shore up the reactionary regimes:

When I think about political economy in these our latter days it becomes ever clearer to me that without the Rothschilds' help the financial embarrassment of most states would have been exploited by subversives wanting to mislead the populace into upsetting whatever order or disorder constituted the status quo. Revolutions are generally triggered off by deficiency of money; by preventing such deficiencies, the Rothschild system may serve to preserve peace in Europe. This system, or rather, Nathan Rothschild, its inventor, is still providing firm foundations for such peace: it does not inhibit one state from making war on another exactly as before, but it does make it difficult for the people to overthrow established authority . . . Religion is no longer able to guarantee the governments that the people will remain peaceful; the Rothschild system of loans can perform the task much better.

However, the Rothschild "system" is also potentially revolutionary in itself:

[I]t possesses the moral force or power which religion has lost, it can act as a surrogate for religion—indeed, it *is* a new religion, and when the old religion finally goes under it will provide substitutes for its practical blessings. Strangely enough, it is once again the Jews who invented this new religion . . . Murdered Judaea was as cunning as the dying Nessus, and its poisoned robe—poisoned with its own blood—consumed the strength of the Roman Hercules so effectively that his mighty limbs grew weary, armour and helmet fell away from his withered body, and his voice, once so mighty in battle, dwindled to a prayerful whine. Miserably, in a death-agony that dragged on through a thousand years, Rome dies by the Judaic poison.

Of course, this extraordinary passage says a good deal about Heine's own highly ambivalent attitude towards Judaism (like Börne, he had converted to Christianity); but it also anticipates his later and more coherent reflections in his "Memorandum on Ludwig Börne" (1840) on the Rothschilds as revolutionaries rather than counter-revolutionaries.

Here, in perhaps the most perceptive of any contemporary commentary, Heine confronts the reader with a striking paradox:

No one does more to further the revolution than the Rothschilds themselves . . . and, though it may sound even more strange, these Rothschilds, the bankers of kings, these princely pursestring-holders, whose existence might be placed in the gravest danger by a collapse of the European state system, nevertheless carry in their minds a consciousness of their revolutionary mission.

James, he suggests, is the "Nero of finance," "reigning as absolute emperor over the stock exchanges of the world"; but, like his predecessor, the Roman Nero, he is "ultimately a powerful destroyer of patrician privilege, and the founder of a new democracy."

The explanation which follows purports to be based on a genuine conversation Heine had with James—while "sauntering arm in arm through the streets of Paris"—and though it is possible that Heine was putting his own words in someone else's mouth, it is sufficiently different from his earlier flights of fancy to be worth taking seriously. According to Heine, James explained how "he himself, through his system of government bonds, had created the first conditions for, and at the same time paved the way towards, social progress" and the "foundation of a new order of things." For it was the development of mobile property in the form of the rente and other government bonds which severed the link between wealth and land, allowing the propertied classes to converge on Paris. "The importance has long been recognised of such a [common] residence for the most diverse of forces, of such a centralisation of intelligentsia and social authorities. For, without Paris, France would never have had its revolution . . . Through the system of rentes, Paris became Paris much more rapidly." This prompts Heine to go further:

I see in Rothschild one of the greatest revolutionaries who have founded modern democracy. Richelieu, Robespierre and Rothschild are for me three terroristic names, and they signify the gradual annihilation of the old aristocracy. Richelieu, Robespierre and Rothschild are Europe's three most fearful levellers. Richelieu destroyed the sovereignty of the feudal nobility, and subjected it to that royal despotism, which either relegated it to court service, or let it rot in bumpkin-like inactivity in the provinces. Robespierre decapitated this subjugated and idle nobility. But the land remained, and its new master, the new landowner, quickly became another aristocrat just like his predecessor, whose pretensions he continued under another name. Then came Rothschild and destroyed the predominance of land, by raising the system of state bonds to supreme power, thereby mobilising property and income and at the same time endowing money with the previous privileges of the land. He thereby created a new aristocracy, it is true, but this, resting as it does on the most unreliable of elements, on money, can never play as enduringly regressive a role as the former aristocracy, which was rooted in the land, in the earth itself. For money is more fluid than water, more elusive than the air, and one can gladly forgive the impertinences of the new nobility in consideration of its ephemerality. In the twinkling of an eye, it will dissolve and evaporate.

Heine returned again and again during the 1840s to the subject of Rothschild power. In the journal of 1840-41 later published as *Lutezia*, for example, he caricatured the relationship between James's state of health or mood and the price of rentes, and coined the famous pun: "[M]oney is the god of our time and Rothschild is his prophet." The Rothschilds also crop up in the poems "Romanzero," "Germany" and "Simplicissimus."[2] But he never wrote with such penetrating insight as he did in "Ludwig Börne"—partly because his personal and financial relations with the family grew somewhat closer after 1840. As we shall see, Heine was singularly perceptive in identifying the Rothschilds as agents as much

of social revolution as of reaction, even if their revolutionary role was less conscious than he suggested. Nor was he alone in making this point, though no one expressed it better. A lesser writer declared that "the Rothschild brothers [had] become the hierophants of the new religion," the founders of a new "Moneycracy." Brooding in Venice after the fall of the Bourbon regime, the arch-conservative Chateaubriand remarked bleakly that "the Kings [had] become the chamberlains of Salomon, Baron de Rothschild."

The Revolution and the Rente

It is always easy, with the benefit of hindsight, to find fault with historical figures who fail to foresee revolutions. But revolutions are not necessarily the products of predictable forces (as the case of Eastern Europe in 1989 well illustrates), much as historians may like to discover these after the fact. The accession of Charles X in 1824 and the fall of Villèle three years later following the conversion fiasco should not be seen as harbingers of crisis in France. For the government of the vicomte de Martignac formed in January 1828 seemed to be successfully steering a course between the liberal forces represented in the Chamber of Deputies and the conservative, clerical tendencies of the court. When Nathan's daughter Charlotte was in Paris in 1829 she found James giving "a dinner party for the liberals & the Ministers, [as] it is best to keep friends with all parties." Although the April parliamentary session was every bit as "stormy" as Charlotte had been warned to expect, James remained optimistic. There were periods of stagnation on the bourse and occasional reports of bread riots in the wake of poor harvests, but the vital barometer of financial confidence, the rente, suggested that the regime was in good health. In May 1829, the price of 3 per cent rentes stood at 76.6; a year later it was above 84, having reached a peak of 86 in December. Even the dismissal of Martignac and the appointment of the ultra-conservative Jules de Polignac in his place on August 9, 1829, did not obviously herald a crisis. Rentes actually rose when the new ministry was announced, and continued to rise with only minor dips until May 1830.

Under these circumstances, it was hardly rash of James to outbid the intense competition for a relatively modest government loan in early 1830, needed to finance a popularity-boosting military adventure in Algeria. As he saw it, there was a contradiction between the anti-government rhetoric of the Parisian press and the reality of financial stability: "On the one hand the whole world is screaming that the Ministry is bringing about a revolution in France and on the other hand all the various consortiums are seen to be fighting among themselves to lay their hands on a lousy 4 million rentes." The government might well face "some very stormy times" when the Chamber met in March; but the bourse remained "very good." As a banker, James naturally put his money on the market's view. By the time fear of a major constitutional crisis began to manifest itself at the bourse, he was committed to the new loan—and hence to the regime.

The crisis of 1830 provides a classic illustration of the difficulty bankers (and investors) always have when trying to choose between selling a falling security at a loss or holding on to it in the hope of a rise—but at the risk of a further fall. Contrary to Corti's suggestion that he was blind to the impending crisis, James had been given a clear warning as early as February, when the Finance Minister outlined to him yet another conversion scheme. When James expressed doubts as to whether the government would command the necessary parliamentary majority to enact such a measure, he was left in no doubt what would happen: "If . . . the Chamber should be totally opposed to the Government then they are determined to dissolve the Chamber and to pass a law calling for fresh elections and thus engineer the

formation of a new Chamber." But James hesitated:

You know very well, my dear Nathan, what chambers and ministers are like. Whether the King will have the necessary courage to follow the above plan when the time comes to do so, and whether the Chamber will allow this to happen, I don't know. It is a diabolical situation . . . and if I can manage to extricate myself I would dearly like to do so, for I am not at all enamoured of this situation where a Minister pits himself against the public.[3]

Instead of trying to "extricate" himself, he therefore opted to sit tight—and was encouraged to do so by Nathan, who advised him only to sell "at a profit" (that is, to hang on in the hope of better prices). Partly, James made the mistake of trusting too much in the assurances of Polignac, who seemed to have "the courage of the devil" when he saw him in February. "There is only one thing that can be done over here," he told Nathan shortly before the Chamber convened at the beginning of March, "and that is to remain quiet for the time being and to observe things from the sidelines because the devil is not as black as he appears to be." On this basis, Nathan blithely assured Charles Greville that "Polignac's Government will stand by the King's support and Polignac's own courage."[4] The problem was that he and his brother now held a substantial amount of 4 per cent rentes—to a nominal value of around 25 million francs (£1 million)—which they had intended gradually to sell on to brokers and investors at a profit. If they began to accelerate their sales at a time when the 4 per cents already were worth slightly less than they had paid for them, prices would very probably fall further. It is no wonder James called Polignac a devil: he had made an authentically Faustian pact with him.

This became painfully obvious when the parliamentary session began. James saw at once "that the King will have to choose between the Chambers and the Ministry." But, he reasoned, "I don't want to do anything, because as long as I remain firm, the people will not have the courage to set about depressing the rentes and I will thus ride out the storm." By 221 votes to 181, the deputies passed an address to the King stating that "concord between the political views of your government and the wishes of your people . . . does not exist today," whereupon (as James had been warned to expect) the King dissolved the Chamber and called for new elections. Far from selling rentes, however, James found himself having to buy them to shore up the market—and his friend the "devil":

Well, Polignac promised me that he will not instigate a coup d'état, that is, he will not make any move that is illegal and that he will remain faithful with his Ministers, so I went ahead and bought 100,000 francs of rentes [3.3 million nominal] because I had told him, "If you remain within the law then I promise you that there will be a rise," and I kept my word for the [3 per cent] rentes now stand at 82.40 when they had opened at 81.40 . . . Well, while we don't have any Chambers the Ministry may well get some new Ministers and matters will then be sorted out. If we manage to gain three months then everything will be resolved.

James was right to think that a financial collapse could be averted for a time, though not for three months: in fact, the price of 3 per cents rallied and remained above 84 until May 3. However, he was not in a position simultaneously to support the market and to sell worthwhile amounts of rentes (though he did try to sell some "without anyone getting wind of what I am doing"). This meant that, when the market began to slide even before the new Chamber convened, the brothers still held not only 25 million francs of 4 per cents but also some 1.5 million francs of 5 per cents and 4.5 million of 3 per cents. The prices paid for the 5 and 4.5 per cents had been, respectively, 106.25 and 83.70. From May onwards, the losses on these accounts began to mount. Yet neither James nor Nathan could bear to write them off by selling. James continued to clutch at straws, refusing to face the possibility that the

political situation might go on deteriorating. At the same time, the government put its faith in him: "If you do not succeed in preventing the fall in values," a minister told him, "everyone will believe that a *coup d'état* will occur such as you so rightly fear." And indeed, prices did rally slightly between June 10 and July 12. But the truth was that the limits of Rothschild power over the market had been reached. Ouvrard and others were now beginning an unstoppable bear run.

The news that the government's Algerian expedition had been successful—which reached Paris in the first week of July—was completely swamped by the results of the elections, which were a resounding victory for the Opposition. Now the only hope—expressed by Salomon, who rushed to Paris to lend his assistance—was that the King might compromise with the Chamber and abandon Polignac. As James realised, however, this was unlikely:

Vitrolles [one of Polignac's ministers] has just arrived and says that during the coming month the King will take very firm measures as a result of which the life of the Chamber will be prolonged . . . but there are one hundred Deputies more on the side of the opposition than there are supporting the Ministry. Well, what can the Chamber do in such a situation? Is it not the case that in England, if a Ministry does not have the support of a majority, they then have to resign? But here the King declares: "I will hold on to my Ministry." So what can one do? Believe me, my dear Nathan, I am . . . losing my courage.

Twelve days later his courage had gone completely: "The whole world is selling rentes . . . and all the Ministers, including the Finance Minister and the Minister for Internal Affairs tell me, 'Rothschild, be careful.' . . . My dear Nathan, you are an old warrior. Tell me truthfully, do you not also fear what might happen in the end?"

Before Nathan could even reply, the end arrived. On July 26 Charles X invoked his exceptional powers under article 14 of the 1814 Charter and published three ordinances which ended freedom of the press, dissolved the Chamber and introduced yet another change to the electoral system, the aim of which was to produce a more pliant set of deputies. It was in fact the first of these which triggered the revolution: few deputies had yet arrived in Paris, but liberal journalists like Adolphe Thiers of the *National* lost no time in denouncing the government's coup. When attempts were made to close down the three leading opposition newspapers, crowds took to the streets. Nathan's eldest son Lionel arrived just in time to witness the ensuing confusion, and his letter perfectly captures the uncertainty of the moment:

One moment one thinks oneself on the eve of seeing a revolution, the next, that every thing in a short time will be again in order . . . [T]oday all the newspapers appeared as usual which has created a little noise, before all the newspaper offices there are soldiers & the gens d'armes who have seized all the papers & taken the Editors before the police, this alone is enough to make a disturbance in any free country: all the shops in those streets are of course closed: in the Palais Royal there was a man selling some of these papers. He was immediately seized, some of the Boys, & of the common people took his part, but in a few minutes everything was quiet again, the gates in the Palais Royal & the shops are all closed, this cirumstance in itself is trifling, but when it comes to London they make a great story of it; Before all the Ministers' Houses there are also gens d'armes. All these things make people speak, but in the end I do not think it will come to any thing very bad . . . [T]o day there is to be a meeting of all the members of the late parliament what they will do, it is not possible to say, but the report is, that they will declare themselves the only & true representatives of the people & without their sanction nothing is legal, that is done by the ministers & that after the 1st Jan[uar]y. no taxes need to be paid . . . this is the opinion of the opposition who think that we shall see very dreadful times again, but the other party,

the ministerial, who have completely the command of the army, think that with force they shall be able to carry everything, the only thing papa is that the King before long will see the Danger.

By the time he did see the danger, however, it was too late. In two days of intense fighting which cost the lives of 800 protesters and 200 soldiers, the troops loyal to Charles X were driven out of Paris. Talk of mediation by moderate liberals like the bankers Jacques Laffitte and Casimir Périer was suddenly redundant, as was the King's belated offer to withdraw the ordinances. With the capital on the verge of anarchy, new institutions redolent of the 1790s were hastily improvised: a municipal committee and a national guard led by that old republican warhorse Lafayette. As Salomon uneasily reported to Metternich on July 30, "the tricolour flag is flying on all public buildings." Lionel described a euphorically insurgent Paris:

The streets are crowded with persons, all laughing and as gay as if they had come from some Dance, in the squares & open places all the Garde Nationale & Royal Troops who had delivered up their arms, marching & being cheered by the people, in every corner the three coloured flags & every person with a red, blue & white cockade, in the Boulevard & streets every hundred yards the fine large trees cut down and the pavement taken up & piled up against them & broken doors &c so that nothing can pass . . . these barricades, as they call them, are not only in the principal streets, but in all the small ones, so that it was impossible for the soldiers & artillery to pass anywhere.

Small wonder James was beetle-browed when the historian Jules Michelet glimpsed him in his carriage. Small wonder he took the precaution of burying his bonds in the grounds of Salomon's house at Suresnes.

Yet James survived. The traditional explanation for this is that he was a skilful turncoat, but the reality is more complex. It is undeniable that he switched sides in July 1830 with alacrity and relief. Apart from the offer of a rural hiding place to Vitrolles, he did nothing of substance to assist the outgoing regime, rejecting all requests from the ousted monarch for money until it was clear that he was leaving the country. Indeed, his nephew exulted in Charles's overthrow: "Never was there a more glorious week for France, this people have [*sic*] behaved in a way that will be admired by every person, and will make them be reckoned now amongst the first of nations . . . It will be a good lesson for other governm[en]ts." When Polignac was put on trial later in the year, James shed no tears: "I assure you that, as far as I am concerned, for all the good that Polignac has done for us, he might as well be damned." James was also quick to broadcast his support for the new regime, ostentatiously donating 15,000 francs for the care of those wounded in the street-fighting. Not only did Anselm do his bit in the national guard (a bourgeois defence force of which the family strongly approved); James even dressed up his three-year-old son Alphonse in a miniature guard's uniform. It is also true that the liberals' decision to offer first the office of lieutenant general and then the crown to the duc d'Orléans was a stroke of good luck for James; as we have seen, he had already made the new King a "good friend" in the 1820s. From the Rothschild point of view, a constitutional monarchy was preferable to an absolute regime, and far better than a republic: as Salomon characteristically put it after watching Louis Philippe take the coronation oath to uphold the slightly revised charter: "Thank God that we have come so far that the matter has ended so well, for otherwise the Rentes would not have stood at 79 but would have fallen to 39 God forbid." James's relations with some of the key figures in the new government—notably the two bankers Laffitte and Périer—were also relatively good, though the extent of genuine amity among such business rivals should not be exaggerated. Talleyrand, who was the linchpin of Louis Philippe's diplomacy in London, was persuaded to bank with Nathan. Sebastiani, the Foreign Minister from late 1830, was "on the most friendly terms" with James, who called on him "every morning"; relations with his successor de Broglie were also close.

Heine was ultimately right, then, when he said that James "appreciated the political capacities of Louis Philippe from the first, and . . . always stayed on an intimate footing with that grand master of politics." Indeed, even the later anti-Semitic writer Drumont was not far wrong when he later spoke of an "affinity" between James and Louis Philippe based on their common "adoration of money": we know that James gave Louis Philippe a personal loan of over 2 million francs in April 1840 and Heine attributed the "great attentions paid to [Rothschild] at court" to the King's "financial plight." Although Stendhal's witty and well-connected "Monsieur Leuwen" can hardly have been modelled on James, as has sometimes been claimed—he is not Jewish, for example, and his French is much too elegant—his political influence as portrayed by Stendhal closely corresponds to that wielded by James at the time the novel was written (1836).[5] "The newspapers write so much about the ministers speculating with us," reported Lionel in 1834, "that they don't like to receive us every day." The Rothschilds' private correspondence reveals the truth of such press reports, and suggests that it was only a slight exaggeration to claim, as one Austrian source did, that "in all Ministries and in all the Departments [Rothschild] has his creatures of all ranks to bring him every kind of information." At the same time, the social barriers which had still existed under the Restoration all but disappeared in the reign of the "Citizen King": members of the royal family as well as ministers and ambassadors were happy to accept James's invitations to dinners, balls and hunting parties.

Nevertheless, the cosiness of the relationship which developed between James and Louis Philippe's regime in the course of the 1830s should not blind us to the fact that, at least until 1833, the Rothschilds were far from convinced that the regime would endure. And with good reason. The example of Spain suggested the possibility of a protracted civil war between rival claimants to the throne. More important, recent French history gave little encouragement to proponents of a constitutional monarchy. Every time crowds took to the streets of Paris—calling for the execution of Polignac in October 1830, for example—the fear recurred that the monarchy would be swept aside by the supporters of a republic. In December "precautions" had to be taken when James received warnings "that they [republicans] intend attacking the house tonight & taking everything." Lionel's assessment was not unrealistic: "This party although not so very large makes itself appear considerably more so, by their active conduct, they make use of all the nonsense of the first revolution & wish to make this one resemble it in every respect: this frightens many persons."

More pessimistic observers like the Prussian ambassador Werther warned James that Louis Philippe would "go the same way as Louis XVI." "The old revolution started in a similar manner," James's dinner guests told him, "and the situation now is beginning to look ominously alike. We can't see how anyone here can feel secure and we are surprised that you, who are so wealthy, are prepared to remain in such a country, when, at any one time, one has no idea what the next day might bring." Nor was a new republic all that James had to fear. There was also the more recent memory of imperial glory, which a smaller number of Bonapartists sought to rekindle. Finally, there was the newer phenomenon of working class unrest, which flared up periodically not only in Paris but in Lyon and other industrial centres about which the Rothschilds at this stage knew little.

Contemporaries were impressed by the way James quickly resumed the lavish entertaining for which he was already famous, throwing a "crowded and brilliant" ball as early as January 15, 1831. But this was only the day after a violent anti-clerical riot, and, as the Austrian ambassador described it, the city was still echoing to the Marseillaise as the Rothschilds' guests danced. Louis Philippe's son the duc d'Orléans relayed his apologies through an aide-de-camp, who explained that he was at the head of his regiment and that the republic was being proclaimed in the streets:

Mme de Rothschild was dying of fear, imagining the pillage of her house; despite that, we kept on dancing. When I engaged Mlle de Laborde for a galop, her mother told me that a glow that could be seen in the sky was none other than the bishop's house at Conflans, which the rioters had set on fire.

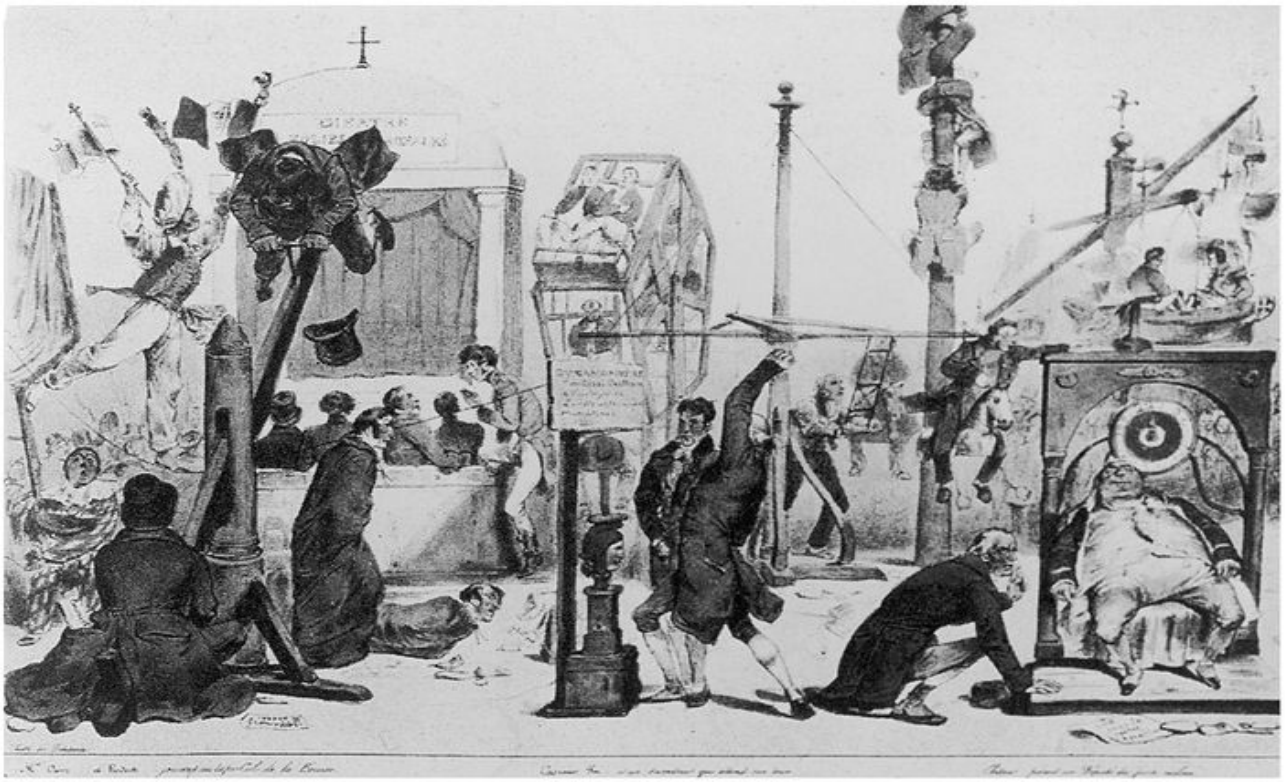
"It's terrifying, yes, it's frightful," said the young lady. "But let's dance while we can today. If it is true that we are going to have the republic tomorrow, that will mean the end of feasts and balls for ages." . . . The ball lasted until four in the morning and there was no trouble. M. de Rothschild, despite his great desire to appear gay, is sad in his soul, for his money is melting in his vaults like an icicle in the heat.

The combination of outward bravado and inner caution continued as long as there was such violence in the streets of Paris. But the mood at these events was always tense. In January 1832 the duc d'Orléans was affronted when he heard himself referred to by his nickname ("le grand poulot") by a Legitimist guest at one of James's parties—though it is not the case that he subsequently refused invitations to the rue Laffitte.

Even in periods of relative political tranquillity, French politics seemed volatile (especially to Rothschilds raised in London), with more frequent changes of ministry than in England, and more friction between crown and parliament. All these intricate political shifts had to be followed closely, for, as James put it, "a lot depends on what sort of Ministry we get." In February 1831, for example, an anxious James sought reassurance from Louis Philippe that the crumbling Laffitte ministry would not be replaced by a more liberally inclined administration. He and Lionel were "consoled" to hear that the most likely successor would be another banker, Périer, and that Périer intended to reduce the King's direct influence over policy. As we shall see, this was one of the most important changes of government of the period—and one which James claimed to have personally brought about. However, Périer's hold on power was always tenuous. July 1831—when elections unfortunately coincided with the anniversary of revolution—was a time of renewed political unsteadiness, with Laffitte failing by only a handful of votes to secure election as president of the Chamber. When Périer nevertheless resigned, James was appalled. Rothschild relief when he returned to office after a matter of days was considerable. Throughout 1831, the Paris letters monitored the health of his ministry—particularly its difficulties over reform of the House of Peers—with the obsessive anxiety of relatives around a loved one's bedside. The cartoonist Delaporte vividly caught the volatile mood of French politics in June 1831 when he depicted it as a funfair. To the left James and Ouvrard vie for control of a see-saw; in the centre Périer struggles to register on the "Dynamometer or Test of Strength for the use and instruction of ministers"; to the right Louis Philippe slumps unconscious (see illustration 8.i).

The metaphor of an ailing government, unfortunately, became a reality in the spring of 1832—just when Lionel began to sense a real stabilisation of the domestic political situation. As Salomon fretted, it was "unpleasant to admit" that stability depended "entirely upon a single individual." The full significance of this dependence suddenly became clear when Paris was struck by the cholera epidemic which swept westwards from Russia in 1831-2, claiming the lives of 18,000 people. Not only did the epidemic cause new riots in the city and "complete paralysis" on the bourse; it also afflicted Périer himself. Once again James was obliged to put on a public show of confidence, staying in Paris while thousands of wealthy Parisians fled to the countryside. But the combination of the premier's death (on May 16) and the landing of the Bourbon duchesse de Berry in the south of the country was yet another blow to political stability. It was not until November that the threat of a "Carlist" civil war was entirely dispelled by the duchesse's arrest. Meanwhile Paris continued to be subjected to republican demonstrations and riots, such as those occasioned by the funeral of General Lamarque, another cholera victim.

Although James and Lionel grew increasingly confident that the regime was secure after 1832—warmly welcoming every legal restriction imposed on republican activities—there were political crises of varying degrees of intensity throughout the 1830s. Quite apart from periodic ministerial crises, there were a number of attempts on the King's life, working class unrest in Lyon in 1834, an abortive republican coup in 1839 and an equally abortive Bonapartist invasion in 1840. On closer inspection, relations between the Rothschilds and the July Monarchy were only superficially intimate; as James's private correspondence makes clear, he regarded Louis Philippe and most of his ministers as incompetent. The King was "duplicitous"; the Finance Minister Humann "an ass"; Thiers "a little man," and so on. "Well, my dear Amschel," wrote James dismissively as yet another government fell in early 1839, "I can assure you that within two years these old Ministers will be back again in their old posts because our French Ministers are just like serviettes: after a period of time they require the attention of a washerwoman, and once they have had a rest they are as good [as new] again."

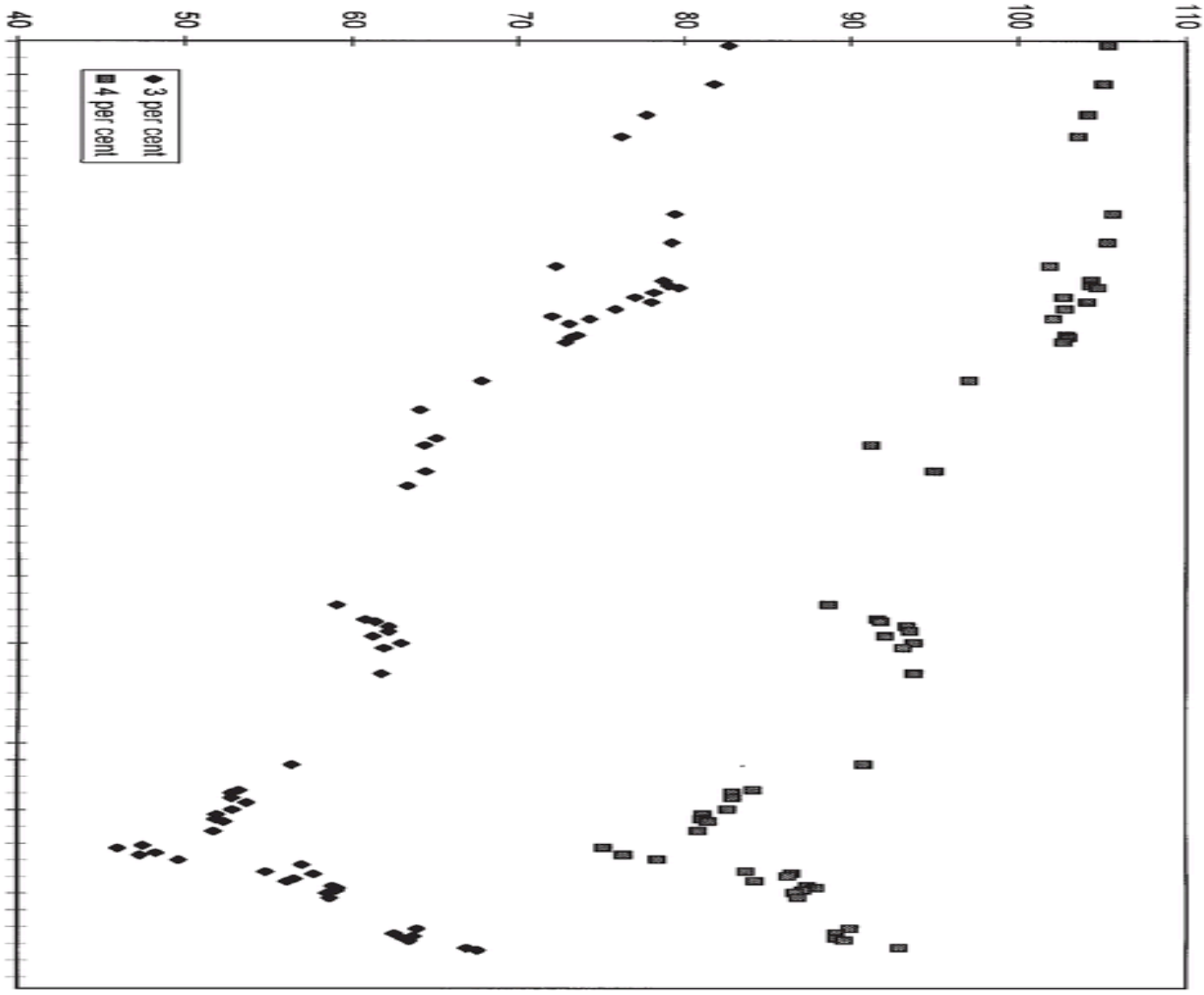


8.i: H. Delaporte, *James de Rothschild and Louis Philippe, La Caricature*, No. 67 (June 23, 1831).

James's contempt was rooted in his own traumatic economic experience during the revolution. Between May 1830 and April 1831 the price of 3 and 4 per cent rentes slid inexorably downwards to reach a nadir of 46 and 75 respectively, a fall of 30-40 per cent (see illustration 8.ii). This was despite the closing of the bourse during the July days and the injection of 50 million francs by the Banque de France in August. It was not until the end of 1831 that prices showed any sign of stabilising. Given that on the eve of the crisis James and Nathan had held a total of 6 million francs "nominal" of the two kinds of security, for which they had paid 5.36 million francs, their losses could have been as much as 2.1 million francs (£86,000) on the rente account alone. James sold at least some of these rentes before the nadir was reached, but as before he was reluctant to cut his losses. "We are sitting in a bowl of soup and we must now wait for it to be cooked," he told Nathan in late August. "Every day there are so

many rentes for sale but there are no buyers to be found . . . I hope that they will go up, God willing, and then one must get out of these. I no longer have the confidence which I had previously, and it will be a long time yet before the old feeling of trust returns once more."

8.ii: The price of 3 per cent and 4 per cent rentes, May 1830-May 1831.



He, Lionel and even Hannah—who was in Paris for her daughter's accouche ment—watched hypnotised by the hourly fluctuations of the market, waiting in vain for the crisis to "blow over."[6] Indeed, James began to buy new rentes in the hope of stabilising the market: by November 1830 his total holding may have amounted to as much as 30 million francs (nominal). But still the prices fell. "We have," he lamented, "too many rentes hanging round our neck and are unable to compete with the speculators on the same level." Five months later Lionel confessed to his father: "We have been all the time so misled by the abundancy of money and scarcity of stock, & by the peaceable assurances of the King, that we never could make up our minds to sell." Writing from Berlin, Anselm urged a final liquidation before rentes sank any further. After much prevarication—"I cannot decide to accept a loss of 40 per cent"—James was ultimately forced to sell heavily at the bottom of the market in March

1831. “Unfortunately,” he told Nathan, echoing Apponyi, “my fortune has melted away because I have been realising [that is, selling].” He had “so depleted” his capital “that I do not wish to look at the balance.”

Moreover, the French crash affected other bonds. A German cartoon of 1830 or 1831 shows four of the Rothschilds (“the Krähwinkler,” after the imaginary German town of Krähwinkel) vainly struggling to keep some falling bonds in the air with the aid of bellows (see illustration 8.iii). It is impossible to quantify exactly the extent of the losses suffered by the Paris house at this time, as the relevant accounts have not survived; but for the London house total losses in 1830 were more than £56,000, 5 per cent of the house’s capital, and it seems safe to assume that the damage was worse across the Channel. Comparable losses bankrupted Laffitte, whose firm collapsed even as he reached the zenith of his political influence.



8.iii: Anon., *Die Krähwinkler suchen die Papiere in die Höhe zu treiben* (1830-31).

As it was, James had to endure a measure of embarrassment. In November 1830 he was forced to suspend payments due to the government for the pre-Revolution loan. Nor could he deny that “that damned Ouvrard” had supplanted him as the dominant figure on the bourse: “For the past six months, the man has had a lot of good fortune and so the whole world follows whatever he does . . . Whatever move he makes the whole stock exchange will follow suit.” When James sought to participate in a new government loan in March 1831, another old rival was brutally frank. “For several months now,” Hottinguer told him, “your establishment no longer makes the same positive impression [as in the past] on public opinion.”[7] James felt obliged to speak to the other bankers “in a stiff tone and to ‘show them

my teeth' as they must appreciate that we are not to be treated off-handedly." But it was some time before he was able to restore his credibility in the French financial world. Indeed, Lionel began to detect in his uncle something close to a loss of nerve. "Uncle James is so much shaken by this revolution," he confided in his father, "that I assure you he is no more what he was, if he sees things looking well, he says, we must go to the old prices, and if the contrary is the case and the r[ente]s fall, then he gets immediately frightened and sells at the lowest price."

James himself became increasingly fatalistic in 1831. "We can now expect many years of unrest here in France," he told Nathan gloomily in July, "and regrettably, I fear we will lose our fortune here, and have no hope of preventing this from happening, because the people never know what they want." "For some time now, I have been very sick," he wrote a month later, requesting that Salomon's son Anselm return to Paris to assist him:

Every day we have new scares, and every day new surprises hit us. Good news is followed by a fall, and bad news brings a rise in its wake. At night one goes to sleep, and is then awoken by a drum making a terrible din in the street. "Please hide all your securities without delay." . . . I promise you, so help me God, my arms are trembling, as things have gone badly wrong for me. I did some buying, so prices fell. When I sell, prices go up. It is absolutely disgusting.

By October he was feeling "half frantic," "nervous" and isolated: "The world is speculating against me, and I am speculating against the world." It was not until early 1832 that James began to recover his confidence. Curiously, he seems to have rather relished riding out the cholera epidemic, and was pleasantly surprised when Périer's death caused only a minor fall. Only when matters began to improve in the summer was he able to retreat to his house at Boulogne, where he took to bed in a state of complete exhaustion.

Consols and the Constitution

The principal reason for James's financial survival was the role played by the other Rothschild houses in bailing him out. Here, not for the last time, the bank's multinational character proved an invaluable source of strength. Nathan's first reaction to the news of the events in Paris was to purchase and borrow large quantities of silver and gold from the Bank of England—he bought gold alone worth £779,000—and send it at once to his brother. This is what James meant when he repeatedly praised Nathan's "decency," for it allowed him to continue paying the money due to the French Treasury under the terms of the loan agreement concluded earlier in the year—a vital show of financial strength. As Hannah told her husband proudly, "Your exertion in sending so much money gives great pleasure . . . You have dear Rothschild behaved uncommonly well and every one is quite satisfied with you." One reason Nathan was able to bail his brother out was that, as *The Times* later said, he had managed to sell a substantial proportion of his own 4 per cent rentes before the revolution broke out.[8] The London house was again a source of support in March 1831, when James was seeking to participate in a new French loan: access to the London market remained James's trump card in Paris. The Naples house also seems to have assisted by sending silver; its surviving accounts show that half-yearly profits were unaffected by the revolution. Indirectly, the fact that the Frankfurt and Vienna houses remained on a sound footing also helped.

Of course, this would not have been the case if the revolutionary wave of 1830-32 had affected the other Rothschild houses as directly as it affected the French house. It is important to note that it could have. There were widespread fears in 1830 that Naples would succumb once again to revolution as well as the Papal states, and the German reverberations might have been felt more strongly than they were in Vienna. As it was, Salomon confided in Gentz in November 1830 that he was "10 million [gulden] poorer than he had been six months before." In Frankfurt too there were grounds for anxiety, not least because of events in neighbouring Hesse-Kassel. The Elector William II (who had succeeded his father in 1821) was one of those rulers who came unstuck in 1830, when citizens' assemblies in Kassel, Hanau and Fulda demanded the summoning of a parliament (*Landtag*). Initially, the main bone of contention was William's overt cohabitation with his mistress; but the looting of customs houses on the state border suggests that economic grievances also played a part. Since 1823 the Elector had not had recourse to the Rothschilds for financial assistance. But in the crisis of 1830 his officials appealed to Amschel for a small advance of 150,000 gulden. As his chief minister put it: "Your most humble servants are not in a position to propose a way of obtaining the advance which is most urgently needed other than through the house of Rothschild." They were not the only ones: requests were also received from hard-pressed governments in Hanover, Württemberg and Oldenburg. Given the growing risk of German revolutions on the French model, however, Amschel was prepared to lend the Elector only 100,000 gulden.

Yet when the Elector's son Frederick William was installed as co-regent and accepted a constitution which was the most liberal yet seen in Germany, Amschel's attitude changed. In 1831 he arranged two loans to the new regime totalling 1.35 million gulden. In many ways, this was analogous to James's defection from Charles X to Louis Philippe in Paris. And, as in France, it did not take long for the more advanced liberals to become dissillusioned with the new ruler. Amschel nevertheless stuck to the new ruler even as his popularity declined, just as James stuck to Louis Philippe. He continued to act as banker to Frederick William and his unpopular wife[9] even after the Hessian government resumed a course (under the firmly anti-liberal Ludwig Hassenpflug) which led inevitably to a messy constitutional crisis. In short, Amschel blew with the wind. He and his brothers evidently had little respect for the various German princes endeavouring to retain their traditional authority. Salomon advised him "not to pay attention to the declamations and discussions" of the King of Württemberg "as I know this prince better than you: his views are always wrong and his opinions are always changing, and whether he is courageous or cowardly makes no odds, [as] I have more confidence in the opinion of a child than in that of this prince." But once Metternich's influence began to make itself felt in Germany after the revolutionary high-water mark of the Ham bach festival, the Frankfurt house wept no tears. Even this very modest German revolution had cost Amschel money, as Anthony found when he visited Frankfurt. The failure of the *putsch* in Frankfurt attempted by a small and incompetent group of radicals in April 1833 was a welcome sign that the political tide was ebbing.

Nathan in London also experienced his share of political turbulence. Of course, events in Britain were less violent than those on the continent. It would nevertheless be a mistake to overlook the close parallels between British reform on the one hand and French revolution on the other, not least because contemporaries were so conscious of these, and had no way of being sure that the former would avert the latter. The issues at stake were not so different: the freedom of the press; the reduction of religious disabilities in political life (which had already caused a serious political crisis in 1829); the extension of the electoral franchise; the constitutional position of the crown relative to ministers and that of the upper house of parliament relative to the lower. The cholera came to London too.[10] More importantly, the financial consequences of political crisis were very similar, if less dramatic in London. Had the Reform crisis in Britain been even slightly more serious, then James might have found his brother

much less free to lend assistance.

From the vantage point of Paris, it seemed at first unlikely that the Whig ministry of Earl Grey would survive. Indeed, as late as March 5, 1831—four days after Lord John Russell introduced the Reform Bill—James wrote to Salomon assuring him that "Peel, Palmerston and Wellington are coming to power." But this was wishful thinking on the part of his old Tory friends (Herries was his source for this tip). For his part, James was more inclined to think that an English revolution was in preparation, similar to the one he himself had experienced the year before, "because should the Bill be passed, then this will be seen as a fatal blow to England, and if on the other hand the Bill is not passed then one can expect a great deal of unrest." When Parliament was dissolved in April, James had a sense of *déjà vu*. As he put it to Lionel: "If the Reform Bill passes, it will bring the same results as the revolution did here, the King wanted to take away from the people all their rights, which brought the revolution. In England the King gives the people more than their rights, which will have consequences as bad as the contrary has had." He made the same point directly to Nathan:

I might be mistaken, but the initial impression that the dissolution of Parliament in England has made on me is the same as . . . our dissolution made when, to start with, no one viewed the matter as giving cause for concern but then we fell some 30 per cent and I hope to God this will not be repeated this time in England. But I am very anxious . . . Let us get down to the nitty gritty. I am not at all pleased with the situation in England.

As James saw it, "a lot of antagonism has been generated against the wealthier classes, and England has only been strong until now precisely because they [the government] had the support of the wealthy class." The Reform Bill might seem moderate, but "the supporters of . . . Reform will almost certainly make further demands later on." He fervently wished England to "put a stop to the progress of the infamous liberal spirit." "The plebeians believe that a Parliamentary reform will provide them with [free] bread and cake," he warned Nathan, "and just like here, they are revolutionaries at heart. Once the Reform Bill has been passed, they will come up with new demands." The riots in Bristol and elsewhere in October 1831 seemed to confirm this diagnosis.

Lionel acknowledged that there was a parallel between France and England. "We have had a revolution and are now quiet; in England you are in the middle of your revolution, & you must wait 'til it is over." However, he was far less worried by this than his uncle. This was partly a reflection of his liberal outlook. "I am very pleased to see that this Reform Bill has had a little effect upon some of the aristocracy," he commented in a revealing letter to his parents. "It is a very good thing, some of those great persons were really insupportable, the great difference that they always made between the different classes will soon be done away with, & the society in England will be more like that here, which is by far more agreeable." There is more than a hint of Disraeli's fictional Adrian Neuchatel here ("Well; we City men must see what we can do against the dukes").

But Lionel's attitude was rooted in pragmatic considerations: it had more to do with the connection between the prospects of the Reform Bill and the price of government bonds. Between January 1830 (when they stood at 95.6) and March 1831 (75.4), consol prices fell by 20 per cent—a less dramatic fall than in Paris, but nevertheless a substantial decline. The sharpest fall came between October 1830 and January the following year (see illustration 8.iv), but prices remained below their average level in 1829 (91) until 1834.

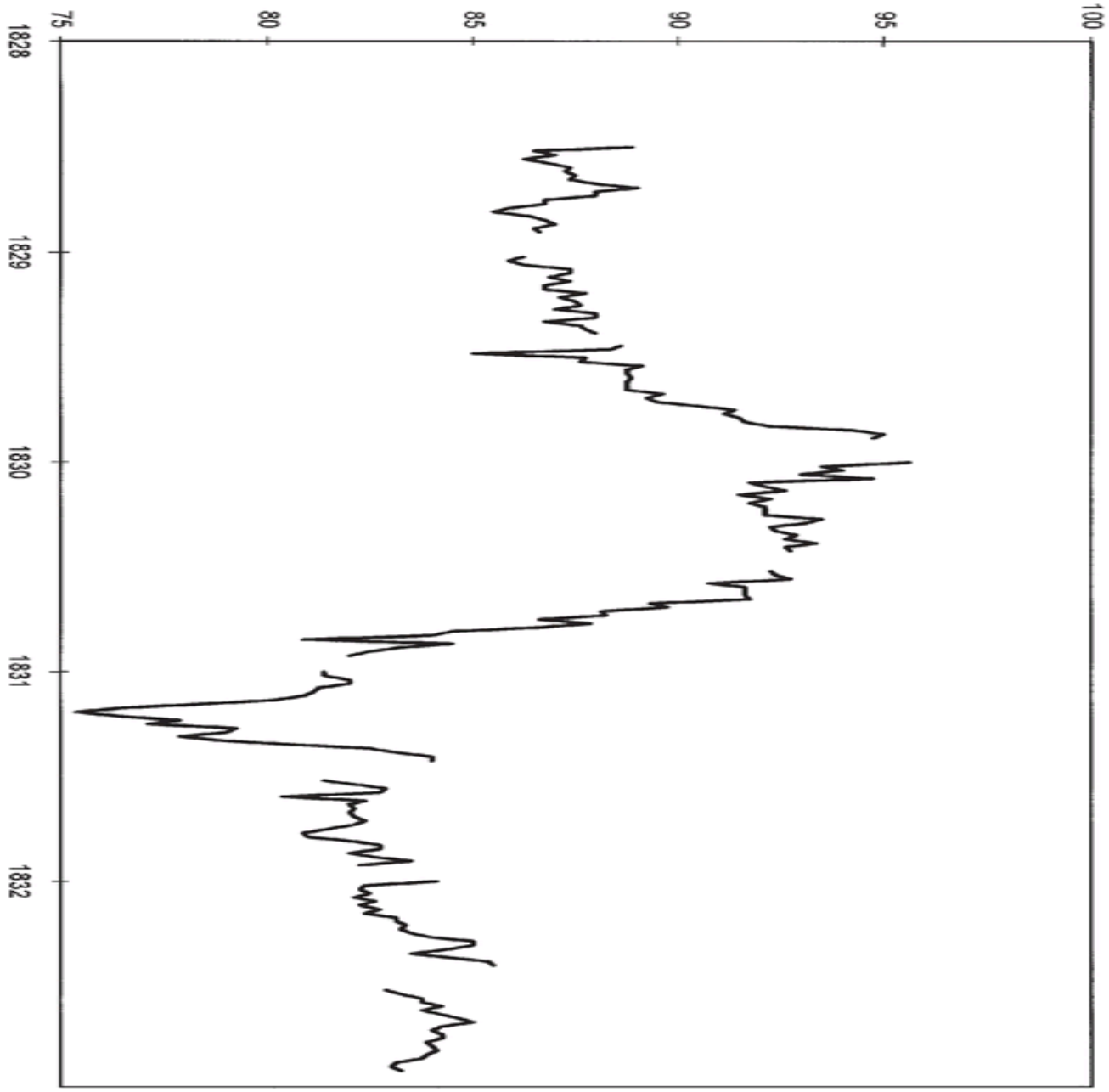
Although international concerns were paramount in the City (as they were on the Paris bourse),

domestic factors also played a part in this crisis. Notoriously, the Duke of Wellington's intransigent speech against reform on November 11 provoked a fall of more than six points, though the slide had actually begun two months before. At the same time—and this was more of a problem than in France—there was a sharp monetary tightening in 1830-31 as the Bank of England's reserve fell, providing the inspiration for the Radical Francis Place's famous slogan of the following year: "To stop the Duke, go for [meaning withdraw] gold!" In short, it began to seem as if the financial markets wanted the Reform Bill to pass. In Paris, James made this connection as early as March 1831, just after the bill had passed its second reading by a single vote. "That the Reformers are winning," he argued in early May, "can at the present moment only have a positive effect and cause a rise in the stocks." Lionel agreed, expecting the passage of the bill to produce "a very great effect," and strongly favouring the creation of new peers to force the bill through the Lords. Both were prepared for the Lords' rejection of the bill to cause a further fall in prices.

By contrast, the man on the spot seems to have been less ready to see the connection between Reform and financial recovery. This was partly because Nathan's identification with Wellington—which led to his windows being broken by demonstrators—made him instinctively anti-Reform. But it was also partly because the fluctuations of the London market after March 1831 were less severe than those in more volatile Paris. Consol prices in fact remained relatively stable when the Lords rejected the bill in October 1831. This puzzled even some members of the British government. When the Vice-President of the Board of Trade, Charles Poulett Thomson, dined with James the following month, he declared: "Thank God, I have part of my money invested in foreign stocks, but I consider our country is very sick, and am surprised that stocks stand so high." Nevertheless, by February 1832 Nathan appears to have accepted that a Reform Bill would have to be passed. There is no other way of interpreting his attitude when Wellington was called on to form an anti-Reform government following William IV's refusal to create fifty new peers. As Charles Arbuthnot told the Duke,

Rothschild . . . came to tell me that if you let it be known, as soon as you meet Parliament that, whatever may be your own opinion of Reform, you are resolved not to disappoint expectations which are so greatly raised . . . you will surmount all your difficulties. He says that among the monied men there is an alarm lest there should be such an opposition to all Reform as would cause commotions . . . He assured me that the general feeling was that you would surmount your difficulties if men's minds were tranquillised as above stated, and if, having the reins in your hand, you were resolved to keep them. He is determined, he said, to keep up the Funds to his utmost, and he is confident he will succeed.

8.iv: The weekly closing price of 3 per cent consols, 1828-1832.



Or, as Moses Montefiore summarised Nathan's argument more pithily, the Duke should "form a Liberal Government, and . . . consent to some reforms . . . he must go with the world, for the world would not with him." This was no more than a circuitous way of telling Wellington to throw in the towel, which he duly did two days later.

What made Nathan change his mind? The obvious answer is that he genuinely feared another financial crisis of the sort which had driven Wellington from office the previous autumn. Consol prices had already fallen slightly—from 85 on May 9 to 83.25 on May 12—and it may be (as some observers suspected) that Nathan also warned Wellington of a renewed run on the Bank of England's reserve. Yet the "panic" in Paris was not as great as Lionel had anticipated, and the predictions that Grey's return would boost consol prices "to their former level" proved wrong. They were in fact scarcely affected by the Duke's resignation or by the passage of the Reform Bill itself; if anything, they reopened slightly

lower after the royal assent was granted. Another possible explanation is that the British Rothschilds underwent a kind of political conversion. As we have seen, there is at least some evidence that from as early as 1829 Nathan, his wife and his children were shifting their political ground because of Tory opposition to Jewish emancipation. In addition, the Whigs appeared better able than the Tories to cope with the new threats of Irish political Catholicism and English radicalism. The enthusiasm of Anthony and Lionel for the Whig victory in the 1832 elections was sincere; and there is no evidence of Rothschild support when, largely at the King's instigation, Peel attempted to form a government in 1834. Nor is it without significance that Nathan was willing to manage the £15 million loan necessary to compensate the slave-owners after the government abolished slavery. Buxton's recollections of Nathan are often quoted; but the significance of their dining together is seldom pointed out. In fact, Buxton was the leader of the Anti-Slavery Society, and his meeting with Nathan came immediately after the legislation freeing the slaves had been passed. Just as James quickly aligned himself with the *doctrinaire* liberals after the revolution in France, so too, it seems, did Nathan bend with the Whiggish wind of reform in England.

Heine thus undoubtedly exaggerated when he sought to portray "Rothschild" as a revolutionary. But he was absolutely right in identifying the brothers' lack of commitment to the politics of reaction. When reform came—and even when it came by violence—they accepted it.

NINE

The Chains of Peace (1830-1833)

Those who want war will doubtless turn to other bankers.

—FRIEDRICH GENTZ, 1830

Despite the ease with which they shifted allegiances from Bourbon to Orléans, from Tory to Whig, the Rothschilds did not survive the 1830 revolution purely by adapting to domestic political change. For the internal threat—the threat which prompted James to bury bonds in the gardens at Suresnes—was in many ways the lesser threat posed by the revolutions of the period. Far more serious from a financial point of view was the possibility that the revolutions might lead indirectly to a war between the great powers. The most striking point to emerge from the private correspondence of the period is that this was the Rothschilds' real fear; and it is easy to see why. A revolution—or even a reform crisis—primarily affected bonds in one country. A war would have caused a severe slump in the price of *all* government securities in all markets. A domestic crisis in Paris could be withstood provided London, Frankfurt, Vienna and Naples stayed quiet. A European war would have hit all five houses simultaneously. The Rothschild correspondence shows that this fear was paramount in 1830-32. "You can't begin to imagine what might happen should we get war, God forbid," wrote James in October 1830, "for if that were the case, then all the securities would suffer such a fall that it would be

impossible to sell anything." A month later he sought to quantify the risk: "We have a holding of 900,000 rentes [30 million francs nominal]; if peace is preserved they will be worth 75 per cent, while in case of war they will drop to 45 per cent . . . I am convinced that if peace is maintained rentes will improve in three months by at least 10 per cent . . ."

This helps explain why so many contemporaries believed that the Rothschilds not only favoured peace but used their financial leverage to preserve it. Ludwig Börne, for example, explicitly argued that Rothschild sales of Austrian government bonds had limited Metternich's diplomatic room for manoeuvre in 1831, when the Prince was itching to check forcibly the spread of revolution not only in Italy but in Belgium. He also implied strongly that the Rothschilds were keen to see France adopting a more pacific policy towards Austria: "If the house of Rothschild sat on the throne of France, the world would be relieved of the great dread of a war between that powerful house and the house of Habsburg." Similar claims were made by political insiders too, for example by the Austrian diplomat Count Prokesch von Osten in December 1830: "It is all a question of ways and means and what Rothschild says is decisive, and he won't give any money for war." Two years later the Austrian Finance Minister Baron Kübeck regarded Salomon as synonymous with "peace." Nor was it only Austria which was perceived to be subject to Rothschild pressure: Metternich and his ambassador in Paris, Apponyi, alleged that the French government was even more susceptible. As early as 1828, Prince Pückler was moved to compare the source of the Thames "with Napoleon who, born incognito in Ajaccio, made all the thrones of the earth quake . . . the avalanche which launches itself under the claw of a starling and five minutes later buries a village—and . . . Rothschild, whose father sold ribbons, and without whom no power in Europe today seemed able to make war." The Prussian diplomat Achim von Arnim said much the same in the 1840s when he observed how few governments were unconstrained by the "golden chains of that House."

Such claims very quickly became integral to the Rothschild myth. In his anti-Semitic tract *The Jews—Kings of the Epoch* (1846), Alphonse Toussenel made the point succinctly: "The Jew *speculates on peace*, that is on a rise, and that explains why peace in Europe has lasted for fifteen years." Later writers put it even more crudely. Both Capefigue and Chirac purported to quote a Rothschild saying: "There will be no war because the Rothschilds do not want it." In Morton's words, "the brothers became the most militant pacifists ever." Gutle Rothschild is frequently credited with the declaration: "It won't come to war; my sons won't provide money for it."

Publicly, the brothers liked to encourage such notions, as it made them appear both potent and benign. "Do you know who is viceroy and even king in France?" the Countess Nesselrode asked her husband in December 1840. "It is Rothschild. At his dinner, just recently, I had plenty of time for a lengthy chat with him; without saying anything to him to give away my own views, I induced him to express himself freely. He is bored with [the French premier] Thiers, and as for his ministers":

"I know them all," he said, " I see them every day and as soon as I discern that the course they are following is contrary to the interests of the governments, I call on the king, whom I see whenever I wish, and I inform him of my observations. As he knows that I have a lot to lose, and that all I desire is peace, he has every confidence in me, listens to me and takes account of all that I say to him."

But how far was this mere dinner-table bragging—like Nathan's to Prince Pückler in the 1820s? Does the brothers' private correspondence substantiate the claim that they used their position of influence to preserve peace after 1829?

Here it is necessary to distinguish the Rothschilds' use of financial leverage—principally their ability to refuse loans to governments contemplating war—from the less tangible influence which the Rothschilds were able to exercise in their capacity as a channel of diplomatic communication. This second function grew rapidly in importance in the course of the 1830s, though it had already begun to develop in the previous decade. In essence, statesmen and diplomats began to make use of the Rothschilds' network of communication for two reasons: because it was quicker than the official courier systems used for relaying diplomatic correspondence, and because messages of a non-binding nature could be sent from government to government indirectly via the brothers' own correspondence with one another. It is not hard to see why the brothers were willing to provide this service: it gave them advance knowledge of foreign policy as it was being formed, and this in turn allowed them to make better-informed investment decisions. The difficulty for the historian is that the brothers did not always explicitly distinguish their own views from those of ministers when acting as a diplomatic channel: it is from this period that they began to use the word "we" in their letters not only in the sense of "we Rothschilds," but also in the sense of "our government," the first hint of an identification with the five different states where the brothers now lived. Nor is it always apparent whether it was the Rothschilds who were actually influencing the direction of policy, or policy which was influencing the Rothschilds.

Lines of Communication

The development and nature of the brothers' communications network is therefore essential to an understanding of the financial diplomacy of the 1830s. As usual, a certain amount of mythology needs to be stripped away—above all, the notion that the Rothschilds, like Disraeli's Sidonia, were at the centre of an almost supernatural intelligence service: "No Minister of State had such communication with secret agents and political spies . . . To these sources he owed that knowledge of strange and hidden things which often startled those who listened to him . . . The secret history of the world was his pastime." It is true that by the end of the 1840s they had established a formidable network of agents and regular correspondents, an important function of which was to keep New Court abreast of economic and political developments the world over. But in the twenty years after Waterloo (the news of which was the first great coup of Rothschild communications) their system was more rudimentary. Like anybody who wished to conduct international correspondence, their letters—and sometimes their lives—were at the mercy of the elements. In 1817, Salomon and his wife were "99 per cent" drowned when the carriage taking them from Paris to Rotterdam was caught in a storm while crossing a river. The whole journey lasted around seventy-two hours. That was exceptional: letters sent from Paris to Frankfurt usually took just forty-eight hours in 1814; but mail from London could take up to a week to reach Frankfurt, and the service from Paris to Berlin took nine days in 1817. Compulsive correspondents as they were—even scribbling letters in antechambers while waiting to see ministers—the brothers were always trying to find ways of speeding up the postal service. As we have seen, from 1815, if not before, Nathan was relying on his agents at Dover and Calais to expedite his letters by paying premiums to the captains of ships for express delivery. It seems he also sometimes sent copies of the same letter by more than one route, to reduce the risk of delays. In 1814 Amschel proposed an ingenious scheme for overcoming delays at the Frankfurt post office: if the exchange rate rose, his brothers should send their letters in blue envelopes; if it fell, in red, "then Mayer at the post office can immediately let me know if I have a red or a blue letter, which saves half a day."

But this did not solve the problem that many of the offices in Germany through which the brothers' letters passed were "lodges" under the control of the Austrian secret police, so that mail was routinely

opened and copied if it appeared to contain politically sensitive or useful information. The same lack of confidentiality ruled out anything more than occasional use of the diplomatic "bags" sent by courier from capital to capital. There was therefore no alternative but to employ private couriers, which the Rothschilds began to do (at the latest) in 1814. The problem was that couriers were expensive, and the brothers constantly bickered about when their use was justified: if couriers were sent too often, operating costs mounted, but if they were not sent, vital news could arrive late. A related problem was that the very arrival of a courier alerted competitors to the probability of important news: letters to third parties were therefore sometimes backdated and couriers sent in disguise to put rivals off the scent. By the mid-1820s, with costs less of a concern, couriers were being sent regularly: in December 1825 alone, the Paris house sent eighteen couriers to Calais (and hence to London), three to Saarbrücken, one to Brussels and one to Naples. The practice was habit-forming: in 1827 Salomon was infuriated when he could not find a courier willing to set off from Vienna for Strasbourg at 10 p.m. on Christmas Day.

Unfortunately—as with every innovation in communications—it was not long before the Rothschilds' rivals were sending just as many couriers of their own. Moreover, no courier ever arrived soon enough: James's complaint in 1833 that a courier from London had arrived "one hour too late" was the classic expression of the perennial capitalist desire for faster communications. From 1824, carrier pigeons were also employed, though it was apparently not until the 1840s that the brothers used these regularly enough to warrant a crude code: "A B in our pigeon dispatches means buy stock, the news is good. C D . . . means sell stock the news is bad." It was not until after the mid-1830s that the development of the railway, the telegraph and the steamship opened a new era in communications—one in which it would be a good deal harder for the Rothschilds to steal a march on their competitors. In one of his first references to "telegraphic communication," James complained to Nathan: "Over here people are too well informed and there is therefore little opportunity to do anything." By 1840 Carl was advising the Paris house not to send couriers to Naples, as the steamer arrived just as quickly and couriers merely alerted the "small speculators" that something was up. Another important point is that as press censorship became less strict after 1830, it became unnecessary to provide so much detailed political news in private letters: by the 1840s, Nat routinely referred his brothers to the French newspapers where ten years before his uncle would have written the latest political news himself.

So it was in fact for a relatively short period—between around 1815 and 1835—that the Rothschild courier service had a real edge on alternative forms of communication. During those years, the Rothschilds were able to offer a distinctive service to those politicians and diplomats whom they wished to cultivate. Not only could they offer them private banking services; they could also deliver their letters ahead of the regular post. While in London in 1822, Chateaubriand received "an important despatch" from the duchesse de Duras through her "protégé Rothschild." At Verona in the same year and at Pressburg in 1825, Metternich made use of Salomon's couriers to Vienna and London, evidently putting more trust in the Rothschilds' couriers than his own. The idea soon caught on. By 1823, "receiving news from Rothschild" was an integral part of the Countess Nesselrode's routine. In 1826 it was reported that:

the Rothschild clerks who travel as couriers from Naples to Paris about once or twice a month take with them all the despatches of the French, English and Spanish ministers accredited in Naples, Rome and Florence. In addition to this not inconsiderable correspondence, they also deal with the communications passing between the Courts of Naples and Rome and their legations at Turin, Paris, London, Madrid, Lisbon etc. as well as all private letters that are of any importance.

When a minor crisis in Franco-Austrian relations blew up in 1826, it was a Rothschild courier who carried Villèle's placatory note to Metternich. Perhaps the most distinguished—if not the most powerful

—enthusiasts for the Rothschild postal service after 1840 were the young British Queen Victoria and her consort Prince Albert. It was probably the latter—whose Uncle Leopold was an old Rothschild friend—who introduced the former to the system.[1] From the moment he arrived in England, Albert (through his close adviser Christian von Stockmar and his British secretary George Anson) made regular use of Rothschild couriers for his correspondence with the continent. Soon Victoria was doing the same, as well as relying on the Rothschilds to arrange minor banking services and even hotel reservations. In June 1841 she assured Leopold that she "always" sent all her letters to Germany "wh. are of any *real* consequence . . . thro' Rothschild wh. is perfectly *safe* and very quick."

All this meant that the Rothschilds were in a position to provide a unique news service to the European elite. Major political events as well as confidential information could be relayed from one city to another well ahead of official channels. Nathan's early news of the outcome of Waterloo was only the first of many such coups. As early as 1817 James was offering to relay details of French diplomatic despatches from Paris to London—made available by a "friend" in government circles—so that they reached Nathan before the despatches themselves reached the French ambassador. The British ambassador in Paris also began to rely on Nathan for advance news from London. In 1818 a British diplomat bound for the Aix Congress was "struck very much" by Nathan's "correct information as to the details of our party and his knowledge of the persons likely to compose it, some of whose names I believe had not even transpired at the Foreign Office." When the duc de Berry was assassinated in February 1820, it was the Rothschilds who broke the story in Frankfurt and Vienna. Likewise, when Queen Caroline died in 1821, it was again the Rothschilds who spread the news to Paris. Canning, as we have seen, disliked the fact that the Rothschilds constantly scooped British ambassadorial reports; but he could hardly afford to ignore news like the Turkish capitulation at Acker man. By 1830, as Talleyrand observed, "The English Cabinet always obtain their information by [Rothschild] ten or twelve hours before the arrival of Lord Stuart's despatches, and this is not to be wondered at, seeing that the vessels which carry Rothschild's couriers belong to that firm, they take no passengers, and start at all hours . . ." Villèle too had to heed Rothschild information, even though he (like Canning) strongly suspected the brothers were manipulating the news to influence the stock market.

That of course was the whole idea; or rather the principal aim of Rothschild communications was, by getting political news first, to buy or sell securities before the news had influenced the markets as a whole. Yet this was not always achieved. The fact that the Rothschilds broke the news of the French revolution of July 1830 not only to the British Foreign Secretary Lord Aberdeen in London but also (via Frankfurt) to Metternich in Bohemia is well known. But it is worth pointing out that their reports were not at first believed. And, as we have seen, the outbreak of the revolution caught the Rothschilds themselves completely by surprise, plunging the French house into an economic crisis from which it was only with difficulty extricated.

Bankers' Diplomacy

The Rothschild letters reveal the extent and limitations of this communications system in the turbulent years after July 1830. In Paris, James's political connections were second to none. "I am constantly being consulted about everything," James told Nathan in 1831, and that never really changed: just as he later claimed to Countess Nesselrode, he really did see the King, his ministers and the principal ambassadors on an almost daily basis. Nathan too seems to have had access to senior government figures, notably the diplomat Frederick Lamb, in addition to key foreign diplomats in London like

Talleyrand, Esterházy and Bülow; but there is no question that his influence was less than it had been under the Tories. In Vienna, Salomon continued to enjoy direct access to Metternich, and relayed copies of his brothers' letters to him whenever they contained diplomatically important information. By comparison, the Frankfurt and Naples houses were somewhat out of the great power "loop." Influence in the other key capitals—St Petersburg and Berlin, as well as Brussels and the Hague—was limited to that which could be exercised through agents (for example, Gasser in Russia and Richtenberger in Belgium) or by occasional personal visits.

The first diplomatic question to be discussed via Rothschild correspondence in 1830 was whether the great powers would actually recognise Louis Philippe as king or intervene against the new regime. On July 31 James wrote to Nathan: "I hope to God that your Government is not thinking of intervening, for if they do so, then we will get a general war." Lionel summed up the argument for recognition a fortnight later:

[O]nly one thing that is completely requisite is that the king should be immediately recognised, if it is not done soon, one cannot say what may be the end . . . Until the king is recognised the neighbouring provinces may always wish to join this Governmt.[;] this will encourage also the disturbances there . . . France only wishes peace, wants nothing from other countries and knows that it only has to cultivate its own resources to be one of the greatest nations[;] at present there are in France 1,500,000 men in the National guard, all armed fit for service, besides these the whole army[;] what use [would] it be for other powers to think of making an attack on this country[?] . . . Uncle James was with the king today, being a member of a company who paid their respects to him[;] the king gave him the highest assurances of peace and of his good wishes, and of his hopes that everything will go on in the best way possible.

Louis Philippe's message to James at that meeting—"My most ardent desires are centred upon the peace of Europe, and I hope that the states will resume their former friendly relations with France"—was duly passed on to Metternich through the Austrian ambassador Apponyi.

However, recognition of Louis Philippe did not, as Lionel had hoped, prevent revolutionary outbreaks elsewhere. From the moment news reached Paris of the "full-blown revolution" which had broken out in Brussels on August 25, a new possibility arose: that the spread of revolution outside France would precipitate a war between France and one or more of the conservative powers, Prussia, Russia and Austria—and perhaps even England. This was a far more plausible scenario than the possibility of direct foreign intervention in France for two reasons. Firstly, the other powers had not only treaty obligations (dating from 1814-15) but also strategic interests in Belgium. Secondly, foreign intervention in Belgium, or anywhere else where revolutions broke out, was likely to move the French regime to the left, because of the historic link between republicanism and revolutionary internationalism. Metternich was not the only one who remembered the 1790s, when France had combined domestic "anarchy" with dramatic military expansion.

James's first action on hearing of the Belgian revolt was thus to broker a meeting between the French Foreign Minister Molé and the Prussian ambassador, in the hope of averting a military confrontation between the two powers. He also urged Nathan to oppose any British-sponsored intervention on behalf of the Dutch King, having concluded (along with Hannah and Lionel) that Belgian claims to independence were practically (and perhaps also in principle) defensible. At the same time, fearful that the revolutionary spirit might spread to Naples and Spain (as it had in the 1820s), James relayed a veiled warning from Louis Philippe to Metternich that "he was opposing revolutionaries in all countries

as far as his position as a constitutional monarch allowed him to do, but . . . that he was compelled in his position to show a certain regard for Liberal aspirations"; the King of Naples should therefore make "a few concessions in the general interest of the country and in accordance with the progress of contemporary ideas." A few days later Molé told James that France might be prepared to go to war if France were "surrounded by a large number of [Prussian and Austrian] troops," a fear of "general war" echoed by a number of foreign diplomats including Lamb, who raised the possibility of British intervention.

There was relief when, after discussions between Talleyrand and Aberdeen, the whole Belgian question was referred to arbitration by representatives of the great powers in London. However, even before an armistice had been reached between the Belgians and the Dutch, news arrived that a revolt had broken out in Warsaw against Russian rule. In fact, it may well have been this development which did most to *prevent* war over Belgium, as prior to the revolt the Tsar had been preparing to send troops from Poland to support Holland. The fact that it took the Russian army from February until October 1831 to crush the revolt may well have been the main reason there was no general war. But at the time the spread of revolution eastwards seemed only to increase the chances of international conflict. The protracted arguments about the extent of the new Belgian state, its neutral status and the choice of its king served only to prolong uncertainty throughout the first half of 1831, with the Rothschilds once again relaying proposals and counter-proposals from Paris to London.[2] Then came the news of revolts in Italy: not, as had been feared, in Naples, but in the duchies of Modena and Parma (February 1831) and the Papal states (March).

Between March 1831 and March 1832 there was a series of "flashpoints" when war involving more than one of the great powers seemed to come perilously close, and on each occasion the Rothschilds worked frenetically to diminish the tension. The first crisis raised the possibility not only of Austrian intervention in the Papal states but also of French moves in support of the revolutionaries. James and Salomon were much involved in the war of words which duly broke out between Paris and Vienna. Ultimately, Austria did intervene, not only in Modena (which the French tacitly accepted) but also in Bologna in response to an appeal from Gregory XVI; action which, after much prevarication, elicited a more or less direct threat of war from the French government—relayed, yet again, by James. This was probably the moment at which a general war came closest; it was undoubtedly the moment when both the British and French bond markets touched their lowest points. Here the evidence of Rothschild involvement in inter-government communication is especially strong, with James taking a hand in the drafting of a crucial French note to Austria calling for international arbitration (on the Belgian model).[3] By mid-April, James was sure that "the crisis in Italy [was] over" and that Anglo-French unity would avoid war over Belgium.

The second flashpoint came in August 1831 over Belgium. After months of uncertainty about the election of Leopold of Saxe-Coburg as King of the Belgians (exacerbated by continued fighting in Poland and news of Austrian reprisals against Italian liberals), the Dutch invasion of Belgium raised the possibility of a general war once more. But again the powers drew back. Neither Prussia nor Russia supported the Dutch move and the British government—after some tense negotiations—sanctioned the French decision to send an expeditionary force to Belgium, provided it withdrew once the Dutch had been driven out. It was only during October that the danger of war over Belgium gradually receded; though even the signing of the 24 Articles by Belgium on November 15 was far from the breakthrough it initially seemed, as Prussia, Austria and Russia took until May 1832 to ratify them, and the Dutch King continued to withhold his signature.

The third war scare came in February 1832 as a result of fresh unrest in the Papal states. Once again Austrian troops were called in, and once again the French sought to take a hand. Indeed, this time a French force was actually sent to occupy the port of Ancona—"a serious blunder" in James's view. However, this was far less serious than the earlier crises (as the muted reaction of the markets testified) and there was never any real prospect of a serious breach between Paris and Vienna. The final war scare of the post-revolutionary period came in the autumn of 1832, when France pressed once again for military intervention to force the Dutch to accept the 24 Articles. Even when Britain agreed to act jointly against Holland, this once again raised the spectre of a Prussian or Russian retaliation. The Convention of London of May 1832 was a stopgap, as it left the Belgians in Luxembourg (apart from its fortress) and Limburg (apart from Maastricht) in breach of the 24 Articles. But it sufficed to preserve the peace until the definitive international settlement of 1839.

Throughout these periods of crisis, the Rothschild letters were the channel through which the views of kings, ministers and diplomats could most rapidly be exchanged. But they also allowed the Rothschilds to make their own views known not only to one another but to the political figures to whom appropriately translated copies were circulated. A central leitmotif of the brothers' own commentary was their awareness of the potentially explosive interaction between international and domestic politics. This was especially pronounced in Paris, where fear of war was inseparable from fear of a radicalisation of French domestic politics. "The Government here in France is all for peace," warned James on September 29, 1830, "but if they are threatened too much, then the king says that he would no longer be master of his house and the people don't want to be threatened like little children." James constantly fretted that, if the other powers were too aggressive in countering revolution in Belgium or elsewhere, more bellicose politicians would come to power in France. The difficulty was that even those ministers to whom he and Lionel gave their qualified backing were sometimes obliged to assuage public feeling by speaking in a bellicose manner themselves; hence the repeated reassurances from James that such utterances were only for domestic consumption and should not be taken literally abroad. When Sebastiani was appointed Foreign Minister in Laffitte's new government (November 1830), James immediately rushed to see him. In fact, the message he was able to relay to London and Vienna was much the same as the King's a few weeks before: "If they are looking for an excuse to wage war against us, then we are fit and ready for them but we will make every possible effort to prevent it from happening." However, James concluded optimistically that "there is every likelihood that peace will be maintained." Provided Russia did not think of intervening on behalf of Holland, France would tell the Belgians "that they shouldn't eliminate the House of Orange from their calculations and that they will not be able to count on our support if they behave stupidly." The difficulty was that, as James admitted, the government was simultaneously "asking for eighty thousand men [while] saying 'we are all for peace' . . . [T]here has been such a degree of fervour and activity at the War Department over here that it would seem that they already planned to make war in fourteen days' time. Our newspapers are now furiously screaming for war and yesterday the whole world thought that war was about to break out." Nevertheless, he still maintained that Laffitte was "for peace and he is only asking for the army so as to be able to defend peace." Talk of war was merely to "keep the public mind occupied." It was for this reason that James urged the Banque de France to avert Laffitte's bankruptcy in early 1831; a change of government in France, he was convinced, would increase the danger of war. Throughout January he assured his brothers of the government's peaceful intent, despite the increasingly febrile mood in Paris.

Yet James was soon forced to acknowledge a growing appetite for war over Belgium even within the government, an appetite which was only whetted when the news reached Paris of the revolutions in Modena and Parma. James reacted promptly. According to his own account, he told Louis Philippe:

You are being pushed into a state of war, even though you have no interest in any Belgian [territory] . . . and is it wise for the French to take on such a proud stance? And now do you want us to go ahead and declare war on the foreigners? Your Majesty, you are being deceived. Your ministers have lost the confidence of the public. You should appoint Périer and then all the people, including the wealthy section of the population, will support him, and this will demonstrate that you mean business.

Laffitte, he told his brother, was bent on a course of "complete anarchy":

This morning I was at Laffitte's and he said to me, "If France does not declare war on Austria, then, in a matter of three weeks, the king will no longer be king and will lose his head." I told him, how could he possibly give such bad advice to the king, to which he replied that the king no longer consults with him. In short, Laffitte views the situation as already lost . . . Tomorrow, I will ask the king and perhaps I might even go to see him today.

It would appear that James's "talking to the king had the desired effect": Laffitte resigned just over a week later.

James's support for Périer was thus inseparable from the idea that he would pursue a peaceful policy; by the same token, James knew that he would be able to survive in office only if the other powers made concessions too. This was the strategy on which he pinned his hopes of stabilisation in France. In a characteristic letter intended for Metternich's eyes, James urged Salomon that Austria should "support" Périer as the French politician least likely to go to war:

Now, my dear Salomon, you must see that if my friend Périer takes office his ministry is supported, for thirty-two million people making a revolution are a danger to all countries. "And," Périer said to me, "if people want to do something for the king, they should try to give France a piece of Belgium; that would really strengthen the king's position, but he does not press for it." . . . Now I tell you that when Périer is in the saddle it depends on the [other] powers whether they have war or not . . . I tell the whole world that the powers only want peace . . . [W]e can't say yet what will happen, but I am confident because of Périer, as if we have war, he will suffer losses on his properties and factories; for that reason I believe in peace . . . When we are certain of peace abroad we shall have peace at home.

"Périer," he assured Nathan, "is a stroke of luck from God, as he will maintain peace, or at least I hope he will." He and Lionel were even led to believe that "if Périer comes in, it is to be one of his conditions, that Austria should be allowed to interfere in the Italian affairs without any notice being taken of it." As soon as Périer's appointment was confirmed, James repeated his appeal for Austrian backing:

[W]e have a ministry which wants peace, and they want to do all that is in their power for peace to be maintained. [But] if the powers want peace to be maintained, then they will have to strengthen the "Peace ministry" and enable it to demonstrate [to the public] that the powers have no intention of attacking France. It would now be very helpful if both Russia and Austria were to issue a declaration that they will remain on the sidelines, and that they will not attack France, and such a move would calm the populace, for over here they firmly believe that as soon as Russia has resolved its problems in Poland, they will then turn their attention to France . . . I went to the king and pointed out to him that my whole fortune and family were in France and, consequently, I would not dream of misleading him and lulling him into believing that the foreign powers wanted peace when, in truth, they were planning to make war and, anyway, for whose benefit would such a ploy be? . . . If they should opt for Périer,

then their credit will rise and everything will improve . . . Well, all now depends on the foreign powers and you will have to make every effort towards that end, for, should we be unsuccessful in maintaining peace, then no power will be able to preserve its credit.

Five days later he "urgently begged" Salomon to continue "pestering" Metternich "as to the importance of strengthening the ministry here and . . . maintain[ing] peace, which is so necessary to Europe, the Prince alone having the power to maintain it." "The whole depends upon the question of war or peace," wrote Lionel on March 31. "This govt. is for peace, but must be supported by the other powers and must not go against the public opinion, or it would give too much strength to the opposition, which would then bring us war immediately."

Yet even the appointment of Périer did not wholly allay James's fears of French aggression, especially when it became known that Austria intended to intervene in the Papal states regardless of the change of ministry in Paris. Events in Italy, Belgium and Poland periodically threatened to stir up liberal sentiment in Paris, leaving the government with little choice but to fight or resign. In the summer of 1831 there was even an economic argument for a more aggressive policy, as Lionel remarked: "There is [*sic*] in France too many young men, without employment and money and to get rid of them war is requisite, party spirit is also strong, and without a war, we should see the present king driven away." Louis Philippe appeared to share this view, and James watched with apprehension as Périer's position seemed to crumble. When Périer resigned at the beginning of August, James predicted "war within four days" if an "ultra-liberal" ministry took his place. Not for the last time, Périer survived politically by taking limited military action against Holland with the tacit approval of the other powers.

The same scenario was more or less replayed in January and February 1832. First James warned that Périer would resign if the final terms of the Belgian settlement were unsatisfactory to France. Then Périer sent a military force to Ancona in reply to the return of Austrian troops to the Papal states. Even after Périer's death, the pattern repeated itself. With Soult eager to despatch the army against the Dutch once again in October 1832, James sought to secure British support for intervention by warning Nathan: "If the government here, God forbid, does not survive, we will then get a republican administration, and then I expect things to be very black indeed. That is why everything now depends on the Belgian problem. Should England decide not to stand by France, we will then become very sick here, for the world is opposed to the *doctrinaires*."

There was a very similar link between domestic and foreign policy in Britain. The possibility, though remote, never entirely disappeared that a Tory government might revert to Pittite tradition and intervene against a revolutionary France. On the other hand, when the Whigs came to power in 1830, James at once visualised an equally alarming scenario: if the new government turned out to be "radicals" then "our ministry will have to be more liberal and consequently, the Belgian problem will be that much more difficult to resolve, and England may possibly enter into a treaty with France so that we could find ourselves at war with the rest of Europe." "All now depends on England," wrote James to Nathan in January 1831, during the search for a suitable Belgian king. "The foreign powers would never declare war without England as an ally . . . You see, dear Nathan, how important it is for you to be constantly vigilant, because whether or not we will have war depends on whether or not England will yield on the question of Belgium." But Nathan's Tory friends were unconvinced by James's arguments, least of all when he threw his weight behind Périer. As Nathan wrote to James shortly after the start of the Reform Bill debates,

Herries says that Peel will certainly be asked to join the ministry, that Wellington will become Foreign

Minister and that, unless France gives way, he is convinced that the British Army will go to Germany . . . It would be well for you to tell the king that he must hold himself aloof, and not trifle with England, for she is not to be trifled with . . . England has no faith in your ministers who want nothing but revolutions, in which old Lafayette and I know not who else assists. Your king and his ministers have only to show that they don't want war: they must not change their tone from day to day. Go to the king and tell him that Peel, Palmerston and Wellington are coming to power.

This shot across the bows does much to illuminate the Rothschilds' subsequent transition from Toryism to Whiggery. The Whig position, as relayed by Nathan on March 18, was far more congenial to James: "If France does not remain quiet, but takes action against the other three powers, we shall join the three powers, *but if the other three powers take action against France, we shall join France*." James's fear that the Reform Bill would be defeated and the Tories returned to power was therefore more to do with the international situation than with his support for the bill itself, for "a Wellington ministry would declare war on France without hesitation." As Lionel observed in June 1831, confusion about British politics tended to reduce the chances of a Belgian settlement, because "all the time the King of Holland reckons upon a change in the ministry." James made the same point four months later: "The passage of your bill is being closely watched, as people believe that, should the ministry resign, we will then have war." When Russia was hesitating about ratifying the 24 Articles on Holland, Lionel posed the question: "What can Russia do alone[?], everything depends upon the Reform Bill, if that passes and the present ministry remain[s] in, England & France are quite strong enough to make all the other powers tremble."

This illuminates Nathan's decision not to support Wellington when he was unexpectedly returned to office in May 1832. It was not just that Nathan feared internal "commotions" if an anti-Reform government stayed in office; it was also that "the foreign ministers"—he instanced Talleyrand, Weissenburg and Bülow—were "in great anxiety lest the King of Holland should be led to expect such support from the new government as would lead to war." This analysis was echoed six months later, when news of the Whig election victory was generally welcomed by James, Lionel and Anthony as "the best guarantee of peace in Europe" and the stability of the French government. In the dying moments of the Belgian crisis, when the possibility of Russian intervention surfaced for the last time, Nathan indicated the extent and nature of his conversion in a letter to James:

You must write to our brother Salomon, to tell Metternich not to let himself be bamboozled into war by Russia, for Pozzo [the Russian ambassador in Paris] is with the king and was not well received, and he and Lieven [the Russian ambassador in London] are intriguing to make Austria and Prussia declare war. I have, however, been informed in a reliable quarter [presumably Bülow] that Prussia will not go to war, and that they are making a great mistake, because England and France jointly can do a great deal. We shall keep peace, there won't be war . . . Write and tell Salomon that Neumann [the Austrian ambassador] is always spending a great deal of time with Pozzo and believes our government to be weak. The man is seven-eighths mistaken and now Pozzo has not been well received. The king invited him to Brighton and he sat six places from the king. The king asked him how long he would stay here. He replied, "Six weeks"; and now we know that Russia wants war, and Metternich is being bamboozled by those people. Pozzo and those folk are making themselves ridiculous and do not understand England, so ask our good brother Salomon to tell Prince Metternich not to let himself be bamboozled by Russia. Pozzo is here simply to spy and *I am convinced that England is stronger than she was in the time of Wellington*. Now, my dear brother, don't let yourself be bamboozled by anyone. If England and France hold together, it will be difficult to touch them. Write this to brother Salomon.

In Vienna too, despite the absence of a revolutionary threat, there was a domestic political struggle with

important international implications: between proponents and opponents of foreign intervention. When Salomon returned to Vienna in early October 1830, it was in order "to impress upon Prince Metternich how important it now is to maintain peace," as "the issue of peace or war depend[ed] entirely upon" him. This was a slight exaggeration, as Austrian influence over the Belgian question was limited; on the other hand, Russia (and possibly also Prussia) would be more likely to go on the offensive if a lead came from Vienna—that was the implication of the Carlsbad agreement of August 1830, which had reaffirmed the counter-revolutionary intent of the Holy Alliance. Over Italy, Metternich was unequivocal. He told Salomon in November 1830 that he was prepared "to send troops . . . to keep the country quiet," and he duly did so in both Modena and Bologna, as we have seen. Until April 1831 Salomon could do little more than relay Austrian intentions to Paris (in itself an important service as his letters to James arrived as much as three days before Apponyi's official instructions). When the Tsar appealed for help in Poland, however, Salomon was able to exert real influence, forewarning Metternich's rival Count Kolowrat, who intervened "with uncharacteristic decisiveness" against such assistance. By July he was able confidently to assure his brothers: "Strictly between ourselves, Austria will not make war, does not want war and is doing everything possible to avoid having a war . . . I am convinced that even if England and France declared war on . . . *Russia*, it would make no difference to Austria, we would stay . . . neutral."

Even when he was away from Vienna, Salomon kept up the pressure on Metternich to avoid war. In March 1832 he wrote long and effusive letters to Metternich from Paris, urging him not to overreact to Périer's decision to send troops to Ancona. In November, when French troops were descending on Antwerp, Kübeck complained that "Prince Metternich is a veritable pendulum, swinging back and forth between Tatichev [the Russian ambassador in Vienna] and war, and Salomon Rothschild and peace."

Golden Chains

Yet it is hard to assess how much the brothers' constant lobbying for peaceful policies would have achieved if it had not been linked to their financial power. As suggested above, the Rothschilds had two potential forms of leverage: not only the influence they derived from their role as a channel of informal diplomatic communication, but also actual financial pressure—if a regime bent on war asked them to lend money, they could refuse, and conversely they could give financial support to one that was peacefully inclined. Here once again it is necessary to stress the limits of Rothschild power, especially in those countries (Britain and Prussia) which did not make large increases in military expenditure during the 1830-33 crisis, but also even in those (France, Russia and Austria) where spending did create a need for new loans.

Rothschild financial leverage was most limited in the capitals where no partner was resident. In Berlin, the brothers were caught by the outbreak of revolution in 1830 halfway through a delicate conversion operation designed to reduce the interest on their earlier sterling loan to Prussia from 5 to 4 per cent. From the outset this was not a promising transaction. After much hard bargaining between Salomon, Anselm and the Rothschilds' "old friend" Christian Rother, it was agreed in February 1830 that the Rothschilds would issue a new sterling 4 per cent loan at 98, the proceeds of which would be used to redeem the old 5 per cent bonds. The total amount of the loan was £3.8 million. In addition, the possibility was raised of a similar operation for the bonds issued in 1822.[4] However, by the time the French revolution broke out in July, roughly half of the new 4 per cent bonds were still unsold. With financial markets across Europe nose-diving, there was no possibility of disposing of these other than at

a steep discount: by February the new bonds were being traded at 79.5, and renewed sales would doubtless have driven the price lower. Yet the brothers were contractually bound to continue making cash payments to Prussia on the basis of the underwriting price of 98. Could the Rothschilds have stood the losses—estimated by Rother at more than £367,000—which would have ensued had the contract been honoured? Probably; but it is easy to see why, having lost so much on the earlier French 4 per cent loan, they were so determined to extricate themselves from this second costly débâcle.

Anselm was duly sent back to Berlin for a protracted and exceptionally difficult bout of wrangling, made the harder by the machinations of the various officials and ministers he had to deal with, who were united only by their opposition to an outright cancellation of the conversion agreement. Finally, after Carl had been sent to join him, it proved possible to reach a compromise. In effect, by paying an indemnity of around £140,000 (which in practice dwindled to around £50,000 after various deductions), the Rothschilds secured a postponement of the operation until European financial conditions had stabilised.

From the Rothschild standpoint, this was a successful exercise in damage-limitation; but why did the Prussian authorities agree to it? Rother's argument to the Prussian King, Frederick William III, was based on self-interest. "If Nathan Mayer von Rothschild's firm were to be compelled strictly to observe the dates laid down in the contract," he pointed out, "in spite of the unfavourable conditions now obtaining, it would necessarily endeavour to sell the new 4 per cent bonds at any price in all markets, and thereby deal a severe blow to our public credit. Our experience has taught us that financial transactions in which the von Rothschild firm do not act as intermediaries, but as opponents, are apt to fall through . . ." Rothschild weakness, in other words, could have negative repercussions for Prussia too, despite the short-term benefits of insisting on the fulfilment of the contract:

Through the recent French loan of January 1830 and the conversion . . . of the Prussian debt contracted in 1818, in which latter transaction they associated a number of other banking firms with themselves, involving them in enormous losses, the Rothschild banks have entirely lost their credit in transactions of this kind . . . Although their wealth . . . is still very considerable, they lack the cash necessary for transactions of this kind, since their property, which consists of bonds of all the European states, cannot at present be turned into money on any bourse. The Rothschild banks are therefore now refusing to take over any large loans direct, seeking as in the case of Austria, to deal with them on a commission basis, and while they will make advances on account, they proceed to sell the newly created bonds at exceedingly low prices, thus damaging the States concerned.

But this argument would not have cut any ice if Prussia too had not been in need of new funds to pay for the rising costs of her military preparations. For although Prussia was, in James's words, "of all Powers, least in a position to demand war, and most [keen] to avoid it," she could not ignore the threat of a major war (whether over Belgium or Poland) which recurred throughout 1831 and 1832. Rother's letter to the King suggests that he had been dissuaded, probably by Amschel, from attempting to float a new issue of bonds. Instead, the Rothschilds offered to make substantial short term cash-advances of up to 5 million thaler against treasury bills and to lend their support to a lottery loan. It was this offer which was decisive in securing the postponement of the conversion, discussion of which resumed only in 1833, by which time Prussian 4 per cents had recovered to 92 and "the present political situation gives no more cause for serious concern."[5] In other words, the Rothschilds still had some financial leverage in Berlin; but it was only sufficient to secure concessions over the conversion. There is no evidence of any attempt during this period to influence Prussian foreign policy: all the Rothschilds got out of Frederick William was some porcelain and (for Nat) the title of Privy Commercial Councillor, by

way of grudging thanks.

If their power was limited in Berlin, the Rothschilds' influence in St Petersburg was almost non-existent. True, Russia needed money more than any of the great powers to fight her war against the Poles. But relations between the Rothschilds and the the Russian Finance Minister Kankrin had never been good, so even when the Russians directly approached their agent Gasser for a loan in early 1831, James was wary. "The Minister must be terribly short of money," he reflected. "That means he will not be able to fulfil his commitments, and, should it occur to the good man not to pay his interest, we will then be left floundering." He argued for taking any loan only on commission and issuing it in small tranches, opposing Nathan's decision to offer an immediate advance of £400,000. "In the event of war breaking out," he warned, "neither France, nor Russia nor Prussia will meet their interest payments, and, by God, they will all use the excuse of war to justify the non-payment of the interest due." On the other hand, as Anselm argued, if the danger of war disappeared—especially if Russia won a decisive victory in Poland—the government would have no need of their services. Only as long as the crisis lasted would the government need money badly enough to "submit to any conditions." In fact, James's real anxiety was political: he had no objection to lending the Russian government as much as £5 million provided the fact could be kept secret in Paris, where sympathy for the Poles was fervent. "It is a foregone conclusion," he pointed out,

that we will be severely criticised in the newspapers, otherwise, I have no objections to proceeding on this basis . . . [S]hould the Poles indeed have achieved a victory, this will ease matters considerably, as we must make every effort to co-operate with the liberal[s]. Would it perhaps be possible to claim that the minister will be arranging the loan in conjunction with Gasser and in his name? . . . Well, I suggest we consider . . . very carefully how we can possibly prevent our involvement in this matter becoming public knowledge.

He repeated his misgivings a week later: "I can assure you that if we support Russia against Poland I am not at all certain that I won't be clubbed to death, because public opinion here is passionately behind Poland." Nevertheless, he was obviously prepared to risk public hostility if the terms of the loan were sufficiently attractive. It is noteworthy that these discussions took place on the eve of the Poles' decisive defeat at Ostrolenka. Indeed, Nathan managed to sell some guns to the Russian government just a few days after the battle. James was "extremely happy" at the profit thereby realised; once again, his only concern was to avoid bad publicity:

I beg you, in God's name, not to provide your name unless it is absolutely essential, that is, to register that "Rothschild" has sold "guns" and please keep this information under wraps, as otherwise I am liable to be shot, for it will be said that I am selling guns to facilitate the shooting of the Poles. Yesterday a friend of mine who is a newspaper correspondent came to see me and showed me a newspaper article which claimed that we were providing funds to Luxembourg so that they could suppress the Belgians. He had not written the article but believe me, dear Nathan, now that the general feeling amongst the public has veered to liberalism one must be that much more careful. That is why you should make every effort to prevent the information reaching the newspapers.

The idea of a loan (now for £1 million) resurfaced again at the end of 1832. Again, James felt nervous, this time imagining the English press "tearing us apart, claiming that we are providing the Russian Tsar with loans which will enable him to wage war." But once again he was prepared to run this risk. After all, "it is not as if one can conquer the world with £1 million." And to be on the safe side Lionel argued that "in case of war the . . . clause ought to exist . . . that we are not bound to continue our payments" (a

device used for other Rothschild loans in this and later periods, as we shall see). However, as James predicted, Kankrin once again "bamboozled" Nathan by using the Rothschild offer merely to secure improved terms from Hope, the Russian government's traditional banker. The idea that the Rothschilds had been competing to make this loan would have come as a surprise to those French émigrés—supporters of Charles X, who banked on a Russian-led counter-revolution—who were convinced that the Rothschilds had "fallen to a prodigious extent under revolutionary influence" and now served "the revolutionary movement . . . under the leadership of the London [Rothschild], and of Talleyrand." After all, this was the last opportunity when a Russian intervention might have averted the imposition of the 24 Articles on Holland. It is possible that Nathan and James genuinely believed that if they handled the loan instead of Hope—especially as they envisaged lending a much smaller sum than the Dutch bank—they would be able to exert pressure on Russia not to intervene. Alternatively, Nathan's warning after the Hope coup that Russia was bent on war was disingenuous. It is tempting to conclude that he was prepared to shut his eyes to the possibility of Russian aggression if he could only win back his influence at St Petersburg.

James came to feel that his brother was trying too hard to secure Russian business. "As far as I am concerned, Russia can go to the Devil, and we can quite happily do without them," he wrote when yet another loan was bruited in 1834. "Under no circumstances should you personally write to Petersburg for you have been refused enough times. Don't give them another opportunity to embarrass you." "Do you think that we will ever be on friendly terms with Russia?" he asked two years later. He evidently thought not. It is hard to find a better illustration of the limits of Rothschild financial power.

Even where a partner was resident there were difficulties. In London, the disintegration of Tory power which began with Catholic emancipation and was completed by the failure of Peel's 1834-5 ministry unquestionably led to a decline of Rothschild influence over financial policy. Althorp, Grey's Chancellor, was decidedly unimpressed by Nathan when the latter sought to ingratiate himself in December 1830. "The result of a good long conversation," noted Althorp, "was that I was satisfied he must think me the greatest fool that ever existed or he never would have supposed that he could so grossly deceive me as he appeared to wish to do." And whatever sympathy Nathan may have come to feel towards Grey's government, he was never given much inside political information; indeed Grey's resignation in 1834 took him wholly by surprise. However, the decline of Nathan's political influence had less to do with the door being "shut in his face" by the Whigs than with the fact that British financial policy largely rendered him superfluous during the 1830s. With only one exception—the £15 million loan to compensate the slave owners in 1835—there were no major borrowings by British governments in this period. Expenditure was tending to fall and revenue, despite continuing piecemeal reductions in indirect tax, was stable. For this reason, Nathan's leverage in London was much less than James's in Paris. Although Nathan was ready and willing to act as a channel for inter-governmental messages, he was not really in a position to influence their content. It was a matter of luck rather than Rothschild design that the Whig government was keen to avert war over Belgium.

By contrast, there is evidence that James succeeded in using financial leverage to discourage an aggressive policy in France, though the strength of his position should not be exaggerated. The revolution had left the Paris house in an extremely vulnerable state, saddled with large amounts of depreciating 3 and 5 per cent rentes and with payments totalling 10 million francs still outstanding to the Treasury for the 4 per cent Polignac loan. On the other hand, the new French government was forced to begin borrowing almost immediately, issuing substantial quantities of treasury bills. James's immediate reaction to this was characteristic: there were, he told Nathan as early as December 1830, "big deals to be made here," and it was his intention not to be excluded from them. Despite his heavy criticism of Laffitte's foreign policy, at no point did he withdraw from the discussions about financing

the government's deficit. His reasons were straightforward. As he explained to his brothers in March 1831, "doing business with the current Government will, I think, bring in its wake a rise in the rentes." In any case, "the businessmen are all in agreement about the loan here, and I shall go with them, because I don't want to be out of it."

The problem was that some of the money being raised was obviously wanted for military purposes (this was confirmed by "a colonel in the War Ministry who is on my payroll"). Indeed, James and Nathan themselves sold around 28,000 British guns and offered to sell other military supplies to the French government at around this time—a remarkable kind of "hedging," given their vocal pacifism. There was no real guarantee that French armaments were for purely defensive purposes, except that the higher costs of war would be unfinanceable. James pinned much hope on this idea that "an outbreak of war would be very dangerous [to the French government]," adding: "I assure you that they will have to raise loan after loan to be able to pay the interest." When Sebastiani talked of France's refusing to be "bossed about" in February 1831, James was sceptical: "Basically they have no funds in reserve. With what will they wage war? Consequently, I am convinced we will have no war, no matter what others might say."

This helps explain James's support for Périer, for the latter seemed to recognise the fiscal constraint on French policy:

Périer told me, ". . . If we choose war, we will be unable to meet our debts, and I am therefore not prepared to join the ministry only to see the Treasury slide into bankruptcy the following day . . ." In short, he will not join without first being reassured that we can maintain peace . . . Should Périer not join the government, then I fear that the Treasury here faces bankruptcy for they will have to issue a loan at 5 per cent.

It therefore made sense to give Périer financial as well as moral support, not least because the combination of peace and a properly funded loan would lead to a rise in the price of rentes:

I will speak to Périer and may sell a loan on commission. The Treasury is in need of funds . . . We must assist the government by providing funds, and ensure that the bankers participate, as it is in my interest to provide these people with funds, so that . . . I can make my exit from all this . . . I think that Périer will boost the value of your stocks . . . I want to tell you that we can perhaps do business with Périer.

But the fact remained that James had no way of preventing the money thus raised from being used to fight a war. He simply lacked the bargaining power to insist on the clause suggested by Nathan "that in case of war those payments that have not been made . . . are not to be enforced." The most he could do was to hope that Périer would not be "too belligerent [over Austrian intervention in Bologna], as we must of course remember that the people wish to raise a loan." There is some circumstantial evidence that such financial considerations inclined the French government to avoid war with Austria over the Papal states. Market expectations that the loan would stabilise the fiscal position ran counter to pessimism about the dangers of war. Indeed, the fact that the French Finance Minister Louis exploited a slight rally in April to demand better terms for the loan was regarded by James as a sign of the government's peaceful intentions. That the ambassadors of potentially hostile powers like Werther (Prussia) and Pozzo (Russia) were personally interested in taking a share of the loan also suggested to Lionel that peace would be preserved. Nevertheless, James's overwhelming sense in the spring of 1831 was one of impotence. "I am master of nothing," he confessed to Nathan. "Times are no longer what they were. Previously, we would have taken on [such] a loan . . . by ourselves."

In fact, the 1831 loan was not large enough to solve the government's financial problems, as James realised from the outset. Moreover, the Treasury's parallel attempt to raise a "National Loan" by public subscription was a failure: only 25 million of a possible 80 million francs were sold, and the rest then had to be sold to the consortium of banks. A more radical government than Périer's might of course have followed the example of the 1790s, pursuing an aggressive foreign policy by printing money. But, as long as Périer was in office, financial realism prevailed. In August, as the Belgian crisis abated, James was encouraged to hear talk of a new loan of 100 million francs to consolidate the floating debt. Two months later he and Lionel were reassured to hear Périer say that he "would do what Villèle could not, he would make 5 per cents par and then reduce them"—an unambiguous signal of impending retrenchment. The decision to maintain the sinking fund also pleased them. The year 1832 saw James reasserting himself on the French financial market. In May a Rothschild-led consortium successfully bid to underwrite a 40 million franc loan by the city of Paris. This paved the way for another government loan of 150 million francs, again handled by a consortium. Significantly, James insisted on delaying this until after the Dutch had relinquished their claims on Belgium. By this time the idea that France might herself take unilateral military action without the express consent of England was being discounted. When James was approached to consider yet another loan in early 1833, fears of French aggression had faded, as evinced when 3 per cent rentes briefly touched 80 in February. In fact, the government chose to reduce the size of the army and hence the defence budget in preference to borrowing more, and there was soon talk of another conversion project to reduce the cost of servicing the existing debt. The same issue was still being debated four years later.

In short, the French government *was* financially constrained, but it was a constraint imposed not by the Rothschilds alone but by all the major banks in Paris. The critical point is that there was no Rothschild monopoly over French public finance in the 1830s, as the loans of the period were undertaken by groups of banks, while sales of treasury bills were even more widely distributed. Many of the visits paid by James to Périer and other ministers were therefore less about exerting financial leverage than about obtaining financially sensitive news. Typically, James spoke in January 1832 of "going with Salomon to see Périer to hear whether he has any news, and to formulate my future actions on the basis of any information he might provide me with, as we are currently holding a large parcel of rentes and we must therefore deal with great caution."

It might therefore be suggested that, if Prussia, Russia and France *had* resolved to go to war in the 1830s over Belgium or Poland, the Rothschilds would have been powerless to avert it. Yet this is to overlook the leading role played in Central and Eastern Europe at this time by Metternich's Austria: without Austrian participation and, indeed, direction, a conservative crusade against the spread of revolution is hard to imagine. And this brings us to the role played by Salomon in Vienna, which has sometimes been portrayed as decisive in averting war after July 1830.

As early as November 1830 Salomon intimated to Gentz that, after the heavy losses suffered by himself and his brothers, financing a war was out of the question. In the same way, when Metternich sent Austrian troops into Bologna, James backed up Périer's threat to intervene with an explicitly financial argument, evidently intended for official consumption. In the event of war, he asked, "how would Austria be able to pay the interest [on her debt]? . . . Better not to risk one's entire capital." Yet, like James, Salomon did not occupy a monopolistic position. In the spring of 1830, when the Austrian government had issued a loan of 30 million gulden of 4 per cent metalliques, he had merely been one of a consortium of four issuing houses, along with Arnstein & Eskeles, Sina and Geymüller; and he had failed to wrest control of a planned conversion operation for the old 5 per cent bonds from the Frankfurt house of Bethmann. In the wake of the revolution, he was as little able as his brother to contemplate the idea of a government loan being handled by his rivals. When Metternich requested an

issue of 36 million gulden of 5 per cent metalliques to finance intervention in Italy in March 1831, Salomon took a share along with the other three Vienna houses. Admittedly, a clause was inserted stating that the loan would have to be repaid within three months in the event of a war. But Salomon did nothing to oppose Metternich's covert borrowing of the 20 million francs which had been deposited with the Frankfurt house since the 1815 Treaty of Paris in the name of the German Confederation.[6] Nor did he achieve much by a thinly veiled threat to withdraw financial support if Metternich did not ratify the 24 Articles relating to Belgium in early 1832:

Your Highness is aware that we have subscribed a quarter of the last loan of 50 million and have also purchased securities on the Bourse in order to maintain the price of metalliques, that we are carrying through other important financial operations, and that we are also negotiating new ones. As these are closely affected by the course of political events, and as I would like to see my brother happy and free from worry, I would humbly beg Your Highness to be pleased to let my manager . . . know of your opinion as to the present situation and whether the Austrian Government will recognise Belgium and allow the statement to be ratified.

Metternich hastened to reassure him "that, as the fundamental attitude and will of the Russian Tsar were very well known to him, he vouched for the fact that these, without a single exception, were as peaceful as those of the Austrian Emperor." But this was flannel; Austria did not ratify the articles for another three months.

Salomon's most explicit use of the financial lever came in June 1832, while he was in Paris. "I do not," he wrote with uncharacteristic bluntness in a letter he ordered to be passed on to Metternich and Kolowrat, "regard [it] with indifference . . . that Austria should issue a further metalliques loan during the year 1832, which God forbid."

You know that, taking the sum of our holdings of metalliques at Frankfurt, Paris, London and Vienna—that is, the holdings of the four banks which really constitute one bank—the total amounts to several millions. Now, you cannot ride two horses at once; if our firm were forced to sell . . . what price could we expect to get? . . . We should be forced to realise our metalliques, whether we wished to or not. What would the capitalists and the commercial world say to the issue of two metalliques loans in one year, when the payments in respect of the first loan are not due to be completed until December? Such action might produce a sharp fall in metalliques. The government would not be able to get further loans at a low rate of interest, a blow would be dealt to the credit of Austria's finances and the government would fail to achieve its object . . . Moreover, what would the public say to a new loan? "There will be war—there must be a war, as Austria is issuing another loan." Even if we were not forced to sell, as we should be, prices would fall sharply and Austria's credit would be severely damaged . . . [This is] my conviction as to what would happen if there were to be even a whisper of a suggestion that another loan should be issued this year.

At first sight, this does indeed seem like the exertion of financial pressure with a view to limiting Metternich's room for aggressive manoeuvre. But it is important to realise that it came at a time of relatively low international tension: the Austrians had by now ratified the 24 Articles and the dispute over Ancona had been resolved. On closer inspection, it looks more like a primarily financial argument to avoid a slump in the price of Austrian bonds which would have been detrimental to the Vienna house's balance sheet. Salomon was not opposing a loan altogether: for purely technical reasons, he was arguing that "if it is essential to get money, it is much better to issue Treasury bills, and get in twelve millions of silver for the bank . . . a procedure which costs the government hardly anything and

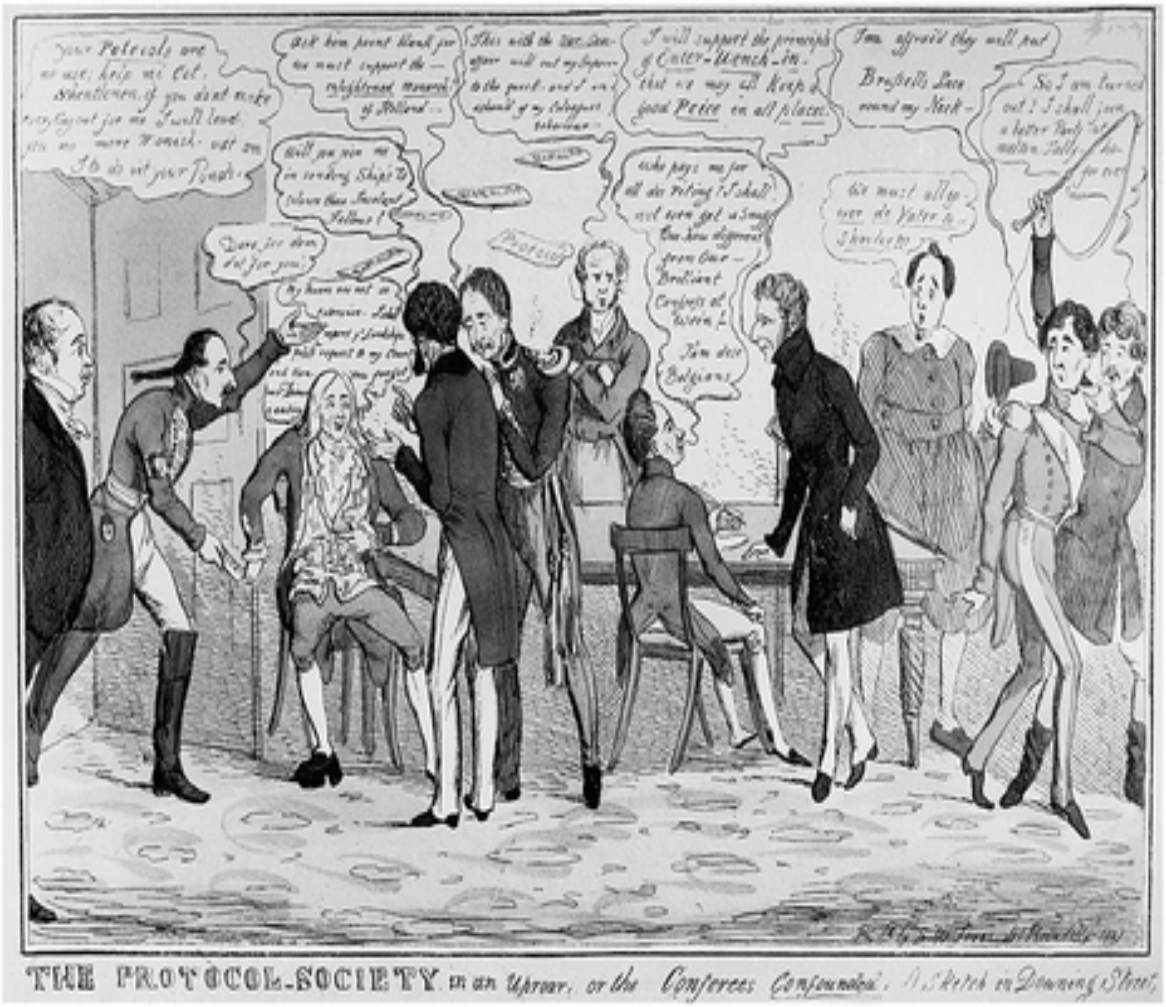
provides it with money for six to eight months." A year later he and the three other Vienna houses were perfectly happy to participate in another issue of metalliques worth 40 million florins, and in 1834 to a lottery loan of 25 million gulden. If these were chains of peace, they did not bind tightly.

Underwriting Peace

In fact, it was not so much by denying governments money as by making it available to them that the Rothschilds were able to give weight to their diplomatic efforts. The classic illustration of this point is the way they responded to requests for credit from the areas where revolutions had broken out.

The Rothschilds had been doing business with the Belgian-based Société Générale since 1827. Within days of the revolution in Brussels, James had re-established contact with it and over a period of months advanced over a million francs to help it weather the storm of revolution. At the same time, he and Nathan discussed a possible loan to Holland, presumably as a carrot to persuade the Dutch King to accept the secession of Belgium; Salomon saw such a loan as a way of helping "to control our war mongers." But Nathan could also wield a stick: when the Dutch invaded Belgium in August 1831 he at once offered to sell guns to the government in Brussels. Only when the Dutch had withdrawn and appeared to be about to accept the loss of Belgium, did he and James revive the possibility of a 6 per cent loan to the Dutch King, "for if he has the money, he will not consider any warlike actions"—and needless to say, "a lot of money could be earned from the Dutch government."

In the case of Belgium, although James was convinced there was "a fortune to be made there," the brothers waited until the supposedly definitive 24 Articles had been signed by Leopold before making their move. At the end of 1831, in partnership with the Belgian banker Osy, they floated a loan worth some £2.75 million—five times as much as the previous year's loan to Holland. This might be thought something of a gamble, considering that a diplomatic resolution of their differences was anything but sure. Interestingly, a contemporary British cartoon entitled *The Protocol-Society in an Uproar* shows the representatives of the powers gathered in Downing Street, with Nathan stage left complaining: "Your Potecols are no use; help mi Cot, Shentlemen, if you don't make everyting out for me, I will lend you no more monish—vat am I to do vit your Ponds" (see illustration 9.i). An etching from the same period by "J.W.W." depicts Nathan plucking the Belgian goose, and muttering: "cot tam you and your Pelgian Ponds! I could not find a shingle flat to puy them; upon my shoul, they are not worth as much as Spanish ponds" (see illustration 9.ii).



9.i: S.W. Fores, *The Protocol-Society in an Uproar, or the Conferees Confounded. A Sketch in Downing Street* (1831).



9.ii: "J.W.W.," *PLUCKING THE GOOSE OR BELGIUM SUPPORTED BY HER FRIENDS AND ALLIES* (1831).

Anselm for one feared that it would "prove a bad concern, as I do not think that Belgium will be able to pay the Dividend for many years." On the other hand, he went on, "There is some money to be made . . . We must take things as they are and profit of the folly of the world." Provided the Dutch did not resume hostilities during the period when the loan was being sold to investors, the Rothschilds as underwriters could only profit; and if they did invade again there was "a clause which provides that, in the event of war, we need not take anything further." As James reported, brokers and bankers were "snapping [the loan] up like sugar pumpernickel" even before it had been issued, though by the time it was issued news of unrest in Rome and delays over the ratification of the Belgian agreement weakened demand, forcing James to support the market with repurchases.

By the spring of 1832, with Holland diplomatically isolated, the brothers were ready for more. The diplomatic settlement had created a Belgian debt to Holland by allocating a portion of the pre-1830 combined Dutch debt to the new government in Brussels, and this raised an obvious possibility. "There is money to be made there," wrote James. "If you promise Talleyrand a little something, my dear Nathan, he will then arrange that you be appointed the agent for the handling of the debt, just as Baring was between France and the Powers [in 1815]." There was "money to be made if we place ourselves between Belgium and Holland"—provided of course there was no further war between the two. In August 1832 proposals were drawn up for a second loan of £1.9 million, a third of which was to be issued by the Rothschilds in Paris—despite a warning from the French government that "it would be madness for us to give the Belgians money just at this moment & to give them every facility of making war." The dandy and diarist Thomas Raikes took a different view. "The Belgian question is just as near settlement as it was twelve months ago," he wrote on September 12:

The mandates of the Conference are of no avail. Holland will not abate a particle of its demands. Leopold wishes to yield, but the Belgians will not hear of it. His treasury is empty, and Rothschild will not contract for the loan without binding the Belgians not to go to war. But there will be more temporising, as the stock-jobbing interest must prevail. All the nations of Europe want money, and dread a fall in the funds more than any other calamity.

However, when French troops were marching into Belgium to impose terms on the Dutch the following November, it was James's turn to think twice when the Belgian minister approached him for a short-term loan of 10 million francs. "One must help these people," he wrote somewhat wearily, "for, otherwise, they will simply not know what to do, and will only resort to stupid actions . . . In a word, these people . . . have no money and . . . don't have the intelligence to make any money." Belgium, he grumbled, was "a lousy country." Only when it was apparent—and the assurances came from both Louis Philippe and Metternich—that the Dutch were diplomatically isolated and would have to acquiesce in the continuing Belgian occupation of Luxembourg and Limburg did the Rothschilds consent to the Belgian request. In partnership with the Société Générale, the Paris house now took more than half of a new issue of treasury bills. The decision to lend to the new state was, in many ways, a remarkable gamble, for the Rothschilds had no way of knowing that the diplomatic stand-off would end peacefully. But it was a gamble that paid off, not least because Belgium was to prove one of the dynamos of European industrialisation.

Poland was a different case, however. Although the Rothschilds had business links in Warsaw just as they had in Brussels, they were never seriously interested in the success of the Polish revolt. Expressions of sympathy aside—"poor Poles, I pity them," wrote Charlotte to her mother—they did nothing to assist the revolt; on the contrary, as we have seen, they sought to lend money to Russia which would have been used to crush the revolt, and actually sold guns to St Petersburg.

In Italy too there was no question of assisting the revolution. Here, even before the political situation had been brought under control, the brothers arranged a £400,000 loan to the Papacy in partnership with an Italian banker named Torlonia. Perhaps more than any other Rothschild transaction of the 1830s, this loan fascinated contemporaries, who were in varying measures amused or appalled by the notion of a Jewish bank lending to the Holy See. Carl's audience with the Pope in January 1832, for example, was widely commented upon. "Now things are getting at last into the order that God desired when He created the world," sneered Börne:

A poor Christian kisses the Pope's feet; a wealthy Jew kisses his hand. If Rothschild had got his Roman loan at 60 per cent instead of 65 and so been able to give the cardinal-chamberlain another 10,000 ducats, he might have been permitted to fall on the Holy Father's neck. The Rothschilds are assuredly nobler than their ancestor Judas Iscariot. He sold Christ for 30 small pieces of silver; the Rothschilds would buy Him, if He were for sale.

"Like pagan Rome Christian Rome too was overcome and even obliged to pay tribute," gloated the more sympathetic Heine, conjuring up a vision of the portly Papal emissary arriving at the Rothschild office in the rue Laffitte to deliver "the tribute of Rome" to "a fair haired young man . . . who is somewhat older than he looks and whose aristocratic, grand-seigneurial nonchalance has something so solid, so positive about it that you might be inclined to think that he had in his pocket all the money of this world. And indeed—he does have all the money of this world in his pocket; his name is James de Rothschild . . . What further need, then, of the Talmud?" "The Jewish banker says: '[God] has given me the royalty of wealth and the understanding of opulence, which is the sceptre of society,' " wrote Alfred

de Vigny in July 1837. “A Jew now reigns over the Pope and Christianity. He pays monarchs and buys nations.”

In truth, the Rothschilds themselves had their doubts about the wisdom of it. At first, James was tempted to let two English banks, Wilson & Co. and Wright & Co., take the lead, for two reasons:

First, we are Jews, and if we should have a different Pope who is an evil man, he will say to himself that he could earn a ticket to Paradise if he refuses to pay anything to Jews. Secondly, I think the Pope’s financial situation is in a bad state, similar to that of Spain, and if they should decide not to pay their interest, we will then not be involved with them directly.

At the same time, he and Lionel feared that while the British banks would find it easy to sell their shares, because of “the certainty of [their] being able to place amongst their Catholic friends, all their shares,” the Rothschilds, “having quite a different connexion & not having the confidence of the friends of His Holiness, should have no employment for this stock & should be obliged to lock up our own money in it.” This partly explains the Rothschilds’ uncharacteristic caution in proposing to take the loan in three separate tranches, retaining the option to withdraw after the first. On the other hand, the stabilisation of Papal finances promised at least short term and diplomatic benefits, because (as Périer, Pozzo and Apponyi all agreed) “the Pope, if he is in need of money, and he receives the same, will then ensure that peaceful conditions are maintained.” Moreover, there was much more public demand for the loan than James had anticipated, leading to a hasty last-minute renegotiation of the deal to the disadvantage of Wilson and Wright, who found themselves cut out. The loan, issued at 70 but soon rising above 79, turned out to be a “most excellent little business,” Lionel reported with relief. Although the recurrence of unrest in February 1832 caused a temporary setback, the bonds surged to a peak of 83 that summer and rose with only minor checks to reach par in 1835.

At first sight, there was something contradictory about all this, an echo of Heine’s point about the Rothschilds’ ambivalence towards revolution: they lent at one and the same time to revolutionary states like Belgium and conservative states like the Papacy. On closer inspection, the rationale was consistent: the Rothschilds made money available to new states if they had the backing of the five great powers. Formal or informal guarantees made loans attractive whether they were to an independent Belgium or a superficially reforming Papacy. In that sense, they were merely carrying on the policy which they had begun in the 1820s and which contemporaries had misrepresented when they called them bankers to the Holy Alliance. The obvious precursor to their support for Belgium was their loan to Greece. As early as February 1830, when Leopold of Saxe-Coburg was being touted as a possible monarch for the new kingdom, James urged Nathan:

to pay a visit to your Coburg for there is business to be made from Greece. England has already agreed that if Coburg is prepared to accept, then they will guarantee to pay the country the same every month as France and Russia and he is negotiating with them that England should join in granting the guarantee together with France and Russia.

This was premature. It was not until May 1832 that a treaty was signed by the powers guaranteeing a loan to the new King, and he was a Bavarian rather than a Coburg prince (much less the Dutch prince predicted by Ludwig Börne). But the Rothschilds were still determined to handle the loan, and fought a hard battle for control against the Bavarian banker d’Eichthal and the Spaniard Aguado. Greece herself might be “worthless,” but a 60 million franc loan guaranteed by France, England and Russia looked a sure thing. The feeling was mutual. Apponyi spoke for all the diplomats when he said: “Mr. Rothschild,

it must not happen that such a large deal, in which all the Powers are interested, should be completed without your participation." [7] By contrast, where the powers had difficulty in agreeing—for example over Portugal, where the years 1830-34 saw the return of Dom Pedro from Brazil and his successful deposition of his brother Dom Miguel—the Rothschilds kept their distance.

In a multi-polar world, in which five powers with distinct interests sought to resolve international crises without resorting to war, the Rothschilds acted not so much to ensure peace—their power was more limited than that—as to *underwrite* it once it had been made.

TEN

The World's Bankers

The Rothschilds are the wonders of modern banking . . . We see the descendants of Judah, after a persecution of two thousand years, peering above kings, rising higher than emperors, and holding a whole continent in the hollow of their hands. The Rothschilds govern a Christian world. Not a cabinet moves without their advice. They stretch their hand, with equal ease, from Petersburg to Vienna, from Vienna to Paris, from Paris to London, from London to Washington. Baron Rothschild, the head of the house, is the true king of Judah, the prince of the captivity, the Messiah so long looked for by this extraordinary people. He holds the keys of peace or war, blessing or cursing . . . They are the brokers and counsellors of the kings of Europe and of the republican chiefs of America. What more can they desire?

—NILES WEEKLY REGISTER, 1835-36

In the years after 1832, as fears of revolution and war gradually subsided, the Rothschilds appeared to increase the geographical extent of their financial influence. The American author of the passage quoted above was just one of many writers to comment on this expansion. At around the same time, Thomas Raikes observed in his journal: "The Rothschilds, who began by sweeping out a shop at Manchester, have become the metallic sovereigns of Europe. From their different establishments in Paris, London, Vienna, Frankfurt, Petersburg [*sic*] and Naples, they have obtained a control over the European exchanges which no party ever before could accomplish, and they now seem to hold the strings of the public purse. No sovereign without their assistance now could raise a loan." As Prince Pückler had put it, punning on the German word *Gläubiger* (believer or creditor), "the great R[othschild] could be compared with the Sultan, for the latter was the ruler of all believers, while the

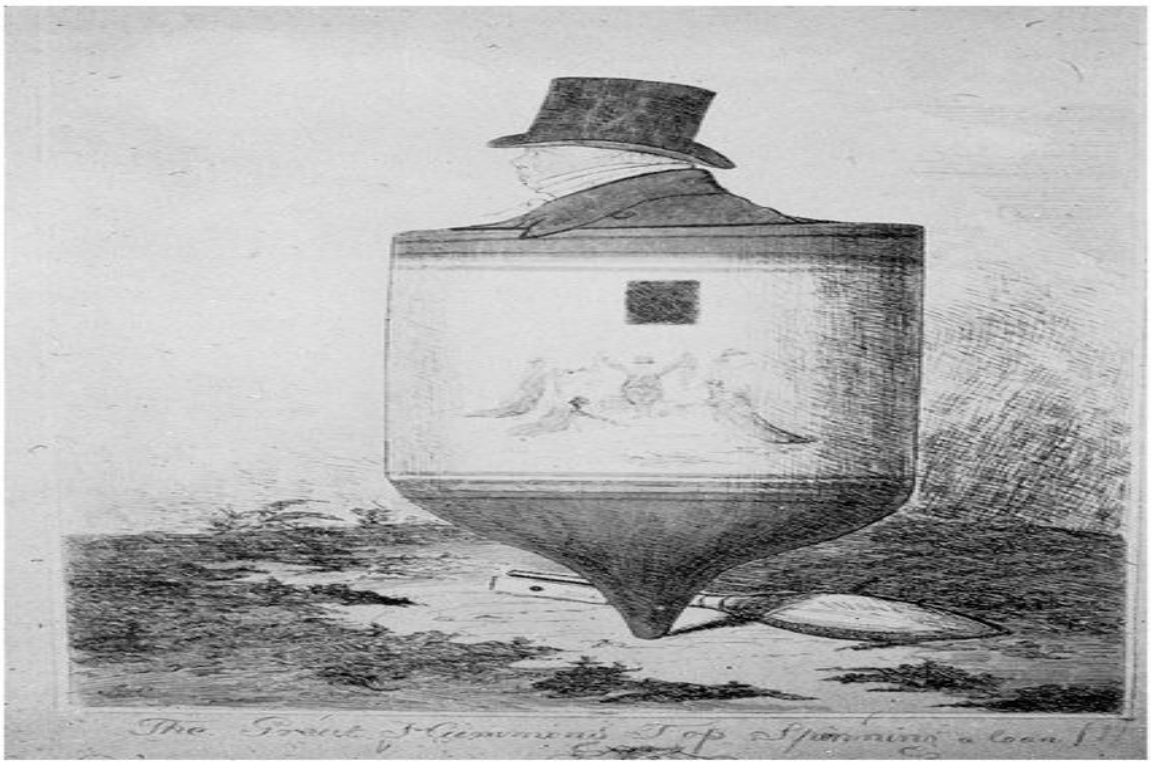
former was the creditor of all rulers." The German economist Friedrich List agreed: Rothschild was "the pride of Israel, the mighty lender and master of all the coined and uncoined silver and gold in the Old World, before whose money box Kings and Emperors humbly bow"—in short, the "King of Kings." William Makepeace Thackeray made the same point in some early and undistinguished verses published in the short-lived *National Standard* in 1833:

Here's the pillar of 'Change! Nathan Rothschild himself,
With whose fame every bourse in the universe rings;
The first Baron Juif; by the grace of his pelf,
Not "the king of the Jews," but "the Jew of the kings."

The great incarnation of cents and consols,
The eighths, halves and quarters, scrip, options and shares;
Who plays with new kings as young Misses with dolls;
The monarch undoubted of bulls and of bears!

Cartoonists echoed and even amplified such comments. One English print dating from 1829 shows Nathan as "the great humming top spinning a loan," with kings bowing before him as he distributes coins to them (see illustration 10.i).

Perhaps the most potent (and pejorative) of all such images was produced by an anonymous German cartoonist in around 1840.[1] *Die Generalpumpe* portrays a grotesquely caricatured Jew—evidently a composite Rothschild—as a giant money pump, a play on the double meaning of the German *pumpen*, to pump or to lend (see illustration 10.ii). The central figure stands knee-deep in a sack full of gold; his bulging stomach is the earth itself, with a louis d'or (labelled "earth's axis") for a North Pole or belly-button; and on his head he wears a paper crown bearing the names of major Rothschild loans of the 1820s and 1830s (the Prussian, Russian,



10.i: "A. C." [Crowhill], ***The Great Humming Top spinning a Loan*** **(1820).**



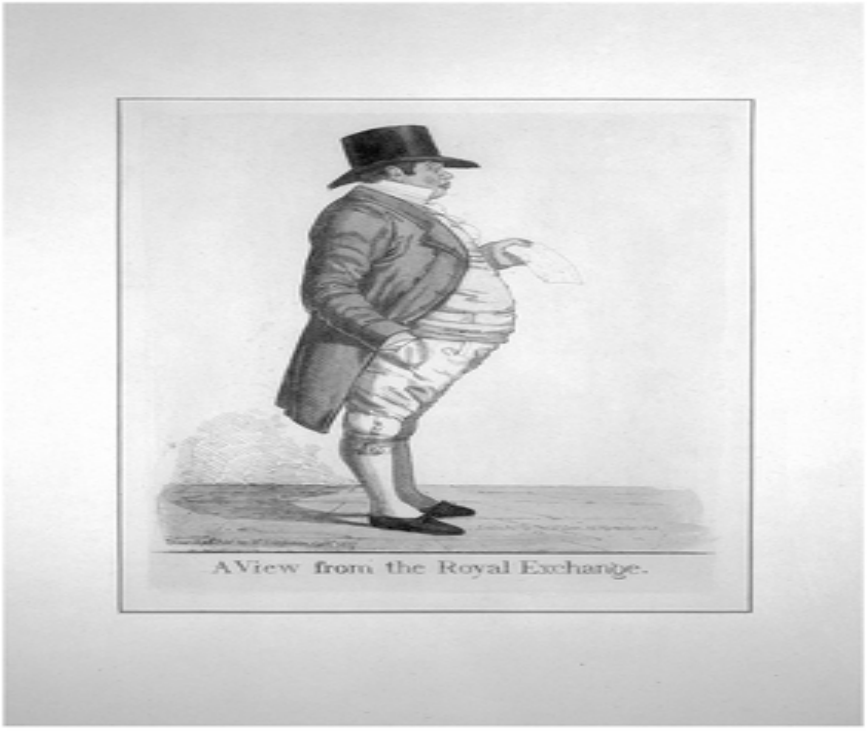
10.ii: ***Die Generalpumpe*** **(*c*. 1840).**

Neapolitan, Austrian and Portuguese). According to the badge on his waistcoat, he is no less than "the

Executor of the Court of all the World." Two diminutive figures on either side grip the monster's fingers, as if working the pump (though it is not clear how far they really control its motion). One on the left represents a Turk, one on the right an Austrian. Beneath are the recipients of Rothschild money, into whose cash-boxes and hats streams of coins flow. The Egyptian ruler Mehemet Ali and his son Ibrahim Pasha are depicted on the left, spoon-feeding the Sultan; below them sits a bespectacled figure with a bulldog who may represent a British Chancellor of the Exchequer (though the couple behind him "Edouard and Kunigunde" are not easily identifiable). On the other side, there is no mistaking Louis Philippe and the French politician Adolphe Thiers; the less instantly recognisable character to their right is probably the Spanish general Baldomero Espartero. But although these individuals are the recipients of Rothschild's money, they are also entangled in thorny tendrils which sprout from his bulging money bag. So too are the smaller figures beneath them: the people standing at a closed customs post marked "Imports Prohibited" and those passing through an open one marked "Imports Allowed or New Income"; the soldiers massed on the right bank of the Rhine; and those beneath Espartero begging for their "unpaid wages." Rothschild, the cartoon suggests, not only pumps money to the world, but sucks it back like a monstrous heart.

The Pillar

There was, however, something of a discrepancy between this imposing image of international power and the quite humdrum appearance of what Nathan Rothschild and his brothers actually *did*. The real Rothschilds bore little resemblance to the sinister figure portrayed in *Die Generalpumpe*. According to one of the many curious visitors drawn to the City to see him doing business at the Royal Exchange,[2] Nathan was "a very common looking person, with heavy features, flabby pendent lips, and a projected fish eye. His figure, which was stout, awkward and ungainly, was enveloped in the loose folds of an ample surtout." We have numerous portraits and caricatures which bear this description out. One of the earliest is an etching by Richard Dighton entitled *A View from the Royal Exchange* and first published in October 1817 (see illustration 10.iii). It is a side view of a man in a black coat and top hat, stomach thrust forward, one hand in his pocket, the other holding a sheet of paper. The image proved a popular one with illustrators: Nathan appears in a similar pose in George Cruikshank's *The Royal Exchange* (1821) and in his *Beauties of Brighton* (1826). Each time it was reproduced, however, it changed subtly. Thomas Jones added a nice detail in his 1829 version *A Pillar of the Exchange*, which depicted Nathan in front of his favourite pillar at the south-east corner of the exchange (see illustration 10.iv). There is a clever ambiguity to the juxtaposition: Nathan is like the pillar in his solidity and immobility, but there is also an implied contrast between the whiteness and regularity of the pillar and Nathan's black, protuberant shape.



10.iii: Richard Dighton, *A View from the Royal Exchange* (1817).



10.iv: Thomas Jones, *A PILLAR of the EXCHANGE* (1829).

Less subtle artists went further, accentuating Nathan's protruding lower lip and stomach in ways which were unmistakably hostile. The French artist Jean-Pierre Dantan, for example, made a terracotta

statuette of Nathan in 1832 which ranks as one of the most grotesque of all Rothschild caricatures. Here Nathan's lips droop obscenely from beneath the brim of his hat like those of a large cod, while his distended belly defies gravity atop his skinny legs. Thackeray omitted the fat stomach in his sketch of *N. M. Rothschild, Esq*. which accompanied the lines quoted above (see illustration 10.v); but the final verses left no doubt that the author found Nathan physically repulsive:

Oh Plutus! your graces are queerly bestowed!
Else sure we should think you behaved *infra dig*.,
When with favours surpassing, it joys you to load
A greasy-faced compound of donkey and pig.

Here, just as he stands with his head pointed thus,
At full length, gentle reader, we lay him before ye;
And we then leave the Jew (what we wish he'd leave us,
But we fear to no purpose), *a lone* in his glory.



THE

NATIONAL STANDARD,

And Journal of Literature, Science, Music, Theatricals, and the Fine Arts.

No. 20. SATURDAY, MAY 18, 1833. Price 2d.

* * The Proprietors have to announce to Booksellers and the public, that on and after Friday next, the 24th inst., the National Standard will be published by Mr. Hetter, 65, Saint Paul's Church-yard; to whom, for the future, Advertisements, Communications, and Books for Review, are to be forwarded.

N. M. ROTHSCHILD, Esq.

Here's the pillar of Change! Nathan Rothschild himself,
With whose fame every breeze through the universe rings;
The first Baron Jud; by the grace of the pelf,
Not "the king of the Jews," but "the Jew of the kings."
The great incarnation of cents and centesh,
Of eighths, halves, and quarters, scrip, acceptes, and shares;
Who plays with new kings as young Misses with dolls;
The monarch embodied of bulls and of bears!

O, Plutus! your graces are queerly bestowed!
Else sure we should think you believed before thy,
When with farmers carousing, it pays you to feed
A greasy fiend compound of donkey and pig.

Here, just as he stands with his head poised thus,
At full length, gentle reader, we lay him before ye;
And we then leave the Jew (what my wish he'd leave us,
But we fear to no purpose,) a bow to his glory.

* Some years ago, shortly after the elevation Of the emperor of Austria of one of the Rothschilds to the rank of Baron, he was present at a soirée in Paris, which he entered after the same time as the Duc de Mortemart. "Ah!" said Talleyrand, "voilà le premier baron Chrétien, et le premier baron Juif." The Mortemarts were Jews, and we believe poor, but they are the first Christian barons. We all know that the Rothschilds may make the same claim of precedence among the Jews.

REVIEW OF NEW BOOKS.

Service Afloat; comprising the Personal Narrative of a Naval Officer employed during the late War, and Journal of an Officer engaged in the late Surveying Expedition under the command of Captain Owen, on the Coast of Africa. In two volumes. London: Bentley, 1833.

We have received this book too late to make any report of it. We shall return to it next week: and in the meantime, to enable our readers to form an opinion for themselves, we shall give them a few extracts.

The ceremony of crossing the line has been often described: but in the present work the proceedings are related with such minute circumstantiality, that we may almost persuade ourselves that we were present.

"On crossing the equator, the usual ceremony, with all the rude characteristics of the barbarous times from which it derives its origin, which can only plead custom, and one which, as it is liable to much horror and abuse, would be infinitely more honoured in the breach than the observance," for its toleration—was performed, with all the dripping magnificence befitting such a solemnity. The Honourable —, one of the captains of the lieutenants, with Mr. Neptune by his side, in appropriate paraphernalia, the former with his trident, (the ship's harpoon,) and other symbols of his marine attributes, drawn in a car, and surrounded by a motley crew of veritable sea-monsters, personating tritons, &c. proceeded to steer from the fore-castle along the gangway to the quarter-deck, to welcome and receive the honours of the captain. The usual greeting ended, his sea-Majesty in the same state descended to the main-deck, where, enthroned alongside the usual wash-deck tub, almost an epitome of the boundless element from which it was more than half filled, he commenced holding his levee for the reception and initiation of those who had not previously submitted to the ordeal which always accompanies a first introduction; and this, in cases of resistance, or a grudge on the part of the officiating minister, is by no means a joke. Placed on a plank over the shrouded tub, the face of the novice being well lathered with tar, and then raped with a rusty jagged iron hoop—the imperial razor, certain instruments are put to him, which, if he is simple enough to open his mouth to answer, the bench once more well primed is crammed into it. Half-suffocated, and ere he has time to recover from the surprise occasioned by a salute as novel as unexpected, the plank is suddenly withdrawn, and he undergoes a submersion from which he will sometimes be fortunate to escape half-drowned. Happy as bright as fly from the scene of such a probation, he describes, like a half-drowned rat, dripping from his tub, and is just congratulating himself that the redoubted trial is over, when he is assailed on one hand with wet swabs, and on the other stunned with buckets of water, as he runs the gauntlet through an avenue of some score of the pitiless tars, among whom none are more favoured than those who lost a few moments before had undergone a similar operation.

"On this occasion Jack is wonderfully reminiscent of his privileges, so heretofore with which, we deny them their due scope, which we would recommend never to be exceeded with disagreeable consequences. Among even the passengers, all, with the exception of the aged or

10.v: William Makepeace Thackeray, *N. M. ROTHSCHILD ESQ., National Standard,* May 18, 1833).

While the numerous silhouettes produced after Nathan's death—most of which used the title *The Shadow of a Great Man*—were more sympathetic, they were not exactly flattering either. Even the various portraits of Nathan commissioned by the family do not really attempt to glamorise him. It is true that some who saw him at work detected, or thought they detected, a faintly heroic aura. The American visitor quoted above declared that "there was something commanding in his air and manner, and the deferential respect which seemed voluntarily rendered him by those who approached him showed that he was no ordinary person. 'Who is that?' was the natural question, 'The King of the Jews,' was the reply." But, whatever his temperamental resemblance to Napoleon, the Emperor's financial counterpart and nemesis was never recast by the romantic imagination in a heroic mould. What contemporaries saw was a fat man buying and selling pieces of paper:

The persons crowding around him, were presenting bills of exchange. He would glance for a moment at a paper, return it, and with an affir matory nod, turn to the next individual pressing for an audience. Two well-looking young men, with somewhat an air of dandyism, stood beside him making a memorandum to assist in the recollections of bargains regulating the whole Continental exchanges of the day.

Nor was his brother James any more ostentatious. In 1837 a Parisian journalist went in search of "M. de Rothschild in person . . . the name which is in every mouth, the Grand Orient of the rente, the key to the safes of all Europe." He was surprised to see how modestly "the sovereign" entered "his capital":

M. de Rothschild's appearances are of short duration, between 3 and 3.25 p.m., that is to say, five or ten minutes before the close of business . . . He usually arrives accompanied by one of his nephews, but his entrance creates not the slightest sensation. People surround him eagerly, above all the brokers who are almost importunate, which does not prevent him from listening to them and replying to them with his habitual good humour. He himself greets and approaches first some of his fellow bankers; his conversation is never long and no one whispers a word of it; the bell rings [and] people start to leave; they go, and he goes just like everyone else—with no more ceremony than accompanied his arrival.

Salomon was apparently even more approachable in Vienna: "Every day from the opening of the Bourse at 12 o'clock to its close at four, he [is] besieged by brokers and stockjobbers anxious to give him reports of the tendency of the market, and eager to receive and to execute his commissions."

Those who were admitted into the Rothschild offices were struck by the same unpretentious—though to outsiders enigmatic—bustle. When Prince Pückler first sought out Nathan in 1826, he was surprised to find that "the ruler of the City . . . in fact . . . occupies here only an insignificant location . . . and in the little courtyard of the counting house my access to this best-connected member of the Holy Alliance was impeded by a van loaded with silver ingots." No detailed descriptions of the interior of New Court in Nathan's day have survived; but we have what (allowing for authorial embroidery) may be an approximate description in Disraeli's *Tancred*. Like Pückler, Tancred finds that the Rothschild-like Sidonia is already closeted with a foreign ambassador:

Tancred entered Sequin Court; a chariot with a foreign coronet was at the foot of the great steps which he ascended. He was received by a fat hall porter . . . who, rising in lazy insolence from his hooded chair, when he observed that Tancred did not advance, asked the newcomer what he wanted.

"I want Monsieur de Sidonia."

"Can't see him now; he is engaged."

"I have a note for him."

"Very well, give it me; it will be sent in. You can sit here." And the porter opened the door of a waiting-room which Tancred declined to enter. "I will wait here, thank you," said Tancred, and he looked round at the old oak hall, on the walls of which were hung several portraits and from which ascended one of those noble staircases never found in a modern London mansion . . .

"I can't disturb master now [said the porter]; the Spanish ambassador is with him, and others are waiting. When he is gone, a clerk will take in your letter with some others that are here."

At this moment, and while Tancred remained in the hall, various persons entered, and, without noticing the porter, pursued their way across the apartment.

“And where are those persons going?” inquired Tancred.

The porter looked at the enquirer with a blended gaze of curiosity and contempt, and then negligently answered him . . . “Some are going to the counting-house and some are going to the Bank, I should think.”

After this, the ingenuous visitor is left to cool his heels for a while until the ambassador’s departure is finally heralded by “a stir”:

“Now your letter will go in with the others,” [the hall porter] said to Tancred, whom for a few moments he left alone . . .

Tancred was ushered into a spacious and rather long apartment, panelled with old oak up to the white coved ceiling, which was richly ornamented . . . A Turkey carpet, curtains of crimson damask, some large tables covered with papers, several easy chairs, against the walls some iron cabinets, these were the furniture of the room, at one corner of which was a glass door, which led to a vista of apartments fitted up as counting-houses, filled with clerks, and which, if expedient, might be covered by a baize screen which was now unclosed.

The only thing which casts serious doubt on this is that the atmosphere in the other Rothschild houses was so very different. James, for instance, was always surprisingly accessible in his office. When he paid a visit in the late 1820s, Metternich’s son Viktor found it was:

like a positive magic lantern for people of the most various appearance and every kind of expression were constantly coming in and out. On that particular day the constant coming and going was specially noticeable, as securities quoted on the bourse were fluctuating violently. The great banker himself, who generally maintains an attitude of such dignified calm, betrayed a certain nervousness. Our conversation was frequently interrupted by bourse agents reporting quotations to their chief.

The Frankfurt bank was also, according to a rare contemporary description, “open plan” in its design:

He sits in his office in the midst of his clerks like a Padishah; below him are his secretaries, and around him may be seen a crowd of brokers, for ever coming and going. With a few words he dismisses each, for like a true business genius he knows at once what answer to give to every question, and what decision to arrive at on any business that may be laid before him for consideration . . . To speak to him privately on a matter of business is well nigh impossible; everything in his office is done openly as in a law court.

In other words, what went on in the Rothschild offices was not so very different from what went on at the various exchanges: much toing and froing of brokers, much exchanging of pieces of paper.

Those who came expecting some visible manifestation of Rothschild power therefore were invariably disappointed by what they could glimpse of the brothers’ routine activity—hence the temptation which lies behind so much Rothschild mythology to imagine some invisible mainspring: the Hebrew talisman, for example, or some sort of elaborate fraud of the sort perpetrated by Balzac’s Nucingen. The only real

clue contemporaries could find to illuminate the Rothschilds' prodigious success was the speed with which Nathan was able to make complex financial calculations and the ease with which he committed these to memory. "Even without [his sons'] assistance," another writer remarked, "he is said to be able to call to mind every bargain he has made." The same point was later made by his obituarist in *The Times*:

He never hesitated for a moment in fixing the rate, either as a drawer or a taker, on any part of the world, and his memory was so retentive, that, notwithstanding the immense transactions into which he entered on every foreign post day, and that he never took a note of them, he could dictate the whole on his return home with perfect exactness to his clerks.

"His ambition," wrote another writer after his death, "was to arrive at his aim more quickly and more effectually than others and to steer towards it with all his energy. When his end was reached it had lost all it charm for him, and he turned his never- wearying mind to something else."

To some, this restless aptitude could seem almost diabolical. "There is," observed one who watched Nathan at work,

a rigidity and tension in his features that would make you fancy, if you did not see that it was not so, that someone was pinching him behind and that he was either afraid or ashamed to say so. Eyes are usually denominated the windows of the soul, but here you would conclude that the windows are false ones, or that there were no soul to look out of them. There comes not one pencil of light from the interior, neither is there one scintillation of that which comes from without reflected in any direction. The whole puts you in mind of a skin to let, and you wonder why it stands upright without at least something in it. By-and-by another figure comes up to it. It then steps two paces aside, and the most inquisitive glance that you ever saw . . . is drawn out of the erewhile fixed and leaden eye, as if one were drawing a sword from a scabbard. The visiting figure, which has the appearance of coming by accident and not by design, stops but a second or two, in the course of which looks are exchanged which, though you cannot translate, you feel must be of important meaning. After these, the eyes are sheathed up again, and the figure resumes its stony posture. During the morning, numbers of visitors come, all of whom meet with a similar reception and vanish in a similar manner; and last of all, the figure itself vanishes, leaving you utterly at a loss as to what can be its nature and its functions.

Overdone though it is, this account nevertheless captures another intimidating quality which contemporaries often remarked upon: Nathan's tendency to veer between sang-froid and sudden, alarming action. In 1821 he was reported to have received the threat of assassination "with a smile, and after returning his thanks for the intelligence, with the observation, that as he felt he had never done wrong to any individual, he could not entertain the idea that any persons could have formed so atrocious a design as that described, and that he really thought the affair unworthy of his attention." Two years later, however, when he found a stranger occupying his usual place at the Royal Exchange, he became "so excited by being displaced that it was some time before he could compose himself and commence business." The *Circular to Bankers* tactfully alluded to Nathan's "strong and unfettered will" and the "pride of temper resulting from his high new position which made him bear down at any personal risk all opposition." This overbearing quality, as we have seen, often spilled over into his correspondence. "The language which Mr Rothschild could use when his anger overbalances his discretion," recalled one who had evidently witnessed him in full flow, "was a licence allowed to his wealth . . . His mode of dictating letters was characteristic of a mind entirely absorbed by money-making; and his ravings when he found a bill unexpectedly protested, were translated into mercantile

language ere they were fit to meet a correspondent's eye."

His brothers, to whom he wrote in his own hand, were not thus spared. We have already seen how brutal Nathan could be in his private letters to his brothers; he did not much mellow with age. In 1828 Salomon's son Anselm wrote to Lionel, Nathan's eldest: "Pray tell to your good father not to write in future such violent letters against Uncle Amschel. They hurt his health I assure you, and for what reason? because he wrote to your Papa, that he is in want for [*sic*] money and that you owe him in [*sic*] Account . . . the Man gets old and weak and if you are not a little careful in your letters he will give it up . . ." Six years later Nat reported that Amschel's "state of health renders him very nervous" and recommended "very strongly" that his father "coax him a little in your letters & by no means . . . scold [him] as it has more effect than you imagine." There were occasional clashes with the more resilient James too. In 1832 he "protested vehemently" against making a loan to Greece, for example, and did so only when he received a letter from New Court saying: "Under no circumstances must you allow the deal to slip through your fingers." He was beside himself when Nathan then changed his mind, sending him a second letter saying: "Don't do anything concerning Greece." The two had a similar contretemps over Portugal in 1835.

Yet it is not enough to explain the Rothschilds' financial success purely in terms of Nathan's personality, important though it was. Increasingly in the 1830s, the main source of fraternal strife was not Nathan's dominance, which was more or less uncontested, so much as his indifference. In 1831, for example, Lionel relayed a message to his father: "Uncle James hopes Papa does not do all the business in rentes in London for your account for it will quite destroy all the business between the two Houses and in the end others will run away with the business." Two years later, Nat wrote from Frankfurt that his uncle Amschel "complain[ed] my dear Papa about your doing so little business with him . . . I am sure, my dear Papa, you will see what our good uncle wants, he wishes particularly that you should do as much business with him as formerly." When this elicited no response from New Court, Nat was forced to try again:

He begs dear papa you will be so good as to do as much business as possible with him; he complains not a little of your giving the preference to Paris & Vienna. I must say that he is a most excellent man, & if it is possible to please him one ought to do so . . . [W]ith Uncle A. however it is advisable not to pay attention to trifles.

Trifles aside, there was plainly some truth in Amschel's complaint. By the early 1830s the financial ties between the London and Frankfurt houses seemed to be loosening as the brothers saw less of one another. Nor was this the only sign that centrifugal forces were at work. Just a year later Carl in Naples levelled a very similar charge against James. This time it was Nathan who had to act as arbitrator between the two. "Concerning what our brother Carl has written to you, my dear Nathan, that I have not been regularly writing to him," James wrote in response to some rebuke on the subject,

for the sake of maintaining cordial relations and in accordance with your wishes and those of our brother Salomon, I have in fact written to him on five occasions, and I completely forgot the stupid letter which he wrote to me . . . as if it never existed. Please ask for these to be sent to you from Naples, and you will then see that I did write, for I want to maintain peaceful relations and don't want any quarrels. Well, I did all that I consider an upright man is obliged to do for his brother. [T]hey can complain about me, but I will not write any more until such time as I receive letters from them, for I am no less a Rothschild and I can stand on my honour as much as our brother Carl.

Of course, the fact that the other brothers appealed to Nathan when they fell out shows how far Nathan remained "the commanding general"—the pillar on which the entire Rothschild edifice rested, as unshakeable as the pillar he stood beside at the Royal Exchange. But disputes such as these suggest that additional buttresses were needed to preserve that edifice intact.

The Rothschild System

If there was a single "secret" of Rothschild success it was the system of co-operation between the five houses which made them, when considered as a whole, the largest bank in the world, while at the same time dispersing their financial influence in five major financial centres spread across Europe. This multinational system was regulated by the partnership agreements which were drawn up and revised every few years and which were, in effect, the constitution of a financial federation. The earliest such agreement, as we have seen, had been drawn up in 1810, but this was untypical because of Mayer Amschel's continuing dominance and the wartime exclusion of Nathan. It was the three-year contract of 1815 between all five brothers which was the first authentically "federal" agreement. The crux of the matter at this stage was the superior wealth of the London house. According to the preamble of the agreement, the brothers' "partnership property in London[,] at Paris and at Frankfurt on the Main consists of the sum of £500,000 or thereabouts," but most of this was evidently Nathan's. The contract sought to redefine the brothers' collective assets by excluding some items (presumably real estate), and redistributing some £200,000 in the form of promissory notes of £50,000 each from Nathan to his four brothers. The resulting shares of a total notional capital of £336,000 were Nathan, 27 per cent; Amschel and Salomon, 20 per cent each; Carl and James, 16 per cent each. Moreover, it was agreed to defray all expenses from the London house's revenues and to share net profits at the end of each year equally.

In the three years during which this contract ran, as we have seen, the brothers' capital grew at a phenomenal rate, from £336,000 to £1,772,000. So much of this increase was due to Nathan's immensely successful speculations in consols that, although the proportions of the total capital were more or less unchanged, his brothers now agreed to weight the distribution of profits in his favour. As Carl saw it,

Nathan should have a bigger part than a fifth. He has a big family, he needs more. Whatever you arrange, I will give my agreement . . . You told me yourself that Nathan has to be given [some] prerogatives. We owe everything, really everything to him. He saved us. We wanted to take a jump earlier [that is, to sell] and he kept us back.

There were now technically "three joint mercantile establishments [conducted] under . . . the . . . five partners' mutual responsibility": N. M. Rothschild in London, M. A. von Rothschild & Söhne in Frankfurt and James's new house in Paris, de Rothschild Frères. Henceforth, half of all the profits of the London house would go to Nathan, while his brothers would receive an eighth each; he would also receive four-sixteenths of the profits of the other two houses, while his brothers received three-sixteenths apiece. The 1818 agreement also introduced a new system whereby each of the partners received 4 per cent of their individual capital share per annum by way of an income to cover their expenses (both business and domestic); any lump sums spent on legacies for children, houses or landed estates were to be deducted from the individual's capital. In addition, "to preserve regularity in the

books and accounts . . . it has been determined that in the running transactions of the three joint establishments *although they form but one general joint concern* each respectively is to charge exchange, brokerage, postages, stamps and interest pro and contra at the rate of 5 per cent." To reinforce the sense of collective identity it was now specified that each House had to inform the others of the transactions it carried out on a weekly basis.

Although initially intended to run for just three years, this agreement in fact remained in force until 1825. However, it would be wrong to infer from this a high level of fraternal harmony. Quite apart from the periodic disputes described in previous chapters, the four continental brothers on one occasion felt obliged to draw up a separate agreement between themselves, the terms of which suggest a quite serious rift between themselves and Nathan.[3] Significantly, the 1825 agreement restored the 1815 system whereby profits were shared equally, reflecting the fact that the capital of both the Frankfurt and Paris houses had grown so rapidly as to outstrip that of the London house. On the other hand, Nathan's personal share continued to be counted as more than a quarter of the joint capital, which now stood at more than £4 million. Moreover, although Salomon and Carl had more or less settled in Vienna and Naples, their houses were not given equal status with the original three, and continued to be treated as mere "branch establishments" of the Frankfurt house, without any separate capital until 1828 (and thereafter relatively little). This was probably intended to check the centrifugal tendencies discussed above. The partners now bound themselves to "mutually inform each other . . . of all the transactions, of whatever nature they may be, which have occurred" on a monthly rather than weekly basis.

The 1825 agreement also saw the first steps taken to bring the next generation into the firm, with the decision to admit Salomon's son Anselm as a partner following his marriage to Nathan's daughter Charlotte. The brothers were experiencing the first intimations of mortality: the 1825 documents included a clause permitting Amschel to withdraw from the business "if the work becomes too hard for him," and sought to anticipate possible disputes over inheritance by binding each of the partners' heirs to accept whatever their share might be without resort to law. It was specifically stated that, if the heirs of a deceased partner took legal action against the surviving partners, a third of the deceased's share of capital would be forfeit and would be given to the poor of Frankfurt, London and Paris![4]

In describing their terms, it is easy to lose sight of the secrecy of these agreements, which such sanctions were intended to preserve. When the brothers met at Frankfurt in August 1828 to take stock of what had been a relatively disappointing three years, Nathan's wife and two of his sons were present but were wholly excluded from the negotiations, just as they would be eight years later. "Papa and his Brothers with Anselm are almost continually engaged in deliberating upon the arrangement of their concerns," reported Hannah, "which are held in the Tower in the Garden and are perfectly secret." The most she could say was that "every thing among the family seemed to be going on with much unanimity." This was probably something of a relief to her, as the accounts drawn up in 1828 revealed that, though the partners' personal shares remained formally unchanged, the relative importance of the London house had continued to decline. Its share of the total capital was now just over 27 per cent, compared with 42 per cent in 1818. This share increased only very slightly in the eight years which intervened before the next such meeting at Frankfurt—the fateful 1836 gathering during which Nathan unexpectedly died. As a result, the continental partners were able to secure new and potentially more favourable terms for the distribution of profits: henceforth, Nathan would receive 60 per cent of the profits of the London house but just 10 per cent of the profits from Frankfurt, Naples and Vienna, while his brothers would each get 10 per cent from the London house and 22.5 per cent from the continental houses.[5] This rule—which undoubtedly increased the relative autonomy of the London house—was retained despite Nathan's death: all his rights were simply transferred to his four sons.

It goes without saying that the Rothschilds were financially successful; indeed, the rate of growth and size of their capital in the period before 1850 were unprecedented in banking history. Table 10a summarises the available figures for the combined capital of the various houses in the first half of the century:

Table 10a: Combined Rothschild capital, 1797-1844 (£ thousand).

	1797	1807	1810	1815	1818	1825	1828	1836	1844
Frankfurt	9.9	50.6	72.7	68.0	680.0	1,450.0	1,534.1	2,121.4	2,750.0
Paris				55.0	350.0	1,490.0	1,466.4	1,774.2	2,310.6
London				90.0	742.0	1,142.0	1,183.3	1,733.4	2,005.1
Vienna				68.0			25.0	110.4	250.0
Naples				55.0			129.6	268.3	462.5
Total	9.9	50.6	72.7	336.0	1,772.0	4,082.0	4,338.4	6,007.7	7,778.2

Notes: 1815 total may be too low: the agreement is unclear as to whether total capital was £500,000 or £336,000. Note also that in 1815 the figures are for *personal* shares, rather than for shares allocated to specific houses. 1807 figure converted from gulden @ £1 = 10.16 fl. 1828 figures converted from gulden @ £1 = 12 fl.

Sources: CPHDCM, 637/1/3/1-11; 637/1/3; 637/1/6/5; 637/1/6/7/7-14; 637/1/6/32; 637/1/6/44, 45; 637/1/7/48-52; 637/1/7/53-69; 637/1/8/1-7; 637/1/9/1-4; RAL, RFamFD, B/1; RAL, RFamFD/3; AN, 132 AQ 1.

The sheer scale of the Rothschilds' resources can hardly be over-emphasised: to take a single year—1825—their combined resources were nine times greater than the capital of Baring Brothers and eleven times larger than the capital of James's principal rival in Paris, Laffitte. They even exceeded the capital of the Banque de France (around £3 million at this time). Surviving figures for the individual houses are patchy, especially before 1830. For the London house, ledgers survive from 1809 but there are no profit and loss accounts for the years before 1828. Illustration 10.vi gives the "bottom line" data for the period up until 1850: annual profits as a percentage of capital at the beginning of the year. A number of points stand out from these figures: firstly, the large fluctuations in performance, ranging from the very successful (1834), when profits were close to a quarter of capital, to the wholly disastrous (1847), when close to a third of the firm's capital was lost. Averaged out, profits were in fact rather unremarkable, though this partly reflects the fact that all expenses were deducted before net profits were calculated, rather than being paid out of profits. The figure for profits (or losses) was merely added to (or deducted from) the previous year's capital; a system quite unlike that used by the Rothschilds' great rivals Barings, who tended to calculate gross profits, and to distribute these to the partners. Perhaps the biggest difference between the Rothschilds and their rivals was that the Rothschilds ploughed back their net profits, so that their capital tended to accumulate, while the Barings kept their capital more or less constant and sought to maximise the profits on which they could then live. Between 1829 and 1846, while the capital of N. M. Rothschild increased by 90 per cent, that of Barings increased by just 50 per cent.

The other house for which detailed accounts survive is the much smaller Naples house. Considering its size, the Naples house was singularly profitable, especially in the first decade of its existence. Its average annual profits were more than £30,000 between 1825 and 1829, at a time when its capital was little more than £130,000; and throughout the 1830s and 1840s its profits averaged around £20,000.

Unlike the London and Paris houses, it appears never to have recorded a loss despite the financial crises of 1825, 1830 and 1836. Carl may have been regarded by contemporaries as the least gifted of the five brothers, and his letters intimate a certain dullness. Yet there can be no doubting his financial acumen.

There are, unfortunately, no complete data for the profits of the Paris, Frankfurt or Vienna houses in this period. In the French case, the only surviving figures are for the years 1824-28, and all they tell us is the extent of the damage done to James's position by the crisis of 1825 (when his losses totalled no less than £356,000) and the speed with which he recovered from the setback (his profits in the succeeding two years were £44,000 and £124,000). However, it is possible to infer average annual profits for all the houses from the combined capital accounts (table 10b), though the different periods which elapsed between agreements make these a rather approximate guide to performance. These suggest—rather unexpectedly—that the London house was in fact the least economically successful of the three principal Rothschild houses: average annual profits were higher at both Frankfurt and Paris for the period 1818-44. Nathan's brothers—and Amschel in particular—have often suffered in comparison with the man they regarded as their "commanding general"; but even in the period of Nathan's dominance, the Frankfurt house was more profitable than the London house. The Vienna house too was highly profitable in view of its small capital base.

10.vi: N. M. Rothschild & Sons, annual profits as a percentage of capital, 1830-1849.

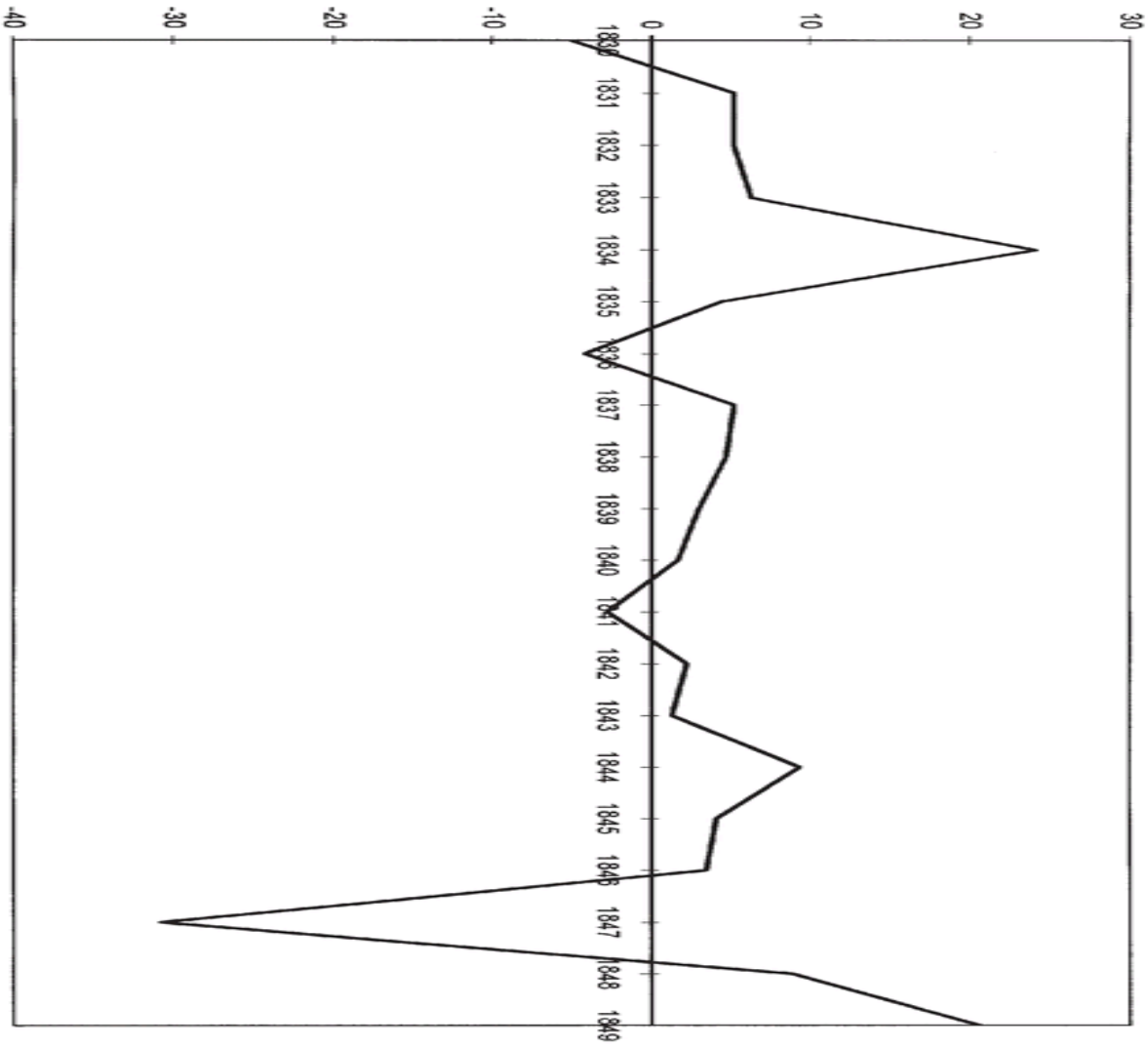


Table 10b: Average annual profits of the five Rothschild houses, 1818-1844 (£ thousand).

	1818–25	1825–28	1828–36	1836–44	AVERAGE 1818–44
Frankfurt	110	28	73	79	80
Paris	163	–8	38	67	75
London	57	14	69	34	49
Vienna		8	11	17	N/A
Naples		43	17	24	N/A
Total	330	85	208	221	204

Source: As table 10a.

The question, of course, is whether it is legitimate to make such comparisons when the houses were still regarded by the partners as inseparably linked. The Rothschild correspondence indicates that the

individual houses derived a substantial part of their profits from a collective strategy whose architect before 1836 was Nathan. There would have been no need for the brothers to write so frequently and in such detail to one another if this had not been the case. Nor would the fundamental principle of profit-sharing have lasted for long if the individual partners had not continued to feel dependent on one another. The balance sheets of the Naples house give a good indication of how inextricable the activities of the five houses were: between 1825 and 1850 the share of its assets which were monies owed to it by the other Rothschild houses was rarely less than 18 per cent and sometimes as much as 30 per cent. This seems to have been the case for all the houses. In 1828 some 31 per cent of the assets of the Paris house were credits to the other Rothschilds, mainly to New Court.

How exactly did the brothers make their money? Thus far, we have principally been concerned with the Rothschilds' business in government bonds, as (to judge by their letters) this was the activity which interested them most in the period before 1836. It was also the activity which most impressed contemporaries, because of its obvious political implications. Table 10c provides figures for the total nominal value of the loans issued by the London and Frankfurt houses in the period (unfortunately, no lists of issues appear to exist for the other houses).

Table 10c: The nominal value of loans issued by the London and Frankfurt houses, 1820-1859 (by decade, £).

	NMR	MAR
1820–29	58,715,366	4,892,947
1830–39	43,194,150	3,599,512
1840–49	35,169,611	2,930,801
1850–59	88,485,900	7,373,825

Sources: Ayer, *Century of finance*, pp. 16-81; Berghoeffer, *Meyer Amschel*, pp. 29-42, 206-28.

These figures confirm that the Rothschilds (and especially the London house) were throughout the period the dominant force in international bond issues. Between 1815 and 1859 the London house issued altogether fifty loans, primarily for governments, the nominal value of which was around £250 million—very roughly a tenth of total British overseas assets in the 1850s. By comparison, Baring Brothers issued just fourteen loans in the same period, to a nominal amount of £66 million. Table 10d shows the regional distribution of loans—including a small number of quite large private sector issues—in which the London house participated between 1818 and 1846. These figures show that the contemporary view of the Rothschilds as "bankers to the Holy Alliance" was exaggerated; the London house's biggest clients were France and Britain, with Prussia, Russia and Austria some way behind.

Table 10d: Loans issued by the London house, 1818-1846 (by recipient).

BORROWER	TOTAL (£)	PERCENTAGE OF TOTAL
Britain	44,938,547	29.2
France	27,700,000	18.0
Holy Alliance*	29,029,566	18.8
Prussia	[12,300,400]	[8.0]
Russia	[6,629,166]	[4.2]
Austria	[3,100,000]	[2.0]
Naples	[7,000,000]	[4.5]
Portugal	5,500,000	3.6
Brazil	4,486,200	2.9
Belgium	11,681,064	7.6
Other states**	5,843,750	3.8
Private sector	24,900,000	16.2
Total	154,079,127	100.0

* Prussia, Russia, Austria and Naples. ** Holland, Greece and Denmark.

Source: Ayer, *Century of finance*, pp. 14-42.

It is relatively easy to show the importance of government bonds in the balance sheets of the various houses. The earliest surviving balance sheet of the London house (that of 1828) reveals that a very large proportion of the bank's assets—more than a quarter—were invested in British government bonds. The proportion rises to 37 per cent if its holdings of Danish government stock are added. In the same year, 35 per cent of the French house's assets took the form of French 3 per cent rentes. The "state securities account" comprised exactly the same proportion of the Vienna house's assets, suggesting some sort of rough Rothschild policy to keep the proportion of (supposedly) "gilt-edged" securities at around a third. However, it is much harder to compute the profits made from such issues. Commissions and other charges varied considerably from case to case, as we have seen; and some major issues actually lost large sums (the French loan of 1830, for example). In any case, much of the money which the brothers made on the bond market came not from issuing new bonds, but from speculating in existing bonds. Here too precise figures are hard to come by. To judge by the records which have survived, accounts were made up primarily with a view to calculating the returns on specific lines of business or transactions and ensuring that there were no discrepancies between the various inter-Rothschild accounts. Like the ledgers of most nineteenth-century firms, the London house's did not group its transactions according to type: purchases and sales of all kinds were logged as they occurred and then totted up at the end of the year. It would in theory be possible to add together the profits obtained from purchases and sales of government bonds, but it would be exceedingly laborious and it has not been attempted here. The Naples house had a "rentes account," but it also maintained separate accounts for its dealings in other government securities—Neapolitan, Roman and so on. Because it constantly changed its half-yearly accounting conventions, creating new accounts as it went along, it is well-nigh impossible to make more than an impressionistic assessment of its activities. The most that can be said is that the lion's share of its profits came from between five and ten joint accounts, some with other Rothschild houses, some with other Italian-based banks; from commissions charged on transactions for third parties; and from interest on various unspecified loans.

Of course, this would not matter if the Rothschilds had dealt only in government bonds. But their banking activities were in fact quite heterogeneous, and grew more so over time. Government finance was their first love. Of comparable importance, however, in terms of the *volume* of business, if not the profit-margins achievable, was the classic business of the London "merchant banker": the acceptance of commercial bills or bills of exchange. In the words of the 1882 Bills of Exchange Act—which gave statutory precision to a practice dating back more than three centuries—a bill of exchange was "an

unconditional order in writing addressed [and signed] by one person (the drawer) to another (the drawee) . . . requiring . . . the drawee, who when he signs it becomes the acceptor, to pay at a fixed . . . future date a sum . . . to . . . a specified person or to the bearer." In other words, the seller of some goods would draw on the buyer in order to give him credit for a specific time (often three or four months), thus allowing him to put off payment until the goods had arrived and been sold on to a manufacturer or retailer. The role of the merchant banks was twofold: to act as a bill's acceptor on behalf of a buyer (charging an acceptance commission) or to buy it from a drawer at a discount (charging interest). A discount house could also rediscount a bill by selling it to a central bank, for example, and adding its own signature or endorsement. The banker who accepted a bill was effectively "selling the use of [his] name," that is, his reputation for creditworthiness.

Such buying and selling of commercial bills was one of Nathan Rothschild's principal activities. Its importance can be inferred, again, from the surviving balance sheets: in 1828 "bills receivable" accounted for a quarter of the London house's assets; "bills payable" for 5 per cent of its liabilities. Such business was less important to the continental houses, reflecting the greater volume of international trade conducted through London in the nineteenth century. As Nathan put it in his evidence to the Bank Committee in 1832, "this country in general is the Bank for the whole world . . . all transactions in India, in China, in Germany, in the whole world, are guided here, and settled through this country." Nevertheless, the other Rothschild houses still played an important subsidiary role in his operations, as Nathan explained:

I buy on the Exchange bills drawn from Liverpool, Manchester, New-castle and other places, and which come to every banker and merchant in London. I purchase £6,000 or £7,000, and sometimes £10,000 of those bills in a week, and I send them to the Continent to my houses; my houses purchase against them bills upon this country which are purchases for wine, wool and other commodities . . . [I]f there be not a sufficient supply of bills abroad on this country we are obliged to get gold from Paris, Hamburg and elsewhere.

This was a reasonably accurate summary of what went on. The Rothschilds did not seek to make their money from the commissions they charged for accepting bills (indeed, Nathan was well known for charging half a per cent less than other firms); rather, the aim was to profit from exchange rate differentials between the various European markets. The Rothschild correspondence constantly alludes to such arbitrage transactions: was the price of "London" (short-hand for bills on London) high enough in Paris or Frankfurt to justify Nathan sending a large amount to James or Amschel? "And now, dear Nathan," wrote James in a typical letter of 1832,

I am starting once again to busy myself with the bills of exchange business, and beg you to evaluate [precisely] what you are sending us. We are buying London here at 25.65 francs and 3 per cent [which] is equal to 25.84½ francs and you send us £21,000 Parisian at 26.07½ [and] 4 per cent, which is equal to 25.79, that is a loss of a fifth without the brokerage. Well, I am only bringing this to your attention because we don't want to operate at a loss when dealing with the bills of exchange.

This gives a flavour of the complex calculations involved, and the very narrow differentials the brothers sought to exploit. As a multinational partnership, they were uniquely positioned to do such business.

Yet the Rothschilds were not as dominant in the market for bills as they were in the market for bonds. In his influential survey of the City, *Lombard Street*, Walter Bagehot called them "the greatest . . . of

the foreign bill-brokers"; but this accolade properly belonged to the Barings. In 1825 Nathan's acceptances totalled £300,000 compared with £520,000 for Baring Brothers. Twenty-five years later, acceptances at New Court had risen to £540,000, but the figure for the Barings was £1.9 million; and the gap widened still further in the second half of the century, when new-comers like the Kleinworts made the running. Apart from the obvious fact that the Rothschilds put government finance first—it is almost invariably discussed before commercial business in the brothers' private correspondence—this primarily reflected the fact that the greater part of the bills business was generated by transatlantic trade, rather than by trade between Britain and continental Europe, which the Rothschilds were better placed to finance. As we shall see, there were attempts to increase the Rothschild share of the American market, but they were only fitful; throughout the first half of the nineteenth century, the Barings had the upper hand there.

Bill-broking led naturally into numerous connected avenues of activity. One of the most important of these, from an early date, was the international bullion market. As Nathan stated in his 1832 testimony, there was often a gap between the total volume of bills representing British imports and those representing exports; in the terms of contemporary classical economics, a trade deficit or surplus automatically necessitated a movement of specie out of or into London provided it was big enough to pay the cost of shipping and insuring specie, as well as melting and re-minting if necessary. When the exchange rate reached the so-called "gold points" it paid to import or export gold (or silver in some countries). For the Rothschilds, transfers of gold from England to the continent had been a vital stepping stone towards direct involvement in English war finance before 1815, and the brothers never lost their interest in the bullion business, doing substantial amounts of business with the Bank of England and the Banque de France. This was what Nathan alluded to when he loftily told a Hamburg house: "My business . . . consists entirely in Government transactions & Bank operations." Here too complex calculations were involved, especially when coins were being melted down into bars to be re-minted in another market. "And now, dear Nathan," wrote James in another typical letter, "[when thinking of buying] silver at 11 grain gold, where you can consider the rest as profit, a lot will depend on the assay, for ½ grain is equivalent to ⅞ per cent. Well, at 591/8, this is equivalent to 25.82 francs, and one has the chance here to make a profit when it is being assayed, and I therefore strongly urge you not to let the opportunity pass by." "The van loaded with silver ingots" which blocked Prince Pückler's access to New Court was no rare sight: to judge by the brothers' letters, consignments of bullion worth tens of thousands of pounds regularly passed between Paris and London.

Another related field of activity was direct involvement in commodity trade itself. Buying and selling goods rather than paper had, of course, been an integral part of Mayer Amschel's business, and Nathan himself had begun his career in Britain as a textile merchant, later branching out into "colonial goods." However, to judge by the partners' correspondence, the Rothschilds' interest in such business appears to have dwindled in the 1820s, and it was not until after 1830 that it revived. Unlike the Barings, who dealt in a wide range of traded goods, the Rothschilds preferred to specialise, aiming to establish a dominant role in a select number of markets. The key commodities which attracted their attention were cotton, tobacco, sugar (primarily from America and the Caribbean), copper (from Russia), and, most importantly, mercury (from Spain). More will be said about these below. Very occasionally they dabbled in other goods: iron, wool and wine, for example. The hostile cartoonist who portrayed "Blauschild" as a travelling salesman doing business "in all branches of commerce" was therefore in error: the Rothschilds were never jacks-of-all-trades (see illustration 10.vii). To give one example: although their relatives the Worms brothers established a tea plantation in Ceylon—which they even named "Rothschild"—the bank never seriously involved itself in the tea trade.

The final area of business which the Rothschilds entered as a result of their mercantile activities was

insurance. The first half of the nineteenth century saw a boom in insurance, with numerous companies being founded in London and elsewhere. Nathan's involvement in the founding of the Alliance Assurance Company in 1824—the only joint-stock company in which he ever took a serious interest—has been variously explained, but never satisfactorily. According to the company's official history, it was the result of a casual meeting with his brother-in-law Moses Montefiore; others have suggested that the aim was partly to provide employment as an actuary for their relative Benjamin Gompertz, an accomplished mathematician. A third hypothesis advanced is that the existing insurance companies had been discriminating against the Jewish business community. In fact, the Rothschilds had been interested in insurance for some years, understandably in view of the high premiums they themselves had been obliged to pay to insure shipments to the continent before 1815. As early as 1817 James was able to report "quite nice profits" from an unidentified French insurance company. In 1823 a further impetus was provided by a request for assistance from the Duke of Saxe-Coburg, whose applications for a new life insurance policy had been rejected by two existing London companies, including the recently founded Guardian. Above all, Nathan seems to have wanted to break the cartel of Lloyd's (located directly above him on the first floor of the Royal Exchange), the London Assurance and the Royal Exchange which monopolised marine insurance in London. Just days after the "Alliance British and Foreign Life and Fire Assurance Company" had been established with a capital of £5 million, the MP Thomas Fowell Buxton, one of the new company's auditors, introduced a bill into the House of Commons to end the monopoly of marine insurance. At the same time, Nathan sought to enlist the support of his old friend Herries (then Financial Secretary to the Treasury). "The object of this Society," he wrote, adopting the characteristic puffing rhetoric of the 1820s joint stock bubble,

is to promote all kinds of national industry, by affording facilities in the advancement of Capital, and to protect Commercial men and society in general by granting insurancies [*sic*] on shipping and every species of property exposed to risks. There are other ends, equally salutary, towards which the views of the Company will be directed, all tending to give an impetus to manufactures, and to attract and retain in their ports every branch of foreign commerce.

This is . . . the policy . . . of the whole European Continent at the present moment: everywhere, efforts are [afoot] to introduce a spirit of commercial enterprise, to revive trade where it has languished, and to discover new channels in which it may be directed . . . [I] request you will bring this subject before the consideration of my Lord Liverpool, who will no doubt perceive in these facts additional grounds for persevering in that liberal principle upon which His Majesty's Government has acted, by removing every obstacle in the way of an open, free and unrestricted trade.



10.vii: I. Nussgieg, after G. Geissler, *Der Musterreiter* (1825).

This was a well-judged appeal to the economic liberalism of the government; but then came the crux of the matter. According to Nathan, the existing marine insurance companies lacked:

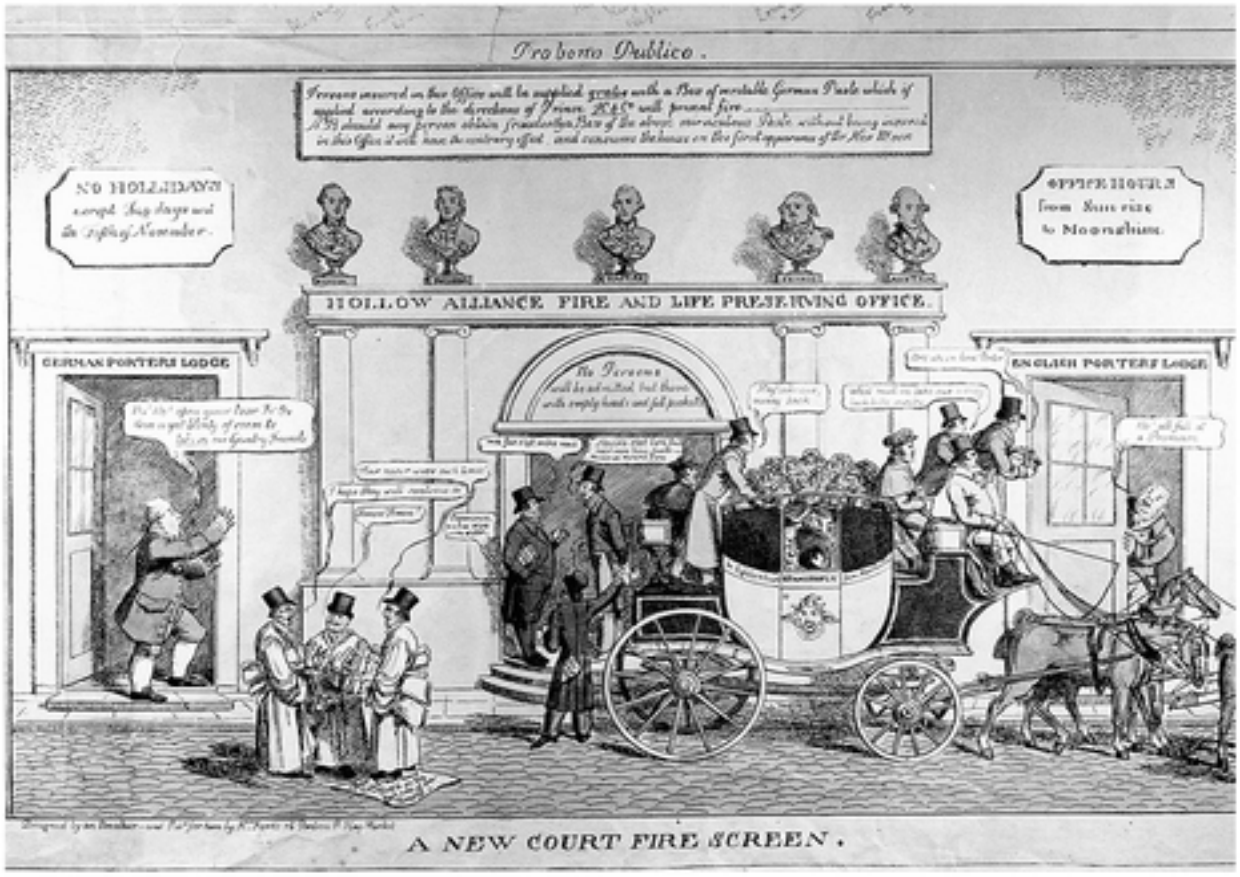
that energy and those liberal extended views which are necessary, at the present day, to retain the advantages which they have hitherto monopolised, and I am sure I shall be borne out in the assertion that if insurancies are to be tied up by their old fashioned modes of thinking and acting, Establishments of a similar nature will arise in every part of the Continent, and will eventually wrest from their hands the business which they now conduct exclusively.

The government was evidently persuaded, for the bill received the royal assent in June. However, one of the new company's shareholders (who was also an underwriter at Lloyd's) managed to obtain an injunction to restrain the Alliance from becoming involved in marine insurance on the ground that this went beyond its original objects. As a result, a second company had to be created, the "Alliance Marine Assurance Company," also with capital of £5 million.

The Rothschilds' new incarnation as insurers was initially greeted with some public scepticism. A contemporary cartoon (*A New Court Fire Screen*, by "an Amateur") depicts a stagecoach loaded with a group of country investors and their bags of money drawing up in front of the "Hollow Alliance Fire and Life Preserving Office" (see illustration 10.viii). The office has three entrances: one marked "German Porter's Lodge," one marked "English Porter's Lodge" and one in the middle, in front of which three men (Rothschild, Montefiore and Gompertz) converse in French. Nathan declares, "Ma fois, c'est entre nous," Montefiore replies, "C'est bien fait pour mon beau père," and Gompertz mutters, "Experience makes men wiser." Another sign to the left reads "No Holidays except Dog Days and the Fifth of November," while on the other side the office hours are stated: "From Sun rise to Moonshine." Above the middle door there is a notice: "No Persons to be admitted but those with empty heads and full pockets." The English porter tells the newly arrived investors: "No! All full at a premium," but his German counterpart cries, "No! No! Open your door in order to get plenty of room

to *take in* our Gentry Friends."

Yet this cynical assessment was unfounded. Unlike so many of the joint-stock companies of the period, the Alliance was no mere vehicle for mulcting naive investors, but a securely founded enterprise with a long and prosperous future ahead of it. After two years at 4 New Court, next door to Rothschilds, it moved to Bartholomew Lane. Nor was this the only Rothschild foray into insurance. In 1839 they became involved (albeit less directly) in the rapidly developing Rhineland market, lending their support to the Colonia fire insurance company set up by the Oppenheims and others. This connection survived the turbulent events of the 1840s (in particular the great Hamburg fire of 1842, which all but exhausted the company's resources), and in 1852 the London, Frankfurt and Paris houses were involved again as major shareholders in the Cologne Reinsurance Society.



10.viii: "An Amateur," *A NEW COURT FIRE SCREEN* (1824), published by H. Fores.

The Rothschild Network

The ever-increasing volume of the Rothschilds' business, the diversification of their financial activities and the expanding geographical range of their interests inevitably exceeded the capacities of five brothers. It was usually possible for one of the partners to make personal visits to Brussels, the Hague, Berlin or Madrid when major government loans were being negotiated. But if they wished to conduct regular business in those capitals, other arrangements had to be made. Similarly, buying and selling

commodities like cotton, tobacco, sugar, copper and mercury were impossible without effective and reliable representation in the key markets: New York, New Orleans, Havana, St Petersburg and Madrid. Throughout the 1820s and 1830s it was necessary not only to expand the number of partners by initiating the new generation into the management of the five houses, but also to increase the number of clerks in the five offices and to establish a select group of salaried agents employed to take care of the bank's interests in such new markets. Radiating out from London, Paris, Frankfurt, Vienna and Naples, the lines of communication with these agents formed a complex new network, greatly increasing the volume of correspondence, but also increasing the volume of business which could be done in the name of Rothschild. Nor was this network of formal influence all; of comparable importance was the larger but looser network of links to other banks, as well as to stockbrokers, central banks and financial newspapers. If every individual or firm which conducted regular correspondence with the Rothschilds is counted as a part of their network, then it was immense indeed.

The expansion of the partnership to include the sons of Salomon, Nathan, Carl and finally James was achieved with relatively little friction. The eldest members of the next generation—Anselm and Lionel—seem to have accepted without reservation their hereditary vocation, passing without complaint through the successive stages of a Rothschild apprenticeship: work in the paternal house, then one or more stints in an uncle's house and finally a solo foreign mission. Anselm was formally made a partner in 1826; but it was not until 1830 that the brothers had sufficient confidence to entrust him with sensitive negotiations in Berlin, and even then he was carefully coached beforehand by his anxious father, who gave him the classic Rothschild advice to "listen to everything and say little in reply":

You are now the plenipotentiary of all the brothers . . . and in the same way all the brothers will [have to] approve everything, as fundamentally the business entails a considerable risk, so do not write too little . . . and be hard-working and busy and in all these undertakings put your reliance in the Almighty, who will give you luck and His blessing.

In fact, it was not long before Anselm had the self-confidence to begin asserting his notionally equal authority as a partner. Within a year he felt sure enough of himself to criticise his uncles' investment strategy following the July Revolution, and James was soon asking for his assistance in Paris "as he really has character." This was perceptive: when the next and far greater revolutionary crisis swept across Europe, Anselm would play a decisive role in limiting the damage to the five houses, even at the expense of his own father's feelings.

Nathan's eldest son Lionel also passed through his apprenticeship years with flying colours. In 1828 he was formally "initiated into the business" when he was appointed "Lieutenant General" while Nathan travelled to Frankfurt to meet his brothers. "You are now the General all on your own," wrote James, offering avuncular encouragement, "and you will no doubt attend to the business very nicely." "Make some nice business deals, like a man," he added a few days later. "Show that you are a clever and good businessman." Three years later, as he struggled to remain afloat in the wake of the 1830 revolution, James's tone was altogether less patronising:

Should you, dear Nathan, not need him [Lionel] you know how much pleasure it would give me to have him here with us. It is always better to work in pairs rather than singly. In spite of our unfortunately doing very little business here, it is nevertheless always useful to act as a pair. If it should be too inconvenient to allow him to come here, I would then be obliged if you could send one of your other sons here, whom I always treat like one of my own children. I hope that Lionel has no reason to complain about me and that he will return here.

When Lionel was sent to Brussels, James expressed his unease at being left "on my own" in Paris. By 1833 Lionel seemed to his sister a "complete man of business": "[He] calls to pay his respects in the morning and we do not see him again until dinner at 7." His trip to Madrid in 1835 was judged a success; and he stepped into his father's shoes in 1836 apparently without difficulty.

By contrast, Lionel's younger brothers were more reluctant bankers. Anthony had to cut short his first apprenticeship in Frankfurt because of a romantic entanglement of which his father disapproved, and harboured an intense dislike of "that stinking place" thereafter (a feeling shared by his brothers). By comparison with Paris and London, Frankfurt had little to offer in the way of fleshpots; worse, their Uncle Amschel worked longer hours than his nephews were used to: from 8 a.m. to 7 p.m., six days a week. (Nathan plainly did not drive his sons as hard as he had once driven himself.) Even in the more congenial atmosphere of Paris, Anthony was found wanting. As James put it tactfully, although he was "hard working," he failed "to bring the deals which after all will remain for future generations." His uncles tried their best. James encouraged him to "observe all the wheeling and dealing" as he negotiated a major contract; Salomon sought to "instil in him a degree of steeliness which on the one hand will teach the young man not to be too quarrelsome, and on the other hand, not to be too tempestuous." But Anthony never entirely lost his unreliable reputation: as late as 1840 his brother Nat felt obliged to protest at the "very coarse language" of his letters. "I do not like him to write to me exactly as if I were his servant," he complained to Lionel. "I do not think I am touchy but there is a way of saying things which is particularly offensive and our good brother Billy [Anthony's nickname] sometimes adopts that way."

Nat had an altogether more placid temperament than Anthony, but he too seems to have chafed at the constraints of his apprenticeship. "You must know," he confided in his sister Charlotte, "that I have been about a month in London, I go regularly to the counting house with Papa & try as much as possible to become an accomplished man of business which however I find rather a difficult thing to do." When he was sent to Naples he liked it even less, as he complained to his brother Lionel:

I have now rather a tender subject to touch upon, namely myself. I have frequently written to you my great dislike of Naples which I assure you increases every day, I assure you however I should not mind that at all, but then I am afraid I am of no service & that I should be much better employed in London where I certainly might learn business in about a twentieth of the time & twenty times as well as here . . . [D]o my dearest Rabbi write to Papa & tell him to let us come home.

In the end, it was once again James who took charge, putting Nat through a thorough year's training "just like any other apprentice, to enable him to learn how to keep the books in order." Nat was, he assured Nathan, "a very nice boy . . . and I can guarantee you that, if he is prepared to listen, he will become the most skilful of all." Indeed, Nat seems to have become James's favourite nephew: soon he was talking of "teaching the good young man all that I know." By 1833 he felt his protégé was ready for a foreign mission, though the choice of destination—Constantinople, during the prolonged Greek loan wrangle—was probably not a wise one. Ultimately, it was Nat's fate to live and work almost all his life in his Parisian uncle's shadow, never quite ceasing to be a disgruntled English gentleman in exile, constantly dismayed by the political volatility of the French, and quietly counting the long hours he had to spend in "the stinking counting house."

Why, when they had so many sons—twelve in all—did Nathan and his brothers not follow their father's example and establish at least some of them in new financial centres? This is not easy to answer. While their sons were still young, the brothers seem to have thought of establishing new houses

in Madrid or St Petersburg. And later there was intermittent talk of sending one of the members of the younger generation to the United States. But the plan for a "sixth house" on the other side of the Atlantic remained no more than a pipe-dream. The best explanation for this is that they trusted five of their sons—Anselm, Lionel, Mayer Carl, Adolph and Alphonse —enough to groom them as their successors, but the others insufficiently to give them the major responsibility of setting up new houses. For if Anthony and Nat seemed to lack the spark of financial ability and dedication their uncles were looking for, they were at least competent by comparison with Nathan's youngest son Mayer, a would-be country squire, or the Orthodox zealot Wilhelm Carl. Another obstacle appears to have been Nathan's widow Hannah, who resolutely refused to allow her younger sons to be posted overseas.

Instead, the Rothschilds had to rely on a small group of paid agents. Of course, since the very early days in the Judengasse there had always been non-family members employed as clerks. We know little about these shadowy letter-writers and bookkeepers, save that the partners preferred to exclude them from executive activity: they were regarded as drones, to be worked hard, treated well—and watched carefully. Some were little more than servants, like the cheerful Jakob who was injured in a coach crash in 1814 while delivering a consignment of gold to Warsaw ("better to be hurt in the legs than hurt in the gold," he joked). Others were skilled linguists and accountants. In 1818 there were at least nine clerks in the Frankfurt office: Radius and Kremm, who were responsible for the book-keeping; Berend, who conducted the correspondence and ledger for all Frankfurt transactions; Geiger, who also handled Frankfurt business and matters relating to coupons; his father, who dealt with current accounts; Hamburg, who conducted all correspondence with titled customers; his brother, who dealt with foreign letters; Heisler, who looked after bills of exchange; and Kaiser, who took care of domestic matters. There was also an office boy in the accounts department and an apprentice letter-copier. To Carl, however, they were all "the young people," and when he contemplated the running costs of the office (150,000 gulden a year, or around £14,000), he suspected them of "trickery"—remembering, no doubt, his father's experience with Hirsch Liebmann. The Paris house was even smaller (and cheaper): at around the same time, James estimated that he spent 34,000 francs a year (£1,700) on eight clerks, a porter, a messenger, two servants and a coachman.

Often the clerks were drawn from extended families similar to the Rothschilds'. In Vienna, a key role was played by the Goldschmidt family, which included Salomon's chief clerk Moritz Goldschmidt, who had moved from Frankfurt to Vienna with Salomon in 1803, and his sons Julius, Jacob and Alexander, who worked in Vienna, Frankfurt and Paris respectively. Relations of the Goldschmidts were also regarded as trustworthy: one of Moritz's nephews worked for Rothschilds in Amsterdam, but died young. Another nephew (Moritz) worked at the London house for eighteen years, while a third (Ignaz Bauer) was sent to Spain to assist Weisweiller.

Inevitably, the numbers of staff had to be increased to keep pace with the amount of business, so that by the 1830s New Court alone employed between thirty and forty people, earning between £50 and £500 a year. But the paternalistic attitudes of the partners persisted. "Pray let the Clerks have a good dinner," wrote Lionel on the occasion of his wedding in 1836, "and get all drunk or if they like . . . I think they might make a party to Greenwich; if some of them are too proud, let them make two parties and take their better halves with [them]." The nearest thing to an incentive was that "on our becoming the contractors of an English and foreign loan [we] generally allowed the clerks a small interest independent of a gratuity at Christmas which of late years we have allowed them." When it became apparent that both Nat and Anthony might have to leave their posts in London and Paris to attend their father's deathbed, there was consternation: for the first time ever, it was necessary to give the senior clerks in both houses powers of attorney, a responsibility which had previously been conferred only on members of the family. In the case of London, there was some doubt about who should actually be

appointed, suggesting the absence of any formal hierarchy within the office. Part of the problem was that Nathan's monopoly over executive decision-making had encouraged a degree of indolence among his own employees, who were spared difficult decisions and all but guaranteed bonuses.

This explains the great difficulty the Rothschilds experienced when they had to entrust their interests in remote cities like Madrid, St Petersburg or New York to men who had generally begun their careers as clerks. For inevitably these agents could not be treated as mere office-boys, subject to daily orders from the partners and denied all real responsibility. No matter how many letters were sent from New Court, the men on the ground were bound to be better informed about the places where they lived. Sometimes they had to take decisions quickly, so that consultation with London or Paris could only be retrospective. And no matter how often it was asserted that they were mere agents of the great Rothschilds, they naturally acquired considerable local status in their own right, disposing as they did over substantial resources. All this the Rothschilds found extremely hard to stomach. They constantly suspected their most valuable agents of disloyalty—above all, of trading on their own account—and complained endlessly of their insolence, independence and incompetence. "I noticed that Gasser [the St Petersburg agent] has no interest at all in our business affairs," James wrote to Nathan in 1829 on hearing of a large consignment of silver bound for Russia:

Another man, realising that so much silver is due to arrive, would say, "I will meanwhile send you a remittance," but no, nothing of the kind occurred to him. He wrote to me and enquired whether I wanted to make with him c/meta [a joint account] for three months which would give him more courage to operate. Well, we will have to send one of our own people over there, someone who shows greater loyalty to our House. Well, thank God, you will soon have grown up sons.

Gasser was repeatedly the target of such criticism. In 1838 James threatened to stop paying his salary (14,000 roubles a year), which he considered excessive, instead paying him a quarter per cent of "whatever business we do with him." As so often, the charge was that Gasser was putting his own interests before those of the firm. "Under no circumstances should you write even a single word to Gasser," fumed James a year later. "That stiff dog, who is only too glad to hold on to your money at no cost to himself, is doing you more harm than any good he could possibly render." Even Lazare Richtenberger—established in Brussels in 1832 as the first fully fledged Rothschild agent—was occasionally dismissed as an "ass." Despite his proximity and punctilious subservience, even he sometimes made the mistake of acting in advance of James's instructions.

Perhaps the most important Rothschild agent in the 1830s was Daniel Weisweiller, their man in Madrid, whose name was first discussed for the job in 1834. Weisweiller had apparently won a reputation as a "businessman" in the Frankfurt office, and his correspondence over the years was detailed to a fault. But it was not long before he too was suspected of neglecting his masters' interests. By 1843 there was even talk of replacing "that young man, whose pretensions [according to Anselm] become more unagreeable [*sic*] every year":

I think really the man is half cracked & fancies himself of the highest importance . . . By today's post I shall . . . write to my father about Landau that he may prepare himself for Madrid . . . [T]he best were [if] one of us could or would go to Madrid . . . but you may rely that I shall not mention Mayer in my letter to London as your good Mama wishes him to remain in England. I think Landau will do very well in Madrid when once he knows the terrain, he is very clear . . . [and,] belonging to a very respectable family[,] he will never express such ridiculous preten tions [*sic*] as Weisweiller does & will not fail to continue doing.

Such threats were idle. Weisweiller might possess "a triple dose of vanity," but he had made himself more or less indispensable. Thus it was decided to send Mayer to Madrid only for the few months when Weisweiller was abroad getting married: as Nat put it, "Weisweiller's absence will oblige Tup [Mayer's nickname] to exert himself & will enable him at once to be master, whilst later W. will be there & it wd not be so easy for Mayer to put him immediately in his proper position." When Anthony sought to bring Weisweiller to heel, he made little headway:

He complained as usual and was as cold as ice, until I told him in plain terms that as long as he did our business in Madrid to our satisfaction, we would make no change, but if he went on giving himself airs and thought our gratitude insufficient, it would be impossible for him to stay in Madrid and one of us would be obliged to go hitherto [*sic*] . . . He is an uncommonly clever agent and it would be difficult to replace him, but I have seldom or never seen a more disagreeable cold hearted calculating agent. His vanity is excessive.

Instead, another agent, Hanau, was sent to the United States, where he almost immediately incurred the partners' irritation by over-hasty dealings—though one suspects that, if he had taken more time to learn the ropes, he would have been criticised for idling. Only the Rothschilds could have found fault with an agent for "directing too much of his attention towards finding out all the business he could for us."

To correct a long-standing misapprehension, it is important to distinguish between salaried agents like Weisweiller and associated banks with whom the Rothschilds corresponded regularly and did business on a preferential basis. To list all these would be tedious: by the end of the 1840s the Rothschilds had such associates in Amsterdam, Baltimore, Berlin, Cologne, Constantinople, Florence, Hamburg, Milan, Odessa, Rome and Trieste, to name just some of the more important. Two famous German banking names are sometimes erroneously said to have been Rothschild agents in their early years: Warburg and Bleichröder. In fact, they were merely two of these many associates, and before 1848 there was nothing unusual about the modest role they played in the bank's network. Nevertheless, the two cases are of interest because they illustrate how much value smaller banks (especially in Germany) attached to establishing some sort of connection—however tenuous—with the Rothschilds.

The Warburgs began lobbying for Rothschild business in Hamburg as early as 1814, though regular dealings were not established until the 1830s, and preference continued to be given to Carl Heine (the poet Heinrich's uncle) until the 1860s.[6] In much the same way, Samuel Bleichröder attempted to supplant the Mendelssohns as the Rothschilds' favoured banker in Berlin; again, despite much sycophancy, it was not until the 1860s that his son Gerson was accorded any special status, largely on account of his proximity to Bismarck and the good-quality political news this enabled him to provide. Even then, he continued to be treated with a measure of disdain: "Bleichröder?" James was heard to exclaim to Herbert Bismarck. "What is Bleichröder? Bleichröder is the one per cent I let him have." Many other banks performed the same role in the Rothschilds' operations, participating in major bond issues, helping to facilitate large bullion transfers and engaging in occasional arbitrage transactions: the Oppenheims in Cologne, the Schröders in London and the Banque de Bordeaux, to name just three. At this stage in their histories, all were minor players.

By comparison, the Rothschilds had much more time for those larger banks whom they regarded primarily as rivals, but whose co-operation they sometimes sought for very large operations: the Barings, Thomas Wilson and Goldschmidt in London; Laffitte, Hottinguer and Mallet in Paris; Geymüller, Sina and Eskeles in Vienna; and Bethmann and Gontard in Frankfurt. Far from wishing such competitors ill—as they had in the decade of cut-throat competition after 1814—the Rothschilds

increasingly came to see their existence as complementary, so long as their own position as *primus inter pares* remained unchallenged. The 1830s and 1840s saw the emergence of informal syndicates and shifting coalitions of banks in all the major financial centres. At the same time, by dint of their size, the Rothschilds came to see themselves as bearing a degree of responsibility for the stability of the banking system as a whole. This explains their reluctance to see their rivals fail. In the 1820s they had watched the collapse of Parish with almost callous indifference. In the subsequent decades, by contrast, they were occasionally willing, for the sake of financial stability, to come to their competitors' rescue, as in the case of Laffitte in 1831 and 1838. Salomon's arguments for assisting Geymüller in 1841 are illuminating:

To sit back and watch the bankruptcy of a man of 65 years—of a house which has existed for so long, a house which was in the first rank here—and not to be able to help . . . *was just impossible* . . . If Steiner and Geymüller do have to stop their payments, what a spectacle it would be, what an impression it would make abroad, as well as in Frankfurt and other German markets, because several million—as many as 3 or 4 million—gulden of acceptances and bills would be turned away from both these houses.

In this case, Salomon was overruled by his brothers and nephews. But his sense of responsibility for financial stability *in general* also informed Lionel's atttitude to the protracted debate on monetary policy in England. In 1839 he reported to his uncle on "the measures to be enacted with regard to the joint stock banks" (a new generation of which had proliferated since the mid-1820s) and their likely "effect upon our internal money concerns." "The question," as he put it, "is how to keep these gentlemen from getting too fat and getting themselves and the country into scrapes without too much cramping the circulation."

In all this, the Rothschilds were increasingly beginning to think in a way fundamentally similar to that characteristic of central bankers. This is scarcely to be wondered at. In the first half of the nineteenth century, the central banks of England and France continued to be partly private institutions, albeit with evolving public responsibilities governed by statute. In terms of their financial resources, they were in fact the only banks comparable with the Rothschilds, though of course they were national where the Rothschilds were international, and the Rothschilds had no interest in resisting their monopolisation of note-issue. The relationships between the Rothschilds and the European central banks were thus almost always close and sometimes symbiotic. We have already seen how Nathan made use of the Bank of England for short-term loans during the 1820s; how, in return, he had come to its rescue in 1825; and how it had provided the advances of bullion needed to bail out James in 1830. Small wonder his evidence to the 1832 Bank Committee was so positive: "I feel the management and I know that it is good." After the 1830-32 crisis, James appears to have been on a similar footing with the Banque de France; and Salomon's relations with the Austrian Nationalbank were even closer.

'*Change*

In 1836 James gave his nephews some advice about how to sell securities on the Paris stock exchange:

When you are buying or selling rentes, try not to look at making a profit, but rather your aim should be to get the brokers used to the idea that they need to come to you . . . [O]ne initially has to make some sacrifices so that the people then get used to the idea to come to you, my dear nephews, and as such one first has to spread the sugar about in order to catch the birds later on.

It is easy for the historian to lose sight of that throng of brokers attracted by the Rothschild "sugar," for the simple reason that most of their dealings were conducted orally rather than by correspondence. Yet the brokers were the indispensable worker-ants of nineteenth-century finance. As with the banks they dealt with, the Rothschilds had their favourites: Menet & Cazenove in London, for example, who sold foreign stocks amounting to £2 million for Rothschilds in 1834 alone, and £1.4 million the following year; and the partnership founded by John Helbert Israel and his nephew John Wagg. However, even these were treated rather in the manner of casually hired grouse-beaters: Alfred Wagg recalled how "on the fortnightly settlement days my grandfather or father would go over to New Court with a statement of the position across which Baron Lionel would write £500 or £1,000, being an arbitrary fee which he fixed as our renumeration, varying in amount according to the humour he was in." In any case, it made tactical sense to deal with many brokers, above all because of the need to conduct some operations surreptitiously.

When contemporaries called Nathan "the master of the exchange," they were not wholly exaggerating: by the late 1820s the positions he took were watched closely by smaller traders who—not unreasonably—credited him with superior information and intuition. This meant that overt Rothschild sales or purchases could trigger a general flight from or into a particular stock, a ripple effect the brothers generally did not like to encourage. Stories abound about Nathan's techniques for averting such imitation. "If he possessed news calculated to make the funds rise, he would commission the broker who acted on his behalf [initially] to sell half a million." "It was a common practice with this mighty speculator to have one set of agents selling, and another buying the same stock so that there was no ascertaining what in reality was the object of his manoeuvres."[7] In Vienna, Salomon delegated much of his stock market business to a jobber whom he paid "a fixed salary of 12,000 gulden, irrespective of his immense commissions":

This person used to wait upon Rothschild early every morning, when together they concerted their plans for the day's operations. The stock-jobber had his clients and customers not only in the Bourse but also in the "Panduren-Lager" [the unofficial bourse in the Grünangergasse café where out-of-hours trading went on] with whom he concluded his purchases and sales. He kept a number of runners in his employ, whose sole duty it was to run backwards and forwards from him to Rothschild's with reports of all the fluctuations in prices.

Of growing importance as a non-exclusive source of financial information (and misinformation) in this period was, of course, the press. It might be thought that the proliferation of newspapers in the nineteenth century tended to erode the advantages which the Rothschilds were able to derive from their private system of communications; and to some extent this was the case. On the other hand, the existence of financial pages in newspapers presented new opportunities for influencing the markets which the Rothschilds were not slow to exploit. This was not at first easy: as we have seen, in the 1820s the Rothschilds were more often the targets of press criticism than manipulators of the media, and there were always radical and reactionary journals which remained unremittingly hostile to them. Gradually, however, a group of papers emerged over which the bank could exercise at least some influence. We have already noted how Salomon was able, through Gentz, to exert pressure on the German *Allgemeine Zeitung*, and its use of Heinrich Heine as a correspondent in the 1830s also ensured relatively positive (if satirical) coverage of James's activities. James himself appears to have steadily increased his influence over papers like the *Moniteur Universel* and the *Journal des Débats*. "Yesterday a deprecatory article concerning us was published in one of the newspapers," wrote James to Nathan in 1832. "If this article should appear in one of the larger newspapers, we will then publish a response here." "Well," he told his nephews five years later, following some sensitive negotiations in Spain, "I

am arranging for several articles to be printed in the newspapers for this will make an impression in Madrid and in London because your English newspapers often follow in the footsteps of our French ones and it is good if one can regulate public opinion." By 1839 he could assure his nephews confidently that he would "see to it" that the French government was "attacked in all the newspapers" if it had the temerity to oppose his railway plans. "If one can't make oneself loved then one has to make oneself feared," he declared, repeating a favourite Mayer Amschel maxim. "Newspapers can make a strong impact."

Nathan too responded to early press attacks by establishing what was to be an enduring relationship with the most influential of all British papers: *The Times*. In the 1820s he had been attacked on a number of occasions by the *Morning Chronicle:* for example, it alleged in 1829 that one of its rivals, the *Courier*, had used inside information from the Foreign Office about a change of ministry in France as the basis for a stock market speculation with Nathan: the editor allegedly "told Montefiore, Montefiore told Rothschild, and a very neat stock job was got up with the rapidity of lightning." In fact, it was more often Nathan who was in a position to provide the papers with news—in particular, political communications relayed by his brothers from Vienna and Paris. Indeed, it was partly their common interest in speedy communication which brought the Rothschilds and *The Times* together: by the end of the 1830s they were effectively sharing a pigeon-post service between Boulogne and London. Perhaps more importantly, Nathan struck up a friendship with Thomas Massa Alsager, who had joined *The Times* in 1817 as a City correspondent and was one of its leading financial writers until 1846.[8] Although the closeness of the link should not be exaggerated (Alsager at times expressed concern about the scale of British capital export, which no one had done more to encourage than Nathan), nevertheless the Radicals and Chartists who accused the paper of being "the Jew's harp" were not wholly fantasising. In 1842 Anselm wrote to his cousins enclosing a new "regulation which the Prussian Govt. intends issuing about the poor Jews":

[T]he King of Prussia being very vain & much affected when the *Journal des Débats* or the English disapprove his Govt. it would be very desirable for those papers to contain from time to time articles in favour of the Jews. As you know well the leading men of *The Times*, you will easily obtain from them the insertion of some articles, & I will then send you some German articles you may have translated.

Such manipulation of the media goes on in much the same way today, of course, and it is difficult to fault the Rothschilds for seeking to influence an often hostile press. More difficult for a modern reader to judge are the financial practices of a period when there was little formal regulation and the rapid pace of financial innovation left such legislation as did exist lagging some way behind. There is no question that the Rothschilds took full advantage of the fluidity of the financial environment; but it would be quite anachronistic to level retrospective charges of "insider dealing," or any of the other modern forms of fraud which were then unknown. In the *Comédie humaine*, Balzac's Nucingen—the German-Jewish banker modelled on James—is reputed to have made his fortune by a succession of essentially bogus bankruptcies. These operations are described in considerable—and entertaining—detail, but they make little economic sense; nor do they correspond in any way to the reality of Rothschild practices. In fact, there appear to have been only a few legal actions brought against Nathan alleging financial malpractice, and in only one case did the charges stick. In 1823, for example, a subscriber to the 1822 Neapolitan loan claimed that Nathan had sought to retain his deposit of £1,255 without handing over the relevant stock certificates: the case was thrown out, and it would appear that it was actually the plaintiff, a London corn-merchant named Hennings, who had acted in bad faith (refusing to pay the money due when the bonds were falling as a result of the French invasion of Spain, then attempting to pay belatedly when they began to recover).

The one case which went against Nathan was filed in 1829 by a man named Brookman, who alleged that the Rothschilds had deliberately given him bad investment advice, and had then charged him for sales and purchases of stocks which had not in fact taken place. In 1818, Brookman claimed, Nathan had advised him to sell 20,000 francs of French rentes and invest in the new Prussian sterling loan then being issued by the London house. Not only had this been bad advice—rentes had promptly risen 10 per cent, while the Prussian bonds fell 7 per cent—it had also been disingenuous, for instead of selling Brookman's rentes to a third party, Nathan had kept them for himself. Contrary to Brookman's instructions, he had then sold the Prussian bonds, advising a fresh purchase of rentes worth 115,000 francs. "As in the previous cases, the moment the plaintiff bought, down went the stock into which he purchased, and the plaintiff is then advised to sell . . . The moment the plaintiff 's rentes were sold, up went the market." Brookman had then asked that the money be reinvested in rentes, but shortly after that decided to sell again. According to the accounts of the Paris house, there had been "regular charges for exchange, interest, brokerage and commission" deducted from Brookman's account for each transaction; yet there had in reality been no actual purchases or sales of rentes, which had remained in the Rothschilds' hands all along. Nathan's counsel sought to argue that Brookman was merely a "veteran stock-jobber," that the accounts in question had been settled ten years before and that such book transactions were routine; but the court was unimpressed. According to the Vice-Chancellor's scathing judgement, Nathan was guilty of having made "fallacious statements," and he was ordered to pay to Brookman "the amount of all the sums which he has lost or ought to have received," plus 5 per cent interest, plus costs. Predictably, the case inspired yet another cartoon of Nathan, *The Man Wot Knows How to Drive a Bargain*, which portrayed Nathan as a dealer in old clothes, carrying a sack marked "French Rentes £20,000" (see illustration 10.ix).

Yet this example of apparently Nucingen-like behaviour is worth mentioning precisely because it seems to be unique. In reality, the Rothschilds of this period were more often the victims of fraud—not to mention straightforward robbery—than its perpetrators. In 1824 a Frenchman named Doloret—who had also brought an unsuccessful action against Nathan over the Neapolitan loan—fraudulently obtained from the London house bills worth £9,670, drawn in his favour on the Paris house. A year later one of James's clerks stole a quantity of banknotes (perhaps as much as 1.5 million francs) by smuggling them out of the office in a spe-cially designed belt. A similar robbery occurred at New Court in 1838, when an eighteen-year-old clerk named Samuel Green absconded with a cheque for £2,900. In 1839 it was the turn of the Paris house. There was a much bigger robbery from the Madrid office six years later, with gold and securities worth around £40,000 being stolen. And seven cases of Spanish piastres worth around £5,600 were stolen from a Rothschild coach on its way from London to Paris in 1845. Nor were fraud and robbery the only threats the Rothschilds had to contend with. In 1863 a young man who had lost heavily on the bourse sought to extort 100,000 francs from James by sending him threatening letters. Such crimes were perhaps the inevitable price the Rothschilds paid for their celebrity. For what more tempting target did the nineteenth century have to offer its aspirant crooks than the world's bankers?



10.ix: "A Sharpshooter," *The Man Wot Knows How to Drive a Bargain* (July 14, 1829).

ELEVEN

"*Il est mort" (1836)*

Sidonia had foreseen . . . that, after the exhaustion of a war of twenty-five years, Europe must require capital to carry on peace. He reaped the due reward of his sagacity. Europe did require money, and Sidonia was ready to lend it to Europe. France wanted some; Austria more; Prussia a little; Russia a few mil lions. Sidonia could furnish them all . . . It is not difficult to conceive that, after having pursued the career we have inti mated for about ten years, Sidonia had become one of the most considerable personages in Europe. He had established a brother, or a near relative, in whom he could confide, in most of the principal capitals. He was lord and master of the money market of the world and of course virtually lord and master of everything else. He literally held the revenues of Southern Italy in pawn; and monarchs and ministers of all countries courted his advice and were guided by his suggestions. He was still in the vigour of life, and was not a mere money-making machine. He had a general intelligence equal to his position, and looked for ward to the period when some relaxation from his vast enter prises might enable him to direct his energies to great objects of public benefit. But in the height of his vast prosperity he sud denly died.

—DISRAELI, *CONINGSBY*

A Wedding and a Funeral

On June 15, 1836, a wedding took place in Frankfurt. The bride was Carl's daughter Charlotte. She had turned seventeen just two days before and was, it was generally agreed, rather beautiful. Her future mother-in-law—an exacting judge—found her as "beautiful as members have already said and her manner agreeable," "simple and amiable." This was not just familial pride. When Benjamin Disraeli met Charlotte for the first time the following year, he was struck by her "tall, graceful, dark, and clear" looks: "picturesquely dressed [in] a robe of yellow silk, a hat and feathers, with a sort of "Sévigne" [bandeau] beneath of magnificent pearls," she looked "quite a Murillo" and was "universally admired." The two characters in his fiction which she later inspired—Eva Besso in *Tancred* and Mrs Neuchatel in *Endymion*—are both fascinating and exotic beauties, especially the former:

That face presented the perfection of oriental beauty; such as it existed in Eden, such as it may yet occasionally be found among the favoured races in the favoured climes . . . The countenance was oval, yet the head was small. The complexion was neither fair nor dark, yet it possessed the brilliancy of the north without its dryness, and the softness peculiar to the children of the sun without its moisture. A rich subdued and equable tint overspread this visage, though the skin was so transparent that you occasionally caught the streaky spleandour of some vein like the dappled shades in the fine peel of beautiful fruit. But it was the eye and its overspreading arch that all the Orient spake . . .

Her groom—and also her cousin—was Nathan's eldest son Lionel. He was twenty-seven, and already an experienced businessman, having recently played a pivotal role in his father's intricate financial operations in Spain. To judge by his letters, he was a rather solemn, serious young man, conscious already of his daunting responsibility, as the eldest son, to preserve his father's remarkable financial achievements; but also increasingly aware of a more general obligation to advance the cause of Jewish emancipation not only in England, where he had been born and brought up, but throughout Europe. He was presentable, if not handsome, and not a little amorous.

For weeks the women of the family in Frankfurt had been preparing for the great event: Gutle, the betrothed couple's grandmother, now aged eighty-two; Eva, her eldest son Amschel's wife; the bride's mother, Adelheid; as well as Lionel's eldest sister Charlotte, who had married her cousin Anselm ten years before, and was now bringing up their three children, with another on the way. The Rothschild houses in Frankfurt were being vigorously "washed and cleaned" in preparation for the anticipated round of family dinners: Amschel's house, with his beloved garden, in the northern suburbs of the town; his elegant town house on the Zeil; Anselm's newly acquired "palace" in the Neue Mainzer Strasse; and the more modest house in the same street used by Carl and his family when they were in Frankfurt rather than Naples. The original family home in the former Judengasse—where Gutle stubbornly continued to live, despite her sons' great wealth—seems not to have been considered a fit

venue for the festivities.

Of the London-based Rothschilds, Lionel himself was among the first to arrive; his youngest brother Mayer was already there, as he was in the process of completing his studies in Germany. Their father set off from London at the beginning of June, accompanied by his wife and two unmarried daughters, the vivacious Hannah Mayer and the musically inclined Louise. Left behind in London to mind the office at New Court was Nathan's third son, Nat. His other son Anthony was in Paris, where he would perform the same deputising role when his uncle James also left for Frankfurt. This he did on June 4, preceded by his wife Betty and their four young children: Charlotte, the eldest at eleven, Alphonse, Gustave and the baby Salomon James. They arrived in Frankfurt eight days later. Just before them, James's brother Salomon had arrived from Vienna accompanied by his son Anselm. While they naturally stayed at the house in the Neue Mainzer Strasse where Anselm's wife Charlotte and the children awaited them, the less frequent visitors to Frankfurt had to be put up in hotels: the London Rothschilds were booked into the Römische Kaiser, the Paris Rothschilds stayed at the Russische Hof, and the Montefiores—doubly related to the Rothschilds by marriage—in the Englische Hof. Altogether, by the time all had assembled, there were around thirty-six Rothschilds in Frankfurt. Perhaps not surprisingly, there were few other guests: the only "outsiders" referred to in the surviving correspondence are Mayer's tutor, Dr Schlemmer, and the composer Gioacchino Rossini, a friend of both James and Lionel, whose role was "to add to the gaiety of our party."

Left alone in charge of the Paris office for the first time, Anthony felt ill at ease, though this was a consequence more of boredom than of the burdens of responsibility. "Am not in good spirits," he complained to his brother Nat, similarly situated in London. "Nothing is so disagreeable than to remain alone. Everything is uncommonly flat . . . How do you amuse yourself quite alone? You are better off than I am for here they have all gone and shut up the house, so I dine every day at a Cabaret [tavern]." The Paris market was in the traditional summer doldrums, and his uncle James's advice from Brussels —where he and Nathan had stopped briefly on business—had scarcely been an encouragement to undertake new business:

In my opinion you should try to leave everything alone until your good father returns, and if anyone should put a proposal to you, you should reply that you will first have to consult your father, and you will thereby gain some time and some peace and quiet. Don't take any of this to heart and take my advice, hold on to your money and don't spend any of it.

Nat, by contrast, was under pressure, for his father preferred to keep his sons busy in his absence. No sooner had he arrived in Frankfurt than he despatched a characteristically restless letter, not only urging Nat to buy this security or sell that, but also exerting an indirect pressure on his brother in Paris:

You must always put Anthony in the way of selling, as he belongs to the Bull party and does not like to sell until you have made some few purchases, therefore when the prices are low you can buy a little and encourage Billy [Anthony] to do business and write to him at the same time, that you are pleased and satisfied with his remittances and with everything he does. I have written to him, that every day he must do something whatever may be the price, the same you can write to him.

A few days later—before James himself had arrived in Frankfurt—Nathan wrote directly to Anthony telling him "to keep business going" and "keep yourselves occupied." Neither he nor Nat could feel comfortable on receiving such contradictory instructions from their father and uncle.

Lionel too was faintly disgruntled. He was impatient to be married. Though the match was an arranged one, intended primarily to strengthen the links between the London and Naples branches of the family —and to prevent precious family capital going to outsiders—he had fallen in love with his future wife, or at least had persuaded himself that he had. He was also eager to leave Frankfurt. As he put it to his brother Anthony, he was "heartily glad the day for me quitting beautiful Frankfurt will soon be here"; for, like all the younger Rothschilds who had grown up in England, he found his father's birthplace not only tediously provincial but also socially uncomfortable, in that the generality of Jews in Frankfurt were still subject to more legal discrimination than their counterparts in London or Paris, even if he and his family were to some extent exempted. His unease was only increased by his father's late arrival from Brussels, and by every subsequent delay.

Besides the wedding itself, there were two ulterior motives for this large family gathering—one of the biggest Rothschild conclaves of the nineteenth century, and without question the most important. Lionel's marriage to Charlotte was not the first endogamous marriage in the family's history: as we have seen, their uncle James had married their cousin (and his own niece) Betty in 1824; and Anselm had married his cousin Charlotte two years later. More—many more—such intermarriages were to follow. The only question, as Lionel put it, was "how the younger branches of the family will agree"; or, to be precise, who would be paired off with whom. This was the real reason for the presence in Frankfurt of the numerous younger siblings and cousins: they were being assessed for their potential compatibility. Thus Carl's son Mayer Carl was tentatively identified as a suitable match for Lionel's youngest sister Louise; Louisa Montefiore was discussed as a possible wife for Anthony; Joseph Montefiore was spurned by both Hannah Mayer and Louise; and their brother Mayer ruled out as a husband for James's Charlotte. The marriage market evidently provided more entertainment for mothers than for daughters: Hannah Mayer complained of "dreadful tedious long dinners every day" punctuated by German and embroidery lessons. "Only fancy," wrote a dismayed Louise to her brother in London: "to be seated as I am sometimes between *Grossmutter* and aunt Eva and to be stuffed so full as scarcely to be able to breathe." The tedium was relieved only by her daily music lesson with Rossini.

The third reason for the family gathering—and the most important—was business. Accustomed though they were to reaching major business decisions on the basis of their regular correspondence, even the five Rothschild brothers sometimes found face-to-face meetings indispensable. In the years before 1836 James had often crossed the Channel to meet Nathan, and Nathan had sometimes reciprocated; Salomon, the most peripatetic of the five, had been a frequent visitor to Paris and still travelled back and forth regularly between Frankfurt and Vienna; while Carl too divided his time between Naples, where he did business, and Frankfurt, where he preferred to educate his children. Yet the regularity of such shuttling had declined over the years as the brothers had aged, and as their business and family commitments in their respective places of residence had increased. The last time all five had met together had been in 1828.

The most important item on their agenda in 1836 was nothing less than their future relations with one another. Since 1810, as we have seen, the house of Rothschild had been a partnership, based primarily on a detailed, legally binding contract as well as on the wills of the various partners, which determined how individual shares in the firm would be passed on to the next generation. It had been the custom to revise and renew the partnership agreement every few years: thus there had been new contracts in 1815, 1818, 1825—when Salomon's son Anselm had been admitted as a sleeping partner—and 1828, when he had become a "real Associé." Since then, Nathan's three elder sons, Lionel, Anthony and Nat, had all entered the firm to serve their financial apprenticeships. By 1836 Nathan felt his eldest son was ready to become a partner on the same footing as Anselm; and it was primarily to agree the terms of his elevation that the brothers now met.

Apart from the new partnership agreement, there were other matters which the brothers needed to discuss. The year 1836 was critical in the history of their operations in Spain, where a bloody civil war was raging; and there were also important transactions afoot with respect to Greece, Naples and Belgium, all countries in which the brothers had a financial interest. In addition, three of the brothers had recently begun to involve themselves in an entirely new line of business: the financing of railway construction. James in particular was deeply embroiled in battles for control of the fast-developing French rail network—business which to some extent depended on his access, through Nathan, to the larger British capital market. Yet it was far from obvious that Nathan himself approved of this new direction the firm was taking. The first British railway "mania" was reaching its peak in 1836, when no fewer than twenty-nine new railway companies were chartered; but he, in common with all but one of the established London banks, had played no part in it. His preference was for stepping up the bank's involvement in the United States, continuing to concentrate on making loans to states and financing trade, rather than investing in industrial concerns. Here too, however, there was matter for discussion, not least because of the brewing financial crisis on the other side of the Atlantic, the beginnings of which had begun to manifest themselves (in the form of a monetary tightening in London) on the eve of the brothers' meeting.

The negotiations went on between the partners in strict secrecy: all other family members were excluded. "They are now all assembled," reported Lionel to his brother, "that is, the four are alone in [Papa']s room and we are shut out. Papa I believe said something about our having a share in the London profit. They all seem to let him do as he likes. I do not know . . . whether they think of getting him round by good words and coaxing." "The Family arrangements go on very amicably," thought his mother. "There has been no difference." By June 12 it appeared that Nathan had got his way without the "high words" his son had feared:

Papa proposed that we should have half the profits of the London House and that he should have only half the profit the others make. Everything was agreed to immediately and not a word said. I was not in the room but this morning have heard so . . . I am sure you will be pleased in knowing that they all are pleased with each other and that there have not been any disputes . . . They all are very satisfied with the different cash accounts and did not expect to have seen the Houses so flourishing.

"All parties," it seemed, were "inclined to keep the peace." Such fraternal harmony was evidently somewhat unusual. "Till now, thank heavens, there has not been one angry word between the Brothers," wrote Lionel with evident surprise. "They pass their time at [Papa's room] and the [counting] house, and dine altogether at one of the three houses quite *en famille*." It was one of the rare occasions when the five brothers lived up to the first of the three ideals enshrined in their adopted motto: "Concordia." The Frankfurt artist Moritz Daniel Oppenheim captured this mood of harmony in the portraits he painted of the five brothers to mark the occasion.

Only one shadow hung over the brothers' deliberations and over the nuptial preparations beyond their closed doors; and that was the fact that Nathan Rothschild was dying. Or rather he was ill; for no one could conceive that the man who, since the death of his father in 1812, had been the unquestioned leader of the house of Rothschild, might die at the very height of his powers. While at Brussels, Nathan had suffered a recurrence of an earlier complaint, probably an ischio-rectal abscess. As his wife put it, he had "again a visit from his most unpleasant visitor, a disagreeable boil in a most inconvenient place and [which] annoys him considerably particularly in sitting down." His son was more blunt: "Papa has a most terrible boil on his bottom and suffers very much from it. He has not yet been able to leave his bed and has a great deal of pain. The movement of the carriage inflamed it, so that he requires now double rest."

The final illness and death of Nathan Rothschild is a case study in the inadequacies of nineteenth-century medicine. The German doctors may not actually have killed their patient by their interventions, which aimed, not unreasonably, at draining the abscess; but they inflicted excruciating pain on him, unmitigated by any form of anaesthesia. Shortly after his arrival, an attempt was made to lance the boil, but another swelling quickly formed which "creates the same pain and confinement as the first." "This, dear Anthony," reported his distraught wife, "is very distressing as these things are so painful . . . but the doctors assure us of no danger. You know how impatient Papa is if he is ill," she concluded hurriedly, "and I therefore must go to him." "The large opening," Lionel was able to report on June 13, "has been running famously and no other operation, it is expected, will be necessary. Professor Chelius arrived this morning and found both wounds in a much more forward state than he had imagined; in fact he is quite satisfied with the way they are going on and assures us that only time is requisite to see Papa quite restored." His mother was equally reassured by this "celebrated Professor from Heidelberg, who unites great safeness of manner and incessant attention, with renowned ability" and by his "assurances that there is nothing more forming and the opening [is] going on well."

Needless to say, Nathan's illness blighted the wedding celebrations. Although the bride's parents decided to proceed with the ball they had planned to give on June 13, the bride herself was so "agitated" that she could not attend. Yet Nathan—with the phenomenal resolve which had characterised his whole life—refused to have the wedding postponed on his account. Indeed, he insisted on being present at it. On the day of the wedding, as his wife recorded, "he took courage at 6 o'clock in the morning to get up and walk to Charlotte's which he effected tolerably and afterwards dressed—and went to Charles's [Carl's] to be present at the celebration of the ceremony." "Everything passed off perfectly well," the relieved groom was able to report to his absent brothers that afternoon. "Papa was well enough to come . . . and as his complaint is only one that gives pain, it required but a little resolution, of which you know Papa has enough. The ceremony lasted but half an hour and was very solemn . . . [It] went off uncommonly well as Papa was there and our family circle complete." Indeed, Nathan seems to have gone out of his way to play down his illness, trying "with jokes of every kind . . . to shorten the speech of the worthy Rabbi and to cheer up those present." It was an act. Immediately after the ceremony, "he was seized with the excessive pain which usually comes on about 2 o'clock and lasts for 6 hours." Rather than return to the hotel, he was put to bed in his daughter's house. While the newlyweds departed for a brief twenty-four-hour honeymoon at Wilhelmsbad,[1] an increasingly irritable Nathan submitted once again to the surgeon's knife. Although he bore "all his operations and dressing without a murmur," he was now worried enough to insist that his doctor and erstwhile neighbour in New Court, Benjamin Travers, be summoned.

For six weeks the family waited in vain for Nathan to recover. By the end of June he was well enough to resume dictating his orders to Nat via Lionel, but the final negotiation of the partnership agreement was postponed—to the evident irritation of James, who complained of eye-ache and longed for the comfort of a spa. Lionel was equally impatient. "Papa is going on pretty well but slowly," he told his brothers. "Every day we have a family dinner which is long and tedious and all the day long they are running from one house to the other, doing nothing and talking of nothing." But the doctors continued to open and drain the wounds of "hardness," "matter" and "fibres" with little sign of real improvement in the long-suffering patient, who sought comfort in "Soda Water, Lavender, Oranges, Arrowroot and fruit" sent by courier from England. "The second [wound] was opened this morning," reported Lionel on July 9, a month after his father had arrived in Frankfurt. "Papa underwent the operation with the greatest possible courage and all the time made jokes. The wound was larger than the first as the boil was most terribly deep and must have been very painful." And so it went on, with the gathering financial crisis eerily mirroring the patient's condition.

Finally, on July 24, Nathan lapsed into a "violent" fever and was plainly "in danger"—probably the onset of septicaemia. The next day, in an agitated and near-delirious state, he summoned his son. "He has this instant called me," an anxious Lionel wrote to Nat,

to write that he wishes you to go on selling English Securities and Exchequer Bills, as well as £20,000 India Stock more. You are also to send an account of the different Stocks on hand. I do not know if I misunderstood him, but I did not like to ask for an explanation. [He also] said you are to sell . . . the securities that the Portuguese Government has given for the money they owe us, not minding one or two per cent.

To Lionel, such sales across the board—and heedless of losses as large as 2 per cent—seemed so out of character as to be almost incomprehensible. Suddenly conscious that their father was dying, Nat and Anthony prepared to leave for Frankfurt. [2] But on July 28, before they could reach him, his brothers, his wife and the two sons present gathered round what was now unmistakably Nathan's deathbed.

It was a decisive as well as fraught moment in the history of the firm: for the head of the family was dying before the new partnership agreement had been signed. As Salomon told the Austrian Chancellor Metternich in a letter written less than two weeks after his brother's death: "The agreements between us for a further period of three years [had] been drawn up, embodying every point, and they were ready for signature, for we still believed that our late brother would, with God's help, recover. However, this was not to be, fate had decided otherwise." Yet Nathan had just enough energy left for a final exercise of his domineering will. Salomon described how "three days before his death he told me all his thoughts and wishes with regard to the will which he then drew up, and which I then had written out in accordance with his intentions." He was not always coherent now: his brothers remarked how he alternated between "more decisive demands" and "utterances already gradually interrupted and obscured by his sufferings." But his message to the family was intelligible enough. Above all, they were to maintain "harmony, constant love and firm unity"—a conscious echo of his own father's last words. What that meant in practice he spelt out with characteristic precision.

Firstly, Nathan called on his sons to "carry on in harmony and peace the banking house founded by me under my name in London." Secondly, he stressed that they were to do so in consultation with his widow: "My dear wife Hannah . . . is to co-operate with my sons on all important occasions and to have a vote upon all consultations. It is my express desire that they shall not embark on any transaction of importance without having previously demanded her motherly advice . . ." Thirdly, he expressed his

earnest wish that the association between my firm in London, now carried on by my four sons, and the other Houses, which my four dear brothers direct, shall be allowed to continue, that they shall continue to remain partners together . . . I thereby recommend my sons in their business always willingly to follow the advice and recommendations of my brothers . . .

Finally, as his brother recalled, Nathan spelt out a series of amendments to the new partnership agreement:

On his deathbed, Nathan asked me to have the contract renewed with his surviving sons, with the provision that it should not be terminated within a period of five years . . . The firm of N. M. Rothschild [thus] remains unaltered, the sons together acting as a unit with one vote in the partnership. The whole trading capital of the four brothers and of the late N. M. Rothschild cannot be touched for the next five years, and nobody can draw anything out of the working capital, while we have reduced

the interest that we draw individually from four to three per cent, so that the partnership as a whole will, with God's help, still further improve its position in the five years, as the proportion of the funds which can be spent has been reduced, and there is no necessity for the young men to be drawn into speculative ventures.

These wishes were duly incorporated in a hastily drafted annexe to the original agreement.

The practical provisions for the future having been made, Nathan proffered some parting advice:

[He] charged his eldest son, and through him all those who were not present, always to apply all their efforts to keep the business property intact and not to participate in any risky ventures. He gave them much wise counsel, bade them avoid all evil company and always to keep in the way of true virtue, religion and righteousness. My late brother told them that the world would now try to make money out of us, so that it behoved them to be all the more careful, and he remarked that, whether any son had £50,000 more or less, was a matter of indifference to him. All that mattered was that they should hold together in unity.

"He died," Salomon wrote, "in the full possession of his faculties, and ten minutes before his death he said, as he received the last consolations of religion that are customary with us: "It is not necessary that I should pray so much, for, believe me, according to my convictions I have not sinned." . . . [Then] to my daughter Betty, as she took leave of him, he said in the truly British style, 'Good night for ever.' "

Five days later a carrier pigeon from Boulogne conveyed the news to London in a single, three word sentence: "Il est mort."

Legacy and Legend

The deaths of only a handful of individuals in the nineteenth century can be said to have had economic effects comparable with those caused by the death of Nathan Rothschild. When the Austrian Emperor Francis had died a year before, there had been a minor panic on the Viennese stock exchange and the price of Austrian government bonds had fallen sharply; but the Rothschilds had intervened to prop up the markets. When Nathan died, by contrast, it appeared that the markets' strongest prop had been removed. The financial press had been anxiously reporting on Nathan's health for nearly a week before the news of his death was first published. On July 27 *The Times* had felt able to report (wrongly) that his condition was "not at all dangerous." On August 2 it categorically denied reports in other papers that he had died. But, as its "Money Market and City Intelligence" column admitted, opinion in the City was less sanguine:

The dangerous state in which Mr Rothschild remained, by the accounts from Frankfort, has again today had its effect upon Spanish and Portuguese securities, and a further depression of 1½ per cent has taken place with them . . . [I]t seems generally accepted that the firm would call in all the loans advanced upon those securities by Mr Rothschild, and hence the anxiety of the borrowers to dispose of their stock, so as to be in a position to meet the demands upon them. The sales today were extensive, but from the weak state of the market it was, in fact, possible to realize but a limited amount . . . There was very little business doing in the share market. Consols have partly recovered the depression they sustained on Saturday, in consequence of the accounts from Frankfort above referred to, but they do

not, on the whole, present a very firm appearance.

When the news of Nathan's death was finally confirmed the following day, there was—paradoxically—a slight rally, suggesting that the markets had been discounting the event:

Government securities of all descriptions, but more particularly those of the foreign markets, have been falling in value during the week, in anticipation of this event, but its confirmation has had a contrary effect, probably on account of the understanding there is that his business, under the management of his sons, will go on as usual.

However, this was only temporary. For Nathan's death coincided with, and perhaps also exacerbated, the onset of the international financial crisis which had been developing throughout his illness.

The period from May 1834 until July 1836 had been one of general financial stability. The price of consols had fallen below 90 only in a handful of weeks, and it had been above 91 for the last six months of the period. But from the first week of August—when the news of Nathan's death broke—until the end of the year, it fell steadily, reaching a nadir of 87 in November (see illustration 11.i). Just days before, on July 21, Bank rate (in effect, the Bank of England's base lending rate) had been raised for the first time in nine years from 4 to 4.5 per cent; on September 1, it went up by another half point. The Rothschilds' own profit and loss accounts show that in 1836 the London house suffered its first loss—equivalent to more than 4 per cent of its capital—since the revolutionary year of 1830. These losses very probably accrued in the second half of the year.

Nathan's *Times* obituarist—probably his friend Thomas Massa Alsager—was not exaggerating when he called Nathan's death "one of the most important events for the city and perhaps for Europe, which has occurred for a very long time": for his "financial transactions [had] certainly pervaded the whole of the continent, and may be said for years past to have exercised more or less influence on money business of every description." "The variations of all stocks & their wild fluctuations," remarked Alexander Baring, "seem to arise much from Nathan's death. In the end the emancipation of the money market will be a benefit, but the sudden cessation of a despotic rule is apt to exhibit such symptoms." Similar views were expressed some months later in a pamphlet on monetary matters by David Salomons, who described Nathan's death as "an event of some importance in the derangement of the circulation of the country":

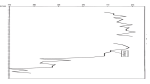
It is well known with what dexterity that eminent individual managed the exchanges; how he prided himself in distributing his immense resources so that no operation of his own should abstract for a lengthened period the bullion of the Bank of England; and although it may be urged he kept the exchanges in an artificial state, and therefore produced no ultimate good, yet the sudden withdrawal of this artificial aid in an inopportune moment has tended to aggravate evils which his energy and promptitude might have checked. The difficulties which we have been experiencing since his death induce me to think that no one ever displayed greater ability than he did in equalising the exchanges; and I attribute much of the late embarrassment to the loss of that activity, zeal and enterprise, which he always displayed in times of financial difficulty, and although the operations of his important house are continued, it is impossible at once to replace that moral influence which the acknowledged good judgement of the head of that opulent firm had established for himself not only in Great Britain but throughout the whole of the commercial world.

It is understandable, then, that the financial world paid more than ordinary respects to the deceased. As

The Times described it, Nathan's funeral cortège on the morning of Monday, August 8

was headed by a party of the city police four a-breast, followed by an inspector on horseback; next came several other city officers, and these were immediately followed by the hearse. The sons and immediate relations of the deceased followed in mourning coaches; and the whole line of these vehicles consisted of 40, containing numerous branches of the Goldsmid, Cohen, Samuel and Israel families. After the mourning coaches came the carriages of the deceased and his two sons, and behind these the carriages of the Lord Mayor, Mr Sheriff Salomons, and a line of foreign Ambassadors' and noblemen's carriages, in all to the number of 35. The whole procession consequently consisted of 75 carriages; and it was more than a quarter of an hour in passing through Cornhill. The crowd of people who had come to this part of the city was so great that many of the shops were shut to protect the windows from the pressure and there was scarcely a window in the line that was not crowded with spectators.

11.i: The weekly closing price of 3 per cent consols in 1836.



The occasion was appropriately commemorated. A lithograph was produced, *The Shadow of a Great Man*, which depicted in silhouette the already well-known image of Nathan in front of his pillar in the Royal Exchange, holding four keys to represent the succession of his four sons (see illustration 11.ii). This image was reproduced by several different artists, including one of Nathan's own clerks (see illustration 11.iii).

Just two days after the funeral, the poetaster William Heseltine published his "Reflections at the Grave of N. M. Rothschild Esq.," verses which tempered formu laic praise of "the Croesus of the Land" with just a hint of realism:



11.ii: Mons. Edouart, *The Shadow of a Great Man,* published by J. Knight, Standidge and Lemon (August 6, 1836).



11.iii: R. Cullen, *SHADOW of the late N. M. ROTHSCHILD ESQ.* (1837).

. . . Europe's kings in adverse hour
Have sought and found thine aid.
More than their swords thy gold hath done,
In many a bloodless triumph won,
And many a panic stay'd . . .

Upon thy struggling path of life
Strong lights and shades were cast,
Which led through toil, suspense and strife
To triumph at the last!
In the continual conflict then,
With selfish, artful, flattering men
Through which thy spirit pass'd
What wonder though some stains of earth,
Were blended with thine inward worth.

Though cold unto a stranger's sight,
Thy heart was generous found,
Nor didst thou, like the Upas, blight
The lowly shrubs around;
But friends, protected at thy side,
Grew with thy growth and flourish'd wide
In safe and prosperous ground:
As unto Egypt's saviour came,
All that could boast of Israel's name.

Mourning rings and broaches were produced, as well as a medal featuring Nathan's face. There was even a printed silk mourning scarf, again picturing Nathan at his pillar, bearing a rather more succinct

tribute (in four languages)—"Equally Distinguished for his Commercial Skill & Enterprize & for his Charitable and Benevolent Disposition"—as well as a list of his best-known loans and a statement of his total wealth. Such mementoes (as the scarf's multilingual text suggests) reached an international audience. Copies of the scarf itself were sold in Vienna; Heseltine's verses inspired a similar German tribute; and obituaries appeared not only in the English press but also in the *Journal des Débats* and (at Salomon's prompting) in the *Allgemeine Zeitung*.

Needless to say, it was not only the financial community which mourned the great man's demise. As *The Times* mentioned, the diplomatic and political world was also well represented at the funeral: among the mourners were the Prussian, Russian, Austrian and Neapolitan ambassadors, as well Lord Stewart and—according to one account—the Duke of Marlborough. And, of course, the Jewish community also turned out in force. "A great number of Jews . . . had assembled long before the hour fixed for the funeral" and a special delegation of children from the Jews' Free School preceded the coffin. At the Great Synagogue in Duke Place, the Chief Rabbi Solomon Hirschell preached a sermon; and Nathan's remains were finally buried in the north-west corner of the Jewish burial ground in Whitechapel Road. Seven members of the community of the Great Synagogue attended New Court daily in the year after Nathan's death to form the required "minyan" for the Kaddish, the traditional prayers for the dead.

How are we to account for this extraordinary public interest in the death of a German-born, Jewish banker? The obvious answer is that Nathan Rothschild was quite simply the richest man in Britain and therefore, given Britain's economic lead at this time, almost certainly the richest man in the world. His share of the combined capital of the five houses which he ran in partnership with his brothers was £1,478,541 when he died (a quarter of the total of just over £6 million). He had also given his children before his death around £800,000, and was able in his will to bequeath in total a further £1,192,500 to them and other members of his family. This implies that Nathan's total wealth—excluding his properties in Piccadilly and Gunnersbury Park but including money he had already given his children prior to making his will—was around £3.5 million.

This was a fortune vastly in excess of the Rothschilds' nearest banking rivals in London, Baring Brothers, whose capital in the year of Nathan's death was a mere £776,650. It also easily outstripped the money accumulated by contemporary industrialists and the largely inherited fortunes of the country's wealthiest aristocratic landowners. Rubinstein's figures for British millionaires do not give precise figures for fortunes in excess of £1 million before 1858; but it seems unlikely that any of the eleven other individuals listed for the period 1810-56 left his heirs as much as Nathan: the nearest was that of the banker William J. Denison, who left £2.3 million including real estate worth £600,000 in 1849. It was not until 1857 that someone left more than Nathan to his heirs—the textile warehouseman and Anglo-American banker James Morrison, who left between £4 million and £6 million at his death. Nathan not only died richer than the ironmaster Richard Crawshay and the cotton manufacturers Robert Peel and Richard Arkwright; he also left more than the Duke of Queensberry, the Duke of Sutherland and the Duke of Cleveland.

Of course, it is far from easy to compare a fortune such as Nathan's, which overwhelmingly took the form of financial assets, with the wealth of the great landowners. However, the incomes from their different forms of capital can be compared. The available figures suggest that a handful of aristocrats had incomes comparably large, if not slightly larger: the Duke of Northumberland, Earl Grosvenor, the Marquess of Stafford and the Earl of Bridgewater were all said to have £100,000 a year "clear of everything" in 1819; and not far behind them were the dukes of Bedford, Richmond, Sutherland and Buccleuch, the marquesses of Westminster and Bute, and the earls of Derby, Lonsdale, Dudley and

Leicester. The 6th Duke of Devonshire, to take one example, had an income of between £80,000 and £100,000 in the decade of Nathan's death. By comparison, Nathan's income in the last five full years of his life (taking the average profits of the London house as a proxy) averaged £87,623 per annum.

However, these figures overlook a vital factor which gave Nathan financial superiority over his noble contemporaries. He had debtors: they had debts. By the 1830s the Duke of Devonshire's lavish lifestyle had increased the encumbrances on his estates from £593,000 to £700,000; and interest charges on these debts consumed fully half of his income, with a further £36,000 per annum being consumed by the costs of his household at Chatsworth. Indeed, a number of the great landowners were heading rapidly for the financial rocks at the very time that Nathan died. By 1844 the Duke's debts were just short of £1 million, and he was increasingly obliged to sell off land to keep afloat. In 1848 the Duke of Buckingham actually went bankrupt, with encumbrances on his estates in excess of £1.5 million. The idea that Nathan Rothschild had died "leaving Property to the Amount of 5,000,000 Sterling" was therefore in itself a matter for public curiosity, not to say astonishment: hence its publication at the very centre of the mourning scarf described above. The figure may have been a slight exaggeration, but it was a pardonable one. In terms of *net* wealth he was in a league of his own.

What was even more remarkable was how much more Nathan Rothschild was worth when he died than when he had first arrived in Britain. According to his own account, he had arrived in England with just £20,000. Moreover, he had worked his way up into the City from the much less refined textiles sector, having begun his British business career as a cloth merchant in Manchester. He, more than most wealthy Jews of the nineteenth century, really had gone from "rags" to riches. As such, he embodied perfectly the developing nineteenth-century ideal of the self-made man. And of course he was not the only rich Rothschild. Muhlstein's figures suggest that James was already probably the richest man in France. In the less prosperous parts of Europe where they lived, Amschel, Salomon and Carl were even further ahead of their rivals. Together, the Rothschilds were without question the richest family in the world.

To poorer Jews in particular, Nathan's extraordinary rise to riches had an almost mystical significance—hence the legend of the "Hebrew talisman," the magical source of his good luck, which became associated with him in Jewish lore. This extraordinary story—a version of which was published by an anonymous author in London just four years after Nathan's death—is one of the most bizarre early examples of what might be called the "Rothschild myth." Although apparently by a Jewish author, the possibility that (like the later and much better known *Protocols of the Elders of Zion*) it was in fact the work of an anti-Jewish *agent provocateur* cannot be ruled out, so militant is its tone. Indeed, the story anticipates many of the more fantastic allegations of the overtly anti-Rothschild French pamphleteers of the 1840s.

The story is narrated by a mysterious phantom, who describes himself as "detesting . . . the followers of the Nazarene, with a most holy and fervent detestation" and having been "doomed to long ages of agony and travail" by "the avenging one of Nazareth." He is the custodian of a talisman, which confers on its holder magical powers. "Could I not command gold? Yea . . . had I not the talisman?—Had I not the ineffable words?—Could I not buy the whole evil race, from the false prophet even to the lowest among the evil genii?—Could I not task them in the midnight incantation, and, lo! would not plenty make the hearts of my people glad at sunrise?" His aim is to give the talisman to "a zealous hater of the Nazarenes,—a man exceedingly desirous of working their degradation and destruction . . . a champion to avenge the wrongs of Israel."

Arriving in Frankfurt during the Napoleonic occupation of the town, the narrator witnesses hideous scenes of pillage by French troops. The Frankfurt Jews in particular are the objects of systematic extortion. In a looted office in the heart of the Jewish quarter, he comes across a young man, "his eyes . . . red with much weeping, and his cheeks pale and haggard, as much with sorrow and long vigils." As he looks on, a French soldier bursts into the office demanding yet more money. " 'God of Abraham, Isaac, and Jacob!' [the young man] exclaimed, as, kneeling, he lifted up his trembling hands to the east, 'how long, O God! how long? . . . How long . . . shall the unbeliever triumph, and thy people be a jest and a bye word?' " Unmoved, the Frenchman seizes his last remaining object of value, the family teraphim (household shrine). After he departs, the young man "cursed the Nazarenes, and prayed in fervent tones that he might have the power to crush them, and vowed by the ineffable name of Jehovah to lose no opportunity of despoiling their wealth, and trampling down, yea, utterly bruising, their black and unsparing and unbelieving hearts." "Here," declares the narrator, "was a servant fit for the great master—here a champion fit for the great cause. His wrongs . . . would make him a faithful and very zealous foeman of the Nazarene of whatever nation. Here was, at length, the man, the long hoped, the long sought, who should build up the temple of the Lord, and make Israel and Judah feared and obeyed in all the quarters of the earth."

The phantom narrator therefore makes himself visible ("clad in the flowing robes of the far East," he is "pallid as a corpse . . . with hoary hair and beard" and "great black eyes, that shot forth lurid fires, upon which no mortal could look and not tremble"). "I spake the words of power, and the talisman was once more committed to a man of my persecuted race," on this occasion in the form of "a ring holding the keys of his rifled drawers." "I gave to that ring the influence and might of the signet of the wise Solomon. Having done this, I commanded the young man to name some wish for instant accomplishment; and ere he had thrice, according to my instructions, whirled the ring upon his forefinger, steps were heard." A man enters (later revealed to be a prince), weighed down with a huge bag of gold, which he entrusts to the young man. Needless to say, it contains "*the very sum for which he had wished aloud while making his first essay of the power of the talisman*."

"Men of the accursed and plundering race!" the narrator exclaims, revealing at last the identity of the chosen one:

Ye whose estates were within a brief space to have been within his grasp; ye, whose equipages and whose liveried lacquies I so lately saw following to his premature grave the man of Israel whom I thus enabled to war upon ye in your vulnerable quarter,—accursed and detested Nazarenes—the young Israelite, to whom I thus committed the Talisman, and who thus early and thus fully experienced its mighty power—he who for years despoiled you of the gold which ye make to yourselves, even as a god—that man whom ye fawned upon, even while you hated him, and knew that he despised you—that man was NATHAN MEYER [*sic*] ROTHSCHILD. [He] waxed wealthy, more wealthy than any who had gone before him, his riches astonished the gentiles and very justly they said, such amazing wealth could not be amassed by one man, in so short a time by any human agency—they were right, it was the agency of the talisman . . .

There then follows a brief but classic mythologised account of Nathan's rise from the ruins of looted Frankfurt to fame and fortune. "He came by my direction to this paradise of loan-contracting and speculating fools, and became the leviathan of the money markets of Europe . . . the loan contractor, the jobber, and the money lender of the gentile kings." When Napoleon (encouraged by the narrator) invaded Russia, "Rothschild was right speedy to make [his] ruin utter and inevitable—not to be repaired." When the Emperor returned from Elba, "by whom was his hope blasted? . . . simply by Nathan Meyer [*sic*] Rothschild armed with the Talisman." The British government needed money not

only to pay Wellington's army at Waterloo, but also to bribe "the Generals and the Senators of France" to desert Napoleon. "There was but one man on earth *who both* COULD and *would* provide the millions of golden pounds, required for the instant purposes of the English minister.—*That man was* ROTHSCHILD. By my instructions, he let the Minister have the hard gold . . ."

But all this, it transpires, was for a higher purpose: for Nathan lent the money only "on one condition . . . the re-establishment of Judah's kingdom—the rebuilding of thy towers, Oh! Jerusalem!":

That most elaborate of bad jokes, history, will, no doubt, say that the Jew Rothschild lent the Nazarene elder called Lord Liverpool, the sum necessary to crush Napoleon Buonaparte, in consideration of some such Judean motive as 25 per cent interest. The writers of history, in that case, will, as usual, lie . . . Rothschild was commanded to lend the money . . . [in return for] the restoration of Judea to our ancient race; the guarantee of England for the independence of the kingdom of Judea . . . In twelve hours, the millions were in the possession of the minister, and a secret agreement, guaranteed by the sign manual of royalty, was in the possession of Rothschild, for the restoration of Judea in 21 years from the day on which Napoleon should finally be driven from France.

And here is the twist in the tale:

This very year my task should have been completed; *would* have been completed, but he, Rothschild . . . at the twelfth hour proved false . . . His long round of success (unchecked save once when I reproved his presumption with the loss of a hundred thousand pounds in a single day's business in Spanish Stock) . . . made him more and more purse-proud . . . [so] that it was rather with grief than surprise that I recently heard from his own lips that he had basely sold the agreement for the restoration of Judea for the promise of a petty English Emancipation Bill for our people, and a petty English peerage for himself. This delectable job, this high-minded bargain, was to be completed in the ensuing years, by which time the purse-proud, haughty renegade reckoned upon being worth 5,000,000 £ of money. He was already worth above four.

But of course, having betrayed his master, these vain dreams could only be dashed. "His *talisman* disappeared, and I took care he should know it had disappeared forever. He never ventured upon the Exchange again, or the scribe who wrote his will should have been saved much trouble and time."

Did I give him the talisman, to enable him like Sampson to Gideon to intrude his family and found a peerage among the Normans? or to stifle his conscience with the weight of riches? or to flatter it with ostentatious charities? No Israelite can put his hand to the plough of this great work, look back and live!

In this bizarre fantasy, Nathan's death therefore becomes his punishment for his failure to fulfil his promise to restore Palestine to the Jews; and the narrator moves on in search of a new "heaven-appointed champion" to bear the talisman. Like a Jewish version of the Nibelung saga, with its magic ring which corrupts as it empowers, the story of the "Hebrew talisman" vividly illustrates the mystique that as early as 1840 had begun to surround the career of Nathan Rothschild and his brothers.

It is a good illustration of the wide currency of such legends that, shortly after Nathan's death an American paper—evidently not a Jewish one—reported that

"an extra number of watchmen, after the interment, will be placed at the grave for a length of time, to

prevent the committal of any sacrilegious act towards the deceased." We suppose that this is a hint to "our peo plesh" [*sic*] to keep their fingers off the fingerer of millions. A rumor is current that a large sum is bid for one of his ogles—in the hope that a "Jew's eye" would be worth a fortune.

As Nathan Rothschild died, a myth was born which was to prove as enduringly potent and dangerous as any myth of the nineteenth century.

Succession

To whom—in reality—did the "talisman" of Rothschild leadership pass on the death of "the commanding general?" The traditional assumption has been that the youngest of the five brothers, James, immediately inherited Nathan's mantle. That was his friend Heine's view. "Since the death of his distinguished brother in England, all the political significance of the House of Rothschild" was concentrated in his hands, he wrote not long afterwards. "The head, or rather the brain, of this family is Baron James, a remarkable man . . ." It is not difficult to see why Heine assumed this. In an earlier piece written in March 1841, he had portrayed James only half-ironically as a kind of financial emperor, literally holding court in the rue Laffitte at the centre of "a labyrinth of halls, a barracks of wealth." Indeed, he noticed that James—in imitation of his brother Nathan—had begun to decorate his office with "busts of all the European monarchs who have contracted loans from his firm." Like Nathan too, James was an intimidating figure in this, his natural habitat. "One must have respect for this man," Heine went on, "if only because of the respect he inspires in others":

I like best to visit him in the offices of his banking house, where I can philosophically observe people —not only the Chosen People, but all the others too—bow and scrape before him. There you may watch a twisting and bending of backbones such as the most accomplished acrobat would find difficult. I have seen people who twitched convulsively when they drew near the great Baron as though they had touched a Voltaic battery. Even while approaching the door of his private office many experience a thrill of awe such as Moses once felt on Mount Horeb when he realised that he was standing on holy ground. And just as Moses then removed his shoes, so many a broker or commission agent who dared to enter Rothschild's inner sanctum would willingly remove his boots if he were not afraid that the odour of his feet might give offence.

"That inner sanctum is a remarkable place indeed," Heine continued; "it inspires sublime thoughts and feelings, like the sight of the ocean or the starry heavens. Here we may see the littleness of man and the greatness of God."

Of course, Heine was letting his comic imagination run away with him completely when he described "a stock exchange speculator" doffing his hat respectfully before James's "mighty" chamber pot; or an unidentified friend offering to "give half his nose to purchase" the honour of lunch with the Baron. But the recollections of just such a minor denizen of the bourse, Ernest Feydeau, vividly confirm the quasi-regal status James enjoyed in Paris, an irascible despot in a chaotic court, besieged from nine in the morning until the bourse closed at four by a procession of sycophantic brokers, jobbers and assorted hangers-on. James, recalled Feydeau (who visited the rue Laffitte regularly in the 1850s),

felt obliged to receive all these sullen, busy people, sometimes sickeningly banal, almost all of them obsequious in their manner, dull in their solicitations, servile in their flattery. Leaning back in his chair, he absent-mindedly took the quotation handed to him by each of these uninteresting beings, who filed from door to door in front of his desk, barely cast a glance over it, sometimes allowing himself the

malicious pleasure of dropping it in his wastepaper basket, usually giving it back to whoever had presented it to him and passing on to another.

As he ran this depressing gauntlet day after day, Feydeau never ceased to marvel at the "truly infernal din, the bewildering disorder in the middle of which the baron found the means of handling—every day, and without an instant of respite—the most colossal financial operations." The office was filled with

the deafening and unceasing cacophony, the incessant racket produced by the banging of doors, the coming and going of employees carrying despatches or requesting signatures. The importunities of the brokers' clerks and the jobbers looking for orders added no little noise to the tumult, which gave the office of "Monsieur le baron" an air akin to the Tower of Babel. Here all the tongues of the world were spoken, including Hebrew. A crowd of friends of all three sexes—men, women and beggars—followed one after the other throughout the day, all in quest of news. There were jewellers opening their cases of precious stones before the baron's ailing eyes, porcelain dealers and art dealers coming to offer their choicest items. Pretty women wove their way everywhere, soliciting for information—or something else. And across this merciless and incessant procession, while the brain of the toiling millionaire must have been bursting under the accumulation of figures and calculations, the youngest of his sons—a large and chubby-cheeked child whom I can still picture—would periodically charge in, using his father's cane as a horse, and blowing on his trumpet like the angel of the valley of J[eh]osaphat.

And the poor baron did not utter a word of complaint, did not so much as frown.

He "did not even have the right to eat and sleep in peace. From five in the morning, in winter and in summer, the bringers and takers of news besieged his door . . . When business required it, he dined with his entire family in a small room beside his office, seasoning his meal with stock exchange quotations, while the procession of brokers continued round his dinner table with merciless persistence." Indeed, at times James seemed to Feydeau less a king holding court than a prisoner of his own work ethic. What else could explain the willingess of a man who was already so rich to continue working under such gruelling conditions but "a singular tyranny of habit, as much as a commendable sentiment of professional ambition?"

Ultimately, however, James was more to be abhorred for his tyranny towards others—including Feydeau himself—than pitied:

One of [his] malicious habits . . . consisted in not saying a word, not even lifting his eyes to look at the intermediary, leaving him there, with a look of embarrassment, his hat in his hand and standing on one leg, and passing his quotation successively to all the members of his family, who paid scarcely any more attention to it than he had. One day, when he had played this wretched trick on me, and as I was showing, despite myself, some impatience, he felt obliged to pay me a courtesy, after his fashion, in the charitable aim of calming me down. It was the month of January, and on the table there was a dish full of large, white strawberries. With his fork he picked the most appetising of these strawberries, the one which lay on the top of the pile, and, presenting it to me as he might have done to a parrot, said:

"Vould you like von?"

Feydeau was naturally mortified by this humiliating treatment, especially as James's wife and daughter were evidently witnesses to it. However, he tried to put a brave face on it:

“You are a thousand times too kind,” I replied, taking a step backwards, “but I would prefer an order.”

The baron was not perturbed. He nailed me cruelly by saying:

“Buy five Northern shares for cash.”

The price of five Northern shares then being around 50 francs, the amount I could make from such an attractive transaction was just 12 francs and 50 centimes.

Such brutal treatment of underlings was, according to Feydeau, quite routine (a view corroborated by Alexander Herzen’s description of a visit to the rue Laffitte in 1849):[3]

“You are annoying me! Dat isn’t true! Leaf me in peace!” were the civilities he addressed to me . . . whenever I took it upon myself to make some observation concerning an order. It is necessary to bear in mind that because of the peculiar language which he spoke and his accent, it was not always easy to understand him.

One day, prompted by a stock market price which annoyed him, he became so angry that he tore my quotation in two, obliging me to make it up again, and called me a “blested impecile!”

Others—even fellow Jews—fared just as badly: “ ‘Ah! Dere you are, you tamned thief of a Cherman Chew!’ he said one day to one of his coreligionists, a jobber, as he came into his office . . . The unfortunate man stood crushed, deflated, speechless and blank-faced. Perhaps he took it for a compliment.” The occasion when a broker named Manuel dared to speak his mind to James had become part of bourse mythology. “Good day, baron,” he had said, as he entered James’s office. “How are you keeping?”

“Vat’s dat got to do vit you?” James had retorted cantankerously.

“You are quite right,” exclaimed Manuel. “You could drop down dead as I stand here, and I would no more care than if a dog died.”

Small wonder so many of his Parisian contemporaries assumed that James was Nathan’s heir.

Yet it is far from clear that James ever wielded the same power *within* the Rothschild family that his brother had. He was undoubtedly quick to try to impose his authority on his nephews following Nathan’s death. One of the first letters he wrote to Lionel and his brothers under the new dispensation of 1836 began in no uncertain terms:

I would ask you kindly, my dear nephews, to pay a little more attention to my letters, because quite frankly I was very cross today, for I would very much have wished to continue working with London in the same way that I had done in the past with your late father, and not to have to write argumentative letters, for a business can only be managed well if one pays as much attention to the smaller business transactions as one does to the larger ones.

And there followed three specific sins of omission allegedly perpetrated by the London house. Such rebukes were issued on a fairly regular basis over the next decade, with James’s favourite criticism being that his nephews were too busy hunting to read, much less answer, their uncle’s letters. Pointed

allusions to the way things had been in Nathan's day were also regularly made, not only by James but by all the brothers. "You can now see how right I was," wrote Salomon patronisingly in September 1837,

when I wrote you about the business deals and you will now have to admit it, my dear children . . . We now have to push the business with the bills, my dear children. This is what your late father had always said. Whenever he saw that others wanted to push us out of a business deal he always wrote, "My dear brother, we have to push it through." It is all the same whether we make a loss or a profit, whether we earn something or suffer a loss, we must not, nor should we let anyone grow above our heads or we will be simply pushed aside. I hope that you will now listen to my advice, my dear nephews, and irrespective of whether we make a profit or a loss we have to push.

Not long after, James wrote to point out "that in the lifetime of your dear Papa he used to give us discount notes at 2½ per cent and that, as good bills can now be freely discounted in London at 3 per cent, the other houses take advantage of it . . . so that if you wish us to be able to compete with them and do business you must discount for us on the same terms." Amschel harped on the same theme. He and James could only agree in 1839 that "the loss of our brother Nathan was a terrible blow and one can't expect that youngsters will get the same respect, fear and trust as do the older generation."

Yet—as James's complaint about preferential discounting suggests—the most serious complaint made by the continental Rothschilds was that the London house was neglecting their interests; and, as we have seen, just the same had been alleged on a number of occasions before Nathan's death. Indeed, it might be said to testify to the success of his sons in defending their relative autonomy that this charge was being heard again within just over a year of his death. It was frequently repeated thereafter. In September 1839, for example, James accused the London house of collecting half the profits on their business in Spain but leaving the Paris house to run all the risks. "I think that it is only right and proper," he complained irritably, "that we share the other business operations where the Paris House runs just as much of the risk as does London, and that no House has any advantage over the other, for as soon as one House notices such behaviour in the other this will generate a feeling of mistrust and everything will then simply collapse, God forbid." A week later he repeated his grievance. "As long as I am alive," he told Nat, "I will never countenance that one of our Houses should seek to achieve an advantage over another or perpetrate an injustice [against another]." But "when you [meaning the London house] see that a deal is going well then you say, 'Let us keep it here,' whereas if it is not going well then you give a share of it to the Paris House. My dear and good Nat, this sort of attitude acts as a dampener and only gives rise to annoying correspondence." Such minor disputes about the collective accounts between the houses became more frequent. There was also friction in 1840 and 1841, when both James and Amschel accused their nephews of sending bills to rival banks in Paris and Frankfurt.

For their part, the younger Rothschilds were often irritated by the older. "I assure you that it is a great bother to arrange with people who are so very sententious about money affairs," grumbled Anthony to Lionel, at a time when all four of his uncles seemed to be taking an inordinate interest in his marriage plans. "I assure you that although Uncle Charles is your father in law, that the less one has to do with this gentleman, the better." Amschel's will, which he constantly redrafted in the hope of exerting some sort of leverage over his nephews, was another source of discontent.

The reality was that, in terms of resources, the London, Paris and Frankfurt houses were now quite evenly matched, so that no one of them was really in a position to dictate to the others as Nathan once had. "My very dear nephews," James had to write apologetically, following a disagreement in March

1838, “I am very pleased with you and I fervently request of you not to take my words *à la lettre* because one has to put up with such torments over here that at times one becomes very critical and discontented. My nerves are about to snap and I am easily irritated.” Nor was James in a position to dominate his brothers. When Amschel made one of his periodic threats to give up business on the ground of ill health, James rushed off to Frankfurt; but it was on Salomon, his son Anselm and Carl’s eldest son Mayer Carl that the onus of responsibility naturally fell, reflecting the closer community of business interest between Frankfurt, Vienna and Naples. When James himself was taken seriously ill in the winter of 1838-9, any thought of his playing the role of “commanding general” had to be put aside. Indeed, there were few, if any, occasions before 1848 when he explicitly opposed his elder brothers’ wishes. As Nat commented when Salomon demanded a bigger share of some railway and state loan business, “here we are in the habit of giving way to Frankfurt.”

As in the past, the older Rothschilds sought to counteract the firm’s centrifugal tendencies by appealing to the hallowed principle of fraternal “concordia”: “In what has our strength been until now?” remonstrated James in 1839, when he and his nephews were once again at odds. “Only in that people knew that one place will support the other . . . [A]s you well know, the well-being of our family is closer to my heart than anything else.” In 1841 Amschel felt so worried about the extent of internecine friction that he sent all his brothers and nephews a passionate appeal for family unity, invoking the memory of Mayer Amschel. “Let us do business again in peace and in harmony and not quarrel with each other,” pleaded James the following year. “If peace reigns between us this will only bring us good fortune and blessings and both you and we should not lack anything.”

Perhaps wisely, it was decided when the partners met at Paris that same year to leave the 1836 agreement unaltered, as—in Hannah’s words—“the Elder Brothers appear to be content with things as they are and require no change.” However, she added significantly: “The counting house of each[,] having their [*sic*] own capital[,] should be independent, and they must regulate the income of each party to make all those concerned equally so[;] the Elder Members’ capital being so much greater they have more to say.” This was also the view of her elder sons. Two years later, Lionel was able to modify the partnership agreement in precisely that way. By formally withdrawing £340,250 from their personal share of the combined capital, he and his brothers brought their proportion—and therefore the amount of annual interest they received, calculated as 3 per cent of that proportion—into line with those of their uncles, ending the situation whereby Nathan had been the biggest “shareholder.”

In doing so, it might be thought, Lionel was surrendering an advantage. Indeed, he surrendered even more by leaving the 1836 system intact for the distribution of the combined profits, which had specified that 10 per cent of the continental houses’ profits went to the London house. “As I was quite sure that it would have given rise to disagreeable disputes or discussions,” Lionel reported to his brothers, “and I am quite certain we should have got nothing by it, I of course said not a word about our having a larger share of the profits; thank God for what we have and may we have to divide as much the next time we meet.” However, Lionel’s objective was primarily to retain the relative autonomy of the London house. His real victory was to defeat James’s proposal—first put forward nearly thirty years before—that the partnership between the five houses should be made public:

Uncle James wanted this act of partnership, without any mention of our money matters so that he might show it at Paris, in case they wanted to know who the partners of the House are—now, *as we in London always have said that our house has nothing to do with any others* we just want to avoid having any document which anyone might show, the agreement with all the money matters is not likely to be produced but one as was proposed might very easily have been made public and will therefore not be made, they immediately agreed to my observations.

Thanks to Lionel, the precise nature of the relationship between the five houses remained shrouded in mystery, a secret between the partners and their lawyers. Such secrecy was a Rothschild tradition; but it seems reasonable to conclude that Lionel already preferred not be bound too tightly to the other four houses.

"Thank God for what we have": that sentiment was typical of Nathan's sons. Both Nat and Anthony had used almost exactly the same phrase just a few months before: "We must thank God for what we have got & try to keep it." Indeed, it is tempting to identify a "generation gap" in entrepreneurial attitudes as one explanation for the disagreements of the 1830s and 1840s. There is no question that New Court was a more financially staid place than it had been under Nathan: there was less bond market speculation and more bill-broking for example. "We prefer dealing largely with a little less profit to keeping a very large stock on hand and holding out for very high prices," wrote Nat to his brothers from Paris, one of many essentially cautious business maxims he committed to paper. Exiled as he was on the other side of the Channel, he tended to interpret differences between New Court and the rue Laffitte as national in character. "The more I see," his younger brother declared when he visited Paris in 1846, "I am convinced the more, there is no place like our old New Court. Where would the rubbishy French shares be, if we did not support them? I think we may give ourselves a few airs and be as great men as others." But it is hard to imagine Nathan saying such a thing. Although only sixteen years separated Lionel and his uncle James, their attitudes to business were separated by much more. For James and his brothers retained the restless, insecure drive born of the Frankfurt ghetto. "Whenever we write to you that other people are more attentive to what is going on and do more business, you immediately assume that we are trying to pick a quarrel with you," James wrote to his nephews in a somewhat pained letter of 1845. "However, I assure you, my dear nephews, I have nothing of the sort in mind, but my heart breaks when I see how everyone is trying to push us out of [every] business deal. [Even] the stone on the wall is envious and is our enemy." That tendency to regard all competition as a threat was not something the next generation could inherit.

Yet even without such differences of attitude, there would probably have been increased friction between the five houses, for it was the inevitable price of success. By the mid-1830s each of the five Rothschild houses had securely established itself as the pre-eminent force in the public finances of its respective base country. Admittedly, the great powers were inclined to draw in their horns in the wake of the revolutionary crisis of 1830-33. With the exception of the 1835 loan to indemnify the West Indian slave-owners, Britain, France and Austria did not borrow big sums until 1839-41. Nevertheless, the experience of the revolutionary alarms of the early 1830s had cemented the links between the three main Rothschild houses and the states where they were based. On the part of Lionel and his brothers, there was evidently a degree of emotional identification with England. Salomon too, influenced by his growing intimacy with Metternich, was increasingly inclined to give consideration to Austrian imperial interests. Even James, for all his disdain for the ministers of Louis Philippe, could not wholly avoid taking national priorities into account. Such national identifications did not greatly matter if peace prevailed in Europe. But when the interests of the great powers clashed, as they periodically did, it was less and less easy for the Rothschilds to remain neutral.

The Rothschilds' natural response to the reduced capital needs of the great powers was to seek business elsewhere. However, there were few regions of the world in which the European powers had no interest, and no regions in which their interests coincided perfectly. In four areas—Iberia, America, the Low Countries and the Near East—the challenge was to arrive at a policy which was in the Rothschilds' collective interest even when the national interests of their "local" governments were in conflict. This was difficult enough while Nathan was still in charge; after his death it became all but impossible.

III

Uncles and Nephews

TWELVE

Love and Debt

[T]he very society which you think is today rejecting you because you are not being very friendly to it over a sister who is behaving against the wishes of her family, that very same society will be just as friendly to you and will hold you in even greater esteem when they see that you stick to your principles . . .

—JAMES TO NAT, JULY 16, 1839

On April 29, 1839, a catastrophe befell the Rothschilds—or so it seemed to the family at the time. Less than three years after the unexpected death of Nathan at the very height of his powers, his second daughter, Hannah Mayer, renounced Judaism to marry a Christian.

In every other respect, the Hon. Henry Fitzroy might have been thought a perfectly suitable, indeed desirable, spouse for the daughter of a German-Jewish immigrant who owed his fortune to "trade." True, he was the younger son of Lord Southampton, and therefore unlikely to inherit much in the way of a title or land; on the other hand, at the age of thirty-two he was already (after Magdalen, Oxford, and Trinity, Cambridge) Deputy Lieutenant for Northamptonshire and MP for Lewes, with realistic prospects of one day achieving political office. Not that this was a consideration in the mind of Hannah Mayer. At some point in 1838 she had fallen in love with the dark-haired, blue-eyed young man. It was an apostasy for which she would never wholly be forgiven.

The Crime and Punishment of Hannah Mayer

In the classic topos of the nineteenth-century novel, it is the aristocratic family which disapproves of the mercantile match. Fitzroy's family undoubtedly did disapprove, cutting off his allowance. However, they did not disapprove nearly as violently as the Rothschilds. This was not, in fact, the first time Hannah Mayer had formed an attachment to a Gentile: before her father's death, according to one account, Prince Edmond de Clary had proposed to her in Paris. Then Nathan had bluntly dismissed the idea; and when his brother James heard of her new affair with Fitzroy, he was no more sympathetic:

Well, my dear Lionel, your letters wherein you speak about the distressing circumstances and the love

affair of your sister Hannah Mayer break our heart. You can imagine why this is so because nothing could possibly be more disastrous for our family, for our continued well-being, for our good name and for our honour than such a decision, God forbid. I hardly even dare mention it. To renounce our religion, the religion of our [father] Rabbi Mayer [Amschel] Rothschild of blessed memory, the religion which, thank God, made us so great.

Yet James was from the outset pessimistic about the likelihood of stopping her a second time. This was not so much because he felt he lacked Nathan's patriarchal power; for Nathan had formally stated in his will that his younger daughters could marry only with the consent of their mother and brothers, with his own brothers having the final, binding word in the event of a disagreement. The real problem was that the financial sanctions intended to enforce this clause were an insufficient deterrent. On her father's death, Hannah Mayer had received £12,500, having already been given the same sum on attaining her majority, as well as a further £50,000 which was invested in the family bank to yield 4 per cent per annum. Had she married with her family's blessing, she would have received another £50,000 as a dowry; but this was money she evidently felt she could do without. James advised his nephews to inform their uncle Salomon of Hannah's intentions, but was doubtful whether he would be able "to do any more good as far as this issue is concerned than I can." He also agreed to come to London before February 20 to try to dissuade his niece in person. "But," he wrote gloomily,

whether our trip will turn out to be successful and what kind of impression this will make on the public, this I can't possibly predict, or whether Hannah Mayer will take any notice of our well-meaning advice when she well knows that the only purpose of our visit to London is to frustrate her love adventure. I am more inclined to believe that in view of this girl's independent character we are more likely to exasperate her even more than convince her to abandon this ill-starred love affair. However, I want nothing more than the well-being of our family and nothing will prevent me from going to London . . . I am extremely concerned.

In fact, James was prevented from visiting England by a bout of illness. Instead, he suggested that Hannah Mayer—chaperoned by her mother—come to stay with him in Switzerland, where he planned to continue his convalescence. This suggested "diversion" came too late. The very day after James sent his invitation, the wedding took place at St George's in Hanover Square. Only her brother Nat attended the service, the bride's mother having escorted her no further than the church gates. A few weeks later the scandal made it into *The Times*:

It is confirmed that the condition imposed upon Miss Rothschild on her marrying the Hon. Mr. Fitzroy was that she should embrace the Christian religion. This is the first instance of a member of the Rothschild family abandoning the faith of their fathers, a circumstance which makes the deeper impression at their native place [Frankfurt], as they had hitherto distinguished themselves by their adherence to the Jewish creed. It is said that the bride's uncles are by no means pleased with a match which renders a change of religion necessary.

This last was an understatement. "I admit quite frankly," wrote an incandescent James from Paris,

that the story about Hannah Mayer made me so ill that I did not have the courage to pick up a pen and write about this matter. She has unfortunately robbed our whole family of its pride and caused us such harm that it can no longer be redressed. You say, my dear Nat, that she has found everything except for religion. However, I believe that [religion] means everything. Our good fortune and our blessings depend upon it. We shall therefore wipe her from our memory and never again during my lifetime will I

or any other member of our family see or receive her. We now want to wish her all the best and banish her from our memory as if she had never existed.

Even her own mother echoed these sentiments. "The first impressions and regrets experienced on account of the recent Marriage," she told her son Nat, "is [*sic*] only exceeded by a desire to avoid any similar circumstances so very much against the habits and inclinations of us all." Although she confided that she would "be most happy to receive daily bulletins of Domestic as well as all other concerns in which I so strongly participate if there should be any news from an Individual who still so much interests me," that individual had irrevocably "separated herself from me." Nat—and he alone—stood by Hannah Mayer. In July he wrote to James arguing that his sister had done "no more than marry 'a Christian in a Christian country.' " The response this elicited from his uncle deserves to be quoted at length for the light it sheds on the older generation's attitudes to the subject. "From the beginning," thundered James, who had evidently been nursing his wrath, "I correctly predicted that . . . this most unfortunate matter . . . would disrupt the unity of our family . . . and I can tell you that this event has made me so ill that I honestly think that I may not survive it":

I would like to know what more one could do than to abandon one's own religion and publicly declare that since the age of fifteen one never had any thought of doing anything else. My dear Nat, both as your friend and Uncle I want to give you my very frank and honest opinion . . . We are determined that, as long as the Almighty grants us good health, neither we nor my children will again come into contact with Hannah Mayer, for it is not only one thing [which has brought us to this decision] but so many that I could fill endless pages.

In part, James's argument was about the structure of authority within the family and the obedience the younger generation owed to their elders:

What sort of an example will it set for our children when a girl says, "I will marry against the wish of my family?" I don't even want to take the notion of religion into account . . . I should then be expected to welcome and entertain this girl as if nothing at all had happened? Why should my children, or my children's children, ever follow the wishes of their parents if they don't get punished?

But "the main point," as he put it, was "religion":

I and the rest of our family have . . . always brought our offspring up from their early childhood with the sense that their love is to be confined to members of the family, that their attachment for one another would prevent them from getting any ideas of marrying anyone other than one of the family so that the fortune would stay inside the family. Who will give me any assurance that my own children will do what I tell them if they see that there is no punishment forthcoming? What if my own daughter, after she has married, should say, "I am miserable because I didn't marry a Duke although I had enough money to do so, and I see that, despite the fact that this woman renounced her religion, and despite the fact that [she] married against the wishes of her family, she is nevertheless accepted [by the family]. It would have been the same with me?" Do you really think that all the nicely conceived projects [will come to fruition]—that is, that Mayer will marry Anselm's daughter, that Lionel's daughter will marry the child of another member of the family so that the great fortune and the Rothschild name will continue to be honoured and transmitted [to future generations]—if one doesn't put a stop to this?

Finally, James added some reflections on the social implications of the marriage (evidently in response to points made by Nat):

Of course, one could perhaps take some steps to prevent this from happening but society may well look askance at such measures. This may indeed be the case but I personally don't entirely share this opinion . . . [T]he very society which you think is today rejecting you because you are not being very friendly to it over a sister who is behaving against the wishes of her family, that very same society will be just as friendly to you and will hold you in even greater esteem when they see that you stick to your principles and are not prepared to be upset by empty words. The honest and upright man will always value a man of similar character. Adieu.

Admittedly, James added a disclaimer to this impassioned outburst. Nat "should view this as my, and only my, thoughts and feelings and don't think that I want in any way to influence your mother or any other member of the family. It would be unseemly and I don't wish to do so. Everyone is entitled to do what he wants." But these were empty words. He concluded by asking Nat to show his eldest brother Lionel his letter "and I am sure that he shares my opinion." For the first time since his brother's death, James was speaking in the unmistakable tone of the new head of the family, secure in the knowledge that the majority of its members were equally dismayed, if not more so. A letter dated the following day from Anthony—who was in Paris during the crisis—confirms this impression:

What they wish us to do is not to receive H[annah] M[ayer] for the present and that is easily understood. They say: a sister is married against the consent of one's family; if after two months you will receive her—what example will it have upon the remainder part of the family[?] They say: will my daughter, who sees her cousin who married against the consent of all her family received by them, will she marry whom I like[?]—no, she will also fall in love with a Christian and God knows what the boys will also do . . . I recommend you . . . now for your own sake and also to keep the union amongst us—not to receive H. M. for the present.

Nat made a final effort to defend his sister, but was firmly sat on by his uncle.

The most striking point about James's response is, of course, the way he equated "religion" with endogamy: "pride in religion" meant, if his words are to be taken literally, intermarriage within the Rothschild family "so that the fortune would stay inside the family." We may well ask how much this eminently practical principle had to do with "religion" at all. For the thrust of James's argument was not that younger Rothschilds should marry only other Jews; it was that they should marry only *other Rothschilds*. By encouraging other members of the family to follow their own inclinations, Hannah Mayer's rebellion had jeopardised "all the nicely conceived projects . . . that Mayer will marry Anselm's daughter, that Lionel's daughter will marry the child of another member of the family." In Disraeli's *Coningsby*, it is said of the younger Sidonia that "no earthly considerations would ever induce him to impair that purity of race on which he prides himself " by marrying a Christian. Yet in reality "earthly considerations" counted for as much in the eyes of some Rothschilds as any racial or religious exclusivity. James came close to admitting this in his letter: "Don't imagine, my dear Nat, that I have taken to playing the role of a religious man, but I must admit that I take a lot of pride in my religion and very much wish that my children will do the same." This tallies with what we know of his religiosity: as Nat was well aware, James was far from strict in his observance. Like his brothers, he dutifully played his part within the Jewish community, supporting the Society for the Encouragment and Aid of [Jewish] Indigents in 1843 and asking the Education Minister "why no Jews had been appointed to the academic council of Bordeaux" in 1847. He campaigned as energetically as any Rothschild to improve the civil rights of Jewish communities outside France (where full religious equality had been secured in 1830). But fundamentally his loyalty to his religion was clannish: few, if any, Jews were on a par with the Rothschilds; nevertheless, every Rothschild had to be a Jew.

James's appeal was heeded. When—just months after Hannah Mayer's marriage—Anthony was suspected of harbouring similar intentions, his uncle Amschel leant on him heavily to abide by the "nicely conceived project" that he marry one of his Montefiore cousins, Louisa (sometimes called Louise). This time the pressure was effective, not least because Anthony was at once less romantic and more biddable than his sister. "Uncle A. was a regular bother asking me about getting married," he complained to his brothers, "and writing to Uncle S. that I only waited until his death to marry a Christian . . . I told him quite short that if Aunt Henrietta [Montefiore] would cash up, I was ready, when he said of course he would not advise me [to do so] without Louis[a] had the same fortune as Joseph and Nathaniel. So, I said very well, and I believe he wrote to that effect—for later we left much better friends." James was apparently less worried about Anthony than Amschel. "I am absolutely convinced," he wrote from Naples, in a letter which shows how much attention the uncles were now paying to the marriage question,

that Anthony does not intend to marry the girl. He is a very weak person but I don't think that, even for a moment, such a silly idea could enter his head. He is weak and is easily led and I give you my word that I don't treat this matter lightly and when I am back in Paris again I will do everything in my power to bring this affair to an end. When I was in Paris I often discussed this matter with him but as you well know, my dear Amschel, people would much rather lay down in a ready-made and warm bed. Regrettably, he considers the whole matter to be rather [?humorous]. Well, you can rest assured that one can no longer tell the youngsters what to do as one could previously. As our good [brother] Salomon is coming to Paris too, God willing, so we will deal with this matter then . . . I am delighted to see that the discussions with our brother Carl's son have been successfully concluded and that everything will be well, God willing.

This last allusion was to the parallel project to marry Mayer Carl to Louise, Hannah Mayer's younger sister.

In due course, James's confidence was amply vindicated. "I am pleased to note, my dear Anthony, that you are so in love," he was able to write approvingly in November 1839; a few days later came the announcement of his engagement to Louisa Montefiore; by February they were married and the recipients of pointedly warm congratulations. Three years later—as planned—Mayer Carl married his cousin Louise in London. In August of the same year Nat married another cousin, James's daughter Charlotte. The contrast between this last, exuberant occasion and the miserable weddings of 1836 and 1839 could not have been more complete:

The ceremony was performed [at Ferrières] in a little temple erected for that purpose in the garden, the road to it strewn with rose-leaves. After the ceremony some went back to Paris, but the greater part remained, with whist, billiards, walking in the garden etc. . . . Billy & I had a bottle of champagne. At 7 we dined in the orangery, which was beautifully arranged. Lots of toasts were drunk. Your Uncle James proposed the King's health in a very good speech.

A pattern had been established—or rather, re-established—which would be continued into the 1870s.

It is a moot point how far such arranged, endogamous marriages were happy. James's marriage to Betty seemed to many contemporaries to have paired beauty with the beast: "She handsome—he vulgar," was how the British diplomat Lord William Russell summed it up in 1843; others were struck by Betty's more refined manners and cultural sophistication. (This was roughly the way Heinrich Heine saw the couple, though he never underrated James's intellect; and it is not too far removed from the portrayal of

Nucingen and his wife by Balzac—though he never underrated Madame. Nucingen's fundamental toughness.) Yet Betty's letters suggest a genuine and deep affection for her husband and there is no evidence whatever of marital strife.

In London, Lionel and his cousin Charlotte, who were married in 1836, also seemed ill matched to some outsiders. He was an industrious, conscientious man, dedicated to his father's firm and to the cause of Jewish emancipation, but not passionate in his personal relations, nor sophisticated in his cultural tastes. When Disraeli says of Sidonia, "he was susceptible of deep emotions, but not for individuals," we are perhaps not far from the true Lionel. She, by contrast, was not only very good-looking, but one of the most intellectually gifted Rothschilds of her generation. It is hard to believe, judging from the frequently mordant, not to say downright malicious tone of her voluminous letters and diaries—with their troubling subtext of frustrated boredom—that she was wholly fulfilled as "Baroness de Rothschild," wife, mother, hostess and do-gooder. "Ever since I became your wife," she wrote to her husband in a rare outburst, "I have had to do what others want, never what I would like to do. Pray that I shall be compensated in Heaven." Disraeli gives some hints of this in his fictionalised relationship between the Neuchatels in *Endymion*:

Adrian had married, when very young, a lady selected by his father. The selection seemed a good one. She was the daughter of a most eminent banker, and had herself, though that was of slight importance, a large portion. She was a woman of abilities, highly cultivated . . . And yet Mrs. Neuchatel was not a contented spirit; and though she appreciated the great qualities of her husband and viewed him even with reverence as well as affection, she scarcely contributed to his happiness as much as became her. And for this reason . . . Mrs Neuchatel had imbibed not merely a contempt for money, but an absolute hatred of it . . . In one respect the alliance between Adrian and his wife was not an unfortunate one . . . Adrian . . . was so absorbed by his own great affairs, was a man at the same time of so serene a temper and so supreme a will, that the over-refined fantasies of his wife produced not the slightest effect on the course of his life.

Yet no matter what private miseries were inflicted as a consequence of the intermarriage strategy—and we can rarely do more than guess at them—all concerned felt or came to feel precisely the sense of clannish collective identity which it had been the intention of their elders to foster. Nothing illustrates this better than the subtly retributive way Hannah Mayer was subsequently treated by the rest of the family, and not least by Charlotte herself.

Hannah Mayer was not ostracised forever. By 1848, if not before, she and her husband were on good enough terms with her eldest brother to receive presents from him for their children, Arthur and Blanche, and to invite him to visit them at their house at Garboldisham. More surprisingly, Betty reported to her son in 1849 that she had "made my peace with HM" by "invit[ing] her to my place" when the Fitzroys visited Paris. But within the family circle Hannah Mayer was always regarded with that disdain generally reserved by the Victorians for "fallen women"; and, like good Victorians, her sister Louise and her cousin and sister-in-law Charlotte could not resist interpreting every misfortune that befell her as a kind of divine punishment. In 1852 they registered with grim satisfaction Hannah Mayer's "fury" when her husband was passed over by Lord Aberdeen for the post of Secretary at the Admiralty. When the Fitzroys' son Arthur died six years later (the victim of a fall from a pony), even their niece Constance—then just fifteen—could "not help thinking that all the misfortune and distress which have overwhelmed poor Aunt Hannah Mayer have been a punishment for having deserted the faith of the fathers and for having married without her mother's consent. All the grief that she caused to that mother she now feels doubly herself." The death of Henry Fitzroy himself the following year made the portrait of nemesis all but complete. All that was now lacking was a suitably wretched end for his

widow and their daughter Blanche. Neither was long in coming—or so it seemed to Charlotte de Rothschild, whose letters to her youngest son Leopold chronicled with outward sympathy and inward relish each step of the Fitzroys' decline and fall.

From February 1864 onwards, Hannah Mayer was seriously ill: Charlotte reported that she had "an enormous swelling on her back, like a hump of a camel" and "looked perfectly awful—her face white and shrunk, and furrowed with deep lines expressive of intense suffering. It made one's heart break to see her in such pain. The swelling on her back is perfectly enormous, and quite hot. Yet shivering and trembling with pain, she would talk of nothing but parties . . . Her ideas are constantly running upon marriage." Hannah Mayer's sole preoccupation henceforth was to find a suitable husband for her daughter. As her Rothschild relatives could hardly fail to notice, all the "candidates" considered were Christians; moreover, there was an obvious discrepancy between her ideal—"she would not hear of" Lords Loughborough, Sefton and Coventry though the Marquess of Blandford was considered acceptable—and the realistic contenders. Blanche might be pretty and artistically talented but, cut off from her Rothschild relations and low in the Fitzroy pecking-order, she was no prize catch.

The successful suitor proved to be the artist and architect Sir Coutts Lindsay, a prosperous but Bohemian figure twice her age with a Scottish estate, ten thousand a year, a suspiciously close friendship with Lady Virginia Somers and a shady retinue of plebeian mistresses and bastards. When Charlotte paid one of her numerous half-patronising, half-prurient visits to her sister-in-law's house in Upper Grosvenor Square—ostensibly to offer her congratulations—she:

found her very ill and completely overcome by her conflicting feelings; she had been crying and sobbing almost shrieking, and is indeed so much to be pitied that the congratulations died on my lips. The marriage itself, *ceci entre nous*, does not satisfy her completely, for the bridegroom elect is forty, and has grey locks, and perhaps her ambition would have soared higher, and selected a nobleman with a grand title for her daughter.

With poetic justice, Blanche had followed Hannah Mayer's own example, set twenty-five years before, by choosing a husband for love and in spite of her mother's wishes. Though the latter sought to make the best of a bad job—Sir Coutts, she insisted, was "the most fascinating person I ever met"—Charlotte omitted no defect in her back-handed descriptions of the bridegroom (he was "picturesque," "one-sided," his gifts to his fiancée were miserly, and so on).

Nor was this the end of Hannah Mayer's "punishment." From the moment of her engagement, Blanche appeared to distance herself from her ailing mother, and cut herself off almost completely from the Rothschilds. According to Charlotte—who poured pity over her sister-in-law while simultaneously kindling antipathy towards the new "Lady Lindsay"—she visited her mother's bedside as infrequently as possible. She was (variously) "utterly heartless," "the heartless bride," "a heartless serpent," "quite affected and namby pamby," "an icicle," "a horrible humbug and heartless hypocrite," "that heartless, incomprehensible woman," "the unnatural daughter" and "that horrible Blanche." The object of this torrent of vituperation was "immensely happy at being Lady Lindsay, and far too much so, to feel deep anxiety for her suffering and perhaps dying mother." When Charlotte paid a call on her, she found "the heartless staring creature giggling and grinning and simpering while she asked after her dying mother as if the poor sufferer had had a mere cold."

By mid-November the end was in sight. "Poor Aunt H.M.'s married life and widowed existence have become one chain of such uninterrupted sorrow and suffering," she told her son, "that, for her sake, one

can hardly wish to see her days prolonged. As for Blanche—no one need waste a moment's pity upon her.—She is either a monster or an enigma. It is less disagreeable to look upon her in the light of the latter, and not to un-riddle her character." "I feel very sad," she added the next day, "when I think of such a life of torture, and of a deathbed so lonely. Blanche arrives at 5 o'clock in the evening, stays five minutes, and then departs. Do not mention this heartless behaviour as it is a perfect disgrace to our family, and must shock the domestics from whom constant fidelity is expected." And so it went on. "Upon the plea that the invalid is too weak to bear even her adored presence beyond five or six minutes in the course of the day, [she] never puts her foot into the house before 5 o'clock in the evening, viz not before the shades of evening put an end to her drawing, in Sir C. Lindsay's studio; then she arrives novel in hand, while her unfortunate mother carries on the unequal battle with disease and death."

On the night of December 1, 1864, Hannah Mayer finally expired. Her life had been, Charlotte reflected, using carefully chosen words, "a long martyrdom"; indeed, in her last weeks she had sometimes looked "like one of the lovely martyrs so much admired in Italian picture-galleries and churches." But Charlotte, like her uncle James, did not interpret Hannah Mayer's downfall in purely religious terms: it irked her that her sister-in-law's will had omitted to dispose of £7,000 in a savings account, money which passed by default to the Lindsays. The idea of Rothschild money passing into other hands still rankled, a quarter of a century after Hannah Mayer's initial lapse from grace. Retribution even followed her to the grave and beyond, for Charlotte missed no transgression on the part of Blanche Lindsay, notably her absence from her mother's funeral (where "the Duke of Grafton, Lord Charles Fitzroy and Lord Southampton, who had known and seen the deceased so little . . . never alluded to her but talked of railroads, horses etc.") and her attempt to sell the portraits she had inherited of her Rothschild grandparents ("To sell her grandmother and her grandfather; it is not to be believed"). Everything—her louche Pre-Raphaelite dresses, her widening girth, her deteriorating eyesight—could be construed as a consequence of her mother's peculiar form of original sin. And when her marriage foundered on the rocks of Lindsay's habitual infidelity, Anselm's son Ferdinand could not resist predicting that she would "repent . . . in the long run" her decision to "leave the conjugal room." Even as late as 1882, it seems, Hannah Mayer's crime, though punished, had not been forgiven.

City and Country

Nothing tells us more about the nineteenth-century Rothschilds' exceptionally acute sense of kinship than their treatment of Hannah Mayer. The paradox is that her persecution coincided with an acceleration in the pace of the family's social and cultural assimilation. By not only marrying a Christian but converting to Christianity, she had crossed one of the few barriers which remained between the Rothschilds and the European social elite, and perhaps the only one which the Rothschilds themselves wished to preserve.

In his satirical "Book of Snobs," published in *Punch* in 1846-7, Thackeray cited "the Scharlachschild family at Paris, Naples, Frankfort &c." as the archetypes of the "Banking Snob," who "receives all the world into his circle," dispensing "princely hospitalities" and "entertain[ing] all the world, even the poor, at their fêtes." This was not far wide of the mark. In the decade after Nathan's death, the Rothschilds greatly increased the amount of time and energy they devoted to social and cultural pursuits, with James in the vanguard. To begin with, their residences grew grander and more numerous in both town and country. In 1836 James commissioned the architect, designer and theatre producer Charles-Edmond Duponchel to reconstruct and redecorate his rue Laffitte hôtel, with money no object.

The result was the quintessential millionaire's palace, combining extravagant historicist decoration with the latest modern comforts. Among Duponchel's more spectacular touches was a wood-panelled salon in the Renaissance style which was dominated by Joseph-Nicholas Robert-Fleury's series of Renaissance scenes (including Charles V in Spain, Luther preaching and Henry VIII hunting), but which also subtly juxtaposed the Rothschild arms with those of the Medici. (There was also a billiard room with a Pom peii-style mural by François-Edouard Picot.) But this was historicism with all mod cons. Central heating was provided for the ground floor salons and dining room by four brick ovens in the cellars, and all floors had running water from tanks on the top floor. There were also four large closed tanks for waste in the cellar, to say nothing of gas lighting in the form of moustached statuettes holding mock torches. Salomon's house next door was given similar treatment, as was the new hôtel Talleyrand which James acquired in 1838 in the more fashionable rue Saint-Florentin in the 8th arrondissement.

The effect was evidently imposing. In 1836, after a post-theatre ball given by James to show off the redecorated rue Laffitte house, Heine admiringly described what he called "the Versailles of the absolute reign of money":

Here everything comes together which the spirit of the sixteenth century could invent and the money of the nineteenth century could pay for; here the genius of the visual arts competes with the genius of Rothschild. The palace and its decorations have been continuously worked on for two years and the sums expended on them are said to be enormous. M. de Rothschild smiles when someone questions him about this . . . One must, however, admire the flair with which everything has been done, as much as the costliness.

A Parisian journal, the *Bon Ton*, was even more impressed: the two adjacent houses "appeared to realise the tales of the thousand and one nights. Such luxury is awesome to those who do not have at their command the bourses of Naples, Paris and London." "The mantels are covered in gold-fringed velvet," observed the vicomte de Launay admiringly. "The armchairs have lace antimacassars; the walls are concealed under marvellous embroidered, brocaded, spangled fabrics of such thickness and strength they could stand alone and, if needed, actually support what they cover, should the walls give way. The curtains are fabulously beautiful; they are hung double, triple, and all over the place . . . Every piece of furniture is gilded; the walls too are gilded." The Austrian diplomat Apponyi, who attended the same ball as Heine, was less easily impressed: he found the Renaissance style of the new interiors "unsuitable for a hôtel in Paris; I would prefer it in a château." But even he had to admit that it was "impossible to see a better imitation:"

The paintings are on a gold base, executed by excellent artists, the fireplaces are admirably carved. The chairs are of ormolu bronze, with very high backs, surmounted by figures holding the arms of the house of Rothschild in enamel. The carpets, the candelabras, the chandeliers, the material of the draperies with heavy tassels of gold and silver—in short, everything is in the same style; there are clocks inlaid and enamelled on azure base, solid gold vases encrusted with precious stones and fine pearls. In a word, it is a luxury which surpasses all imagination.

This was what became known as *le style Rothschild*—a style, in the words of a later critic, "which combined all the richest elements of those which had preceded it . . . The heavy golden cornices, the damask hung walls, the fringed and tasselled curtains of Genoese velvet, the marble and the parquet . . . Nothing in [it] . . . was new save the gasoliers."

To a twentieth-century eye, all that gas-lit gilt is oppressive; at the time it was all the rage. “It is infinitely superior to the house of his daughter-in-law [*sic*],” reported the duchesse de Dino, after seeing Salomon’s “temple,” “because the proportions are more elevated and larger; the luxury of it beggars belief, but it is tasteful, pure Renaissance, without any admixture of other styles . . . In the main salon, the armchairs instead of being made of gilt wood are of gilt bronze and cost a thousand francs apiece.” The young Disraeli concurred. “Above all spectacles,” he reported to his sister Sarah from Paris in 1843, “was the ball at B[aron] Salomon de Rothschild [’s]—an hotel in decoration surpassing all the palaces of Munich—a greater retinue of servants & liveries more gorgeous than the Thuilleries [*sic*]—& pineapples plentiful as blackberries. The taste of this unrivalled palace is equal to the splendour and richness of its decorations.” He later paid a fictionalised tribute to the Rothschild hôtels in *Coningsby,* in a passage describing Sidonia’s Paris residence, which

had received at his hands such extensive alterations, that nothing of the original decoration . . . remained . . . A flight of marble steps, ascending from a vast court, led into a hall of great dimensions, which was at the same time an orangery and a gallery of sculpture. It was illumined by a distinct, yet soft and subdued light, which harmonised with the beautiful repose of the surrounding forms, and with the exotic perfume that was wafted about. A gallery led from this hall to an inner hall of quite different character; fantastic, glittering, variegated; full of strange shapes and dazzling objects.

The roof was carved and gilt in the honeycomb style prevalent in the Saracenic buildings; the walls were hung with leather stamped in rich and vivid patterns; the floor was a flood of mosaic; about were statues of negroes of human size with faces of wild expression, and holding in their outstretched hands silver torches that blazed with an almost painful brilliancy.

From this inner hall a double staircase of white marble led to the grand suite of apartments.

These saloons, lofty, spacious, and numerous, had been decorated principally in encaustic by the most celebrated artists of Munich. The three principal rooms were only separated from each other by columns, covered with rich hangings, on this night drawn aside. The decoration of each chamber was appropriate to its purpose. On the walls of the ball room nymphs and heroes move in measure in Sicilian landscapes, or on the azure shores of the Aegean waters. From the ceiling beautiful divinities threw garlands on the guests . . . A large saloon abounded in ottomans and easy chairs . . .

James also spent substantial sums on his château house outside Paris at Ferrières, turning it into a state-of-the art gentleman’s country retreat. Here the theme was English. A laundry was built by the architect Joseph-Antoine Froelicher in the mock-Tudor style and in 1840 James added a model farm, sending the estate manager to England to pick up tips. He later added an English-style dairy as well as a brick-kiln and British-made machinery to make water pipes for the estate. There were also stables, a riding school and riding track, not to mention an orangerie and a new garden laid out by Placide Massey. When his sister-in-law Hannah visited Ferrières in 1842 she found it “most imposing.” Once again, aristocratic guests like Apponyi and Princess Lieven, who came to stay two years later, were less easy to impress. According to Apponyi—though a hint of aristocratic irony is detectable here—the Princess was much impressed by “the superb laundry” James and Betty had built in the grounds, “a veritable chef-d’oeuvre of the genre, picturesque and very convenient.” However, when shown to her room—once reserved for the late duc d’Orléans—the Princess complained that the mattresses were “hard and damp,” so that they had to be “changed, dried, beaten, placed and replaced.” Apponyi himself ridiculed the stables James had built, “a superb and totally pompous construction in the style of Louis XIII.” “Perhaps it is a little too beautiful,” he mused, “as this palace somewhat overwhelms the château itself.” The supercilious

diplomat also found fault with the pond, which he thought "too near the house," and the absence of formal gardens and flowerbeds. "Park and garden are not separated," he observed disapprovingly, "so that the game can come right into the court of the château." Yet even this most discerning of guests had to concede that the interiors "left nothing to be desired":

Everything is in good taste and is very magnificent. There are some beautiful pictures and an infinity of beautiful things of all descriptions, suits of armour, statuettes, ewers in silver gilt, ivory or gold, enriched by pearls and precious stones, consoles in bronze, iron, silver, in old lacquer, then vases of every kind, decorated with precious stones, then antique cabinets encrusted with ivory and silver, and Florentine mosaics. The guests' rooms are comfortably furnished, without excessive luxury, but with good carpets, good settees, armchairs, mirrors, excellent beds, wash-hand basins with plenty of towels . . .

Guests could also be taken to see the gardens at the Rothschilds' other châteaux at Boulogne and Suresnes. At the former, the gardens were steadily enlarged and the dining room combined with an orangerie for summer dining. James also added a mock farm with cows, chickens and exotic breeds of sheep. Despite the fact that he spent little time there, Salomon lavished money on Suresnes. The château was enlarged and redecorated, acquiring elaborate glass galleries round its sides. Like his younger brother, Salomon also played at farming, building a dairy and accumulating a large stock of wildfowl; but his real love was the garden, which he extended throughout his life, later adding greenhouses and a system of irrigation. As Lord William Russell reported when he visited Suresnes in 1843, "nature is made to yield to money, & produce the fruits & flowers of summer in the spring." Two years later James was said to be "transplanting a great number of very large full-grown yew-trees" from Melun to Suresnes, presumably as a gift to Salomon. "Each tree," marvelled *The Times*, "is a sufficient load to require 11 horses to draw it. It was thus that Louis XIV planted the grounds at Versailles." The parallel, as we have seen, had already occurred to Heine, and was one to which he and others would return.

The English Rothschilds also invested in their residences in both country and town, though on a less Bourbon scale. When Disraeli attended a fête given by Nathan's widow Hannah at Gunnersbury in 1843, it impressed him as "a most beautiful park and a villa worthy of an Italian Prince, though decorated with a taste and splendour which a French financier in the olden times could alone have rivalled . . . [with] beautiful grounds, temples and illuminated walks." If the interior of Sidonia's country house in *Tancred* (1847) was partly modelled on Gunnersbury, as seems likely, there were nevertheless points of contrast with the French Rothschilds' residences:

Passing through a marble antechamber, Tancred was ushered into an apartment half saloon and half library; the choicely-bound volumes, which were not too numerous, were ranged on shelves inlaid in the walls, so that they ornamented, without diminishing, the apartment. These walls were painted in encaustic, corresponding with the coved ceiling, which was richly adorned in the same fashion. A curtain of violet velvet covering if necessary the large window, which looked upon a balcony full of flowers, and the umbrageous Park; an Axminster carpet, manufactured both in colour and design with the rest of the chamber; a profusion of luxurious seats; a large table of ivory marquetry, bearing a carved silver bell which once belonged to a pope; a Naiad, whose golden urn served as an inkstand; some daggers that acted as paper cutters, and some French books just arrived; a group of beautiful vases recently released from an Egyptian tomb and ranged on a tripod of malachite; the portrait of a statesman, and the bust of an emperor, and a sparkling fire, were all circumstances which made the room both interesting and comfortable . . .

If this was rather more cosy than the mock-Renaissance, five-star splendour of Paris, it was meant to be. To English eyes, the rue Laffitte hôtels seemed almost too grand. "When finished," Louise told her father in 1830 (after a visit to the house at number 17 which Salomon had just bought), "I think it will be most magnificent, it is immense and could hold almost three families." Lionel felt the same ambivalence when he took a similar house in Paris shortly before his marriage: the ground floor would, he told his bride-to-be, "rival . . . any palace; at Paris, a rich man whether Banker or Prince can act in the same way, but in every other place, such an establishment would appear ridiculous. The first floor, the daily habitation, is nearly as splendid, so much gold that for the first few days one is quite dazzled." "The houses here are splendid," Nat wrote to Lionel two years later, "you know about them. [Aunt] Betty's rooms are very nice, indeed rather too fine."

There were differences too between the English and French residences in the country. For most of his life James stuck close to Paris: neither Ferrières nor Boulogne was very far from the city. His English nephews, by contrast, began looking within five years of their father's death for some more authentically rural seat than semi-suburban Gunnersbury. It still sufficed for certain social functions, and the family remained fond of it: Hannah added 33 acres to the 76 she inherited from her husband and Lionel extended the estate to no less than 620 acres between 1840 and 1873. But, as Disraeli said of its fictional analogue Hainault House (in *Endymion*), it was not "fashionable." Above all, it was too close to the city for its owners to indulge in that favourite pastime of Victorian England: hunting. No sooner had they added to the Gunnersbury property than they began looking further afield, perhaps encouraged by their mother's glowing descriptions of the Devonshire and Fitzwilliam estates in Derbyshire. Of course, it would have been quite impracticable for "City men" to have bought land so far from London; but Buckinghamshire seemed to offer all the advantages of genuine country life at a manageable distance. The first step in this direction came when Nathan rented Tring house in 1833 for the summer. Three years later Hannah bought some land near Mentmore, north-east of Aylesbury, and in 1842, alerted by a newspaper advertisement, Mayer bought a small group of farms in the parishes of Mentmore and Wing, laying the foundation of what would rapidly become a substantial Rothschild enclave in the county. Absent on duty in Paris, his elder brother Anthony was envious: "It is no harm to have your money in Land. I wish I knew of a nice place, I would do the same & I hope one of these days to have it."

Contrary to what has sometimes been assumed, the purchase of rural land by the Rothschilds did not symbolise some kind of dilution of their capitalist "spirit" or compromise with the "feudal" old regime. Lionel was singularly unimpressed by the vast piles of the nobility when he visited them: Castle Howard he thought "rather a nice place but nothing wonderful. It is in fact just the same as Blenheim, only much smaller . . . altogether a place not worth putting oneself out to go to see." What he and his brothers were doing in the 1840s was buying farmland, and it would have been uncharacteristic if they had not regarded their purchases at least partly as straightforward investments. There is no doubt that Lionel drove a hard bargain when the family sought to acquire another property at Creslow. "I should not mind having it," he told his brothers in 1844, "as a 33 per cent purchase would pay me 3 per cent, and there are so many little places round it which might be bought worth the money, that the whole together might be made to pay a fair rate of interest." Indeed, the estates he and his brother Anthony subsequently bought to the south of Mentmore following the bankruptcy of the Duke of Buckingham in 1848 and the death of Sir John Dashwood the following year, were typical Rothschild acquisitions: bought at the bottom of the market. There was also, as we shall see, a secondary and equally pragmatic rationale for buying several estates in one county: the British system of local government and parliamentary representation made such a concentration of land a useful source of political influence. (According to one account, this was why their land agents Horwood and James advised buying land in one area only.) It was not until the 1850s that the brothers began to indulge themselves by building

their own “stately homes.”

Outside France and England, as we have seen, there were limits on how much property the Rothschilds, as Jews, could acquire. After 1830 these restrictions began to crumble. In 1841 Carl bought himself the Villa Pignatelli near Naples, which his daughter fondly remembered as “a paradise upon earth, with a view over the bay and the islands, over the celebrated Mount Vesuvius, the most animated street and the Villa Reale, the Neapolitan Kensington Gardens.” It was more difficult in Vienna, however, where Salomon continued to live in the rented Hotel zum Römischen Kaiser in the Renngasse. Of course, he owned property elsewhere, in Paris as well as in Frankfurt. But there was a principle at stake—or so Salomon argued in a “special appeal” he addressed to Metternich in January 1837 concerning “the destiny of my co-religionists . . . the hopes of so many fathers of families and the highest aspirations of thousands of human beings.” When the government once again refused to grant any general relaxation of discrimination—lest “the public . . . suddenly draw the conclusion that full emancipation of the Jews is contemplated”—Salomon faced a dilemma; for Metternich intimated that the Emperor was willing, at his own discretion and as a special privilege, to grant *individual* Jews permission to own houses in Vienna. This was the old story of the prince and the *Hofjude*, whereby the state “bought off ” the Jewish banker on whom it was dependent with special exemptions. Salomon did not rush to take advantage of this offer; but in 1842—five years later—he succumbed. His request to own real estate in the city was speedily granted, allowing him finally to buy the Renngasse hotel as well as the adjoining house, which he demolished and rebuilt. As he acknowledged, this—along with the grant of honorary citizenship which went with it—made him “a privileged exception in the midst of my fellow believers, who . . . [ought to] have the right to enjoy the same rights as those who belong to other religious confessions.”

It might be thought that this compromise ran counter to the stance taken on questions of Jewish civil rights by other members of the family; but, like Mayer Amschel before them, most Rothschilds seem to have seen general rights and individual privileges as complementary rather than dichotomous: if the former could not be had, the latter should be accepted. Salomon was not criticised for his decision to accept Metternich’s offer. Indeed, even before he did, one of his English nephews was urging him “to get permission from Prince Metternich to purchase an estate in Bohemia.” In 1843 Salomon took his advice, though it was in fact in neighbouring Moravia that he sought the Emperor’s permission not only to buy an estate but also to pass it on to his heirs. Once again he was obliged to adopt the tones of the humble but deserving court Jew, listing his various financial contributions to the Empire as “adequate proof of his unshakeable devotion to the Austrian monarchy” and expressing his “most ardent desire to own property in a country whose rulers have shown him so many signal marks of their favour.” Again the petition was granted, despite the reservations of the Moravian estates. As one official put it, Salomon’s “position in society is so exceptional that he has been entirely removed from the ordinary circumstances of his co-religionists; his remarkable qualities and rare intelligence make it entirely inappropriate to apply strictly in his case the regulations in force with regard to other Israelites.” The Lord Chancellor Count Inzághy was rather more candid: it was, he argued,

highly desirable that Baron Rothschild should be more closely bound to the Imperial State of Austria by the investment of his money in real property in this country; and . . . it would create a very strange impression abroad if his particular wish to settle permanently in that country, where he has been so actively engaged for a long period of years, and has been associated with the Government in more extensive and important transactions than has ever been the case before with a private individual, were to be refused after the special distinctions that have been conferred upon him.

In addition to the estate Salomon duly purchased at Koritschau in Moravia—which together with his

property in Vienna gave him real estate in the Empire worth 2 million gulden—he also acquired property in Prussia, buying the castle of Schillersdorf in 1842. It was a dispute relating to the rights attached to this estate which prompted Heine's warning in 1846 that "Prussian aristocrats would like to use the paw of the plebeian to stir up public opinion against the *exceptional family* (for that term is the one constantly used to describe the house of Rothschild in proceedings regarding the right of patronage over Schillersdorf and Hültschin)."

Surprisingly, in view of the protracted efforts of the town authorities to return the Jewish community to the ghetto in the years after 1814, "the exceptional family" encountered less of this sort of hostility when they sought to buy new properties in Frankfurt—a reflection perhaps of the changed political climate in the town after 1830. In 1831, after much hesitation, Amschel finally commissioned the Paris-trained Friedrich Rumpf to redesign and expand the house in his beloved garden on the Bockenheimer Landstrasse. Rumpf transformed the original and quite modest cube-shaped house into the central pavilion of a larger neo-classical villa, adding two wings with Corinthian three-quarter columns and remodelling the garden itself along strictly symmetrical lines. This mélange of Baroque and Renaissance styles was fairly typical of the houses favoured by the town's Gentile elite in this period, suggesting a new self-confidence on Amschel's part—in marked contrast to the mood of insecurity when he had first acquired the property. In the succeeding years, his attachment to it showed no sign of waning: during a visit to her married daughters Charlotte and Louise in 1844, Hannah was able to report that "a handsome and very large orangery and some magnificent trees of many sorts" had been added to the garden.

An even clearer signal of assumed equality with the Bethmanns and Gontards came in 1834, when Amschel bought the large, four-storey town house at number 34 on the prestigious street known as the Zeil. In the same year Anselm bought a similar "palais" (indeed, by the same architect) in the nearby Neue Mainzer Strasse (number 45), a much grander residence than the building at number 33 acquired by Carl in 1818 and made even more grand by Rumpf, who was commissioned to add a new façade in the Renaissance style. It was also Rumpf whom Mayer Carl commissioned to expand the house he bought on the banks of the Main in 1846; but by this time mere imitation was no longer the Rothschild objective. Untermainkai 15—which today houses the Frankfurt Jewish Museum—had been built in 1821 at the end of an elegant row of neo-classical houses for the banker Joseph Isaak Speyer, and was already distinguished from its neighbours by its Italian Renaissance style. Rumpf made it stand out even more. Although he preserved some original features, notably the polygonal vestibule projecting from the side wall, he doubled its length and added some distinctly Oriental features (notably two new oriels with Moorish corner pillars and arabesque balustrades). The effect was to dominate, albeit subtly, the rest of the street—a symbol of the Rothschilds' now well-established dominance of the city's economic life.

The Rothschilds also acquired rural retreats in the vicinity of Frankfurt during this period. In 1835 Amschel bought a country *Schloss* at Grüneburg and two years later Carl acquired a similar property, the Günthersburg. In fact, the literal translation ("castle") somewhat exaggerates the size of the original houses, and at 150 acres or so their grounds were relatively modest. In one respect, however, the Frankfurt Rothschilds were more ambitious than their relatives, for they were the first members of the family to build their own country houses rather than merely renovate the existing buildings. This gave rise to an aesthetic debate within the family, in which the English (represented at Frankfurt by Anselm's wife Charlotte and Mayer Carl's wife Louise) emphatically lost.

In 1840 Mayer Carl commissioned Rumpf to build a new "country residence" at Günthersburg. The design was not dissimilar to that of the Untermainkai house, with Doric pilasters across the ground and

first floors and Corinthian ones on the upper floors of the two side projections. “The house is large and when finished will be a magnificent residence,” reported his mother-in-law Hannah, “but the grounds and garden do not accord with English taste.” Her son shared her opinion: it would be “a most magnificent house, large enough to hold us all” and the garden would be “pretty,” “but it is a pity that such a large house is not in the middle of 10,000 acres about ten miles from the town.”[1] The argument continued when Anselm resolved to build a new “garden house” on the Grüneburg estate.[2] Doubtless remembering her childhood at Gunnersbury, his wife Charlotte insisted that the new house be “perfectly English” in style, and asked her brothers to supply designs from London. “I am hesitating between the Elizabethan and the cottage style,” she told her mother. “She wants some of the Gothic, Elizabethan and all sorts,” reported Lionel somewhat dismissively. “Not a palace but a good sized House.” But she was evidently overruled. The design she and her husband eventually agreed on was for a long rectangular house in the style of a Loire château. With its tower-like projections at the corners, its layers of sandstone on the ground floor, its balustrades, obelisks, volutes and chimneys, it was an eclectic edifice. The only concession to Charlotte was a tall neo-Gothic brick tower at the northern end of the park—a conspicuously English touch.

Elite Pursuits

Such arguments about architectural style are indicative of an important sea-change in Rothschild attitudes in the period which followed Nathan’s death. Before 1836, as we have seen, he and his brothers had tended to regard the acquisition of more spacious residences in an essentially functional light: apart from simply being more comfortable, they provided settings where the great and the good could be wined and dined—and pumped for useful news or lucrative business. After 1836, the endless round of dinner parties and balls continued. The ball in March 1836 which James threw to show off his refurbished hôtel was probably not untypical: “As at all Rothschild soirées,” Heine reported, the guests were “a strictly selected set of aristocratic illustrations, able to make an impression by reason of great name or high rank or (in the case of the ladies) beauty and finery.” Contemporaries generally agreed on this: whereas before 1830 there had been one or two Restoration grandees who had continued to decline James’s invitations, after the advent of the “bourgeois monarchy” the faubourg Saint-Germain had less cause to remain aloof. “The company all the elite of Paris,” was Disraeli’s succinct summary of the guests invited to the ball he attended at Salomon’s in 1843. The guest lists of dinners given by James tell much the same story.

In London too Rothschild hospitality became more lavish, more modish. In July 1838 Lionel hosted an extravagant summer ball at Gunnersbury to which he invited over 500 people, among them the dukes of Cambridge, Sussex, Somerset and Wellington. After a concert by leading musicians and singers, dinner was served followed by (according to Moses Montefiore) “a grand ball . . . in a magnificent tent erected for the purpose.” The Cambridges dined at Gunnersbury again that September; and five years later they were in attendance at another ball there, along with the Duchess of Gloucester and Ernst I of Saxe Coburg, Prince Albert’s father—an impressive trio of royal relations. Even in Frankfurt the last social constraints seemed to fall away. In 1846, for example, Lionel’s sister Charlotte gave “a magnificent ball” there. Among the Frankfurt Rothschilds’ dinner guests in this period were the King of Württemberg, Prince Loewenstein and Prince Wittgenstein. Disraeli is once again apposite (this time fictionalising in *Endymion*):

In a very short time it was not merely the wives of ambassadors and ministers of state that were found

at the garden fêtes of Hainault, or the balls, and banquets, and concerts of Portland Place, but the fitful and capricious realm of fashion surrendered like a fair country conquered as it were by surprise. To visit the Neuchatels became the mode; all solicited to be their guests, and some solicited in vain.

As the frequency of such descriptions suggests, the scale and ostentation of Rothschild hospitality never ceased to fascinate contemporaries—especially socially ambitious men of letters like Disraeli. In *Tancred*, there is an exquisite dinner at Sidonia's, "served on Sèvres porcelain of Rose du Barry, raised on airy golden stands of arabesque workmanship; a mule bore your panniers of salt, or a sea-nymph proffered it you on a shell just fresh from the ocean, or you found it in a bird's nest; by every guest a different pattern . . . The appearance of the table changed as if by the waving of a wand, and as silently as a dream." In *Endymion*, the same author caricatures what is unmistakably a weekend party at Gunnersbury. "Sunday was a great day at Hainault, the Royal and the Stock Exchanges were both of them always fully represented; and then they often had an opportunity, which they highly appreciated, of seeing and conferring with some public characters, MPs of note or promise, and occasionally a secretary of the Treasury, or a privy councillor." At dinner a sycophantic writer named St Barbe—a caricature of Thackeray—holds forth in praise of his hosts:

"What a family this is!" he said; "I had no idea of wealth before! Did you observe the silver plates? I could not hold mine with one hand, it was so heavy. I do not suppose there are such plates in all the world . . . But they deserve their wealth," he added; "nobody grudges it to them. I declare when I was eating that truffle, I felt a glow about my heart that, if it were not indigestion, I think must have been gratitude . . . He is a wonderful man, that Neuchatel. If I had only known him a year ago! I would have dedicated my novel to him. He is a sort of man who would have given you a cheque immediately . . . If you had dedicated it to a lord, the most he would have done would have been to ask you to dinner, and then perhaps cut up your work in one of the Quality reviews."[3]

In truth, for the Rothschilds themselves these occasions continued to be more a duty—an early form of corporate hospitality—than a pleasure. "Here we have stinking balls night after night," complained Nat to his brothers in 1843; "you have no idea how sweaty the old French ladies smell after a long waltz." Nor were the nightly dinners for diplomats and politicians much more enjoyable: on April 30, 1847, when the guests included the Prince of Holstein-Glücksburg, the Duke of Devonshire and Lord and Lady Holland, Apponyi could not help noticing the "affreuses douleurs névralgiques à la tête" from which Nat's wife was all too plainly suffering. As for the incessant games of whist which were such a characteristic feature of nineteenth-century elite socialising—and which seem to have been the main form of entertainment at Naples—these too palled after a time. Most members of the family also had decidedly mixed feelings about the time they spent each year "taking the waters" at spas like Aix, Gastein, Wildbad and Kissingen, a practice first adopted by James in the early 1830s. Though this was the "done" thing, James rarely enthused about taking a *Kur*; indeed, he appears to have regarded it primarily as a medical necessity and often took the waters after illnesses or periods of intense and exhausting work. As he grew older, he tended to spend longer and longer periods of the summer recuperating in this way, but he generally continued to bombard his nephews or sons in Paris with peremptory letters, and insisted on being kept informed of any business developments. Salomon enthused about "the air and the mountains, the waterfalls [and] the good bath water" at Gastein in 1841, and Anthony joked that the waters were good for James's libido; but Mayer's reaction to Wildbad was more typical. "You have no idea," he complained to Lionel in 1846, "how dull this place is and if I had not determined on taking the number of baths prescribed, how soon I would bolt."

The image of bolting, however, was a hint at more enjoyable pastimes which, by the 1830s, James and

his nephews were discovering. Of these, hunting was an early favourite. It is necessary to distinguish here between three separate, though related activities, all of which were to become staple Rothschild hobbies. Firstly, there was shooting, mainly of pheasants, which James was doing at Ferrières by the early 1830s. Secondly, there was stag-hunting, which was one of the things which attracted his English nephews to Buckinghamshire in the 1840s. Finally, there was horse-racing, an enthusiasm related to hunting, though requiring more carefully bred and trained horses—not to mention professional jockeys.

Of these pastimes, shooting was the most closely related to the pattern of social activity established in the 1820s. In September 1832, with the aftershocks of the July Revolution still reverberating, Lionel "accompanied Montalivet & Apponyi out shooting which in any other times than the present would be very amusing, but now one goes with these great personages to hear what is going on more than for the sake of the amusement." That instrumental approach continued to inform his uncle James's attitude throughout the decade, most obviously in 1835, when he staged an immense slaughter of 506 partridges, 359 hares and 110 pheasants in honour of the duc d'Orleans. This was corporate hospitality at its most grotesque, with the unfortunate birds and beasts being bought in specially for the occasion, and each of the eminent guests being provided with a servant, a dog and a gun. Inevitably, more discerning huntsmen looked askance at such carnage. Capefigue is quite vehement on the subject of the sport at Ferrières: "Bad kennels, bad hounds, horses dead-beat after the first gallop, greedy gamekeeper, game sold off, venison scrawny, servants scoffing and lacking in intelligence." And even James's own nephews were conscious that there was room for improvement. In 1843, in an ambitious bid to re-educate their uncle, they invited him to shoot grouse with them in Scotland. "The shooting is different to what we are accustomed to see and particularly to that which our good Uncle has at Ferrières where all the game is driven to him and he has but to fire away," Lionel observed acerbically.

Here we have to walk after the dogs and to seek for the game, which is a much greater excitement and at the same time more fatiguing. In the beginning the Baron was very eager and followed the dogs very well, and was rather lucky in killing about 15, but he soon got tired, when I was then able to shoot a little and killed about as many . . . [T]he walking is a little fatiguing, as the heath in most places is nearly up to one's knees.

The younger generation evidently relished the discomfiture of "the Baron": both Nat and Anselm gleefully visualised James returning to Paris clad "as a real highlander, in a tartan dress, the claymore in his hand and exhibiting a flourishing view of stout legs and calves."

The hunting preferred by James's English nephews was stag-hunting on horseback with hounds. Probably at Mayer's instigation, they began hunting with a pack of staghounds in the Vale of Aylesbury in 1839, renting stables and kennels at Tring Park. It was this new enthusiasm, more than anything else, which prompted the purchase of Mentmore three years later. By 1840, "turning out the stag" was a recreation attracting not only the male Rothschilds but their wives to Buckinghamshire, though it was not until five years later that they felt ready to hold a public hunt. The most passionate Rothschild testaments to the pleasures of the chase come, poignantly, from Nat, the exile in Paris, whose early letters abound with allusions to hunting. "What magic there is in a pair of leather breeches," he wrote home in 1842. "I have half a mind to put a pair on and gallop round the bois de Boulogne—old Tup [Mayer] would exclaim, "Go it, you cockney!" Write more about hunting & whether old Tup manages to tumble into the dirty black ditches, how H. Fitzroy was induced to go out with the staghounds—everything is of interest to us poor fellows who can only hunt through the columns of Bell's Life." And in the same year: "We are going to Lady Ailesbury's tonight. I'd sooner have a run for 40 minutes across the vale than look at her ugly face without a veil." In 1841 Sir Francis Grant was commissioned to paint all four brothers at full tilt on their hunters, resplendent in matching scarlet coats and top hats.

In fact, it was seldom that all four were able to ride to hounds together.

It is tempting to conclude from such evidence that the fad for stag-hunting was nothing more than the hedonism of wealthy youth, the stuff which would later be immortalised by Surtees and Siegfried Sassoon. Yet there is a phrase of Nat's which hints at something more. "Ride like trumps," he exhorted his brothers in 1840, "and do not let the Queen's people fancy we are all tailors." As in Paris, hunting inevitably had a social significance: it meant mixing with members of the aristocracy, including courtiers, men who would tend to be accomplished riders. It mattered to the sons of the textile merchant Nathan Rothschild to prove that they were not "all tailors" by acquitting themselves well over the hedges and gates of Buckinghamshire. And of course it was good exercise: something which their grandfather, confined in the Judengasse, had been denied and their father had scorned. It is not inconceivable that the older Rothschilds' very sedentary lifestyles made them susceptible to the kind of ailment which killed Nathan. On the other hand, the fact that Nat suffered a serious injury as a result of a riding accident bore out his father's warnings many years before about the incompatibility of bankers and horses.

The same was true of the brothers' first forays into horse-racing. We know from Buxton that Nathan had whetted his sons' appetites for Arab horses, and Lionel was self-confessedly "extravagant" in his expenditure on horses while serving his apprenticeship in Paris. It was not until around 1840, however, that Anthony began to own and compete racehorses: in that year one of his horses won the Champs de Mars in Paris. This was in some ways the height of Rothschild social pretension in the period, as the pre-eminent owner of the day in Paris was none other than the duc d'Orléans. His death in a carriage accident in July 1842 left the field to some extent open: as Disraeli wrote that October, "Anthony succeeds the Duke of Orleans in his patronage of the turf & gives costly cups to the course wh[ich] his horses always win." Nat, still fondly dreaming of the Vale, was disapproving, and warned his youngest brother: "Race horses are ticklish things, very pleasant to have a lot when they win, quite the contrary when they lose . . . Dear Tupus stick to the scarlet coat, instead of the silk jacket, it is more beneficial to the health and less expensive." But Mayer, evidently inspired by Anthony's success, shortly afterwards established a racing stable at Newmarket; it was he who in 1843 (after toying with the more garish combination of amber, lilac and red) registered the Rothschild colours as dark blue and yellow.

Investing in Art

The pleasures of the field were not the only ones discovered by James and his nephews after 1830. An even more important new source of enjoyment—and prestige—was patronage of the arts; and here we see clearly that Rothschilds were doing much more than merely "aping" aristocratic mores.

Of course, there were those who erroneously took James de Rothschild for a philistine. "If only I had Rothschild's money!" exclaims Gumpelino in a draft of "The Baths of Lucca" written by Heine in around 1828, three years before he left Germany for Paris:

But what use is it to him? He lacks culture and understands as much about music as an unborn calf, about painting as a cat, about poetry as Apollo—that's the name of my dog. When men like that lose their money, they cease to exist. What is money? Money is round and rolls away, but education endures . . . But if I—God forbid—were to lose my money, I would still remain a great connoisseur of art, painting, music and poetry.

Fifteen years later, by which he time he knew James pretty well, he took a rather different view, though the compliments were—as so often with Heine—strictly back- handed. James, he now admitted, had

the capacity of finding (if not always of judging) the leading practitioners in every other sphere of activity. Because of this gift he has been compared with Louis XIV; and it is true that in contrast to his colleagues here in Paris, who like to surround themselves with mediocrities, Herr James von Rothschild always appears in association with the notabilities of any subject; even if he knew nothing about it himself, he still always knew who most excelled in it. He does not, perhaps, understand a single note of music; but Rossini was always a friend of the family. Ary Scheffer is his court painter . . . Herr von Rothschild knows not a word of Greek; but the Hellenist Letronne is the scholar he favours most . . . Poetry, whether French or German, is also very eminently represented in Herr von Rothschild's affections; although it seems to me as if . . . the Herr Baron is not as wildly enthusiastic about the poets of our own day as he is for the great poets of the past, for example, Homer, Sophocles, Dante, Cervantes, Shakespeare, Goethe—pure, dead poets, enlightened geniuses, who are free from all earthly dross, removed from all wordly needs, and do not ask him for shares in the Northern Railway.

As we shall see, this last remark was a pointed allusion to Heine's own relationship with James; but leaving that aside—and making due allowance for Heine's satirical hyperbole—it is obvious that the above passage (published in 1843 in the *Augsburger Zeitung*) could hardly have been written of a man with no interest in the arts. Even if James himself was no expert, he admired expertise—and that is a very different thing from being a philistine. When another ambitious young man of letters (also, like Heine, a converted Jew) first met James at a dinner in Paris the year before, he hit the nail on the head. "I found him," Benjamin Disraeli told his sister, "a happy mixture of the French Dandy & the orange boy. He spoke to me with[ou]t ceremony with 'I believe you know my *nephew*.' " The "orange boy" in James was most strongly evident in the strong Frankfurt accent with which he spoke French, and in the peremptory manner which he shared with his brother in London; but the "French Dandy" was the man within, who always enjoyed the company of artists, musicians and writers. An English visitor to Paris in the 1850s noticed this too, when she called on "Mme. de Roth . . . whose poetic abode has more the air of the palace of a wealthy artist than the hôtel of a millionaire." For all his rough manners, James was, in his heart, something of an aesthete—even a Bohemian—though he indulged this trait vicariously, surrounding himself with beautiful objects and introducing one or two of their more entertaining creators into his otherwise stuffy social round. Something similar could be said of his English nephews, whose love of hunting was only one facet of their wide-ranging activity beyond the walls of the counting house.

It was on other walls that the "acculturation" of the Rothschilds was perhaps most immediately obvious —specifically, on the walls of their houses, which gradually became covered with paintings of the very highest quality. The first picture of note bought by a Rothschild was French artist Jean-Baptiste Greuze's *The Milkmaid* —a typically rustic-romantic work of the late rococo—which James acquired as early as 1818. Greuze was a favourite Rothschild artist: James bought another of his paintings— *Little Girl with Bouquet*—from the auction of Cardinal Fesch's estate in 1845, and his nephew Lionel began his collection by buying his *Virtue Faltering* at Phillips' auctioneers in 1831; he later acquired four other works by the same artist, among them *The Parting Kiss*. His brother Anthony owned another two, including *The Nursery*. Such pictures complemented the numerous items of *ancien régime* furniture and ornamentation acquired by the family, like the Marie Antoinette secretaires and Sèvres porcelain owned by James. Another favourite artist was the seventeenth-century Spanish artist Bartolomé Estebán Murillo, whose work Lionel may have discovered when he went to Madrid in 1834, where, as he freely admitted, he spent "all my leisure time . . . in running about after pictures which are in very great number but few good ones." By the end of the 1840s he, his uncle and his mother all

owned Murillos.

But it was the art of seventeenth-century Holland which the family found most attractive. In 1840 James bought Rembrandt's *The Standard Bearer* from George IV's collection, which he hung in the grand salon at the rue Laffitte; he also owned the same artist's *Portrait of a Young Man* (which was in the sitting room) as well as Franz Hals's *Portait of a Nobleman* and works by Anthony van Dyck, Peter Paul Rubens, Jacob van Ruisdael and Philips Wouwermans. In 1836 Lionel bought Gerard ter Borch's *Young Lady with her Page* in Frankfurt, and a year later added four paintings by Wouwermans from the sale of the duchesse de Berry's collection as well as three by Jan van der Heyden, including *Rosendaal Castle* and his *View of Haarlem* . He bought two more Wouwermans works and a Pieter de Hooch from George Lucy's collection in 1845. By the time the German art expert Gustav Waagen visited him in Piccadilly in around 1850, his collection included three paintings by Meindert Hobbema, three by van Ruisdael, a Paulus Potter, a Karel du Jardin, an Adam Pynacker, two Jan Wynants and an Isaac van Ostade. He later added two pictures by Nicolaes Berchem, five works by Aalbert Cuyp—including his *View on a Frozen River*—six paintings by the van Mieris, father and son, two by Gaspar Netscher, three by Gerard ter Borch and seven by David Teniers the Younger, as well as still-lifes by Jan David de Heem, Jan van Huysum, Rachel Ruysh, Jan Weenix and Peter Gysels. This taste was evidently shared by his brother Anthony: in 1833 he bought a picture of a nurse and child playing with a goat which appeared to bear Rembrandt's signature (it was later reattributed to Nicolaes Maes when the signature was shown to be a forgery) and by 1850 had acquired works by Wouwermans, Teniers, Van Dyck, Rubens and van Ostade.

That something resembling a collective "Rothschild taste" developed in this period is not surprising, as to a large extent the family acted in concert, alerting one another to major sales and acting for one another in different markets. In 1840 James asked Anthony "to dispose of the Rembrandt if it could be done with advantage," but "on reflection" decided against buying a Murillo through his nephew. He and his nephews sought to ensure that a major Roman collection was auctioned in Paris rather than London in 1841. "We want to do it together," wrote James. "Perhaps we will get some nice paintings." Typically, when two Murillos were offered for auction in Paris in 1843, Nat considered buying them for his mother, though in the end he left them to Salomon's wife Caroline. By the time of her death, Hannah owned works by Murillo, Cuyp and Teniers, all probably bought for her by her sons. There was also a natural shared tendency to favour secular subjects over religious works—perhaps the best explanation for the over-representation of Dutch artists—though this was far from being a rule. Interestingly, the Rothschilds bought not only Old Testament scenes (such as Paul Delaroche's *Moses in the Bullrushes*) but also some works of explicitly Christian iconography. In 1840 Lionel acquired Murillo's *Infant Christ as the Good Shepherd* from a London dealer and he later purchased Domenichino's *Head of a Magdalene* and Andrea del Sarto's *Madonna and Child*; while James owned Jan van Eyck and Petrus Christi's *Chartreux Madonna* and a Luini *Virgin and Child*. In 1846 Anthony was given Van Dyck's *The Abbot Scaglia Adoring the Virgin and Child* by his father-in-law.

It would be wrong, however, to exaggerate the homogeneity of Rothschild collections even at this early period. When Nat bought Velazquez's *Lady with Fan*, he observed that "pictures are something like ladies, everyone must please himself and select according to his taste . . . It would not please everyone as the face is not a pretty one, although very well painted." His brother Lionel's enthusiasm for eighteenth-century English artists was not shared by James (and was in many ways ahead of its time in Britain too). In 1846 he acquired Sir Joshua Reynolds's *Portrait of Master Braddyl* at Christie's, the first of several Reynolds works (the others were his *Portrait of Mrs Lloyd*, *Portrait of Miss Meyer as Hebe* and *Snake in the Grass: Love Unbinding the Zone of Beauty*). Later he turned to Thomas Gainsborough, buying his *Portrait of the Hon. Frances Duncombe* for £1,500 in 1871 and his *Portrait*

of Mrs Sheridan the following year at Christie's. He also owned George Romney's *Portait of Emma, Lady Hamilton* and works by Sir William Beechey and John Hoppner. This enthusiasm for relatively recent portraits of individuals quite unrelated (and in all probability unknown) to the Rothschilds is especially surprising, though later in the nineteenth century such works were all the rage. Lionel's youngest brother Mayer owned a Gainsborough too—a fox-coursing scene—but he also bought works by Cranach and Titian, who are not represented in other Rothschild collections of the period.

The Frankfurt Rothschilds had rather different tastes again. It is hard to imagine Wilhelm Tischbein's *Goethe in the Campagna di Roma* (which Mayer Carl bought in 1846) hanging in Paris or London, for example. In any case, Mayer Carl was a good deal more interested in gold and silver ornaments than in paintings. Although his English cousins collected *objets d'art* too—among Lionel's prized possessions was the so-called "Lycurgus cup," an ancient Alexandrian or Byzantine glass goblet—they were less systematic. By the 1870s Mayer Carl had accumulated a dazzling "Goldschatz" of 5,000 items, among them such treasures as Wentzel Jamnitzer's Merkelsche Tafelaufsatz, a masterpiece of the German Renaissance, and an ivory horn on silver gilt in the same style—in fact a contemporary forgery by Reinhold Vasters, but a brilliant one.

Evidently, the Rothschilds were little interested in the art of their own day—although the myth-makers have exaggerated this indifference. The story that James antagonised two artists, Jadin and Horace Vernet, in his efforts to secure a cut-price portrait seems implausible; it cannot be right that Vernet took his revenge by depicting James as a cowardly Jew in *On the way to Smala*, because the figure in question bears no resemblance whatever to him or any other Rothschild. What is true is that, with very few exceptions, the only contemporary paintings the family owned were portraits they commissioned themselves: for example, Alfred de Dreux's portait of Lionel driving a gig (1838), Sir Francis Grant's portrait of the four brothers riding to hounds (1841), Ary Scheffer's portrait of James's daughter Charlotte and Jean-Auguste-Dominique Ingres' portrait of his wife Betty (1848)—not to mention the numerous family pictures painted by Moritz Daniel Oppenheim and the portraits of James by artists like Charles-Emile Champmartin, Louis-Amié Grosclaude and Hippolyte Flandrin.

It would be a mistake to explain all this solely in terms of family (or individual) "taste." For the "Old Masters" were attractive to men like James and Lionel for reasons other than the strictly aesthetic. Quite apart from their value as "status symbols," celebrated paintings were as much a form of investment in the nineteenth century as they are today. The fact that James's entire collection was insured for 10 million francs (£400,000) is indicative of the scale of the investment undertaken in this period: in 1844 that sum was equivalent to a quarter of James's share in the combined capital of the five houses. Moreover, the market was a lively one, still feeling the ripples generated by the French Revolution: by uprooting so much of the French aristocracy, the Revolution had made numerous private collections available to new buyers, and the practice of selling them *en bloc* at auction had continued into the nineteenth century. It was another revolution, that of 1830, which ultimately led to the sale of the duchesse de Berry's collection, one of the most important early sources of Rothschild art; 1848 saw the great Stowe auction. Despite the frequency of such sales, the demand for Old Masters often tended to outstrip supply. It speaks for itself that a picture like Velazquez's *Lady with Fan* could sell (to Nat) for 12,700 francs in 1843, more than three times more than the banker Aguado had paid for it just six years before.

Given their immense wealth, the Rothschilds could afford to outbid almost anyone, and some members of the family seemed inclined to do so. As Mayer said while shopping for Italian sculpture in 1846, "one ought always to buy the very best of everything and not to mind the price," on the ground that "the very best" could only appreciate in value. But the political upheavals of 1848-9, when the art

market slumped as steeply as the financial markets, called that bullish assumption into question. In later life, James was always content to let a picture go to another bidder if he felt the price was excessive. In 1860 he bid 3,000 guineas for a Rubens, only to see it go to someone else for 7,500. “Fabulous prices,” commented James; “I don’t have the money to pay 10,000 guineas for a Murillo” (especially when the artist’s *Christ as the Good Shepherd* had cost just over £3,000 twenty years before). Of course, he of all people did have the money; but, compulsive investor that he was, he hated the idea of buying at what might prove to be the peak of the market.

Piano Lessons

Art, then, was an investment as well as a form of decoration. The Rothschilds’ enthusiasm for music is perhaps less easily explained. That the Rothschilds patron ised some of the most famous composers and performers of the nineteenth century is well known; and the most obvious reason for this is that musicians were a prerequisite for a successful soirée or a ball. In January 1828, for example, Nathan was able to treat his dinner guests to a post-prandial performance by Ignaz Moscheles—Felix Mendelssohn’s tutor. Similarly, when the maréchal de Castellane had dined with James the year before, the star performer was Rossini, to whom Salomon had been introduced by Metternich at the Congress of Verona five years before. It is also said—though scholars debate the authenticity of the story—that Chopin’s career in Paris was launched by a performance he gave at the rue Laffitte in 1832. He played there again in 1843 alongside his pupil Karl Filtsch, whose playing James was reported to “adore.” Other notable performers who played at Rothschild houses included Mendelssohn himself, Franz Liszt, the pianist and conductor Charles Hallé and the violinist Joseph Joachim.

Even more important than their role as performers, however, was their role as teachers. This was especially important for female Rothschilds, who were encouraged from an early age to excel at the keyboard (the piano was perhaps the nearest thing the nineteenth century had to the television, with the difference that it required skill to operate). Not surprisingly, Nathan and his brothers gave them the best tutors money could buy. Charlotte’s *livre d’or*, in which she invited her teachers to jot musical mementoes, records many of their names: Moscheles appears there, as does Mendelssohn, Vincenzo Bellini (who inscribed the song “Dolente immagine di Fille mia,” which he had composed in 1821), Louis Spohr (who contributed a version of his song “Nachgefühl”), Rossini (who added one of his many settings of “Mi lagnero tacendo” from Metastio’s *Siroe*) and Giacomo Meyerbeer (who offered a song called “The Rare Flower”). In the 1840s Charlotte’s contributors included the elderly Luigi Cherubini (who wrote in the aria “Canto d’Armida” from his opera *Armida abbandonata*) and Chopin (who added a version of the Mazurka Op. 67 no. 4). Rossini also wrote a six page piano solo for her as a “Petit Souvenir.” Charlotte’s sister Hannah Mayer was also an accomplished harpist and took lessons from Parish Alvars, who dedicated his Serenade Op. 83 to her; and when the youngest sister Louise showed musical leanings, Rossini himself offered to give her singing lessons. He was, she reported to her father, “very good natured and always comes at the hour and day I like.” When the two were together in Frankfurt three years later, she had lessons with him every day. Chopin too gave lessons to a number of Rothschild women: not only to Nathan’s daughter Charlotte but also to her daughter Hannah Mathilde and to Betty’s daughter, another Charlotte. Indeed, he dedicated two pieces to members of the family: the Waltz, Op. 64, No. 2 and the Ballade, Op. 52. With such a source of inspiration, it is not surprising the girls themselves tried their hand at composition: the younger Charlotte published four short piano pieces while Hannah Mathilde composed piano pieces, an orchestral waltz and six sets of songs, including settings of Victor Hugo, Théophile Gautier, Goethe and Longfellow—the most successful of which (“Si vous n’avez rien à me dire”) was performed at the Paris Opéra by the soprano Adelina Patti.

The Rothschilds not only employed musicians to perform and teach, however; they also mixed with them socially and enjoyed their company. Meyerbeer dined with Betty and James in 1833, for example, and Rossini was invited to Lionel's wedding in 1836 primarily as a friend—"to add to the gaiety of our party"—rather than as an entertainer or teacher. As he himself put it, "the entire purpose . . . was to attend at Frankfurt the marriage of Lionel Rotschildt [*sic*], my very dear friend." James and he remained friendly throughout their lives. Similarly, Chopin was said to have "loved the house of Rothschild and that this house loved him"; after his premature death in 1848, his pupil Charlotte preserved "a touching remembrance of him"—a cushion she herself had embroidered for him. Such intimacy with musicians was somewhat unconventional. When the Rossinis dined with Nathan at a fairly aristocratic gathering shortly before the wedding, Lady Grenville commented sniffily that it was "Madame Rossini['s] . . . first appearance in decent company I believe." But the composer and his wife were there partly in order to liven up the proceedings. Anthony's account of the private recital he heard Liszt give in 1842 is illuminating, showing how the Rothschilds derived pleasure not only from the playing but also from the company of such stars of nineteenth-century romanticism. "The most extraordinary player in the world," he reported to his wife, was

as curious to look at as to hear, with his long hair at times streaming over his face, at others completely thrown back by a violent toss of the head, his wild eyes which he now and then turns on every side as if to mean sometimes "Am I not wonderful?" at others that he is delighted with his own performance. Dearest, he is an agreeable and talkative man in society, and is no doubt a dear and pleasant companion.

Musicians educated and entertained—and not just by their playing. In return, the family were happy to give their favourites a measure of financial assistance—usually in the form of personal banking services. Johann Strauss senior's tour of England in 1838 was partly financed by Lionel; after 1842 Rossini banked at de Rothschild Frères; Niccolo Paganini used the Rothschilds to relay a gift of 20,000 francs to Hector Berlioz; and Adelina Patti on one occasion borrowed more than £4,000 from the Paris house while on tour in Argentina. Even that most vociferous of musical anti-Semites, Richard Wagner —who demonised the influence of "Jewry in Music"—may be said to have banked with the Rothschilds as his second wife Cosima had an account with the Paris house. The beneficiaries were more privileged than they may have realised: the Rothschilds generally offered such facilities only to royalty and the political elite. It was a sign of the value they attached to their relations with the musical world; and perhaps this sprang from a certain sense of affinity. Like the self-made millionaire revered for his money, the musical star idolised for his (or her) virtuosity was a nineteenth-century invention. Both were to some extent parvenus (and foreigners): Nathan as much as the Rossinis at the dinner mentioned above. Indeed, many of the nineteenth century's most gifted musicians—Meyerbeer and Joachim spring to mind—were, like the Rothschilds, beneficiaries of Jewish emancipation.

Men of Letters

Musicians gave private lessons and performances. Nineteenth-century writers, by contrast, wrote for a burgeoning public and were supposed to be freeing themselves thereby from the traditional constraints of patronage. Yet men of letters too were recipients of Rothschild favours—and two of the best-documented cases were Heinrich Heine and Honoré de Balzac, both of whom became closely associated with James in the 1830s and 1840s. (Because of its political significance, the analogous relationship between Lionel and Disraeli is discussed separately in volume II.)

On the face of it, it is amazing that the wealthiest banker in Paris, the confidant of kings and ministers, should have had anything to do with either. In political terms alone, they were extremists: Heine was exiled from Germany for his liberal views and remained a lifelong enthusiast for revolutionary and nationalist causes; Balzac, by contrast, was by temperament a romantic conservative who considered seeking election as a Bourbon legitimist in 1831-2, and devoted a lifetime to portraying the society of the July Monarchy in a less than flattering light. Financially, they were both feckless, and without question had mercenary motives for cultivating good relations with the Rothschilds. And above all they periodically depicted James in their writings in ways which would have sent a thinner-skinned man rushing to his lawyers. Yet James evidently liked both; and if the relationships he formed with them were not quite unalloyed friendships, it seems that he would have liked them to be. Nothing gives a better insight into James's complex personality than this.

We have already encountered some of Heine's most penetrating commentaries on the nature of Rothschild power before and after the 1830 revolution. It is now time to say something about his relationship to the family. The nephew of the Hamburg banker Salomon Heine, he had been intended by his mother for a career in banking and seems to have had some sort of encounter with Nathan—"a fat Jew in Lombard Street, St. Swithin's Lane"—in London in 1827. Indeed, Nathan may have been the "famous merchant, with whom I wished to be an apprentice millionaire" who told him he "had no talent for business." By 1834, however, he had struck up a very different relationship with the French Rothschilds. A number of anecdotes exist which cast Heine as a kind of licensed jester at the court of Baron James. When the Austrian playwright Grillparzer dined with Heine (and Rossini) at the Rothschilds', he was shocked: "It was apparent that his hosts were afraid of Heine, and he exploited their fear by slyly poking fun at them at every opportunity. But it is not admissible to dine with people whom you don't care for. If you despise a person you should not dine with him. In point of fact, our acquaintance did not progress after this."

Barbs of the sort Grillparzer alluded to invariably cast James as Heine's slow witted straight-man. "Dr Heine," he asks, "could you tell me why this wine is called 'Lachrymae Christi'?" "All you have to do is translate," Heine answers. "Christ weeps when rich Jews can afford such good wines while so many poor folk go hungry and thirsty." "Comment trouvez-vous mon chenil?" says James, welcoming some guests to his house. "Don't you know that *chenil* means dog-kennel?" chips in Heine. "If you have so low an opinion of yourself, at least don't trumpet it abroad!" Rothschild contemplates the filthy state of the River Seine and observes that its source is perfectly clear; Heine replies: "Yes, M. le baron; and I hear that your late father was a most honest man." A third party expresses a desire to meet James. "He only wants to get to know him," quips Heine, "because he doesn't know him."

Such anecdotes seem superficially plausible in the light of the more satirical passages about James in Heine's journalism. Yet the surviving correspondence suggests a rather different relationship, in which Heine increasingly came to play the more or less humble supplicant to James's indulgent patron. As we have seen, one of the first references Heine made to James was in *Ludwig Börne*, in which he suggested that James's development of financial capital made him as much of a social "revolutionary" as Richelieu and Robespierre. Though a fairly outrageous parallel, this was far from insulting; if anything, it rather exaggerated James's influence. Surprisingly, Heine felt nervous enough about the liberties he had taken—apparently quoting at length from a private conversation with James—that he took the precaution of sending a copy of the proofs to his wife Betty. "You now have in your hands the *corpus delicti* that gives me some anxiety," he wrote. "May I still appear before you? . . . Perhaps you will forgive me with a merry smile. For my part I cannot reproach myself enough for having spoken, not with ill intent, but in an unbecoming manner, of a family that conceals so much nobility of feeling and so much good will."

A few months before, he had publicly denied being the author of some malicious remarks about a ball given by James which had been attributed to him in the columns of the *Quotidienne*. In his *Augsburger Zeitung* articles of the early 1840s, he repeatedly went out of his way to praise James, comparing him favourably with other bankers like Benoît Fould, for example, and praising his philanthropic work. The most fulsome—if faintly facetious—praise of all came in the article published in June 1843 (later incorporated in his "Lutetia") which likened James to Louis XIV for his ability to identify talent in others: "In order to make quite sure of not causing offence I will today compare M. de Rothschild to the sun. I can do this, firstly, because it costs me nothing; and secondly, I can well justify it at a time like the present because now everyone pays homage to M. de Rothschild in the hope of being warmed by his golden rays." A few months later Heine was able to do more than merely praise James when his publisher Julius Campe sent him the manuscript of a highly critical history of the Rothschilds—the radical republican Friedrich Steinmann's *The House of Rothschild: Its History and Transactions*. Heine wrote that if the manuscript were to be suppressed it would repay the service "which Rothschild has shown me for the past 12 years, as much as this can honestly be done."

Many subsequent writers have assumed that the main reason for Heine's kid-gloved treatment of James at this time was financial. But there is no record of any financial assistance from James to Heine until 1845, for the reason that before then Heine did not need such help. That, in fact, is the whole point of the passage in "Lutetia" which follows the comparison with Louis XIV, in which Heine explicitly denies wishing to join the horde of beggars who surround James:

If I may speak in confidence, this frenzied veneration is no small affliction to the poor sun which gets no respite from its adorers . . . I really believe that money is more a curse than a blessing to him; if he had a harder heart he would endure less discomfort . . . I counsel every man who is in dire need of money to go to M. de Rothschild; not in order to borrow from him (I doubt whether he would have much success in that endeavour!) but to comfort himself with the sight of the misery money can cause.

James, argues Heine, is tortured "because he has too much money, because all the money in the world has flowed into his gigantic cosmopolitan pocket and because he has to carry such a burden around with him while all around the great rabble of starvelings and thieves stretch out their hands to him. And what terrible, what dangerous hands they are!" And Heine then tells a very different kind of joke, in which he is the straight-man and James the wit: " 'How are you?' a German poet once asked M. le baron. 'I am going mad,' the latter replied. 'I won't believe that,' said the poet, 'until you start throwing money out of the window.' The baron interrupted him with a sigh. 'That, precisely, is my madness: that I don't throw money out of the window occasionally.' "

When Heine came to rework the original newspaper articles into "Lutetia" ten years later, however, he was able to add (in his "Retrospective Explanation") a kind of postscript to this joke. Then he had been well off; but that was no longer the case.

The indigent men whom I had liberally aided laughed at me when I said that in future I would not have enough for my own needs. Was I not related to all sorts of millionaires? Had not [Rothschild], the generalis simo of all millionaires, the millionairissimo, called me his friend? What I could never make my clients understand was that this great millionairissimo called me his friend only because I never asked him for money. Had I done so, our friendship would soon have been at an end. The days of David and Jonathan, of Orestes and Pylades are past. The poor blockheads who wanted my help thought it was easy to obtain this commodity from the rich. They never saw, as I did, the terrible locks and bars with which their great money chests are secured.

To appreciate the significance of this, it is necessary to know a little of Heine's financial circumstances. Before his uncle Salomon Heine's death in December 1844, Heine had received an annual allowance from his rich relative of 4,000 marks. Salomon Heine's will left Heine a lump sum of 8,000 marks, but his allowance was promptly halved by his cousin Carl, plunging the Heine family into a protracted and bitter wrangle which was not resolved until 1847. It was at this point that Heine for the first time began to need the Rothschilds for their money as well as their friendship. To begin with, he merely sought investment advice, but as his health deteriorated this gradually acquired a charitable dimension. In 1846 James involved Heine in a speculation in railway shares which earned him 20,000 francs. The following year he offered to give his "friend" "the most preferential treatment" in the new French government loan. By 1852, however, Heine's tone was detectably that of the *Schnorrer*:

Whenever fortune smiled on your colossal business operations with particular favour, you allowed not only the closest friends of your house, but also that great child the poet to have a bite at the cherry. At this moment, when you are again taking the leading part in a tremendous enterprise and are emerging victorious and more of a millionaire than ever from the revolutionary storms, I take the liberty of reminding you that I have not yet died, although my condition hardly deserves to be called "life."

When the request was granted, Heine was pathetically grateful for "this latest proof of your goodness . . . The blessing of God is clearly upon you, and any contact with you brings good luck." Three years later he made a similar request to Anselm for shares in the new Austrian Creditanstalt; this too was granted, to the tune of 100 shares. Heine's letters of thanks—alternately sycophantic and embarrassed—indicate how hard he found it to be reduced to begging. Less than two months later he was dead.

In all this, an important role was played by James's wife Betty, with whom Heine had conducted what might be described as an elegant flirtation in the 1830s. They had met at James's Boulogne château: looking back many years later, Heine recalled in a letter to Betty "the sunny day in Boulogne where you first appeared to me with all your magical charm." The meeting must have taken place some time before 1834, when he sent her a copy of his new book *Der Salon*, signing himself as "Ihr ergebener Schützling"—"your faithful protégé." A year later, he described her to a friend as his "earliest patroness in Paris." When he wrote promising to visit her, he could not resist adding that her "pretty, smiling face" was "constantly in his memory." Nor did he confine such expressions to private communications, praising her in one of his articles of the 1830s as "not only one of the best looking women in Paris but [one] who is also distinguished in intellect and knowledge." Nothing is more futile than for the historian to try to infer the intensity of such an attraction, much less the real nature of such a relationship, from a few written remnants; but these seem more than merely formal compliments to the wife of a patron. "I discovered the other day by chance," he wrote to her in 1840, enclosing the proofs of *Ludwig Börne*, "that the beautiful lady whom I took to be only intelligent and virtuous also possesses a great soul. Baron James is indeed the richest of men—but not because of his money . . . Please believe, Mme la baronne, that the interest I take in your house is of no common sort; and accept my assurance of complete devotion for the rest of my days." Yet at some point in the 1840s the friendship began to fade. He continued to send her his books: in 1847 copies of *Atta Troll* and a poem called "The Angel" which may have been inspired by her; in 1852 a copy of *Romancero;* two years later the *Vermischte Schriften* and in 1855 his *Poèmes et légendes*. But they saw little of one another—she became, as he put it, "a doubting Thomas" towards him—perhaps because of Heine's deteriorating health; perhaps because he disapproved of the Rothschilds' role in the 1848 revolutions;[4] most probably because, as Heine had foreseen, his need for money corrupted the relationship.

The contrast between Heine's relationship with the Rothschilds and that of his French contemporary

Balzac is pronounced; indeed, they are like mirror images of each another. While Heine fretted that James might take umbrage at his writings, Balzac blithely caricatured him with only the most perfunctory disclaimers. While Heine decorously flirted with James's wife, Balzac sought to palm off one of his old mistresses on him. And while Heine agonised about accepting share options from the Rothschilds, Balzac happily borrowed from James and sought to avoid repaying him for as long as possible. In a famous aside, Balzac described encountering Heine and James in the street one day in 1837: "C'est-à-dire tout l'esprit et tout l'argent des Juifs." It was the latter which interested him more, though with characteristic egocentricity he persistently misspelt James's name, usually as "Rostchild."

The two first met at Aix in the summer of 1832. James at once took to the mercurial writer, who combined the carnal appetites of Byron with the prose output of Dickens. He immediately offered to assist him with his plan to visit Italy, offering a letter of introduction to Carl and the use of his couriers to Naples. A few months later, having heard nothing more, James wrote to remind Balzac of his offer and to invite him to dinner, chiding him affably for not calling on them since his return to Paris. In Vienna two years later, Balzac took advantage of this goodwill by borrowing 500 francs from Salomon against a bill drawn on his unsuspecting publisher in Paris. He also seems to have asked Betty that same November for some kind of guarantee during negotiations with another publisher.

Relations were at their most cordial in the mid-1840s. In 1842 Balzac offered James tickets for his disastrous play *Les Ressources de Quinola* (appropriately enough, about the sinking of a steamship), and two years later dedicated *Un Homme d'affaires* to "Monsieur le Baron James de Rothschild / Conseil Général d'Autriche à Paris, Banquier."[5] In return, James forwarded his letters to the Polish Countess he was wooing and eased her passage through customs when she went to Naples. More importantly, he provided Balzac with 150 shares in the new Northern railway line in 1846; having paid the first instalment, the writer promptly borrowed 17,000 francs from James, offering the shares as security. He also borrowed a further sum—around 50,000 francs—by mortgaging his fiancée's Polish estate in order to buy a large house in the rue Fortunée. As he prepared to leave for Poland in 1846, Balzac even asked James to help him establish his former housekeeper (and mistress) in a stamp shop, for which a licence was required. Balzac's account of the negotiations is worth quoting for the light it sheds on James's capacity for Rabelaisian banter:

Rotschild . . . asked me whether *she* was pretty, whether I had had her. "A hundred and twenty-one times," I told him, "and, if you want her, I'll give you her."

"Does she have children?" he inquired.

"No, but give her some."

"I'm sorry, but I protect only women with children." This was his way of escaping. Had she had children he would have said he never protected immorality.

"Well now, do you actually believe, Baron, that you can split hairs with me? I'm a Northern shareholder! I am going to write you out a note, and you'll take care of my business as if it were a railway with 400,000 shares."

"How's that?" he said. "If you can make me do it, I'll admire you all the more."

"And you shall do it," I told him, "otherwise, I'll turn your wife loose on you so she can keep an eye on

you."

He burst out laughing and fell back into his armchair saying: "I give in out of sheer exhaustion; business is killing me. Make out your note."

I made it out and went to see Madame James.

Presumably Balzac considered the complete edition of his works which he sent to Betty that same year repayment enough for all these favours.

But the years after 1847 were not, as we shall see, a time when James could afford to be indulgent towards his debtors, no matter how trifling the sums involved, and no matter how amusing the debtor. In October 1848 Balzac—now ensconced in Wierzchownia—was appalled to hear from his mother that Rothschilds had refused to accept a draft for 2,500 francs drawn by one of his other bankers. Concluding that James now intended to call in the 17,000 francs he owed him, and fearing that he would accordingly deduct the money from any new remittances Balzac received, the author attempted a crude fraud: instead of having money paid to himself, he arranged for a payment of 31,000 francs to be made to his mother in her maiden name. The ruse evidently failed, and by February 1849 Balzac was frantically trying to meet the next payment due on the Northern shares by means of another banker's draft. "You have no idea," he wrote irascibly to his mother that March, "how much that debt of 17,000 francs to R[othschild] restricts me and restricts all my movements." Not that Balzac took the matter personally: veteran spendthrift that he was, he could always see the creditor's point of view. "The House of Rothschild," he acknowledged, "like beavers after a thunderstorm, has to occupy itself with repairing the disasters which 1848 has wrought in all its finances." By the time he returned to Paris in the summer of 1850, normal service had been resumed: on June 11, just two months before his death from a bewildering concatenation of ailments, Balzac was arranging with Rothschilds to invest in a hundred Banque de France shares. Behind his coffin, along with Victor Hugo, Alexandre Dumas and a throng of Parisian hacks and literati, as if sprung from *La Comédie humaine* itself, walked James. The Rothschilds did Balzac one final favour thirty-two years later, when they bought the house in the rue Fortunée from his widow for ten times the original purchase price.

Literal-minded modern scholars tend to dispute the notion that James was the model for Balzac's fictional banker Nucingen. They point to obvious dissimilarities: Nucingen is said to be from Alsace, he is the son of a convert from Judaism, he has no brothers, he is too old (at sixty in 1829) to be James, has only one daughter and so on. Yet Balzac himself told his future wife in 1844 that James—"the high Baron of financial feudalism"—was "Nucingen to the last detail, and worse." And a careful reading of the relevant parts of Balzac's great work shows how much of Nucingen was inspired by James. None of the other financiers of the day is more plausible as a model; fictionalised he may be, but Nucingen *is* James, to the extent that Balzac could never have created the former had he never known the latter.

Nucingen is first introduced in *Le Père Goriot* (1834-5) as the husband of one of the two self-centred daughters of the impoverished *vermicellier* Goriot. He is a "banker of German origin who had been made a baron of the Holy [Roman] Empire," speaks with a thick, phonetically-spelt German accent (for example, "quelque chose" becomes "keke chausse") and lives in the rue Saint-Lazare, "in one of those light houses, with thin columns [and] mean porches which are considered *pretty* in Paris, a true banker's house, full of expensive elegance, ornaments [and] stair landings in marble mosaic." In this early incarnation—as also in his second appearance in the *Histoire de la Grandeur et de la Décadence de César Birotteau* (1833-7)—Nucingen is portrayed as coarse and ruthless. When the bankrupt

parfumier Birotteau finally secures an audience with him—again the "superb staircase" and "sumptuous apartments" are described—he is subjected to a baffling interview and referred back to another banker, du Tillet, who is in reality the architect of his destruction. Again, Balzac makes much of Nucingen's atrocious pronunciation of French: "The shrewd baron, in order to be able to renege on promises given well but badly kept, had retained the horrible pronunciation of German Jews who flatter themselves that they can speak French."

This suggestion of fraudulent practice is developed at great length in *La Maison Nucingen* (1837-8), in which Nucingen's origins and methods are discussed. The key to Nucingen's success, Balzac suggests, is a succession of bogus suspensions of payment, whereby he has forced his creditors to accept depreciated paper in payment. Having done this in 1804 and again in 1815, he is poised to unfold his third and most ambitious scheme, a swindle perpetrated at the expense of (among others) a young nobleman and the widow and daughters of the Alsatian banker from whom he had made his first fortune. Naturally, given the imputation of criminality, Balzac is careful to ensure that his character is formally distinguishable from Rothschild: thus Nucingen is described as "the son of some Jew who converted [to Christianity] out of ambition," and is said "secretly to envy the Rothschild brothers." But the resemblances are hard to miss. His second great coup involves a massive purchase of funds before the battle of Waterloo, for example. There is a description of Nucingen's appearance which also has a familiar ring: "Cubic, fat, he is as heavy as a sack, as immobile as a diplomat. Nucingen has the heavy hand and a lynx look that never lights up; his depth is not apparent but concealed; he is impenetrable, and you never see him coming." The sheer extent of Nucingen's financial influence is also suggestive: "His genius embraces everything. This elephant of finance sells deputies to the ministers and the Greeks to the Turks. For him commerce is . . . the totality of varieties, the unity of specialities." At one point Nucingen is even compared, as Nathan had been in his lifetime, with Napoleon. And, perhaps most tellingly, he is said to have been "created a peer by the July Revolution, and a grand officer of the Legion of Honour"—the latter of which honours, as we have seen, James did in fact receive from Louis Philippe.

La Maison Nucingen is not, of course, intended to be a realistic portrait of James de Rothschild. The book is primarily a satire on the volatile financial markets of the 1830s, which the character of Nucingen personifies *ad absurdum*. Its underlying "moral" is that "the debtor is stronger than the creditor," and its most memorable passage summarising "the true principles of the age of gold in which we live" makes it easy to see why the political left sought to claim Balzac as one of their own after his death: "There are arbitrary acts which are criminal when committed by an individual against another individual, which are expunged when they are extended to a multitude, just as a drop of prussic acid becomes innocent in a bucket of water."

Yet this was far from Balzac's last word on Nucingen. In *Splendeurs et Misères des Courtisanes* (1838-47), he is cast in a wholly different light, as the world-weary *vieil lard* who falls in love with a prostitute he has glimpsed in the bois de Vincennes. In fact, she is the lover of the amoral, ambitious Lucien Chardon, who is himself in thrall to the Mephistophelean master-criminal Vautrin, and the three aim to extort a million francs from the lovesick Nucingen. Once again Balzac takes the opportunity to develop his romantic critique of capitalism: "All rapidly accumulated wealth is either the result of luck or discovery, or the result of a legalised theft . . . The 1814 constitution proclaimed the reign of money, and success became the supreme rationale of an atheistical epoch." Once again, however, it is remarkable how many Rothschild allusions crop up. Nucingen is described here as "this Louis XIV of the counting house." Indeed, Balzac describes Nucingen's role as a patron in terms which are almost identical to those used by Heine in "Lutetia" (so much so that plagiarism seems possible):

M. de Nucingen, a pure banker, without any inventiveness beyond his calculations . . . only believed in certain values. As regards art, he had the good sense to turn, gold in hand, to the experts in such things, taking the best architect, the best surgeon, the most eminent connoisseur of paintings and statues, the most skilful lawyer, as soon as it was a matter of building a house, checking his health, acquiring some artefacts or a property.

It is also worth noting how much more sympathetically Nucingen is portrayed here, suggesting the influence of the growing friendship between Balzac and James. Nucingen knows he is making a fool of himself: "Hêdre hâmûreusse à mon hâche, cheu zai piène que rienne n'ai blis ritiquille; mai ké foullez-vû? za y êde!" ("Etre amoureux à mon âge, je sais bien que rien n'est plus ridicule; mais que voulez-vous? ça y est!") And he manages to recover some dignity when she spurns his advances, writing her an elegant and sensitive letter—in perfect French.

By contrast, Nucingen's final appearances in *Un Homme d'affaires* (1845) and *La Cousine Bette* (1846) are brief: here he is merely the last resort of desperate borrowers like Maxime de Trailles, the Balzac-like wastrel Desroches and Baron Hulot, the poor Bonapartist functionary in need of a dowry for his daughter. By this time, the exigencies of his own financial position were plainly uppermost in the writer's mind: the dedication of a book about disreputable creditors to James on the eve of Balzac's own request for financial assistance is thus revealed as a characteristic joke. Even the sum of money which Hulot tries to borrow from Nucingen is similar to the amount Balzac borrowed from James in the same year *La Cousine Bette* was published. Historians are usually nervous of using literature as evidence; but when art so closely imitates life, and in doing so sheds so much light on the otherwise obscure private life of a man like James de Rothschild, it would be a pity to ignore it.

THIRTEEN

Quicksilver and Hickory (1834-1839)

I simply can't see why, when we ask you for the time being not to do something or other, then, without any particular reason, the very same thing happens, because everyone must know what is best for the place where he resides.

—JAMES TO HIS ENGLISH NEPHEWS, OCTOBER 1836

The Rothschild system of issuing and trading bonds for the European powers was immensely lucrative as well as giving the family real political leverage. Yet it had its limits. When the Rothschilds attempted to extend their geographical reach to new regions in the course of the 1830s, they encountered difficulties. With the benefit of hindsight, the historian can see that one of the greatest omissions of the period was the failure to establish a stable and reliable Rothschild base in the United States of America. However, to see why this did not happen it is necessary to unravel a complex story of trial and error

which had its roots in the highly unstable finances of Spain and Portugal; for the route which led the Rothschilds to the Americas started here.

Iberian Dilemmas

While the rest of Europe had revolutions, it might be said, Iberia had dynastic civil wars. Superficially, there were ideological divisions, as elsewhere, between ultra-conservative clericals, moderate constitutional liberals and more radical democrats. Fundamentally, however, the politics of Spain and Portugal in the 1830s and the 1840s had more in common with the politics of the Wars of the Roses. From a banker's point of view, there is nothing *a priori* wrong with civil war in a foreign country. Like any other kind of war, civil wars require money and with domestic tax systems in disarray that money usually has to be borrowed. Though they were more cautious than other bankers, the Rothschilds proved ready and willing to lend to whichever side they thought would win in both Portugal and Spain. Their principal concern in the first phase of this involvement was that other powers might become embroiled in the conflicts, leading to the general European war which was the Rothschilds' recurrent nightmare. As it turned out, no such escalation occurred, though Britain, France and Austria all sought to interfere indirectly in the affairs of the Peninsula. The real difficulty was that, in the absence of decisive foreign intervention, the Iberian civil wars dragged on inconclusively. This meant that by the late 1830s the interest was no longer being paid on loans raised just a few years before. As a result, Spanish and Portuguese bonds performed the same role in the bond market of the 1830s as had been played by Latin American bonds in the 1820s: as James put it succinctly (and repeatedly), they were little better than "shit."

This resemblance was not coincidental. For earlier events in Latin America were not only responsible for sending inveterate troublemakers like Dom Pedro back to Europe; they also fundamentally weakened the fiscal systems of both Portugal and Spain, which had come to rely heavily on the revenues from their transatlantic empires. Portugal and Spain were thus not merely politically unstable; in many ways that was also true of France, where a similar kind of dynastic feud had seemed a possibility after 1830. The Iberian problem was one of chronic national insolvency. Trying to make money from two countries which recurrently teetered on the verge of bankruptcy proved much less easy than the more sanguine Rothschilds initially assumed.

The Portuguese story is the less complex of the two; it also proved to be the less lucrative. We have already seen that Nathan had interested himself in the affairs of Portugal and her sister-kingdom Brazil in the 1820s, arranging loans for both, secure in the knowledge that this was a traditional British sphere of interest. In doing so, he had unwittingly been lending to both the combatants in the impending civil war: Dom Miguel, whose coup he had backed in 1828, and his brother Dom Pedro, the Emperor of Brazil and father of Maria II, the Queen of Portugal whom Miguel had overthrown. In April 1831 Pedro was forced to abdicate in Brazil in favour of his son; he at once set off for France, intent on restoring his daughter to power in Portugal. For no very good reason, French liberals (and some British Whigs) tended to assume that Pedro was a kindred spirit, casting Miguel as a kind of Portuguese Charles X. Pedro therefore had little difficulty in raising money in Paris and men in London, and by July 1832 was able to seize control of Oporto. However, in the absence of popular support it took him until May 1834 finally to secure Miguel's surrender—a victory which he mainly owed to the assistance he received from the English sea captain Charles Napier. Four months later Pedro himself expired, having lived just long enough to restore his daughter to power.

Yet that did not bring Portugal's political troubles to an end. Finding Maria a suitable husband proved harder than expected when her first consort, the Duke of Leuchtenberg, died after just four months of marriage, and a replacement—Ferdinand of Saxe-Coburg, nephew of the Belgian King—was not found until 1836. More seriously, Maria's supporters quickly split into two rival factions: moderate "Chartists" (loyal to the constitution of 1826) and more radical "Septembrists" (who looked further back to the more liberal 1822 version). Shortly after Maria's marriage to Ferdinand, the latter faction forcibly seized power. The Chartists attempted to do the same in 1837 and succeeded five years later. In 1846 there was yet another revolution, which precipitated joint Anglo-Spanish intervention the following year.

The Rothschilds watched the unfolding of the Portuguese civil war with mixed feelings, loath to miss out on any lucrative new business, but worried that the conflict might escalate. By 1832 James had begun tentatively to participate in the operations of the Spanish financier Juan Alvarez Mendizábal, who had issued a £2 million loan for Pedro in Paris the year before. This was a gamble, for although there was indirect British and French support for Pedro, Austrian-backed support for Miguel could not be ruled out. Moreover, Miguel was able to raise a 40 million franc loan in Paris that same year. This explains why James was so pessimistic about the "Portuguese rubbish" from the outset. His view was that only a guarantee from Britain and France would make a Portuguese loan into "a nice piece of business"; but this Palmerston (wisely) refused to give. It is therefore not unreasonable to conclude that, when he and Nathan issued a £4 million loan for the restored government of Maria II in 1835, they were consciously dealing in what might today be called "junk bonds." For, even with Pedro dead and Miguel exiled, the likelihood of Portugal maintaining interest payments on these bonds was low. Thus James regarded those to whom he sold the bonds as, to put it mildly, naive. "We have a great many asses who have been buying this shit," he candidly reported to Nathan in early April. The 3 per cent bonds—which the Rothschilds issued at 67.5—enjoyed a temporary vogue, but within a matter of months were sliding rapidly as political instability persisted in Lisbon. Within a year they had fallen to 55; and by 1839 they stood at just 25. James later explained the rationale of the Rothschild involvement: such bonds were "the only thing on which one can gamble and speculate, for what is there to gain from the French rentes? Nothing. So the world is now speculating on this shit. One can gamble with these but one can never hold on to them." In other words, these high-yielding bonds were never seriously regarded as assets for long-term investors. They were mere speculative objects.

The trouble with selling "rubbish" is that some naive investors—or unlucky speculators—will inevitably be left holding it when the interest ceases to be paid; and they are unlikely to think very highly of the original vendor. For the sake of their own reputation, and therefore their ability successfully to float future bond issues, it was in the Rothschilds' interest to avoid a Portuguese default. As early as March 1835 James was nervously suggesting that the Rothschilds "should send someone over there [to Lisbon] two months before the interest falls due so as to assist the Government. We are too deeply involved in this matter not to try to render any assistance we can to these people." By May it was obvious that even with a change of Finance Minister there was not going to be enough cash to pay the interest due that year. "I think that we will have to pay the interest," he concluded gloomily. The disadvantage of this, however, was that bondholders would "get accustomed to the idea that you will [always] have to extend your helping hand, and in the end you will be unable to retreat."

As it turned out, however, Nathan's plan for a further £1 million advance was rejected in favour of a more generous offer by Goldschmidt, prompting a wave of retaliatory selling by the Rothschild houses in London and Paris. "There is no occasion for our supporting the market now that others have interfered in the Portuguese affairs," wrote Lionel angrily from his dying father's bedside in Frankfurt. "We can job in and out and only study our own advantage." James was beside himself at the conduct of

the Lisbon government: “The miserable Portuguese Minister wants to cut the throat of his own credit so that one can’t tell the world with any degree of certainty that the interest will be paid, and so he makes it appear as if he wants to bring everything down.” “Your Portuguese are giving me a fever,” he wrote to London in December 1836. “Never before in my life has anything upset me so much. These people are nothing more than the scum of the earth.” The only aim now was to “persuade the public that these people have positively decided to ruin the credit and that we on our part have been doing everything in our power to prevent this.” “We have to get out of this shit as quickly as we can,” he reiterated a day later, “because we are dealing here with thoroughly disreputable people and with a minister who speculates on the demise of his own country.”

Yet when the same problem arose in 1837 Lionel had no option but to offer once again to bail the government out: after all, the bonds on which the interest was due were still the bonds which had been issued by Rothschilds two years before. James too could see no alternative but to offer another short-term advance, especially now that the Rothschilds’ old friends the Saxe-Coburgs had become involved through Ferdinand’s marriage to Maria. The strategy in 1837 was to give Lisbon one final injection of cash “to prevent it being said that a Rothschild loan was not paid,” and then to pull out. Even this attempt at damage-limitation misfired, leading to a protracted and highly embarrassing legal wrangle with the Portuguese government. [1] Lionel sought to rationalise what had happened: Portuguese bonds might have fallen from 75 to 25, but “still our name is not lost.” His uncle was unconvinced. “I don’t wish to speculate with any money whatsoever on this muck” was more or less his last word on the subject of Portugal. Subsequent attempts to involve the Rothschilds in the country’s finances were firmly rebuffed. Nor did their rivals let them forget the débâcle. When Barings were approached for a loan in 1846, one of the partners argued strongly against any involvement on the grounds that “Portuguese credit has been so tainted by the mismanagement of the Jews and Jobbers . . . that it would not be a very desirable connexion for any House wishing to stand well with the public.”

Spain was politically not so very different, though economically she had much more to offer than Portugal. Here too the source of conflict was dynastic: did Salic law—giving preference to the male line—apply in Spain, in which case Ferdinand VII’s brother Carlos was his rightful heir; or should the throne pass to his only child, Isabella, born in 1830? Technically, Isabella’s case was the stronger: although Salic law had been introduced in 1713, it had been repealed—albeit secretly—by Carlos IV in the Pragmatic Sanction of 1789, and Ferdinand took the precaution of publi cising this fact five months before his daughter’s birth. On the other hand, when he fell ill in 1832, it became apparent that his brother Carlos had enough might (if not right) on his side to challenge Isabella’s claim, forcing her mother Maria Christina into temporarily revoking the Pragmatic Sanction. Ferdinand’s unexpected recovery forced Carlos to flee to Portugal, but civil war was now more or less inevitable. When the king finally died in September 1833, Carlos revealed that he had no intention of recognising Maria Christina’s regency, returning to Spain to mobilise his supporters ten months later. As in Portugal, the dynastic dispute had an ideological significance: Carlos was the Spanish Dom Miguel, the reactionary “wicked uncle,” while his sister-in-law Christina (after an initial dalliance with reforming absolutism in the person of Cea Bermudez) allied herself with “moderate” liberals like Martinez de la Rosa, and therefore enjoyed conditional support from the more “progressive” democrats who harked back to the revolution of 1820. The war also had a regional dimension: while Carlism was strongest in the countryside of Navarre and the Basque provinces, Isabella’s cause appealed more to the bureaucrats of Madrid and the financiers of the country’s main commercial centres.

There were four reasons for offering financial support to the government of the young Queen. As in the case of Portugal, there were the short-run profits to be made from selling new, high yield bonds to

investors bored with increasingly predictable consols and rentes; but of course such bonds could just as easily be issued for Don Carlos. The decision to plump for Isabella was partly diplomatic: the Quadruple Alliance of 1834 between Britain, Portugal, Spain and (later) France seemed to signal unequivocal foreign support for Isabella's regime from the two powers who traditionally wielded most influence in the Peninsula. More importantly, however, Spain (unlike Portugal) had a particular kind of asset which proved irresistibly attractive to the Rothschilds as a security for any loans: the mercury mines of Almadén to the west of Ciudad Real, one of only two major sources of the metal in the world at this time. For over three centuries, the mines had played a pivotal role in the international monetary system because of the use of mercury (or "quicksilver" as the Rothschilds preferred to call it) in the refining of silver and gold in Latin America. This in itself made them attractive to bankers. The crucial point was that the Spanish government traditionally sold the rights to work the mines and to market their output to private companies, most famously mortgaging them in the sixteenth century to the Augsburg bankers, the Fuggers. Decisively, these mines were controlled by Isabella's forces for most of the civil war. Finally, despite the dramatic contraction of her American empire, Spain still had lucrative commercial ties with her remaining colonies, notably Cuba and the Philippines; the former in particular was attractive to the Rothschilds because of its importance in the tobacco trade.

There were also, on the other hand, three difficulties attendant on any financial involvement with Spain. Firstly, and most obviously, there was the confusion caused by the country's protracted and inconclusive civil war. It was not until 1839—six years after Ferdinand's death—that the Carlist forces were effectively defeated. During that period, there were repeated changes of government in Madrid, as "Moderados" and "Progresistas" (to give the factions their later names) vied for control, the latter pressing for a more parliamentary and anti-clerical regime than Maria Christina had ever intended. Matters were further complicated by the growth in political influence of the leading military commanders; indeed it was one of these, General Baldomero Espartero, who, with Progresista support, forced Maria Christina to abdicate as Regent just a year after leading her forces to victory. Espartero in turn was ousted in 1843 and replaced a year later by his rival General Narváez, who presided over what amounted to a decade of Moderado hegemony until yet another revolution in 1854.

The second argument against involvement in this unstable country was furnished by the bonds issued under the liberal regime of the early 1820s, the so-called "Cortes" (that is, parliament) bonds, which King Ferdinand had refused to honour following the suppression of the revolution. A law of 1831 formally "deferred" interest payments on these bonds for forty years, but this was scant consolation to the investors who had bought them; and the English holders of the Cortes bonds were determined to oppose any further issues of Spanish paper on the London stock exchange until they had secured better terms. Events were to reveal the extreme difficulty of re-establishing Spanish credit internationally with memories of default so fresh. Finally, the support of the so-called "Northern courts"—Austria, Russia and Prussia—for the Carlist cause proved to be stronger than their support for Dom Miguel. Even if he could not contemplate direct military intervention, Metternich proved able to exert considerable diplomatic influence over events in Spain.

For all these reasons, the Rothschilds were initially reluctant to act alone in Spain. As early as December 1830 James and Nathan entered a kind of "sleeping" partnership (in return for a 2.5 per cent commission on sales) with the company which leased the Almadén mines in that year. This was intended as a first step towards greater involvement. "When the time comes that the Government wants to farm it out," James observed to his brother, "you will then be well placed to know exactly who all the customers are and how much one can sell and you will then find it that much easier to submit a proposal for the whole sum." More problematically, as it proved, James committed the Rothschilds to share all Spanish financial business with a consortium of Paris bankers led by the Spaniard Aguado.

This provided a degree of camouflage for speculative dealings in existing Spanish paper (for the Cortes bonds continued to be traded, though at a price of around 30); but it placed awkward restrictions on Rothschild room for manoeuvre when new business had to be discussed with the Spanish government. By the summer of 1833, when a major tobacco deal came to nothing, Lionel was already finding the agreement with Aguado and his associates more a hindrance than a help.

The debate over whether to increase or diminish this involvement in Spain placed a greater strain on familial harmony than any other issue the Rothschilds had to contend with before 1848; indeed, it is not too much to say that it threatened to break up the partnership between the five houses. Nathan was evidently keen to play a bigger and more independent role in Spanish finances, a position consistently supported by his nephew Anselm and rather less consistently by Lionel. James vacillated endlessly, one day seeing all the advantages, the next day seeing only the risks: "With this country there is a lot of money to be made, but on the other hand, one could lose a great deal of one's reputation"—this was James's constant refrain throughout the 1830s. "You know my dear Papa how he [James] is," wrote Lionel impatiently: "One minute he is for and one minute he is against the Business." Unlike his own son, Salomon was generally opposed to direct—or, to be precise, overt—involvement, primarily because of the intense pressure to which he was subjected by Metternich. But he too was inclined to waver: "Be so good as to read Uncle Salomon's letters," Lionel urged his father sarcastically in March 1834, "the first for the *Spanish* , the second *against*, the third *for*."

Nathan's initial strategy seems to have been to secure some sort of agreement on the old Cortes bonds as the prelude to any new Spanish loan. However, all the Spanish negotiators with whom the Rothschilds dealt carefully avoided giving a commitment on the issue. After exceptionally convoluted and protracted negotiations, Nathan decided to ignore the warnings of Metternich, the Austrian ambassador Apponyi, the Russian ambassador Pozzo and no fewer than three French ministers (Broglie, Rigny and Soult), all of whom strongly advised the Rothschilds to avoid Spain.[2] Despite the reservations of James and Lionel, who continued to argue for, at most, a joint and preferably anonymous operation with the Paris consortium, on April 18 Nathan unilaterally proposed to advance the Spanish government 15 million francs to pay the interest due at the end of June on its undeferred bonds. He had obtained no firm guarantee from Madrid that the Cortes bonds would be revalued, merely an empty promise that the issue would be raised when the Cortes met. Nor did he receive any security for his advance when the agreement was signed with the Spanish ambassador in Paris and a representative of the Bank of San Fernando on June 7. As the Carlist-inclined Duke of Wellington sardonically observed, the Rothschilds were now well and truly "in the boat"; and, just as Metternich and the rest had predicted, "the boat" began to sink almost at once. Given the country's notorious record of default, it is not surprising that Nathan's decision to involve himself in Spanish finances attracted satirical comment. Two cartoons portrayed him as a "Jew-dish-us cakeman," standing by his trademark pillar selling a "rice cake" marked "Loan" (see illustrations 13.i and 13.ii). "Who's for a slice? Who's for a slice?" reads the caption on the first. "All Hot! All Hot! Take care you don't burn your Fingers, Plenty of cakes but none like I make." From his pocket portrudes a bill marked "Spanish." The second cartoon shows the "cakeman" with his stall under his arm, having sold the cake. "Dat rice cake sold very well—I hope it vill agree wid my customers—I vil make anoder."



13.i: Anon., *No. 1. CITY POLITICS—JEW-DISH-US CAKEMAN: WHO'S FOR A SLICE? WHO'S FOR A SLICE?* (1834 or 1835).



13.ii: Anon., *No. 2. CITY POLITICS—JEW-DISH-US CAKEMAN. DAT RICE CAKE SOLD VERY WELL* (1834 or 1835).

It is not easy to see why Nathan acted as he did. It is possible that he (along with Anselm) was lulled by the announcement of the Quadruple Alliance into thinking that the danger of civil war would fade, though there is no indication of any official nudge in this direction from Palmerston; on the contrary, Palmerston's man in Madrid, Charles Villiers, indignantly accused Nathan of "*doing*" the Spanish government with "not very advantageous conditions." The most likely explanation was that he wanted to pre-empt a rival bid by Thomas Wilson or Aguado and establish himself (or James) as "court banker" to Maria Christina, in anticipation of a major new loan and conversion operation when the Cortes finally met. He plainly had a plan ready to convert the old Cortes bonds and probably also anticipated short-run speculative profits, assuming that the announcement of a Rothschild advance would boost their prices. One (admittedly hostile) Austrian diplomat recalled his saying: "I must grant it [the loan] because if I don't, somebody else will." Whatever his motive, the advance was uncharacteristically reckless. As James, Lionel and Anselm had all foreseen, the other French bankers promptly sued James, on the ground that Nathan had acted without due regard to the consortium contract. Only by offering Aguado a new agreement to share any future loan was James able to avert a costly defeat in the courts. Nor did the Spanish government's promise to bring the question of the deferred bonds before the new Cortes satisfy the Committee of the stock exchange in London. In Paris too the markets were unconvinced by Nathan's plan: Spanish bonds fell sharply in late June. Worse still, no sooner had the 15 million francs been paid over than a new Finance Minister took over in Madrid who a month later reneged on the agreement, claiming that the Rothschilds had promised to lend twice the amount; this too Nathan had been warned to expect.

It is not known for sure why the Minister in question, Toreno, was (as James put it) an "enemy." Partly, he was responding to domestic pressure to deal with Spanish bankers like Ardouin, with whom he concluded an alternative loan agreement for £4 million; more importantly, he was intent on a drastic "reduction" of the existing Spanish public debt—a conversion which would have cut the nominal value of Spanish bonds by as much as 75 per cent—something the Rothschilds regarded as a "declaration of bankruptcy." To make matters worse, Toreno's appointment coincided with the return of Don Carlos to Spain and an outbreak of cholera in Madrid. With Apponyi, the Austrian ambassador in Paris, issuing dire warnings as to the consequences of French intervention against Carlos, the price of Spanish bonds plummeted, occasioning suicides and murder threats on the Paris bourse. Yet the Rothschilds, while doing their fair share of selling, could not risk an all-out financial "war" against Toreno, for the top priority in the midst of this débâcle was to retrieve as much as possible of Nathan's 15 million francs, if only in the form of "those stinking [bonds] with which he is going bankrupt." It was, as James said, "an awful mess"; and it revealed very starkly the limitations of financial power when confronted by a government unafraid of the international bond market. "All I want you to declare is that we will get our money back and I ask nothing further of you," James implored the Spanish representative. "My commission is now over," the latter replied, "I have been recalled." In vain, James appealed to the ambassador, to the French government and to Toreno himself. "My dear Nathan," he admitted, putting his finger on the Rothschilds' fundamental weakness, "we don't have any troops to force the Government to do that which it does not want to do."

All along, the Rothschilds had suffered from a lack of first-hand knowledge of Spanish affairs: none of them had visited Madrid and there was no dedicated full-time employee there until July. This explains why in August 1834 it was decided to send Lionel (accompanied by the lawyer Adolphe Crémieux) to thrash out some kind of agreement with Toreno face to face. The British ambassador was impressed by the young man's negotiating skills; however, the Rothschild correspondence reveals that Toreno was able to convince Lionel that a fully fledged loan to Spain was now the only way of averting outright bankruptcy and the advent of a republican government. Anselm alone agreed. James and Nathan by now were interested solely in retrieving the money they had advanced to Toreno's predecessor. In

January 1835 they reluctantly agreed to accept the equivalent of 15 million francs as a share of the new loan to be issued by Ardouin. Salomon later estimated their losses on the contract at 1.6 million francs.

Yet Lionel's negotiations achieved what proved to be a more important concession from Toreno; for during his stay at Madrid the contract for the Almadén mines fell due for renewal. As we have seen, the Rothschilds already had a stake in the mines and they had begun to think of increasing their control over the Spanish mercury market during 1834. Indeed, Lionel had explicitly suggested asking for the mines as a guarantee for the 15 million francs advanced. He now outbid four other companies to secure the new contract—essentially by bribing Toreno and the Queen and by offering, instead of a sealed bid, to pay 5 per cent more than the highest rival bid. The following year the contract was renegotiated in such a way that it became rather more advantageous for the Rothschilds. This was the beginning of a long and profitable involvement. According to the Rothschilds' own estimates, the mines at the time of the 1835 agreement were producing between 16,000 and 18,000 hundredweight of mercury a year. Under the 1835 contract, they paid the government rather more (54.5 pesetas or £2.18 per hundredweight) than they had paid under the previous contract (37 pesetas); but were then able to resell the mercury in London for 76-80 pesetas or to silver refineries in Mexico for as much as 150 pesetas per hundredweight. In sterling terms, that represented a profit of at the very least £13,000 a year, with the possibility of more if the output of the mines could be increased without depressing prices. When production was stepped up in 1838, the Rothschilds' annual income from the mines rose to £32,000, though this level of output proved unsustainable. That amounted to more than 13 per cent of the total net revenue from the mines—and no less than 38 per cent of the London house's profits (though half the money was shared with the Paris house). By the 1840s, 20 per cent was James's target return from Almadén.

The acquisition of the mercury rights also signalled a radical change of policy. From now on, rather than issue bonds for Spain against effectively worthless paper securities, they would finance the country's chronically unreliable government by making relatively short-run advances on the royalties they had to pay for the Almadén mercury. Later, similar advances would be made on the basis of copper and tobacco from Cuba. Commodities thus proved to be the best kind of security for loans to unstable states. In his comic poem "Romancero" Heine joked that Mendizábal (who became Finance Minister in 1835) had pawned an ancient pearl necklace "to cover certain / deficits in state finances"; these had duly appeared "at the Tuileries . . . shimmering on the neck of Madame Solomon, baroness." Contemporaries would probably have recognised the allusion to the "jewels" of Almadén.

Of course, the Spanish government may have hoped that the mercury deal would lure the Rothschilds into making a full-scale loan. But in this they were sorely disappointed. True, by the spring of 1835 James was feeling more sanguine about Spain following the success of Ardouin's loan. This, however, proved to be short-lived as the Carlists seemed to gain the upper hand. The key question now became whether any foreign power would intervene to decide the outcome of the civil war. This had always been a possibility: France had intervened in Spain just over a decade before and there had been abortive liberal expeditions in the wake of the 1830 revolution. The Quadruple Alliance also seemed to imply some sort of British action on behalf of Maria Christina's regime (provided the Whigs stayed in power). But it was only after Toreno had wrecked his financial plans that Nathan became a convert to the idea of military intervention, as did Lionel. James, summoned to London to decide the next move, once again wavered. The experience of the early 1830s had made him deeply suspicious of the more hawkish French politicians, and he was inclined to reinforce Louis Philippe's pacific inclinations against the projects for intervention hatched by Thiers. On the other hand, he found it difficult to oppose his elder brother on the Spanish issue and gradually came round to supporting intervention. By contrast, their brother Salomon—who had all along had his doubts about getting involved with Spain—

now acted energetically to counter Nathan's arguments for intervention, ultimately going to extraordinary lengths to dissociate himself from his brother's actions in his correspondence with Metternich.

Metternich had been kept well informed of Nathan's actions by the Austrian chargé d'affaires in London, Hummelauer, and a junior official named Kirchner who was supposedly assisting Nathan with his consular duties. He therefore knew that Nathan was arguing for British intervention; indeed, Nathan appears to have admitted it openly to the Austrian ambassador Esterházy. To clear himself of guilt by association, Salomon therefore had to write one of the most extraordinary of all Rothschild letters, addressed to his senior clerk in Vienna, Leopold von Wertheimstein, but explicitly intended for Metternich's eyes. He began by claiming that the collapse in Spanish bond prices following Toreno's appointment as Finance Minister had been engineered by the Rothschilds as an act of "vengeance" on Toreno for the losses he had caused them. According to accounts which Salomon enclosed, Nathan had sold no less than £2 million of Spanish bonds, ruining Toreno's credit and proving that the Rothschilds were now "confirmed enemies of Spain." Not only that, but Salomon and James had then gone to see Talleyrand, Guizot, Broglie and Louis Philippe himself to argue "that France's credit would go to the devil if they intervened, and that they would have to face a second and third revolution." There was therefore no question of the Rothschilds lending "a single farthing" more to Spain. As if to convince Metternich of his sincerity, Salomon's letter concluded by heaping abuse on Nathan's head. "My brother Nathan Mayer," he wrote,

is one of the ablest men as far as the Exchequer and price movements are concerned but has no special aptitude in other matters . . . [H]e is a child in politics . . . [and] believes that the Powers will be pleased by intervention . . . In other matters that are not concerned with the Bourse, [he] is not particularly bright; he is exceedingly competent in his office, but apart from that, between ourselves, he can hardly spell his own name. This brother of mine, however, is so disgusted with Spain that he can hardly bear himself, just like all of us, only perhaps he feels it more because he realises that he made the advance of 15,000,000 francs without asking any of his partners about it.

Nor was that all. Salomon even went so far as to suggest that Nathan's error had put the entire future of the brothers' partnership in jeopardy:

I myself do not yet know when we brothers will meet; whether the affair of the Spanish Loan will cause a split we shall see. I am sixty, my brother at Frankfurt is sixty-two; I have only two children and if I live very carefully I can live on the interest of my capital; I have fortunately only to provide for my son, as my Betty is as rich as her father. I do not mean that I intend to give up business but only to see to it that I can sleep peacefully. The Spanish affair has completely ruined my nerves; it is not the loss of money, for even if the whole 15,000,000 francs had been lost my share would have been only 3,000,000, but the unpleasantness which we have had with this business. Now Nathan Mayer Rothschild has four grown-up sons, and Carl has two younger boys, so they manage on the basis of a dozen heads. Because my father has so disposed we shall probably have to remain together, but I must confess that it has all very much tired and exhausted

Your,

S. M. v. Rothschild.

For good measure, Salomon then accused the Russian ambassador Pozzo of slandering James because

he had been excluded from a profitable issue of Austrian bonds. This was no mere charade: the Rothschilds' private correspondence indicates how strongly Salomon felt on this issue. As late as 1840—after Don Carlos had been defeated—James could still tell his nephews:

[W]e can't make a loan for Spain under our own name, unless a guarantee is provided by England and by France and . . . nevertheless I tell you, my dear nephews, I don't want to have anything to do with it . . . [I]t is only if the Governments provide us with the necessary guarantees that we can give the Northern Powers a reason, otherwise I can tell you, my dear nephews, that the first thing which my good Salomon will do will be to withdraw from the business. Do you think that this deal will generate a large enough profit to justify doing something like this?

It has generally been assumed that on this issue Metternich's political power prevailed over the Rothschilds' financial interests. Armed with good-quality intelligence and making the most of Salomon's desire to acquire the title of Austrian consul for his son and nephews, Metternich appears to have succeeded in scuppering the project of an Anglo-French guaranteed loan to Toreno's mercurial successor, Mendizábal. Like the British ambassador in Spain, Mendizábal assumed that the Rothschilds would back this project, not least because of his business links with James, with whom he had done business in Portuguese bonds.[3] But Nathan—apparently responding to Salomon's pressure—chose to leak the Anglo-French plan to Vienna and more or less deliberately allowed the project to fall through, leaving Mendizábal high and dry. Indeed, he told Palmerston that he had no confidence in the solvency of Mendizábal's government. When the British Foreign Secretary pointed out that the planned sale of crown lands would raise money, Nathan replied with a characteristically earthy image: "Yes, in time, but not in time for the May dividend. It is like telling me at seven o'clock when I want my dinner [that] there is a calf feeding in a field a mile off." Contrary to the widespread expectation in diplomatic circles that they were itching to make such a guaranteed loan, in fact Nathan and James were steadily baling out of Spanish bonds altogether.

The decisive moment in the civil war coincided with the Frankfurt family "summit" and Nathan's death. Ultimately, despite pressure from the French government to come to Maria Christina's assistance, the Rothschilds kept on selling Spanish bonds; indeed, Nathan's last instructions to his sons were to liquidate all their holdings. After his death, this clear-out continued, so that by 1837 the Rothschilds had more or less withdrawn completely from the market for Spanish bonds. The Spanish Prime Minister was now "that stinking Mendizábal," whom James had "never trusted"; Spanish bonds—now trading as low as 19—were simply "muck" or "shit." The fact that Salomon moved so quickly after Nathan's death to secure for Lionel the Austrian consulship in London also seems to point to the importance of Metternich's leverage.

However, although Metternich appeared to have won, the private Rothschild letters show that if France and Britain had intervened militarily—rather than just financially—the Rothschilds might well have resumed large-scale lending to Spain. In ditching Mendizábal, Nathan was not merely bowing to pressure from Vienna. He was acting out of self-interest, in the belief that any loan to Spain was bound to fail in the absence of military intervention: no Spanish government could now afford to pay both the interest on its external debt and an army big enough to beat the Carlists. Despite all that Salomon had said to Metternich, by March 1836 James was privately itching for France to intervene. As he put it to Nathan following an inconclusive meeting with Louis Philippe and Thiers:

If we should be so fortunate that we, over here, decide to intervene [in Spain], this could make a difference for us of many hundreds of thousands of pounds sterling, and we could earn a great deal of

money, because we could then calmly deal in bills, quicksilver and everything else, but, unfortunately, I don't have any influence, nor indeed, does anyone else have influence over the King . . . I hope to God that they will indeed decide to intervene and you can then imagine how much business this will generate. I spoke so much [in favour of intervention] that my tongue nearly fell out of my throat.

When the possibility of French intervention surfaced again in July, he and Lionel were again briefly enthused, only to be disappointed at the half-heartedness of the measures taken.[4] It was the same story when Thiers failed to overcome the King's opposition to intervention in the spring of 1837. Nor should it be assumed that the Rothschilds' refusal to back a full-scale loan to Mendizábal implied a complete withdrawal from Spanish finances. Before long, the practice of making advances on the mercury from the Almadén mines was resumed (despite Salomon's assurances to the contrary to Metternich), making sums of the order of £100,000 available to the government. James also became increasingly interested in the revenue Spain was earning from Havana. In January 1837 some sort of deal was proposed by Mendizábal involving a buy-back of the deferred Cortes bonds in return for bills on Havana. Interestingly, the Rothschilds—Salomon included—were keen to do this, provided it could be kept secret. They were also continuing to pay the salaries of Spanish diplomats in Paris at this time, an arrangement dating back to 1834. Where they drew the line was at issuing bonds. Even when the idea was put forward for a loan secured on Cuban revenues, they showed little serious inclination to get involved (though this hesitation was probably reinforced by the impact of the 1837 American crisis in Cuba and by the contemporaneous gains made by Don Carlos in Spain).

Of course, it would have been difficult to retain control of the lucrative mercury business without making any concessions to the Spanish government. A shot was fired across Rothschild bows when, not long after the fall of Mendizábal in August 1837, the Cortes sought to revoke the Almadén contract, arguing that it had been improperly modified two years before. Defenders of the 1835 contract in Madrid warned that, if deprived of the Almadén mines, the Rothschilds might back Don Carlos "for they are the monetary dynasty of Europe, and a new lever in the balance of power, which might decide the success of the Pretender by inclining the scales in his favour." But only by agreeing to make more (and larger) advances on mercury and Havana bills were the Rothschilds able to retain the contract; and increasingly they had to allow their agent Weisweiller considerable latitude in the granting of such advances to avoid similar challenges, even turning a blind eye to the partnership he struck up with the governor of the Queen's court, Manuel Gaviria. Of all the threats to their position, the biggest was probably posed by the banker Aguado, who returned to dangle the possibility of a large loan in front of the new Espartero government, with a view—so the Rothschilds suspected—to challenging their monopoly at Almadén. The new Finance Minister Alejandro Mon did his best to convince James that without a loan of £5 million the Rothschilds would lose the mines. But Salomon, with Metternich still breathing down his neck, continued to oppose involvement in any such loan unless it could be done through a "front" like the Bank of San Fernando; and James remained leery of the purely economic risks involved (not least because the Carlists managed to occupy Almadén briefly in the course of April 1838). Once again it proved possible to hold on to the mines by means of large advances, which fluctuated between around £200,000 and £400,000. In 1839, with the Carlist threat more or less dead, there was renewed talk of a loan, but the Rothschilds still declined to be involved, showing much more interest in establishing some kind of tobacco monopoly. As James shrewdly anticipated, the defeat of Don Carlos merely unleashed the Moderado opposition to Espartero, replacing one form of political instability with another.

The price of this strategy—which gave the Spanish government as much money as a bond issue, if not more—was a good deal of Austrian irritation. Despite their best efforts, the Rothschilds could not hope

to conceal what they were up to from Metternich (it was at this point that they began to realise that Kirchner was effectively spying on them). Yet the consequences were not serious: even James's fears that Lionel might lose his Austrian consulship proved unfounded. Throughout the successive revolutions, coups and pronunciamentos of the early 1840s, Rothschild policy remained consistent: to hang on to Almadén (albeit on rather less lucrative terms), to expand their involvement with the Cuban and Philippines trade, but to eschew bond issues. Politically, their position remained ambiguous: they apparently continued to act as Maria Christina's bankers even after Espartero had overthrown her, while at the same time leaving Weisweiller to maintain normal service first with Espartero and then with his Moderado successor Narváez. This proved to be the only way of reconciling the sharply conflicting interests of the London, Paris and Vienna houses. The agreement reached in 1843 with the Austrian government for the import of 12 million Havana cigars may be seen as a kind of Rothschild peace-offering, designed to reconcile Metternich to the continuation of such business with Spain and her colonies.

A quite different diplomatic complication arose in the mid-1840s when the powers began to debate the question of Queen Isabella's marriage. The French wished to marry Isabella to her hypochondriac (and, they hoped, impotent) cousin Francisco de Asis and her sister to one of Louis Philippe's sons, the duc de Montpensier; Palmerston, appreciating that this might one day put a grandson of Louis Philippe on the Spanish throne, favoured the inevitable Coburg; while Metternich argued for a marriage between Isabella and Don Carlos's son Montemolin, to bridge symbolically the dynastic rift. There was an economic subtext, as usual, with France and Britain seeking trade agreements with Spain, as well as the usual talk of internationally guaranteed loans and renewed efforts by the British bondholders to get their unpaid interest. There was a good deal of excitement about this at the time, including fanciful rumours in Madrid that James was refusing to lend money to Spain until Isabella had settled the succession question by having a son. However, the Rothschilds were little more than reluctant onlookers and occasional messengers in all this: it merely hardened them in their resolve to abandon Spanish bonds. When Guizot and his ambassador in Madrid interpreted James's refusal to back a loan to Narváez and Mon as a vote of no confidence in their marriage schemes, they failed to see that this was merely the continuation of a Rothschild policy dating back fully ten years. Once again the great powers' conflicting interests threatened to impinge on the interests of the Rothschild houses; but this time a position of neutrality was easier to sustain as none of the Queen's possible spouses posed a threat to the Almadén monopoly. Control of the mines remained the sole object of Rothschild policy in Spain. Nor was it to be their last step away from "pure" finance and commerce, into the very different business of mineral extraction (and later also refining).

Yet even the commitment to Almadén was not unconditional. On the contrary: when the mercury contract came up for renewal in 1847, the Rothschilds were so unimpressed by the terms the Spanish government was prepared to offer that they began to contemplate withdrawal. This partly reflected their assessment of the world mercury market. Lionel Davidson's confirmation in 1845 of the existence of substantial mercury deposits in Mexico raised the possibility of discoveries elsewhere in the New World. (The price which the Rothschilds had to pay for the mercury monopoly crept up steadily from 54.5 pesetas in the beginning to 70 pesetas in 1850, while the price at which it could be sold abroad began to slip following these discoveries.) With demand falling especially low in the depressed economic conditions of 1847, the Rothschilds not unreasonably expected the government to improve its terms. For a government which was struggling financially, the choice was between maximising revenue from the mines and securing further cash advances from the Rothschilds. Opting for the former, the Minister elected to publish his offer, effectively ruling out further bargaining. The result was deadlock, with Spanish requests for an advance of £600,000 being firmly refused in the absence of better terms for the mercury contract. As James put it, "If one could earn 20 per cent then I would be all in favour of

going ahead with the deal, but as matters stand at present we stand to make only a trivial sum . . . I can't see the big fortunes we stand to make from this deal, nor why we should invest our money in such a venture in these present times." By now, as we shall see, James had found more lucrative financial opportunities.

"*That Blasted Country": America*

The Rothschilds' interest in Spain not only led them to establish new links with Cuba, the Philippines and Mexico. More by accident than design, it also led them to establish a permanent agency in the country which was to emerge as the dominant force on the other side of the Atlantic: the United States. Yet, despite its phenomenal economic potential and the furious pace of its development after 1820, America—it might as well be said at the outset—was a challenge to which the Rothschilds never quite rose.

The reason for this has not previously been explained. Of course, it was far away, and in many ways quite different in its business culture from Europe—"very sharp and peculiar" was the phrase once used at New Court, a view echoed and immortalised by Dickens in *Martin Chuzzlewit*. But the same might easily be said *a fortiori* of Brazil, with which the Rothschilds developed an enduring relationship. It has been suggested that the American market had been "sewn up" by the Barings before Rothschilds arrived on the scene, and later developed its own home-grown bankers, like J. P. Morgan, who would ultimately eclipse Rothschilds not only in the US but in the world. Yet this too will not quite do: the Rothschilds proved on numerous occasions in the nineteenth century that they had the financial muscle to oust even their most powerful rivals from business they coveted. That they did not do so in America requires a better explanation.

In fact, the answer may partly lie in the peculiarities of American democracy. The Rothschilds, as we have seen, always gave first place to public finance in their operations, and rarely conducted commercial business in a country without also lending to its government. However, this proved difficult in the US. The federal system meant that the financial needs of the central government were strictly limited, while some of the individual states proved to be among the least reliable creditors of the entire nineteenth century. A second and ultimately more serious obstacle was the American tradition of suspicion towards big banks. The Rothschilds generally liked to have a reliable local partner in their international operations, often a national or central bank in the mould of the Bank of England or the Banque de France. In Spain, that role was played by the Bank of San Fernando. In the United States, however, it proved politically impossible to establish such an institution on an enduring basis. The first Bank of the United States (BUS), set up by Alexander Hamilton in 1791, expired twenty years later when the Republican-dominated Congress refused to renew its charter on the ground that it was unconstitutional. The second BUS, established in 1816 with a capital of $25 million, became the focus of a powerful political campaign against the "money power" which was blamed for the deflationary pressures of the succeeding years. Though it survived a legal challenge by the state of Maryland, the Philadelphia-based bank fell victim to the populist President Andrew Jackson, who recognised the electoral advantages of an attack on the "monster," identified as it was with his rival Henry Clay. When the BUS's president, Nicholas Biddle, applied to have its charter renewed in 1832 (four years earlier than was necessary), Jackson vetoed it, vowing: "The Bank is trying to kill me, but I will kill it." Despite Biddle's effort to precipitate a financial panic in retaliation, "Old Hickory"—Jackson's nickname—carried the day, and in 1836 the bank lost its public status, though it continued to exist as a

state bank in Pennsylvania. As we shall see, the Rothschilds' instinct was to do business with the BUS; but Jackson's attack fatally undermined its position. It should be added that American suspicion of big banks was allied to a suspicion of foreign banks, and especially Jewish ones. No sooner had the Rothschilds appeared on the American scene than Governor McNutt of Missisippi was denouncing "Baron Rothschild" for having "the blood of Judas and Shylock flow[ing] in his veins, and . . . unit[ing] the qualities of both his countrymen."

Rothschild interest in the US dates from the early 1830s, when an opportunity arose to arrange the payment of a million pounds owing to the Treasury in Washington from France. This coup led to the Rothschilds replacing the Barings as the federal government's London agents. At the same time, Nathan and James began to interest themselves for the first time in American state loans and commercial finance. American exports of cotton and tobacco to Europe were advancing by leaps and bounds, and by the mid-1830s the London and Paris houses were doing a considerable volume of business in the bills generated by this trade, advancing substantial sums to a number of American bankers, notably J. L. and S. I. Joseph. In the American financial crisis of 1836-7, they and all the other firms with which the Rothschilds had dealings got into serious difficulties; and it was at this point that the Rothschilds were forced to make a decision about the future of their involvement in the US, and above all about the nature of their representation there.

The "appointment" of August Belmont (originally Schönberg) as the Rothschilds' agent in New York was an accident. Belmont had joined the Frankfurt house as an apprentice at the age of fifteen, and had risen rapidly through the ranks, getting up at 5 a.m. each morning to improve his French, English and arithmetic. By 1834 he was acting as secretary to one of the partners, visiting Paris, Naples and Rome; and in 1837 it was decided to send him across the Atlantic. However, contrary to a report in the *Allgemeine Zeitung des Judenthums*, the intention was definitely not that Belmont should establish himself as the bank's New York agent. His orders were to take stock of the financial crisis there—to "let us know what is going on and one can then decide accordingly what to do"—and then to proceed to Havana. This planned itinerary reveals that, in James's view, the family's interests in Cuba were what mattered: as he put it, quite apart from existing commitments there of around £100,000, "Spain receives all her income from that land and it is one of the most profitable business ventures." By contrast, he and his nephews had managed to reduce their commitments in the US to just £9,000 by the end of April, and James was prepared to write this remainder off as "a lost cause." The possibility of establishing a Rothschild house in New York was not wholly ruled out, for James recognised the American market's potential and was convinced that there were bargains to be snapped up from the "shipwreck" left by the banking crisis; but he evidently regarded this as a job far in excess of Belmont's capabilities. His trip was intended to be of short duration; indeed, there was not even any question of his taking over the Havana office. What James really wanted was for a Rothschild to go to America.

But who? The debate on this question illuminates the fundamental problem which was to bedevil the Rothschilds' American policy for decades to come: no one wanted to go there—witness James's vain attempts to persuade his nephews to accept the mission. Anthony, he claimed, had "long indicated that he would like to go to America [and] would gladly make use of this opportunity:"

I am strongly urging him to do so without delay. We have so many interests in that country and in Havana that one of us should immediately go over there. However, I don't believe that you, my dear Anselm, should go there. It is Anthony's turn to do so. I know very well that it is not a pleasure trip but the business has to be attended to and you, my dear Anselm, can't go there, firstly, because my brother Amschel is not feeling well enough to remain in Frankfurt with my brother Carl this coming summer. The latter also wants to take the waters . . . and thirdly, you are a married man whereas Anthony is a

bachelor so that I can't see any reason whatsoever why it should not be Anthony rather than you who should go. Well, I don't have anyone here who knows English . . . I think that it will be possible to earn a lot of money in America. The American funds which one can sell in London will be purchasable in America for next to nothing, for no House has any credit over there and . . . one can earn some very nice profits. Well, once you are in America you can then send Belmont ahead of you to Havana . . . In short, my dear nephew, I urge you to think it over very carefully but whatever plan you decide to proceed with the main thing is that you do it without any delays.

For reasons which are unclear, this proposal was abandoned or rejected, possibly because of the opposition of Anthony's mother. However, a month later—and a week and a half after Belmont had reached New York—James tried again. "Don't you think," he asked his nephews somewhat disingenuously, "that Belmont should go from America to Havana, for our interests in America are no longer so substantial? I don't have anyone here and if you so want then I will go to America and Belmont can then go to Havana for the trip to America is no great deal. It is child's play." If this was intended to throw down the gauntlet to his nephews, it very nearly worked, to judge by James's next letter:

Well my dear Nat, you ask me what I meant when I said that had I been younger I would have gone to Havana and whether I was trying to give you a subtle hint. I must therefore tell you quite frankly what my thoughts regarding this matter are. I would most certainly have gone to Havana in person . . . For me personally this would have been a trip which I would gladly have undertaken. However, if one of my nephews wanted to go there I would then oppose such a plan with all my strength and my love and would not permit it for [Havana] is too far away and too dangerous because of the heat and, moreover, it is not important enough for our business to justify one's exposure to such dangers.

This, of course, was mere soft soap. James now came to the point.

However, America is a different matter altogether, as the voyage there is no less safe than a voyage from Calais to Dover where one can calculate in advance how many days the trip will take. I would, however, like to put a question to you. Do we or don't we want to get involved in the American government's business schemes? If the answer is "no" then I too will say that there is no need for anyone to go there for we are unable to make good the losses suffered by Joseph and Phillips and no one there can do anything. If, however, [it is "yes"] in that case then I would say that it is necessary to take a close look at the place to see whether and how one can go about doing business there . . . [Q]uite frankly, why should Anthony not go there, and maybe he should be joined by Anselm if it is thought that such a trip would be useful and beneficial for us? If, God forbid, the good and upright Hannah does not approve, then we mustn't even think of it, but to place our trust entirely in the hands of strangers is difficult . . . I am not at all opposed to the idea of establishing a company for the American business but can such a project be realised, that is, to set up a business house with associates who are in fact not responsible? Won't the established Houses there be given preference and won't those people who agree to join us perhaps simply skim the cream off for themselves although we could do the same and get the best morsels?

The Rothschilds never satisfactorily answered these questions. Despite James's reassurances that they would only be expected to stay for "three to six months," neither Nat, Anthony or Mayer went to New York; and, although James's sons Alphonse and Salomon visited the US some years later, they did not stay. The fundamental problem was that while it was James who had the enthusiasm for America, his nephews conducted most of the family's business with the US, because Britain was always a bigger

customer for American cotton and tobacco than France. James therefore had to defer to his nephews' greater familiarity with the American market, even when he felt that they were passing up a crucial opportunity. As he frequently admitted: "America is more suited to England than it is to France." (This imbalance between the London and Paris houses also gave rise to persistent friction as to the distribution of profits—and losses.)

As a result, the decisions which determined the nature of their representation in America for the rest of the century were taken by the man on the spot. Despite James's repeated orders, Belmont did not go to Cuba. Instead, and to the intense but impotent irritation of his masters, he acquired an office at 78 Wall Street and announced the establishment of August Belmont & Co., with the plan of acting as the Rothschild agent there. "We received a letter from Belmont," reported a furious James, "but I didn't have the patience to read it":

He is a stupid young man . . . and we are not so desperate for new business and would rather sort the old business matters out so that there is no need for anyone to go to America. That is, and remains, our opinion as far as our dependence on a scoundrel such as Belmont is concerned. Instead of going to Philadelphia to collect the 300,000 francs from Cohen he says, "I shall remain in New York." Such an ass needs to be kept on a short leash.

Nevertheless, James found he had little option but to reply, and a regular corre pondence commenced in September. When Belmont requested the right to discount bills (presumably in the Rothschild name), James was unable to refuse: "He writes every day that he wants to get the authority to discount which I well understand and the man is quite right. If one says 'A' then one must also say 'B' [a favourite James turn of phrase], though it is always dangerous to do so." The following month it was agreed to increase his salary to £500, paid jointly by the London and Paris houses. By the 1840s he had a credit facility with the London house of £10,000. When Belmont wished to increase that limit, he threatened to start doing business for other houses.

The Rothschilds never quite forgave Belmont for taking such a profoundly important initiative, and never ceased to regard him as unreliable (feelings not alleviated by his involvement in a duel in 1841 and his conversion, evidently for the sake of social advancement, to Christianity). "We received letters today from Belmont," wrote Anthony in August 1838, "which frighten us tremendously. How can the man be so mad as to think of doing the things that he is doing . . . I should not mind going out myself . . . if you think my presence there can be of use I will go for I then can write to Anselm to come here . . . I don't think that any person is justified in doing what he has been without asking." Two months later James accused Belmont of playing the London and Paris houses off against one another, giving his favour "today . . . to the English House and tomorrow to the Parisian House." "I think Belmont is a great ass," declared Nat in 1840. "He treats business so lightly that I do not like him at all as an agent." He was "too great a cripple to leave New York & we have been so uniformly unlucky in everything he has had the management of." James agreed: "I don't have too much confidence in that man Belmont," he commented, "because . . . he deals only for himself." There were fitful efforts to replace him, or at least to control him better by sending an additional agent, as Anselm suggested (following reports that Belmont was evincing suicidal tendencies). In 1839 Lionel Davidson was despatched to New York, presumably for this purpose. "He seems a clever intelligent fellow," commented Nat, implying a favourable comparison with Belmont, "and will do very well if you can manage to keep him down"—a phrase which tells us much about the Rothschilds' attitude towards their agents. However, it made more sense to send him on to Mexico and the American West, while Hanau, who was sent in 1843, went to New Orleans. Belmont remained ensconced in New York, and was soon embarked on a political career which would take him to the commanding heights of the Democrat Party.

The debate over the American agency thus exposed a fundamental conflict of interests between the London and Paris houses, and revealed the limits of James's power over his nephews. There is little doubt as to who was right: in refusing to establish a Rothschild house in New York, the English Rothschilds made what must have been the single greatest strategic error in the bank's history. On the other hand, it is easy to see why they hesitated. For even the limited involvement in the American market symbolised by Belmont's grudgingly conceded role as agent very soon cost the Rothschilds dear. And it is doubtful whether Anthony or Nat, in Belmont's place, would have been able to avoid the disaster which lay ahead.

Even before Belmont arrived in New York, an irresistibly tempting opportunity had arisen for the Rothschilds to step into another niche vacated by Alexander Baring. The Bank of the United States had employed Barings as its European agent; but the relationship broke down in 1836-7, and the Rothschilds hurried to offer their services. Biddle had ambitious-sounding plans, including "a business with a guarantee of two million pounds sterling to provide advances for goods and stocks," and a scheme for a quasi-monopoly on cotton exports. It seemed to James like a financial marriage made in heaven: these were, he enthused, "the wealthiest people in America" and "no less solid" than the Banque de France. At once, he began to imagine "flooding the American market" with his Spanish mercury "so that in six months time we will be masters of the market."

At first the partnership with the BUS went well. The Rothschilds found themselves on the receiving end of large quantities of American state bonds from not only New York but also newer states like Indiana, Alabama, Missouri and even Michigan, which had only just been admitted into the Union, as well as shares in a number of new banks and a canal company. However, by September 1839 James and his nephews were beginning to discern why Barings had parted company with BUS when they had. Without its charter and its government business, the BUS was vulnerable; when the American cotton crop proved poor, it began to look seriously over-extended, its capital tied up in all kinds of long-term ventures, its managers reliant on the sale of high-yield obligations, post notes (promissory notes due in six months time) and foreign drafts. In order to secure money from the Rothschilds, the BUS's agent in Europe, Samuel Jaudon, warned that he might be unable to meet his acceptances. Uncomfortably aware that their advances to him now totalled some £300,000—"upon stock which it would be most difficult to dispose of"—James and his nephews had little option but to bail Jaudon out. Reluctantly, they agreed to take over BUS drafts on Hottinguer worth 5.5 million francs (£220,000), though it was hoped to pass the buck to other investors by selling BUS debentures. James raised objections to this, arguing that the Rothschilds' reputation would suffer if the BUS were to collapse "You make yourselves *uneasy* about nothing at all," Lionel assured him:

Every person knows upon what security these Debentures are issued and if they are not paid, it is not our fault.—I think it the greatest madness in the world to give a sort of moral guarantee, that a stock which pays 10 to 20 per cent Int[erest] will be punctually paid, the purchaser must take his chance and must know that he is running some risk . . . [Even] if we take the very blackest side . . . I am still of the same opinion in thinking that we have got very well out of a nasty affair and that we ought to be delighted to get our money back so easily.

This revealed a streak of ruthlessness of which, one suspects, his father would have approved. Moreover, as Nat pointed out, it had been James who had originally urged their involvement with the BUS:

You appear to forget that it was the Paris house that accepted the 5,500,000 francs [from Jaudon] in

direct opposition to our letters & wishes, you also forget that it was the Paris house and not us who encouraged Belmont to do business to such an extent and now after we try [moving] heaven & earth to get our money back by issuing a marketable security . . . you write to us as if by your issuing a similar lot of debentures you run the risk of losing your good name in the event of their not being reimbursed.

Nothing could better illustrate the conflict of interests and attitudes exposed by the American question—a conflict which continued throughout the next year.

Yet James's pessimism was justified; for in October 1839 the BUS suspended payments and in 1841 finally collapsed. Its failure coincided with a rash of defaults by states, including a number whose bonds Jaudon had handed over as securities. In the wake of this fiasco, which saddled the London and Paris houses with a large quantity of thoroughly bad debts, the Rothschilds were content to hand back to Barings the position of bankers to the federal government: "You may tell your government," James was reported as telling representatives of the US Treasury, "that you have seen the man who is at the head of the finances of Europe, and that he has told you that you cannot borrow a dollar, not a dollar." The experience with the BUS had made James wish he had had "never become involved with [America]." In future, he concluded, unless the federal government were "prepared to guarantee all the States and make the payments with us" and to set up an officially backed central bank, he would keep his distance. This was a view which his nephews more than endorsed. In 1842 Anthony wrote to his brothers, urging them to sell "New Yorks & all the [American] stocks which pay an interest":

You may be certain it will be the same with all the states . . . none will pay any Interest & therefore follow my advice—let us get out of them that we can—with them that we cannot get out [of] we must make up our mind, but follow my advice & let us get rid of that blasted country—as much as we profitably can. It is the most blasted & the most stinking country in the world—& we must get rid of it, & that stinking Belmont in the Bargain.

Of course, such drastic disengagement did not occur: even as they were winding up the sorry remains of the BUS loan, the Rothschilds were resuming their dealings in American cotton and tobacco (hence the need to send Hanau to New Orleans). And the project of sending a Rothschild in person to the United States was revived, as we shall see, in 1848. Nevertheless, the scars left by the BUS affair are the best explanation we have for the lingering suspicion of the American economy which characterised subsequent Rothschild policy.

Trouble in Threadneedle Street

The negative repercussions of the American crisis did not end there, however. For the financial crisis of 1836-9 also strained to breaking point relations between the Rothschilds and the Bank of England. This was, to say the least, a difficult time for the Bank of England. In Britain, the deflationary tendency which had been manifest since the 1825 crash continued more or less unabated: the Bank's note circulation declined almost without interruption between 1825 and 1840, reflecting in part the restrictive effect of the bullionist system in the absence of major gold discoveries. At the same time, the American financial crisis played havoc with the international payments system, drawing both gold and silver across the Atlantic. The Rothschilds found themselves torn between the need to sustain their new

American commitments and intense pressure from both the Bank of England and the Banque de France to maintain liquidity in Europe.

The trouble began at the time of the brothers' fateful Frankfurt summit in 1836. From the outset of the American crisis, James and the ailing Nathan urged Nat "not to let the people drive you round the bend and convince you not to send any gold [just] because this might meet with the disapproval of the Governor. You should always take into consideration that whatever you don't do, others will not hesitate to do. Was Baring too timid to take some gold out for America?" "Send Gold as long as it answers," echoed Lionel, "and [do] not bother yourself with the Governor of the Bank but pay him off." This was an allusion to the fact that the London house owed the Bank at least £300,000, money borrowed in December 1835 and not due for repayment until October, as well as a short-term advance of £120,000 negotiated on June 1 "in consequence of a pressure on the Money Market." On returning to Paris, James promptly committed himself to supplying the Banque de France with silver, while expressing scathing criticism of the Governor in London for allowing his own gold reserve to sink so low. It was not until the end of November that he acted to send gold to London. Not long after that he was alarmed by a rumour to the effect that

your Government wants to try to introduce a silver standard as is the case with gold. I would consider this a great misfortune for Europe . . . If England were to do the same [gold would flow] from here over there and this will bring about a crisis everywhere. I think we have to do everything in our power to prevent such a move.

What he meant, of course, was that it would be a great misfortune for *France* if England began to compete with her for silver as a reserve metal: when the Bank did start buying silver in the summer of 1837, James immediately threatened to stop sending gold to London. On the other hand, he, James, accused the Bank of indecision when his offers of gold (at a price) were not immediately accepted: the Governor, he complained, "changed his mind from day to day and tomorrow he may think differently again." Worse, he seemed to be ignoring James's advice "that under no circumstances should he allow any American House to collapse." Timothy Curtis, the former Governor of the Bank, wrote an emollient letter, assuring James of his "sincere wish to co-operate with your nephews in everything relating to the foreign exchange" and "to act as nearly we can in union with your House," but firmly insisting that "it is your interest as well as ours that the Bank should possess a good portion of silver." The damage was done: by March the following year James was convinced that "your English Bank is out to destroy our business." Nor was the fence mended by a loan by the Bank to the London house of £200,000 in silver dollars the following December.

The culmination of this feud came in 1839, when the Bank of England turned to the Banque de France for assistance in replenishing its reserve, now reduced by the American crisis to £3.7 million. When he heard that the Governor of the Banque, comte d'Argout, was offering assistance, James was initially wholly opposed:

The French Bank has already been trying for a long time to reach an understanding with the English because, purely out of a sense of pride, they want to be able to claim that England is in debt to them, but where would things be if, God forbid, war were to break out? What would happen if France were to require money? Would the English Bank then open its coffers and come to the aid of the French? I read in the newspapers that the two Banks are trying to reach an understanding and that is why I am writing to you about this matter. Our own interests are very much against this scheme succeeding and we must therefore do everything we can to frustrate its success.

Despite the entreaties of the Banque's Deputy Governor "that a House like ours which has rendered eminent service to the Bank of England ought to take part in the intended operation," James and Anselm were unyielding. And to reinforce the resolve of his cousins in London, Anselm added an intimidating postscript:

Do not take any rash step in a large operation. Your mother tells me that Herries told your good father in her presence to mind and not trust the Bank without any guarantees . . . as the Bank being involved in difficulties may *stop* suddenly. Mind, you are not your good father and do not have his influence, and he was capable of acting in other ways than prudence would direct you.

The point was echoed by Hannah herself a few days later: "I would not advance any thing to the Bank without having Exchequer Bills or any other Government security for it is absolutely necessary to be well prepared and to have a sufficient supply of available property. I do not forget a former event when Herries was very apprehensive of a stoppage of the Bank."

Did the Rothschilds really believe that the Bank of England might be about to suspend payments? It seems unlikely. What was really at issue was whether the Banque and Bank between them could resolve a monetary crisis without recourse to Rothschilds. However, if James thought a Rothschild boycott would suffice to undermine the agreement reached between Curtis and d'Argout, he was badly mistaken. Realising that the deal was unstoppable and that the profits would be substantial, he was forced to execute an abrupt volte-face, now resolving "to go into the business with the Bank as far as I possibly can." He had left it too late, and the business was entrusted to Barings and a consortium of Paris houses.[5] This was the last straw for James:

[In 1825] we arranged for such large quantities of gold to be brought in and thereby saved the Bank, and now it is Baring who is the recipient of everything. The Bank should at least share [the business] out . . . so that the business is properly distributed . . . You have no other defender at the Bank than that man Curtis who is a two-faced scoundrel . . . If gold should go out, and it is no different to Paris, then I will most certainly give preference to gold and [this time] I won't say, "I don't want to do it because of the Bank." No! On the one hand I will make it clear that if we have an interest in the deal we will do everything to be of service to the Bank but on the other hand they will treat us with respect . . . Only if we engage in a lot of wheeling and dealing can we stay in the public eye and make ourselves an object of fear. Baring can't say, "I won't give Rothschild anything."

This, however, was bluster. Although James talked of spoiling the market for the bills on London Baring would need to buy, he knew full well that, with the Bank of England as Baring's client, "everyone will therefore lick his backside to get the business." There was no realistic way of starting a "war with the Bank, at least not for the time being," because, as he had to admit, "they are stronger than us." All he could do was ruefully assess what had gone wrong and fantasise about revenge:

As far as the Bank of England is concerned, when the time comes and it is in our power to do so then we can show them that it is a lot better to maintain friendly relations with us. I don't know whether I should not perhaps write to Curtis that we would prefer not to renew the £5,000 next time round [possibly a reference to a private loan to Curtis]. This will need some very careful thought given to it for it will doubtless result in him bearing an enormous grudge against us. Indeed, over the recent past he has not shown himself to have been too great a friend of ours and had it not been for the English House I would not have cared the least for his friendship . . . [I]t would perhaps have been smarter if at the time we had given him a small share of the commission from the Bank and this would have been a

lot better than everything else. The man is a businessman just like us and purely out of a sense of friendship people don't always treat us preferentially.

Although there were half-hearted attempts to re-establish links towards the end of the year, the damage had been done. "I am not prepared to run after the Deputy Governor and lick his backside," declared James as the negotiations over the BUS dragged on. In 1843, after a period of more or less frozen relations, Lionel closed the Rothschild account at the Bank of England.

In truth, the row had been allowed to grow out of all proportion: as Nat sensibly observed in its aftermath, "I think the only advantage of a [central] bank is in being able to get out money whenever you want it & that it is folly to care about what people say." In his determination to get the better of Baring and to establish the Rothschilds in a pre-eminent position in the United States, James had lost sight of that. The net result of his enthusiasm for America—an enthusiasm his nephews had never wholly shared—had been a large amount of bad debts from the defunct Bank of the United States; and a comparable quantity of bad feeling at the Bank of England.

FOURTEEN

Between Retrenchment and Rearmament (1840)

Monsieur Rothschild knows Europe prince by prince and the bourse courtier by courtier. He carries all their bank balances in his head, those of the courtiers as well as those of the kings; he can tell them how they stand without consulting his books. He says to one such: "Your account will go into the red if you appoint that minister." "

—MICHELET

In the troubled years immediately after the 1830 revolution, James and his brothers had constantly urged the great powers to avoid war. To say that they were successful in this would be, as we have seen, to exaggerate their influence over great power diplomacy; nevertheless, the fact remains that the Rothschilds got what they wanted: peace. Yet there was a fundamental paradox at the heart of Rothschild pacifism. For governments which heeded their advice and avoided international confrontation were in a position to curtail their military expenditures—and therefore to dispense with the need for new loans. This meant that in the years after 1833 all the major powers effectively ceased to be Rothschild clients. Peace seemed to be making the five houses redundant.

This was especially obvious in Prussia, where the need for new loans had more or less been eliminated. With revenues rising from the new Customs Union (Zollverein) founded in 1834, and expenditure static or falling, Prussia was able to halve the proportion of total expenditure which went on debt service from 22 per cent in 1821 to 11 per cent in 1850. Having been more than three times the size of total

annual revenue, public debt was just twice as much by mid century. Thus, when negotiations resumed in 1844 to complete the process of converting the old 1818 sterling loan into lower-interest, thaler-denominated bonds, Rothschild hopes that this might pave the way to a new loan were unrealistic. Their old friend Rother no longer needed them.

In Britain too, the period before 1848 saw public borrowing dwindle to nothing. The 1835 loan to compensate the slave-owners in the West Indies was the last major loan issued by a British government before the Crimean War. This reflected above all the liberal reformation of British public finances associated with the career of Sir Robert Peel as Conservative leader. In the years after 1835, the Whig government came under scathing attack from Peel for running what were, in view of the economic circumstances of the mid-1830s, very trifling deficits. Altogether in the five years 1836 to 1841 the government's net borrowing came to around £4 million. However, there was a hand-to-mouth quality to the way this was done which strengthened Peel's case, as did the fact that much of the excess of expenditure over receipts could be blamed on a variety of overseas "adventures." The 1839 funding operation involving £5 million of exchequer bills, which the London Rothschilds happily monopolised, was a case in point. Peel's remedy on coming to power after his sweeping election victory in 1841 was the product of two decades of reflection on the fiscal and monetary implications of liberal doctrine, and had four aspects. Firstly, and most conventionally, he carried out a conversion operation, reducing the interest on £250 million of stock from 3.5 to 3.25 per cent. Secondly, and unprece dentedly, he secured the reintroduction of income tax (at a flat rate of 7d in the pound on incomes above £150), hitherto regarded as a wartime expedient. Thirdly, developing a conception of monetary policy which dated back to the 1819 committee he himself had chaired, he redrafted the Bank of England's Charter in an effort to perfect the working of the bullionist system. Finally, following the practice initiated by Huskisson in the 1820s and in conformity with the classical economists' principle of *laissez-faire*, he stepped up the pace of trade liberalisation, reducing the number of duties on imports. Altogether 605 import duties were repealed between 1842 and 1846 and a further 1,035 were reduced. The logical culmination of this process was the repeal of the Corn Laws, a step which the majority of Peel's own backbenchers, with their pronounced agrarian interests, regarded as a betrayal of commitments made by them to their rural constituents during the 1841 election campaign.

With hindsight, this programme of reforms was less coherent than it appeared to Peel at the time. Quite apart from its politically self-destructive quality (by no means unique in nineteenth-century British history), its economic consequences were far from comfortable, even by the standards of what has been called the "Age of Atonement." Theoretically, lower import duties, by increasing the volume of trade, were supposed to generate additional income. But this was unlikely to happen under the depressed conditions of the 1840s, which the Bank Charter Act tended to aggravate by restricting domestic banknote circulation as the Bank of England's gold reserve declined. As a result, the income tax—supposedly a temporary measure—soon began to look more like a permanent fact of life, even if Peel's ideological heir, Gladstone, never quite gave up hope of doing away with it. Nor was Peel able to set the nation on the course of debt redemption which he had intended: it was not until 1844-5 that the government was able to eliminate the deficit, and it proved possible to run surpluses for just three consecutive years before the 1847-8 crisis put the government back in the red. Nevertheless, there was no denying the "soundness" of Peelite finance at the time: indeed, it set the benchmark of fiscal and monetary orthodoxy for the rest of the nineteenth century. The price of 3 per cent consols rose from 87 in October 1841 to 101 just over three years later, a clear indication of City approval.

It was still possible, on the other hand, for bankers to grumble about the medicine they were being given, even when they knew it was doing the nation's finances good. It is significant in this context that, as early as 1830, Peel had conceived a revived income tax as a way of "reach[ing] such men as

Baring, his [Peel's] father, Rothschild, and others, as well as absentees [from] Ireland . . . to reconcile the lower with the higher classes and to diminish the burthen of taxation on the poor man." The Rothschilds were less than pleased when they were duly "reached" in 1842. Of course, they had other reasons for feeling hostile to Peel's government. Not only were the Tories opposed to Jewish emancipation, but the advent of a Tory ministry threatened to revive the possibility of an Anglo-Russian alliance against liberal France. Still, Rothschild opposition to Peel's fiscal policy was pronounced from the outset, and the main reason seems to have been the income tax.

While Nat could see the advantages of balancing the budget, and rightly foresaw the rise in consols which would follow it, he disliked the means Peel had adopted. He anticipated practical difficulties in assessment, for example. "How will it be possible," he mused shortly after Peel's Chancellor Goulborn had unveiled his first budget, "for the tax collectors to ascertain the real incomes of merchants & bankers who by and large do not know themselves what they can term their income until their balances are made?" A year later he candidly asked his brothers whether, in preparing their tax return, "you value all the stock at the market price and add the increased price to your profit or whether you take unrealized stock at the valuation of last year & pay only upon realized profits & real income?"—a question which reveals some of the difficulties inherent in taxing men like the Rothschilds, whose approach to accounting had always been quite cavalier. "It is a most disagreeable business with yr stinking tax gentlemen," he wrote in early 1844, "& particularly if you have to show yr books to the commissioners—let me know how yr balance is, I recommend your taking no profit in the account upon unsold stock."

This is not to suggest that the Rothschilds contemplated tax evasion: on the contrary, Nat advised his brothers "most strongly to give [the Commissioners of the Income Tax] an exact amount of the profits . . . a few hundred pounds more or less [in] charges is of little consequence, whilst it would be terribly disagreeable to be fined or even blamed by the gents in offices." They were only too well aware that "the amount in question" would be one "of serious import to the Revenue." Rather, their anxieties related to the possible unintended side-effects of the new tax. Their biggest concern was that, if earnings from foreign investments were taxed, bondholders would switch to domestic investments—a worrying prospect for a bank which specialised in capital export. "I think my dear Lionel," Nat urged from Paris, "you ought to make strong representations to the government about charging the income tax upon all coupons of foreign bonds paid in London . . . it is a great pity & will in a good measure stop business." At the very least, the fact that British (but not foreign) holders henceforth paid tax on their income from foreign bonds seemed likely to tempt some clients to do business through the Rothschilds under bogus foreign names. The advent of income tax—a model which James feared would soon be adopted in other countries—seemed to herald an end to the golden age when governments had borrowed from capitalists like the Rothschilds and their clients, rather than taxing them.

Even in Austria and France, where such an overhaul of the fiscal system was only a remote possibility, the years from 1834 to 1841 were relatively lean for the Rothschilds. In Austria, public spending remained more or less constant and there were no new loans. It was even possible to repay the "fortress money" which had been borrowed from the Rothschilds in the name of the German Confederation in 1831. The same was true in France: although the July Monarchy experimented with public works schemes, these were financed out of taxation before 1841. Indeed, total expenditure was slightly lower in 1839 than it had been in 1831 and the national debt was actually reduced by 169 million francs. The most Molé could offer was yet another conversion, an operation which James regarded with little enthusiasm in the light of past experience.

The financial position of Russia was altogether different, though the net effect was essentially the same

from the Rothschilds' point of view. Russian public spending continued to rise in nominal terms from 1833 until 1839, but this was to some extent a monetary phenomenon as recurrent deficits were financed by the printing of paper roubles. The resulting inflation was halted—albeit temporarily—by Kankrin's reforms of the currency in 1839 and 1843, which replaced the paper rouble with a new "hard" rouble backed by a gold and silver reserve. This reform raised the possibility of a stabilisation loan to establish the new currency's bullion reserve. James eagerly proposed floating such a loan simultaneously in London and Paris. "It should not be too difficult to impress upon the Russian Government the advantage of this," he wrote revealingly,

not only because it will enhance their credit but also because it is in their own best interest to ensure that all the wealthy people [in England and France] have a substantial investment in Russia and would suffer a financial loss if ever such an unfortunate idea as to march into Russia and wage war or to castigate the Russian state, were to be implemented . . . I am extremely keen for this deal to succeed and not because of the profit we stand to make but rather because I want our House to resume the relationship we had with Russia.

Salomon wholeheartedly agreed. A loan to Russia would, he argued, be "a very desirable . . . even a very brilliant deal": "Quite apart from the pecuniary returns which it would bring, such a loan would be of great importance for us, in that a new, close relationship with Russia would bring us back on top with all the [great powers?] in Europe, and a loan with Russia is always good for the morale of our house." Amschel echoed this sentiment. But not for the first time Rothschild efforts to supplant the traditional dominance of Hope & Co. in St Petersburg came to nothing. The younger Rothschilds—and particularly those in London—evidently had their doubts about the project, proposing terms which struck Salomon as excessively harsh:

For Russian 3 per cent paper you offer 70, less commission of 2 per cent makes 68! Is that a reasonable price, when you consider that . . . Austrian 3 per cents [stand at] 81 and Belgian 3 per cents [at] 71? When the bonds of a state which has scarcely emerged from revolution are valued at [such] prices? We must fear with good reason that such a proposal, coming from the House of Rothschild, would make us a laughing stock. In addition to this all too low price, you propose to take [only] [£]*1 million* for yourselves and to take the rest only in commission and even this is not to be binding in the event of a war breaking out between any two of the great powers in Europe or America within six weeks [of the agreement being signed].

Even when the possibility of a 40 million rouble Russian loan resurfaced in the more tranquil conditions of 1841-2, the negotiations foundered. This time it was Salomon's turn to sound the note of caution. Evidently having been briefed by Metternich, he argued that Kankrin's stated intention of investing the money in railways was merely a cover for increased expenditure on the army. He also echoed Amschel's argument that a Russian loan was unlike a loan to any of the other great powers: "In the case of a loan for England, France or Austria the money remains in circulation, and quickly returns from the government's coffers to the public. With Russia, the money that flows in is buried, poured away into the colossal European and even Asian [domains?] of this empire."

Once again, the Rothschilds pitched their terms too low to break the Hope monopoly, refusing to buy more than a small proportion of the proposed loan firm ("à forfait" in contemporary parlance) as opposed to selling it in commission (with the option to return any unsold bonds). Subsequent desultory talks with St Petersburg in 1844 and 1846 were no more conclusive. Once it had seemed that the Rothschilds no longer needed the great powers; now it began to seem that the powers no longer needed

the Rothschilds.

Spreading the Net

As we shall see, one response to this diminution of government business—adopted most enthusiastically by James and Salomon—was to become involved in industrial finance, and especially in the formation of railway companies. The alternative was to drum up new business with smaller states. This was the strategy adopted by the Frankfurt house. To cite only the most important transactions of the period from Berghoeffer's list, it issued bonds totalling 3.5 million gulden for the Duchy of Saxe-Coburg-Gotha between 1837 and 1842, and 9.9 million gulden for the Duchy of Nassau; a 6.7 million reichsthaler lottery loan for the family's oldest such client, Hesse-Kassel, in 1845, as well as loans to its neighbour Hesse-Darmstadt; and a 14 million gulden loan to Baden in the same year. There was also a loan to Bavaria in 1835 which led to the appointment of Carl and Amschel as "court bankers" and various other honours (including the Bavarian consulship in Frankfurt for Anselm). In the mid-1840s loans were also floated for Württemberg and Frankfurt itself. Hanover too was approached but this deal fell through at the eleventh hour. Nor was it only in western Germany that the Rothschilds were active. There was an attempt in 1835 to revive the firm's old connection with the Danish Kingdom by issuing a £3 million loan. None of this would have been possible had the other German states been as parsimonious as Prussia. But Prussia was the exception to a rule of rising indebtedness which applied to almost all other German states during the *Vormärz* period. In Hanover, Württemberg, Baden and Bavaria, the ratio of debt to revenue rose between 1825 and 1850; only in Prussia did it fall. (The difference is probably best explained by the growing involvement of the western German states in railway construction during this period, and the restriction on Prussian borrowing established by the 1819 State Debt Decree.)

From the Rothschilds' point of view, such loans to even the medium-sized German states were relatively minor transactions; yet they often took just as much time to arrange as loans to great powers (in some cases because of the growing pressures from representative bodies on previously more or less autonomous financial bureaucracies). On the other hand, the volume of business evidently compensated for the effort involved—witness the profitability of the Frankfurt house in this period. Amschel and the nephews who assisted him in Frankfurt were apparently indifferent to the political character of the German states they did business with: while Baden (for example) was a "model" constitutional monarchy, Hanover—after the abrogation of its constitution by King Ernst August in 1837—was among the most conservative regimes in all Germany.

From the point of view of the German states, it was becoming harder and harder to raise a loan without going to the Rothschilds, so dominant were they in the German capital market. This was especially true in south-west Germany. Not only in Frankfurt, but in other commercial centres like Cologne, the Rothschilds were able to exercise all the influence of a central bank: local people talked of "Rothschild shipments" of specie and "Rothschild money." This dominance inevitably aroused comment, most of it hostile. As in the 1820s, the Rothschilds were seen by liberals as shoring up reactionary regimes. "Many of the smaller German Governments," reported one Austrian diplomat, "have recourse exclusively to the House of Rothschild, and . . . refuse to be influenced by the dissatisfaction frequently expressed by their subjects." This dissatisfaction was to come to a head in a matter of years. When the

Hanoverian liberal Johann Stüve came to power in 1848, for example, he sought to avoid "dirty transactions with Rothschild," which he associated with the era of Metternich.

Quite apart from floating bonds for medium-sized German states, the Frankfurt house also made good profits from loans to minor German princes such as Prince von Bentheim-Tecklenburg and Prince Viktor zu Isenburg (to name just two), as well as to major aristocratic landowners like Count Hugo Henckel von Donnersmarck. In many ways this represented a continuation of business dating back to the time of Mayer Amschel. What was novel in the 1840s was the extension of such business to the non-German parts of the Habsburg Empire. Between 1843 and 1845 loans to the value of 12.3 million gulden were issued by Salomon and his Vienna associates to a group of Austro-Hungarian noblemen notable for the size of their estates and the extent of their political influence, all but one of whom—the Habsburg Archduke Karl Ludwig—were Hungarian. Much the largest loan, to Prince Paul Esterházy, was, of course, far from being the first Rothschild loan to that powerful family. But the sudden spate of loans to other eminent Hungarians is striking. The likes of Count Móric Sándor, Count Joseph Hunyady and Count Lajos Széchényi, eldest brother of the multi-talented Magyar reformer Istvrán Széchényi, were at the apex of Hungarian society. In principle, these transactions were little different from the lending facilities provided by West End banks like Coutts & Co. to the English aristocracy. (Indeed, Esterházy had a close counterpart in the Duke of Buckingham, another land-rich but cash-poor grandee.) But this new involvement with the Magyar elite was to prove a source of political as well as financial embarrassment to the Rothschilds when, just a few years later, Hungary was plunged into a secessionist war with Austria.

In Italy, the Rothschilds pursued the same strategy of diversification. They continued to play a leading role in the finances of the Bourbon regime in the Two Sicilies, though James and his nephews worried that local bankers would sooner or later challenge Carl's dominant position there. Here, as in Spain, there was a shift away from conventional bond issues in the 1830s. For example, the state-owned Sicilian sulphur mines were considered as a possible source of guaranteed revenue against which advances might be made to the government. Another possibility raised was that of a lottery loan, an idea which James disliked because such loans had been prohibited on the Paris bourse. It is evident from their private correspondence that the Rothschilds had a low opinion of the Neapolitan government (which was to be famously excoriated by Gladstone in 1850). On the other hand, they had no scruples about continuing to do business with "His Macaroni Majesty." "Your Finance Minister is not a man you can reliably count on," James told Carl after a visit to Naples in 1839. "He is a real blackguard. He is afraid to speak with the King and if one wants to accomplish anything at all in Naples, the only man who can do so is the King himself and [*sic*] the Minister of the Interior, who is a very smart fellow."

Relations with the Papacy had a similar character: a fundamental contempt for the Roman government was no barrier to a profitable business relationship. As in the case of Naples, the mid-1830s saw attempts by rivals to break the monopolistic position over Papal finances which the Rothschilds had established after 1830. These were successfully seen off, and the management of the Papal debt remained firmly and profitably in the hands of their Roman partner Torlonia. This gave the Rothschilds a degree of leverage over the Papal government: on at least two occasions Salomon protested through Metternich against ill-treatment of the Jewish community of Rome, reinforcing the widespread belief that (in the words of Alfred de Vigny) "A Jew now reigns over the Pope and Christianity." However, this aspect of the relationship should not be exaggerated: the primary concern was profit from, not reform of, the Papal regime.

It proved rather more difficult to establish financial relations with the state which was to pose the most successful challenge to Habsburg power in Italy: the Kingdom of Piedmont-Sardinia. In 1834 the Paris

house was invited by the government in Turin to bid for the management of a £1 million loan it was proposing to make. From the outset the competition for the business was fierce and Lionel was sent to Turin in an attempt to clinch the deal. The correspondence between him and his uncle James during this mission sheds light not only on Rothschild negotiating techniques but also on the difficulties of dealing with an essentially absolutist regime. Finding the Piedmontese Finance Minister impossibly obtuse, Lionel sought to strike a behind-the-scenes deal with his secretary, but was unable to overcome the King's preconceptions about how the loan should be arranged. "If," James advised,

our competitors *come to you (for in no case must you go to them yourself)*, saying that they are disposed to understand with you [*sic*] for the Loan, we beg you will receive their overtures and to make a contract with them, conceding to them a fourth or the half of the affair, to be disposed of as they like . . . but in this case the business must be done by you in *our sole name*; for you were the first on the spot, and in no case can it suit us to be in the background or to join our name to another.

However, if they did not accept such a proposal, Lionel should improve his offer, for "we are disposed to take the business if not at any price, at least at a price that will make them pay dear for it if they go beyond us . . . *If the business be in the least feasible, do it, even if it should give no profit whatever, even if it were necessary to lose 2 or 3 hundred thousand francs to prove to those gent[leme]n. that we are not afraid of a sacrifice when we want to baffle them*." James carefully outlined how Lionel should deal with the government in order to outbid the competition:

Your principal object [he wrote] must be to do well to captivate the minister, and so clearly to prove to him that it is [in] his interest to contract with us rather than with another, never giving him your last word, and to show yourself in such dispositions that he can conclude nothing with the others without having enabled you to cover their offers—and when you must come to the *last word* you must insist that it shall in fact be the last, and that your offer shall be accepted immediately and without reserve.

If however these gentlemen are clever enough to place themselves in an equal or better position than yours in this respect . . . your plan must be to make them pay as dear for it as possible, and to abandon the field to them only when you have sown so many difficulties & thorns in it that they can gather nothing but weeds. In such case we will be easily consoled . . . there are cases when victory costs more than a prudent retreat . . .

This gives an indication of the way James himself would have operated had he himself been in Turin; and perhaps he might have succeeded. But the inexperienced Lionel was ultimately outmanoeuvred—or rather outbid—by what he called the "Bande Noire" of French bankers led by Hagermann. It was not until 1843 that renewed attempts were made to do business with Turin and relations remained embryonic before 1848.

This expansion into new areas explains why, by the early 1840s, many observers had begun to see the Rothschilds as more than merely allies of the European states: they now appeared to have acquired a unique power of their own which was independent of the great powers and nearly universal. In his essay "Rothschild and the Finances of Europe" (1844), Alexandre Weill—one of many writers of Jewish origin who were fascinated by the Rothschild phenomenon—made the point succinctly: while "Rothschild" had needed the states to become "Rothschild," he now no longer needed them. In 1842, the liberal historian Jules Michelet declared in his journal that James knew "Europe prince by prince, and the bourse courtier by courtier" (see the epigraph to this chapter). This was barely an exaggeration. Leaving aside the two outstanding Rothschild failures—Portugal and the United States—and the

exceptional case of Spain, where control of the country's mercury mines took precedence over the floating of loans, the list of states for which the Rothschilds raised money in the decade or so before 1848 is impressively long. Conservative states borrowed to avoid parliamentary influence over financial policy, often the necessary corollary of tax reforms. More progressive states borrowed to pay for public works, notably railways, when the private sector seemed unable or unwilling to fund investment. Few did not at least contemplate employing the Rothschilds as bankers and underwriters. The benefits of this widening of the financial net were obvious. The risks would only become apparent in 1848.

"*Absolument le Maître des Finances de Ce Pays": Belgium*

Perhaps the best example of Rothschild strategy in the pre-1848 period is their involvement in the finances of the newly created Kingdom of Belgium. James and his brothers had moved swiftly to establish a financial foothold in Brussels in the wake of the Belgian secession from Dutch rule in 1830, providing the new government with a lifeline of credit in the first three stormy years of its existence. In the period of relative tranquillity between mid-1833 and 1838, James energetically sought to defend and develop the position of dominance he and the Société Générale had established in Brussels. A variety of transactions helped to sustain Rothschild interest—above all, state loans to finance Leopold I's policy of economic development, the centrepiece of which was the building of a railway network.

In directly involving itself in railway (and canal) construction, the Belgian government was to some extent breaking with the established British practice whereby the financing of railways was at first left more or less entirely to the private sector. But it was a precedent which other powers would soon follow. What the Belgians had appreciated was the strategic significance of possessing a railway network—an insight which owed much to their strained relations with Holland and, in particular, the need to avoid dependence on the established network of canals and rivers in the Low Countries which the Dutch controlled. From the Rothschild point of view, there were obvious advantages to such a policy: it always struck them as less risky to issue state bonds than private railway shares. More importantly, the development of the Belgian railway system dovetailed neatly with plans for a railway link between Paris and Belgium in which James had already expressed an interest. On the other hand, the Belgian strategy of industrial development would have made little sense if it had not been accompanied by a parallel development of the country's own banking system. Having created three new institutions in partnership with the Société Générale (the Société de Commerce de Bruxelles, the Société nationale pour entre-prises industrielles et commerciales and the Banque foncière), James had done his best to maintain his dominant position. But the Banque de Belgique (founded in 1835 with largely French capital) was a genuine rival and James had to decide whether to resist the challenge to his position or to join forces with it. In the boom years of the mid-1830s, the Paris house worked closely with the Société Générale in floating a succession of Belgian mining companies on the Paris bourse. But in the sphere of government finance, as the inconclusive negotiations over a conversion operation in 1837 revealed, even the Société Générale had to be regarded as a rival as much as an ally. Intimate though their relations were with King Leopold, the Rothschilds were never able to rest on their laurels as the financiers of independence, especially in view of the suspicion with which they were viewed by sections of the Belgian parliament and press. Moreover, the possibility could not be ruled out that the Belgian government might one day seek to make military use of its railway network, or indeed of the money it was borrowing to pay for it. The government spent roughly three times what it spent on railways during the 1830s on building up an army.

All these conflicting factors had to be taken into consideration when the Dutch-Belgian question returned to the European diplomatic agenda in 1838-9. In essence, the question now arose whether or not the Belgian government would abide by the terms of the 1832 articles and evacuate Luxembourg and Limburg, in return for a Dutch recognition of Belgian independence. Quite apart from the territorial sacrifice, the 1832 articles entailed a financial sacrifice, because they envisaged a roughly equal division of the pre-1830 Dutch debt between the two states. It so happened that the resumption of negotiations coincided with a new Belgian proposal for a 36 million franc loan (and a parallel Dutch request), giving the Rothschilds more than usual diplomatic leverage. Despite the small sum involved, James was extremely eager to secure this new loan, partly because he expected it to be relatively easy to float, but mainly because it would be the first major Rothschild bond issue since Nathan's death. It was a chance, in other words, for him to assert not only the Rothschilds' continuing dominance of the bond market, but also his own leadership within the firm. If the terms were right, he declared in May 1838, "I will immediately say yes, despite all the political problems, because there won't be any war. Belgium will have to yield and the world is so keen to do business that one really has to hurry." The Belgians might huff and puff, James reasoned, but without French support they could do little.

Momentarily, when Prussia occupied Luxembourg in order to force the Belgian government into submission, James hesitated: "the sound of cannon fire" had its usual effect on the Paris bourse. But, when it appeared that even this would not provoke a French intervention on the side of Brussels, he went ahead swiftly with the loan, aiming to issue it as quickly as possible in London, Paris and Brussels, before there could be any deterioration in the diplomatic position. Although the bonds proved slightly less easy to market than James had anticipated, the issue went ahead smoothly. The fact that the Belgian coal bubble also burst in 1838 may have strengthened James's position, as the sudden slump in industrial shares very nearly broke the Banque de Belgique and put even the Société Générale itself under pressure. Now it was James who stepped in to bail the two banks out.

James was right to anticipate that the negotiations might sooner or later run into difficulties, though fortunately for him this did not happen until the new Belgian bonds had largely been placed. There was considerable political opposition in Belgium (and in France) to the reimposition of the 1832 settlement. Yet the fact remained that the Belgians lacked the wherewithal to resist, for, although the bonds for the new loan had by now been sold, the Rothschilds had not yet finished paying over the money raised. To make the position unambiguously clear, in December 1838 James requested that a clause be inserted in the loan agreement to the effect "that if war were to break out or if any disputes were to arise then we would be at liberty to annul our contract." Somewhat optimistically, the Belgians continued to negotiate with the Rothschilds in the hope of securing additional funds in the form of an advance against treasury bills. "Well, the Belgians are asses," James commented on hearing reports of military preparations in Brussels. "I am not at all pleased to see all the troop concentrations, and they are quite capable of turning a joke into a serious affair, although as long as the major powers are opposed to war, they can't do anything." The request for an advance was turned down flat. Playing, as usual, on Metternich's hostility to "revolutionary" regimes, Salomon (who was in Paris during the crisis) sent Apponyi a copy of his instructions to Richtenberger, the Rothschilds' agent in Brussels:

We do not in the least resent the fact that the [Belgian] Government is somewhat angry at our refusal with regard to the Treasury Bills. It is not at all a bad thing that these gentlemen should realise that they may count on us only as long as they mean to follow a policy of wisdom and moderation. We have certainly given sufficient proof of our intention to support and help the Belgian Government but our goodwill necessarily stops short of the point of providing the rod with which we are to be beaten, that is to say, providing the money wanted to make a war which would destroy the credit that we are applying all our energies and resources to maintain. You may tell these gentlemen what I have written freely and

frankly and without mincing words.

Lest there be any doubt in Austria about Rothschild policy, he followed this letter up with another to his Vienna office "for Prince Metternich's information" detailing Richtenberger's conversations with the Belgian government:

They won't get a farthing from me until they give way, and before I go away I shall leave similar instructions with my brother James . . . I hope that Belgium will now sign the twenty-four articles especially as they lack the "nervus rerum" and as long as the articles are not accepted the Belgian Government will not get a halfpenny from us, although they have been begging for money for months. Difficult though I [have] found it to keep on refusing, I shall feel compensated, should Belgium yield and peace be restored, by the reflection that I shall have done my best to contribute to such a result.

It was, of course, as much the lack of a pro-Belgian government in Paris as the lack of 4 million francs from the Rothschilds which obliged the Belgians to give way. Still, the leverage which the Rothschilds were able to exert in Brussels had been considerable. Moreover, it seemed to present a perfect opportunity to consolidate Rothschild dominance in Belgian finance. Even before the treaty had been signed, James was urging his nephews that "a Belgian security is always marketable and I would suggest that one of you . . . should go to Brussels to make the acquaintance of the new Minister in order to establish a close relationship with him and to tell him that you are [now] prepared to make all the loans and to receive treasury bills"—something which had previously been refused. What James now aimed at was nothing less than a monopoly. As he put it bluntly: "[T]he arrangement of the Belgian question is going to be followed by a need for money and this will be a moment we ought to exploit in order to make ourselves the absolute masters of the finances of this country." Even by Rothschild standards, this was strong stuff; but in many ways the position subsequently achieved was not far short of mastery over the government's borrowing, even if it had to be shared with the Société Générale. In early 1840, when James travelled to Brussels to discuss the terms of a new loan of 60-80 million francs, he found the government "very well disposed": "I left all the people there exceedingly pleased with my visit, and I lectured them about how to put themselves on a better footing, at least for a while. They are content enough to let us guide them, now that I have pointed out to them all the mistakes they have made in attempting to act without us."

After protracted discussions, a loan was duly agreed in November, and another (for 28.6 million francs) followed two years later. Whether to pay its indemnity to Holland or to embark on new railroad projects, the Belgian government seemed addicted to borrowing, and its reliance on the Rothschilds to find buyers for its bonds was almost complete. Typically, when James fell out with a Belgian minister in 1842, he requested Lionel "to go to Windsor on Sunday to see the King of the Belgians":

Constantin has written a letter which you will receive in due time explaining how matters stand at Brussels & you will be able to tell the King if . . . the present minister remains there will be no market anywhere for Belgn Bonds & no possibility of undertaking a large financial operation, you must be careful not to speak against [the minister] but only let his Majesty find out yr opinion.

Altogether, Belgium raised five major loans between 1830 and 1844 with a combined nominal value of close to 300 million francs; almost all had been underwritten by the Rothschilds.

Nor was it only Belgian finance which the Rothschilds now sought to control. In October 1840 Anselm visited the Hague, where the Dutch government was demanding the payment of a capital sum from the

Belgians (as opposed to the annuity of 5 million francs they had agreed to pay in 1839). When the Dutch blamed their deficit on the fact that the Belgians were delaying these payments, Anselm obliged with a modest advance. Two years later, when an agreement was reached with Belgium to capitalise the money in the form of bonds, it was the Rothschilds who then offered to cash them (at a substantial discount) for the Dutch government. It was entirely typical of the Rothschilds to act on behalf of both parties in such an international transfer.

In both Belgium and Holland, there was considerable opposition to the role played by the Rothschilds in public finances. For example, the Rothschilds were closely identified with the French government's abortive scheme for a customs union with Belgium. Protectionists in Brussels detected a sinister French plan for economic annexation, though there is in fact no evidence that the Rothschilds supported the scheme. Anselm feared similar attacks by the liberal press in Holland when the possibility was raised of a conversion of the Belgian bonds given to Holland in 1841. The Dutch Finance Minister, he complained, was as

well disposed for us [*sic*] as can [be], but he is so much under the influence of the public opinion & the newspapers which say that he is sold to us, that really the man has not the courage to contract with us, altho he is very well aware that no other one has the means, the credit, the influence we dispose of & has the power to raise so much the public credit of the country as we might possibly do it . . . Really the Man is so terrified by every stupid Article in the news papers saying that he has sold himself to us, that he told me, "I wish most sincerely to do alone with you, if only I could save my reputation of an honest man or prove to others that they are in the impossibility [*sic*] of doing so well as you."

The Minister was right to worry; three months later he was forced to tender his resignation in the face of opposition pressure.

Although Anselm was able to retain Rothschild control over the *transfer* of the 40 million guilders still owed by Belgium to Holland, both the Dutch and Belgian governments now sought to emancipate themselves from the Rothschilds in their capacity as underwriters by selling Belgian bonds by public subscription. Needless to say, the Rothschilds viewed this development with extreme hostility, fearing a precedent which (like the British income tax) other governments might follow. Nat was characteristically fatalist: "I fear folks have become too clever everywhere & governments will not pay commission when they can manage without." "If the govt. succeeds," he told his brothers gloomily, "which is most probable, they will be able to do without us at present & in future—We can not oppose them openly." But his uncle James never gave up business without a fight. "The Baron wishes the thing not to succeed," Nat reported, "& consequently avoids helping the minister thro"—cer tainly it is against our interest that the Government should make open loans & if we can prevent them so doing it is our duty to act accordingly."

It would seem that James's aggressive view prevailed. "The Belgian Finance Minister will not find it a very easy job to get rid of his loan by subscription," Nat wrote some days later. "I think he will be obliged to have recourse to us after all which will very much delight us all—Try & make Belg[iu]m flat by selling a few 1840 or 1842 bonds for the J[oint] A[ccount], it will be a good thing if they write to Brussels from every where that the market is flat." This was a classic Rothschild tactic—selling off bonds to embarrass a recalcitrant government. The aim was to force the Belgian government to return to Rothschilds, cap in hand. This appears to have had its effect; for, although the public sale of the Belgian 4.5 per cents went ahead, it was not long before the government once again had to turn to Rothschilds. Meanwhile, Anselm's indefatigable negotiations in the Hague had won over the new

Dutch Finance Minister to the view that Rothschilds should after all handle the sale of the £6 million Belgian 2.5 per cents he wished to realise. In 1845 the Belgian government returned contritely to the Rothschild fold and James was able to exact tough conditions for relatively modest advances in 1846 and 1847. Without Rothschild, reported the French ambassador in Brussels, the Belgian government had "realised that it would be impossible for it to find a penny on any bourse, domestic or foreign." This was only a slight exaggeration. To all intents and purposes, the Rothschild monopoly on Belgian public finance was complete—though the abortive attempt to sell bonds directly to the public was an intimation of how that monopoly might be challenged in the future.

Roads to Damascus

In many ways the most important aspect of the Belgian crisis of 1838-9 had been its impact in France. Along with its alleged foreign policy failures in Spain and Switzerland, the Orléanist regime's unwillingness to stand up for Belgian interests was widely criticised as appeasement of France's old enemies, conservative Austria and perfidious England. Ever since the revolution of 1830, the Rothschilds had fretted about the possibility of a French return to the old combination of internal radicalism and external aggression which had set Europe ablaze in the 1790s. When yet another international crisis—this time in the Middle East—confronted France with diplomatic isolation, that possibility threatened to become a reality. This was the first of many "Eastern Crises" the Rothschilds would have to weather. Its outcome—the fall of the bellicose Thiers government and the diplomatic humiliation of France—marked one of the high points of their political power.

In fact, James had never really stopped worrying that international developments might lead to a change of government in Paris. "Rentes will fall because Thiers is in favour of a policy of intervention [in Spain]," he warned when it was rumoured that the latter might be about to return to government in April 1837, recalling his efforts to send troops across the Pyrenees the previous year. Indeed, the very thought of another Thiers ministry was enough to convince James of the need to "get out of the [French] funds, for the end will not be good." "A good ministry," according to James's definition, was essentially one which would pursue pacific policies abroad and balance the budget at home: he liked the Molé ministry which ultimately emerged that April precisely because it was "weak." When Molé survived the elections held the following November, James regarded them as having "gone well"; and he urged the government "to stay united and convince themselves that they are strong and powerful," promising "firm and steadfast support" when Thiers mounted a new challenge in December 1838.

The Rothschilds were nervous when Molé's position finally crumbled following the elections of March 1839, fearing a ministry "composed of the Thiers party" and the *doctrinaire* liberals. "It is a very bad thing according to my opinion," wrote Anthony uneasily, "and the King is obliged to give way & to do everything as Thiers wishes—I assure you that we become a little frightened." As it turned out, Thiers' insistence on a more aggressive foreign policy was still too much for Louis Philippe to accept and another moderate government was formed by Marshal Soult. But this proved short-lived, and on March 1, 1840, Thiers was at last back in office. His seemingly irresistible rise made James pessimistic:

After a new Ministry has been formed no one gives this matter any further thought, especially so during the summer, but in the long run I am very sorry to say that France will only be able to extricate herself from her current predicament by means of war. As long as Louis Philippe, may God preserve him, remains [on the throne] I think that peace will be maintained but his son, I believe, will have no option

but to wage war. Well, be that as it may my dear nephews, I intend to remain faithful to my previously voiced opinion slowly but surely to sell our 3 per cent rentes . . . It is a disgrace that no Ministry can be formed and whoever may eventually head the Ministry . . . we can expect to see the various Parties in the Chamber at each other's throats, but if the securities suffer a fall then one can buy again because in France the people are just like in Spain, one day they fight each other and the next day they are good friends again.

With Thiers as premier, he warned his nephews, he was "not too happy with the fundamental situation, that is, with the internal state of affairs." The regime was "losing those friends who were most dedicated to her." Although James was soon talking—in his usual, adaptable way—of "build[ing] up a friendly relationship with [Thiers]," this proved to be unrealistic.

The issue which led to open war between the Rothschilds and Thiers is usually referred to as the "Eastern Question": could the sprawling Ottoman Empire, which notionally encompassed most of North Africa, much of the Balkans and nearly all of the Middle East, be preserved intact? If not, what should take its place? Economically backward, religiously divided, administratively ramshackle and politically despotic—the Ottoman Empire was all of these things. So, of course, were the Romanov and Habsburg empires; but less so, and they were Christian states—hence the effective exclusion of Turkey from the "pentarchy" of European great powers in the modern period. At this time, four of the "big five" had interests in the areas where Ottoman rule appeared to be in decline. Austria and Russia, for obvious geographical reasons, had the longest history of territorial conflict with their southern neighbour; while Britain and France were becoming more and more interested in the region for a mixture of commercial, strategic and religious reasons.

In the course of the nineteenth century the future of Ottoman rule came to hinge on the interaction of these powers: the consistent theme which links all the various Eastern crises is that, while each power had her own distinct objectives, none could achieve these alone. The Rothschilds came to play a vital role in the diplomacy of the Eastern Question mainly because, whether the status quo was preserved or new structures created, money was needed; for one of the fundamental problems of governing the region was the chronic narrowness of its tax base. There was, however, a second and very different reason why the Rothschilds took an interest in Ottoman affairs: the position of their "co-religionists."

As we have seen, it was the successful Greek bid for independence which had first involved the Rothschilds in the Eastern Question. Once the diplomatic wrangles over the extent and constitution of the Greek state were over, they were only too happy to help provide the funds required to indemnify the Turks and set the new government in Athens on its feet. The loan looked at first sight a relatively straightforward business, as the Greek bonds were to be guaranteed by three of the interested powers, Britain, France and Russia. However, James had to fight hard in Paris to secure a satisfactory share from Aguado and d'Eichthal, who was in a position to dominate the transaction because of his close links—as a fellow Bavarian—with the new Greek King. Moreover, the execution of the transaction proved a good deal more difficult than had been anticipated. Essentially, 60 million francs were supposed to be issued, a third guaranteed by each of the powers. Of the money raised, 11 million francs were to be paid to Turkey through the Rothschilds, while the rest went to the Greek government via d'Eichthal.

Renewed tension in the region almost immediately disrupted these arrangements, however. In November 1831 Mehemet Ali, ruling Pasha of Egypt, revolted against Sultan Mahmud II on the ground that he had been inadequately recompensed for his military efforts against the Greeks in the Balkans.

Ali—himself an Albanian by birth—sent his son Ibrahim to invade Syria, the territory he most coveted. Within a matter of months he had taken possession of Gaza, Jerusalem and Damascus itself. The Sultan initially sought to enlist British support against his rebellious vassal, but Palmerston rejected the advice of his man in Constantinople, Stratford Canning, and refused assistance, seeking instead to broker some sort of compromise. The Sultan therefore turned to Russia, accepting the Tsar's offer of military assistance in February 1833. Five months later, to British and French dismay, a treaty (that of Unkiar Skelessi) was concluded between Turkey and Russia which included a secret article binding the Sultan to close the Straits of the Black Sea to warships of all nations "au besoin"—in effect, if Russia requested it. The Russian diplomatic triumph was complete when Austria and Prussia endorsed the treaty at Münchengrätz.

To the Rothschilds, all this was at first just another of many threats to European peace. Salomon hastened to warn James on Metternich's behalf that France should not retaliate by backing Mehemet Ali, whose Napoleonic public image in Paris was further enhanced by his apparently progressive economic policy of state monopo lies. The financial implications of the crisis were, however, less clearcut because the French guarantee for the Greek loan had yet to be ratified, while the indemnity payment to Turkey was now due to be paid. Under the strained diplomatic circumstances, it was predictable that these transactions were plagued by (ostensibly) technical difficulties. The Greeks delayed sending the necessary bonds to London, for example, while the Turks refused to admit a Greek delegation to Constantinople if they arrived in a warship. Nat had set off for Constantinople fantasising about the exotic decorations he would receive from the Sultan in return for facilitating the indemnity payment. By the time he left, however, he was "sick & tired of the Turks and their shameful double dealing & regret exceedingly that I ever came here to do business . . . [in] this detestable place."

There were further difficulties in 1836-7, when the Greek government threatened to default on the interest payments due on its loan, a crisis which put the international guarantee to a test it only just managed to pass. In an operation similar to that which the Rothschilds had to carry out for Portugal at around the same time, new bonds were issued to raise the cash for the dividends on the existing bonds; but the financial markets quickly learned to value the various Greek bonds differently, preferring those guaranteed by Britain to those guaranteed by France and Russia. The problem persisted into the 1840s, with the guarantor powers seeking to pay only the interest due, without the Rothschilds' commission.

It was at this moment that French and British policy on the Eastern Question began to diverge. The period 1836-7 saw the resumption of French colonisation of another formerly Ottoman fiefdom, Algeria—a project initiated in the dying days of the Bourbon regime and now brought to a successful military conclusion. Palmerston, on the other hand, was now steering British policy in a more pro-Turkish direction, in the hope of undermining the dominant Russian position in Constantinople. When war broke out again between the Sultan and Mehemet Ali in April 1839, the French government gradually found itself isolated in its support for the latter. In the course of tortuous diplomatic manoeuvring, an Anglo-Russian deal was struck whereby the Treaty of Unkiar Skelessi would be replaced by an international agreement on access to the Black Sea, while Mehemet Ali would be forced to quit Syria but allowed to keep the fortress of Acre. In October 1839 the Soult government rejected this proposal, but there was very little it could do. It was, as the Paris house reported to New Court, "in a rather embarrassing position. In effect . . . the French government either will be obliged to accept [Lord Palmerston's proposals] too or may well find itself completely isolated in its view of Eastern affairs." Coming so soon after the government's inert response to the Belgian crisis, this diplomatic reverse seemed a compelling argument for giving Thiers' more aggressive approach to foreign policy a chance.

Up until this point, the Rothschilds had done little more than monitor diplomatic developments. Then, on February 5, 1840, something happened in Egyptian-occupied Damascus which dramatically altered the complexion of the crisis. Under circumstances which remain obscure, a Sardinian Capuchin friar named Father Tommaso and his servant Ibrahim went missing without trace. As they had last been seen in the city's Jewish quarter, allegations soon began to circulate that they had been murdered there. Egged on by the French consul, the comte de Ratti-Menton, who wished to assert France's responsibility for Catholics in Damascus, the Egyptian Governor arrested a number of Jews and subjected them to torture. One Jew who alleged that he had seen Tommaso in the Muslim market was arrested and tortured to death, as was his servant. After 500 lashes, a Jewish barber alleged that he had seen Tomasso with two rabbis and seven leading members of the Jewish community, including one David Arari. They were all arrested, along with a third rabbi. When they protested their innocence, the unfortunate barber was whipped again, whereupon—in return for immunity—he claimed that the suspects had offered him money to murder the monk so that his blood could be used to make unleavened bread for Passover. Although he had refused, the barber claimed to have witnessed Tomasso's "ritual murder" at Arari's house.

After torture and a promise of immunity, Arari's servant confessed to the murder, and what were supposed to be Tommaso's remains were duly "found" in a sewer, whereupon the seven suspects were tortured until they "confessed" their guilt. One of them—who converted to Islam to save himself and his family—confirmed the ritual murder story: Tommaso's servant had, he said, been murdered in the same way. As with early modern witch-hunts, the more bizarre the story grew, the greater the number of people who were implicated. Altogether some seventy people were arrested, and almost as many children were taken hostage to force those "suspects" who had fled Damascus to give themselves up. Throughout, the French consul played the role of witchfinder-general, exploiting not only the anti-Semitism of the Catholic community but the social divisions within the Jewish community.

It was the arrest of Isaac de Picciotto, a Jewish merchant who also happened to be an Austrian subject, which transformed the witch-hunt into a major international incident. Determined to prevent his suffering the same fate as Ratti-Menton's other victims, the Austrian consul, Caspar Giovanne Merlatto, protested to the Damascus authorities and asked his superior in Egypt, the consul-general Anton Laurin, to do the same in Alexandria. On March 31 Laurin—who regarded the whole notion of ritual murder as spurious—not only complained to Mehemet Ali, but also sought to get his French counterpart in Alexandria to restrain Ratti-Menton. For good measure, Laurin simultaneously took the somewhat unusual step of sending copies of his own reports and some of those he had received from Merlatto directly to the Austrian consul-general in Paris. The latter should, Laurin suggested, press the French government to "issue a strong order . . . seriously rebuking the consul in Damascus" and "hold[ing] the government there responsible . . . [lest] the animosity of the non-Jewish population develop into a real persecution of the Jews."

The Austrian consul-general in Paris and the author of the letter quoted above was, of course, James de Rothschild, and Laurin's was only one of a number sent to him and to other members of the Rothschild family seeking support for the Damascus Jews, as well as those of Rhodes who were experiencing similar persecution. On March 15 letters on the subject had reached the Dutch Jewish leader Hirsch Lehren from a Beirut Jew who urged that they be passed on to the Rothschilds so that they might "speak to the kings and to their ministers." Two days later another letter from an English businessman based in the Middle East prompted Lehren to write to James, arguing that only "the renowned Rothschild family . . . has the power to save the brethren suffering persecution." On March 27 the Constantinople community had sent letters from Damascus and Rhodes to Salomon, Carl and Lionel, appealing to "the tie which so strongly binds together the whole Jewish community."

James did as Laurin suggested. However, the French Foreign Ministry merely ordered that their vice-consul in Alexandria should investigate Ratti-Menton's conduct, which, as James divined, was "only a temporising measure, since the vice-consul is under the consul, so that he has no authority to call the latter to account for his actions." "In such circumstances," he informed Salomon on April 7,

the only means we have left is the all-powerful method here of calling in the newspapers to our assistance, and we have accordingly today had a detailed account, based on the reports of the Austrian consul [in Damascus], sent in to the [*Journal des*] *Débats* and other papers, and have also arranged that this account shall appear in similar detail in the *Allgemeine Zeitung* of Augsburg.

This decision to involve the press was partly a response to the widespread support for the ritual-murder theory in French newspapers like the *Quotidienne* and the *Univers*. Determined that this should be countered as effectively as possible, James turned to Adolphe Crémieux, vice-president of the Consistory of French Jews since 1834, whose forensic skills were as celebrated as his journalistic. Crémieux's long letter on the subject appeared in the *Gazette des Tribunaux* and the *Journal des Débats* the next day. In the course of the subsequent press debate, James also authorised Crémieux to publish documents Laurin had sent him—much to the irritation of Metternich who, while sympathising, abhorred the involvement of the (by Austrian standards) uninhibited press.

This was only the beginning of the Rothschilds' involvement in the campaign to secure the release of the Damascus prisoners. In London, Lionel was present when the Board of Deputies met to discuss the affair on April 21 (as was Crémieux), and he was also a member of the delegation which Palmerston received nine days later. Six weeks later it was Nat who suggested that Crémieux write an official letter addressed to Lionel and the British Board of Deputies, "& that will afford you an opportunity of addressing Lord Palmerston on the subject"; and it was Nat who suggested that Lionel "get up a good subscription to pay the expenses of sending Crémieux there [to the Middle East] fast." This led directly to the idea of the highly publicised expedition to Alexandria by Crémieux and Sir Moses Montefiore, the purpose of which was to clear the prisoners' names and secure their release. The Rothschilds contributed a substantial sum—at least £2,500—towards the costs of this venture, as well as acting as treasurers for the Damascus Jews' fund. In Vienna, Salomon meanwhile persuaded Metternich to press the Vatican about rumours that Tommaso was in fact alive and hiding in a monastery (he was not). In Naples, Carl loaded Montefiore's ship with provisions, gave him some negotiating tips and later helped him in his fruitless attempts to persuade the Catholic church to expunge the allegation of murder on Father Tommaso's supposed gravestone. In Paris, Anselm received regular communications from Laurin, detailing the progress of Montefiore's negotiations in Alexandria.

It has usually been assumed that, in taking up the cause of the Damascus Jews, the Rothschilds were motivated by sincere outrage at the way their fellow Jews were being treated. Heine—one of the journalists James tipped off—contrasted James's altruism with the indifference of other French Jews, and in particular his rival in the sphere of railway finance, Benoît Fould. James, Heine observed, had "shown a nobler spirit in his sympathies for the House of Israel than his learned antagonist." There is no question that all the Rothschilds sincerely sympathised with their co-religionists. It was, said Nat, "an unpleasant business, but one must exert oneself to prevent such calumnies being spread against our religion & such horrid tortures being practised on our unfortunate brethren in the East." The aim, he added a few days later, was "to show people generally that the day is gone by when any religious sect may be neglected with impunity." The French government's attempts to defend the conduct of Ratti-Menton enraged Nat: "[W]hen the Prime Minister of France declared in the Chamber that he thought the Jews committed murder for the sake of Christian blood to be used in a Hebrew religious ceremony . . . it strikes me that such a calumny upon all those who have any Jewish blood in their veins ought not

only to be contradicted but proved to be false." He and the rest of the family shared the widespread Jewish jubilation at the success of Montefiore's mission in securing not only a solemn *firman* from Mehemet Ali himself denying the existence of ritual murder as a Jewish practice (August 28), but also the "honourable discharge" of the prisoners a week later. All this gave the lie to the charges which had been levelled at the Rothschilds in the 1830s of indifference to the fate of their fellow Jews. "Who can come forward," the editor of the *Allgemeine Zeitung des Judenthums* Ludwig Philippson had demanded to know in 1839, "to say that these people have done anything substantial for Judaism, for its external or inner emancipation, for its civil or spiritual elevation?" Like the American writer who had claimed that James did not "care [about] the barren seacoast of Palestine," Philippson had to eat his words after the Damascus affair—or, alternatively, conclude that they had been heeded.

On the other hand, the extent of the Rothschilds' ambitions for the Jewish communities of the Middle East should not be exaggerated. Even before 1840 it was an idea frequently canvassed in the press and elsewhere that the Rothschilds had some sort of design to reclaim the Holy Land for the Jewish people. As early as 1830, an American journal (*Niles Weekly Register*) suggested that "the pecuniary distress of the sultan" might lead him to sell Jerusalem to the Rothschilds:

They are wealthy beyond desire, perhaps even avarice; and so situated, it is quite reasonable to suppose that they may seek something else to gratify their ambition . . . If secured in the possession, which may be brought about by money, they might instantly, as it were, gather a large nation together, soon to become capable of defending itself, and having a wonderful influence over the commerce and condition of the east—rendering Judah again the place of deposit of a large portion of the wealth of the "ancient world." To the sultan the country is of no great value; but, in the hands of the Jews, directed by such men as the Rothschilds, what might it not become, and in a short period of time?

At around the same time, a correspondent asked Nathan directly: "How is it that your people with so extensive an influence have made no efforts to re-acquire Palestine, the land of your forefathers, from the Porte, the Ruler of Egypt and the Powers of Europe?" As we have seen, this question was answered in mystical terms in the pamphlet *The Hebrew Talisman* in 1836; and one "proto-Zionist" Jewish writer formally proposed that Amschel purchase land in Palestine that same year. The early French socialist Charles Fourier was another who thought that "The restoration of the Hebrews would be a splendid coronation for the gentlemen of the House of Rothschild: like Esra and Serubabel, they can lead the Hebrews back to Jerusalem and erect once again the throne of David and Solomon, in order to call into being a Rothschild dynasty." Almost exactly the same image was conjured up at the other end of the political spectrum by the *Univers* in October 1840.[1] British Evangeli cals were also attracted to this idea. As Lady Palmerston commented in the wake of the Damascus affair, "the fanatical and religious elements . . . in this country . . . are absolutely determined that Jerusalem and the whole of Palestine shall be reserved for the Jews to return to; this is their only longing (to restore the Jews)." Though Stanley was surprised when Disraeli raised the subject eleven years later,[2] it was scarcely an original thought. Indeed, it is possible to see such remarks as expressions of Christian millenarian hopes, with the Rothschilds supposedly hastening the Second Coming.[3] But there is no evidence that the Rothschilds harboured any such intentions; the involvement of individual members of the family in what became known as Zionism was a much later development.

What is more, a number of members of the family had reservations even about the way the campaign for the release of the Damascus prisoners was conducted. It appears from Nat's letters that Lionel was uneasy about the "rumpus" being made by Crémieux and some of the more vociferous British Jews. They had, he felt, shown "rather too much warmth of feeling." Indeed, one reason for suggesting that

Montefiore accompany Crémieux to Alexandria was "to moderate [the latter's] zeal." Nor, it seems, did Nat or Anselm expect the expedition to achieve its objectives. When it did succeed, Anselm was "decidedly against any public demonstration" and deplored the hero's welcome which Crémieux was accorded in Frankfurt and elsewhere. The Damascus agitation galvanised Jews throughout Western Europe, and led to a variety of schemes for improving the condition of the Jews in the Holy Land, notably the plan for a Jewish hospital in Jerusalem devised by Philippson. At first the French Rothschilds seemed willing to follow the lead of Montefiore, who supported the scheme; but they made their contribution conditional on the founding of a secular school alongside the hospital. When the Jewish community in Palestine vetoed this, the Rothschilds withdrew, and it was not until 1853-4 that the hospital scheme was revived.[4] The Rothschilds continued to try to use their influence to improve the condition of Jewish communities elsewhere (in Russian-controlled Poland for example), as they had in the past; but their efforts were always regarded with suspicion by more radical Jews who aimed at something more than economic amelioration.

For the Rothschilds, the real significance of the Damascus affair can be understood only when it is set in its diplomatic context. Sympathetic though they undoubtedly were to the Damascus prisoners, James and Salomon in particular attached more importance to the diplomatic ramifications of their plight. For the Damascus affair presented James with an ideal opportunity to undermine the position of Thiers, who had become premier a matter of weeks after the supposed "murder" of Father Tommaso. In essence, the affair tended to accentuate the problem of French diplomatic isolation which had helped bring Thiers to power. The British government had its own reasons for backing the campaign for the release of the Jews. Having decided to break the power of Mehemet Ali and isolate France, Palmerston was only too delighted to portray the Egyptian regime in Syria as barbaric. Similarly, Metternich welcomed the chance to challenge the French claim to defend the interests of Catholics in the Holy Land. Thiers, on the other hand, could hardly be seen to criticise Mehemet Ali's regime in Syria, much less disown his own consul. Instead, he went on the offensive. In early May he told James "that the case is based on truth; and we had better let the matter rest . . . [as] the Jews in the East still maintain such superstitions . . ." He said much the same to Crémieux. On June 2, in response to a speech by Fould in the Chamber of Deputies, Thiers sarcastically called into question the patriotism of the French Jews:

You protest in the name of the Jews; well, I protest in the name of the French. And if I may be permitted to say so, something extremely honourable is happening among the Jews. Once the story became public knowledge, their disquiet was apparent all over Europe, and they have handled the affair with a zeal and a fervour that profoundly honours them in my eyes. If I may be permitted to say so, they are more powerful in the world than they pretend to be, and at the very moment, they are lodging complaints at every foreign chancellery. And they do it with a zeal, an ardour that exceeds all imagination. A minister must have courage to defend his agent who is attacked in this way.

This unleashed a spate of attacks on "the man who owns the splendid mansion on the rue Lafitte . . . who sought at all costs a *coup d'état* against . . . our consul at Damascus" (the *Univers*) and "the incredible arrogance" of "Mr Rothschild" (the *Quotidienne*).

It is, of course, tempting to dismiss such remarks as an expression of that anti-Semitic streak which periodically surfaced in French politics throughout the nineteenth century. Yet there was a sense in which Thiers had little alternative but to defend Ratti-Menton. The Rothschilds—and James in particular—*were* determined to undermine his position, though more because of the threat he posed to international stability than because of the threat he posed to the Jews of Damascus (to say nothing of

the Jews of France).

It would be an oversimplification to say that the Rothschilds toppled Thiers from power. Quite apart from the events in Damascus, the summer of 1840 saw a steady worsening of the French position. Rather than accept the Anglo-Russian solution to the problem posed by Mehemet Ali, Thiers sought to engineer a bilateral agreement between Ali and the new Sultan. However, this merely provoked the other powers into signing an agreement (on July 15) to use force if necessary to compel Mehemet Ali to accept their terms, which would have confirmed him as hereditary Pasha of Egypt, given him the title of Pasha of Acre, but entrusted him with no more than the administration of southern Syria for life. It was now beyond doubt that Palmerston put the preservation of British influence in Constantinople before the preservation of the already moribund Entente Cordiale. Nor was Thiers helped by Louis Napoleon's abortive landing in August and the outbreak of unrest in Paris the following month. In any case, Nat explicitly stated at the height of the crisis that it would be "almost impossible and would indeed be dangerous and altogether unwise, to overthrow him." On the other hand, when Nat inveighed against the "irresponsibility and . . . nationalistic peasant obstinacy" and the "pseudo liberalism" of "this most arrogant of all parvenus" it was obvious what kind of "happier future" he had in mind. The question is how far the Rothschilds were able to hasten Thiers' downfall.

On the face of it, their sole objective in the frenetic months of August and September 1840 was to promote peace through their tried and tested channels of diplomatic communication. Lionel reassured Lord Clarendon that France would not fight; James relayed to Metternich Louis Philippe's repeated pleas for an Austrian *deus ex machina*; Lionel sought to involve the King of the Belgians; James visited the bellicose duc d'Orléans; Lionel relayed Nat's warning to Palmerston not to push the French too far —and so on. But the financial subtext of this diplomatic activity was calculated to undermine Thiers' position. The key was the impact of the crisis on the price of rentes. On August 3 there had been "a tremendous fall in the price of rentes" which sent Nat and James scurrying back to join Anselm in Paris. It was the beginning of a protracted slide. As the British naval expedition closed in on Ibrahim Pasha and Palmerston intransigently rejected Thiers' bids for a face-saving compromise, so, inexorably, the price of rentes declined. Three per cents fell from a high of 87 in July to 79 in early August, touching a low of 73.5 in early October. It would, no doubt, be wrong to suggest that the Rothschilds were single-handedly responsible for this fall, which was the product of a generalised panic on the Paris bourse. On the other hand, they did nothing to check it. More importantly, they had no reason to do so. For, unlike comparable crises in the early 1830s, this was costing them nothing. The clue lies in Nat's comment on August 2: "Thank God the house has scarcely any [rentes]." Quite simply, they had covered themselves in advance of the crisis by clearing out of French government bonds altogether. This was what Guizot, struggling as French ambassador in London, failed to realise. "Do you think he is praying to God for the safety of his money?" he asked the Princess Lieven after a visit from Lionel on September 9. Heine too was taken in by James's furrowed brow: "The rente, which had opened down two per cent, tumbled by another two per cent. M. de Rothschild, it is said, had the toothache yesterday; others say he had a colic. What does this portend? The storm draws ever nearer. The beating of the Valkyries' wings can be heard in the air." In fact, James was play-acting for the benefit of Heine's readers. Nat's only regret was that he did not have more liquid funds available to speculate: "I could make a fortune," he mused.

Thiers fought back. On October 12, the pro-government *Constitutionnel* fired a broadside at "M. de Rothschild and his manoeuvres":

[According to *The Times*] M. de Rothschild is a man of finance and does not want war. Nothing could be easier to understand. M. de Rothschild is an Austrian subject and the Austrian consul in Paris, and as

such he has little concern for the honour and interests of France. This too is understandable. But what, pray, have you to do, M. de Rothschild, man of the Bourse, M. de Rothschild, agent of Metternich, with our Chamber of Deputies and our majority? By what right and by what authority does this King of Finance meddle in our affairs? Is he the judge of our honour, and should his pecuniary interests prevail over our national interests? We speak of pecuniary interests, but, surprisingly enough, if one can believe highly accredited reports, it is not just financial grievances that the Jewish banker would lodge against the cabinet . . . There also seems to be wounded vanity to satisfy. M. de Rothschild had promised his co-religionists to have our consul-general in Damascus dismissed for the position he took in the trial of the Jews being held in that city. Thanks to the steadfastness of the president of the council [Thiers], these insistent demands of the mighty banker have been resisted and M. Ratti-Menton upheld —hence, the irritation of the mighty banker and the fervour with which he throws himself into intrigues where he has no business.

This tirade overlooked the fact that, in one fundamental respect, the "King of Finance" *was* in a position to "meddle" in government policy. If Thiers was serious about making military preparations and ultimately even fighting a war, the question inevitably arose: how was this to be paid for? The only conceivable answer in view of the already stretched budget was by borrowing. Yet the government was in no position to borrow money with the price of rentes slumping. This was the way in which not only the Rothschilds but the financial markets as a whole exerted leverage over a government they disapproved of. The financial crisis effectively destroyed the credibility of Thiers' foreign policy by depriving him of the possibility of borrowing money. In his reply to the article in the *Constitutionnel*, James made the point with subtle menace:

I have never at any time encouraged opposition to the Government, for the simple reason that I have never wished to play a political role. I am, as you state, a financier. If I desire peace, I desire it honourably, not only for France, but for the whole of Europe. *Financiers have the opportunity of rendering services to the country under any circumstances, and I think that in this respect I have never been slow to respond*.

The point was that this time James's services would not be forthcoming. Less than a week later, on October 20, "the little blackguard" resigned. Ten days later a new government was formed by Soult and Guizot in which, as Nat affirmed with satisfaction, "the bourse has the greatest confidence."

Of course, it took long months of negotiation to arrange a lasting peace in the Middle East—during which time the symptoms of popular "war fever" persisted not only in France but in Germany too. For the Rothschilds, however, Thiers' fall was the turning point in the crisis. As Heine reported in March 1841:

Monsieur de Rothschild, who seemed somewhat indisposed for a time, is now quite restored and looks sound and well. The augurs of the Stock Exchange, who are experts at interpreting the great Baron's physiognomy, assure us that the swallows of peace nestle in his smile, that every anxiety about the possibility of war has vanished from his countenance, that there are no electric sparks which forbode storms visible in his eyes, and that therefore the warlike stormy weather, the *Kanonendonnerwetter* which threatened the whole world, has been altogether dissipated. Even his sneezes, these augurs tell us, portend peace.

Walls of Jericho

The aftermath of the Eastern Crisis demonstrated how international tension could be beneficial to the Rothschilds—provided that increased defence expenditure did not lead to outright war. To be sure, the Rothschilds had consistently used their financial power to promote peace throughout the 1830s. But when the great powers had been completely restrained in their foreign policies, as we have seen, the stream of new loan business had begun to dry up. By contrast, when they embarked on policies of rearmament, as they did from 1840 onwards, this was not necessarily detrimental to Rothschild interests.

The fall of Thiers led almost at once to new business for James. The increased expenditure on armaments which was Thiers' legacy—particularly on the costly new system of fortifications around Paris—obliged the new government of Marshal Soult to issue a major new loan in 1841. The Rothschilds had every reason to dislike the fortifications project: quite apart from fuelling the bellicose mood throughout Europe, it threatened to reduce the value of Salomon's villa at Suresnes, which was close to the planned line of defences. Nevertheless, they did not hesitate to meet the government's needs. Admittedly, James grumbled about the amount and issue-price proposed by the new Finance Minister, Théodore Humann—yet another former banker turned politician, and a man whom James privately regarded as a "rogue" and a "blackguard." Indeed, the negotiations were characterised by brinkmanship which was extreme even by James's standards. He bluntly refused to cut short a visit to see Salomon at Gastein and Vienna when Humann requested a meeting in Paris, and on more than one occasion intimated that he would leave the business to others if the terms were not improved. But in truth he had no intention of doing so: as he put it, "We want—indeed have—to make the loan"; and he was confident enough that Humann would not act without him to drive a hard bargain. The 150 million franc loan was duly issued in October more or less exactly on James's terms.

To contemporaries, this merely confirmed James's unrivalled dominance over French finances. However, the real significance of the loan may lie in the peculiar character of the "armed peace" (Guizot's phrase) which made it necessary. The striking point is that now James and Nat were willing not only to justify but also to finance a policy of rearmament which they had opposed when Thiers had been in power. The new French government, they assured the London and Vienna houses, was arming merely to mollify public opinion. "No cabinet in the last ten years has pursued more peaceful policies than the one formed on Oct[ober] 9, but it has things to take into consideration, susceptibilities to overcome, ardent enemies to contend with." Once the cost of the increased armaments made itself felt, the popular mood would become more pacific. On March 8 James was able to report "a triumph": "The Commission dealing with the Budget refused to ratify the establishment of the 36 new Regiments and this is a slap in the face for Thiers who wanted to increase the size of the army and this will result in a saving of 40 million and a genuine disarmament and is proof that they seek to maintain peace. I bought rentes . . ."

The 1841 loan marked the resumption of "normal service" in Rothschild relations with the French Treasury. Further loans followed in 1842 and 1844 (for 200 million francs apiece), despite challenges to the Rothschilds' dominant position from Hottinguer, Baring and Laffitte. International tension led to increased expenditure on armaments in the German states too. "As long as France continues arming," reasoned Anselm, "Germany must follow." Again, this meant new business for the Rothschilds. Thus, after seven uneventful years, 1841 saw a new Austrian government loan for 38.5 million gulden, shared as usual with Sina and Arnstein & Eskeles. Another loan for 40 million gulden was issued by the same banks two years later. Once the Rothschilds had regarded peace as the *sine qua non* of financial stability; but an armed peace was more profitable.

Small wonder, then, that Countess Nesselrode thought James "viceroy and even King" at this time.

When he told her that he knew all the French ministers, saw them daily and complained directly to the King if the policies they adopted were "contrary to the interests of the government," he was not exaggerating. "Comme il sait que *j'ai beaucoup à perdre* et que je ne désire que la tranquillité, il a toute confi- ance en moi, m'écoute et tient compte de tout ce que je lui dis": in that sentence, with its subtle reminder of the regime's financial reliance on the Rothschilds, lies the key to James's power over the "bourgeois monarch." When Heine called James a "weathercock," he was thus underestimating the extent to which he could influence the direction of the wind. Throughout the period from 1840 to 1847, Rothschild financial support for Guizot was effectively conditional on his avoiding outright conflict with Britain—and devoting a rising share of the proceeds to constructing railways rather than fortifications. At times even Nat and his brothers were surprised by the extent of their uncle's leverage in Paris. When an Anglo-French argument over the Pacific island of Tahiti blew up and then blew over in 1844, Nat remarked, "His Majesty was amazingly polite and almost kissed him so pleased was he," crediting—erroneously—the Rothschilds with having restrained Peel in London.

Nevertheless, there were limits to James's power, just as there had been limits to the Rothschilds' power in the 1830s. A more serious Anglo-French dispute over Spain gave James a real scare in 1846-7, when it appeared that Louis Philippe's determination to marry his son to the Spanish Queen's sister might be seized on by Palmerston as a *casus belli*. James rushed back and forth, trying to get the French to agree to an Anglo-Spanish trade treaty as a kind of compensation for the Montpensier marriage, but Guizot on this occasion stood his ground. James's letter to London of September 26 gives a good insight into his unease:

We are extremely anxious . . . for, as I was told by the English Minister [Lord Normanby], he is very concerned that they may take very firm measures. I can't imagine that they will immediately issue a declaration of war. The truth is that Montpensier is due to depart [for Spain] on Monday. Well, Guizot said to me that if England were to issue a declaration of war then the wedding will [still] take place . . . Well, my dear nephews, there is a lot of ill feeling. I did not imagine that it would be so bad and I tell you we must be careful because in the end, something or other will happen. The [English] Minister said to me, "We can't sit by calmly and watch the situation unfold." Whether he made this comment so that I should then repeat it only God knows . . . I tend to see the future as rather bleak.

James went so far as to propose to Guizot that Montpensier renounce any claim of his heirs to the Spanish throne. But, as Anthony reported nervously, "Guizot thinks that we have been intriguing against him and you have no idea how careful we must be . . . I assure you I am very anxious—the French do not want war and cannot go to war, but they make things quite as bad as one." Indeed, Nat declined to relay to Louis Philippe a letter from Lionel which evidently contained some strong Palmerstonian meat:

The arguments of our worthy uncle in favor of the alliance between England & France are quite conclusive but the suppositions of my Ld Palmerston in the event of the Queen of Spain being poisoned, of her not having any children & of its being the Queen dowager's interest not to let her daughter breed[,] that the present King of Spain & the D[uc] of Mont[pensier] wd fight & the Ld knows what, wd have a bad effect on our statesmen & make them believe Ld P . . . had talked a lot of nonsense with you—I should be sorry to be the bearer of such a missive.

By October 1846 James was in deep gloom, expecting French and Austrian troops to be sent to Spain at any moment and fretting at news of British naval increases. When he went to see Guizot on the 29th, he was told firmly that France would not rule out a future claim by Montpensier's heirs to the Spanish

throne. The nadir came when James sought to defend Normanby's decision not to attend a reception for Montpensier after his return from Spain. As Nat reported, Guizot was "very angry . . . [and] told him that situated as he was it would be just as well for him to keep his opinion to himself." James drew the obvious conclusion: "I fear that all diplomatic communications between us here and England will be broken and the Government here is prepared for anything that may happen. Never before have I seen the Government so strong and stubborn. I think that even if this were to lead to an outbreak of war, God forbid, they would still not change their stand." Even when he sought the assistance of his old friend the King of the Belgians his reception was "cold."

Such open conflict between France and Britain inevitably placed a strain on cross-Channel relations within the Rothschild family. Alphonse obviously felt resentful of Palmerston's aggressive style of foreign policy. When he heard Lionel argue the British case during a visit to Paris in early 1847, he sarcastically asked him if French policy should be "to kiss humbly the British lion's claws." Hannah was somewhat embarrassed to find both Anselm and Carl taking the French side when she visited Frankfurt at around the same time. "I now and then have rather a strong conversation with our friends," she reported to Lionel, "particularly Anselm who is an enthusiast in favour of Guizot." Anselm also took issue with James's unhappy efforts to play the mediator, advising his uncle tersely "not to mix personally in the evolution of great historical events."

As so often in the diplomacy of the 1830s and 1840s, the war which everyone feared failed to break out: by the end of February 1847 James was able to report that the Spanish affair was as good as settled: "Apponyi is here with me now and he says that it is now out of the question even to think of war any more. Normanby invited him and Guizot to visit him on Tuesday week. So peace will be made over a bottle of champagne and I and my dear wife will be present to witness it, God willing." Yet the champagne cork was scarcely out the bottle when Palmerston seized on a new bone of contention: Greek arrears on British-held bonds. This was the cue for another Anglo-French war of words, with the Rothschilds once again acting as reluctant messengers. "Guizot told the Baron," reported Nat wearily in April 1847, "that England would be alone in her proceedings against Greece . . . & if she (England) were to kick up a row about the stupid business . . . [Guizot] wd be able to return the compliment & get his country into such a state that it wd be very hot for every body—do not repeat this at all events in these terms or as coming from us."

And even if war never came between the powers, there was a second danger—one which the Rothschilds were inclined to overlook. For the tendency for so many European states to run deficits in the 1840s meant more than just good business for their bankers. It was also a symptom of a fundamental political malaise within those states. Military expenditure was not, in fact, the sole cause of the deficits of the mid- 1840s. Of similar importance, as we shall see, were state subsidies for railway construction, combined with stagnant or declining tax revenues—a little-regarded side effect of slackening economic growth. As the Rothschilds insatiably added one state after another to the list of their clients, they could congratulate themselves on the diplomatic influence this gave them. The crises over Belgium and Syria really did seem to suggest that war could be averted by discreet manipulation of the European states' purse-strings. But financial power was not absolute. Above all, it depended on the internal stability of the European states. When that could no longer be maintained, the Rothschilds proved almost as vulnerable as the princes and ministers whose purse-strings they held. In the end, it was not a war which brought the defensive walls of the July Monarchy tumbling down but a revolution; and against that threat the fortifications round Paris offered no protection.

FIFTEEN

"*Satan Harnessed": Playing at Railways (1830-1846)*

They've got the Devil into reins!

—EICHENDORFF, *DAS INCOGNITO*

I know just how these bankers think. What they are after is a chance of immediate profit, not an affair which they have to bury in their portfolios for eighteen months, no matter how good it may be.

—CASIMIR LECOMTE, DECEMBER 1841

In 1836 the composer Rossini travelled by train for the first time. He was on his way from Paris to Frankfurt, and took advantage of the recently built lines in Belgium to speed up his journey. He loathed the experience, refusing ever to travel by train again; but it inspired him nonetheless. In an ironical tribute to the new mode of transport, he composed a short piece for solo piano entitled "Un petit train de plaisir (Comico Imitatif)," a humorous musical evocation of a railway journey which culminates in a derailment, the deaths of two passengers, and their journeys to Heaven and Hell. A sardonic coda evokes the celebrations of the wealthier victim's heirs.

Disasters are, of course, perennially fascinating, and the nineteenth century had no shortage of both natural and man-made calamities to stir the contemporary imagination. The 1830s and 1840s, in particular, saw a succession of failed harvests, great fires and epidemics, providing encouragement to the various idealist and materialist millenarians who prophesied an impending apocalypse in the years before 1848. Railway accidents, however, were an entirely novel kind of disaster, and they provided a distinctive source of artistic inspiration. If the railways were talked up by the engineers and financiers who built them as the supreme achievements of the modern age, their susceptibility to derailments and other spectacular mishaps enthralled more sceptical observers; for the railway accident was in many ways the perfect symbol of that crisis of capitalism which malcontents on both the left and the right awaited. In his comic play *Das Incognito*, for example, the romantically inclined German playwright Joseph von Eichendorff brought the drama to a noisy climax with an on-stage railway disaster:

The sentry sounds the fire alarm, fleeing peasants burst suddenly on to the stage.

SOME. Help! Flames!

OTHERS. They've got the Devil into reins!

OTHERS. Nothing but murder and smoke!

VOICES *off*. Alas! The locomotive has run amok!

FIRST SERVANT. No, that really is impertinence, It's hit the city battlements.

Immense crash, followed by a cloud of dust. As the dust clears, a toppled locomotive and wrecked carriages can be seen . . .

Quite apart from relishing the pyrotechnics involved in such a scene, a contemporary audience would have appreciated the potent image of a diabolical, renegade locomotive smashing down the walls of an ancient German town. For, by the time Eichendorff wrote *Das Incognito*, the railways' political potential was already widely understood. To the nationalist economist Friedrich List, the railway was "a tonic for the national spirit" and "a tight belt around the loins of the German nation" which—in conjunction with the Prussian customs union established in 1834—would bring about the long-overdue "internal unification" of Germany. For this and other reasons, railways made conservatives like Metternich uneasy: the "transformation in political and social conditions" which he saw as their inevitable consequence did not seem likely to assist him in defending the Central European status quo.

That the Rothschilds came to play a leading role in the development of the European railway network might seem, at first sight, natural. It was, after all, Lionel who prevailed upon Rossini to take his first and only train ride, and Amschel who (allegedly) provided the inspiration for one of the principal characters in *Das Incognito* —the royal adviser, Paphnatius. By the late 1840s the Rothschilds had firmly established themselves as the pre-eminent private financiers of continental railway construction. Yet there was nothing inevitable about this. Indeed, the move from commercial and public finance into industrial finance was in many ways an unusual one, which relatively few established bankers even attempted, much less achieved.

The most obvious illustration of this point is Nathan's almost complete lack of involvement in industrial finance in Britain. In many ways, he of all the Rothschilds ought to have been the most keen to participate in the burgeoning new industrial sectors of the early nineteenth century; after all, it was he who had spent nearly a decade as a cotton merchant and (for a time) manufacturer. Yet apart from an apparently abortive mining venture in North Wales in 1825, Nathan had virtually nothing to do with industrial finance once he had moved to London and established himself as a banker. In particular, he took no part whatever in the great railway "mania" which followed the opening of the first fully fledged passenger and freight line between Liverpool and Machester in 1830. When James visited the north of England in 1843, the traffic on this line profoundly impressed him: "What is happening here with the railways is quite amazing and had I come here earlier we would most certainly have built this railway. It must yield enormous sums. Never have I seen so many people as [are travelling] between Liverpool and Manchester."

Yet his brother had sat idly by throughout the pioneering phase of British railways. A year later Nathan's wife Hannah wrote to her eldest son in a similar vein, as if he had yet to be persuaded of the utility of the new form of transport:

The rail road travelling is so productive of good and general advantages to all classes of society [as] to make us grateful for this scientific invention—to this we are indebted for the earliest information[;] from our most distant friends we are favoured with the most constant and frequent communications, the

loss of their society is lessened from the facility of obtaining this and affords great consolation and adds much to our enjoyment of life by this wonderful rapid communication.

Hannah was evangelical—indeed visionary—in her enthusiasm. In 1846 she returned to the subject with equal warmth in a letter to her eldest daughter Charlotte:

There is some luxury in going in a carriage and [being] propelled by horses: but the many delays and other inconveniences one is subject to give us a decided preference [for] railroad travelling . . . and [although] it may be objected to by many and particularly by the refined, for my part I prefer the amusement of scenes and the bustle of changes one gains . . . by this mode of travelling.

The striking thing about these letters is that she felt the need to detail the advantages of railways, particularly to the younger generation who might have been expected to take these for granted. Clearly they did not. Indeed, Hannah had to conclude her effusion to Lionel with an apology: "I feel I am encroaching on your patience and you will say I am an enthusiast for rail roads." We know for certain that his brother Nat was the reverse: in 1848 he declined to meet Lionel at Calais because "railway travelling makes my head ache so terribly that I really can not make up my mind to a 30 hours shaking."

Why was Hannah the sole rail "enthusiast" among the English Rothschilds, as she appears to have been? Writing more than four decades after the banker's death, Disraeli suggested that Nathan (in the guise of "Mr Neuchatel") had anticipated the inevitable bust which brought the first railway boom to an abrupt end. But Nathan was scarcely risk-averse in this sense. It seems more plausible that he preferred to concentrate on the business he knew best, namely government and commercial finance. His advice to Thomas Fowell Buxton's son on this point bears repeating:

"If I were to listen to all the projects proposed to me, I should ruin myself very soon. Stick to one business, young man," he said to Edward, "stick to your brewery, and you may be the great brewer of London. Be a brewer, and a banker, and a merchant, and a manufacturer, and you will soon be in the Gazette."

It is possible, though it cannot be proven, that Nathan had in fact burnt his fingers in 1825, when mining companies like the one he contemplated came to grief in large numbers. It is also possible that he saw too late that he had missed a golden opportunity in steering clear of home railways; but it is unlikely. In fact, such specific explanations are probably unnecessary; for the English Rothschilds' lack of interest in domestic industry was wholly unexceptional in the context of the mid-nineteenth-century City of London. To put it simply, the overwhelmingly commercial and overseas orientation of the major London banks—with the single exception of Glyn's—disinclined them to involve themselves in railways. At the same time, the ease with which railway companies were able to sell their shares and scrip directly to the public—sometimes even before they had secured parliamentary incorporation—made banking intermediation more or less superfluous. We know from his reports as Austrian consul that Lionel paid attention to the development of the British railway system, as well as to the almost equally revolutionary impact of steam power in sea transport. But it is also evident from such communications that he and his brothers' principal interest lay in exporting such innovations *after* they had been tried and tested in Britain. Where British industry did require banking facilities, it tended to turn to the provincial joint stock banks which proliferated in the 1830s and 1840s, rather than to the City banks.

In France, by contrast, the so-called *haute banque* in Paris was not as wary of industrial investment as the City. From the 1820s onwards, there were repeated efforts to organise new kinds of financial institution large enough and ambitious enough to undertake major infrastructural investments, notably the digging of canals. But the various projects like the one instigated by Laffitte in 1825 (the Société Commanditaire de l'Industrie) foundered because of government opposition. In particular, the Banque de France was extremely suspicious of attempts to create joint-stock banks—hence the need to use the word *caisse*. This suspicion was shared by James. When Laffitte revived his 1825 scheme twelve years on with a proposal for a *caisse* with a capital of up to 250 million francs to be raised by selling shares, he was sceptical, just as he would be when the Pereires attempted a similar (but better-timed) institutional challenge to the traditional Parisian banking structures in the 1850s. There was no indication before 1835 that James would be any more interested than Nathan in expanding the scope of his financial operations.

Yet a subtle shift in Rothschild policy can be detected in the mid-1830s. We have already seen how the need for improved securities for Spanish government loans led Nathan and James to acquire rights over the Almadén mercury mines. This did not mean that the Rothschilds themselves directly organised the business of mining, of course. All they were buying was a monopoly over the *sale* of Spanish mercury once it had been extracted. Nevertheless, the success of this venture encouraged the brothers—and Salomon in particular—to seek similar arrangements with other governments. It was, for example, the logical complement of the Almadén deal to secure a monoply over the mercury mines in Austrian-controlled Istria and Dalmatia. It also made sense to become more directly involved in the physical process of refining silver and gold and minting coins, though it was not until the 1840s (in France) and the 1850s (in England) that the Rothschilds formalised their involvement in this industry.

As bankers, the Rothschilds naturally had an interest in, and experience of, the process of manufacturing money. In the same way, it might be said, they had an interest in any technological innovation that accelerated communications within Europe, given their legendary enthusiasm for the rapid transmission of financial and political news. Railways undoubtedly represented a revolutionary breakthrough in communications; yet they were in some ways less exciting to the Rothschilds than might at first be assumed. From the vantage point of the 1830s, it would obviously be a very long time before enough railway track had been laid to reduce by much the time it took to relay a letter from Frankfurt to London. And because it was letters and financial documents which the Rothschilds were primarily interested in transporting, they stood to gain relatively less from the development of railways than merchants and industrialists who wished to transport bulky commodities like coal and grain, or regular travellers who latched on to the railways as an easy way to transport themselves. In any case, trains could not give the Rothschilds any advantage even when they did begin to transport mail; for what the Rothschilds could use their rivals could use too.

For this reason, the Rothschilds' interest in the development of railways must be understood primarily in financial rather than developmental terms. What excited Nathan's brothers—to be precise, what excited Salomon and James—was not really the prospect of more rapid and more comfortable travel from Paris to Brussels, though they doubtless looked forward to this. It was plainly not the substantial "social savings" with which railways have retrospectively been credited by economic historians, though the Rothschilds appreciated that railways would not only boost the demand for coal, iron and steam engines but also integrate regional commodity markets and facilitate labour mobility. It was the short-run benefits of railway finance which initially attracted them; in particular, the profits to be made from issuing railway shares to the public.

In essence, the Rothschilds were inclined to see railway shares as surrogate state bonds at a time (the

mid-1830s) when European governments were issuing fewer and fewer new bonds. And because—unlike in Britain—continental governments became indirectly or directly involved in railway construction from a relatively early stage, this was not an unreasonable notion. Indeed, in the case of Belgium as well as some of the South German states, the building of national railway systems was actually financed by the sale of state bonds and carried out by the public sector. The Rothschilds were perfectly willing to underwrite such loans: after all, a state bond was a state bond, a relatively secure asset, however the money raised was used. Of course, the case was slightly different in those countries (such as France) where the state did not act so directly, but contented itself with licensing and subsidising private companies. Nevertheless, the fact of state involvement meant that it was comparatively easy for the Rothschilds to apply their traditional underwriting techniques to the sale of railway shares. In essence, this was how the Vienna and Paris houses were drawn into the business of railway finance. However, the realities of railway construction made it hard for both Salomon and James to sustain the arm's-length role they had initially envisaged. It took time to secure a railway concession; time to acquire the land required; time to build the line and stations—usually longer than expected. Even once a line had opened, it took time to build up a steady level of freight and passenger traffic, and it was very rare that this level matched original projections, which were largely a matter of guesswork. Investors in railway shares were therefore not like investors in bonds, who could count on a predictable and steady flow of interest from states, barring some unanticipated revolution or military disaster. Railway investors who bought shares were buying a stake in a concern which would only begin to pay unspecified dividends in the future. It was therefore practically impossible for the bankers who marketed such shares to be indifferent to the future profitability of the companies concerned. Just as the Rothschilds could not ignore the politics of the states whose bonds they marketed, they could not ignore the management of the railways whose shares they sold. The short-term attractions of railway finance thus tended to lead the brothers into longer-term commitments.

Moreover, those commitments in turn exposed the Rothschilds to new and unwelcome kinds of public attention. For railways had in many ways a more direct and perceptible impact on the lives of ordinary men and women than the states which notionally governed them; and the Rothschilds were in some ways much more publicly conspicuous as railway financiers than they had ever been as the financiers of states. In theory, ordinary people might have complained that the indirect taxes they paid on articles of consumption were partly going towards paying the Rothschilds their commissions and the interest on the bonds they held for themselves; in practice, that connection was rarely made in the Vormärz period. The impact of railway companies on everyday life, by contrast, was more obvious, particularly when things went wrong—and never more glaringly than when there were railway accidents. One unintended consequence of their involvement with railway finance was that the Rothschilds were subjected to a new and militant kind of criticism, in which they were cast not as the mere paymasters of reactionary regimes, but as exploitative capitalists in their own right. Interestingly, it was in the critiques of the early railway era that, for the first time, the family's Judaism began to be thought of less as a religious identity and more as a racial explanation for their alleged exploitativeness.[1]

Salomon's Line: The Nordbahn

Given the revolutionary implications of railways, it is perhaps surprising that the first Rothschild railway should have been conceived and constructed in Habsburg territory. Salomon was not the most enterprising of the Rothschild brothers; indeed, to an extent he had allowed himself to lapse into the rather old-fashioned role of "court Jew" to Metternich, with whose political objectives he increasingly

tended to identify. Nor did he himself much enjoy the experience of railway travel; as late as 1846 he still refused to take advantage of the rail link through Belgium when going from Frankfurt to Paris. Taken as a whole, moreover, the Habsburg Empire was very far from being the most economically dynamic state in Europe; and the suspicious attitude of its bureaucracy towards any innovation which might have unpredictable social side-effects was notorious. Yet it was Salomon who became the first Rothschild to interest himself directly in a railway project in 1830. It was not his own idea but that of a professor at the Vienna Polytechnic Institute named Franz Xavier Riepel, a mining expert who believed that the new technology of railways could be used to link the salt mines of Wieliczka in Galicia and the iron and coal mines of Moravian Ostrau (Ostrava) to the imperial capital more than 200 miles to the south-west. Nevertheless, it is a tribute to Salomon's vision—or perhaps to his growing financial foolhardiness—that he regarded this scheme as practicable. To say the least, this was an ambitiously long line for the time. Even more remarkably, Salomon seems to have envisaged from an early stage that it would also be extended southwards from Vienna to Trieste on the Adriatic. Such things were possible in England, where Salomon despatched Riepel (along with Leopold von Wertheimstein) to acquire some practical experience of railway building and operation. But was it realistic to embark on such a long line in Habsburg territory?

Initially, the biggest obstacle to the scheme was political inertia in Vienna itself. On the basis of a report drafted by Riepel after his visit to England, Salomon submitted a petition to the Emperor to allow land to be acquired for the project. Predictably, it was shelved, the Crown Prince observing with true Habsburg insight that "Even the coach to Kagran isn't always full." The postal authorities also expressed reservations, fearing a threat to their monopoly. Undaunted, Salomon pressed on. He took over the horse-drawn railway line linking the Danube and the Gmündensee from an insolvent French engineer named Zola (the novelist's father), and commissioned Riepel to investigate the best possible route for the line to Moravia and Galicia. Finally, in April 1835—just six weeks after the death of the Emperor Franz —he felt ready to renew his appeal for imperial and royal backing. This time he was successful—an outcome which probably owed more to Metternich's and Kolowrat's decision to back the scheme than to the credibility of Salomon's claims that "the achievement of this great means of communication would be of benefit to the State and the public weal, no less than to those who join in the undertaking" and that the proposal was "based . . . strongly upon the interests of the common weal" and "entirely patriotic" motives.

It was agreed that a joint-stock company should be set up to construct a line between Vienna and Bochnia (south-east of Cracow). As a second thought, to ensure that there would be no royal change of mind, Salomon suggested that the line be called the "Kaiser-Ferdinands-Nordbahn." This appeal to royal vanity was successful. For good measure, he also sought—as he put it to Metternich—to "take such steps as may be appropriate for inducing such statesmen as are the bearers of honoured names to place themselves as patrons at the head of this national undertaking." Specifically, he sought to enlist Metternich, Kolowrat and the head of the imperial Treasury, Count Mittrowsky, as board members. This use of noble names to lend respectability to new companies—in return for financial perks—was a device widely employed in England and elsewhere; in the Austrian case it was essential to overcome royal and bureaucratic opposition.

In fact, the benefits of the Nordbahn—as the line was usually known—might well have ended up being greater for the "common weal" than for those who actually invested their money in it. The line was supposed to take ten years to build. The final stretch to Bochnia was not completed until 1858. It was supposed to cost 12 million gulden (£1 million), roughly 16,600 gulden per mile. The actual figure was closer to 27,750 gulden. Yet—as so often in the history of railways—short-term benefits to investors tended to compensate for (or at least to distract from) such long-term cost overruns. From the moment

the concession was granted, demand for shares in the firm dramatically outstripped supply. Of 12,000 shares (each worth 1,000 gulden), Salomon retained 8,000, so that just 4,000 were offered to the public. There were 27,490 applications, driving the share price up well above par.

These short-term capital gains help explain why other Austrian bankers hurried to compete—even when they realised better than Salomon the formidable practical problems involved. No sooner had he secured the Nordbahn concession than Sina petitioned to be granted the concession for the line from Vienna to Trieste, a petition which enjoyed some official support on the familiar grounds that Sina, unlike Salomon, was Austrian born and hence a Habsburg subject. It is not wholly apparent why, after so many years of amicable co-operation in the realm of Austrian bond issues, the major Vienna banks failed to co-operate over railways; but Salomon did not fire the first shot. Indeed, in allowing Sina and Arnstein & Eskeles substantial shareholdings in the Nordbahn and according them due influence on the company'sIs provisional board of management, he was singularly accommodating. Unfortunately, the other bankers appear to have been intent on some sort of spoiling operation. At the second general meeting of the Nordbahn, Ludwig von Pereira (a partner at Arnstein & Eskeles) launched a well-researched technical critique of the engineering plans and financial projections, a move which succeeded in arousing the hitherto dormant anxieties of the Emperor. It was only with difficulty that Salomon and Riepel were able to rebut Pereira's criticisms, at least some of which, it must be said, were to prove quite justified. The climax of this prototypical boardroom battle came in October 1836, when Salomon moved a resolution demanding that the building of the railway be commenced or the company liquidated. With 76 out of the 83 votes in favour, he was able to force Sina and Eskeles to resign.

From the outset, Salomon had intended that the Nordbahn should be the basis for a succession of branch lines to the major cities on either side of it: his original petition had specifically mentioned subsidiary lines to Brünn, Olmütz and Troppau. Even while he was locking horns with Pereira—and before a single rail had been laid down—he therefore continued to secure supplementary concessions from the government to allow him to add further branches: to Pressburg, to Bielitz, to Deutsch-Wagram and so on. Work finally began on the first stretch of line north from Vienna in 1837, and trains were running along the first section between Deutsch-Wagram and Florisdorf by the end of the following year. It was not until 1839, however, that freight and passengers began to be carried between Vienna and Brünn, so that for more than two years the company was pouring money into materials and men (some 14,000 in all) for no return, and was kept going only by a Rothschild advance of some 8 million gulden. Small wonder Lionel felt it advisable to reassure Metternich that most English railways "will yield a profit of eight to ten per cent"; there was no sign at this stage that the Austrian line would do so, and its shares duly fell below par. As Salomon later recalled, the Nordbahn had required "the expenditure of large sums of money, and . . . patient waiting; sacrifices that I was called upon to make, to the amount of several hundred thousand."

Yet from 1841 onwards Salomon's senior manager Goldschmidt began to detect an improvement on his weekly visits to monitor traffic at the main terminus. As with the British railways, it was the unexpectedly large amount of passenger traffic—especially families of day-trippers on Sundays—which helped to boost receipts. As early as 1841 up to 10,000 people were regularly using the initial stretch of line from Vienna to the suburb of Vienna-Neustadt.[2] In 1843 the shares rose for the first time since their issue above par to 103; a year later they reached 129 and by 1845 they stood at no less than 228. This represented a huge if belated capital gain to the original investors—above all, to Salomon himself.

Yet it would be unjust to Salomon to suggest that he operated with the short-term speculative gains solely in mind. On the contrary, he genuinely does seem to have had an entrepreneurial vision of an integrated Austrian transport system. Not only did he envisage from the outset a railway which would link Galicia and Moravia to the imperial capital and southwards to Italy; he hoped also to extend his network into Hungary. A good illustration of the extraordinary—almost mes sianic—role Salomon saw himself playing in the Habsburg lands in this period is provided by the police report of his trip to Pressburg in June 1844 to attend a meeting of the Central Hungarian Railway Company. It was little short of a royal visit. The Danube steamer made an unscheduled stop at Königsplatz to allow him to disembark. The occupants of rooms at the Hotel zur Sonne were unceremoniously evicted from their rooms to make way for the Rothschild party, despite the fact that they planned to return to Vienna by coach that night. And when it was rumoured that the mercurial Hungarian reformer Istvàn Széchényi—who was already running his own Danube steamship company—intended to support a challenge by Sina to Salomon's dominance of the Central Hungarian board, the venue of the meeting was hastily changed. To cap it all, Salomon responded to the flattering toasts proposed in his honour that evening by Carl Esterházy, Andrássy and other pro-Rothschild bigwigs with a pompous speech, concluding that he would follow the example of his schoolmaster who told his pupils: "I am going but I am leaving my cloak behind, and it will tell me what everybody has done, and how they have behaved in my absence." Salomon's self-importance can hardly have been diminished by the enthusiastic welcome he had received earlier in the day from the local Jewish community, a crowd of whom gathered on the river bank to greet him. "Count Esterházy," the police observer reported,

frustrated their intention of according the Baron a special welcome, as he would not allow the Jews to carry out their scheme of letting off forty rockets. They were restrained even from shouting their welcome which in view of the ill feeling between the citizens and the Jews here, might easily have led to a breach of the peace.

Esterházy might be willing to ingratiate himself with the Austrian railway king, but he had no desire to let Salomon's poor co-religionists bask in his reflected glory.

Nor was Salomon content to dominate the development of the Habsburg railway system. He also pursued a strategy of "vertical integration" (bringing together different stages in a particular economic process under a single corporate roof). As early as 1831 he saw the need to foster independent Austrian supplies of iron and steel, so that the development of the imperial railways would not be reliant on imports from the foundries of Britain. Although his first bid to purchase the Witkowitz Ironworks company in the Ostravian coalfields was unsuccessful (because as a Jew he was prohibited from owning land), he was able to lease the works indirectly from the Archibishop of Olmütz, Count Chotek, in 1841 by setting up a company in partnership with the banker Geymüller. When Geymüller went bankrupt soon after, Salomon petitioned again to be allowed to buy the works and this time was successful. The Witkowitz works—the first in the Habsburg Empire to use the puddling process necessary for the production of rails—was to remain one of the Austrian house's principal industrial assets for almost a century. At the same time, Salomon began to interest himself in coal mining.

Finally, Salomon's vision of a rail link from Vienna to Trieste led him to expand Rothschild interests beyond land transportation into shipping, taking a leading role in the foundation of the Austrian Steamship Company or Austrian Lloyd in 1835. When the company got into difficulties in the 1830s, Salomon gave it the same life-saving injection of capital he gave the Nordbahn at the same time, in the form of a 500,000 gulden loan in return for a mortgage on the company's seven steamers. As with the Nordbahn, the investment proved a sound one, with profits rising from around 82,000 gulden to nearly 370,000 gulden between 1841 and 1847. Salomon's decision to invest in a salt factory in Venice at

around this time needs to be seen as part of a strategy of expansion into the Adriatic region.

The question which remained to be answered was whether this bold business strategy would prove financially sustainable. As we have seen, there had been a recurrent need to inject cash into the various concerns which Salomon was seeking to knit together. Such strategies of vertical integration, though apparently rational, do not always deliver the internal gains in efficiency and economies of scale they seem to imply. Moreover, loosely connected business empires of the sort he was building are often especially vulnerable to a deterioration in economic conditions. Unfortunately for Salomon, such a deterioration was fast approaching.

Frankfurt: The Taunusbahn

By comparison with its Vienna branch, the Frankfurt house itself played a relatively modest role in railway finance before 1848. This may have been a matter of temperament; it is more likely to have reflected the different political environment of southern Germany in the Vormärz era. Although (like the British state) the Austrian state did little to facilitate the building of railways other than to grant concessions, it was at least a single entity, so that negotiations for a line stretching as far as the Nordbahn could be conducted at the imperial level. In southern Germany, by contrast, even relatively short railway lines could cross multiple state borders, and therefore required co-operation between several governments. Particularist jealousies, however, meant that such co-operation was rarely forthcoming; indeed, the larger states self-consciously pursued railway policies which were designed to maximise their own internal cohesion at the expense of inter-state communications. In Bavaria (where the first German railway was opened to link Nuremberg with Fürth less than four miles away), as well as in Baden, Württemberg and Hanover, the construction of railways was undertaken on the Belgian model by the state governments themselves. Here, therefore, the most that the Rothschilds could do was to underwrite the bonds issued to finance railway building. The state nearest to them, Hesse-Kassel, by contrast, allowed some railways to be constructed privately, as did Prussia and Saxony. The result was a degree of confusion which precluded a grand strategy of the sort adopted by Salomon in Vienna and doomed to disappointment the hope expressed in the Leipzig-based *Allgemeine Zeitung des Judenthums* in 1837 that "the House of Rothschild [would] unerringly place itself at the head of a movement which will completely reshape the European monetary system: the destruction of the trade in paper [meaning stock exchange speculation] [and] the injection of capital into industry."

As early as January 1836, Amschel ran into difficulties when he sought to secure a concession for a line between Frankfurt (a free city) and Mainz (in Hesse-Darmstadt), which naturally had also to pass through Hesse-Kassel: three separate jurisdictions for a line of less than twenty miles. It took seventeen months merely to secure the legislation needed for the compulsory purchase of land in Hesse-Kassel. When in 1838 a concession was secured from the Frankfurt Senate for the so-called Taunusbahn, Amschel and Bethmann had to buy out a rival company which had been authorised to build a line along a parallel route by the authorities in Kassel. A similar conflict arose in the case of the plan to link Cologne to the Belgian network between the proponents (led by David Hansemann) and opponents (led by Ludolf Camphausen) of a route through Aix-la-Chapelle. A merger of their two companies to produce the Rheinische Eisenbahngesellschaft could be achieved only at the price of Camphausen's withdrawal.

All this helps explain why Amschel and his nephew Anselm preferred to let other banks in the region

take the lead in such negotiations. As Anselm explained in 1838, "here in Germany, railways get off the ground only with a great deal of effort." It was not untypical that the Elector of Hesse-Kassel's son expected Amschel to secure him a bribe from the company seeking the Frankfurt-Kassel concession. Quite apart from the time wasted in negotiations, he grumbled, railway shares in Frankfurt were being adversely affected by such delays. The Rhineland company's, for example, fell by around 20 per cent in 1838 after cost overruns had necessitated an issue of 6,000 new shares. It was therefore not the Rothschilds but the Oppenheims and Bethmanns who took the lead in private railway building in south-west Germany, though Amschel was happy to participate as a sleeping partner. It was Oppenheim who led the Rhineland consortium, taking around 25 per cent of its 3 million thaler capital, compared with a combined Paris and Frankfurt Rothschild holding of just a fortieth; similarly, it was the Bethmanns who led the £200,000 Taunusbahn consortium. By comparison with these activities, there were easier profits to be made from issuing the Baden government's railway bonds, though this business also had to be shared with others; or acting as the agent for British locomotive exporters, notably George Stephenson. By the mid-1840s the Frankfurt house was confining itself to floating state bonds earmarked for railways (for example, for Hesse-Kassel in 1845), turning down private schemes like the Leipzig-Frankfurt line proposed the same year. When Anthony visited Frankfurt in 1844, he was impressed by the "tremendous speculation" in railway shares, but viewed the phenomenon with a marked detachment.

Political fragmentation (and entrepreneurial differences) also explain the very limited involvement of the Rothschilds in Italian railway building before 1848. Although there is some evidence that the London and Paris houses bought shares in the Milanese railway line built in the mid-1830s, this interest soon waned. The following year approaches to James by an Italian company planning a line between Florence and Leghorn were politely rebuffed. As James put it, "We have enough railways of our own [in France] without embarking on those of Italy as well." Schemes for railways in the Two Sicilies and the Papal states were discussed in the 1840s, but—despite Metternich's (somewhat unexpected) encouragement in the latter case—did not get far beyond the drawing board.

"*The Chief Rabbi of the Rive Droite"*

When he felt like flattering James, Heine sometimes gave the impression that he had been the *fons et origo* of the French railway network.[3] "Herr von Rothschild alone discovered Emile Pereire, the Pontifex Maximus of railways, and he immediately made him his chief engineer . . ." It was really the other way round: Pereire "discovered" Rothschild, in the sense that he persuaded James to commit his enormous financial resources to railways. It was an unlikely partnership, which reflected James's susceptibility to clever men of letters as much as his financial acumen. True, Emile and his younger brother Isaac were Jews, like James; but there the resemblances ended. Where James was an immigrant from Germany, the Pereires were Sephardic Jews whose grandfather had left Spain and settled in Bordeaux. Moreover, where James had no explicit political or philosophical allegiances, the Pereires were disciples of comte Henri de Saint-Simon, the utopian prophet of a technocratic, corpo ratist industrial society in which the "productive" classes would displace the idle and rule benignly under the influence of a "new Christianity."

For such men, partnership with the Rothschilds represented a perilous compromise, if not a Faustian pact: the Pereires' friend Prosper Enfantin hesitated to become associated with "the damned soul of a Rothschild." Yet Emile Pereire was enough of a realist to grasp the indispensability of Rothschild financial support if he really was to write his projects "on the earth" rather than just on the pages of papers like the *National*. Between them, he and his brother could muster no more than 30,000 francs.

Yet their pilot project—a railway from Paris to Pecq in the elegant suburb of Saint-Germain—would cost, they estimated, more than a hundred times as much to construct. As Emile put it in May 1835, "The involvement of the Rothschild bank in the railway from Paris to Saint-Germain is not only of great importance for this particular venture; it will necessarily have a determining influence on the later realisation of all the great industrial undertakings."

Wisely, the Pereires did not pin all their hopes on James. Having secured political backing from Emile Legrand, the Director-General of the Ponts et Chaussées (in effect, the Department of Transport) and the more sceptical Thiers (who dismissed the railway as a "toy"), they approached Adolphe d'Eichthal and Auguste Thurneyssen for the 200,000 francs needed to secure the initial concession, and then recruited J. C. Davillier as well as James to act as shareholders. In fact, d'Eichthal had as big a stake as James—23.5 per cent of the original 5 million franc capital. As an advertisement for investment in future railways, the Saint-Germain line was a qualified success. The twelve mile track cost a good deal more to build than had been anticipated (11 million francs instead of 3.9 million) and the volume of passenger traffic fluctuated much more than had been anticipated, soaring on summer Sundays and plummeting on winter weekdays. On the other hand it was completed and opened ahead of schedule in August 1837, and in the first three years of its operation the Pereires succeeded in reducing running costs from 52 to 44 per cent of gross receipts, ensuring that the shareholders were not disappointed. James was a convert. As he wrote to his nephew Anthony in June 1836, after himself taking the train through Belgium on his way to Frankfurt:

I would recommend that we don't sell any St-Germain shares for the time being, because I believe that there will be a substantial rise in these. I am absolutely convinced that people in France simply have no idea how easy it is to travel by such means . . . I want to tell you, the cheaper one sets the price, the more passengers there will be, and the greater will be the profit one stands to make. Having seen what has been happening in Antwerp, I am more and more convinced that this is a lucrative and successful enterprise. I am certain that in twenty years' time there won't be a single Postmaster left in the world, and people will only travel by train . . . I am in love with the railway.

The Pereires always conceived of the Saint-Germain line as the nucleus of a much larger railway system. Their hope was to concentrate as much of the traffic into and out of Paris as they could through the Saint-Germain line and into the terminus station they built at the Gare Saint-Lazare. At the same time, they always hoped to avoid financial dependence on any single banker. This was easily attained as French railways were financed from an early stage by consortiums, reinforcing a tendency towards the formation of loose business "groups" which had already manifested itself on the Paris bond market. However, the project of a Pereire-led monopoly on rail traffic in and out of Paris inevitably aroused both financial competition and political opposition. Thus, when the brothers embarked on the next phase of their programme—a line between Paris and Versailles, running along the right bank of the Seine—the move did not go unchallenged. The "Rive Droite" was a financial as well as a geographical extension of the original Saint-Germain line: de Rothschild Frères were the largest shareholder with just under a third of the 11 million franc capital; the other major shareholders were once again d'Eichthal, Davillier and Thurneyssen, with an additional 16 per cent being provided by the house of J. Lefebvre & Cie.

At first James was optimistic about his investment. Shares in both the Saint-Germain and the Rive Droite soared: the former reaching a high of 950, compared with an issue price of 500 francs. "Profit smiles," wrote James gleefully as he sold a couple of hundred. "[To] go from 500 to 950 is quite nice." However, he was disturbed to hear that "that miserable Fould is organising a subscription for our railway on which we have been labouring for such a long time." After "a campaign of intrigues" in the

Chamber of Deputies, the Fould brothers and their partners secured a rival concession to build a parallel line to Versailles along the *left* bank of the Seine. "Well, this will ruin everything," James lamented, "and one can't do anything any more in this world." The absurdity of the ensuing rivalry was not lost on contemporaries. Heine ridiculed "the Chief Rabbi of the Rive Droite, Baron Rothschild" and "the Chief Rabbi of the Rive Gauche":

For the French Jews, as for the French as a whole, gold is the god of our times and industry the prevailing religion. In this respect, it is possible to divide the Jews of this country into two sects: the sect of the Right Bank and the sect of the Left Bank. These names refer to the two railways which lead to Versailles, the one along the right bank of the Seine, the other along the left bank, which are run by two famous rabbis of finance, who rub each other up the wrong way as much as Rabbi Sham mai and Rabbi Hillel in the ancient city of Babylon.

For the investors concerned, however, it was no laughing matter. There was not enough traffic between Paris and Versailles to justify the existence of two lines, and the actual returns and dividends on the shares of the new companies were correspondingly meagre (especially as there were cost overruns during construction).[4] The Saint-Germain shares also began to be affected by the rising cost of expanding the line's capacity to accommodate the increased traffic not only of the Versailles line but of other proposed branches, which necessitated a series of three loans from its bankers totalling around 10 million francs. More generally, the proliferation of new industrial companies was beginning to exhaust the market's appetite for new shares: as James warned grimly in September 1837, "One of these days it will start to stink . . . because too many shares are arriving on the scene." A sudden slump in the market almost exactly a year later forced the rival Versailles lines to discuss some kind of merger, the prime objective of which, as far as James was concerned, was to scrap the Rive Gauche altogether with a view to boosting the shares of the Rive Droite. In the end the Rothschild company effectively took over the Fould company and both were later absorbed into the Ouest line in 1851.

These problems help explain the difficulties which beset the next phase of the Pereires' activity. From an early stage they had envisaged much longer railway lines than the initial connections to Saint-Germain and Versailles. Of the various plans they considered, the most ambitious was for a railway connection between France and Belgium, where the first state-financed lines were already operating. This project had substantial political appeal to the French government, which, as we have seen, was keen to assert its influence over its newly independent neighbour. It also appealed greatly to James, who had been impressed by the Belgian lines he had used on his way to Frankfurt, as well as attracting the interest of British railway entrepreneurs like George Stephenson and the Belgium-based John Cockerill. However, the Société Générale—which would have been the obvious financial partner for the Rothschilds—was lukewarm in its response. After much prevarication, the governor of the Société Générale, Méeus, indicated that he "did not want his name to be associated with the Belgian railway," as it would be "too risky" and he put "honour before everything, money second." For his part, James took the view from an early stage that "if [Méeus] is not prepared to . . . join then we will have to stay away from the project for we don't want to make enemies of them." But it was not only Méeus who had reservations about the project. James also came under pressure from the Frankfurt house to drop it: the proposed line was, as Anselm put it, just "too long."

Although it was partly due to the diplomatic crisis over Belgium of 1838-9, the stalling of the plan for a Paris-Brussels connection primarily reflected the lack of confidence of continental bankers in their own ability to finance major railway lines without state assistance (or perhaps their desire to get their hands on subsidies). As early as December 1836 James was toying with the idea of some kind of state

subvention to make the proposed Northern Line (or "Nord" for short) more attractive to investors. "It is a difficult business," he told his nephews in London, "because the bankers here [in Paris] are not inclined to support it. Don't you think that it [would be] possible to sell a great deal in London if the French Government [were] to guarantee an interest payment at 3 per cent?" James could see the difficulties with such an arrangement, however. "If we had chosen to go for the interest," he reported a few days later, "then every scoundrel would have appeared on the scene and would have made plans and would have placed obstacles in our path. Secondly, I believe that the [government's] credit might have suffered terribly as a result of such a move because every other département would have demanded the same terms." On the other hand, he discerned that the Nord would never be built without some sort of state support. The alternative method of subsidy he contemplated at this time was a straightforward "gift" of a third of its estimated cost: "We calculate the cost of the Railway to be 75 million and the Government will give 25 million without expecting to receive anything in return as encouragement for the boys." Without a subsidy, James argued, it would be impossible to sell enough shares to the public, no matter how "crazy about railways" they were; or rather the shares would be sold, but would not rise by the 15 or 20 per cent which investors were coming to expect. This, however, seems to have been unacceptable to Méeus. It may also be that, as Léon Faucher suspected, the French government was wary of such involvement. James regarded "Legrand, whose assistance we much require . . . [as] no great friend of ours."

Up until this point, the government had confined itself to devising bold schemes for a national network of major lines radiating outwards from Paris. For example, the Molé ministry in May 1837 had envisaged six principal railways linking Paris to Belgium in the north, Orléans in the south, Rouen in the north-west and Mulhouse in the east, with separate links to Lyon and Marseille in the far south. A year later, Legrand envisaged a total of nine major lines, adding links to Nantes and Bordeaux in the west and south-west as well as a link from Lyon to Basle. However, there was opposition to the planned system of concessions, and such plans remained no more than suggestions until the 1840s. This left the private sector more or less to its own devices.

James soon formed the view that "the various railways have to be viewed as cousins of each other and when [the share price of] one rises the others will then follow." However, there was a tendency for more than one "family" of railway financiers to emerge. For example, James was happy to lend financial support to Paulin Talabot, the driving force behind the Grand-Combe line, which aimed to link the coal mines of the Grande Combe (near Alès) to Beaucaire and ultimately Marseille. A visit to the Midi in 1838 seems to have convinced him that the area would be ideal for railway development, and he had no objection to advancing 6 million francs to keep the project afloat in late 1839. By contrast, he was more wary of the route to Bordeaux, and limited his involvement to a small shareholding in the company set up to build the line from Paris to Orléans—a wise decision, as the company folded in August 1839. The concession was subsequently granted to an Anglo-French partnership of Charles Laffitte and the English financier Edward Blount, which also won the concession to link Paris and Boulogne via Amiens. Despite the fact that the Orléans line was obliged to use the Saint-Lazare terminus controlled by the Saint-Germain company, a fierce rivalry soon developed between the Laffitte-Blount group and the Rothschild group.

The 1839 crisis increased James's desire to involve the state in the financing of railways, if only to bolster the performance of Saint-Germain and Rive Droite shares. Here, as with international affairs, his bullying of French politicians was unabashed. "In the event that the Government is not prepared to do anything with regard to the Rive Droite," he told his nephews in June 1839, "then I will see to it that it is attacked in all the newspapers." Two months later he went further:

If they are indeed making things very difficult for you then you should tell them that I wrote you that I am resigning from my position as administrator [of the Rive Droite company] and at the same time I will be announcing in the newspaper that due to the implacable opposition of the present Ministry we have been forced to relinquish our position and to assure the general public that as long as the Ministry of Commerce remains in the hands of the current incumbents we will completely withdraw from doing any business in the industrials. If you put this to Marshal Soult then I can promise you that M. Dufour will change his attitude. If you can't gain someone's friendship then you have to make them fear you.

As these remarks suggest, James's influence over sections of the French press was an important weapon in his railway policy.

It was the question of the line to Belgium, however, which was to become the most notorious example of French governmental subservience to Rothschild financial power. Even before the various diplomatic storms of 1839 and 1840 had died away, James returned to the idea of a Northern railway more convinced than ever that it would be "a good piece of business." The idea he now advanced to ministers was that the government should guarantee to pay the interest on railway *bonds* (4 per cent) for a specified period—a suggestion of Emile Pereire's designed to appeal to the more cautious investors who regarded private sector shares as too risky. Now the government proved more receptive. The principle enunciated in Legrand's law of 1842 was that the state would purchase the rights of way and construct the railways and buildings, leasing the lines to the railway companies, who would provide the rolling stock and run trains for specified periods. What this meant in practice, however, took years to resolve, especially in the case of the Belgian line.

In James's eyes, the route north from Paris to Lille and Valenciennes promised to be the most profitable of all the main French lines because it would link the French market not only to Belgium but (via branch lines to Calais and Dunkirk) to England; the prospect of a government subsidy made it "a golden business opportunity." But precisely for that reason there was bound to be political opposition to giving the Rothschilds the concession. "Well now, my dear Nat," complained James when it seemed that the government was going to deny him, "the business with our railways is not working out at all. The whole world is against us. People say we are a monopoly and that we want all the railways for they can see that it would not be possible to build the Belgian [railway] without us." James was right. Although the two sides failed to reach a final agreement until 1845, the government ultimately seemed to have no alternative but to deal with the Rothschilds. A crucial factor was the government's own need to borrow precisely in order to finance the Legrand plan. James's near-monopoly on issues of rentes gave him an invaluable lever in the negotiations leading to the award of the Nord concession. As he commented with satisfaction in December 1842: "If we get the loan then we are masters over the railways. The Finance Minister said to me today, 'I won't do anything without you and the whole Ministry shares my views. The railway from Belgium will be offered to you in preference to anyone else.' "

In two respects, it might be thought, James had to compromise in order to win. Firstly, the Pereires' dream that the line would terminate at the Gare Saint-Lazare had to be jettisoned, despite the negative impact this had on Saint-Germain shares. Secondly, James's rivals were allowed to participate in the consortium which founded the company: with the continuing reluctance of Méeus to commit the Société Générale to a major stake in the company, James had no alternative but to allot substantial shareholdings to Laffitte-Blount, Hottinguer and other lesser rivals. Yet in practice these were minor concessions. It would seem that James felt less strongly about having Saint-Lazare as the terminus than Pereire; as for his fellow investors, none of them could pretend that they were anything other than junior partners. Laffitte had hoped to revive his own long-standing ambitions by launching a single,

grandiose loan to construct the entire network envisaged by Legrand; in becoming little more than a sleeping partner, he was effectively admitting defeat yet again.

When the contract was finally awarded in September 1845, the Paris and London houses were the biggest shareholders—with a 25.7 per cent stake of the 200 million franc capital, compared with Hottinguer's 20.15 per cent and Laffitte-Blount's 19.5—and held the key executive positions. The only real compromises which had to be made related to the specific terms of the contract: the subsidy to be paid per mile of track constructed; the duration of the period during which the company would run it; the level of fares to be charged for the three classes of passenger; and the regularity of services. But these were political rather than commercial compromises, reflecting the need to overcome opposition within the Chamber of Deputies (where an influential group of deputies favoured complete public sector construction and control of railways). Similarly, James's decision to withdraw altogether from the consortium bidding three months later for the Paris-Lyon concession was designed to ensure that he could make the most competitive bid for the Creil-Saint-Quentin line being auctioned simultaneously.

The winning of the Nord concession needs to be seen as part of a general carving-up of the primary French railway network—a process in which the Rothschilds played a leading role. Although the Nord was the line in which James most visibly interested himself, it was by no means the only one. As we have seen, he had contemplated taking a modest share in the Paris-Lyon line. He had also thought of involving himself in the line to Bordeaux, and in 1844 formed a consortium to bid for the concession. Although the line was awarded to another company, he was soon seeking some kind of partnership with it to finance the connection from Bordeaux to Cette. The Rothschilds also took a substantial shareholding in the company which had won the Paris-Strasbourg concession; and it had a small stake in the Lyon-Avignon concession too. Smaller players vied with one another to see who could win the backing of "the all powerful name of the House of Rothschild" for their companies. All this was part of an early move towards the concentration of ownership within the French railway industry which Saint-Simonians like Enfantin sought to encourage. In fact, though they lacked Enfantin's grandiose vision, the bankers did not need much persuading. As early as 1844 Hottinguer, Blanc and d'Eichthal were proposing to James that "with respect to the grand affair of the railroad from Calais to Avignon . . . we should all write & endeavour to get the whole line of railroads so as to avoid competition, that we should interest all the different companies & then all of us put together." By November 1845 the craze for "fusions"—that is, mergers between railway companies—was in full swing. "You have no idea what a quantity of people are in the Counting House for the fusion of Creil & St Quentin à Lyons," reported Anselm, "which fusion creates such a confusion that our office is rather like an inn in Switzerland where all the tourists run in after a long excursion in the Mountains." The time-consuming contest for concessions had begun to pall. Increasingly, collaboration seemed more rational than competition.

Geographical concentration was also taking place. In securing the biggest shareholding in the Nord line and a majority of the Creil-Saint-Quentin line's capital (both in partnership with Hottinguer and Laffitte-Blount), James ensured that he controlled the two major rail links north to Belgium, to say nothing of two important routes within Paris—a total of 388 miles of line. This represented a formidable geographical base for the pan-European railway empire he was beginning to dream of.

The English Connection

The attitude of James's English nephews towards all these projects was at first, to say the least, ambivalent. James delegated a good deal of the detailed work on railway finance to them—especially to Anthony, who consequently became more expert than his uncle. Yet he and his brothers never wholly lost the suspicion of industrial finance which they had acquired at New Court. "There is nothing new here—but Railroad Companies," complained Anthony in May 1838, "and there are so many that one gets quite sick of them—there is such a Jealousy on the part . . . of the other Companies that [one?] is a little disquieted." Nat admitted that the Paris house did "not think much of our poor London house in these [railway] matters"; but he himself never tired of pointing out the disadvantages of the Nord project. "We are continually bored with Pereire & Eichtahl [*sic*] [trying] to induce us to go largely into the railroad to Chartres," he complained in the spring of 1842. "The stinking railroads engross all our attention & for my part I wish his . . . Majesty had them all, they only give us trouble & bother & no remuneration . . . I am by no means anxious that the house shd go largely into railroad concerns." "We are up to our necks in steam," he grumbled a few weeks later, "& get nothing for all the bother & trouble." At times he denied that the railways would be profitable: "People are afraid of holding the shares and of travelling by the railroad." At other times, it was the attendant risks he objected to:

For my part I hope & trust we shall have nothing more to do with the Be[lgia]n railroad than to take a lot of shares which we will be able to sell when good opportunity offers—I am by no means desirous of going up to one's neck in a stinking railroad & if the least thing happens one [soils?] one's breeches, whilst others know all about it & when we wish to be acquainted with the occurrence we must address ourselves to Pereire—Besides the bother & trouble with the Govt . . .

But the criticism he most frequently expressed was that becoming involved in operating railways—as opposed to speculating in their shares—could tie up capital in a potentially dangerous way:

I am against the [Belgian railway] affair because I am afraid of the anxiety, bother & trouble which it will surely occasion us—the moral responsibility of it will rest entirely on us, & I wd sooner leave to others the profit which the shares are likely to bring than engage in a concern of such magnitude without the possibility of attending to it properly—Such is my way of thinking & most sincerely do I trust the Baron will remain satisfied with purely financial affairs which we understand & which we can get out of when we think fit.

Nat was delighted when the Nord concession appeared to fall through, and alarmed when it was finally granted. Although less hostile than his brother, Anthony could be almost as unenthusiastic. "As regards the Railroad," he told Lionel in June 1842, "I think the best thing is . . . not to have anything to do with them."

These attitudes reveal a fundamental difference of attitude, though how far this was a generational difference and how far a matter of milieu is hard to say: the fact that Anselm, who had spent most of his working life in Paris or Frankfurt, also opposed too much involvement in railways suggests a generation gap of some sort. In admitting that "in these times the conservative feeling has the ascendant over the acquiring sentiment—with me at least," Nat spoke for all the younger Rothschilds. Like the *Journal des Débats*, they were inclined to fear that in bidding for the Nord concession James was bidding "for the privilege to ruin himself." As Nat put it, contemplating the extent of their commitments,

by hook & by crook we shall have lots of shares in the market & probably deeply engaged in them all —I have no doubt if things remain as they at present are all share concerns will turn out uncommmonly

well, but God forbid if the least political or financial crisis were to take place what wd become of all the shares?

"The Baron," however, was too embroiled in "wheeling and dealing" with the plethora of new scrip and shares coming on to the market seriously to contemplate such an eventuality.

In this context, Nat's description of James's contrasting mood is especially illuminating:

[T]he Baron is in a sort of fever about it, he thinks it a good business, & is afraid of it, he fancies the rival company will get it & then regrets it doubly, on the other hand he trembles head & foot at the idea of having to direct a railroad company of such importance without being able to do without such a pair of jobbers as Eichthal & Pereire.

James knew the risks, in other words, but could not face losing the business to his rivals; his nephews were less furiously competitive. Nat's view "with respect to the railroad [was] not to be too greedy & not to wish to jouer le grand rôle, we may take a share & a good large one & take our profit thereon but not assume more responsibility than others." James, by contrast, could not resist playing "le grand rôle." He had no illusions about the dangers and difficulties involved in "trying to do too much at once," but nevertheless exhorted his nephews to "apply themselves seriously":

I urgently beg you to take on several new brokers so that we can do business on an equal footing with the others and try to put some life into the railway business. I feel that the world wants to find something new each year with which to busy itself. At the moment "industry" seems to be the fashionable thing. If that is the case and we decide to enter the fray then we have to apply ourselves seriously to the business and will have to engage in doing business even if there is nothing to be earned only so that we stay busy.

Enfantin was not wrong when he suggested that "playing at railways" had supplanted even playing politics in James's affections: "Playing at gossip with Thiers, Guizot or Molé—a game which Louis Philippe plays so well—is child's play for Rothschild, which he scarcely deigns to play; he profits from its ups and downs, but for his part he plays at railways . . . that was the great game for strong men."

Yet James's project ultimately depended on the London house, in that only the resources of the London capital market could satisfy the demands of the projected line, even with government subsidies. The Nord would, as Nat saw, only be "a capital concern if we can get some good people in London to go largely into it." "[I]t is impossible for us to undertake so extensive a line unless backed by English capitalists," he advised Lionel. In particular, he urged him to involve Glyn's, the one City house which had interested itself seriously in railways, and George Stephenson, whose engineering expertise would be invaluable. Given the obvious importance of the branch lines from the Nord to the Channel coast, other English businessmen were not slow to become involved, though not all were welcome: the attempts of David Salomons to elbow his way into the business were a source of considerable irritation. The fact that there was so much English interest in the line may explain why Nat's opposition to involvement diminished during 1843. If nothing else, he came to believe that the shares would jump to a "famous high price" and "go like hot rolls" on issue. Sure enough, French railway shares were a great success on the London market. As Mayer reported:

The people here are quite determined upon entering every undertaking that is brought out in your good country, no matter whether it is a railroad or loan . . . [G]iven the fortune being made here by the share

jobbers one has no doubt that, however immense the scheme may appear to be, a very strong party will be made.

Despite their reservations about the long-term profitability of French railways, the London brothers could not help taking pride in the superior capacity of the British market. "I hope that you have sold a good lot of the Northern Shares," Anthony urged Lionel in September 1845. "Try my dear Rabbi to show that the English people can take off as many shares as the stinking French frogs." His youngest brother expressed the same feeling the following year: "The more I see, I am convinced the more there is no place like our old New Court; where would all the rubbishy French shares be if we did not support them? I think we may give ourselves a few airs and be as great men as the others." Such chauvinistic sentiments were another important aspect of the Rothschild generation gap.

The combination of James's entrepreneurial vision and the London market's capacity was a recipe for success. As the price of Nord shares soared from 500 francs to 760, his gamble on the line seemed amply justified. Even his London nephews had to acknowledge that its prospects seemed excellent: its daily takings exceeded 20,000 francs as soon as it opened, despite the fact that the line was far from complete and the company was short of capable engine-drivers. Although that was roughly half its projected income, it still promised a respectable return to the operators—and more, with a little fine-tuning. James was soon following his brother Salomon's example, exploring the possibility of "vertical integration" in the form of further investment in Belgian coal mines. "Everyone thinks that coal is like gold," he enthused, a view which even the cautious Anselm could not dispute. The 3 million franc investment which the Paris house made in coal mines (in conjunction with the Talabot brothers) would, he was confident, "become with a little time a most capital concern as the consumption of coal becomes stronger day to day owing to so many railroads on the continent and the progress of industry . . ." The Nord could get its coal at a competitive price; by the same token, the transportation of Belgian coal became a staple of the railway line's revenue.

Those critics who had accused him of being interested only in a quick profit on railway issues now had to recant: like Salomon, James was building up a substantial portfolio of long-term industrial investments, at the core of which was his stake in the Nord. It was a profoundly important departure, not least because the London house chose not to do the same. This was the safer option in the short run, and undoubtedly reduced New Court's exposure when the market for railway shares slumped in 1847-8; but in the long run it meant that only the Paris house would share in the immense capital gains realised by investors in industry during the second half of the century.

The Impact of Rail

The economic significance of railways can be quantified with some degree of precision. Between 1828 and 1848 around 1,250 miles of track were built in France, with peaks of investment in 1841, 1843 and 1846-7. In the first instance, the railways were financed by a multitude of small companies—between 1826 and 1838 around 500 *sociétés en commandite* were formed with nominal capital of 520 million francs. In 1845 alone, twenty-eight companies were set up with almost as much capital. The Rothschilds were without question the dominant force in this process. To be sure, their name figures in only four out of thirty-two concessions granted between 1835 and 1846. But of 225 million francs contributed by French banks to railway capital formation between 1835 and 1846, the Rothschilds accounted for 84.6 million—38 per cent of the total, and nearly a tenth of all capital subscribed.

This dominance was in many ways quite natural. Apart from the superior resources of de Rothschild Frères compared with its French rivals, James had the unique advantage of a direct familial link to the London market. This was crucial, for without British capital (and technology), the progress of French railway construction would without question have been slower. It has been roughly estimated that half the capital invested in French railways by 1847 was British, and only a quarter of French locomotives were domestically produced. The role of the state in the railway boom can also be quantified. From 1840, when the first state subsidies began to be paid out by the new Ministry of Public Works, until 1849, around 7.2 million francs were spent annually on railways by the state, between a fifth and a quarter of annual average gross investment. In aggregate terms, this would generally be considered by modern economic historians as money well spent. Problematic though it is to calculate exactly the "social savings" generated by railways (in the form not only of more efficient internal and external communications but also of "backward linkages" to the coal, iron and steel industries), France would unquestionably have been worse off without them.

Yet contemporaries did not tend to assess the Rothschilds' role in railways in such arid, macroeconomic terms. In general, they were more concerned with the distribution of the benefits generated by the railway boom than with their developmental impact. They were also more concerned with the social costs of railways than modern economic historians. This helps to explain why the cultural and political responses to the railways were in such stark contrast to their macroeconomic impact.

To be sure, there was no shortage of writers who were ready and willing to "puff " rail travel as the wonder of the age. The 1830s and 1840s saw a spate of odes and hymns to the railway, a classic example of which was composed by an obscure poetaster named Hugelmann to mark the inauguration of the Nord line on June 14, 1846. It was entitled simply: "To Rothschild":

A dragon hurtled through space,
Throwing fire down on the lanes;
A genius covered its face;
Put its powerful hands in chains;
And turning towards our world
He threw up the dust in a whirl
With the smoking beast in his thrall
He transported it with a firm hold;
Then showing this giant in chains
To the waiting millions of men,
He says: "I will make you some reins;
Be enslaved; here is my gold . . ."
He speaks and the mountain sides yield,
They fall and their clifftops descend;
The dragon traverses the fields,
The earth it shakes under its bonds;
Germans, united with Gaul,
For this power their defences let fall
Who is come back to life to recall
The forts that the emperors quit,
And whose urn, as it inclines
Disperses his seed divine
On the running board lined with ermine
And the labourers' humble hamlet.

Even the usually acerbic Heine was—on occasion—moved to write in a similar, if rather less hyperbolic, vein. "All eyes are now turned to the House of Rothschild," he reported when James's intention to bid for the Nord concession was first made public, "which represents the society formed to construct the Northern French railway system in a way that is financially as sound as it is socially praiseworthy. The House of Rothschild, which in former times directed its talents and resources exclusively to the needs of governments, now places itself at the head of great national undertakings, devoting its enormous capital and its immeasurable credit to the advancement of industry and the prosperity of the people." When the lines to Orléans and Rouen were opened in May 1843, Heine was positively lyrical in his enthusiasm. He detected in Paris

a tremor, which is felt by everyone, unless he has been sent into solitary confinement. The whole population of Paris constitutes at this moment a chain, which communicates the electric shock from one person to another. While the great mass of people gapes astounded and dumb-struck at the outward manifestation of these great motive forces, the philosopher is seized by a strange horror, the way we always feel when the most monstrous, unheard of thing happens, the consequences of which are unforeseeable and incalculable. Let us just say that our entire existence is being ripped up and hurled on to new tracks; that new relationships, pleasures and torments await us, and the unknown exerts its ghastly fascination, irresistible, yet at the same time fearful. Our forefathers must have felt the same when America was discovered, when the invention of gunpowder announced itself with the first shots, when the printing press sent the first proof copies of the Word of God into the world. The railways are another such providential event . . .

Yet already Heine sounded a characteristically ambivalent note of warning when he considered the political influence which the railways were conferring on those who built them. The "ruling aristocracy of money," he suggested, exercised "more and more control every day over the rudder of state": "Soon those people will constitute not only the supervisory board of the railway company, but also the supervisory board of our entire civil society." For Heine, the most intriguing aspect of the railway boom was the way that aristocratic and military elites (even admirals) flocked to associate themselves with it. They lent their names as non-executive directors and invested their savings. They were even reduced to begging for share options in new companies like the Nord:

[E]very share which members of this house [of Rothschild] grants to individuals is really a great favour —speaking plainly I should say that it is in fact a present of money which M. de Rothschild makes his friends. The shares ultimately issued . . . are from the beginning worth several hundred francs above par, and whoever asks Baron James de Rothschild for such shares at par, begs from him in the literal sense of the word. But then—the whole world is begging from him; he is inundated by begging letters, and where the greatest aristocrats have set such a noble example, begging can no longer be considered a disgrace.

Heine was not alone in portraying James's mutation into a railway baron in an essentially light-hearted light. Rothschild railway jokes were another characteristic by-product of the era. Punning on the double meaning of the French *action* (a share) the writer Prosper Mérimée told Madame de Montijo a typical one in February 1846:

The rabbi who teaches the children of M. de Rothschild asked one of them, a young lad of seven, if he knew the difference between a good action and a bad action. "Without a doubt," replied the child. "A good action is an action of the Nord, a bad action is an action of the Rive Gauche." Believe me, that boy will not lose his father's millions.

Seven years later, Count Nesselrode told his cousin a "mot de Rothschild" which may even have been true as well as archetypal. "Count Tassilo Festeticz consulted him about the investment of a considerable sum. 'M. le comte,' Rothschild told him, 'if you want your capital without interest, buy land. If you want your interest without capital, buy shares.' " "It happened in Paris," added Nesselrode, "but it is universally true." Such anecdotes are too easily dismissed as apocryphal. But the Rothschilds' private correspondence confirms that at least one of them was not far from the truth. In November 1848 Betty told her son Alphonse how his four-year-old brother Edmond had "got into the habit of taking my prayer book for his devotions. And yesterday, in one of his pious outbursts, what if he doesn't say, 'I pray to our good Lord God for Papa [and] for the *chemin de fer du Nord* !' "

Yet not everyone was so amused. In the course of the 1840s, a growing number of journalists began to express hostility towards what they regarded as a dangerous and corrupting private monopoly. Above all, the Nord concession came to symbolise what more radical critics of the July Monarchy regarded as its fundamental rottenness. It began in newspapers like the *Courrier Français*, the *Réforme*, the *Univers* and the *Quotidienne*. But it took its most virulent form in cheaply produced polemical books and pamphlets like Alphonse Toussenel's *The Jews, Kings of the Epoch: A History of Financial Feudalism*.

In some respects, Toussenel was in a tradition dating back to the 1820s of radical critics who laced their diatribes against political corruption with a strong dose of anti-Semitism. The thrust of his argument was directed against the financial terms under which the Nord concession had been granted (and could just as easily have been made without reference to James's Jewishness). According to Toussenel, the government had effectively ceded all the profits from the line to the Rothschild-led company for forty years, while retaining all the expenses for itself—that is "for the nation." The state would pay out an estimated 100 million francs for the land across which the railway would be built, while the company would merely advance the state the cost—around 60 million francs—of the rails and rolling stock, money which the state would reimburse when the concession expired. In effect, Toussenel argued, the company was lending the state 60 million francs in return for an income from the line of around 14 million francs a year, to say nothing of the speculative profits on the shares it issued to the public. Would it not have been more rational, he asked, for the state to have borrowed the money itself—which would have cost just 2.4 million francs a year in interest—and to have built and run the railways as a state enterprise? Why pay five times that much to acquire the line forty years in the future?

At one level, this was a not implausible argument for public sector control of the railway network on the Belgian model: similar economic nationalism was being advocated in Germany at around this time. And in its critique of the distributional consequences of government policy, Toussenel's book evinced a debt to early socialist thinkers like Fourier. "The enormous profits" generated by the railways came partly from the "labour of the French worker and artisan": "Who pays for the speculator's premiums of hundred of millions? The worker, the people. Who suffers on account of the ignorance and cowardice of those in power? The people."

However, Toussenel's economic argument was inextricably linked to a visceral anti-Semitism. He angrily denounced the "traitors, hacks, deputies, ministers who would sell France to the Jews . . . in these times of irritation and political senility." This identification of the railway companies with a single religious group required a considerable definitional elasticity, given the prominent role of manifestly non-Jewish investors from England and Switzerland. But Toussenel—setting an example which future generations of anti-Semites would readily follow—had no difficulty with this. Rattling off the names of the various railway companies and their principal shareholders, he portrayed them all as satellites of a single cosmopolitan, Jewish *haute banque*, personified by "Baron Rothschild, the King of

Finance, a Jew ennobled by a very Christian King." In the 1840s "Jew" ceased to be a purely religious category and became synonymous with the type of the exploitative capitalist.

Toussenel's book was profoundly influential, spawning a succession of imitators—who were generally only too glad to repeat verbatim his charges, and add some more for good measure. Within a year of the first edition, a still more violent pamphlet was published under the pseudonym of "Satan" by an obscure hack named Georges Dairnvaell, entitled *The Edifying and Curious History of Rothschild I, King of the Jews*. According to Dairnvaell, the Rothschilds had secured the Nord contract by corrupt means, distributing 15,000 shares to deputies; moreover, they had then defrauded these same shareholders by an unauthorised issue of shares, which reduced the value of the original stock. James was "Rothschild I . . . the speculator-monarch . . . a capitalist who enriches himself incessantly while the fathers of children lose all but their last crust of bread." In the later wave of anti-Semitic journalism of the 1880s and 1890s, similar allegations were trotted out: Chirac, for example, claimed that James distributed Nord shares to friendly papers like the *Constitutionnel* or the *Journal des Débats* and even slipped a couple of shares under the serviettes of selected dinner guests! Drumont repeated the charges made by Toussenel; Scherb merely translated the relevant chunk of Dairnvaell. The same stories were being repeated even after 1945.

Was there any substance to these attacks? One modern historian has argued that "The system of [railway] finance . . . seemed to guarantee the maximum costs to the state with the maximum secure benefits to shareholders." The public appetite for Nord shares was enormous. The list of names who approached James and Lionel for this purpose is an impressive one: as one contemporary joked, James must have had a "rather precious autograph collection" of the Parisian social elite by the time the deadline for applications passed. Baron Stockmar was an early investor in French rails, conceivably on behalf of Prince Albert. Lady Ailesbury, the widow of the 1st Marquess, was another. Disraeli bought 150 shares in the Paris-Strasbourg line in 1845, though this proved a "very indifferent" speculation and he sold them just a few months later. Lionel also "gave" him some shares in the Nord. Another investor in the Nord was Balzac, though he had to pay for his 150 shares—unlike a less well-known writer Jules Janin, who later wrote that "M. de Rothschild . . . saved me and my novel [*Clarisse Harlowe*] with a few Nord shares." Yet evidence that shares were allocated to needy writers with the specific intention of influencing the granting of the concession is lacking. Indeed, one contemporary had the impression that most of the shares were being allocated "arbitrarily." This seems plausible given the sheer number of shareholders involved. As the Minister of Public Works Dumon, pointed out, there were 12,461 subscribers for the Nord, 31,000 for the Strasbourg line and 24,000 for the line to Lyon. It is also worth asking whether such large numbers would have come forward in the absence of a government subsidy. It seems unlikely. Even with the subsidy, those who held on to their Nord shares saw only a temporary (if impressive) capital gain. In the months between the granting of the concession and the opening of the line, the shares were being traded at prices above 750 francs, compared with a nominal price of 500. However, within days of its inauguration, a tragic and not wholly unpredictable event provided a reminder that, government subsidy or no, railways were a risky business. In the light of the events of 1846-8, the allegation that the Rothschilds made immense and improper profits from the Nord concession must be regarded with scepticism.

An Accident Happens

On June 14, 1846, James de Rothschild invited 1,700 guests to celebrate the opening of the Nord line.

Transported in first class carriages of the Compagnie du Chemin de Fer du Nord, the party lunched at Lille, dined at Brussels and then returned to Paris the next day. A cantata was composed specially for the occasion by Berlioz and Jules Janin and, to ensure the best possible press coverage, invitations were sent to Victor Hugo, Alexandre Dumas, Prosper Mérimée and Théophile Gautier, who described the inauguration in a piece for the *Presse*. It was the day, in Dairnvaell's words, "when the royalty of Rothschild I was officially recognised" and James Rothschild was proclaimed "*King of Europe, Asia, Africa, America, Oceania and other places*, and above all, *King of the Jews*." Just twenty-four days later, at 3 p.m. on July 8, a train running north on the same line was derailed at Fampoux when a rail gave way on an embankment running along the side of a marshy lake. According to an eyewitness account, the first locomotive pulling the twenty-nine-carriage train kept going, but the second came to a sudden halt, snapping the connecting chains between the carriages behind it. Thirteen carriages came off the track, one was crushed by the impact and three others sank in the lake. Despite heroic efforts by passengers in the rear coaches, between fourteen and thirty-nine people died.

The conflicting estimates of the death toll were products of the subsequent, violent public debate between the railway company and a chorus of hostile journalists, led by Georges Dairnvaell, for whom the accident seemed to encapsulate the wickedness not just of the company but of the political system which had granted the concession, of the Jews and above all of the Rothschilds. There had, of course, been railway accidents before. Heine had already written bitter words on the subject following a fire on the Versailles line:

What a dreadful disaster, for instance, was the fire on the Versailles railway! I am not referring now to the Sunday crowd roasted or parboiled on this occasion; I refer rather to the surviving Sabbath company, whose stock tumbled by so many per cent, and which now awaits, with fear and trembling, the outcome of the lawsuits brought against it after this catastrophe. Will the promoters or founders of the company be made to disgorge some money to compensate the orphaned or maimed victims of their avid pursuit of profit? How terrible that would be! These millionaires are much to be pitied . . .

But Dairnvaell took his recriminations much further. The Nord company, he alleged, had ignored warnings about the poor quality of its rails and continued running the normal service after the accident had happened, despite the fact that the signals were not working properly. At the same time, its directors had profited by selling their own shares before news of the accident got out. This was bad enough by itself; but in truth, he argued, it was just the latest example of the way "Rothschild" and the Jews treated the French people. Dairnvaell thus used the Nord accident as the basis for a vitriolic recounting of the Rothschilds' "history" of battening off France, beginning with the battle of Waterloo and culminating at Fampoux:

They have enriched themselves from our impoverishment and from our disasters . . . they have stayed with us the way the leech stays on a man's vein . . . [like] the vampires of commerce and the scourges of nations . . . The Rothschilds have only ever gained from our disasters; when France has won, the Rothschilds have lost. This house is our evil genius.

Dairnvaell's allegations unleashed an extraordinary and protracted pamphlet war. At least seven separate publications appeared in the succeeding months, some denouncing James in similar terms, others defending him, still others claiming to judge the two sides impartially. The so-called *First Official Response of M. Baron James Rothschild* claimed that Dairnvaell was little better than a blackmailer who had demanded 5,000 francs from James in return for not publishing his *Edifying History*, and had gone into print when James had offered him only a thousand francs.[5] A similar attack

on Dairnvaell appeared in the *Response of Rothschild I, King of the Jews, to Satan the Last, King of the Impostors*. In swift response came three further anti-Rothschild pamphlets: *War on the Swindlers* (by Dairnvaell himself),[6] *Rothschild I, his Valets and his People* and *Ten Days in the Reign of Rothschild I, King of the Jews* (both anonymous). Finally, there were attempts to adjudicate. The *Letter to M. Baron de Rothschild* rebutted Dairnvaell's historical allegations, but concluded that "the Rothschild brothers have done nothing for the peoples [of the world], and consequently, nothing for humanity . . . M. de Rothschild . . . has a thirst for money, and that's all there is to it." More overtly hostile to James was the *Grand Process between Rothschild I, King of the Jews, and Satan, last King of the Impostors*, which described James as "King of the Jews, sometime bailiff of the courts of Europe, farmer general of public works of France, Germany, England etc. etc., and sovereign of discount, usury, pawn-broking, speculation etc."

Of all these works of hackery, perhaps the most sophisticated was the anonymous *Judgement Passed against Rothschild and Georges Dairnvaell*, which rejected the charge of culpability for the Fampoux disaster, but argued that "the proletarian" had been right to attack "the millionaire" with his "pockets full of banknotes and shares." Like Toussenel, the author of the *Judgement* essentially equated Judaism and capitalism: James was "the Jew Rothschild, king of the world, because today the whole world is Jewish." The name Rothschild "stands for a whole race—it is a symbol of a power which extends its arms over the entirety of Europe." Yet the Rothschilds were breaking no laws in "turning and returning" their capital and "exploiting all that is exploitable": they were merely "the model of all the bourgeois and mercantile virtues." It was the bourgeoisie as a whole which had "bent its knee before the Jewish golden calf " and embraced the "Jews" hereditary doctrine of the unlimited exploitation of property." Rothschild, in short, personified "a system which is responsible for the misery and desperation of millions of men." In constructing his railways for industrial and commercial gain, rather than to promote "the fraternisation and amalgamation of the whole human race," Rothschild was thus fulfilling "the development of the bourgeoisie." This combination of anti-Semitism and socialism would prove the most dangerous of all threats to the Rothschilds' position in the years which lay ahead.

As might be expected, the Rothschilds themselves were appalled by this extensive and generally defamatory press exposure. In a letter to the Prussian government, Anselm deplored what he called "the foulest and entirely unfounded imputations upon the character and morality of our business." There was little, however, that could be done in the absence of censorship of the press in France; only when similar pamphlets appeared in Prussia could the Rothschilds lobby to have them suppressed, pointedly reminding the government in Berlin of "important services" they had rendered to Prussia in the past, and the "special claim" this implied. James thundered impotently, accusing the press of mindless Luddism: "The world can no longer live without the railways and the best answer one can give to the *National* is that if France should opt to exclude herself from the railway developments and if they hope to achieve their goal of frightening the world from using the railways then the result will be that all the travellers will make use of the other railway routes":

In an article I will ask whether the newspapers want to see France . . . pushing the bounds of civilisation back and whether they are trying to prevent the railways from being completed, for their whole thrust seems to lead in that direction, so that the remaining payments are not met [and] they can then buy them back again cheaply[;] at the same time everyone can see with what enormous strides the railways are being developed everywhere else. I am, however, convinced that the opposition will not succeed in its aim. It is best if one simply lets them scream and talk . . . I am therefore not in favour of initiating legal proceedings which will only mean that this issue will be a permanent topic of discussion when the damned Augsburg and Cologne newspapers are always opposed to us. It would be best if one

would make use of these other than as reading material.

Contemplating the poisonous prose of pamphleteers like Dairnvaell, the modern reader is tempted to sympathise with James's attitude. Yet it cannot be denied that the Rothschilds' private correspondence suggests at least a degree of callousness towards the victims of the Fampoux accident. Accidents were regrettable, of course, but principally because of their negative financial consequences for the railway companies concerned. The development of this attitude can be traced back to the first minor accidents on the Saint-Germain line in the 1830s. When these led to a sharp fall in the price of the company's shares, James blamed the press:

The newspapers are astounded by the falls suffered by all the shares. They themselves are wholly responsible for this. Instead of behaving as they do in England where they don't discuss any accident and provide statistics to show how rarely accidents happen on the railways—when Huskisson lost his life in Manchester the talk was . . . not that the railway was to blame—in Paris they do exactly the opposite. Whenever an accident occurs, every newspaper asks, "Who will now want to travel [by train]? Why are the police not dealing with this?" . . . I think that you will do well if you will arrange through Pereire for an article to be published against these newspaper articles to explain to the newspapers the true reason for the falls we have been experiencing. I see that there has been a drastic fall in the income from the St-Germain railway and this is probably the reason why.

In 1842 an accident on another line persuaded James to postpone further negotiations for the Nord concession: it was decided, Nat reported, "to wait to see what damages will be awarded to the wounded & to the families of the Killed before entering into new affairs of this sort, you know in Paris the juries are very severe with those who are the direct or even indirect causers of accidents." When "a meeting of Engineers" was "silly enough to recommend all sorts of foolish plans to be adopted in order to prevent the recurrence of accidents," James immediately "called upon several of the Ministers & told them he would send in his resignation as administrateur unless they acted in concert with the direction of the railroads which they have promised to do." Similarly, the collapse of a viaduct on the line from Rouen to Le Havre interested James primarily because of its likely impact on the share price.

It would be wrong to suggest that the family's response to the Fampoux accident was wholly lacking in compassion. "Poor people," wrote Anthony when the news of the "stinking slip" first reached Paris. It was he added, "a thousand pities—as it will certainly do no good for the moment—it has certainly put me out a great deal." James, it was reported, was "very much affected," having used the line "only two days earlier" on his way to take the waters at Wildbad. But the true nature of their distress became evident in Anthony's next bulletin to New Court:

It is a thousand pities—as everything was going on so well. They took 27,000 fr[ancs] a day for the last four days & it is more every day. It has not stopped the working of the line & there are as many people as formerly. It will only require very great care. I cannot give you the reason of the Accident & you must have a little patience. In the meantime it is very unpleasant & it makes our head ache most famously . . . They talk of nothing else but of this accident, & you know what an impression it makes in Paris. The price of shares have [*sic*] fallen to 712 & I should not at all be astonished to see them lower . . . We have just received the accounts from Pereire who says that there were only 14 [killed] in all & that the accident is not so bad as reported.—In a day or two it will be forgotten but they will try to knock the shares down.

Salomon's reaction is also revealing. It was, he remarked, a "stroke of luck no person of high rank was

grieved by the disaster, as the alarm about it would have been even stronger."

To be fair, the Rothschilds did not—as Dairnvaell alleged—act improperly. James protested that only days before the accident he had "left [the train] at every station and inspected the carriages and then let the train continue on its way," a fact he was glad to see reported in the German press. An investigation into the cause of the accident was immediately undertaken and drivers were issued with instructions "to go as slow as possible over the places when there is the least danger." Yet there is no escaping the fact that Anthony and his brothers' primary concern was to limit the damage to the Nord share price by intervening on the Paris market, and resuming normal service on the line as quickly as possible. Anthony's letter to Lionel of July gives an insight into his priorities in the wake of the disaster:

There is a good deal of speculation going forward in the shares. The Baron has made so much money that they do everything that they can to make the shares fall. They spread all the lies, stories & God knows what else—The line is a most tremendously long one—it is quite new & of course as all new lines are it will require a good deal of time to get everything in to proper order—You cannot make a regiment of French frogs in a minute—They have that nationality that they think that they can do always everything better than others—I hope that they will listen to reason—& have a few people from England. They will write to you to night to engage *12 very first rate Engine Drivers* . . . They have decided upon making the line wider in a great many places & put down more [sleepers?] and to support the rails & to have the line again looked at. This accident was a great misfortune—The shares would certainly have been 800 fr[ancs] . . . the receipts have fallen a great deal within the last few days—I do not much care about it as the whole affair will be able to be better organised & when once it is en train the receipts will very soon get up again.

With the share price falling towards the 650 mark and receipts down 40 per cent, the Rothschilds naturally sought a scapegoat. By July 21 Anthony was claiming "that the accident was done intentionally & that it was got up by some people for the fall of the shares," on the ground that twenty or thirty of the clamps holding the rails to the sleepers appeared to have been tampered with. One suspects this was wishful thinking. "I wish we could find it out," he told his brothers in London, "but the people who speculate for the fall are such a set of Blackguards in this part of the world that I almost think that they got [it] done . . . [I]f it was the case it would be the best thing in the world for the company."

It did not prove necessary to develop this conspiracy theory any further. As the weeks passed, the traffic on the Nord line began to recover (beginning with the third class passengers), and with it the daily take. By the end of August the first freight trains had begun to run and—symbolically—the Nord timetable was published for the first time in Bradshaw, the rail traveller's bible. Three months later confidence was sufficiently restored for Hannah to propose to her sons "a little Spec in [100] Northern shares"—a not unreasonable proposition when James could estimate gross profits for the line at 3.2 million francs. "It is a curious circumstance," noted Mayer with heroic insouciance, "that on the Austrian line a dreadful accident occurred the very first day and now the shares are at 100 per cent premium which I am positive the French Northern will be."

This was hubris; and, in the light of the stark economic rationality of their reaction to the Fampoux accident, it is difficult not to see the revolutionary storm which was to break over the Rothschilds' heads less than two years later as a kind of terrible nemesis. (Perhaps a more fitting nemesis came eighteen years later, when Lionel's son Natty and his sister Evelina narrowly escaped serious injury when an express taking them from Paris to Calais collided with a goods train.)[7] To vary the dramatic

image, in deciding not only to invest in but also to construct and manage railways, the Vienna and Paris Rothschilds had made a pact which contemporaries saw in Faustian terms: they had harnessed Satan, as Eichendorff put it. Yet "Satan"—in the person of Dairnvaell—now turned on Faust. The public prominence which the railways had given the Rothschilds made them obvious targets for the new social revolution which was already in preparation.

SIXTEEN

1848

Dans toute l'Europe il n'y a qu'un cris [sic]:
a [sic] bas l'infâme famille des Rothschild
NEMESIS
Le peuple se vengera!
Le peuple ne veut pas l'argent qu'il a perdu . . . mais le peuple
veut le [sic] peau de les [sic] infâmes juifs.

—ANONYMOUS LETTER TO NEW COURT, MARCH 1848

The only thing we must aim at, is to maintain our name in honour, & for that purpose, one house must support the other with all its means & power, for the dishonour of one reflects on the other.

—ANSELM TO HIS LONDON COUSINS, APRIL 1848

"**[T]**here is no error so vulgar," wrote Benjamin Disraeli in 1844, "as to believe that revolutions are occasioned by economical causes. They come in, doubtless, very often to precipitate a catastrophe; very rarely do they occasion one." The succeeding four years were to prove him badly wrong.

Unheralded by economic crisis, the 1830 revolution had seemed to the Rothschilds like a bolt from the blue. By contrast, the 1848 revolution came after such a protracted period of economic depression that they almost grew weary of waiting for the storm to break—and perhaps even began to imagine that it never would. If they did ultimately fail to prepare themselves adequately for what was the greatest of all nineteenth-century Europe's political crises, the reason perhaps lies in the timing of the revolution. The economic nadir of the 1840s in fact came in 1847; by the spring of 1848 the worst was over. With hindsight, historians can infer that it was precisely at this point that political instability was most likely to occur, as popular expectations rose; but to contemporary bankers that was far from apparent.

Another difference between 1830 and 1848 was the Rothschilds' own position as targets of revolutionary action. In 1830 James had been sufficiently distanced from the regime of Charles X to allow a relatively easy switch to the Orléanist side. Eighteen years later he and his brothers had become much more closely identified with the established regimes not only in France, but throughout Europe. As bankers not only to the Austrian imperial government itself but also to numerous smaller states in Germany and Italy, they appeared—especially to the nationalist elements within the revolutionary movements—as the paymasters, if not the masters, of the Metternichian system. Eduard Kretschmer's 1848 cartoon, *Apotheosis and Adoration of the Idol of our Time*, portrays "Rothschild" seated upon a throne of money, surrounded by kneeling potentates (see illustration 16.i)—a popular image of the period. At the same time, the Rothschilds' financial commitments to these various states made it difficult for them to welcome the radical redrawing of Europe's boundaries implied by the first principle of political nationalism—that political and ethnic or linguistic structures should be congruent. Writing in 1846, the poet Karl Beck lamented "Rothschild's" refusal to use his financial power on the side of the "peoples"—and particularly the German people—instead of their detested princes.



16.i: Eduard Kretschmer (after Andreas Achenbach), *Apotheose und Anbetung des Götzen unserer Zeit* (1848).

Nor was it as easy for the Rothschilds to contemplate defecting to the side of the revolution when that now implied a republic rather than merely a dynastic change. And not only a republic: for the 1848 revolution was, unlike its predecessor, as much concerned with social as with constitutional issues. For the first time, social*ist* (as well as ultra-conservative) arguments against economic liberalism were voiced alongside—and sometimes in contradiction to—the older arguments for political liberalism and democracy. Not only were the revolutionaries concerned with rights (to free speech, free assembly and a free press) and with representation in constitutionally secured legislatures; some among them were also concerned to combat the widening material inequality of the early industrial era. In many ways the

Rothschilds had come to personify that inequality. Nothing demonstrated that better than the explosion of anti-Rothschild sentiment in the wake of the accident on the Nord railway: while third-class passengers perished, the critics suggested, "Rothschild I" callously counted his state-subsidised profits. Another cartoon of 1848 which depicted Rothschild as the object of royal (and papal) veneration also featured, kneeling in the foreground, a ragged, starving family; and in the background a group of students marching under the banner of liberty (see illustration 16.ii). When the Russian revolutionary Alexander Herzen wished to define the bourgeoisie in 1847, he called it "a solid estate, the limits of which are the electoral property qualification below and Baron Rothschild above." For Herzen liberalism was propagating a "malicious irony" when it claimed that "the destitute man enjoys the same civil rights as Rothschild," or that "the sated is . . . the comrade of the hungry."

As in the 1820s and 1830s, those who inveighed against the Rothschilds as capitalists could rarely resist making a connection with their Judaism. Typically, Karl Beck too could not resist alluding to "Rothschild's . . . interest-calculating brethren," "filling the insatiable money-bag for themselves and their kin alone!" Nor is it surprising that minor figures like Beck were doing this when the man who would ulti-mately prove the most influential of all the period's revolutionaries had done exactly the same in February 1844 in an essay "On the Jewish Question" (though at the time, of course, there was little to distinguish Karl Marx from the numerous other radical hacks churning out anti-Rothschild abuse):

What is the secular basis of Judaism? *Practical* need, *self-interest*. What is the worldly religion of the Jew? *Huckstering*. What is his worldly God? *Money* . . . We recognise in Judaism, therefore, a general *anti-social* element of the *present time* . . . In the final analysis, the *emancipation of the Jews* is the emancipation of mankind from *Judaism*.



16.ii: Anon., *Anbetung der Könige* (1848).

Marx was not one to name names, of course, when he could couch his argument in Hegelian abstractions. But that he had the Rothschilds in mind is evident from the passage he quoted from the pamphlet by Bruno Bauer he was (ostensibly) reviewing:

"The Jew, who in Vienna, for example, is only tolerated, determines the fate of the whole Empire by his financial power. The Jew, who may have no rights in the smallest German states, decides the fate of Europe." This is no isolated fact [continued Marx]. The Jew has emancipated himself in a Jewish manner, not only because he has acquired financial power, but also because . . . *money* has become a world power and the practical Jewish spirit has become the practical spirit of the Christian nations. The Jews have emancipated themselves insofar as the Christians have become Jews.

Only when society had "succeeded in abolishing the *empirical* essence of Judaism—huckstering and its preconditions" would "the Jew . . . become *impossible*." In fact, the socialist argument could stand unsupported by racial prejudice, as Marx came to appreciate (after all, he himself had been born a Jew, as had Karl Beck); it would be other revolutionaries of 1848 like Richard Wagner who would later develop and refine this line of argument. Either way, the Rothschilds were extremely vulnerable to radical calls for redistribution of wealth and greater regulation of the capitalists/Jews who possessed it. This made the 1848 revolution much more dangerous to them than that of 1830.

Though politically close to Marx at the time of the 1848 revolution, Heine subsequently made fun of the early socialists' motivations. In his last jottings, he wrote:

The main army of Rothschild's enemies is made up of have-nots; they all think: "What we don't have, Rothschild has." They are joined by the main force of those who have lost their fortune; instead of ascribing their loss to their own stupidity, they blame the wiles of those who managed to hold on to what they had. As soon as a man runs out of money, he becomes Rothschild's enemy.

And he adapted a traditional Jewish story in order to provide James with a possible reply to the socialist threat: "The communist . . . wants Rothschild to share out his fortune of 300 million francs. Rothschild sends him his share, which comes to exactly 9 sous: 'Now leave me alone!' " In practice, however, it did not prove quite so easy to see off the threat of expropriation. In his first surviving letter (dated 1843), a young radical named Wilhelm Marr had made exactly the argument satirised by Heine. "The time is ripe," he told his father, "to share Rothschild's property among 3,333,333.3 [*sic*] poor weavers, which will feed them during a whole year." The roots of Marr's later Anti-Semitic League lie in the 1840s.

A few voices, as we have seen, were raised to defend the Rothschilds. One ingenious writer in the Paris *Globe* pointed out in 1846 that "no one today better represents the triumph of equality and work in the nineteenth century than M. le Baron de Rothschild":

What is he, in fact? Was he born a Baron? No, he wasn't even born a citizen; he was born a pariah. At the time of his birth, civil liberty, and even less political liberty, did not exist for Jews. To be a Jew was to be less than a lackey; it was to be less than a man; it was to be a dog that children chased in the street, hurling insults and stones. Thanks to the holy principle of equality, the Jew has become a man, the Jew has become a citizen; and once his intelligence [and] his activity . . . allowed, he could rise within the social hierarchy. What better or more incontrovertible evidence could there be that the principle of equality has prevailed? Yet it is democrats who close their minds and eyes to this spectacle! Nominal democrats, no doubt. Sincere democrats would have applauded this Jew who, beginning at the

bottom of the social ladder, has arrived by virtue of equality at the highest rung. Was this Jew born a millionaire? No, he was born poor, and if only you knew what genius, patience, and hard work were required to construct that European edifice called the House of Rothschild, you would admire rather than insult it . . . You tactlessly cite Figaro, without understanding that Figaro was one of the privileged by comparison with M. de Rothschild, since Figaro had only to be born in order to see before him the vast and open battlefield of labour. At his birth, M. de Rothschild found this battlefield closed to him and yet he has, aided by freedom, climbed higher than you. To abuse M. de Rothschild is to blaspheme against equality.

Yet such reminders of the Rothschilds' origins in the Judengasse were rare in the 1840s. Only in England, where the issue of the parliamentary representation of the Jews was to play such an important role throughout the revolutionary period, did it really seem relevant. The continental revolutionaries did not think of the Rothschilds languishing in the Judengasse, but imagined them luxuriating in châteaus like Suresnes and Grüneburg. In Joseph Eichendorff 's allegorical comedy *Liberty and her Liberators*, for example, Amschel is once again satirised in the character of Pinkus, a self-made "cosmopolitan" (misheard by a page as *Großhofpolyp*) who acquires the title of baron and with it a castle and garden. Pinkus cannot abide Nature, preferring to impose strict uniformity (complete with steam engine) on the garden; whereas Libertas wishes to set the plants, birds and animals free. When she tries to do so, Pinkus has her arrested by his "armed forces"; but the spirits of the primeval forest come to her rescue, throwing Pinkus's repressively ordered garden into chaos.

The Rothschilds were far from oblivious to the animosity they were incurring. Indeed, it might be said that they took positive steps to counteract it by making generous—and ostentatious—charitable gestures. In the very dry summer of 1835, Salomon offered 25,000 gulden towards the construction of an aqueduct from the Danube to the Vienna suburbs. When Pesth and Ofen were badly flooded three years later, he hastened to offer financial assistance for the victims. He donated 40,000 gulden to found an institute for scientific research in Brünn. And when Hamburg was ravaged by fire in 1842 he and James made substantial donations to the fund which was set up to assist the victims. Before the 1830s the Rothschild brothers' charity had been largely confined within the Jewish communities of Frankfurt, London and Paris. Now Salomon made a point of contributing to causes which were regarded as good by the Habsburg elite. Baron Kübeck recorded in his diary how the elite responded. At a dinner for Count Kolowrat in 1838, Salomon declared expansively that his guest's presence had:

"given me as much pleasure today as if I had been given a thousand gulden, or had given them to a poor man." Thereupon Count Kolowrat replied, "Very well, give me the thousand gulden for a poor man who needs help, and has applied to me." Rothschild promised to do so and after dinner Count Kolowrat was given the thousand gulden.

So frequently did Salomon act in this way that it was possible for a sentimental novella of the 1850s to portray him as a kind of Viennese Santa Claus, benignly siding with a carpenter's daughter who wants to marry her rich father's gifted but poor apprentice. The high point of this mawkish work is a description of the throng of *Schnorrer* in the antechamber of Salomon's Renngasse residence: the man who claims to be God's brother-in-law (he is sent packing); the man who wants Salomon to be the godfather to his child (he gets 50 gulden); and the woman whose five-year-old daughter can recite seventy-two poems from memory (whose reward is not recorded). That they are all drawn to the house of Rothschild is explained not just by his wealth, but by his universally acknowledged wisdom and generosity. At one point, genial old Rothschild even delivers a homily to a young Frankfurt banker on the need for those who are rich to be generous.

It may well be that this was the way Salomon wished to be regarded. But not everyone who came into contact with him would have endorsed this characterisation. Moritz Goldschmidt's son Hermann—a boy in the 1840s—remembered him as an impetuous, impatient, despot: "a brutal egoist, a man without wisdom or education, who despised those around him and took the opportunity to treat them ruthlessly [just] because he was rich." He ate and drank to excess. He was habitually rude to everyone from his barber to the Russian ambassador and surrounded himself with sycophants. He had a lecherous passion for "very young girls," his "adventures" with whom had to be hushed up by the police. Above all, Salomon was extravagant. He habitually dressed in a blue suit with gold buttons and nankeen or white stockings and, when he needed a new suit or hat, bought twelve at a time for good measure. He drove around Vienna in a luxurious carriage with a liveried servant. In 1847—in the depths of the economic slump—he spent immense sums building a new residence and office in the Renngasse. To be sure, Goldschmidt was looking back in anger when he wrote; but his hostility towards Salomon was probably not so different from that felt by many of his more politically radical contemporaries.

The Frankfurt Rothschilds too sought to allay popular hostility by acts of public benevolence. In May 1847 Amschel distributed bread ration cards to the poor of Frankfurt at a time of acute food shortages in the town. But, although he received "a unanimous vote of thanks" from the Frankfurt Senate, this does not seem to have done much to enhance his popularity. As his nephew Anselm observed when his uncle raised the possibility of buying British grain for the German market, "We must be very careful in Germany about corn; there were a great many riots all & everywhere against corn dealers, & if the public would know that we are indirectly interested in corn transactions there might be a burst out [*sic*] against us."

Perhaps the most successful gesture of public-spiritedness at this time was made by the English Rothschilds in response to the catastrophic potato blight and famine in Ireland—the worst of all the calamities of the 1840s, which cost the lives of around 775,000 people and drove a further two million to emigrate. Ireland was not a land with which the Rothschilds had many dealings; yet as early as 1821, hearing rumours of an impending famine there, Nathan had alerted Lord Liverpool to the possibility of buying "American and East India Rice before speculators come into the market, the price of which is at present low and the Stock large and which in case of a deficiency of the Potato Crop would supply the numerous Poor of that Country with a wholesome food during the Winter." When Peel used the Irish famine twenty-five years later to justify repealing the Corn Laws (thus freeing the import of grain into the British Isles, but also bringing down his own government) the Rothschilds were ambivalent. While Alphonse viewed Peel's conversion to free trade "without admiration" as an "utter revolution," his father "very much regretted" Peel's fall—though probably more for the diplomatic implications of Palmerston's return to office.

Lionel, by contrast, was a thorough-going Free Trader; but he understood that free trade alone would not alleviate the famine in Ireland, because of the general European cereal deficit. In the absence of a more than half-hearted official relief effort, he therefore took the lead in setting up at New Court the British Association for the Relief of the Extreme Distress in the Remote Parishes of Ireland and Scotland, which raised some £470,000 in the course of its existence—even soliciting a contribution from that ardent Hibernophobe and Protectionist Disraeli! The Rothschilds themselves contributed £1,000 to the fund, the second biggest donation after the Queen's £2,000 and on a par with the Duke of Devonshire's. In this instance, contemporaries were sincerely impressed by the Rothschild effort. As he declared to a friend, it did the heart of the future Liberal Irish Secretary W. E. Forster "good" to see "Rothschild, Kinnaird, and some dozen other millionaire city princes meeting every day, and working hard. A far greater sacrifice to them than mere gifts of money." Lionel personally involved himself in "regulat[ing] the purchase and shipment of provisions to Ireland and the formation of depôts around the

coast and in the interior of the country." Though it is possible that this activity was partly designed to win Catholic votes at the 1847 election (in which he was a Liberal candidate), his mother's letters on the subject testify to the sincerity of the family's response to the Irish disaster.

The contrast with the Paris house's role is striking. The French food crisis was, of course, far from being as disastrous as the Irish: as Nat wrote in 1847, "They talk terribly of the misery of the poor devils in the provinces but I don't believe it approaches that of Ireland—it cannot be compared to it." Nevertheless, the 1846 wheat harvest was an exceptionally bad one: 15 per cent lower than the average of the previous ten years, it was the worst since 1831. James first began purchasing grain as early as January 1846 in anticipation of a bad harvest throughout Europe. A year later he was urging the French government to make purchases of Russian grain, and in the spring of 1847 he offered "to buy abroad 5 millions of francs worth of corn and flour for the consumption of Paris at our risks & peril and in the event of any loss accruing we s[houl]d bear it & the profit to be distributed in bread tickets to the poor." Besides being philanthropic, James genuinely feared the social and political consequences of food shortages: as he told his nephews in November 1846, "[T]he situation with our grain, which really isn't good, does scare me a lot." For this reason, there is no doubt that he wished to be seen to be alleviating distress—Salomon wrote explicitly of "making our name popular" with "the masses" by providing cheap bread and salt.

Yet James had meant the grain purchases only to be non-profit-making; he had not intended to lose money outright. His assumption in early 1847, for example, was that prices would remain high; and when the improved harvest that year partly confounded that expectation he and Nat could not conceal their annoyance. "There never was anything so stupidly managed as this corn operation," grumbled Nat: "to buy up all the corn in the world & to get it just as the harvest is coming on, we shall lose a great deal of money & in future we shall be more careful." This may partly explain why James received little if any credit from ordinary consumers in Paris. As Nat had predicted, "I fancy the philanthropic feelings of our good Uncle will cost a little money. If people don't attribute a wrong motive it will be all very well & charitable, but in Paris where nobody can imagine anything done disinterestedly I should not be surprised if it were said we do it for the sake of getting rid of what we have got at very high prices." Violence of the sort which broke out in the faubourg Saint-Antoine in May 1847 was partly directed against grain merchants; James was widely perceived to have acted as little more. Indeed, it was rumoured that Rothschild bread was laced with ground glass and arsenic. Here perhaps was the origin of Heine's imagined Rothschild nightmare: "He dreams he gives 100,000 francs to the poor and becomes ill as a result."

What made the agrarian crisis doubly worrying for the Rothschilds was its impact on the European banking system. All countries which found themselves obliged to import grain from relatively remote markets like Russia and America experienced a drain of gold and silver which had a direct impact on their monetary systems. The most dramatic case was that of Britain. The effect of the shift to free trade was to increase immensely the import of corn to Britain, from 251,000 tonnes in 1843 to 1,749,000 tonnes in 1847. The success of Peel's policy was thus not in reducing the price of bread, but in averting what would have been a very substantial price increase if the Corn Laws had remained in force. But the policy had an unexpected side-effect on one of Peel's other great legislative achievements, for it forced the suspension of the Bank Charter Act of 1844. It did this because the act had reinforced the link between the Bank of England's gold reserve and the British money supply. As corn imports flooded in and gold flooded out, so the reserve dwindled: from £15.8 million in 1844 to £9.8 million four years later. The Bank was obliged to increase its interest rates in steps from 2.5 per cent (March 1845) to a peak of 10 per cent (October 1847), thus causing a drastic monetary squeeze and finally forcing suspension. No other European economy permitted such a large outflow of specie; but Britain's

financial dominance of the continent at this period ensured that the contraction was felt everywhere. Only the grain exporters were spared, which partly accounts for the very different Russian experience in this period.

First to suffer was Frankfurt. As early as April 1846 Anselm reported: “The volume of business in Frankfurt is more and more shrinking, without a downpour of gold from heaven, I do not know how this place can recover”—a verdict echoed by James when he visited in July. Soon came the inevitable casualties, this time uncomfortably close to home. In 1847 the house of Haber collapsed, threatening to take with it the Beyfus brothers’ bank. As two of Mayer Amschel’s daughters (Babette and Julie) had been married to the Beyfuses, it was felt necessary to bail them out—to the tune of 1.5 million gulden —though this was done with extremely bad grace. The younger generation in London and Paris had little time for “old Mad Beyfus.” “If we are to pay because they chose to swindle,” complained Nat, “the Lord knows to what interest they may draw upon our cash box . . . the only regret I experience is that our worthy relatives have thought it fit to come to their assistance.” In fact, it seems to have been James who insisted on rescuing “so near a relation,” despite the grumblings of Amschel, Salomon and Carl—a good illustration of his ultimate leadership on familial matters at this time. Yet the fall of the Habers—to whom the Beyfuses were also related by marriage—attracted much more attention than the survival of the Beyfuses. Once again, there were articles in the press “attributing to us the ruin of . . . German industry.” “These attacks were so violent,” wrote Anselm, “that we found ourselves compelled to answer these libels by a declaration signed by us and inserted in the principal papers of Germany.” In the Bade nese parliament, a liberal deputy denounced the Rothschilds in terms which, Anselm reported, “aimed at nothing less than mobilising the masses in a religious crusade against our House, representing it as a vile monetary power . . . sitting [on] . . . all the kings, all the peoples.” It was even alleged that Lionel had agreed to bankrupt South German industry in return for a promise from Palmerston of a seat in the House of Commons.

Banking crises have a domino effect: the problems of Haber served to exacerbate the difficulties of one of the major Vienna banks, Arnstein & Eskeles. Trouble had been brewing in the Vienna market since early 1847, prompting Metternich to request Salomon to return urgently from Paris “to contrive some plan which would ward off the crisis of the market.” By the end of September it seemed that he had succeeded in “averting” an “immeasurable calamity.” However, the failure of Haber proved to have potentially disastrous implications for Eskeles, whom he owed 1 million gulden. It may be that Salomon was already heavily committed to Eskeles, with whom he had acted in close partnership for many years in issuing Austrian government bonds. Alternatively, he felt morally bound to intercede on his behalf. At any event, he informed the Frankfurt house on December 23 that Eskeles had

visited me a few hours ago and most frankly informed me that at present he does not need anything, however as soon as he does, he is in a position to transmit mortgages as a security to the full amount. I have in my portfolio 1,520,000 gulden drafts upon Eskeles of which 1,185,000 gulden are of Haber, the remaining with good endorsements.

In effect, he and Sina had agreed to bail Eskeles out, just as Salomon had wanted to rescue Geymüller six years previously. This time, however, Salomon had acted without consulting his brothers (remembering perhaps their refusal to agree to the Geymüller rescue). Naturally, he hastened to reassure them that there was no risk involved and that Sina was “caution itself.” He urged Anselm to remain “calm”: “With God’s help we shall remain the Rothschilds.” If his brothers—and son—suspected that a grave mistake had been made, Salomon had no inkling. The full gravity of his error would become apparent within the month.

In Paris, the Banque de France faced a "crisis in the supply of money" (James) from as early as October 1846. On previous occasions (in 1825 and 1836-9), it had been the Banque which had come to the assistance of the Bank of England; now the Bank repaid the debt by selling its counterpart silver worth 25 million francs. As in the 1830s, Rothschild attempts to play a part in this transaction were abortive: although James made a personal visit to London in December, the business was finally arranged by Hottinguer, and James's subsequent offer of an additional 5 million francs was rejected by the Banque Governor d'Argout. The bad blood between New Court and Threadneedle Street since Nathan's death had yet to be purged.

Nor was Lionel successful in his attempts to mediate between St Petersburg—rich in bullion from Russian grain exports—and the Banque de France. Benjamin Davidson was packed off via Riga to the Russian capital with several carriages filled with gold, apparently with the intention of establishing a new agency. But his expedition was a failure. Having endured a gruelling journey on snow-covered Russian roads, Davidson found himself effectively unable to do business as a foreign Jew. When the Russian government came to the Banque de France's rescue by buying 50 million francs of rentes from its securities reserve, the Rothschilds were mere onlookers. In fact, the 1846-8 crisis proved a remarkably good opportunity for the Banque to enhance its power over the French monetary system: it was not sorry to see the collapse of Laffitte's ambitious Caisse Générale, nor that of the various regional banks of issue Laffitte had encouraged in his time as Banque Governor. Nat summed up Rothschild feelings towards the Banque at this time succinctly: "They are a set of shits & behave to us as badly as possible, but it is not [in] our interest to quarrel with them."

The position was not very different in London. As James put it in April 1847, with Bank rate climbing inexorably upwards, "Your Bank is the Master and driver of the situation. It is in a position to press its will on the world and so gold will have to be sent back." Yet the Chancellor of the Exchequer, Sir Charles Wood, was less confident that the Bank would be able to master the crisis without breaching its legal gold reserve requirement. He and the Prime Minister were singularly unimpressed when they sought Lionel's views on the matter. As Wood told his confidant, Samuel Jones Lloyd, "I saw at Lord John [Russell]'s, Lionel Rothschild & [Joshua] Bates [of Barings] this morning & (low be it spoken) I am utterly confounded at the ignorance they displayed, of facts & circumstances which I should have thought every merchant in the City must have known. They really had little or nothing to say for themselves, & admitted that things were proceeding rapidly." If Nat's views give any indication of what Lionel said, the Rothschild position perhaps struck Wood as politically naive. The Bank's policy, he wrote, was "illiberal—I must say I can not understand their policy, they do all in their power to stop trade & the country will pay very dear indeed for their gold." Wood knew that; what he wanted to know was how to suspend the 1844 rules without acquiring the reputation of a Vansittart. When he turned for advice (and whitewash) to the architect of the Bank Charter Act himself, Peel agreed that Lionel was not among "those who really understood the question of currency, whose prepossessions were in favour of the principles on which the Bank act was founded—and in favour of the Bank act itself." It was, Peel told him, not "Rothschild, Masterman, Glyn and the leading men of the City—but . . . those with whom he had conferred in private [who] were the very persons . . . deserving of his confidence in the matter, Jones Lloyd, W. Cotton, Norman and the Governor of the Bank." This bipartisan depreciation of Lionel's expertise testifies to the Rothschilds' loss of influence over monetary policy since Nathan's death.

Deflationary monetary policies had direct effects on European industry. For the Rothschilds, it was their impact on the French railway companies which was most troublesome. It was not that railway investment and construction ceased: to the extent that these were pre-programmed by political and

commercial decisions taken before the crisis, the problem was more that they were difficult to stop.[1] The strain was therefore taken by the railway companies' bankers and investors: as work proceeded, the banks found themselves being asked for loans to finance the inevitable cost overruns, while investors could only watch gloomily as the monetary squeeze drove down railway share prices. In truth, James had been over-optimistic, just as his English nephews had feared. On the very eve of the crisis, he and his son had confidently assured their relatives that, in addition to their economic benefits, the railways tended to make people politically "conservative and pro-government" too. "Every thing is calm in France," Alphonse told Mayer Carl in January 1846, "there is a strong majority for the administration. Industrialism and the railroads absorb all thoughts and divert from politics. Please God that we may enjoy for many years to come the blissful peace." Within a matter of months they were singing a different tune. "Well," James confided in Anselm that August, "I must admit that when I think about the many commitments that the world has taken upon itself for the payments to be made everywhere for the railways, money which will not so quickly return into the hands of the business people, then I find myself trembling." By October, he was having to reschedule payments due to the government for the Nord concession and to intervene to prop up the share price.

While Nat savoured his own vindication, James's response to the crisis was to concentrate Rothschild attention on the Nord and extricate himself from the other lines in which he had a smaller interest. "If," he told his nephews, "we can't assume that when the railways draw monies from us we will then be able to get it back again, then I view the situation as being potentially very dangerous." Accordingly, when "that blackguard fellow Talabot" requested additional funds for work on the Avi gnon-Marseille line, he was roundly rebuffed. Shares in other companies were also sold off. Nor did James commit more money of his own to the Nord: when the company required new funds for construction, he appealed directly to shareholders. Like so many malcontents in 1847, the Rothschilds themselves blamed the government for their problems. "The gov. must change their manners of doing business," complained Anthony, "they have completely ruined their credit by the manner that they have behaved to the Railroad Companies. You can have no idea how every person cries out about losing their money & they all attribute it to the gov. & certainly they are very much to blame." Of such grievances, multiplied a thousand-fold, are revolutions made.

The paradox was that even as they grew more and more disgruntled with the European governments' economic policies, the Rothschilds continued—as if reflexively—to act as their lender of first resort. The transmission mechanism which linked the economic crisis of 1847 to the political crisis the following year was fiscal. All over Europe, the combination of rising expenditures (first on railways, then on social palliatives, finally on counter-revolutionary measures) and falling revenues (as earnings and consumption slumped) led inevitably to government deficits. Between 1842 and 1847, for example, the Austrian budget rose by 30 per cent. So deeply ingrained was his habit of lending to the government that, when he was approached for a new loan of 80 million gulden in February 1847, Salomon "thanked God" for "an extremely good business." It was to prove anything but that. Along with Sina and the ailing Eskeles, he had taken on 2.5 and 5 per cent bonds worth 80 million gulden (nominal), in return for which the bankers had to pay the government 84 million in cash in instalments spread over five years. This would have been a good business only if five years of peace and prosperity had been at least probable.

Ostensibly, this loan was needed to finance new railways: that was what Salomon told Gasser when he tried to sell "a considerable sum" of the new bonds to the cash-rich Tsar. By November 1847, however, Austria was arming in preparation for intervention in Lombardy and Venetia, where insurrection seemed imminent. Salomon knew this because Metternich had told him, yet instead of being alarmed,

he went so far as to offer more financial assistance. Incredibly, he agreed to lend a further 3.7 million gulden in return for 4 per cent bonds, which he furthermore pledged not to sell on the already stretched market: they would, he promised Kübeck, remain "in his own safe," in return for interest of 4.6 per cent. With short-term rates in London at this time standing at 5.85 per cent and the price of 5 per cent metalliques already ten points lower than they had been three years before, this was an extraordinary (not to say suicidal) decision. Even as Salomon's proposal was being discussed, Kübeck was warning that intervention in Italy would lead to "the complete breakdown of our finances." "We are on the verge of an abyss," he told Metternich presciently, "and the increasing demands on the Treasury arising out of the measures necessary to combat foreign revolutionary elements have led to increased disturbances within the country, as is indicated by the attitude of the provincial Estates, and by the literary outbursts in the Press of our neighbours." Metternich was undaunted. When Salomon began to get cold feet in January, he angrily told him: "Politically, things are all right; the exchange is not. I do my duty but you do not do yours."

As with his advance to Eskeles, Salomon's undertakings to the government were made without reference to the other Rothschild houses. "We have very curious letters from Vienna," Nat wrote to New Court at around the same time. "Our good Uncle is full of Austrian Metallics 2[.5]% & 5% & how he will get out on such markets the Lord knows—Prince Metternich takes our good Uncle in so that he may continue his financial operations, I fancy the F'furt house will find a little difference in their balance the next time they make it up." This was to prove a serious understatement. When the first efforts were made to compute Salomon's commitments in February 1848, the total approached 4.35 million gulden (around £610,000). That was more than double the capital of the Vienna house in 1844. Notionally, as Nat suggested, the Frankfurt house remained responsible for its Vienna branch; but it too had been accumulating the bonds of other German governments in the course of the 1840s, notably those of Württemberg and Hanover, and there was talk of a new loan to Prussia as late as March 1848! When Anselm finally arrived from Frankfurt to set the Vienna house in order, he was in no mood for filial generosity. His relationship with his father was to be one of the first Rothschild casualties of 1848.

French spending had also been rising steadily. By 1847 the budget was 55 per cent higher than it had been twelve years before, not least because of the various state subsidies to the railway companies. As early as the autumn of 1846 there was talk of a loan to fund the government's deficit; by the summer of the following year the difficulty of placing treasury bills on the struggling money market made such a new issue of rentes imperative. Needless to say, the Rothschilds had no intention of leaving the business to others, despite the periodic anxieties of James's nephews about French financial stability. As in Vienna, so in Paris: government loans had become a matter of course, regardless of economic conditions. True, James drove what seemed to be a hard bargain. The terms he secured looked generous: of the 350 million francs nominal to be raised, the Rothschilds took 250 million in the form of 3 per cent rentes priced at just 75.25, some two points below the market price. Indeed, his rivals could with justice have complained of double-dealing. It seems likely that the auction of the new rentes was rigged by the Finance Minister so that James's bid was exactly equal to the Minister's supposedly secret minimum. As Nat candidly told his brothers beforehand, Dumon had "let the cat out of the bag": "[He] said he could not commmunicate his minimum as it was necessary for him to be able to state in the Chamber that his sealed letter had remained a secret for every body, but *on pourrait se mettre à peu près d'accord*."

Yet Nat was fundamentally right to regard the loan as "a most dangerous & disagreeable concern." James was less rash than Salomon, but he did not follow his bearish nephews' chorus of advice to "get out of our loan famously." Some of it was sold to investors ranging from the Tsar to Heinrich Heine.

But not all of it. According to a number of accounts, he decided to sell only a third at once to the market, holding on to the remaining 170 million francs in the expectation that the price of 3 per cents would rise above 77. Meanwhile, of course, James had bound himself to pay the Treasury 250 million francs in instalments spread over two years. It was to prove another expensive miscalculation.

In England too there was an ill-judged loan on the eve of the storm. The £8 million so-called Irish Famine Loan of March 1847 was raised ostensibly to finance the cost of aid to Ireland, though it may reasonably be assumed that there were other reasons for the government's deficit in this period. The combination of Britain's unique credit-rating and the good cause supposedly being funded boded well, and Rothschilds and Barings—who shared the underwriting equally—had no difficulty in finding buyers. Indeed, James himself complained about being given only £250,000. Yet the price quickly fell from the issue price of 89.5 to 85, much to the consternation of the investing public and the embarrassment of the underwriters.

Even in Italy, where the revolution may be said to have begun, the Rothschilds toyed with the possibility of state loans in 1846-7. In Naples, Carl appears to have been keen to agree a loan to the government, and was saved from doing so only by the Bourbon regime's own chronic indecisiveness. In Rome too there was talk of a loan. After the advances which had been made on the basis of Rothschild loans in the 1830s, the finances of the Papacy were once again in disarray: the deficit for 1847 was double that of the previous year and Roman 5 per cents dropped below par for the first time since 1834. Yet James had been intrigued by the election of Pius IX in 1846—"supposedly a liberal," as he rather acutely put it—and he ordered a halt to sales of Roman bonds in the expectation of "some really positive changes." This probably referred to the position of the Jewish community in Rome, whose case for better treatment Salomon once again took up. Only a stark warning from their new Italian agent Hecht "who represents the state of the Papal domains in the blackest colours & thinks that a revolution is at the eve to break out [*sic*]" deterred the Rothschilds from taking up Torlonia's proposal of a new loan. When Adolph visited the Holy City in January 1848, he was unnerved by the combination of political debate and military preparation he encountered. For the same reason, the London house's amazingly ill-timed suggestion of a loan to Piedmont—in January 1848!—was thrown out by Alphonse, who pointed out gently that this was "a country which can be considered as . . . already in full revolution." The only other country whose request for a loan was turned down at this time was Belgium—ironically, one of the countries least affected by the revolutionary upheavals which were about to begin.

"*The Worst Revolution That Ever Happened"*

To say that the 1848 revolutions began in Italy is perhaps not strictly true: civil wars in Galicia and in Switzerland were harbingers of the cataclysm, as were the abortive United Diet (Landtag) summoned—in conformity with the 1819 State Debt Decree—by Frederick William IV in Berlin in 1847, and the stirrings of liberal enthusiasm in South Germany. But, though they followed these events carefully, the Rothschilds were not worried by them. Indeed, the annexation of Cracow by Austria looked like just another Polish partition: as on previous occasions, "the poor Poles" were "very much to be pitied." "I suppose lots of them will be shot," remarked Nat dispassionately; his uncle Salomon's sole concern was that foreign governments should not challenge the Austrian move. It was the outbreak of an artisans' revolt in Sicily in January 1848 and the granting of a liberal constitution by Ferdinand II which made the Rothschilds for the first time afraid. It was, commented Nat, "stinking news" (which

the Rothschilds were, as usual, the first to hear).

Yet he and the rest of the family continued to think primarily in diplomatic terms, wondering whether the Neapolitan crisis would harden the Austrian resolve to intervene (something Salomon anxiously denied). In his letters to Lionel and Alphonse, Anselm joked about Adolph's hand shaking as he wrote his letters, suggesting that he shared his father's nervous, not to say pusillanimous temper. But this was just banter. Carl's initial reaction in fact suggests sang-froid: as early as February 19 he was once again discussing the possibility of a loan to the Bourbon regime. When Anselm commented on liberal attacks on Ludwig I's government in Munich, he little realised how soon his diagnosis would apply to all Europe: "That is the way it is, alas: in the highest politics just as in the most lowly social relations, the people imposes its will and dictates the law to the higher power." He could still hope that "the unrest there" would "soon pass"—and with it the slump in the price of the Rothschilds' "low loans."

As in 1830, it was the outbreak of revolution in France which turned disquiet into panic. Of course, the Rothschilds had never had unqualified confidence in the July Monarchy. The death of Louis Philippe's eldest son in 1842 had reinforced their pessimism about the future: the King himself confided "that after his death . . . the Revolution of 1830 would begin again." "I assure you it has given me the stomach ache," commented Anthony uneasily. "I do not think that there is any danger as long as the present King lives—but what will take place after his death God knows & I hope to God that the good old gentleman will live for a mighty time and that everything will go on well—nevertheless we must be prudent." This explains the Rothschilds' fear of a successful assassination attempt against the King. When James himself received a death threat in 1846, he passed the letter on to the government, remarking: "The man who wants to shoot at me could just as well shoot at the King, or vice versa." When Louis Philippe survived yet another attempt on his life the following April, Nat pronounced him "one of the most admirable men that ever existed."

The growing extra-parliamentary pressure for electoral reform in the course of 1847, however, raised the possibility that 1830 might repeat itself even with Louis Philippe still living. Nat's reports from Paris in January and February 1848 show that he saw the crisis coming: "[G]ood folks speak exactly as they did just before the revolution of 1830," he remarked on February 20, two days before the fateful Reform banquet was scheduled to take place, in defiance of a government ban.

I think a change of ministry wd. remedy the evil but in the mean time it is impossible to say what will occur—no one can tell how a french mob will behave & when the [president?] of the chamber of deputies associates with the common people it is a hazardous thing to say how far they will go and when they will remain quiet—We must hope for the best, in the mean time my dear Brothers, I really recommend you most strongly to sell stocks & public securities of all sorts and descriptions.

Yet the very next day he was more optimistic:

The nasty banquet continues exciting the public . . . It is really very much the same sort of thing as in 1830 & nevertheless I can not help thinking it will all blow over and leave us [far?] behind.—This country is so well off and in general people are so greatly interested in the maintenance of things that I believe a revolutionary movement [to be] out of the question . . . The end will be a change of ministry & Guizot will in all probability go out on the Parliamentary reform question.—I shall be very glad when that takes place, it wd. make our rentes get up and set matters right again.

"I have however no doubt that as soon as the affair of the banquet is over we shall see a great

improvement," he added in another letter. "All our friends assure us there is no need of anxiety on acct. of any revolutionary demonstration on the part of the dep[utie]s of the Gauche—in my opinion their banquet will be a complete failure." "People have much too great an interest at stake in the maintenance of order to kick up rows," he concluded in his final despatch before the date set for the banquet, "& I don't think that emeutes will be again à l'ordre du jour at least p[ou]r le moment—" The temperamental pessimist had picked the worst possible moment to look on the bright side.

Even in his letter of February 23, with barricades in the street and signs of mutiny in the National Guard, Nat still underestimated the gravity of the situation, hoping nervously that a change of ministry would suffice to dampen unrest:

The ministry has changed, Guizot has just declared in the chamber of Depts. that he had sent in his resignation to the king and his majesty was at the present moment closeted with Molé—We must hope that between them they will cook up a good government but it is a dangerous experiment to yield to the wishes of a factious minority and of a turbulent set of national guards—The great fault was in not sending off Guizot sooner, the people had got up the reform cry and it is impossible to resist public opinion any where nowadays.—The emeute in itself was not of a very serious nature, very little real fighting and few if any killed—but what really made the king anxious was the manifestation of the national guard in favour of reform and against Guizot . . . The emeute by all accounts is over, now they have got reform I do not see what they have got to fight for & I suppose we shall hear of illuminations and the Lord knows what else. I know one thing and that is your humble servant will not hold much French stock in future . . . [I]t's a dangerous job to give way to a mob incited by the National [Guard].

This must have been written just hours before the fateful confrontation in the rue des Capucins, in which fifty demonstrators were shot dead by soldiers guarding the Foreign Ministry. The next day, in the face of what he called "a moral uprising," Louis Philippe abdicated in favour of his grandson and fled to England, leaving the various opposition parties to form a provisional government, including the lawyer Alexandre Ledru-Rollin, the poet Alphonse de Lamartine, the socialist Louis Blanc and a token worker named Albert. The following day a commission was set up in response to unemployed building workers' assertion of their "right to work." Nat's next despatch was short and to the point: "We are in the midst of the worst revolution that ever happened—You may perhaps see us shortly after this reaches [you]." Already he and James had sent their wives and children to Le Havre to take the next ship to England.

Events in France were shaped as much by the memory of past revolutions as by anything else. Those who recalled how little had been achieved in 1830 were determined to establish a republic on a more authentically democratic basis; those still frightened by memories of the 1790s were determined not to let power into the hands of neo-Jacobins. The issue was undecided until, at the earliest, the end of June. Although the elections to the Constitutional Assembly revealed the limited support for radical republicanism outside Paris, the possibility of a "red" coup within Paris could not be ruled out. In May this was attempted unsuccessfully by the socialists Raspail, Blanqui and Barbès. In June the closure of the national work-shops led to clashes between disillusioned workers and National Guardsmen. As late as June 1849, the so-called Montagne party took to the streets in a last vain bid to rekindle the Jacobin spirit.

The pattern was roughly similar almost everywhere the revolution broke out. Although relatively few monarchs were definitively deposed by the revolution, a number were prompted to flee their capitals and most were forced to make constitutional concessions by the outbreak of violence in the streets,

which exposed the inadequacy (or unreliability) of their civilian police forces. This collective scuttle meant that a variety of constitutional innovations were possible, ranging from French republicanism (also tried in Rome and Venice) to parliamentarism (in many German states). In the Netherlands, a centre of revolution in 1830, the Dutch and Belgian monarchs hastily gave ground to liberal pressure and allowed constitutional reforms to be implemented; the same was true in Denmark. In Germany, the revolution began in Baden, where the Grand Duke was forced to concede a liberal constitution almost immediately after the Paris events, an example followed in short order by Hesse-Kassel, Hesse-Darmstadt and Württemberg. In Bavaria, King Ludwig was forced to abdicate, his reputation irreparably damaged by his liaison with Lola Montez. Such changes within the monarchical system did not satisfy more radical republicans, who attempted a coup in Baden in April. The tremors were felt even in the Rothschilds' home town: contrary to Anselm's expectations, 1848 posed a threat to ancient republics like Frankfurt too if their definitions of citizenship were over-narrow and their governmental structures antiquated. The first violence in the town centre occurred in early March.

Everywhere there seemed to be two (possibly successive) revolutions: one of which aimed at constitutional reform, the other of which had fundamentally economic objectives. Though they overlapped in complex ways, there was a marked social difference between the two. While educated academics, lawyers and professionals made speeches and drafted constitutions, it was artisans, apprentices and workers who manned barricades and got themselves shot.

Perhaps the biggest difference between 1848 and 1830 was that now the revolutionary epidemic spread to Austria. Metternich received the news of the Paris revolution from a Rothschild courier. "Eh bien, mon cher, tout est fini," he is said to have commented, though his subsequent remarks to Salomon were more bullish. It was indeed all finished. On March 13 crowds of demonstrators clashed with troops outside the hall where the Lower Austrian Estates were meeting. The next day Metternich resigned, fleeing by a circuitous route across Europe in disguise and with barely enough money—a credit-note from his faithful banker Salomon—to pay his family's passage to England. The Emperor Ferdinand replaced him with his arch-rival Kolowrat and promised a constitution. As elsewhere, when the new government opted for an English-style bicameral parliament with a property franchise for the lower house, radical democrats—mainly students like Hermann Goldschmidt's maverick cousin Bernhard Bauer—took to the streets (May 15), prompting the Emperor himself to flee to Innsbruck. When the Constituent Assembly proved quite conservative (the peasant deputies were satisfied with the abolition of serfdom) and the revolutionary government tried to reduce the money spent on public works, there was further unrest: workers went on strike in July, and students attempted a last-ditch coup in October.

The collapse of Habsburg authority at the centre set off a chain reaction throughout Central Europe. In Prussia, unrest had already begun in the Rhineland, but it was the news from Vienna which transformed the mood in Berlin. On March 17, after days of public demonstrations, Frederick William IV appeared to capitulate by agreeing to a constitution, but simultaneously deployed troops to restore order. As in Paris, it was shots fired by nervy soldiers at demonstrators in the city centre which turned reform into revolution. For more than twenty-four hours fighting raged; then the King gave in, issuing a series of proclamations to Berliners, Prussians and—significantly—"the German nation." As in Baden, Württemberg and Hanover, liberals became ministers, though all those who accepted office soon came to realise the difficulty of reconciling their aspirations for economic and political liberty with the more radical aims of the artisans, students and workers. For a time, the best hope of unity appeared to be nationalism. Thus, from an early stage, the German revolution was more than merely a matter of constitutional reform within states: it promised a parallel transformation of the German Confederation itself.

The ramifications of the Habsburg collapse were not confined to Germany. In Prague, moderate liberals like Frantisek Palacky pressed for a modern parliament based on a property franchise in place of the antiquated Bohemian Diet. In Hungary, Croatia and Transylvania there were similar separatist tendencies with varying degrees of liberalism. It was the same in Italy, though the timing was slightly different. As we have seen, the revolution in the Two Sicilies had begun early: on March 6 Ferdinand II granted a separate parliament in Sicily and was shortly afterwards deposed there; two months later he allowed a parliament to assemble in Naples itself. In Piedmont and the Papal states, Charles Albert and Pius IX made similar concessions, both granting constitutions in March. In Venice and Milan, revolution took the form of revolt against Austrian rule. As in Germany (though on a smaller scale), some revolutionaries saw the opportunity to make Italy more than merely a geographical expression.

Why did 1848 seem "the worst revolution that ever happened" to the Rothschilds? It is important to notice that their reaction was not determined by a uniformly ideological aversion to liberal or republican forms of government. Attitudes towards the revolution varied widely from one member of the family to another. At one extreme, Salomon seemed almost incapable of comprehending the calamity which had befallen him other than in religious terms. When not trying to justify his own financial mistakes in rambling letters to his brothers and nephews, Salomon interpreted the revolution variously as an avoidable political mishap attributable to the incompetence of Louis-Philippe, the vanity of Princess Metternich and the irresponsibility of Palmerston, and a world-historical upheaval on a par not just with 1789 but with the Peasants' Wars, the Crusades and a biblical plague of locusts. Whichever it was, he regarded it as a divine test of religious faith.

His nephew Nat lacked this consolation. Already more politically conservative and personally cautious than his brothers in London, he was deeply traumatised by the revolution—to the point of suffering something like a physical or nervous collapse. A worse "political cholera never yet infected the world," he lamented, before repairing to take the waters at Ems, "& I am afraid the Doctor does not exist to cure it, a great deal of blood must be shed first." Virtually every letter he wrote to his brothers during the revolutionary months concluded with a warning to sell all their stocks and shares.

No one else in the family took the revolution quite as badly. Neither Amschel nor Carl seems to have reflected deeply on the subject: for them, the revolution was like a natural disaster—inexplicable, but with God's blessing survivable. The ideas of the revolution were beyond their ken—Carl dismissed talk of Italian nationality as "the stupid projects of a few deranged minds"—and as far as possible he and Amschel sought to keep their distance from political debate. Similarly, the pageantry of nationalism—the tricolours, the patriotic songs—left the older Rothschilds stone cold. A contemporary cartoon depicts a puzzled Amschel asking Arnold Duckwitz, the "Reich Trade Minister" appointed by the Frankfurt parliament in the summer of 1848 (on the optimistic assumption that a new Reich was in the making): "Nothing to trade yet, Mister Minister?" (see illustration 16.iii). It was probably right to imply that he was baffled by the protracted and inconclusive debates in the parliament. James, by contrast, had a good idea what the revolutionaries were after. Increasingly of the opinion that all regimes were at once unreliable and financially biddable, he was inclined to salute whichever flag was run up the mast after the storm. His refusal to let Alphonse serve in the National Guard, for example, was more an assertion of the primacy of family interests over all politics than an explicitly anti-republican gesture. James shed no tears for Louis Philippe.

This pragmatism was to some extent shared by the four eldest sons, Anselm, Lionel, Mayer Carl and Alphonse, who already tended to take a similar, sober view of political developments. Unlike James, however, they all occasionally expressed sympathy with liberal reforms, though they distinguished these from the ideas of radical democrats, socialists and communists. Anselm's commentaries on

German developments suggest little sympathy with the various kings, princes and archdukes obliged to bow to "the will of the people," as well as considerable impatience with the "old wig-heads" of the Frankfurt Senate. He was interested enough to attend the first debates of the German "pre-parliament" in Frankfurt before leaving for Vienna, though it was a detached kind of interest: unlike their London cousin Lionel, neither he nor Mayer Carl thought for a moment of standing for election. And Anselm warmly welcomed the Austrian constitution issued in March 1849, the terms of which were in fact moderately liberal. By contrast, the various younger brothers had more idiosyncratic responses. Adolph in Naples was simply terrified. Anthony, on the other hand, regarded the German princes as "a set of donkeys" and had "a very good opinion" of the Frankfurt parliament's project for a united Germany which he thought "*Right* and reasonable." As for the nineteen-year-old Gustave, he itched to get back to Paris to see the action for himself—only to be disappointed by the "tristesse" he encountered there, the extent of working class unrest and the poor calibre of the republican politicians.



16.iii: "W.V.," *Baron: "Noch niks zu handele, Härr Minister?* " (1848).

Nowhere is the ambivalence of the Rothschilds towards the revolution more apparent than in letters and diaries of female members of the family. James's wife Betty was vehemently hostile to the revolution, applauding her four-year-old grandson James Edouar when he declared: "If I had money, I would buy a gun to shoot the republic and republicans." She expected the French republican constitution "soon to go to join its sisters whom oblivion has long since buried in the mists of time" and dismissed the deputies in the National Assembly as "the wild beasts of our great Parisian menagerie." She was equally contemptuous of the German revolution. The Frankfurt parliament was, she told her eldest son, "an agent of false doctrines and anarchy." When Robert Blum was shot in Vienna, she was delighted that "his factious voice has been extinguished" and regretted only that the same had not been done in Paris. Bizarrely for one whose parents had been born in the Frankfurt ghetto, Betty even expressed nostalgia for the *ancien régime* of the eighteenth century, "that century when minds were so fertile, and when anyone knew how to bring honour to his rank with dignity without departing from it, and did not consider himself lowered by obedience to a higher authority." The nineteenth century she thought "an

evil age."

Her cousin, Lionel's wife Charlotte, took a very different view, however. She feared for the family's financial future, of course; yet at the same time she derived a certain moralistic satisfaction from the crisis, seeing it as an opportunity for self-denial and self-improvement. Following political events on the continent in her relatives' letters and in the newspapers gave her a sense of exhilaration, of historical acceleration. It was, she wrote in her diary, "in truth . . . the age of the railways, for the last six weeks have been almost as eventful as the six years which saw Louis XVI's death, the great Terror, the Convention and Napoleon." Above all, she was captivated by the possibilities of German unification raised at Frankfurt:

As for Germany, there are hopes that she will soon become prosperous, powerful, united and free. In Prussia also the people have won a victory over the army and the king is forced to grant his subjects all the reforms and concessions they demand. The ministry has changed; the prince of Prussia has fled; the press is free; the proceedings of the law courts are public . . . and all confessions and religions have equal rights. Once more as a great and united empire, strong and happy, elevated and proud, Germany will trounce the Russian storms, the Cossack invasions and the warmongering of the French.

To be sure, her ideal of a united Germany was strictly monarchical: like Anselm, she repudiated republicanism. But in the French context Charlotte could find positive things to say even about republicans. Her view was that

those at the helm of state wish to lay a foundation of prosperity and happiness for their country, even if they are mistaken in the means they adopt to achieve this . . . Ledru Rollin . . . has honest intentions for France and at this time of general turmoil, he alone, apparently, of all the members of the administration is capable of taking action as a leader.

Charlotte's sister-in-law Louisa also saw positive aspects to "this wonderful Revolution." Provided "our house can only weather the storm," she felt able to bear "any losses, however severe." "I cannot say," she confessed, "that the effect it may have upon our fortunes disturbs me at all. This is not philosophy, but simple indifference, or, rather, dislike to grandeur and display . . ."

In short, there was scarcely a united family front against the revolution. This can also be seen in the way individual Rothschilds treated the toppled kings and ministers who found their way into exile in England. Betty was shocked to hear that Louis Philippe and his family were living on 100 francs a day in Richmond. But the most he seems to have got from the English Rothschilds was a case of good bordeaux. The revolution had also left Metternich powerless and poor, as Charlotte remarked:

His castle at Johannisberg has been appropriated because he has not paid his taxes for the past nine years . . . The Prince has never owned a large fortune. In his past youth he lived extravagantly and later had to settle the debts of his son. Now he has a large family to provide for and educate. His financial affairs have only recently been put in order by Uncle Salomon.

She had little sympathy for his plight and shared the Frankfurt partners' disinclination to give him further financial assistance. But Lionel felt a sense of familial obligation to "Uncle." In June Metternich was given a 323,000 gulden advance, secured against his (heavily depreciated) railway shares. A further loan of 5,500 gulden to Princess Melanie appears in the Vienna house's books for November 1848, and by the following year the combined debts of the Metternichs stood at 216,500

gulden. In addition, the repayments on the second half of the 1827 loan—which were supposed to be completed by 1859—were rescheduled, so that a substantial sum was still outstanding at the end of the 1870s.

In two lengthy letters to Salomon—one written as he passed incognito through Arnhem, the other from the safety of England—Metternich repaid his faithful bankers with a rambling apologia which shed intriguing light on their relationship:

What disorder the world has fallen into! You always used to ask me whether war was in sight. You always heard me reassure you that this was not the case and as long as *I* had the reins in my hands I would be able to vouch for political peace. The danger of the day was not on the field of political war, but of *social* war. On this field too I have held the reins in my hands as long as was humanly possible. On the day when that possibility ceased, I stepped down from the driver's seat, for being overthrown is against my nature. If I am asked whether that could have been avoided by what naive utopians call Reform, I reply with a categorical *No*—for the logical reason that the measures which *today* are called Reforms and which might, under some conditions, have had the merit of bringing improvements, could have had no more value, given the situation of society as it was, than a dance with torches on powder kegs . . . You, dear Salomon, have understood me for years. Many others have not.

Things in France are only just beginning. Never before has there been a greater, more deep-seated confusion.

Perhaps this was just a way of currying favour with those he hoped would finance his new "bourgeois life." But this avowal of mutual understanding was a fitting epitaph for a partnership which, since they had first met at Aix thirty years before, had exercised a remarkable influence over Europe. It was left to the sceptical Anselm to note that these were "theories which can't be of great help to the world now."

The Threat to Property

It was not the danger the revolution posed to their own lives which most alarmed the Rothschilds. Although quick to pack their wives and younger children off to safety at moments of crisis, the male Rothschilds—most of whom ran at least some personal risk during the period—were singularly cool as the bullets and bricks began to fly. On February 24 James was seen by the young Feydeau (then serving in the National Guard) emerging arm in arm with an unidentified male companion from the rue de la Paix and walking towards the ransacked Tuileries, even as gunshots continued to emanate from its grounds.

"Monsieur le Baron," I said to him, "today does not seem to me a very fortunate choice of day for a walk. In my opinion, you would do better to return home, rather than expose yourself to the bullets which are whistling throughout this part of town."

"My young friend," he replied, "I tank you for your adfice. But tell me, vy are you here? To do your duty, isn't it? Vell then, I too, Paron de Rothschild, haf come for the same ting. Your duty is to stand armed vatch, and assure the safety of goot citizens; mine is to go to the Minister off Finance, to see vether they may not need my experience and my counsel."

And with that he left me.

As early as March 4 James was ready to let his wife and sons return to Paris—though in agreeing to Betty's request he added some caveats:

All I ask is that you obtain a passport under a different name for a round trip. If you bring Alphonse, he too should have a supplementary passport with another name, because I don't want the newspapers to print a headline saying, "Madame de Rothschild has returned to London," if you decide to go back there. That would give rise to idle gossip . . . Come and bring Alphonse, although I wonder whether we shouldn't keep him out of politics. If they see him, he'll be required to enlist in the National Guard. He may come if he lies low.

In May, at the time of the abortive coup by Barbès and his associates, amid talk of guillotines in the place de la Concorde, James was once again ready to send his sons abroad for safety, and indeed briefly visited London himself. Yet he himself contemplated fleeing Paris only for a brief moment at the beginning of the June days. The contrast with his anxiety-ridden nephew could not have been greater. Nat was even alarmed by the men sent to protect the rue Laffitte by the new prefect of police Marc Caussidière: "a most ferocious looking set of gents with red sashes and anything but agreeable to meet in a dark night alone & unarmed—They would eat you up alive." Though he stayed in Paris during the revolution's most turbulent months, he retreated to England with relief at the end of November. James was contemptuous of such pusillanimity. As Betty proudly told Alphonse, her husband was one of the few who had "valiantly resisted the terrible storms which have struck down the courage and mental strength of so many."

Salomon too stood his ground in Vienna though he rarely went out of doors. Despite regularly hearing the sound of "drumming in the streets" in the weeks after March 13, he did not quit the city until June, and then elected to settle with Amschel in less than tranquil Frankfurt. Anselm hung on until October 6-7, when armed revolutionaries took up positions on the roof of the Rothschild offices following the lynching of Count Latour outside the War Ministry and the storming of the Arsenal, "situated only one house from our own." So dangerous had the city become by this stage that when Moritz Goldschmidt returned to rescue the bank's papers, he had to disguise himself as a milkman; and Anselm felt obliged to remain in the country for a month.

Amschel never left Frankfurt, despite a number of alarming popular demonstrations. When a crowd gathered outside his house one night in March 1848, he "had gone to sleep a long time before and only learned about it the next day"; finally he hung nationalist flags out the window in the hope of being left in peace. Business continued in the Frankfurt office even when it was surrounded by barricades and hit by four bullets in September. A contemporary woodcut captured Amschel's sang-froid when it depicted him remonstrating with two rifle-carrying revolutionaries. "What's going on in my house?" demands "Baron von Rotschirm," referring to the sign being nailed to his front door. The "barricade maker" replies: "Now it's begun, Herr Baron, now things will be divided up equally, but private property is sacred." At this, Amschel explodes: "What's begun? Begone yourselves! Property sacred? Divided up? What d'you say? My property has always been sacred to me, I don't need you to write that on my door. Divided up? When the Prussians come, you'll all be divided up" (see illustration 16.iv).

The "nervousness" of Nat and of Carl and Adolph in Naples was the exception, and struck other family members as such.[2] Although they often commented on the anti-Semitism which accompanied the revolution in parts of Central Europe, the other male Rothschilds never seem to have felt themselves

threatened by it. Indeed, James was more worried that he might be arrested as a German spy in the event of a war breaking out, while his wife seems to have been as concerned for James's dignity as for his life. Haughtily, she told Charlotte how the new French Minister of the Interior Louis Antoine Garnier-Pagès "always addresses our Uncle simply as 'Rothschild' without a prefix" (that is, the title "Baron" or "de")—a mark of disrespect he was spared from older revolutionaries like Lamartine. Other members of the family found the revolution's self-conscious (and often backward-looking) symbolism faintly comical. Marx was not the only one to suspect that history was repeating itself, but as farce rather than tragedy. The endless illuminations of Paris, the ritualised tree-planting, and above all the elaborate neo-classical rituals involving white-clad virgins seemed absurd, especially to the English Rothschilds.



16.iv: Anon., *Barrikaten-Scene am 18. September: "Was geht vor in mein Haus?* " (September 18, 1848).

It was in fact the threat to their property which worried the Rothschilds more than any threat to their persons. The marking of selected town houses and the ransacking of Salomon's villa at Suresnes—along with Louis Philippe's at Neuilly—were only the first visible expressions of this threat.[3] There were also arson attacks on some railway stations and bridges belonging to the Nord company. The Easter elections to the Constituent Assembly reassured Nat that there was no longer any danger of "a *sanguinary revolution*," but he still expected "our *purses*" to "bleed." Rumours that the rue Laffitte would be plundered persisted into April; and the following month, on the eve of the decisive "June days," Gustave described the appearance on walls in the city of "lists where to plunder and we are mentioned as having 600,000,000 francs." In Frankfurt too—despite assurances from more moderate revolutionaries to the contrary—Rothschild properties were singled out for attacks. On three separate occasions, Amschel's windows were smashed, and he took the precaution of sending "the greater part of our disposable effects" to Brussels and Amsterdam until he was more confident that "private property will be respected." In Vienna, the Goldschmidts' house was ransacked by workers building barricades outside it in May. Small wonder Anselm and Nat took the precaution of sending silverware and porcelain to London for safekeeping.

A second threat to Rothschild property was that of formal confiscation by revolutionary regimes,

whether in the form of expropriation or heavy direct taxation. Reassurances of the sort relayed by their associate Bleichröder from Berlin on March 18—"there is absolutely no cause to fear for private property"—could hardly be taken seriously given the obvious danger that moderates like Camphausen and Hansemann might be displaced by more radical politicians. As James put it in April, "They won't touch a hair on your head, but they'll pose progressively until you have nothing left to eat." In Vienna, attacks on the Rothschilds in the press seemed to imply confiscation of their factories if wages and conditions were not improved. In Venice, Salomon's salt factory looked vulnerable to Manin's republican regime.

The most serious proposals for formal expropriation, however, came in Paris, where plans for the nationalisation of the railway network—a radical demand which predated the revolution—began to be discussed as early as March. The railway companies, it was argued, had failed to honour their commitments under the plan of 1842: having underestimated the costs of railway construction and devoted their attention to crooked share speculations, they could not even make the payments due to the government for their concessions. Without a doubt, the financial position of the railway companies in the spring of 1848 was precarious. The Nord, for example, owed the government between 72 and 87 million francs which it was quite unable to pay; and these debts could easily have justified a government takeover. It must be said that nationalisation would not have been unwelcome to Nat, who had never been much enamoured of the railways. With the price of the company's shares as low as 212 and the railway workers repeatedly defying the authority of their foremen and masters—even insisting on the planting of "trees of liberty" in front of main stations—he was eager to be rid of them. But James was altogether less ready to surrender the backbone of his nascent industrial empire. Unlike those companies whose lines were not yet completed, the Nord was already earning money from freight and passengers and the revolution did not much affect this.

The most serious threat of all was posed to that part of the Rothschilds' wealth held in the form of government securities, the price of which fell dramatically in the first weeks of the new republic. Table 16a shows the devastating effect of the revolution on some of the principal securities held by the five Rothschild houses. Although prices had been falling generally since the onset of the economic crisis in 1846, if not before, the period February to April 1848 saw a catastrophic collapse.

Table 16a: The financial crisis of 1846-1848.

SECURITY	PEAK PRICE	DATE	TROUGH PRICE	DATE	PERCENTAGE CHANGE
Austrian 5 per cent metallique	112.25	Dec. 1845	58.00	Mar. 1848	–48
French 3 per cent rente	84.25	Feb. 1846	32.00	Apr. 1848	–62
French 5 per cent rente	121.00	Jul. 1846	50.75	Apr. 1848	–58
Roman 5 per cent	105.60	1843	71.80	1848	–32
British 3 per cent consol	100.88	Jan. 1845	78.75	Oct. 1847	–22

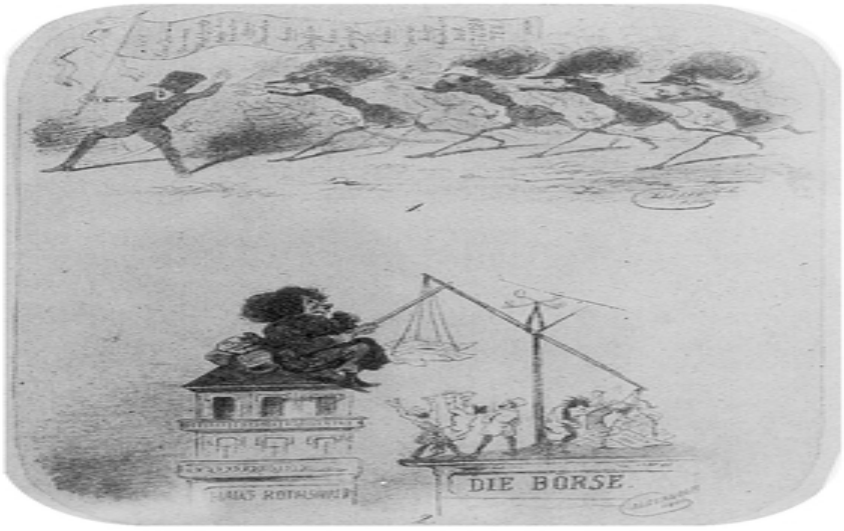
Note: British and French prices are weekly closing prices as quoted in London; Austrian prices are monthly closing prices as quoted in Frankfurt; Roman prices are average prices as quoted in Paris.

Sources: *Spectator*; Heyn, "Private banking"; Felisini, *Finanze pontificie*.

As we have seen, James had held on to around 170 million francs of the new 3 per cent rentes issued the previous year. By April, the market value of these was less than half what he had paid for them. Yet he remained formally obliged to resume paying the cash instalments due to the French Treasury (which amounted to roughly 10 million francs a month over two years) in November. In addition to these heavy losses, there was also likely to be red ink on the bills account: as Nat put it, "We have 16 million francs [of] bills, but God knows how many will be paid." With bankers as substantial as d'Eichthal in

difficulties, the outlook was grim. At the same time, the Paris house owed around 10 million francs to railway companies, including the Nord, the Strasbourg line and the Grand-Combe. Too many of its assets were depreciating stocks, shares and bills; too many of its liabilities were now due in cash. One 1848 cartoon showed a hobgoblin-like Rothschild tilting the scales of the bourse to his own advantage while above him the students demonstrate with a banner calling for the abolition of everything "except students" (see illustration 16.v). In fact the Rothschilds lost heavily in the crash.

Under these circumstances, many observers expected James to declare himself insolvent and probably also to flee Paris along with his family. The Austrian ambassador Apponyi watched him closely throughout March and April, expecting the bank to close its doors at any moment. On February 27, for example, he found James and other bankers "in a deplorable state" because their rentes had been reduced to "slips of paper, representing nothing." Caussidière certainly suspected James of planning to leave Paris: rumours circulated that he was smuggling gold out of Paris hidden in manure carts and (as much to keep an eye on him as to protect his house from looters) James was placed under police surveillance. Throughout March and into April, rumours that de Rothschild Frères would be the next bank to fail abounded. Apponyi felt James was hanging "by a thread"; his friend Léon Faucher described him as being "bled white." It was not far from the truth: at one point in April James's cash reserve was reduced to little more than a million francs. When a clerical error made it seem even less, he admitted to a moment of panic, and joked of "giving up business, going to the country and living off potatoes."



16.v: "Alexander," *Eine Sturmpetition: Das Steigen und Fallen auf der Börse* (1848).

If anything, the position of the Vienna house was even worse. Not only was Salomon saddled with substantial amounts of metalliques; as we have seen, he had also assumed onerous commitments as a result of his rescue of Eskeles. Altogether, he estimated his payments due in the near future to third parties at around 3 million gulden. In fact, the position was much worse than this, as Anselm soon discovered; for the money to save Eskeles had been raised by depositing three-month finance bills worth 2.75 million gulden at the National Bank, the renewal of which had never been formally agreed before the revolution. This was in addition to bills worth a further 2 million gulden, most of which Salomon had issued to finance an advance to the Nordbahn. In all, his pending obligations were therefore closer to 8 million gulden. Salomon was in no position to pay such sums when they fell due as the greater part of his assets were industrial shares which the revolution had rendered unsaleable.

The full extent of Salomon's insolvency can be seen in the balance sheets which were subsequently drawn up by Anselm. Fully 27 per cent of his assets were accounted for by his stakes in the Witkowitz ironworks, the Nordbahn and the Austrian Lloyd, to say nothing of various smaller industrial properties he had acquired as securities for loans. None of this could easily be realised. Small wonder he "envied his blessed brother Nathan"; he was, as he told his brothers, "in the most painful situation that ever existed." This was precisely the situation his English nephews had feared when they advised James against tying up money in railways.

The plight of the Vienna house in turn jeopardised the position of the Frankfurt house: new calculations in March suggested that Salomon owed the other Rothschild houses—principally Frankfurt—some £1.7 million (half his total liabilities). Salomon subsequently tried to justify this by arguing that the Frankfurt house had been milking the Vienna branch for years, but the most that can be said is that Amschel was as much to blame for allowing him to accumulate such an enormous debt. For the Frankfurt house had problems enough on its own account, notably the payments still owing to the state of Württemberg for its loan, money due to Hesse-Kassel, and the substantial sum deposited with it by the German Confederation (the so-called "fortress money") which it was now feared would be withdrawn. Altogether, Anselm put its short-term liabilities at 8 million gulden, and felt sufficiently pressed to terminate support for the Beyfuses, writing off 1.3 million gulden already advanced to keep them afloat. Another source of anxiety was a substantial sum (1.2 million gulden) owed to the Frankfurt house by Prussia, the payment of which could no longer be relied upon. Ironically, it was Amschel who turned to Salomon for assistance in the first weeks of March—at the very time that James was desperately seeking assistance from Frankfurt, urging Anselm to sell securities "at any price!" Each house thought the other owed it money; none was in a position to pay. Salomon pledged all his houses and estates as securities for the money he owed the Frankfurt house; but, as none of these were realisable, the valuation he gave them (5 million gulden) was purely notional.

With three out of the five Rothschild houses on the verge of insolvency, the future of the family as a whole evidently began to look doubtful. In London, Charlotte encountered a new, disrespectful tone from diplomats like the Austrian ambassador Count Dietrichstein, who, as she recorded in her diary,

paid me some compliments in poor taste, saying, "Looking at you it is obvious that you no longer enjoy such a high position in the world. Now you are grateful if someone calls you beautiful whereas in the past you would have laughed your head off at such irony." I replied, "And why is it that I no longer enjoy such a high position? Is it because I no longer have a money-sack for my throne or my footstool? Or is it perhaps because I no longer am a money-sack?" "The money-sack is still there, but the revolution has half emptied it." "The world will not trouble itself about that, your Excellency, provided we do not delay our payments and make no claims upon it."

She suspected that even the Disraelis "believe in the destruction of our power," though this too she defiantly rejected: "It does not lie in our wealth alone, and God the Almighty will not withdraw his protecting hand from us. Amen!" Privately, as she admitted, "the Rothschilds, whose wealth only two months ago exceeded the reserve of the Bank of England, have lost the greatest part of that wealth."

How then did they survive? The obvious answer is that the revolutions themselves did not. The degree of popular support for liberal and republican constitutional innovations outside the major cities turned out to be limited, while within the cities there were deep divisions between different occupational groups over economic issues: liberalising bankers had little in common with disgruntled artisans who yearned to revitalise the guild system. Such divisions did much to dish the republicans in France and the liberals in Germany. Secondly, there was much less danger than there had been in 1830 of a war between the great powers—which in many ways remained the Rothschilds' greatest nightmare, not least because of the remembered tendency of war to radicalise revolution. James said on more than one occasion that he would leave Paris in the event of a major war; but Lamartine's France declined (once again) to play its historic role as the exporter of revolution, while Palmerston's Britain could not decide whether to back the revolution or not, when aspects of it appeared contrary to British interests (notably the German claim to the duchies of Schleswig and Holstein).[4] Prussia and Piedmont went to war, to be sure, but with strictly limited aims and even less resolve. Thirdly, the revolutionaries dissipated a good deal of their energies on national questions which implied a redrawing of state borders as well as constitutions; and here the contradictory rather than complementary nature of "the springtime of the peoples" became manifest.

As in 1830, the Poles fell victim to Russian intransigent opposition to their aspirations, despite a half-hearted Prussian flicker of support (it was all over in Posen as early as May). The minor Slav nationalities within the Habsburg Empire had everything to fear from successful Magyar secession, nothing to gain from the creation of a greater Germany and little in common among themselves, least of all language. The German project hatched in Frankfurt foundered ostensibly because the out-sized and loquacious parliament could not agree on a royal figurehead for their new liberally constituted federation; in reality because there was no way of reconciling Austrian and Prussian notions of how the German Confederation should be reformed. Beyond the "Kingdom of Upper Italy" formed by Piedmont, Milan and Lombardy in May 1848, the notion of Italian unity was really an afterthought to a multiplicity of quite diverse revolts up and down the peninsula. Thus competing nationalisms tended to cancel one another out. Finally, once the Habsburg armies had regrouped under the leadership of Windischgrätz, Jelacic and Radetzky, they made short work of the revolutionaries. Prague fell in June 1848. Charles Albert's Piedmontese armies were defeated at Custozza the following month (July 25). Vienna itself capitulated in November.

Yet none of this could have been predicted with any degree of certainty. In many ways the revolution was at its most radical in the period after October 1848, and its defeat in Italy, South Germany and Hungary was not conclusive until the summer of 1849. Under the circumstances of March 1848, James and Salomon could have been forgiven for following Louis Philippe, Guizot and Metternich into exile, so closely identified were they with the ousted kings and ministers. Instead, they stayed; and their survival is one of the most remarkable aspects of 1848—from a Marxist perspective, one of the classic symptoms of the revolution's foredoomed failure.

The *sine qua non* of the Rothschilds' survival was their own "concordia." Mayer Amschel's hallowed injunction to his male progeny to maintain familial unity never counted for more, for it was the ability of the London house (and to a lesser extent the Naples and Frankfurt houses) to bail out the stricken Paris and Vienna houses which proved decisive. It helped that the revolution which had been so successful in Sicily failed so comprehensively in Naples. The accounts of the Rothschild house there reveal 1848 as a poor but not a disastrous year: profits slumped to just 2,709 ducats in the first half of 1848, but bounced back to 58,229 ducats in the second half; for the year as a whole they were down just over 40 per cent on 1847. The balance sheets show the Naples house treading water, with no major

changes in the composition of its assets between 1845 and 1850. It was therefore possible for Carl to send money to Frankfurt in early April.

It helped even more that (as Charlotte put it) "the stirring wind of revolution which destroys the old injustices [did] not blow in England"—thanks in no small measure to the repeal of the Corn Laws and the suspension of the Bank Charter Act in 1847. The Chartist demonstration on Kennington Common on April 10 made the family nervous, but proved a damp squib; and Nat's warning to Lionel that "you will find yourselves in the same position with regard to P.A. [Prince Albert] as we are with L.P. [Louis Philippe]" proved excessively pessimistic.[5] In Ireland too the harvest proved less disastrous than had been feared. This meant that, having suffered its worst-ever year in the year of monetary crisis, 1847—with losses amounting to a staggering £660,702, or 30 per cent of capital—the London house was able to rebuild its position with some measure of success in 1848 and 1849, pushing its profits back up to £132,058 and £334,524. It was true then, as Charlotte had to admit to Dietrichstein, that the Rothschilds as a family were less rich than they had been; but their "money-sack" was far from half-empty, to judge by the limited domestic economies she had to make. "We had three nursemaids and sent away two of them," she declared, "keeping one to do the dirtier and heavier chores. We shall dress the children ourselves. Our hands shall certainly lose some of their whiteness and beauty in the process, but they will still be of use to us, we hope." Piano tutors for her daughter Leonora had to be content with 10 shillings an hour; when Chopin told her grandmother that he "cost" 20 guineas per performance, she "replied that of course I could play very beautifully, but that she advised me to take less, as one had to show greater 'moderayshon' this season. I gather from this that they are not so open-handed and that money is tight everywhere."

Yet there was a vast difference between these expenditures and the immense sums required by the Paris, Frankfurt and Vienna houses. Lionel's hasty visit to Paris in late February seems to have convinced him that James's position could be salvaged, but he was a good deal more hesitant about Salomon and Amschel. For all their sentimental appeals to their father's memory, they were made to sweat—and pay—for their salvation. Indeed, Lionel's first reaction to Salomon's pleas for support (in the form of accepting some bills of Sina's) was to refuse; and when he did respond to the appeals of the Frankfurt house to send silver (the first of which arrived on April 14), he made sure the London house turned a profit on the shipments. His uncles reproached him, but they were at his mercy and were made to feel it. Lionel's tough line was reinforced by Anselm, who arrived in Vienna on April 10 to clear out his father's Augean stables, a task which he performed with a marked lack of filial compassion. Faced with a request to render yet more assistance to Arnstein & Eskeles (as well as another Vienna house, Heinrich & Wertheimer), Anselm

immediately informed my father in the clearest possible terms, that on the basis of all my powers as representative of the [five] houses I forbade any further financial sacrifice . . . no matter what the consequences might be for the commerce and the situation of this place, and added that I would leave immediately in protest if any attempt was made here to insist on this . . . It is, believe me dear Uncle, a fatal role which I am taking on here . . . they will curse me as my father's evil angel . . . He is unfortunately in such a state of moral collapse and so bowed down by the situation, that for him to remain here any longer could only have a negative effect on his health . . . It would have been much better if he had left Vienna three months ago.

The recriminations between father and son over the financial morass into which the Vienna house had sunk in many ways marked the end of the dominance of the second generation. In a sense, this was the 1848 revolution *within* the house of Rothschild.

The reality was, however, that the London house was not the lender of last resort at all. For the ability of New Court to assist Paris and Vienna depended heavily on the ability of the Rothschilds' agents in America to remit funds to New Court. The year 1848 was in many ways the decisive test of Belmont's agency: had the system failed, the Rothschilds would have been seriously at risk. Beginning in the summer of 1847, they had nervously followed Belmont as he committed substantial resources to speculating in tobacco and to financing the American war against Mexico which had broken out in May the previous year. As late as February 1848 James sanctioned his decision to advance the US government a substantial sum against treasury bills to help pay the $15 million indemnity accorded to Mexico for the territory ceded by the US under the Treaty of Guadalupe Hidalgo. Typically, the Rothschilds had a man in Mexico at the same time—Lionel Davidson—who for several years had been importing Rothschild mercury from Spain to sell to Mexican silver mines; he too took a hand in the indemnity payment. Scharfenberg in Cuba and Hanau in New Orleans had also made large advances on tobacco and cotton respectively on the eve of the European crisis. These were big commitments: as James himself commented uncomfortably, "We are too much in the hands of these people." Indeed, there is no better testimony to Belmont's importance at this time than the frantic letters he was sent from London and Paris, berating him for his involvement with the Mexican indemnity and accusing him of having exceeded his powers. Finally, at the end of 1848, a Rothschild—Alphonse—was sent to New York in person, as if to bring the errant agent to heel.

This had its effect. Rightly fearing that Alphonse had been sent out to replace him, Belmont hastily despatched large consignments of silver to London. These were to prove one of the most important stabilising influences on the European financial situation in 1848, and without them Lionel would have been hard-pressed to assist his relatives on the continent. But Belmont wished it to be understood that he was bestowing favours, not following orders. As Alphonse reported, after a frosty reception in New York, Belmont's role was a "singular" one: "It is a position which is at once semi-dependent and semi-independent, simultaneously that of an agent and a correspondent." The long-discussed plan to replace him with a family member foundered once again in the face of Belmont's doggedness and the reluctance of any of the younger Rothschilds to settle permanently in the US. In the short term, Belmont packed Alphonse off to New Orleans and carried on as before, resuming the payment of the Mexican indemnity.

The second factor in the Rothschilds' survival was the relaxation of monetary policy by the European central banks, which undoubtedly helped to end the collapse of security prices. The Bank of England had set the precedent by suspending its gold reserve rule in October 1847; however, it proved less than easy to persuade its counterparts on the continent to do likewise. In Frankfurt, of course, there was no central bank, and it took time to persuade the town Senate to create some emergency credit facilities. In Paris, the situation was better, once the fear had receded that the republic would use the Banque de France as a milch cow for forced loans. In addition to suspending convertibility, the government set up a nationwide complex of *comptoirs d'escompte* and *magasins généraux* to supply firms with new sources of liquidity, although these proved ephemeral and the enduring effect of the revolution was to increase the power of the Banque de France by obliterating the provincial banks of issue. In Vienna, the National Bank imposed a ban on exports of silver and gold and, in May, suspended convertibility. In each case, of course, the danger existed that issues of paper money might be excessive, and Anselm was not alone in fearing a slide into inflation in Central Europe (no one had forgotten the assignats). Here again the Rothschilds' access to supplies of silver from America and England proved crucial, for it enabled them to replenish the reserves of the continental central banks. As early as April the Banque de France was placing orders for large silver purchases through New Court. The prospect of a similar deal gave Anselm an important source of leverage in the discussions over his father's huge accumulation of due bills at the Bank, which he succeeded in prolonging for two years. Even so, it was

necessary for him to issue a bald threat to clinch the deal: “Either the prolongation of the bills or the fall of the houses of Eskeles and Wertheimer, which would not only have as a consequence the fall of many other houses here and in the provinces, but would also seriously compromise the portfolio of the National Bank itself.”

This was one of the critical moments in the rescue of the Vienna house. For the Paris house, however, of greater importance were the deals struck over government finance. Government loans contracted in 1847 were among the Rothschilds’ most burdensome obligations. The only way to reduce these was by hard bargaining. Thus, in parallel with his negotiations with the National Bank, Anselm sought to arrange a modest rescheduling of his father’s obligations to the Austrian Treasury. In Frankfurt too Mayer Carl sought to strike deals with Kassel and the Confederation. Even in Naples an agreement had to be reached with the government regarding payment of the interest due on Neapolitan rentes. The Rothschilds were most vulnerable in Paris, however, where James had been left holding around 170 million francs of 3 per cent rentes, now valued at roughly half what he had agreed to pay the government for them. Rather than swallow this heavy loss by selling (as it has sometimes been claimed he did), James sought to extricate himself from the 1847 commitments; and the way he did so is a case study in negotiation from a position of weakness.

It was far from easy. On February 24, as we have seen, James paid a visit to the Ministry of Finance, possibly to get the new regime to pay the interest falling due on the Greek bonds guaranteed by the previous regime (which normally he himself would have paid). There was a quid pro quo: the next day, it was announced that he was to make an ostentatiously large donation of 50,000 francs to the fund for those injured in the street fighting and that he intended to “offer his co-operation to such a good and honest Revolution.” He then presented himself at the prefecture of police on February 26. When Caussidière detailed the allegations that he was smuggling money out of Paris in preparation for his own flight abroad, James categorically denied them, steering a clever course between admitting to bankruptcy and implying that he had millions at his disposal:

People think I am made of money, but I only have paper. My fortune and my cash are converted into securities, which at the moment have no value. I am far from wishing to declare bankruptcy, and if I must die, then I am resolved to do so; but I would regard flight as cowardice. I have even written to my family, to ask them to send me funds so that I can meet my engagements; and if you like, he added, I will introduce you to my nephew tomorrow.

Once again money changed hands: Caussidière requested that James open a credit for a print works to keep its 150 workers in employment, a request granted when James returned the next day with Lionel (Caussidière was handed 2,000 francs “to be distributed as [he] intended”). This was small beer to James, but the stakes were raised higher in early April when the government unexpectedly demanded 500,000 francs, the balance of a mortgage loan arranged before the revolution with Louis Philippe. At the same time, he was reminded of the large sum owed by his railway company to the government.

James responded to these demands with a mixture of threats and blandishments, as Charlotte recorded in her diary:

The failure of the House of Rothschild would be a terrible disaster for France. It would be to kill the goose that lays the golden egg with a single blow and to abandon forever the chance of [its performing] any public or private services. The government could not auction off the family’s golden houses: Ferrières could not be sold; the hôtel Florentin stands empty and could not be let under the present

circumstances. If, however, they spare our uncle's life—by which I mean only his financial life—then he could be of service not only to the state, but to individual members of the government . . . In England, they say, no one is grateful for favours received. We certainly do not expect that, but I think one can count on recognition for favours still to be granted. Our uncle has just granted favours to M. de Lamartine, M. Caussidière and Crémieux.

At the same time, if the immediate repayment of the money owed by the Nord was demanded, "thirty or forty thousand workers would be deprived of the employment the government had guaranteed them and the expenditures of the national Treasury on unemployment would increase considerably."

Not everyone was convinced by James's protestations that his "financial life" was at stake. In a good illustration of the way "socialism" made itself felt even in the financial sector, the clerks at de Rothschild Frères protested when James justified cutting their salaries on the grounds that "my business has been reduced." "Yes, you have lost nothing," declared one of them. "You are richer than anyone and we won't [accept a pay cut]." But, if nothing else, James had bought himself valuable time. By the time the government's commission had decided in favour of the state's repurchasing the concessions from the companies, it was the third week of May. Just over a month later, the political position in Paris was transformed by the brutal suppression of the "June days" (22-28 June)—an apparently spontaneous eruption of working class rioting—by troops under the command of General Eugène Cavaignac.

Marx's bitter diagnosis of the "June days" and their aftermath was that the "bourgeoisie" as a whole had thrown in its lot with authoritarianism and militarism in order to crush the proletarian revolution. In contrast with the revolution of 1830, however, the Rothschilds did little, if anything, to promote the restoration of "order" (just as they did little to promote resolutions of the various diplomatic conflicts of the revolution). They did no more than welcome—cautiously—the arrival of Cavaignac. Indeed, they positively avoided making a direct contribution to his efforts: James packed Alphonse off to Frankfurt to ensure that he did not take part in the fighting, which he would have done had he stayed. The military restoration of "order" thus had the aspect of a *deus ex machina*. It was the same story in Naples, where Ferdinand dispensed with parliament and successfully reclaimed Sicily in August; and in Vienna, where Windischgrätz bombarded the revolutionaries into surrender in early November.

Still, the Rothschilds knew how to swim with the turning political tide. For the reconstruction of the republican regime under Cavaignac provided the perfect opportunity not only to bury the railway nationalisation project but to reschedule the Nord's debts to the state and to resolve the question of the 1847 loan. It was later alleged that the Paris house had been "refloated" by the government at this juncture—to the great ire of James's grandchildren, who took pains to deny that their bank had ever relied on state intervention. The word "refloated" is misleading but—like the related accusations levelled at the government of excessive generosity—not without an element of truth. In essence, James had adopted the stance which Balzac had years before anticipated: that of the indispensable debtor who owes his creditors so much that they dare not let him fail. Fearing that he might otherwise be unable to resume his payments to the Treasury, the government felt obliged to renegotiate the terms of the 1847 loan. The decision was understandable: in threatening them with the death of the "golden goose," James was implicitly threatening the collapse of the French financial system. As Mérimée suggested at the time, the government's financial position was "diabolical"; the collapse of de Rothschild Frères would have made matters worse still.

The easier alternative was to work in partnership with "the Baron." Thus, when Lionel visited Paris in July, he found James closeted—as of old—with the Finance Minister. He was "now a great favourite

and as there is no other Banker or person with money or disposition to come forward, he is naturally very much looked up to." Yet the expedient adopted by the new Finance Minister Goudchaux—to convert the 3 per cent bonds of 1847 into 5 per cents—was probably over-generous, in that it effectively turned a loss of 25 million francs into a profit of 11 million. The fact that Goudchaux was a Jew (like another moderate republican linked to James, Crémieux) merely added to the radical suspicion of a conspiracy to prop up Rothschild. In truth, James had probably exaggerated the danger of his own financial collapse in order to minimise his losses on the 1847 loan. Far from being in cahoots with Goudchaux, the Rothschilds regarded him as "not a practical man by any means" who knew "no more about the bourse than the man of [*sic*] the moon."

The Rothschilds' position had in fact been stabilising for at least a month before the "June days." As early as the last week of May, it was possible for Charlotte to affirm her belief in "in a bright, European and Rothschildian future." When Nat went to Frankfurt in June, he found Amschel still furious with Lionel, but financially quite secure, with a balance of at least 26 million gulden and a bullion reserve of £400,000. Indeed, the English Rothschilds were surprised to find Amschel selling on to the Vienna house silver he had received from the London house only weeks before. Another sign of normalisation was the resumption in earnest of negotiations for a new mercury contract in Spain (where Baring was mounting a serious challenge). This coincided with excited reports from Davidson about new discoveries of silver in Chile and Peru which were likely to boost the mercury market. By August matters were sufficiently far advanced for James, Lionel and Anselm—now the family's dominant triumvirate—to meet at Dunkirk to take stock of the combined accounts. It was not until some time later, however, that it was apparent to those *outside* the family that the Rothschilds had survived. When the radical *Tocsin des Travailleurs* devoted a leader to the subject in August, its tone was ironical; yet a genuine undertone of admiration is unmistakable in its appeal to James to lend his miraculous financial powers to the cause of the republic.

You are a wonder sir. In spite of his legal majority, Louis-Philippe has fallen, Guizot has disappeared, the constitutional monarchy and parliamentary methods have gone by the board; you, however, are unmoved! . . . Where are Arago and Lamartine? They are finished, but you have survived. The banking princes are going into liquidation and their offices are closed. The great captains of industry and the railway companies totter. Shareholders, merchants, manufacturers, and bankers are ruined *en masse*; big men and little men are alike overwhelmed; you alone among all these ruins remain unaffected. Although your House felt the first violence of the shock in Paris, although the effects of revolution pursue you from Naples to Vienna and Berlin, you remain unmoved in the face of a movement that has affected the whole of Europe. Wealth fades away, glory is humbled, and dominion is broken, but the Jew, the monarch of our time, has held his throne[.] [B]ut that is not all. You might have fled from this country where, in the language of the Bible, the mountains skip about like rams. You remain, announcing that your power is independent of the ancient dynasties, and you courageously extend your hand to the young republics. Undismayed you adhere to France . . . You are more than a statesman, you are the symbol of credit. Is it not time that the bank, that powerful instrument of the middle classes, should assist in the fulfilment of the people's destinies? Without becoming a Minister, you remain simply the great[est] man of business of our time. Your work might be more extensive, your fame—and you are not indifferent to fame—might be even more glorious. After gaining the crown of money you would achieve [your] apotheosis. Does that not appeal to you? Confess that it would be a worthy occasion if one day the French Republic should offer you a place in the Pantheon!

Even this struck some as premature: as late as November rumours were still circulating that James intended to go into liquidation. But the Rothschilds had indeed survived. We now know how they did it. We can also see why, at the time, their escape seemed well-nigh miraculous.

Tranquillity and Order

Another important difference between 1830 and 1848 was the Rothschilds' lack of diplomatic influence. Though they fretted constantly about the danger of a European war, for most of 1848 they were far too preoccupied with their own financial problems to play their familiar part in great power politics. When the Austrian government asked Salomon to help "end the Italian difficulties" by sending "a member of his House in order to start negotiations in this sense in the name of the Austrian Government," the younger Rothschilds were reluctant to become involved. As Mayer Carl put it:

[I]n my opinion we should not mix in politics, because, however things turn [out], it is harlequin who gets the kicks and harlequin, that is us. Also I don't believe that Lombardy is going to pay anything to Austria. The Italian cause has aroused too much sympathy for any solution not to be inimical to Austria's interests. Also everybody [would] say that we make God knows how much out of this. People are used to assuming that Rothschild does nothing without getting something.

When Radetzky "gave a good licking" to the Piedmontese armies at Custozza, Anselm and his cousins were delighted, but poorly informed about Austrian diplomatic intentions, assuming that Austria would still relinquish most of her Italian territory. Although James came to realise that Bastide, the new French Foreign Minister, was unenthusiastic about Northern Italian unification, and that therefore Palmerston's efforts in that direction were unlikely to succeed, his nephews remained convinced for some time that Lombardy and Venetia would be able to buy their independence: it was, wrote Anthony, "only an affair of money." Their sources of information in Germany were not much better. Mayer Carl, for example, seems to have expected Frederick William IV to accept the German crown when it was offered by the Frankfurt parliament in March, and—even more improbably—that this would help Austria and Prussia "pull together." (In fact, he contemptuously spurned what he called a "diadem moulded out of the dirt and dregs of revolution, disloyalty and treason.") It was not until late February 1849 that Anselm began to receive the kind of inside information about Austrian diplomacy which his father had for so long taken for granted. He was soon following in Salomon's footsteps by siding enthusiastically with Schwarzenberg in the second war with Piedmont—a tendency which his father's return in April may have reinforced.

In practice, of course, the Rothschilds could not hope to exercise political influence as long as they themselves were financially weak. The traditional leverage exerted by the Rothschilds had, after all, been based primarily on the granting of loans. But throughout 1848 the British Rothschilds used their new predominance over the continental houses to veto numerous suggestions of loans to the post-revolutionary regimes in Austria, Hungary, Rome, Lombardy, Prussia, Baden and elsewhere. (Incredibly, Salomon seems to have suggested lending money to allow the Hungarians to buy guns in England—this even as he was lamenting the collapse of the Habsburg Empire!) It was not until late September that anything resembling "business as usual" was contemplated, though talk of a loan to Austria proved premature. The trouble was that the revolution refused to lie down and die. No sooner had "red republicanism" been defeated in Paris, Vienna and Berlin than it burst forth again in Italy. No sooner had it been defeated in Italy than it had a last lease of life in South Germany.

As long as political uncertainty remained, the Rothschilds held back. When the Austrian government approached Anselm with a 60 million gulden loan proposal in March, he was cautious, dismissing it as "a great nonsense" and "a stupid project." The following month, when James was asked by the city of

Paris to make a 25 million franc loan, he "refused it & said it three times, he did not wish to do any business." This hesitation reflected above all the difficulty of deciding what was to be done with the Vienna house which, even after Anselm's skilful salvage operation, still owed the Frankfurt house the immense sum of £1.7 million, as well as a smaller sum to the Paris house. It was not until the summer, after a succession of meetings between the principal partners (including a full "congress" at Frankfurt in the spring), that the decision was taken to preserve the Vienna house by writing most of this money off. The extent to which the London partners wished to restrain their uncles is obvious from Alphonse's comment that the "true goal" of the "congress" would be:

to modify the bases of our house, and, with respect to the London house, to free them reciprocally from a solidarity incompatible with the political activities and the ardent business spirit of the first generation. Our good uncle [Amschel] cannot bear the reduction of our fortune, and, in his desire to re-establish it on its old basis, would not hesitate to plunge us into hazardous enterprises.

It was symptomatic of the mistrust engendered by the crisis of 1848 that the London partners began to distinguish between letters they would allow their uncles to see and those they kept to themselves. Considering that the circulated private letters had up until this point been the very life blood of the partnership this was a revolutionary suggestion—though it is impossible to be sure how far the London partners went in this direction since so much of their correspondence has been lost or destroyed.

Two additional factors tended to diminish Rothschild political influence. Firstly, their relations with Palmerston remained as tenuous as ever. Charlotte denounced Palmerston's policy in 1848 as "laughable," and it seems reasonable to assume that Lionel shared his wife's view; there was evidently little communication between the Rothschilds and Palmerston at this time. In Nat's view, "any change in the Foreign Affairs will be an improvement on Ld. P[almerston]," a view "heartily" endorsed by his uncle James. To Betty, Palmerston was "the bad genie, breathing fire everywhere and sheltering behind political puppets whom he knows how to station at the front door." Indeed, the Rothschilds seem to have based their assessments of British policy more on defence estimates than on first-hand ministerial intelligence—a reflection perhaps of Lionel's preoccupation at this time with the question of Jewish representation in Parliament. Secondly, they miscalculated the political future in France. James overestimated the durability of "respectable, moderate" republicanism. Assuming that Cavaignac and his fellow general Nicolas Changarnier (who combined command of the National Guard with the military governorship of Paris) would remain the key figures of the new regime, he set to work to ingratiate himself with them. Meetings with Cavaignac and other ministers to discuss French foreign policy became frequent. "Our little friend" Changarnier was invited to hunt at Ferrières and was a frequent Rothschild dinner guest. So close did relations become that the Austrian ambassador in Paris was able to report gossip about Changarnier's "sentiment de coeur" for Betty. As it turned out, James was backing a loser, though his reason for doing so is understandable. For the alternative to the generals was Louis Napoleon Bonaparte, the nephew of the former Emperor.

Throughout the nineteenth century, no figure of political importance was viewed by the Rothschilds with more suspicion, not to say contempt, than Louis Napoleon. This was partly because of his disreputable past—the escapades at Boulogne in 1836 and Strasbourg in 1840, the idiosyncratic books, the English mistress—and the louche lifestyle which he never wholly abandoned. In April 1849, for example, Anthony reported that his aunt and uncle were "disgusted with L. N. They say he gets drunk every night & God knows what else he does." His relationship with Mrs Howard was also a subject for sardonic comment: in Anthony's words, all Louis Napoleon wanted was "plenty [of money] so that he can roger comfortably & get drunk when he likes." James regarded him as "a stupid ass" but, pragmatic as ever, was prepared to put his personal aversion to one side and sup with him as early as January 16

—just eighteen days after he had been sworn in as President of the Republic. “I could not refuse his invitation,” he explained to his nephews apologetically. Indeed, he seems to have taken the precaution of lending Louis Napoleon 20,000 francs shortly before his election. Nevertheless, this was to be no repeat of the regime change of 1830, when James and Louis Philippe had translated a private, financial relationship into a public, political one almost overnight. As soon as Louis Napoleon had access to public funds, James cut off his credit, ordering Anthony “to give Napoleon no more money, he has no credit with us . . . I promised him 20,000 francs before his budget was passed but now he is getting money from the government, so I don’t want to throw away our money and so I won’t give him a penny more.”

His wife felt an even deeper dislike, partly based on a lingering loyalty to the deposed Orléanist royal family. Disraeli recalled Betty inveighing against Napoleon “whom she hated” to Macaulay, who sought vainly to persuade her that he might be Augustus to his uncle’s Julius Caesar. She was unimpressed: France was “floundering between a nobody and a head garotted by a subversive, useless minority.” If Cavaignac won it would be “a disaster” as he had shown “neither candour nor capacity in power.” But if Louis Napoleon won it would be “a humiliation” as he was “that ridiculous flag from a wonderful past existence, a political nothing who has no other value than as a negative power, a polished socialist hiding roughness beneath the pretence of pleasant politesse.” France’s “love affair” with him, she predicted, “could be just like a happy love affair at the beginning of a novel; lovers in this case always end up hating each other, or by being violently separated.” His victory was a “distress signal around which diverse and opposing opinions rally to protest against the country’s upper crust.” From the outset she assumed that “a parody of the Empire” would be restored. Until April 1849 she stayed away from the President’s receptions.

What concerned the Rothschilds much more, however, was the possibility that, like his uncle before him, Louis Napoleon would pursue an expansionist foreign policy which might plunge Europe once again into a general war. From the moment that Bonaparte’s star began to wax in mid-1848, when he was elected to the Chamber of Deputies, it was this which coloured the Rothschilds’ judgement. Identifying him as the ally of the “friends of disorder and unrest,” they assumed that his popularity presaged war. As James put it, Louis Napoleon would

spend a nice bit of money to ensure that they have him as President and in my opinion—I who have never believed in war—the situation looks blacker now, because the people now have to . . . make war. At the bourse everyone was horribly black, because they say that the working class will supposedly back him, because he is a socialist and draws his support from the most common people . . . I am trying to liquidate.

Although they came to revise this assessment in the succeeding months, as the likelihood of his victory in the presidential election grew, they were far from delighted at this prospect, regarding Cavaignac as “decidedly better.” Both camps directly approached James to ask for support, but he told them that “not being French he was withholding all influence in this serious matter and would not support either of the two candidates, that he was waiting for the country to make its decision and would not oppose to whichever president was preferred by the majority.” Privately, he expected Louis Napoleon to defeat Cavaignac. But he found the new President “dull and with no charisma whatever,” despite his flattering request that James should “visit him often and eat with him in the morning.” In the immediate aftermath of Bonaparte’s victory in December, he and Betty nervously anticipated a return to the “June days,” and even the outbreak of war between France and Prussia.

Such fears were only increased by the assumption—which can be detected as early as January 1849—that Louis Napoleon would "not rest till he has made himself Emperor, & that the votes of the Army and Peasantry combined will be enough to secure his success." James had no doubt that this would be "a great mistake." Throughout the first months of 1849 he watched with anxiety for signs of a "forward" French foreign policy which might reinforce such pretensions. In particular, the continuing instability of the situation in Italy seemed to invite some kind of French intervention. In James's words, "This question is the one which interests us the most: whether [or not] we will have peace." Every flicker of unrest in Paris seemed to increase the likelihood of a gamble on war by the new government. "It will end with war," predicted James on June 9. "We are in the hands of God. We have [not only] Asiatic cholera [but also] political and financial cholera . . . I do not believe rentes will go up."

The realisation that Napoleon intended to intervene in Italian affairs on the side of the Pope—who had been forced to flee Rome in November—rather than the Roman republic therefore came as a welcome relief, even if Anthony could not at first see "how they can enter & put the Pope on the throne if they have a Republic here." In fact, prolonged debates on the subject meant that this ended up being the last of the foreign interventions against republicanism which finally brought the revolutionary period to an end. The first blow was dealt in March by the second, decisive Austrian victory over Piedmont, which was followed by the occupation of republican Tuscany in May. In April it was the turn once again of the Frankfurt Rothschilds to pack up their valuables as a last wave of popular unrest swept through South Germany, only to be crushed by joint action between Prussia, Saxony and Hanover. As before, the Rothschilds could do little more than stand on the sidelines cheering. Anselm enthusiastically welcomed the Russian intervention in Hungary, conscious that Windischgrätz alone could not win.

Only when the military defeat of the various enclaves of revolution was sure did the Rothschilds seriously think about resuming their traditional loans business. On July 4, Anselm began to talk more positively about the Austrian loan, as well as urging the Paris house to provide the Russian army in Hungary with financial assistance via the Paris house. He also began to involve himself in the efforts to stabilise the Austrian exchange rate, which war and the suspension of silver convertibility had seriously weakened. By mid September, a small Austrian loan had been arranged in the form of a 71 million gulden issue of treasury bills; although most of these were absorbed by the Vienna market, around 22 million were taken up and sold by Amschel in Frankfurt.

Naturally, these transactions implied an explicit commitment to the forces of monarchical reaction, something which caused a degree of disquiet to members of the family in France and London, where support for Hungary was widespread. Betty can hardly have been indifferent to the bitter sentiments expressed in Heine's pro-Magyar poem, "Germany in October 1849," a copy of which he sent her. But Anselm had no time whatever for his English cousins' "uneasy" expressions of pro-Hungarian feeling, advising "your good English folks [to] stick to Ireland & its Potato crop, & keep their arguments for their objects." Carl's suggestion of a loan to the Pope could also be seen as lending sustenance to the counter-revolution. To the disappointed revolutionaries of 1848—not least Marx—the moral was plain: "Thus we find that every tyrant is backed by a Jew, as is every Pope by a Jesuit. In truth, the cravings of the oppressors would be hopeless and the practicability of war out of the question, if there were not an army of Jesuits to smother thought and a handful of Jews to ransack pockets."

It was misleading, however, to portray the Rothschilds as the financiers of reaction, as they had so often been portrayed in the past. For one thing, as Lionel reported from Wildbad in August, the revolution had made erstwhile liberals more conservative: "The Liberal party in Germany is very different from the liberals in England. All persons of property or who are in business are for the old state of things." James's paramount concern was to resume normal business activity—as he reminded

his nephews in London, he was "a friend of business" and wanted to "keep the wheels turning." Provided international stability could be relied upon, he was relatively uninterested in the political complexion of the regimes he lent to. Before it was confirmed that the Pope would be restored with French support, for example, James was perfectly willing to do business with the Roman Republic. Indeed, when the Republic's representative approached him with a small deposit in March 1849 to ask whether he "would do their business," he accepted it "as I am [now] a Republican"—an ironic aside from a man who at other times referred to it as the "accursed republic." And when the position of the Papacy was restored at the end of June, James informed Carl that he had no desire to "run after" the Vatican for business. Adolph too showed little respect for the Pope—"His old Pious-ness with all his nonsense." Any loan, insisted his French cousins, was to be conditional on the granting of civil rights to the Roman Jews. For, as Anselm said,

the Pope who was once so liberal and who brought Italy such misfortune through his overhasty reforms, is now not just wholly reactionary but, following the example of the Popes of the dark Middle Ages, intolerant in the highest degree, I am tempted even to say inhuman. If the Pope could do business with any other house, he would certainly break with us, and so compliments to the holy gentlemen are not in order.

Nor were James and Lionel willing to allow the Vienna house to resume its traditional role as a more or less unquestioning supporter of the Habsburg regime. In December, both expressed strong objections to Salomon's efforts to support the Austrian currency when their rivals were profiting from speculating against it.

This political neutrality was most obvious in the case of Piedmont, which had been among the principal troublemakers of 1848. As Anselm pointed out, the Piedmontese indemnity to Austria promised to generate "a beautiful and safe piece of business" in the form of a loan to Piedmont as well as the transfer of part of its proceeds to Vienna. Nat was initially sceptical—as Charlotte observed, the "more sensible" members of the family had not forgotten the "fearful period" of the previous year—but even he could see the appeal of such a transaction. As for James, his interest in Piedmont was so great that Anselm feared he might give the Turin government the impression of "excessive keenness." This underestimated James's skill as a negotiator. He had begun by sounding out the government in advance of the peace agreement with Austria, though without committing himself. Then he hinted at a deal with the Italian bankers who hoped to float the bonds themselves in order to shut out rivals from Paris and Vienna. In September he went in person to Vienna and Milan to offer an advance of 15 million francs on the Piedmontese indemnity due to the Austrian government. Finally, in Turin, he succeeded in securing control of more than half the 76 million franc Piedmontese loan, leaving just 8 million to the Italian bankers and the rest to public subscription.

This was not just because he wished to see Austria get her indemnity. As he assured a young and ambitious financier named Camillo di Cavour, he was "very anxious to have dealings with this country; he has repeatedly told me that he regards Piedmont as established on a much sounder basis than Austria." For his part, Cavour was shocked by the way James had "bamboozled" the Piedmontese Finance Minister Nigra. Convinced that Piedmont should not allow herself to become dependent on "this cunning old rascal Rothschild," Cavour would prove a formidable obstacle to Rothschild ambitions in Italy in the future.[6] But, for the time being, James appeared to have established an important foothold, with the possibility—as he put it—that this would lead to a financial "marriage" with Italy as a whole. In a similar way, the Frankfurt house made approaches at around the same time to German states like Württemberg and Hanover (where a liberal ministry under Johann Stüve

remained in power until November 1850), though these were rebuffed.

James's success in Turin brought to an end over a year of immobility induced by the revolution. Even Lionel and his brothers were now ready to contemplate new business, although they were still more interested in revolutionless Spain and America than in Central Europe. Mercury, cotton, gold, tobacco —even Nicaraguan canals and African groundnuts—seemed safer fare than loans to politically volatile states.

In Paris itself there was also a slight relaxation in Rothschild attitudes. The main barometer of financial opinion—the price of rentes—points to a growing (though not unqualified) confidence in the presidential regime in the course of 1849: in the year after December 1848, 5 per cents rose from 74 to 93, and with them Nat's spirits. This was in part a reflection of Napoleon's restrained foreign policy. As Nat remarked when the expedition to Rome was first bruited, "In general when troops begin to move bondholders are frightened; in this case as it is for the re-establishment of order, perhaps & I trust it will produce a good effect." The return of financial confidence also reflected a growing awareness that Louis Napoleon was far from being the ally of the radical left. Although he still thought the President "a little ugly fellow," Nat was favourably impressed by the evidence of social restoration he witnessed one evening at the President's palace: "The ladies were beautifully draped in jewellery and when the carriages were called the titles were *not* omitted." "If we remain *quiet*," he added hopefully, "there will be no difference between the republic and the monarchy." This was over-optimistic: in strictly financial terms, rentes never recovered to pre-war revolutionary levels under the Republic, suggesting continued doubt about the stability of the regime—witness Anthony's alternate warnings that Louis Napoleon would go the way of Louis Philippe or that the republicans would succumb to a Bonapartist coup. Yet there was confidence enough for the Rothschilds to raise the inevitable subject of a new loan to France herself.

There were also the first signs of a revival of the railway mania of the 1840s (Léon Faucher's appointment as Minister for Public Works was especially encouraging). In February 1849 the Pereires revealed their most ambitious scheme to date: a railway to link Paris, Lyon and Avignon, which would then fuse with the line from Avignon to Marseille (the forerunner of the Paris-Lyon-Marseille line). The aim was to revive the system on which the Nord had been based, with the state investing 147 million francs in the initial construction of line between Paris and Lyon and guaranteeing the company a 5 per cent return, while the company put up 240 million francs to operate the concession for ninety-nine years. In fact, it would seem that the Pereires were now seeking to emancipate themselves from the Rothschilds. To raise the money for the new company, they had initially approached Delessert and through him Barings—a first hint of the breach which lay ahead. James was well aware of what was going on and in May fired his first shot back by forcing Isaac Pereire off the board of the Nord. No one should think "that the Pereires are [the same as] Rothschild," he told Anthony. "You have no idea what scoundrels these little fellows are. They are always trying to exploit our name." But "when these people don't need you, they give you a kick in the arse."

In a symbolic reassertion of his position as railway king, James had made a point of appearing alongside Napoleon and Changarnier when a new stretch of the Nord line was opened in July. In November he sought to force his way into the Paris-Lyon-Avignon concession negotiations, buttonholing Louis Napoleon on the subject over dinner and haggling tenaciously with the new Finance Minister Achille Fould thereafter. From the Pereires' point of view, however, this may have been an unwelcome reminder of their association with "Rothschild Ier." There was fierce opposition to their plan, which one critic warned would lead to "a vast consortium Pereire-Rothschild dominating the country from Marseille to Dunkirk and from Paris to Nantes, controlling the coasts of the

Mediterranean, those of the Channel and almost all those of the Atlantic, master of the French isthmus." By comparison, the more modest rival proposal put forward by Talabot and Bartholony to link Paris and Lyon seemed less monopolistic. There was similar opposition to the Pereire plan for a line linking Paris and Rennes in the west, which they hoped to link to their Rive Droite terminus. Still, the very notion that he was striving for such a "railway hegemony" testified to the extent of Rothschild recovery. As James put it in a letter to Anthony: "Above all, it is good that people realise that nothing gets off the ground without us and when we demand something, then it is a case of giving Rothschild all he wants."

Nothing could better express how far things had come full circle than this renewed self-confidence—except perhaps the deeply paradoxical friendship which James formed in 1849 with Alexander Herzen. As one of the founding fathers of Russian socialism—the man who coined the phrase "Land and Freedom"—Herzen had left Russia for Paris in January 1847 and, after a brief trip to Italy, returned there at the height of the revolution in May 1848. He had already suffered internal exile as a young man for his liberal inclinations, but by the time he reached Paris his views had moved closer to those of revolutionary socialists like Michael Bakunin and Pierre-Joseph Proudhon (author of another famous aphorism of the period, *la propriété, c'est la vol*). Indeed, Herzen personally financed Proudhon's short-lived journal the *Voix du Peuple* to the tune of 24,000 francs while the latter was in prison. A less likely person to become a favoured Rothschild client would be hard to imagine. The fact that he did sheds light on James's political outlook, and perhaps substantiates Heine's earlier assertion that he was at heart more a revolutionary than a reactionary.

Though born illegitimate, Herzen had inherited a substantial fortune from his aristocratic father, so it is not wholly strange that the Rothschilds obliged him with minor banking services while he was in Italy and helped him invest some 10,000 roubles when he began to sell off his Russian property. Herzen later recalled how he

made the acquaintance of Rothschild, and proposed that he should change for me two Moscow Savings Bank bonds. Business then was not flourishing, of course, and the exchange was very bad; his terms were not good, but I accepted them at once, and had the satisfaction of seeing a faint smile of compassion on Rothschild's lips—he took me for one of the innumerable princes russes who had run into debt in Paris and so fell to calling me Monsieur le Comte . . . By Rothschild's advice I bought myself some American shares, a few French ones and a small house in the rue Amsterdam which was let to the Havre Hotel.

However, when the Russian government sought to prevent Herzen raising more cash by mortgaging his mother's estate at Komostra, less orthodox financial assistance was called for. According to Herzen's own account, James agreed to accept a bill drawn to the value of the anticipated mortgage and, when the Russian authorities refused to authorise the mortgage, "grew angry, and walked about the room saying: 'No, I shan't allow myself to be trifled with; I shall bring an action against the bank; I shall demand a categorical reply from the Minister of Finance!' " Despite receiving warnings about his new client from the Russian ambassador Count Kiselev, James now took up the cudgels on Herzen's behalf, drafting a stiff letter to Gasser in St Petersburg which threatened the Russian government with legal action and exposure in the press.

Why did he do this? He can have had no illusions about Herzen's politics because he had been given "a very unfavourable opinion" of him by Kiselev. As Herzen put it, he now "surmise[d] that I was not a prince russe." The answer seems to be that this was James's idea of a joke. Herzen was bemused by the

fact that James "now took to addressing me as Baron," and even more bemused when he refused to send his letter to Gasser until Herzen increased his commission on the transaction from half a per cent to 5. This "Mephistophelean irony" was intended to test Herzen, who refused to concede more than another half per cent:

When half an hour later I was mounting the staircase of the Winter Palace of Finance in the Rue Laffitte, the rival of [Tsar] Nicholas was coming down it.

. . . His Majesty, smiling graciously, and majestically holding out his own august hand [said,] "the letter has been signed and sent off. You'll see how they will come round. I'll teach them to trifle with me."

"Only not for half of one per cent," I thought, and I felt inclined to drop on my knees, and to offer an oath of allegiance together with my gratitude, but I confined myself to saying: "If you feel perfectly certain of it, allow me to open an account, if only for half of the whole sum."

"With pleasure," answered His Majesty the Emperor, and went his way into the Rue Laffitte.

I made my obeisance . . .

Six weeks later the money was paid. "From that time forth," Herzen recalled, "I was on the best of terms with Rothschild. He liked in me the field of battle on which he had beaten Nicholas; I was for him something like Marengo or Austerlitz, and he several times recited the details of the action in my presence, smiling faintly, but magnanimously sparing his vanquished opponent." After Herzen's expulsion from Paris by the Bonapartist regime, James continued to look after his investments in American and other bonds (he appears in the 1851 balance sheet owing the Paris house 50,000 francs) and secured him permits on the occasions when he wished to visit Paris. He also recommended him to the London house, which took over his account during his long English exile.

Herzen's transformation from insurgent into investor, from Rothschild critic into Rothschild client, was in many ways emblematic of a Europeanwide change of mood—as was James's willingness to play this game with a notorious revolutionary. Did he know that the money he was putting in Herzen's hands was being used to finance the *Voix du Peuple* ? If he did, it did not worry him. By the end of 1849 the revolution was over and the more rapid and sustained pace of economic development henceforth would make another 1848 much less likely. For his part, Herzen saw the Rothschilds as personifying this shift away from revolutionary politics:

A Rothschild . . . must be in his office in the morning, to begin the cap italisation of his hundredth million; in Brazil there is plague, and war in Italy, America is falling to pieces—everything is going splendidly: and, if someone talks to him then of man's exemption from responsibility and of a different distribution of wealth, of course he does not listen.

Of course, for a new era lay ahead: of conflicts within capitalism rather than against it, and between states rather than classes.

APPENDIX 1

Prices and Purchasing Power

It goes without saying that the pound sterling was worth considerably more in the nineteenth century than it is now, mainly because of the inflation which has been a perennial feature of economic life since the 1950s. To be precise, in 1800 the pound was worth around 25 times what it is worth today. Because prices tended to fall during the nineteenth century, it was actually worth rather more in 1900: close to fifty times as much. To put it another way, the purchasing power of the pound has fallen in the past century by around 98 per cent: in 1900 terms, a pound today is worth just two (decimal) pennies.

To try to make historic prices intelligible to modern readers, historians often use price indices to calculate what a sum of money in the nineteenth century "means" in today's pounds. This is easily enough done. Let us take as an example Nathan Mayer Rothschild's total wealth at the time of his death in 1836, which I estimate at around £3.5 million (see chapter 11). Following the conventional system, in order to "convert" that figure into 1995 pounds to allow for inflation in the past 160 years, all that the reader need do is multiply by 35.5, giving £124.25 million.

The trouble with this is that it takes no account of the dramatic changes in economic structure and relative prices which have happened in the past two centuries. The cost of living is in fact a fairly meaningless concept over time because the *nature* of living—that is, what we buy with money—has changed so much in 200 years. As James de Rothschild's biographer rightly says, "A fortune . . . is essentially the power to purchase so many acres of land, to employ so many workers, to maintain so many residences." Labour was much cheaper in Europe 150 years ago than it is now (hence the huge numbers of people employed as servants) and taxes were negligible; by contrast, many of the things now considered "necessaries" were expensive luxuries then, if they existed at all. The long-run price indices used for such calculations are also problematic because of definitional changes (the contents of the supposedly representative basket of goods).

A more accurate method is to relate a money value to current gross domestic product (GDP). The advantage of this is that it conveys the purchasing power of a given sum of money—that is, it gives us an approximate idea of how much of the year's total economic output expressed in current prices it could buy. As a proportion of UK GDP (£562 million in 1836), Nathan's total wealth at death was equivalent to around 0.62 per cent; 0.62 per cent of the United Kingdom's 1995 GDP (£605,100 million) is £3,752 million—a rather larger figure than the one given by the crude inflation multiplier!

Another way of conveying the significance of the original figure is to relate it to per capita GDP; this has the advantage of bringing population change into the equation. Thus Nathan's £3.5 million should be compared with a per capita GDP figure for the same period of £22—that is, Nathan had accumulated around 160,000 times per capita national income; 160,000 times the 1995 figure for per capita GDP (*c*. £10,430) is £1,669 million. It therefore seems clear that Nathan was by the standards of our own time close to being a double billionaire.

Even this measure is misleading, however, because it leaves out of account the greater inequality of the nineteenth century. In the absence of a progressively redis tributive tax system and a welfare state, the distribution of income and to a lesser extent of wealth was far more unequal than in our own day. Very rich individuals and families were much rarer then than they are today, and the gulf which separated the Rothschilds from nearly everyone else in Britain was vast. As late as 1911-13, no fewer than 87 per cent of all people aged twenty-five and over in England and Wales—16 million people—had total wealth of less than £100, compared with 0.2 per cent—32,000 people—who had wealth of more than £25,000. The Rothschilds remained at the very pinnacle of this wealthy elite. When they died in rapid succession in 1915, 1916 and 1917, Nathan's grandsons Natty, Leo and Alfred left between them

£6,494,000—almost exactly 0.1 per cent of the total capital owned by all adults in England and Wales. To put it another way, they bequeathed between them as much as 191,000 men from the bottom 87.4 per cent of the population.

Were the Rothschilds the richest family in the nineteenth century? Rubinstein's figures for British millionaires do not give precise figures for fortunes in excess of £1 million before 1858; but it seems unlikely that any of the eleven other individuals listed for the period 1810-56 left his heirs as much as Nathan. The nearest was the banker William J. Denison, who left £2.3 million (including real estate worth £600,000) in 1849. It was not until 1857 that someone left more than Nathan to his heirs—the textile warehouseman and Anglo-American banker James Morrison, who left between £4 million and £6 million at his death. Nathan not only died richer than the ironmaster Richard Crawshay and the cotton manufacturers Robert Peel and Richard Arkwright; he also left more than the Duke of Queensberry, the Duke of Sutherland and the Duke of Cleveland. Taking the period 1860-99 as a whole, only twenty-three individuals left estates worth £1,800,000 or more: four of them were Rothschilds (Nathan's sons Lionel, Anthony, Nat and Mayer). Although individually they were not the richest men of their time—Rubinstein cites two individual estates greater than £3 million—no other family could match their collective wealth. Altogether the brothers left £8.4 million: if Nathan, like all aristocratic millionaires, had left his fortune to a sole heir, Lionel would unquestionably have been the richest man in Britain. In reality, the richest man in the world was probably his uncle James who, at his death in 1868, was reported to have left his heirs around 1,100 million francs (£44 million), though a more realistic figure is probably around 193 million francs (£7.7 million) (see volume II).

From 1900 onwards, the English Rothschilds ceased to be exceptional as millionaires. Natty was the richest of his generation of English Rothschilds (leaving £2.5 million); but at least forty-six British millionaires in the period 1900-39 left as much as or more than him. It should be noted once again, however, that the partners in the French and Austrian houses were significantly richer than their English cousins. In 1905 Edouard, Gustave and Edmond each had personal shares in the combined Rothschild partnership worth £5.8 million. Albert, the head of the Vienna house, had a total share of £5.9 million. This excludes very substantial assets outside the partnership. Only seven of Rubinstein's pre-1940 millionaires could match this; nine if the South African "Randlords" are included. Taken together at its peak in December 1899, the combined capital of the Rothschild houses was £41.4 million, divided between ten partners. Again, this takes no account of private wealth, much of it held in the form of expensive art collections and prime real estate. It is almost inconceivable that any other family could match this.

Nearly a hundred years on, do the Rothschilds have a modern equivalent? The answer is no. Not even the Saudi royal family has a comparable share of the world's resources in its possession today. Nor can even the richest businessman in the world claim without qualification to be as rich in relative terms as Nathan Rothschild was when he died at the height of his fortune. At the time of writing, Bill Gates (the founder of the computer software company Microsoft) has an estimated personal fortune of $36.4 billion (£21.7 billion) and has a good claim to be the richest man in the world. If we relate that to current US GDP ($7,487.6 billion), we find that Mr Gates's wealth is equivalent to 0.49 per cent of US GDP. This figure is less than Nathan's equivalent figure of 0.62 per cent of UK GDP in 1836, though Mr Gates is gaining fast. Only if we relate the Gates fortune to American GDP per head ($27,730) does he have the advantage over Nathan: Gates's wealth is 1.3 million times greater than American per capita GDP, whereas Nathan's was only 160,000 times greater than British per capita GDP. The difference, however, mainly reflects the enormous growth in population since the early nineteenth century, which has restrained the growth of American per-capita income.

APPENDIX 2

Exchange Rates and Selected Financial Statistics

The exchange rates between currencies in late-eighteenth- and early-nineteenth-century Europe varied according to the metal content of coins, and conversion of one currency into another is not always easy. In Frankfurt, the gulden was the denomination most frequently used, though sometimes figures were given in terms of the imperial thaler (Reichsthaler). One Reichsthaler was equal to around 1.79-1.89 gulden. A British pound sterling was equal to 10.2-11.2 gulden. After the return of the pound to gold convertibility, it strengthened against the gulden and for the rest of the century the exchange rate was 12 gulden to the pound (see table a).

However, simple conversion of gulden into pounds can be misleading, as it takes no account of differences in purchasing power. The cost of living was generally thought to be higher in England, and especially in London, than on the continent, but the benefits of colonisation and industrialisation meant that around this time certain commodities (for example cotton goods) were becoming much cheaper in England. For this reason, I have converted gulden figures into pounds in the text only where some sort of comparison seems helpful.

Table a: The sterling exchange rate of the Frankfurt gulden, 1798-1836.

	Gulden (fl.) per pound (£)
1798	11.25
1807	10.16
1809	11.24
1828	12.00
1836	12.00

Source: Rothschild correspondence.

A private partnership of the sort formed by the five Rothschild houses was under no obligation in the period covered by these statistics to produce balance sheets or profit and loss accounts. The profit and loss accounts for N. M. Rothschild & Sons are based on summaries (the purpose of which is not known) which begin in 1829. The accounts are simple: on one side all the year's sales of commodities, stocks and shares are listed; on the other, all the year's purchases and other costs; the difference is recorded as the annual profit or loss. Table b gives the "bottom line" data and also figures for net appropriations (withdrawals and new capital) by partners.

Nineteenth-century banks did not draw up balance sheets or profit and loss accounts in a standardised way, so comparisons with other banks for which figures are available must be made with extreme caution.

Table b: N. M. Rothschild & Sons: profit and loss accounts, 1829-1848 (£).

	Profit/loss	Net appropriations	Capital (end of calendar year)
1829			1,123,897
1830	–56,361		1,067,536
1831	56,324		1,123,860
1832	58,919		1,182,779
1833	75,294		1,258,073
1834	303,939*		1,562,011
1835	69,732*		1,733,404
1836	–72,018		1,661,386
1837	87,353		1,747,169
1838	83,124*		1,820,706
1839	52,845*		1,773,941
1840	30,937*		1,804,878
1841	–49,769*		1,755,109
1842	40,451		1,795,560
1843	23,766*		1,819,326
1844	170,977		1,990,303
1845	82,755		2,073,058
1846	73,080		2,146,138
1847	–660,702		1,485,436
1848	132,058		1,617,494

Notes: Profit and loss figures were calculated as difference between total outgoings and total income.
* Not entirely clear from books. E.g. for 1834, figure in capital account for profit (given here) is different from figure implied by actual accounts; figure for capital at end of 1839 not consistent with figure for profit.

Sources: RAL, RFamFD/13F; RFamFD/13E.

NOTES

The endnotes have been substantially reduced in number for the paperback edition. Scholars seeking detailed references should consult the hardback edition, which also contains a complete bibliography.

Introduction:Reality and Myth

1 Chekhov, “Rothschild’s Fiddle”—a story recommended for readers who wish to be reminded how the great majority of nineteenth-century Europeans lived their lives: unlike the Rothschilds, in wretched poverty.

2 The plot centres around a gathering of the brothers in the old house in the Judengasse in 1822 and Salomon’s unsuccessful bid to marry his only daughter (misnamed Charlotte) to a nobleman (“the Duke of Taunus”). She falls for James instead.

3 For the sake of clarity, I refer to Mayer Amschel and his wife as the first generation, their sons (and daughters) as the second and so on. A family tree is provided at the end of the book.

4 It was James’s son Alphonse who opposed the idea of preserving the documents in the Baron Carl von Rothschild library in Frankfurt. He also insisted on the destruction of documents relating to the payment of French reparations in 1815, fearful that they might one day be used to impugn the patriotism of his father.

5 The French papers have now been returned to the family and are housed in the Rothschild Archive in London. It is hoped that the Austrian material will also be returned in due course.

ONE "*Our Blessed Father*": *Origins*

1 Frankfurt was one of fifty-one self-governing towns within the Holy Roman Empire (which also comprised 94 kings and princes, 103 counts and 41 church prelates).

2 The rule was relaxed slightly in 1790, though access was granted only to a single promenade.

3 A word needs to be said about the spelling of Mayer Amschel's name. On his own gravestone, he is described in Hebrew characters as "Mosche Meir, Sohn Anschels, genannt Meyer Amschel Rothschild" and his three biographers have used the spelling "Meyer." However, in the course of his life, he clearly came to prefer the spelling "Mayer." His descendants named after him have also tended to prefer this spelling. For the sake of simplicity I have therefore used "Mayer" throughout.

4 By 1785, the Prince's collection was sufficiently large to need a twelve-volume catalogue, compiled by his librarian Wegener. We may discount the apocryphal story that Mayer Amschel was actually introduced to William at this early stage by a general named von Estorff, as well as the fiction that Mayer Amschel impressed the Prince with his skill at chess (William is supposed to have told von Estorff: "You did not recommend a fool to me"): Hessen, " 'You did not recommend a fool'."

5 Mayer Amschel did not have to pay the difference between his share of the Hinterpfann and the price of the house at the green shield all at once. He bought the house in two halves, in Dec. 1783 and Nov. 1785. In each case, as was customary, a third was paid up front, the rest in six or eight half-yearly sums.

6 The house was preserved more or less as Mayer Amschel had known it until 1944. After his widow's death, it had gradually fallen into disrepair and was saved from the fate of the rest of the Judengasse—compulsory purchase and demolition—only by the family's decision in the 1880s to preserve it as a historic monument. Along with its neighbour "at the golden arch" (with which it shared a roof as well as a cellar) it was completely restored and opened to the public. It also housed the offices of two Rothschild charities.

7 In the generation after Mayer Amschel, Rothschild first names underwent a confusing process of transformation according to the national milieu in which his sons found themselves. Amschel was sometimes known as Anselm, Salomon was often Salamon or even Solomon, Kalman was almost always Carl after around 1812; and Jakob became James when he moved to Paris. In much of the family's private correspondence, their sisters and wives tended to be referred to by their *Judendeutsch* names, usually in a diminutive form, though Jettchen became "Aunt Henrietta" after her English marriage. For the sake of simplicity, I employ the most frequently used forms throughout: Amschel, Salomon, Nathan, Carl and James.

8 Fortunately, no one was killed, as the entire population (including the Rothschilds) had fled. Unfortunately, as Goethe's mother wrote to her son, this meant that "When the fire started nobody could get into the locked houses and there were no Jews there to put out the fires."

9 Jews could not formally obtain the freedom of the City of London, but this restriction did not in practice prevent them from doing business there.

10 A typical order was a commission “from Messrs Sichel & Hildesheim Frankfort a/m to be forwarded immediately that the greatest part may arrive in Aug., the remaining part in Sept. to Messrs Wertheimer & Co. Hamburg, payable 3/4 of the amount as soon as the goods arrive at Hamburg, the remaining 1/4 on arrival of the goods at Frankfurt, with bills on London at 2 1/2 month, without Discount. Insurance to be effected by N. M. Rothschild: 30 1/3 pieces blk velveretts . . . 54 1/3 blk velveteens . . . 30 1/3 pieces blue velveretts . . . 221 1/3 pieces blue velveteens . . . 21 1/3 ps plain velveteens . . . 42 1/3 ps fancy velveteens . . . 42 1/3 plain thicksetts . . . 33 1/3 ps fancy cord . . . 12 1/3 ps blue fancy thicksetts newest patterns . . . 30 1/3 pieces white quilting plain and satin stripe . . . 69 1/3 printed thicksett . . . 24 1/3 ps yellow printed thicksetts newest patterns . . . 24 1/4 ps London printed quiltings, the newest patterns and good quality; 40 ps swandowns check and striped; 4 ps toilinets new fashion; 27 1/3 ps. printed thicksett same as patterns.”

11 Nathan to Salomon Salomons & Co., Dec. 21, 1800: “You’ll remember me evry [*sic*] day that you drink it as you’ll find it very good and cheap. Mr Harman gives the insurance at 1pct. lower than you to do.”

12 The outbreak of war obliged Nathan hastily to renew his passport to ensure that his right of residence in England was not called into question.

13 In fact, Nathan burnt his fingers again with an ill-fated shipment of goods to Russia, which appears to have fallen victim to the Napoleonic invasion.

14 At the time, this now famous address was one of five three-storey houses in a prosperous professional neighbourhood. Nathan’s neighbours included a surgeon and an insurance broker.

TWO *The Elector’s Treasure*

1 Because cash was scarce in Hessen between the bi-annual fairs, it would have depressed the price of the English bills to have auctioned them for cash. For this reason, the brokers bought them on credit, paying the War Chest at a later date when the markets were more liquid.

2 In addition to his statutory dues and a payment of 400 thalers towards the fabric of the Neustadt church, Mayer Amschel offered to pay the Jewish community as much as the richest Kassel Jew, Oberhofagent Moses Joseph Büding, but the community was insistent that he move permanently to Kassel. In the end, no use was made of the residence permit, which was finally made out in Amschel’s name, and after 1809 the Rothschilds stopped paying contributions to the Kassel community. This led to a protracted legal wrangle between 1815 and 1829 which was settled only when Amschel agreed to pay the community a fine of 2,500 thalers.

3 William’s officials increasingly favoured the purchase of bearer bonds because they were regarded as legally more secure than personal loans; there was added safety in being one of a number of investors; they were more liquid than other forms of loan and they were a relatively anonymous form of investment, which gave little away about the total wealth of the Elector.

4 William’s brother was at that time Danish Statthalter of Schleswig and Holstein, and it was to his seat, Schloss Gottorp, that William initially went. In April 1807, he moved to a modest house at Itzehoe.

5 This second flight was necessitated when Denmark allied herself with France, following the British seizure of the Danish fleet.

6 In 1812 the princes' debts were rescheduled to include back interest at £225,361, of which the Prince of Wales owed £140,000, the Duke of York £66,667, the Duke of Clarence £20,000.

7 Nathan had made his first tentative foray into the gilts market in June 1803.

8 On one occasion the sea captain to whom they had been entrusted threw them overboard when his ship was searched. In the spring of 1812 James was entrusted with collecting five certificates for £189,550 in London. He and Carl, whom he met at Dunkirk, then went to Paris, from whence Carl proceeded to Prague. The Elector did not receive the certificates until May 20. In late 1812 Salomon picked up a further certificate of £250,000.

9 The total assets of the firm were in excess of 970,000 gulden, 70,000 of which were bonds of various kinds, and 110,000 of which were loans of other sorts, including a loan to William's son of 10,000 gulden and a bill on Prince George—the Prince Regent—of 127,784 gulden.

10 Virtually all the 190,000 gulden (apart from sums reserved for Carl's and James's marriage gifts) went to his wife and daughters however.

11 According to legend, the school originated when Mayer Amschel heard a poor Jewish boy singing in the street in Marburg: he persuaded Geisenheimer to adopt him as the first pupil in a new school.

THREE "*The Commanding General" (1813-1815)*

1 In the eighteenth century, the guinea was the principal gold coin used in Britain, though the silver shilling (of which sixty-six were coined from the troy pound of silver) was regarded as the monetary standard. In 1717 the mint price was set at 21s. = 1 guinea. However, at this time the Mint switched to a new coin, the pound sterling (= 20s.), and the price of gold was set by Newton at £3 17s. 10 1/2d. This proved to be the first step towards the gold standard: in 1774 silver was effectively demoted when it ceased to be legal tender for sums in excess of £25.

2 The business was given to the Bethmann Brothers, apparently on worse terms than the Rothschilds had offered—a reflection of the continuing preference in Vienna for established banks.

3 It was this rally which increased the profit margin on the Prussian subsidy deal from zero to a respectable 3 per cent.

4 Herries later stated that the total sum transferred by "a single and confidential agency" in 1814 and 1815 was £18 million.

5 The bulletins Nathan received have not been preserved, though a letter confirming the news from a Dutch source based just six miles from the battlefield survives.

6 Characteristically, Nathan, who had intended to float as much as £3 million of these bills, blamed Carl for the Amsterdam market's lack of interest.

7 Nathan was incensed to hear that James had suffered a riding accident; in his view, to be riding at all was a sign of dilettantism.

FOUR "*A Court Always Leads to Something" (1816-1825)*

1 Punctuation varies: this is the text in the 1986 Oxford edition. The 1930 Oxford edition has "Jew Rothschild, and his fellow-Christian, Baring" but this seems nonsensical. Byron clearly intended to suggest that the two bankers were on a par, despite their different religions.

2 Of the 700 million francs, some 138 million was to be spent on reconstructing strategic fortresses around France's borders. Each of the great powers was to receive between 100 and 139 million to compensate them for the costs of the Hundred Days; smaller sums went to the other states in the anti-French coalition. In addition, France had to pay substantial sums to private claimants; after prolonged wrangles, these amounted to 240 million francs. The peace also returned French borders to those of 1790, as opposed to those of 1792 which the 1814 treaty had set. It should be noted that France had previously imposed indemnities on the Netherlands, Austria, Prussia and Portugal, but the sums involved had been smaller.

3 James arranged to invest £20,000 for Dalberg in British stocks at around this time. A short time later he and Salomon joined Dalberg in a small speculation in French rentes.

4 The Amsterdam bank of Hope & Co. had been founded by the Boston-born Henry Hope and the Cor nishman John Williams in the 1760s. Laid low by the French occupation of Holland, it had effectively been taken over by Baring Brothers. Labouchère was a Hope employee who married a Baring and later became a Hope partner.

5 Adolphe d'Eichthal was the grandson of the Bavarian court banker Aron Elias Seligmann; he changed his religion and name and moved to Paris with his son Louis.

6 It was at this time that the Kassel Jewish community took Amschel to court for alleged non-payment of residence dues.

7 Baring had already agreed to advance 165 million francs to the Allies in return for 246 million of rentes at 67; the problem was the decision by the Allies at Aix to accept a final payment of 100 million in the form of 132 million of rentes which Baring rashly agreed to buy at the higher price of 74.

8 The price of gold was £4 0s 6d in 1819 compared with the bullionists" pre-war target of £3 17s 101/2 d.

9 The final terms were that 5 per cent bonds totalling £5 million would be sold in three successive tranches with the price rising from 70 (£2.5 million) to 72.5 (£1.25 million) and then to 75 (£1.25 million). £1 million of the first tranche was taken by the Prussian government itself at Rother's

suggestion. Repayment was to take place over twenty-five years. Officially, as Ehrenberg says, there was no additional commission; in fact, Nathan got his 4 per cent, though this was "kept secret" to defuse criticism in Berlin. In addition, the Rothschilds kept at least £1.5 million for themselves, netting a large profit when the price rose to a peak of 83 in September. This explains why the brothers wrote in such affectionate terms to Rother after the contract was concluded: Salomon assured him that he and Nathan were his "heartfelt, eternal and faithful good friends"; it is unlikely that he would have expressed such sentiments if he had been forced to forgo a commission.

10 The Rothschilds had no difficulty in placing the greater part of the loan with the major Paris and Frankfurt banks, though they were less generous to their rivals in Berlin. The bonds rose initially to 83 in Sept. 1818, then slipped back to 73.5 until late 1819, before rising steadily again. Rumours of a new loan in 1820 seem to have prompted the Rothschilds to sell their own holdings, but these proved unfounded. In fact, the bonds reached par (i.e. 100) in 1824.

11 Isaac Arnstein and Bernhard Eskeles were descendants of Samson Wertheimer, court banker of Charles VI. Arnstein's son Nathan married Fanny Itzig, famed for her Vienna salon.

12 Ultimately only around 300,000 ducats were repaid.

13 The problem was that neither her son by Napoleon, the Duke of Reichstadt, nor her two children by her second husband, Count von Neipperg, stood to inherit her Italian duchies, which were to pass to the Duke of Lucca after her death.

14 Salomon initially offered to underwrite a loan of 42.8 million gulden at an effective price of just 67. When this was refused he proposed a smaller loan of just 12 million gulden, offering to pay "1.5 per cent more for the amount decided than is offered by any other firm." The same tactic was repeated when the loan was put out to tender; now Salomon simply offered to pay 0.5 per cent more than the highest bidder. The Austrian government wisely waited, and in April 1823 was able to secure significantly improved terms from a Rothschild-led consortium: a loan of 36 million gulden was issued at an underwriting price of 82.

15 Metternich suspected that this initiative had the backing of the French government, or at least that part of it which was against intervention, but British observers believed that the Rothschilds were "pacific" for reasons of their own.

16 As Finance Minister and then premier, Villèle had succeeded in establishing a modicum of order in the French financial system, but was disliked by the less "circumspect" Ultras, especially Chateaubriand.

17 Significantly, no Rothschild was sent to Madrid and the negotiations there were entrusted to agents, first Belin and then Renevier.

18 In 1807 the Portuguese Crown Prince Joao had gone to Brazil at the time of the French invasion. In 1812, when the French were driven out, he refused to leave Brazil and elevated it "to the dignity, prominence and denomination of a Kingdom" equal with Portugal following his mother's death in 1816. Six years later, when Joao VI returned to Portugal, his son Pedro became Emperor and he remained as such when Brazil's independence was recognised in August 1825. When João died the following year, Pedro in turn passed the Portuguese throne to his daughter Maria, though this

arrangement was subsequently challenged by Pedro's brother Miguel.

19 Put simply, the plan drawn up by Nathan was that the Rothschilds, Barings and Laffitte together would undertake the conversion in return for the first year's saving which resulted from it (28 million francs). To make the conversion attractive, Nathan insisted that the Banque de France must set its discount rate at 3 per cent.

20 See e.g. James, Paris, to Nathan, London, Jan. 28, 1825: "The Minister said to me today, 'Mr Rothschild, you have the reputation of a man who has been selling large numbers of rentes.' I must therefore be careful not to antagonise the Government. However, I think that on Monday or Tuesday when the King is due to make his speech I will be able to sell [rentes] at a better rate than today and I will profit from the situation because I don't foresee any sizeable rise."

21 In fact, Nathan intervened to support the rente after the rejection of the conversion bill, which unleashed a wave of selling in Paris and London.

22 Of twenty-six foreign government loans totalling £52.4 million which had been made between 1823 and 1826, sixteen were in default within a few years.

FIVE "*Hue and Cry" (1826-1829)*

1 It is surprising that the Rothschilds could still fear that bills endorsed by them might not be accepted.

2 See illustration 10.vii below. The title is a pun: "Exemplary Knight" literally, but also "Knight with Samples."

3 See illustration 7.i below.

4 The origin of the word "Hep" is variously explained: as an acronym of "Hierosolyma est perdita," or as the sound of bleating goats, alluding to the Jews' traditional beards. There was a similar backlash against emancipation in many German towns.

5 His "Political Georgics," a pastiche of Dryden's Georgics, appeared in *The Times*, March 18, 1828: Macaulay later repeated the lines in a letter to his sister:

" . . . Oh mysterious two,
Lords of our fate, the Doctor and the Jew,
If by your care preferred th'aspiring clerk [Herries]
Quits the close alley for the breezy park,
. . . And you, great pair, through Windsor's shades who rove,
The Faun and Dryad of the conscious grove,
All, all, inspire me;—for of all I sing
Doctor and Jew and Marchioness and King . . .
But the black stream beneath runs on the same
Still bawls in Wetherell's key, still stinks like Herries[']s name."

6 The loan was intended solely to enable Brazil to maintain interest payments on her existing debt.

James “admit[ted] quite frankly that in two years” time these people will not pay anything”; but in the short run it boosted the price of Brazilian bonds.

7 The loan was apparently never repaid, so Nathan kept the jewels.

8 In fact, Amschel provided a sumptuous lunch, to which a number of leading figures in the Frankfurt diplomatic corps were also invited. The *Augsburger Zeitung* reported that “the stairs leading to the ban quetting room were laid out with red carpet, and decorated with garlands of flowers and plants . . . Several of the most distinguished emissaries to the German Diet, as well as foreign ministers present here, enjoyed this guest luncheon prepared with no expense spared.”

9 The *Courrier Français* also reported the dinner, humorously explaining the absence of the British ambassador as follows: “An Englishman was asked how it could be that the ambassador of his nation had not been present at this diplomatic feast. ‘Because,’ he replied, ‘England has no need of money.’ ”

SIX *Amschel’s Garden*

1 Of eight German-Jewish merchants in Manchester in 1806, Nathan was the only one who maintained his religious affiliation.

2 In 1844 Nat was obliged to eat “a kosher lunch and [felt] very sick in consequence. I shall smoke a 14 sou Havana to relieve my stomach.”

3 Wilhelm attended the synagogue twice daily and studied the Talmud in the evening. On the Orthodox revival in Frankfurt.

4 The most common *Schnorrer* joke has Rothschild complaining about the *Schnorrer*’s tactics only to be asked, “Are you trying to teach me schnorring?” Another favourite has the *Schnorrer* regarding his relative’s regular hand-out as inheritable property. Sometimes the *Schnorrer* is caught out: he claims to play the bassoon, but Rothschild has one in a cupboard and asks him to play; or he sees Rothschild’s daughters playing a duet and decides not to bother schnorring: the Baron has clearly fallen on hard times if they have to share a piano.

5 “So young—and already a Rothschild,” says one *Schnorrer* to another as a child is wheeled past in a sumptuous perambulator or carriage. Contemplating a lavish Rothschild gravestone, the *Schnorrer* can only marvel: “They sure know how to live.” There are numerous jokes in this vein.

6 An important element in the Jewish case, stressed by the Rothschilds, was that a payment had been made by the Jewish community for their rights, to finance which bonds had been issued. To revoke the 1811 agreement would therefore require this money to be refunded.

7 The economic restrictions extended the duration of Jewish apprenticeships and prohibited Jews from the trading in food and firewood.

8 Montefiore had retired from business to concentrate on philanthropy and Jewish communal matters.

9 Caroline’s few surviving letters to Salomon suggest above all an impatience with his over-eagerness

to please Nathan and others. Their son Anselm became the main focus for her affections; that may explain the relatively cool relationship he had with his father.

10 Hannah was supposed to be there in attendance at the birth of her first grandchild; but she was irresistibly attracted by the wild fluctuations of the bourse caused by the revolution. Despite a number of "specs," however, she had to confess to her husband: "You will see me back without having made a great deal of money." Three years later her son wrote expressing the hope that she had been "a great Bull" during the "enormous rise in all the funds."

SEVEN *Barons*

1 In 1836, Betty told a guest who admired her house: "If you had seen the hotel of M. Solomon Rothschild (which is next door), you would think our house was only the stables attached to it."

2 Interestingly, the Rothschild passion for horses appears to have begun with the brothers' wives. With the exception of James, the brothers regarded horses exclusively as a means of getting from A to B, and were baffled when James began riding for pleasure.

3 On the coat of arms Salomon initially requested the following arms: "First quarter, or, an eagle sable surcharged in dexter by a field gules; second quarter, gules, a leopard passant proper; third quarter, a lion rampant; fourth quarter, azure, an arm bearing five arrows. In the centre of the coat a shield gules. Right hand supporter, a greyhound, a symbol of loyalty; left supporter, a stork, a symbol of piety and content." This was to be surmounted by a seven-point crown and a lion rampant. This design was substantially modified by the Vienna heralds: the final version featured only the eagle and the hand grasping *four* arrows; there were no supporters, and the shield was surmounted by a helmet, a three-pointed crown and another eagle. The version registered by Nathan in 1818 was slightly different: the arms consisted of "Azure a lion passant guardant erminois grasping with the dexter forepaw five arrows the pheons downwards or; And for the crest on a wreath of the colours out of a crown vallery gules a demi lion erminois holding between the paws five arrows as in the arms." The motto, "Concordia, integritas, industria," was incorporated later.

4 In "The Baths of Lucca," a ball at Salomon's house is described: "Such stars and orders! The Order of the Falcon, the Order of the Golden Fleece, the Order of the Lion, the Order of the Eagle—and there was even a child, I assure you, a tiny tot, that wore the Order of the Elephant." When Macaulay dined with "the Jew" (i.e. Nathan) he "did not see one Peer, or one star, except a foreign order or two, which I generally consider as an intimation to look to my pockets."

5 It is worth noting that Nathan's grandson dropped the "de" on receiving a British peerage, a usage followed by his descendants—hence the fact that there are "Rothschilds" as well as "de Rothschilds" today.

6 Other paintings in Nathan's possession were gifts from government clients, like the portraits of Francis I of Austria, Frederick William III of Prussia, William I of Holland, John VI of Portugal and the Empress Alexandra of Russia seen by Prince Pückler.

7 *The Family of W. N. [sic] Rothschild, Consul General of his Austrian Majesty at the British Court* was commissioned to mark Nathan's appointment as Austrian consul general. Hobday was paid £1,000

for the work, which was shown at the Royal Academy in 1821 and then hung for a time at Austrian Consulate, before being moved to Gunnersbury. It can now be seen in the main hall of N. M. Rothschild & Sons at New Court.

8 Hannah also found the atmosphere less tolerant when she went there in 1841: "[T]he Place is too orthodox to be an agreeable residence for any other sect beside Protestant. Bibles and other religious Books are placed in the different apartments of the Hotel we are in but the Inhabitants are civil and attentive."

EIGHT *Sudden Revolutions (1830-1833)*

1 The utopian socialist Owen had known the Rothschilds since at least 1818.

2 "Above all fill his purse, O king,

With ample funds for travelling,
And give him a letter of credit to greet
The Rothschild brothers in Rue Lafitte.
"Yes a letter of credit for a million or two
Of golden ducats should seen him through;
And Baron de Rothschild will say of him, then,
"This elephant's surely the best of men!" '

3 As James later noted, "regarding Polignac, I had been forewarned on several occasions as far back as six months before. However, I did not want to believe it. I had a gut feeling."

4 Greville, *Memoirs*, vol. I, p. 279: "Went to Esterhazy's ball; talked to old Rothschild who was there with his wife and a dandy little Jew son. He . . . offered to give me a letter by his brother, who would give me any information I wanted, squeezed my hand, and looked like what he is."

5 Stendhal, *Lucien Leuwen*. Leuwen also has no objection to his son leaving the family firm to pursue a military or political career, something James would never have countenanced.

6 Hannah, Paris, to Nathan, London, Aug. 24, 1830: "You must look at it coolly, dear Rothschild. It will blow over. Salomon and James do not like the fall, you may easily suppose, but they are very cool and not frightened. Our attention is so engrossed with the funds that I can dwell upon nothing else."

7 According to Lionel, Hottinguer said: "Our credit is no more so good, and this last six months we have lost much in the public opinion; we shall not find so many more followers when we wish to make any loans."

8 *The Times*, Aug. 4, 1836: "This contract was more detrimental in proportion to his subscribers than to himself, as the greater part was distributed among them, and it was at the time a matter of severe reproach against him that he did on this occasion leave his friends completely in the lurch. But this was answered by the remark that he had always been in the practice of dealing liberally with his subscribers in sharing his contracts among them, and that the revolution which followed and made this so ruinous an operation was one that could not possibly have been foreseen by him."

9 Frederick William had made a morganatic marriage to Gertrud Falkenstein, the divorced wife of a Prussian lieutenant. In 1831 he elevated her to the rank of Countess von Schaumburg, and later Princess of Hanau. When he was in Frankfurt, the couple and their five children regularly "took their midday meal quite *en famille* with their good business friend."

10 On July 17, 1832, Thomas Raikes recorded in his journal that a Dutch broker had asked "Rothschild yesterday . . . if he would advance money on stock; the old Jew refused him, saying, 'In these times I shall not advance money to any one *by Got*; who knows what may happen? you may be dead tomorrow. ' It so happened that the poor man was seized with the cholera that very evening, and the next morning he was dead."

NINE *The Chains of Peace*

1 The existing links between the House of Saxe-Coburg and the Rothschilds explain why the marriage of "your little Queen" to Albert prompted a message of congratulation from Salomon's son Anselm to his London cousins.

2 Of crucial importance was the French government's unequivocal commitment to the two protocols of January 1831, and its refusal to accept the Belgian offer of the crown to Louis Philippe's son the duc de Nemours, or to support Belgian resistance against the territorial provisions of the protocols. Needless to say, it was good news from a Rothschild standpoint that Leopold of Saxe-Coburg emerged as the successful candidate for the Belgian throne.

3 James opposed the use of the brusque phrases "evacuez immédiatement Bologne" and "evacuez promptement Bologne." "I shall ensure," he told his brothers, "that the offending phrase is omitted." James's hope that the Austrians would refer the matter to an international conference in Rome was fulfilled, but it was not until July that their troops were withdrawn. The fact that Périer did not make withdrawal a *casus belli* was therefore significant.

4 Salomon assured the Prussian government that "he had the honour of his House particularly in view, as he attached the greatest value to demonstrating to the Royal Government of Prussia that the consolidation of its public credit, and the fulfilment of the assurances which his House had given in this matter, were of more importance in his eyes than any considerations of private profit." This proved all too true, despite Nathan's decision to send Anselm to Berlin to secure modifications to the deal. In essence, the £3,809,400 of 5 per cent bonds still outstanding from the 1818 loan were to be exchanged for 4 per cents issued to the same amount at 98 in the course of two and a half years from March 1830 until September 1832. As James realised even before the agreement was concluded, the issue price was certainly too high given the growing political uncertainty in France and the commission of 1.5 per cent too low. Interestingly, however, he seems to have regarded it as preferable that the Rothschilds undertake the risk, the extent of which he quite accurately gauged: "The worst, the very worst is that we stand to lose 15 per cent, God forbid, which amounts to £200,000 which is quite liable to ruin someone [else]."

5 The outstanding £850,000 of 5 per cents were finally redeemed in 1834.

6 The money was earmarked for the construction of fortresses on the Franco-German border; that was evidently not Metternich's purpose in borrowing it.

7 The 5 per cent loan was initially issued at 94. Altogether 11 million francs were earmarked for the payment of compensation to Turkey; the parallel with the Belgian-Dutch separation is striking.

TEN *The World's Bankers*

1 The cartoon is usually dated 1848 or 1849 but the political allusions are to the political events of 1840.

2 The Royal Exchange (not to be confused with the Stock Exchange at Capel Court) was essentially a market for commercial bills and foreign exchange, though in Nathan's time bonds began to be traded there too. On the ground floor, the south-east corner was formally allocated to Jewish traders, behind the Spanish and Portuguese.

3 Among other things, the brothers resolved to withdraw their deposits at New Court and to sell their holdings of the 1818 Prussian loan. They also agreed to ensure that they had between them sufficient liquid funds to make available the 9 million gulden of French reparations deposited with them by the German Confederation, and to circulate monthly balance sheets for this purpose. It is not clear whether the agreement was acted upon or whether it was simply intended as a shot across Nathan's bows.

4 Anselm immediately became entitled to a fifteenth of the profits, though he did not formally acquire a share of the capital until 1828, when a million gulden was invested in his name in the Paris house. His grandmother Gutle's inheritance from Mayer Amschel was invested in the Frankfurt house, but she had no status as a partner and her share was not included in the total capital for accounting purposes.

5 A clause was added, however, which stated that if the profits of the Paris, Frankfurt, Naples and Vienna houses exceeded those of the London house to the point that 22.5 per cent of their total profits exceeded 60 per cent of the London house's, then the division of the profits would revert to the old system of equal shares of the whole.

6 There was a threat to give Warburgs priority in 1848, but this seems not to have been carried out.

7 Another apocryphal anecdote has the roles reversed, with a wily stockbroker bursting into Nathan's house, feigning drunkenness, overhearing sensitive information and rushing back to the exchange to make a killing.

8 In the 1840s the *Railway Times* referred to the "notorious fact that in all loan transactions of the late Mr Rothschild, *The Times* invariably, aye systematically, came in for a share of the pickings." Alsager's career ended disastrously: he left the paper after a large "inconsistency" was discovered in the accounts, and committed suicide shortly afterwards.

ELEVEN "*Il est Mort" (1836)*

1 The marriage was apparently unconsummated, for reasons which can easily be inferred. "It appears," commented James crudely, "that the red King would not permit him to spit roast the bird despite the fact that he had caught it in his net." Lionel was more delicate: "Till now there is not much to relate as you well know that the fright has generally such an effect upon the young ladies that they are

immediately troubled with some thing that pays them very often a visit. I can only say that she is a most beautiful person in every respect." The different language illustrates nicely the difference between the generations; at the same time, the fact that both men saw fit to allude to the subject shows how few secrets there were between members of the family.

2 Powers of attorney had to be sent to allow senior clerks to act in the absence of family members—a rare if not unprecedented circumstance at this time.

3 "I looked about me. Every minute a small door opened and one Bourse agent after another came in, uttering a number in a loud voice; Rothschild going on reading, muttered without raising his eyes: "Yes—no—good—perhaps—enough—" and the number walked out. There were various gentlemen in the room, rank-and-file capitalists, members of the National Assembly, two or three exhausted tourists with youthful moustaches and elderly cheeks, those everlasting figures who drink—wine—at watering-places and are presented at courts, the feeble, lymphatic suckers that drain the sap from the aristocratic families, and shove their way from the gaming table to the Bourse. They were all talking together in undertones. The Jewish autocrat sat calmly at his table, looking through papers and writing something on them, probably millions, or at least hundreds of thousands."

TWELVE *Love and Debt*

1 The house was demolished on Mayer Carl's death in 1886 and the grounds given to the City of Frankfurt.

2 There appears to have been some sort of financial constraint imposed on Anselm by his father, who perhaps wished his son to reserve his energies for the Austrian estates he would one day inherit. When Anselm spotted an attractive property at Emmerich near Frankfurt in 1843, he had to ask James to put up the money and sought to justify it as a speculative investment. Revealingly, Amschel was to act as "paymaster" for the new house at Grüneburg.

3 Despite his confessed "bad opinion" of Jews in general, Thackeray became friendly with Anthony's wife Louisa and Lionel's wife Charlotte after a chance meeting in 1848.

4 In late 1849 Heine sent her a copy of his post-revolutionary poem which contains a passionate denunciation of the powers which had crushed the Hungarian rising. The Rothschilds' support for the Russian-sponsored reaction was well known.

5 James may have attended the second, disastrous performance.

THIRTEEN *Quicksilver and Hickory (1834-1839)*

1 The Rothschilds had lent the Portuguese government £88,688 for four months to pay the interest due on its 3 per cent bonds. As a security, the government handed over "Regency bonds" to the nominal value of £600,000. When the government failed to repay the £88,688, the London house sold these bonds, but the Portuguese government claimed that it had unnecessarily delayed this sale in order to

collect more interest. The final judgement went in favour of the Portuguese government on a technicality.

2 Interestingly, Metternich made it clear that he had no objection to the Rothschilds covertly participating in Spanish business in partnership with other firms. His concern was that the name "Rothschild," if publicly associated with the Regency of Maria Christina, would strengthen its position. The warnings of Broglie to James are not easy to reconcile with his talk on March 8 of a French-backed loan to integrate Spain "dans l'ensemble des finances de l'Europe, lesquelles forment en ce moment une sorte de République, une sorte de fédération, qui sont jusqu'à un certain point solidaires les unes des autres et se soutiennent mutuellement dans une certaine mesure." When asked to define the nature of the French backing, he changed his tune.

3 According to Villiers, Mendizábal hoped for a "stroke of generosity" from "the Leviathan" (meaning Nathan). The diplomatic correspondence shows how little contact there was between the Rothschilds and Palmerston at this time.

4 Lionel to Anthony and Nat, July 22. "Every person here laughs at their want of decision and at their not knowing which cause they ought to take up. Why do they not interfere regularly and send 50,000 men; they would finish the war in three months, or why do not they propose to send some French Generals?" wrote Lionel angrily. "It is disgusting to see two powers like England and France so afraid of the despotic Government"—meaning Metternich. James, Paris, to his nephews, London, Sept. 11; same to same, Dec. 25. Palmerston made a similar point in arguing against a guaranteed loan of the sort urged by Villiers: "Men would say that if money was the chief want of the Queenites a loan might set them on their legs, but that the Rothschilds will not contract to supply military skill and willingness to fight and honesty of purpose, and common sense, and without all these things the loans would only enrich a few more generals.

5 Because the Banque could not directly lend money, the operation had to be done indirectly: Baring drew three-month bills to the value of 48 million francs on a syndicate composed of Hottinguer, Delessert, d'Eichthal and Périer and d'Argout, then discounted the bills; Baring then made the cash available to the Bank.

FOURTEEN *Between Retrenchment and Rearmament (1840)*

1 "On David's throne, once it is restored, there will sit that financial dynasty which all European recognises and to which all Europe submits. . . ."

2 "He talked to me with great apparent earnestness on the subject of restoring the Jews to their own land . . . The country, he said, had ample natural capabilities: all it wanted was labour, and protection for the labourer: the ownership of the soil might be bought from Turkey: money would be forthcoming: the Rothschilds and leading Hebrew capitalists would all help: the Turkish empire was falling into ruin: the Turkish Govt would do anything for money."

3 I am grateful to Professor David Landes for this point.

4 Significantly, the Mayer de Rothschild hospital set up then was wholly controlled by the Rothschilds, and had been established under the supervision of James's son Gustave.

FIFTEEN "*Satan Harnessed": Playing at Railways (1830-1846)*

1 Pseudo-scientific racial definitions of Jewishness were of course primarily devised by anti-Semites in order to get at apostates or the issue of "mixed marriages." Because the Rothschilds remained Jewish in the religious sense, they could be attacked in traditional terms too.

2 The Austrian government's inertia is well illustrated by the failure of a scheme to raze the city walls to ease the development of traffic between the centre and the suburbs.

3 As in England, the first French railways strictly speaking were built to transport coal in mining areas: the Saint-Etienne line built in the early 1830s was the analogue of the Stockton—Darlington line built a decade previously. But the development of the railway network proper—in the sense of a service for both freight and passengers, and reliant on steam locomotives rather than horses—should be dated from the construction of the Paris-Saint-Germain line.

4 The Rive Droite cost 16.8 million francs to build compared with a projected cost of 11 million, though it was significantly cheaper than the Rive Gauche.

5 Although it seems unlikely that this pamphlet was authorised, Anselm later stated that the "vulgar abuse" directed at James had "emanated principally from a despicable person, to whom our Paris House had quite rightly refused a loan."

6 This was essentially a development of his allegations that James had bribed politicians and the press to secure the Nord concession, and a more general attack on the financing of the railways.

7 Naturally, their mother interpreted their survival as "providential." According to one account, however, Evelina and her unborn son died as a result of another railway crash two years later.

SIXTEEN *1848*

1 Figures for length of line constructed and investment show that it was not until 1851 that the trough was reached, four years after the financial crisis: there was, to use an apposite metaphor, a "runaway train" effect.

2 When Nat saw Adolph after the revolution, he found him "quite an altered man, he has become the steadiest fellow ever seen, he neither smokes nor shags nor dances."

3 According to the republican leader Garnier-Pagès, the attack on Suresnes was instigated by a local poultry merchant, Louis Frazier. The crowd pillaged the pheasant pens and the stables, stole horses and "with hatchets, iron bars and clubs they laid waste furniture, mirrors, and pictures." Those convicted were sentenced to between five and twenty years in prison.

4 Both Schleswig and Holstein were formally under Danish suzerainty, the former guaranteed by Britain, Russia and France under a treaty of 1720. However, the Salic law of succession applied in the duchies but not in Denmark, so that the failure of the Danish male line appeared to call the future of the duchies into question. The German claim was primarily an ethnic one. Holstein was already part of the German Confederation; the southern part of Schleswig was linguistically German. The Danes forced the issue by incorporating Schleswig into Denmark on March 21. The Confederation Diet in Frankfurt, encouraged by the nationalist pre-parliament, responded by sending a Prussian army to Schleswig. To the dismay of the nationalists in Frankfurt, on August 26 the Prussians bowed to British and Russian pressure and accepted an armistice which established a joint Danish—Prussian administration in the duchies.

5 The political anxieties of Albert's uncle, King Leopold of the Belgians, were such that he deposited 5 million francs with the Rothschilds as a contingency fund in the event of his losing his throne.

6 James attempted to mollify Cavour by sending his agent Landauer to offer him "as many Rentes *au prix courant* as I wanted." Cavour refused, "but it gave me some idea of the way business is done in most of the European Cabinets."

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Rothschilds, Die (film)
Rothschilds, The: A European Family (museum exhibition)
Rothschilds, The: A Family of Fortune (Cowles)
Rothschilds, The: A Family Portrait (Morton)
Rothschilds, The: The Financial Rulers of Nations (Reeves)
Rothschild: The Wealth and Power of a Dynasty (Wilson)
Rothschild Wins at Waterloo (Müller)
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Société de Commerce de Bruxelles

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Society for the Encouragement and Aid of Jewish Indigents

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Gentile Folly: the Rothschilds

by

ARNOLD LEESE

Author of

"My Irrelevant Defence: Jewish Ritual Murder."

This book is dedicated, with permission, to
H. H. BEAMISH,
the pioneer, who set my feet upon the way.

"If I am killing a rat with a stick and have him in a corner,

I am not indignant if he tries to bite me and squeals and

gibbers with rage. My job is, not to get angry, but to keep

cool, to attend to my footwork and to keep on hitting him

where it will do the most good."—

A. S. Leese, speaking at Reception, 17th Feb., 1937, on his return from prison where he was consigned for writing the truth about Jews.

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CORRECTIONS.

P. 4. Date of Leipzig battle was 1813, not 1812. 1864. Item refers to Seven Weeks' War, *not* Seven Years' War.

P. 8. Leopold Rothschild had three sons, not two sons and a daughter as stated. The son not mentioned was Evelyn A. Rothschild, died 1917.

P. 10. 13th line from bottom: Date of Battle of Leipzig was 1813, not 1812.

P.p. 13 and 14. "Tugenbund" should be "Tugendbund."

P. 17. Line 9. Omit "companies, particularly." Also delete the sentence beginning on line 10 with "Now" and ending "(see p. 25)."

P. 25. Line 1. "First Sea Lord" should be "Prime Minister."

P. 25. In the 3rd para., the references to "Lloyds" refer to Lloyds Bank, not the Insurance organisation.

P. 47. 10th line from bottom: "Censored" should be "Censured."

ADDENDA.

P. 18. In 1848, Lionel Rothschild offered Thomas Carlyle any sum he cared to name if he would write in support of Jewish emancipation; Carlyle indignantly refused. (Froude's *Carlyle's Life in London*).

P. 61. First para. G. W. Smalley in *Anglo-American Memories* states that Lord Randolph Churchill borrowed £5,000 from Lord Rothschild on his South African trip, and invested it in gold mines, making an enormous profit; also that the expert engineer accompanying him was sent by Rothschild.

PREFACE.

THIS little book has been produced with the object of filling a vacancy which the author considers has too long existed.

Works on the Rothschilds are many, but nearly all these are either purposefully inaccurate or, like Count Corti's masterpiece, long and rather dry. This book of mine contains no padding and needs to be read slowly.

I am not concerned with anecdotes about the Rothschilds, nor with registering their "wise-cracks," nor with their "charity." I take no interest in the Rothschilds as men or robots, but only as Jews; this book, which has been condensed so as to be within the reach of any working-man or woman, deals with the principal aspects of *control over the Gentile* by sheer weight of money-power, a control used for purposes *not* Gentile.

Dealing, as it does, with the last 150 years which have been so full of world-shaking events, it has been no easy task to squeeze what I have to say within the compass of a one-shilling publication. To enable those who have either forgotten their history or (let us be honest) never learned it, to follow the narrative more easily, a calendar of some of the principal historical events of the period follows this preface, and I would advise the reader to have within reach, when reading the book, an ordinary school history-book for occasional reference.

On the page following the Calendar, the reader will find a list of the principal works from which quotations, etc., have been taken, together with the letters of the alphabet used as references to them. Thus, for example, the sign (B, Vol. IV. p. 272) refers to that volume and page in the *Jewish Encyclopædia.*

In attempting my task, I know that I am only able to expose a small fraction of the total evil done by certain members of this Jewish family in the past; but, like a geologist who tells the story of the earth by his observations upon outcrops of rock, I tell the story of Rothschild control over the Gentiles from the evidence which has happened to come to light, so that my readers may judge for themselves what still lies underground.

Trusting that this book may enable others to dispense knowledge of the subject, I now drop this spanner into the wobbling, squeaking, overheated machinery of an outworn democracy, hoping for the best. I ask my readers to get busy, for the time is short.

ARNOLD LEESE.

White House,
Pewley Hill,
Guildford. *28th*
February, 1940.

A FEW HISTORICAL LANDMARKS FOR THE READER'S GUIDANCE.

1789. French Revolution.
1793. Louis XVI. beheaded.
1804. Bonaparte made Emperor Napoleon 1st.
1806. Napoleon shattered Prussia at Battle of Jena.
1808-13. Peninsular War.
1812. Napoleon's Retreat from Moscow.

Napoleon defeated at Leipzig and abdicated, being exiled to Elba.

1814-15. Vienna Congress to settle the affairs of Europe.

1815. Napoleon returns, the "hundred days," Battle of Waterloo. Return of Bourbon Kings.

1830. Second French Revolution. Charles X. expelled. Louis Phillippe, Duke of Orleans, became King of France.

1836. Don Carlos claimed Spanish throne; war ended in his defeat.

1848. Third French Revolution, Louis Philippe dethroned; Republic proclaimed. Similar disturbances in other European States.

1851. Louis Napoleon voted President of French Republic.

1852. Louis Napoleon becomes Emperor as Napoleon III.

1854-6. Crimean War.

1860. Italy united by Garibaldi.

1861. Civil War in America between North and South over Slavery. [sic! — JR, ed.]

It continued until 1865.

1864. Outbreak of Seven Years' War between Prussia and Austria.

1870. Franco-Prussian War. Napoleon III. abdicated, and France became a Republic.

1871. Communist insurrection in Paris. On restoration of order, Thiers elected President of French Republic.

1877. Russo-Turkish War.

1878. Treaty of Berlin, settling affairs of Turkey.

1881. Death of Disraeli (Lord Beaconsfield), principal Rothschild agent in England.

Transvaal wins self-government under British suzerainty.

1888. De Beers Diamond monopoly formed.
1895. Jameson Raid.
1899-1902. Boer War ending in defeat of President Kruger.
1901. Death of Queen Victoria.
1910. Death of King Edward VII.
1914-18. Great World War, followed by Versailles Conference.
1915. Sir H. McMahon promises Palestine to the Arabs.

1917. "Liberal" Revolution in Russia quickly followed by Bolshevik revolution.

Lord Balfour promises Palestine to the Jews.

1939. Beginning of the Jewish War of revenge against Hitler.

Works frequently referred to in the Text.

A. *The Rise and the Reign of the House of Rothschild,* by Count Corti, in 2 volumes, 1928. This is a work of independent historical research of great value, completely documented, but naturally a little long and dry for ordinary readers.

B. *Jewish Encyclopædia,* Vols. I to XII. Published between 1903 and 1906, an authoritative reference book by Jews, representing their own interpretation of Jewish and other activities.

C. *The Riddle of the Jews' Success,* by F. Roderick-Stoltheim, translated by C. Pownall. Hammer Verlag publication, 1927.

D. *Letters and Friendships of Sir Cecil Spring Rice,* 2 vols., 1929. Edited by S. Gwynn.

E. *L'Anti-semitisme,* by the Jew Bernard Lazare, 1894.

F. *Occult Theocrasy,* by Lady Queenborough, published posthumously, for private circulation only, 2 vols.

G. *Life and Memoirs of Count Mole,* edited by Marquis of Noailles, 2 vols., 1923.

H. *Essays in Jewish History,* by the Jew L. Wolf, 1934.

J. *The Financiers and the Nation,* by T. Johnston, 1934.

K. *Greville Diary,* edited by P. W. Wilson, 1927. Chas. Greville was Clerk to the Privy Council for many years. The references given are the dates of the entries cited.

L. *The Magnificent Rothschilds,* by the Jew C. Roth, 1939.

M. *Lady Rothschild and her Daughters,* by L. Cohen, 1935.

N. *The Life of Lord Beaconsfield,* by T. P. O'Connor, M.P.

O. *Aus meinem Leben und aus meiner Zeit,* by Duke Ernst II of Saxe-Coburg-Gotha, Berlin, 1883, 2 Vols.

P. *Diary of Lord Bertie,* 1914-18, edited by Lady Algernon G. Lennox, 1924. Lord Bertie was our Paris Ambassador, 1905-18.

Q. *World Hoax,* by E. F. Elmhurst, 1938, U S.A.

R. *Encyclopædia Britannica,* 11th edition.

S. *The Life of Lord George Bentinck,* by the Jew Disraeli. There are many editions of this book, so all references are to Chapters.

T. *History of the Jews in Vienna,* by the Jew M. Grunwald, 1936, Jewish Publication Society of America.

Works frequently referred to in the Text.—Continued.

U. *My Irrelevant Defence; Jewish Ritual Murder,* by A. S. Leese, 1937.

V. *Grey Wolf,* by H. C. Armstrong, a study of Mustafa Kemal.

W. *Reminiscences,* by the Jewess Lady Battersea, 1922. She was a Rothschild.

X. *Letters of Charles Greville and Henry Reeve,* edited by A. H. Johnson, 1924.

Y. *My Autobiography,* by Margot Asquith.

Z. *Merchants of Death,* by H. C. Engelbrecht and F. C. Hanighen, 1934.

Z.1 *The Oil War,* by A. Mohr, 1926.

Z.2 *The Secret War for Oil,* by F. C. Hanighen and A. Zischka, 1935. This book was published by Geo. Routledge & Sons but withdrawn from circulation about one week later.

Z.3 *Fifty Years in Wall Street,* by H. Clews, 1908, Irving Publishing Co., New York. Clews was himself a Wall Street man, genuinely ignorant of the Jew menace.

Z.4 *Dictionary of American Biography,* edited by A. Johnson, 1929. In many volumes.

Z.5 *Money Powers of Europe in the 19th and 20th Century,* by the Jew Paul H. Emden, 1939.

A COMPANION VOLUME TO THIS WORK IS

"My Irrelevant Defence: Jewish Ritual Murder."

By A. S. LEESE.

A ROTHSCHILD STUD-BOOK

1st Generation:—

Mayer Amschel, 1744-1812. He had 5 sons and 5 daughters. [sic, 1744; should be 1743 — JR, ed.]

2nd and 3rd Generations:—

These are the 5 sons of Amschel Mayer and their children.

1. Amschel Mayer, Frankfort, 1773-1885. He had no children.

2. Solomon, Vienna, 1774-1885, had 1 son and 1 daughter. The son was Anselm Solomon, 1803-74.

3. Nathan Mayer, London, 1777-1836, had 4 sons and 3 daughters. The 4 sons were:—

Lionel Nathan, 1808-79.

Anthony, 1810-76, Baronet.

Nathaniel, 1812-70.

Mayer Amschel, 1818-1874.

4. Karl Mayer, Naples, 1788-1855, had 3 sons and 2 daughters. The 3 sons were:—

Mayer Karl, 1820-86.

Wilhelm Karl, 1828-1901.

Adolf, 1823-1900. He had no children.

5. James, Paris, 1792-1868. He had 4 sons and 1 daughter. The 4 sons were:—

Alphonse, 1827-1905.

Solomon, 1835-64.

Gustav, 1829.

Edmond, 1845-1917.

4th Generation:—

Anselm, had 3 sons and 4 daughters. The sons were:—

Ferdinand, 1839-1898. He had no children.

Nathaniel, 1830-1905. Ditto.

Albert Solomon, 1844-1911.

Lionel Nathan, had 3 sons and 2 daughters. The sons were:—

Nathaniel, 1840-1915 (1st “English” Baron).

Alfred, 1842-1918. Had no legitimate children.

Leopold, 1845-1917.

Anthony, Sir, Bart., had 2 daughters.

Nathaniel, had 3 sons and 1 daughter. The sons were:—

Jas. Edward, 1844-84.

Albert, 1846-50.

Arthur, 1851-1903.

Mayer Amschel (son of Nathan Mayer) had a daughter, Hannah.

Mayer Karl, had 7 daughters, no sons.

Wilhelm Karl, had 2 daughters, no sons.

Alphonse, had 1 son and 2 daughters. The son was:—

Edouard Alphonse Jas., b. 1868.

Solomon (son of Jas.), had 1 daughter.

Gustav, had 2 sons and 3 daughters. The sons were:—

Andre, b. 1874.

Robert Philippe, b. 1880.

Edmond, had 2 sons and 1 daughter. The sons were:—

Jas. Edmond, b. 1878.

Maurice Edmond, b. 1881.

A ROTHSCHILD STUD-BOOK—continued.

5th Generation:—

Albert Solomon (son of Anselm), had 3 sons and 1 daughter. The sons were:—

George, b. 1877, died, no children.

Alfons, b. 1878.

Louis, b. 1882.

Eugene, b. 1884.

Nathaniel (son of Lionel Nathan), had 2 sons and 1 daughter. The sons were:—

Lionel Walter, 2nd “English” Baron, 1868-1937. Did not marry.

Nathaniel Chas., 1877-1923.

Leopold, had 2 sons and 1 daughter. The sons were:—

Lionel Nathan, b. 1882.

Anthony Gustav, b. 1887.

Jas. Edward (son of Nathaniel), had a son and a daughter. The son was:—

Henri, b. 1872.

Edouard Alphonse (son of Alphonse), had a son:—

Guy, b. 1909.

6th Generation:—

Alfons (son of Albert), had 1 son and 2 daughters. The son was:—

Albert, b. 1922.

Nathaniel Chas. (son of Nathaniel, and grandson of Lionel Nathan), had a son and 3 daughters. The son was:—

Nathaniel Mayer Victor, 3rd "English" Baron, b. 1913.

Lionel Nathan (son of Leopold), had 2 sons and 2 daughters. The sons were:—

Edmund Leopold, b. 1916.

Leopold David, b. 1927.

Anthony Gustav, had 1 son and 2 daughters. The son was:—

Evelyn Robert, b. 1931.

Henri, had 2 sons and 1 daughter. The sons were:—

Jas. Nathaniel, b. 1896.

Philippe, b. 1902.

7th Generation:—

Nathaniel Mayer Victor Rothschild has a son, Nathaniel Charles Jacob, b. 1936.

NOTE.
Among the earlier Rothschilds (that is, the three generations following the founder of the House, Amschel Mayer), marriage was generally a business affair, and it was a common practice for males to marry other Rothschilds and for superfluous females to marry where more business might be expected as a result. And so we get this staggering fact from the *Jewish Encyclopædia* (B, Vol. X, p. 497): "Of 58 marriages contracted by the descendants of Mayer Amschel Rothschild, to date (1905) no less than 29, or exactly one-half, have been between first cousins."

Betty Rothschild, daughter of Solomon, actually married her uncle, Baron James of Paris, whilst Anselm Rothschild married his niece, the daughter of Nathaniel.

GENTILE FOLLY: THE ROTHSCHILDS

CHAPTER I.

THE FRANKFORT HOUSE.

THE founder of the Rothschild financial power was Mayer Amschel Rothschild (1743-1812), born in the Frankfort ghetto; his father [Moses Amschel Bauer — JR, ed.] was a banker and sent his son to study for the rabbinate, but the latter was more attracted by the handling of money, and took a post in Oppenheim's bank at Hanover. In 1760, he started business for himself at Frankfort when only 17 years of age. It is interesting to note that the house in which he lived, which was divided into two parts, was owned, until Amschel purchased it, by the forebears of Jacob Schiff, the Jew who became head of the New York firm of Jew bankers Kuhn Loeb & Co. In fact, Jacob Schiff's father was broker to the Rothschilds.

At that period, the Landgrave of Hesse-Cassel, Frederick II., was one of the richest men in Europe, having made immense sums by hiring out his subjects as mercenaries to serve in the armies of other nations, particularly Britain. These mercenaries were the "Hessian troops" we heard so much about at school. But as Amschel Rothschild never contacted Frederick II. in business matters, he had nothing to do with the arrangements made for the hiring of the Hessians, drunken and useless as they were, to attempt to subdue the Americans in their revolt known as the War of Independence, 1773-83. It is necessary to emphasise this, as the contrary is often stated in anti-Jewish books. It was the firm of Van der Notten in England that handled the financing of that business. But Frederick's son and heir, William, took an interest in coin-collecting, which Amschel Rothschild cunningly served and so gradually obtained some sort of notice from William. This was the beginning of the association of the Rothschilds with the house of Hesse-Cassel which laid the foundation of the Rothschild Money Power. Worming his way into William's favour by means of supplying him with rare coins for the latter's collection, Amschel began to gain William's interest, although not yet his confidence.

In 1769 when he was only 25 years old, Amschel secured from William the designation of Crown regent to Hesse-Hanau, but this was a mere title without official status, so Amschel found it necessary to cultivate the favour of William's treasurer Buderus to assist him gradually to overcome the suspicion with which William naturally regarded him. Apart from bill-discounting for William who had succeeded his father as Landgrave of Hesse-Cassel in 1795, a business which had to be shared with many others, no big business for William came into Rothschild's hands until 1800. William of Hesse-Cassel was now enormously rich by inheritance.

But Amschel had many other irons in the fire, connected with financing and trading in the war-necessities of the countries engaged in the struggle with Napoleon, and by 1800, he

was, chiefly through such work, the tenth richest Jew in Frankfort. By this time he had worked himself into the Landgrave's favour, and in 1803 (during which year William was promoted to the title and powers of Elector) Rothschild acted as middleman in secret for the loan of the Elector's money to Denmark, and from that time frequently invested large sums for William with handsome commissions and perquisites. Rothschild had a large family to support, of which his five sons were Amschel (whom I shall call Amschel II.), Solomon, Nathan, Karl and James. As is well-known, these five sons ultimately managed branches of the Rothschild business in the principal financial centres of Europe, Amschel II. succeeding his father in Frankfort, Solomon settling in Vienna, Nathan in London, Karl in Naples and James in Paris. At the period with which we are now dealing, the only son to leave the Frankfort ghetto was the most cunning of them all, Nathan, who came to England where he did some very sharp practice connected with monopolising raw material for Manchester's manufactures, and this when he was only 21 years old. After that, in 1804, he set up business in London and we shall follow his fortunes in Chapter II.

In 1806, Napoleon shattered the Prussians at Jena, and Elector William had to seek safety in flight, leaving his business affairs and treasures to his trusted agents: there is a romantic tale, which must now be "de-bunked," that before leaving he entrusted everything to Amschel Rothschild; a Jew artist of Frankfort, Moritz Oppenheim, has endeavoured to perpetuate the romance by painting a picture showing the Elector patting Amschel on the shoulder whilst lackeys carry boxes of specie into the latter's house. Actually, the Rothschilds were only entrusted with four boxes of securities and papers, the bulk of the Elector's treasure being distributed for hiding elsewhere (A, Vol. I., p. 66). Buderus, the Elector's treasurer, was still unable to imbue his master with much faith in Rothschild, although eventually the latter was able to give full satisfaction to his exalted client when William returned to Hesse-Cassel in 1812 after Napoleon's defeat at Leipzig. Rothschild's success in farming the Elector's credit under the accommodating eye of Buderus was due to the fact that he was favouring both sides, for he had also wormed his way into the high favour of Napoleon's representative, Carl von Dalberg, who had been made Prince-Primate of the Confederation of the Rhine and later Grand Duke of Frankfort. "There would appear to have been financial reasons for this relationship, and it no doubt originated in loans granted by Rothschild" (A, Vol. I., p. 69). For example, one such loan was made to Dalberg by Amschel in 1811 to enable him to travel to Paris on the occasion of the baptism of the son of Napoleon and Marie Louise. No wonder, then, that the *Jewish Encyclopædia* (B, Vol. IV., p. 413) records that Dalberg favoured the complete emancipation of the Jews and actually obtained it for them in return for a cash consideration of 440,000 florins!

Rothschild did not rely merely upon the favour of one of Napoleon's men; he was also very friendly with Dalberg's Police Commissioner, a Jew called von Itzstein.

In 1810, Rothschild was powerful enough to make a huge loan of his own money to Denmark.

In 1812, Amschel Rothschild died. It is to be noted that only two of his five sons at this time were settled abroad, namely, Nathan in England, and James who had gone in 1811 to Paris where we shall meet him again in Chapter III. Amschel II. took over his father's office at Frankfort. He sent his brother Solomon to open offices in Vienna in 1816, and his brother Karl to Naples in 1821. He negotiated immense loans to Austria, Prussia and to France (under Louis XVIII.) and secured for himself and all his brothers titles of Austrian nobility, a development culminating in 1822 in them all becoming Barons of the Austrian Empire. The only brother who did not assume the title was Nathan in England.

It was late in Amschel II.'s life when he became acquainted with Bismarck. In 1851 Amschel II. persistently curried Bismarck's favour when the latter came to Frankfort as Prussia's representative. At first these servile overtures were regarded by Bismarck with some amusement, but nevertheless we find him in the same year accepting the use of a residence from Rothschild (A, Vol. II., p. 317) and in 1853 the Rothschilds became Court Bankers to Prussia. From about 1852, the Rothschilds were high in Bismarck's favour.

This registers the usual change of view by Gentile politicians coming under the pernicious influence of Jewish favours and money power. In 1847 Bismarck had declared he was not in favour of allowing Jews to occupy official positions in a Christian State, the function of which was the realisation of Christian teaching. Yet in 1869 it was under his Chancellorship that Jews were completely emancipated. How much this was due to the Rothschilds and how much to other Jews' influence, can only be guessed. Bismarck's most familiar Jew was Baron Gerson von Bleichroder who founded a banking syndicate with the Rothschilds after 1866 and represented that firm in Berlin and Prussia generally.

Amschel II. died in 1855, and the Rothschild firm in Frankfort was taken over by Mayer Karl Rothschild, his nephew, son of Karl of Naples, assisted by his brother William. The latter took over on Mayer Carl's death in 1886 but under him the firm did not prosper and closed in 1901 on William's decease, the Disconto Gesellschaft taking over the local connection.

In the years between, Bleichroder in Berlin and Alphonse Rothschild (James's son) in Paris were the secret purveyors of news to Bismarck and Napoleon III., being in constant communication. They were thus able to tell Bismarck what they thought he ought to know about Napoleon III., and Napoleon what they thought he ought to know about Bismarck. During the Franco-Prussian War it was in Alphonse Rothschild's castle at Ferrieres that Bismarck made his headquarters when besieging Paris. The same two Jews, Bleichroder for Prussia and Alphonse Rothschild for France, made the arrangements for the satisfactory payment of the indemnity by the vanquished, which reminds one of the similar situation at Versailles after the Great War when the Jewish bankers Warburg had a member of the family as financial adviser on each side, one for America, one for Germany.

A curious occurence took place at a protest meeting against Hitler's treatment of the Jews, at the Pavilion Theatre, Whitechapel Road, on 10th December, 1934. An excited Jew speaker, M. Soman, claimed Bismarck as a Jew.

That Bismarck might have had some Jewish blood is not such an absurd proposition after all. Frightened Jews sometimes blurt out the unaccustomed truth. Bismarck's mother was born a Mencken, a common Jewish name, whilst there is some doubt as to Bismarck's actual paternity, one author, not remarkable for his general accuracy, believing that Marshal Soult was his real father, Soult being identified as a Jew by Disraeli in *Coningsby*. Certainly, Bismarck's son Herbert had none of the healthy Aryan's repugnance to Jews as he actually proposed to the half-Jewish daughter of Duke Ludwig of Bavaria (*My Past*, by Countess Larisch, Chapter II.)

C. Spring Rice in a letter written when he was Second Secretary to our Embassy at Berlin in 1897 said that Rothschild's agent was admitted into the German Foreign Office before the Ambassadors of the Powers (D, letter dated 7th November, 1897). The press, he also said, was almost entirely in Jewish hands.

In 1878, the Jew banker Max von Goldschmidt of Frankfort married William Rothschild's daughter and changed his name to Goldschmidt-Rothschild.

* * * * * *

During the period of Europe's history in which the first Amschel Rothschild was established at Frankfort, the French Revolution stands out as by far the most important political event; it is now established that it came about under the influence of Freemasonry and the subversive society behind Masonry, known as the Illuminati. Seeing that the Jews obtained emancipation in France only two years after the Revolution, and that the new social order imposed by the Revolution summed up in the catch-cry "Liberty, Equality, Fraternity" was based upon false destructive principles typically Jewish, it is necessary to see what relationship the Rothschilds of the period may have had with regard to the outbreak.

Illuminism penetrated into all the Lodges of Grand Orient Freemasonry in France, being backed by organised cabbalistic Jews. (E.) According to F, Vol. I., p. 184, the Jewish financiers behind the 1789 Revolution were as follows (their dates, places of abode and some other details have been added):—

> Daniel Itzig, 1722-1799, Berlin, Court Jew to Frederick William II.
> David Friedlander, 1750-1834, Berlin, his son-in-law.
> Herz Cerfbeer, 1730-1793, Alsace.
> Benjamin Goldsmid, 1755-1808, London, William Pitt's (the younger) financier.
> Abraham Goldsmid, 1756-1810, London, his brother.
> Moses Mocatta, 1768-1857, London, partner of a brother of the two Goldsmids, and uncle of Sir Moses Montefiore.

Lady Queenborough's list also includes V. H. Ephraim, Court Jew to Frederick William I., and to Frederick the Great; but his work was preparatory to the Revolution, and he died 14 years before it came about.

There is absolutely no evidence that I have found to connect the first Amschel Rothschild directly with the 1789 Revolution. He most emphatically was *not* the *alter ego* of Frederick, Landgrave of Hesse-Cassel, as has been stated by a certain author, and never had anything to do with that potentate, at whose palace in Wilhelmsbad the notorious Masonic Congress was held in which Illuminism definitely allied itself to Freemasonry, the Landgrave himself being Grand Master of Bavarian Masonry. This was in 1782, and the headquarters of Illuminised Masonry was set up in Frankfort in the same year. But at that time, Amschel Rothschild had no considerable influence even with Frederick's son, and none at all with the Landgrave himself.

There was, however, an organisation formed at Berlin called the League of Virtue or *Tugenbund*, which was, in the words of the Special Commissioner of Police at Mayence "so identified with the Illuminati that no line of demarcation was seen between them" (1814, Archives Nationales F 7/6563). The headquarters of the Tugenbund were at the house of a Jewish member of the Illuminati, Herz, friend and pupil of Moses Mendelssohn, the Jewish "intellectual" revolutionary; Herz's wife, Henrietta, usually presided at the gatherings. Among its adherents were two of Mendelssohn's daughters, who had two brothers married to members of the family of the Jew Daniel Itzig; Mirabeau, who according to Graetz's *History of the Jews*, Vol. V., was more often in Mrs. Herz's company than her husband, and who introduced Illuminism into France and initiated the Duke of Orleans and Talleyrand into the order (F, Vol. I., p. 374); Fanny von Arnstein, daughter of Daniel Itzig, who ran a similar salon in Vienna; William von Humboldt, who later became Prussian Ambassador in London, and his brother, the explorer Alexander von Humboldt who learned Hebrew from Mrs. Herz. But the most prominent member of the Tugenbund was Frederick von Gentz, a crypto-Jew "intellectual" quite unburdened by any morals, who later became secretary to Prince Metternich, Chancellor of Austria.

We have it on the authority of the *Jewish Chronicle,* 1st Sept., 1922, that Mrs. Herz herself said that the Tugenbund Jews were ardent supporters of the French Revolution.

Now, although Amschel the first cannot be incriminated as supporting the Illuminati, it is a striking fact that members of his family had the closest relations with some of the above mentioned members of the Tugenbund.

It was von Gentz to whom the Rothschilds owed their later position with Prince Metternich of Austria (A, Vol. II., p. 619), although the first meeting between one of Amschel's sons and von Gentz did not take place until 1818. It is noteworthy that William von Humboldt's estates were managed by Amschel Rothschild II. in 1830, whilst as early as 1818 Alexander von Humboldt was, with his brother, in intimate social relationship with Nathan Rothschild in London (A, Vol. I., p. 215). It is simply impossible to believe that the five Rothschild sons were not secretly supporting the Revolutionary cause in France through the first half of the nineteenth century.

Fortunately, however, we have a decisive piece of evidence which puts the matter beyond dispute. It will be noted that Solomon Rothschild was not sent permanently to Vienna

until 1816, when he was 42 years of age. Before that, he was assisting his father at Frankfort. Here, at a date not known but previous to 1814 and probably in his father's lifetime, although that is uncertain, he became a member of a Grand Orient Lodge of Freemasons called *L'Aurore Naissante*; this is shown in a report of the Director of Police at Graetz. (Reference *Les Dessous du Congres de Vienna*, by Commandant M. H. Weil, published by Libraire Payot in 1917, which, in turn obtained its data from original documents of the Ministry of Interior, Vienna, the reference being p.p. 419 and 420, Vienna, 6th Nov., 1814, F, 34468 and 3565). This Lodge was later taken over by the United Grand Lodge of England, a curious fact, but one which does not concern us here, since the transfer did not take place until 1817 (*History of Freemasonry*, by R. F. Gould, Vol. III., p.p. 236/7).

It is also to be noted that the Montefiore family, which is so closely intermarried with the Rothschilds, is also connected by marriage with the Goldsmids whose forebears Benjamin and Abraham are mentioned above as Jew financiers of the French Revolution, and that the sister of another of these, Moses Mocatta, was mother of Sir Moses Montefiore who became jackal to the London Rothschild House.

In 1807, another Tugenbund was formed, apparently with the genuine political object of uniting Germany against Napoleon; Amschel Rothschild had very close relations with it and "the Rothschilds appear to have become members" (A, Vol. I., p. 81). William of Hesse-Cassel was an important member and the Rothschilds acted as go-betweens for his correspondence concerning it and made payments in favour of the Tugenbund.

CHAPTER II.

THE LONDON HOUSE.

WE left Nathan Mayer Rothschild in London, after his business adventures in Manchester. He started the London office in 1804, and was naturalised as an Englishman in two years! Working in conjunction with his father at Frankfort, he was able to handle huge sums on the Elector of Hesse-Cassel's account, moneys which he was commissioned to invest in British funds. The Peninsular War offered him unrivalled opportunities of profit. One of his earlier transactions was to purchase gold from the East India Company; this he was able to do by the use of the Elector's money at his disposal; then he sold the gold to the Government at a large profit and undertook the transmission of it to the battlefields in Spain. He had had previous experience of this sort of thing, because he had for some time been buying Wellington's paper cheaply, cashing it at the Treasury and sending the cash to Spain through France, the enemy's territory! All this was made possible by the fact that his brothers James, Karl and Solomon were at that time free to work in France; these brothers smuggled the cash through as far as Paris, where it was paid into banks, which provided the Rothschilds with bills on Spanish and other banks, which bills were in turn smuggled through to Wellington in Spain. We shall see, when we come to consider the activities of James Rothschild at Paris how all this

could be done right under the nose of Napoleon. France was being made the vehicle through which Wellington was financing his campaign against Napoleon!

Both before and after Waterloo, England made heavy loans to her allies on the Continent, and Nathan soon got the lion's share in this work owing to his family's business connections.

Somewhere about 1806, Napoleon began to become Jew-wise. Previous to that date, the Jews had used him as a convenient and efficient tool for strengthening the revolutionary forces. It was in 1806 that he called together an assembly of representative Jews and offered them protection if they would abandon their scandalous commercial practices, particularly usury; it is obvious that Napoleon was seeking the best solution for everyone concerned in France; he was a firm believer in the literal truth of Genesis (G, p. 139), but "I cannot regard as Frenchmen," he said, "these Jews who suck the blood of true Frenchmen." In a letter to his brother Jerome, dated 6th March, 1808, he wrote—"I do not want any more of them (Jews) in my kingdom. Indeed I have done everything to prove my scorn of the most vile nation in the world."

Napoleon had realised also the true nature of money, and knew that the real credit of France was derived from the work of French people and not from stores of bullion owned by Jews.

From this time therefore, the full force of Jewry and of its ally Masonry was brought to bear on him to secure his defeat. There is good reason to suppose that the Jews' share in bringing about Napoleon's downfall amounted to much more than mere money-lending to his enemies. Disraeli in his novel *Coningsby* revealed that Marshal Soult was a Jew, and he is not likely to have made a mistake over such a matter, although the *Jewish Encyclopædia* denies the truth of the statement. Anyhow, Napoleon complained bitterly of the way Soult failed him at the Battle of Waterloo.

Nathan Rothschild made a tremendous profit by getting early news of the defeat of Napoleon at Waterloo, and buying up depressed stocks in an anxious England before the man-in-the-street was aware of Wellington's and Blucher's success. He shared his knowledge with the Government, no doubt, because to have done otherwise would obviously have deprived him of the Government's confidence and prevented future business dealings.

A romantic story has been published over and over again to the effect that Nathan himself was at Waterloo watching the battle, and that when the result was apparent, he galloped to the coast on swift horses, crossed the stormy sea at great danger to his life, and did some more galloping to London so as to get in first with the news to profit on it. This, of course, is rubbish; it takes a man in hard condition to do that galloping act, which would be impossible for a Jew of Nathan's wretched type; whilst the idea of a Rothschild of that generation risking himself in a stormy sea is too absurd for credence. Actually the prosaic fact is that Rothschild had an agent at Dunkirk, who, probably by means of cash advanced for the purpose, secured the first newspaper account in the Brussels *Gazette* hot

from the press, risked the passage over a rough sea, and reported to Nathan who never left London.

The Rothschilds were not by any means universally trusted, but when they failed to obtain the handling of a loan, they resorted to the operation known as "bearing." They would employ every means of propaganda to attack and depress the stocks of governments which had employed other agents for raising the loans. After a few experiences of this sort, many governments who did not wish to employ the Rothschilds had to surrender and give them a share in the work for fear of the possible consequences if they did not do so.

"Prohibit 'bear' sales" says honest Chas. W. Smith in his *Economic Ruin of the World* "and all power is taken out of the hands of cunning unscrupulous intriguers and market manipulators . . . . Do away with 'fictitious' dealings, and no ten Rothschilds, Rockefellers or Pierpont Morgans combined could corner or smash any of the world's leading commodities or shares."

For the purpose of giving and receiving early news Nathan Rothschild established his own courier service, whilst he made full use of bribery of officials to obtain confidential information. He also had a carrier-pigeon service. Sometimes if it paid him to do so, he would share this early information, and it was Talleyrand who wrote that the English Cabinet always obtained information from Rothschild ten or twelve hours before the arrival of the official despatches (H, p. 273).

"Nathan issued the public loans of his period, always unloading them of course on the public at a higher price than he paid for them to the British Treasury. When he had sold the stock, he was not content, but must needs juggle with the market, depressing it with false rumours, then purchasing back the stock; and then again disseminating good news and elevating the market, he would sell the stock once more and reap another profit." (J, p. 12).

From 1824 to 1829 the Rothschilds loaned huge sums to Brazil; "Brazil, since 1825 might have been described as a Rothschild State." (J, p. 9).

In 1824, Nathan founded the Alliance Assurance Company in opposition to the Gentile companies, particularly Lloyd's. Sir Moses Montefiore was his Jew partner in the venture. Now, after 100 years we find both the companies, Alliance and Lloyd's, united in one racket. (See p. 25).

In 1830, a proposal was made by the Government to the East India Company for the reduction of its dividends; the Rothschilds, who had £40,000 of East India stock, sold it all out. Undoubtedly it was Rt. Hon. J. C. Herries, then in the Cabinet as Master of the Mint and President of the Board of Trade, who gave the Rothschilds notice of the intended change. (K, letter 9th Jan., 1830). Herries had always been hand-in-glove with Nathan ever since he had been comptroller of accounts in the Napoleonic Wars. (It is

significant that Herries' son was made Chairman of the Board of Revenue by Disraeli in 1877).

Nathan's last big operation was that of raising a loan of 20 million pounds to compensate slave-owners in 1833 for the loss of their slaves.

Nathan died in 1836; in his will, he left his three daughters £100,000 a-piece provided they only married with their mother's and brothers' consent; otherwise, they got nothing. Marriage with the Rothschilds was just a matter of business. He bequeathed nothing to charity or to servants and dependants.

He had four sons, and of these it was Lionel who took the leadership of the business.

* * * * * *

Lionel had the easy job of using the money power that his father had left in his hands as a political weapon. It was the Jews' interest and object to make Britain strong and keep her strong and able to do their work for them. "While he lived, the centre of the finance of the world may be said to have been his office in New Court" (B, Vol. X., p. 501). The British Government used the Rothschilds now as their unofficial envoys for confidential communications. Such is the power of Money that for twenty years Tsarist Russia, which the Jews always regarded as their worst enemy, employed Lionel Rothschild as its agent, although in 1861 Lionel refused to help to raise a loan for her. Lionel "actively co-operated with the Vienna Branch of his firm in directing the finances of the Austrian Empire" (B, Vol. X., p. 501). He was friend and counsellor of the Prince Consort.

The London house of Rothschild, under his management was particularly flourishing because it escaped the upheavals of the 1848 revolutions on the Continent.

Lionel Rothschild's principal tool was the perpetually hard-up Disraeli who, throughout his official career, worked unceasingly to obey his orders. Disraeli was an early crony of Lionel and an intimate friend of the Rothschild family and the Montefiores. On the marriage of Lionel's son, Leopold, Disraeli wrote to the latter (with Jewish delicacy) "I have always been of opinion that there cannot be too many Rothschilds" (L, p. 168). In 1845, Mrs. Disraeli desired to will all her property to Lionel Rothschild's daughter, Evelina. (M, p. 48).

In his novel *Coningsby*, Disraeli endeavoured to depict a world-powerful Jew whom he palled Sidonia; this was a kind of composite portrait of Lionel Rothschild, Karl his uncle, and an imaginary individual whom one identifies without much difficulty with "Disraeli as Disraeli would like to have been." This "Sidonia" was a Sephardic Jew, heir to a loan-mongering world-wide business with family representatives in every capital, immensely rich, travelled, cultured to the last degree, and devoid of the ordinary humanities, esteeming intellect only, and managing the affairs of nations through his Money Power; and (which is the most revealing aspect of the author) "Sidonia" is firmly of opinion that Jews are a people superior to all others.

Disraeli was the principal agent through whom Lionel Rothschild, by granting financial and other favours to numerous traitors, at last and after many failures, secured "emancipation" for the Jews, with the right to sit in the House of Commons after taking a Jewish, not a Christian, oath. Lionel was first elected in 1847 as Member for the City of London, but as the House of Lords refused for years to pass Bills for Jewish Emancipation which had already got through the lower House, he was unable to take his seat. His constituency, however, returned him five times running. It was only in 1858 that he was enabled by law to take his oath in the Jewish form with his head covered. In 1850, he had actually the effrontery to try and bluff the House by substituting the words "So help me, God" for "on the true faith of a Christian," but was told to withdraw by the Speaker. The House of Commons has since been infested by the following members of the Rothschild family:—

Mayer Amschel, son of Nathan, for Hythe 1860-74.
Nathaniel, for Aylesbury, 1865-85.
Ferdinand, for Aylesbury, 1885-98.
Lionel Walter, for Aylesbury, 1899-1910.
Lionel Nathan, for Aylesbury, 1910-23.
James Edmond, for Isle of Ely, from 1929.

Lionel's brother Anthony Rothschild was the third professing Jew to be made a Baronet in 1846, and the first Rothschild to obtain a title in this country.

In his letters to his sister, Disraeli wrote how Lionel gave him advice and financial assistance; in questions affecting the emancipation of the Jews Lionel and Disraeli "were so much of the same opinion that the Conservative Minister almost always voted against his own party." (A, Vol. II., p. 445).

Disraeli and Lionel worked together against Russia. Disraeli was very friendly with Napoleon III., who mistrusted the Rothschild family. Over a trivial dispute in Palestine, Disraeli managed to persuade Napoleon to join with Britain in the Crimean War against Russia. Lionel Rothschild raised sixteen million pounds for the purpose of carrying out this war.

Doubtless, like other wars, it had been deliberately provoked, for the preceding year had seen an attempt upon Disraeli's part to form an alliance between Britain and France. (N, Chap. XIV.) Russia was always the Jews' most hated enemy, being the only country in Europe which steadfastly defended its interests against Jewish penetration by refusing to recognise Jews as Russians and compelling them to live and remain in particular localities known as the Pale of Settlement. It was always therefore the Jews' policy to impress upon Britain that Russia must never get an outlet into the Mediterranean and also that she was a constant danger to India. The probability is that if Russia had been able to take over Turkey, she would have gradually come under the influence of Western Civilisation by constant contact instead of following, as she eventually did, an Eastern Bolshevism. This contact the Jews have prevented. The Crimean War was a very definite step in the direction of isolating Russia from the rest of Europe.

Rothschild told Duke Ernst II. of Saxe-Coburg-Gotha that he would put any amount of money at his disposal for war with Russia. (O, Vol. II., page 143).

The Rothschilds underwrote great loans for France and Turkey, our allies. But they made huge profits in other ways out of this war. During the period following the fall of Sebastopol in September, 1855, and before the Armistice was arranged in February, 1856, rumours were set afloat that there would be no peace. This caused a panic on the Stock Exchange and a rush of sellers to "get out." The truth, i.e., that peace would follow, came from Sir G. H. Seymour, our Vienna diplomat, soon afterwards, and the funds rose five points in two days. "The Rothschilds and all the French, who were in the secret with Walewski, must have made untold sums." (K, 18th January, 1856). Walewski was the illegitimate son of Napoleon I.

No doubt it was the knowledge that through Disraeli he could exercise so much control over Napoleon III., that made Lionel display dismay (M, p. 144) over the surrender of the French Emperor to Prussia in 1870. Since the Crimean War and the American Civil War, the London Rothschilds were comparatively stagnant between 1865 and 1870 (L, p. 67), other firms getting a better "look-in."

In 1868, owing to the unsatisfactory results which often accompanied the lending of money abroad, a Council of Foreign Bondholders was formed with the object of influencing the Government to mould its policies so as to protect the creditors' interests. It was originally intended to make Lionel Rothschild the Chairman, but it happened that two of the foreign debtors who were behaving unsatisfactorily at the time were States for which the Rothschilds themselves had issued the loans (Z.5, p. 316)! So the appointment went elsewhere, although of course Rothschilds have always remained the most powerful influence behind the Council's actions.

One of the pet stories retailed by Jews to demonstrate how much England really owes to them is the one about the purchase of the Suez Canal shares. In 1875, the Khedive of Egypt, forced by financial stringency, was anxious to sell his interest in the Canal. Mr. F. Greenwood, Editor of the *Pall Mall Gazette*, received private advices that the shares might be acquired by England, and, patriotically refusing to make a journalistic "scoop" out of the information, hastened to Lord Derby with the news. Lord Derby consulted with the Jewish Prime Minister, Disraeli, and the latter bought the shares with money borrowed from his Rothschild masters. Parliament was not sitting at the time, and the amount loaned by the Rothschilds was four millions. It was, of course, a Jewish interest that Britain should get control over the Canal. The more power Britain exercised, the greater the strength of the Jews who really ruled her. Disraeli had written to Queen Victoria saying "We have scarcely time to breathe, we must carry the matter through;" but he need never have gone to the Rothschilds at all. A letter in *The Times*, 20th March, 1930, tears the veil from the figure of the Jewish Patriot and discloses the unpleasant anatomy of this impossible conception. It was from Hon. G. M. Kinnaird, and said:— "When Disraeli announced to the House his purchase of the Suez Canal shares, my father, Hon. Arthur Kinnaird, M.P. for Perth, was seated next to the Governor of the Bank of England. On hearing Disraeli's statement that he had gone to the only people

who could have advanced the money, the Governor of the Bank of England whispered to my father 'What a lie! I could have given it to him in a minute.'" Thus, we know that the assistance of the Rothschilds was not needed. But we take it that the Jewish estimate that they made a clear £80,000 over the deal (L, p. 77), does not err in over-estimation of the profits. The Governor of the Bank at the time was H. H. Gibbs, later 1st Lord Aldenham.

Shortly afterwards, J. C. Biggar, M.P., asked in the House whether Nathaniel Rothschild, Lionel's son, at that time M.P. for Aylesbury, had not rendered himself liable to £500 fine for every time he had voted subsequent to the Suez Canal transaction, under the Act 22 George III., which prohibited M.P.'s from holding any office of profit under the Crown. To this, Nathaniel Rothschild answered with Jewish effrontery that the Act did not apply to him as he was not a *partner* in his father's firm; this quibble was allowed to pass muster.

When Disraeli returned to England after signing the Treaty of Berlin which, among other things, arrested Russia's approach to the Mediterranean and put Jews on an equality with other people in the Balkan countries, one of the first to greet him on the decorated railway-platform was Sir Moses Montefiore, the old Jew jackal of the Rothschild connection.

During Lionel's lifetime it is estimated that he raised loans to the amount of sixteen hundred millions for the British Government.

He died in 1879, leaving three sons, Nathaniel, Alfred and Leopold, and two daughters who, according to the frequent custom of the family, married back into it. The sons were tutored by the Jew revolutionary Dr. M. M. Kalisch who had taken refuge in this country after participating in the 1848 convulsions on the Continent. This man also tutored the daughters of Lionel's brother, Sir Anthony Rothschild. (B, Vol. VII., p. 420).

* * * * * *

The three sons of course all inherited the title of Baron of Austria. But Nathaniel Rothschild was the first to become a Peer of England; this happened under Gladstone in 1885, the succession being as follows:—

Nathaniel, 1st Baron, 1885.
Lionel Walter, his son, 2nd Baron, 1915.
Nathaniel Mayer Victor, the latter's nephew, 3rd Baron, 1937.

These will be the only members of the family that I shall refer to as Barons for the purpose of this book.

All Lionel's sons lived lives of great material magnificence, and their country seats were the meeting-places of the corrupt politicians and other schemers which democracy cast up to the surface. There was something to be got for nothing at the Rothschilds; or so it seemed at first; but it is plain that favours cannot be accepted frequently from the rich

without return of any kind! The reader will glean more about this in subsequent chapters dealing with the relations of the Rothschilds to certain important personages.

Nathaniel became the head of the firm in London, and maintained its intimacy with Disraeli; this, in spite of the fact that he represented himself to be a Gladstonian Liberal in Parliament, later becoming a Liberal Unionist. He took up a strong line against Russia, refusing to raise loans for her unless a promise was made that her protective ghetto laws should be abandoned. Nathaniel was the Rothschild who financed Rhodes in South Africa, a subject which is dealt with under the heading "Diamonds and Gold" (p. 61).

He also assisted the Vickers armament firm with new capital at the time of its extension. (Z.5, p. 334).

Nathaniel's brother, Alfred Rothschild, also bestowed favours on Disraeli, placing a suite of rooms at his disposal at Seamore Place, 1880 (L, p. 141). He became Austrian Consul-General in London and held this appointment at the outbreak of the Great War; and as, at that time (1914), the Secretary of the German Embassy in London was Albert Goldschmidt-Rothschild, grandson of William Rothschild of Frankfort, the family were in a good strategical political position.

From 1868 to 1889, Alfred was a Director of the Bank of England; he resigned because he had been discovered in a breach of faith, searching out and publishing the amount of profits made by a dealer who had sold him a French painting, these records being obtained from the Bank of England's books, the dealer being one of its depositors (L, p. 147).

From 1892 onwards, Alfred's house was the usual meeting-place of German Ambassadors seeking heart-to-heart talks with British politicians, and the *Jewish Chronicle* (14th Sept., 1934), wrote: "It was under his roof that Joseph Chamberlain met the German Ambassador to discuss matters of common interest. Subsequently, Sir Ernest Cassel on the one side, and Albert Ballin on the other, carried on the negotiations so far as to render possible the Haldane official visit to Berlin." Cassel and Ballin were of course both Jews, the former being the late King Edward VII.'s bosom friend, and the latter the Kaiser's adviser. The reader will find more about Haldane's intercourse with the Rothschilds on p. 50. He was Secretary for War at the time mentioned by the *Jewish Chronicle*. "At one period," says the Jew Roth, writing of Alfred Rothschild, "he used to go to 10, Downing Street every morning to see Asquith, another close friend, who set great store on his advice." (L, p. 159). Asquith was Prime Minister at Downing Street from 1908-15. In the war, Alfred paid daily visits also to Lord Kitchener at the War Office. (P, Vol. I., p. 134).

So well informed was Albert Rothschild, that when in the Russo-Japanese War the Japanese won their naval victory at Tsushima, Albert heard of it before the Japanese Embassy in London did. (*Daily Telegraph*, 31st May, 1934).

Alfred Rothschild never married, but he left the bulk of his immense fortune to Almina, Countess of Carnarvon, who is stated in *Burke's Peerage* to be the daughter of Mr. F. C. Wombwell. She is the mother of the present (6th) Earl of Carnarvon, and also of the wife of Sir B. C. Beauchamp, Bart., Lady Beauchamp's first names being Evelyn Leonora, the names of Alfred Rothschild's sisters.

Lionel Rothschild's third son, Leopold, interested himself in horse-racing and in Jewish communal affairs and his career calls for no special remark here.

In 1911, a hideous Ritual Murder was perpetrated by the Jews at Kiev, and the Rothschild legions were at once rushed up to the front to try and prevent punishment of the culprit. A "British Protest" was despatched to the Russian Government against "the revival" of the Ritual Murder charge; this was signed by the usual run of Archbishops and Bishops, together with Dukes and Earls including, of course, Lord Rosebery (who had married a Rothschild), and the inevitable Mr. A. J. Balfour; these people saw nothing improper in interfering with the course of justice before the accused Jew's trial was finished. But Baron Nathaniel Rothschild thought of a typical Jewish plan; he wrote to Cardinal Merry del Val, asking him to state authoritatively whether the Bull of Pope Innocent IV., dated 1247, was authentic, Lord Rothschild declaring that the Bull pronounced Jewish Ritual Murder to be "an unfounded and perfidious invention." When the Cardinal replied that the Bull was authentic, Rothschild tried to make out that Innocent IV. had denied the existence of such a thing as Jewish Ritual Murder. But, as shown in my book *My Irrelevant Defence*, p. 44, the Bull does not contain any such statement as was imputed to it by Rothschild. Nevertheless, the Cardinal's reply has been exploited ever since by the Jews as confirming Rothschild's interpretation of the contents of the Bull, whereas all the Cardinal did was to acknowledge the authenticity of the Bull itself. Could anything be more typical of Jewish methods?

With the object of looking after Jewish interests in the British Empire, an "Anglo-Jewish Association" was formed in 1871, and Rothschilds, Sassoons, Montefiores and Goldsmids have always been the most prominent members. It works hand-in-glove with the Alliance Israelite Universelle (see p. 27) and has almost daily correspondence with the Central Committee of that organisation (B, Vol. I., p. 414).

The all-Jewish Masonic B'nai B'rith held the inaugural meeting of its first London Lodge at the house of Claude Montefiore, he being at that time (1909) President of the Anglo-Jewish Association. The first Council of the new B'nai B'rith Lodge had a Montefiore on its strength, and we may judge from this that B'nai B'rith will never deviate far from Rothschild policy in its secret interference with international politics.

The Presidency of the United Synagogue has been in Rothschild hands since Lionel Nathan Rothschild set the fashion, followed by Nathaniel, Leopold, Lionel Walter, and Lionel Nathan. During all this period, the Leader of the Jewish community in this country may be said to have been a Rothschild. The qualification for this leadership is obviously the ownership of great wealth. The Jews have now succeeded in mesmerising the Gentile community into accepting similar ideas concerning leadership.

Several incidents reveal the commanding position of the Rothschilds in the Great War 1914-18. In 1915, when Haig was made Commander-in-Chief "the first definite information that reached him with regard to his promotion, came, curiously enough, from his old friend Mr. Leopold de Rothschild, who was a regular correspondent. On Dec. 7th he wrote from London that 'all had been satisfactorily arranged'" (*Haig*, by Duff Cooper, 1935, p. 278). The mere Prime Minister, Asquith, informed Haig officially of his promotion in a letter marked "secret," dated the following day (8th Dec.) in which he ended thus:—"For the moment, all these changes ought to be kept private." This also is extracted from Duff Cooper's book.

Ever since this appointment, Haig acted with the Rothschild Sir Philip Sassoon as his private secretary.

Here we ask the reader to see p. 51 where the cunning Dardanelles expedition was freely discussed among the Rothschilds long before it was actually attempted, and when the very idea was a secret of what Lord Bertie of Thame describes as "the inner circle." (P, Vol. I., p. 134).

Baron Nathaniel Rothschild died in 1915; his son, Baron Lionel Walter Rothschild resigned from his seat on the Tring Urban District Council because in 1916 it passed a resolution calling upon the Government to take immediate steps for the supervision of all aliens whether naturalised or not.

In 1919, a number of well-known Jews published an open letter in which they repudiated all sympathy with Bolshevism. The first signature to the letter was that of Baron Lionel Walter Rothschild. So far as he was concerned, there was no reason to disbelieve him. The Baku oil-wells of the Rothschilds were in grave jeopardy from Bolshevism and were ultimately confiscated by the Reds.

It is obvious, however, that the Rothschilds must have prayed for the success of the Jew Kerensky's Liberal Revolution, as they had always regarded the Tsars of Russia as their worst enemies. Actually, at the fall of the Tsar's Government, the London Rothschilds sent one million roubles to the Liberty Loan floated in St. Petersburg (L, p. 270) but they lost it all later when the Bolsheviks took over power.

The Rothschild attitude towards Bolshevism changes with the times; before Hitler took over the country, Czechoslovakia, which was under Rothschild control, was semi-sovietised and allied to Red Russia. So was France, under the Paris Rothschilds; she did all she could to bring about Bolshevism in Spain in opposition to General Franco. Now, in the Jewish War of revenge against the Nazis, we find the Rothschild agent, Sarraut, Minister of the Interior, taking measures to stamp out the Communist Party in France.

Gold from the Lena goldfields in Russia was sent frequently to the Rothschilds who refined it at the Royal Mint Refinery.

Lionel Nathan Rothschild, M.P. (Leopold's son) distinguished himself on 9th July, 1936, by attacking the position of the white man in Kenya. He moved a reduction of £100 on the Colonial Office vote to call attention to the Morris-Carter recommendations for earmarking certain lands in that colony for European settlement. He waxed eloquent on the subject of the paramountcy of native interests over those of white men in our Colonies and Mandated Territories, apparently oblivious of the fact that in 1902 it had been seriously proposed to give large slices of the very best Kenya land for a Jewish National Home! No Jew was worrying about the paramountcy of native interests in Kenya then! The amusing story how the Jews were prevailed upon ultimately to give up the idea of Kenya as a National Home is told in *The Fascist*, August, 1935.

According to the *Daily Express* of 28th April, 1937, the present (3rd) Baron Victor Rothschild was asked by W. Hickey where he would live when the lease of the Rothschild Piccadilly home fell in? The answer was "Nowhere probably; I just don't know. *Not till after the war anyway*." Thus it seems that the Rothschilds had made up their minds that there should be a war. And there was. Pure coincidence, of course. But it was quite far-seeing: two-and-a-half years! Remarkable.

Among the stockbroking firms which work for the Rothschilds is Vickers da Costa, a partner in which is Mr. Winston Churchill's brother, Mr. J. S. S. Churchill. Another of these firms is Cazenove Akroyd & Greenwood, and it is stated in *Men of the Reign*, 1885, p. 171-2, that Philip Cazenove (1799-1880) became prosperous in the Stock Exchange because of the "powerful interest of the founder of the house of Rothschild," by whom Nathan was obviously meant. Cazenove became a munificent supporter of Church charities! We may take it that Cazenove spells Rothschild, and it is well known that the name Churchill stands for "the Jews," from Solomon Medina in the early 18th century who paid £6,000 a year for the information the Duke of Marlborough (a Churchill) exchanged for that sum in the wars on the continent, to Barney Baruch on whose doorstep Winston broke his leg on his last visit to the U.S.A. Winston Churchill is thus not altogether an inappropriate First Sea Lord in a war against the Jews' chief enemy Herr Adolf Hitler.

Until 1938, the Rothschilds had a large interest in the multiple shops of Woolworth's Chain Stores, amounting to two-and-a-quarter million ordinary and 4,800,000 preference shares. The ordinary shares were sold in 1938 through the Jew firm Philip Hill & Partners.

In late years, an absurd film has been boosted in Europe and America called "The House of Rothschild," in which Nathan Rothschild is depicted as the chief of Britain's patriots, whilst the Duke of Wellington appears as a sort of clown. The absurdity of the immigrant Jew, Nathan Rothschild, uncultured, never able even to speak decent English, and obviously incapable of thinking like an Englishman, being a *Patriot* is clear to anyone uncontaminated by such ridiculous propaganda. The first night performance of this shameless travesty of history was arranged by Mr. Anthony Rothschild and his wife (who is very active in pushing forward Jewish propaganda films), the Jewesses the

Marchioness of Reading and Mrs. Israel Moses Sieff. It was acknowledged in the press to be pure Jewish propaganda for the Gentile.

Before leaving the English scene, the development of the Alliance Assurance Co. which we have seen was started by Nathan Rothschild, calls for a few sentences. Lloyds and the Alliance are now united. Lord Wardington, Chairman of Lloyds is a Director of the Alliance. Sir Austin Harris, Deputy-chairman of Lloyds, and a Director of the Commercial Union Assurance Co. has a son married to the granddaughter of Nathaniel Rothschild. Nathaniel and Lionel Walter Rothschild were both Chairmen of the Alliance in succession. The Alliance Assurance Co. has the controlling interest of the Rio Tinto Company which manages the Rothschild copper mines in Spain (see p. 58), the Chairman of which is Sir Auckland Geddes. No wonder the Geddes family gets on! The other Directors of the Alliance Assurance Co. include representatives of the Bank of England, of Baring Bros., and the Oil Jew, Lord Bearsted of the Shell Co. and of M. Samuel & Co.

When Nathaniel Rothschild was one day looking through new risks undertaken by the Company, he found (L, p. 249) that his son, Lionel Walter, had actually insured his father's life for £200,000, partly in the Company. This was too much for Nathaniel, who discouraged his son's participation in Rothschild business thereafter. But the Jew C. Roth evidently thought it was a very smart bit of work, or he would surely not have recorded it in his book.

Four per cent. Industrial Dwellings is a Company formed by Nathaniel Rothschild in 1885, and has an all-Jewish Directorate to-day.

CHAPTER III.

THE PARIS HOUSE.

WE must go back 130 years to find out how the Rothschilds became the Government of France, because it was in 1811 that Amschel Rothschild (the first) sent his son James to help in carrying out some particularly dirty work in Paris, necessitating the co-operation of his other son, Nathan in England.

James Rothschild was not commissioned to start a Branch of the Rothschild house at once; he was sent secretly from Frankfort to Paris to collect coin to aid the Duke of Wellington in his expected advance from Spain through southern France (B, Vol. X., p. 494), a proceeding which of course was an example of the utmost duplicity and treachery to the nation which he afterwards came to control. He received bullion sent from England by his brother Nathan, importing it at Dunkirk, passing it through to Paris and exchanging it there for paper of Paris Banks which was then sent on to Wellington in Spain to cash with Spanish and other banks as requisite. James also smuggled French bullion to Holland, whence it was shipped to Wellington's headquarters.

The reader will be surprised, perhaps, that such work was possible under the eyes and nose of Napoleon. Actually, Napoleon's Marshal Davoust, Military Governor of

Hamburg, acting on the advice of his police, warned him against the activities of the Rothschild family, whilst the Paris Prefect of Police advised the arrest of James Rothschild himself. (A, Vol. I., p. 137-9). The Police Commissioner at Mainz reported also the intimate relations of Amschel Rothschild with Dalberg, Napoleon's representative at Frankfort, already described (see p. 10).

How was it then that James Rothschild was not arrested and executed as a spy by Napoleon? It is all very simple and Rothschildian. The fact is that the French Finance Minister, Count von Mollien, found that James Rothschild's advice and early reports of events, to say nothing of the frequency with which von Mollien found it convenient to get Rothschild to execute commissions for him, made James's arrest inadvisable! (A, Vol. I., p. 139). In other words, James was "following in father's footsteps" by sweetening the officials of Napoleon; he could defy arrest.

At last, in 1817, the Paris Rothschild offices were opened.

In 1822, James was made Austrian Consul-Genera in Paris. This of course was done through the influence of his brother Solomon over Metternich in Vienna (see Chapter IV.) He became an Austrian Baron together with his brothers. James flourished under the Bourbon rule, assisting the French kingdom with loans and financial advice.

But he kept open a line of retreat. When the dynastic Bourbons were expelled by the Revolution of 1830, Rothschild was only a temporary loser, because he had long ago wormed himself by monetary assistance into the favour of Louis Philippe, Duke of Orleans, who then came to the throne. By 1832, therefore, James had weathered the crisis, and was again in full favour of a French King. Louis Philippe made James his adviser, although Thiers, his Minister, did not like it; but Thiers himself owed money to Rothschild so his opposition was feeble! When Thiers wished to help Mehmet Ali in Egypt, and Rothschild advised the opposite course, it was Thiers who had to resign! This was in 1840, and very recently Moses Montefiore had been to visit Mehmet Ali and the Sultan of Turkey with huge bribes which effected the release (without re-trial) of a number of Jews condemned for a frightful ritual murder of a French priest at Damascus, and obtained favours for Jews under Turkish rule.

James Rothschild was now the great power in Paris. Metternich wrote in 1845 (A, Vol. II., p. 245) "By reason of natural (*sic*!) causes which I cannot regard as good or as moral, the House of Rothschild is a much more important influence in French affairs than the Foreign Office of any country, except perhaps England. The great motive force is their money. People who hope for philanthropy, and who have to suppress all criticism under the weight of gold, need a great deal of it. The fact of corruption—that practical element, in the fullest sense of the word—in the modern representative system, is recognised quite openly." The German Minister in Paris, Von Arnim, whom Disraeli stated to be a Jew (*Coningsby*, Book IV., Chapter XV.), suggested that few Governments were in a position to say that they did not bear the golden chains of the House of Rothschild (A, Vol. II., p. 246, quoting from *Gesichte Frankreichs*, Hillebrand II., 646). Think, reader, what that meant.

The poet Heine, who was financed by James Rothschild and took hospitality freely from him, said that James "was the first to perceive the worth of Cremieux, who became his advocate" (*Lutetia*, Part I., Karpeles edition, VI., 385). It was, in fact, James Rothschild who first brought Cremieux into prominence, and therefore it is necessary to explain who Cremieux was, so that we may understand the motives of his patron. Isaac Adolphe Cremieux was a Jew; he was not only a Grand Orient Freemason, but "rose" to become a member of the Supreme Council of a super-Masonry of 90 degrees, called the Rite of Mizraim, becoming Grand Master in 1869. It was Cremieux who formed the Alliance Israelite Universelle, one of the most powerful organisations in the world for the extension of Jewish power over Gentile nations; this body was represented officially at the Berlin Congress (1878) and succeeded in getting the Powers to force upon Rumania, Servia and Bulgaria the emancipation of the Jews in those countries, although Rumania slithered out of the obligation. The Alliance Israelite Universelle has frequently interfered with justice on behalf of Jewish criminals guilty of Ritual Murder, and it was Cremieux who accompanied Moses Montefiore in 1840 to bribe the Khedive and the Sultan as described already.

Cremieux had an adopted son, a Jew called Gambetta (identified as a Jew by Archduke Albert of Austria, a prominent Jesuit who knew all the leading figures in active politics; this was in a letter dated 5th Jan., 1883, quoted by Crown Prince Rudolph in a letter dated 13th of the same month to the political Jew journalist Morris Szeps, see *My Life and History*, by Bertha Szeps, 1938, p. 52). He did all he could to push forward this Jew, Gambetta. It is necessary for the reader to note, then, that Cremieux was James Rothschild's man, and that Gambetta was Cremieux's man, for we shall meet them again very soon.

Returning to James, concessions obtained from King Louis Philippe had made him the Railway "King" of France, and he had a number of Jewish bankers acting as his jackals, particularly Emil Pereire. It is to be remarked, however, that the whole of these railway enterprises in France were due to English initiative and energy (R, Vol. X., p. 786).

Then came the Revolution of 1847-8 which was copied all over the Continent with more or less success. James Rothschild's tout, Cremieux, had taken a leading part in bringing it about, and it was most definitely a Masonic revolution. Louis Philippe fled the country. James himself was at Cremieux's back, expecting to be able to control the revolutionaries through him at least as well as he had controlled Louis Philippe. But they had not reckoned with the strength of the mob, which, having genuine grievances enough against the old regime, refused to accept the provisional Government which the Freemasons had formed and in which Cremieux himself was Minister for Justice. The Minister of Finance in this provisional government was a friend of Rothschild's, a Jew called Goudcheaux who was there to protect Rothschild interests during the change over. The mob, however, formed its own republican government in opposition to the Rothschild combine, and the latter had to consent to a sort of amalgamation with these hostile elements. Goudcheaux had to resign, and Tames was left in a very awkward position; the mob-revolutionaries knew that he had been the intimate adviser of Louis Philippe and that he was always ready to back both sides of any cause; he was made to pay heavily for his personal safety

and his villa at Suresnes was pillaged. The new Finance Minister, Ledru-Rollin, extorted money from James with threats of vengeance if he did not pay up (A, Vol. II., p. 263). It was a thin time for the Paris Rothschild.

Even when Louis Napoleon, recommended by Cremieux himself as a candidate, became President, James Rothschild had to take a back seat, because, once in the saddle, Louis Napoleon, knowing how easily a Rothschild changed his coat, made it clear to the horror of Rothschild and Cremieux that he was going to rely upon other Jew bankers, Fould and Oppenheim, and not upon the Rothschilds. Even the Jew Pereire found that it would pay him to side against Rothschild and with Louis Napoleon.

Cremieux, finding that the Rothschilds were turned down by Louis Napoleon, turned against him, and when thrown out of office by Louis Napoleon's assumption of the title of Emperor Napoleon III., he became his mortal enemy and worked up his Masons to overthrow him.

They had to make the best of a bad job. Cremieux pushed forward his adopted Jew son, Gambetta, who became the chief of the Left Wing against Napoleon III. What sort of a man was this? Let us see what the Archduke Albert, in his letter already cited (see p. 27) has to say about this Rothschild-Cremieux product:—"He gambled and stole wherever he could." Napoleon III. lasted much longer than the Rothschilds hoped, in spite of Gambetta, and they were only able to use him through Disraeli, who was friendly with him; the Rothschilds had generally to be content with playing second fiddle to him. Undoubtedly, through Disraeli, they pushed him into alliance with Britain for the Crimean War.

James Rothschild died in 1868, and the Paris office was taken over by his son, Alphonse. He had three other sons, Solomon, Gustav and Edmond, and all held the Austrian title of Baron. Together they inherited an estate estimated at 2,000 million francs.

The Franco-Prussian War finished Napoleon III., and when he abdicated it was the Rothschild-Cremieux agent Gambetta who became Minister of the Interior to the Republic, and, by virtue of Rothschild money, its dictator. It was Gambetta who conducted the negotiations on behalf of defeated France with Bismarck, who, in turn was advised by another Jew, a former revolutionary of 1848, Ludwig Bamberger, a friend of Cremieux, who had for four years been manager of the Paris Branch of the Jew Bank of Bischoffsheim & Goldschmidt; whilst Alphonse "became head of the syndicate of French bankers which guaranteed the payment of the indemnity of five milliard francs by France to Germany." (B, Vol. X., p. 498). Everything was in the Rothschild grip again, so they were unshaken by the Franco-Prussian War. They financed the Commune of 1871, and the residence of Alphonse was, most significantly, untouched by communist mobs, (A, Vol. II., p. 425) although it was in a particularly exposed position where the Rue de Rivoli joins the Place de la Concorde in which fighting was intense. We have already seen how, leading up to the Franco-Prussian War, Alphonse Rothschild in Paris and Bleichroder (Bismarck's Jew) in Berlin were acting as intelligence officers (see p. 12), doubtless shaping their information to bring about the downfall of Napoleon III.

Their tool, Gambetta (quoting again the Archduke Albert) owed his power as virtual dictator to "his high position as a Freemason, to his Jewish origin, and to his will-power, all of which secured him the allegiance of all Freemasons, all Jews, and all those who do not know how to help themselves." The Press, practically all Jewish, supported him. France became again a paradise for the Rothschilds.

Alphonse Rothschild interested himself particularly in electrical development and petrol, with as much monopoly power in those spheres as could be achieved.

The politician Leon Say (1826-96) was a good example of a Rothschild-controlled politician. His first step in life was given him by Alphonse Rothschild who made him administrator of the Northern Railway. (Z.5, p. 165). Subsequently, he was Finance Minister from 1872 to 1880 and again in 1882, "the autocratic ruler of the French finances" (R, Vol. XXIV., p. 275). No doubt there were scores of similar cases.

With the aid of the wife of the Russian Finance Minister, a Jewess, Alphonse arranged a loan for the hated Tsar, taking the standpoint that thereby the Tsar would be more likely to be sweetened towards the Jews and the repeal of the ghetto laws in Russia than by withholding and refusing the loan, that being the policy of the Rothschild in London. (A, Vol. II., p. 443).

During the Great War 1914-18, the Rothschilds of Paris made enormous profits from their control of nickel, copper and lead mines, the shady transactions being described under these heads (see p.p. 57-58). It is interesting to know that Mme. Henri de Rothschild lent the ground-floor of her house for the Inter-Allied Officers' Club.

In Paris, a Central Consistory of the Alliance Israelite Universelle is a permanent feature, a sort of Sanhedrin or Parliament of World Jewry. As might be expected, the Rothschilds dominate it; in 1920 three Baron Rothschilds were on its strength, namely Edmond, Robert and Edouard, the last named being the President. It is to be noted that on attaining the 18th Degree, a Grand Orient Mason automatically becomes if not a member at least a supporter of the Alliance Israelite Universelle. (F, Vol. II., p. 487).

When Trotsky escaped to the United States in 1934 it was through a western port, disguised as an employee of a Paris Rothschild bank (Q, p. 58).

This followed two secret meetings in France, one in 1933 between Litvinoff, Trotsky, Baron Rothschild and R. Moley, once a lecturer at the Rand School for Social Science, New York; the other in May, 1934, between Litvinoff, Barney Baruch, Trotsky and Baron Maurice de Rothschild. (Q, p. 112). All are Jews except Moley.

It is part of the Jewish scheme to control all political movements, if they can, not excluding Fascism. Fascists should be careful to make sure that their leaders are clear of all Jewish and Masonic influence. Never mind what they say. Find out what they are. In 1935, Col. de la Rocque started a "patriotic" movement in France called the Croix de Feu and it had endless funds which secured it a large following; its first charitable function

was held in the grounds of a Rothschild mansion! Jews were taken in as members of this precious organisation, and it published its policy in a book *The Fiery Cross* in which it poured odium and ridicule upon the German Nazis and described Bolshevism without any mention that both its origin and establishment are Jewish. This "Fascist" movement had a Jew Carvalho as Secretary and a Jew Wormser as Financial Adviser.

Alphonse Rothschild died in 1905, and his son, Edouard, took over the Paris business house.

The real Government of France is not a democracy; "R.F." does not really mean Republique Francaise, but Rothschild Freres. Financial pressure can always be exercised by the Rothschilds upon any Government of France, whatever its political complexion. This is done through the Banque de France of which a Rothschild is always the principal Regent, working hand-in-glove with the armament men, Wendel and the Marquis de Vogue who both represent the Schneider-Creusot arms firm.

It is of great interest to note that on 5th Oct., 1935, when Italy was attacking Abyssinia, both the *Daily Telegraph* and the *Financial Times* reported that a loan, one-third from the Rothschilds, of eight million pounds had been granted to the Credit Italiano Bank; this was denied two weeks later! But on 21st Oct., the *Internationale Presse Agentur* stated that the French House of Rothschild had given Italy a credit of 750 million francs. No wonder Britain could not get France to apply "sanctions" against Italy under the Covenant of the League of Nations! Baron Franchetti, the chief "Italian" expert on Abyssinia, who was killed in an aeroplane accident on his way there, was the grandson of Wilhelm Rothschild!

It is also worthy of report that Baron Maurice Rothschild was at Geneva during the League of Nations sanctions conference, and the *Daily Express*, 14th October, published a photograph of him chatting with the President of the Committee after the final meeting of the conference.

Henri Rothschild, a grandson of the Nathaniel who was the son of Nathan, lives in Paris and is a playwright, his pen-name being Andre Pascal.

CHAPTER IV.

THE VIENNA HOUSE.

IN Austria, Count Metternich, the most prominent figure in European politics of the time, with the exception of Napoleon, and through whose instrumentality the latter had been offered the hand of Marie Louise of Austria, became Foreign Minister in 1809. His reputation has been handed down to us through Judaised history books as that of a "reactionary," whereas we may now, in 1939, knowing where democracy has led us, realise that Metternich had a very far-seeing intelligence and recognised how the plausible democratic theories which sprang everywhere into life during his long period of activity must inevitably bring down civilisation itself. So he was ever an enthusiastic

opponent of the secret Masonic societies which he knew were behind all the revolutionary tendencies of his day. He believed in the rule of an aristocracy, but was so confident in that belief that he seemed to imagine that such things as domestic morals were only for the crowd and not for him. Nevertheless, he was an upright man according to his lights, and never took bribes from Rothschilds or anyone else. He had, however, a singular capacity in trusting the wrong men; he made Frederick von Gentz his secretary and adviser, and, as we have seen (see p. 13) this Jew was one of the Illuminati, and had no moral sense at all, but was an intellectual voluptuary who would and did take bribes from anyone to finance his expensive orgies. It is curious how the fact that von Gentz was a Jew has been overlooked by so many writers who otherwise recognised his subversive influence over Austrian affairs. Disraeli acknowledged him as a "child of Israel" (S, Chapter XXIV.) whilst the Jew Grunwald reveals the fact that his first name was really not Frederick but Muasso (T, p. 194).

"It was to von Gentz that the Rothschilds largely owed their position with Metternich" says Corti (A, Vol. II., p. 69). This introduction dated from 1813, the year in which Metternich abandoned Napoleon and threw his weight into the coalition of powers against him. After the Battle of Waterloo, the Frankfort House of Rothschild began to do large-scale business with the Austrian Government, and (his father being dead some years) Solomon Rothschild was sent to establish permanently a branch of the Rothschild business in Vienna. This was in 1816. It was obvious that the Grand Orient Mason, Solomon Rothschild, would find much in common with the Illuminatus von Gentz. Solomon was already immensely experienced in the crooked ways of finance and had travelled widely in Europe for the Frankfort house. Gentz's ways of life were expensive and he always needed money; he never hid the fact that he took bribes where he could get them. He used to exchange political information to the Rothschilds, which would allow them to rig markets to their profit, in return for "loans" of the kind that never require to be repaid. (A, Vol. II., p. 69).

No doubt it was due to the influence of von Gentz that Metternich's librarian was also a Jew, named Schiel. It was a tragedy and almost inexplicable, that Metternich, surrounded with Jews as he became, what with his Jewish secretary, his Jewish librarian, and his Jewish financier, never became Jew-wise. I ask, in all seriousness, whether, in view of the antecedents of von Gentz and of Solomon Rothschild in Illuminism and Masonry respectively, mesmerism could have been employed against Metternich? Although Metternich accepted personal loans from Rothschild, these were repaid with fair interest, and no one charges Metternich with corruption by money.

One of the first loans arranged for the Austrian Government by the Rothschilds was a "lottery loan" which was remarkable from the facts (1) that the subscribers to it were not informed that another loan would soon follow and (2) that the terms were exceedingly onerous for Austria. A Police Report dated 1st May, 1820, in the Vienna Police Archives says of it:—"The whole transaction is felt to be a shameful Jewish ramp which has been arranged between the Rothschilds and the Crown Agent Joel." (A, Vol. I., p. 246). This Joel is later referred to (A, Vol. I., p. 246) as "Joel or Joelson."

Here I insert a curious statement taken from *Tour to Constantinople* by the Marquess of Londonderry, published 1842, Vol. I., p. 59, which, speaking of Prince Metternich, says "After the death of the first princess, in 1819 or 1820, I believe, the Prince married a very beautiful girl, the daughter of 'Mr. Joelson.'" I cannot explain this mystery, as the second wife of Metternich is elsewhere recognised as Baroness von Leykam, Countess of Beylstein.

Solomon thrived so well in Vienna that very soon, where money was concerned, Austria under Metternich was in Rothschild hands. In 1821, Solomon's brother was sent to open a branch of the house at Naples which was in Austrian occupation, and Metternich, who became Chancellor, made Solomon's other brother James in Paris his Austrian Consul-General! Then, next year he had all five of old Amschel Rothschild's sons made Barons of Austria! Metternich was acting like Solomon's clerk, and he a convinced and uncompromising aristocrat!

This was the period of Power with the Rothschilds. Between 1817 and 1848 it is estimated that the loans issued by the Rothschild family amounted to 131 million pounds. (B, Vol. X., p. 495). The musty details of these loans will not interest my Aryan readers and I do not cater for others. In 1839, Solomon had secured a mortgage on all the Austrian Lloyd Co.'s ships in return for a loan.

"In the early stages of its existence, the Austrian house of Rothschild had a large money-lending business with the mediated and impoverished nobility of the Austrian Empire. Loans to the amount of 24,521,000 guilden being on record." (B, Vol. X., p. 495). So Solomon Rothschild was never in need of Gentile traitors to do his work. By 1840, Solomon's wealth and its ostentatious display dazzled Vienna society and he was not only sought after for his money but even socially as well.

Metternich appointed the Rothschilds over the head of his own Paris Ambassador as the principal channel of communication between himself and the French Cabinet. When the question arose of appointing Lionel Rothschild Austrian Consul-General in London, Metternich supported this course because, he said, otherwise the Rothschild family might become hostile to Austria! (A, Vol. II., p. 170). Thus, the chief upholder of the aristocratic principle and the virtual head of one of the most powerful States in Europe had become the frightened servant of the Rothschilds who could blackmail him into bestowing on a member of the family a vital diplomatic appointment.

Needless to say, the Rothschilds extorted from Metternich many privileges for the Jews in Austria and wherever Austria had influence. It was Metternich who, in 1833, prevented the Papal States from reestablishing the ghetto for Jews; and in 1844, Solomon Rothschild secured for the Jews the right of holding landed estate in Austria.

Considering that Metternich wished to interfere by force against Louis Philippe in France, who, as supplanter of the rightful line of Bourbon, represented to him the revolutionary spirit in Europe, and considering that Louis Philippe's regime was still supported by the flourishing Rothschilds, it must be surely plain to all that it was the

Rothschilds who ruled the destinies of Europe and dedicated it to democratic degeneration. Metternich did not foresee that Louis Philippe's rule would itself come to an end by revolution.

"Following the policy of the House of Rothschild in other countries, where it obtained privileges for the Jews in return for loans—in Rome, the abolition of the ghetto, and in England, Jewish emancipation—Solomon obtained from Metternich concessions to the Jews in legislation. It was he who influenced the Chancellor to take a favourable stand in the Damascus blood-accusation case of 1840." So says the Jew Grunwald (T, p. 228-9). This Ritual Murder is described in my book *My Irrelevant Defence*, p. 24. The result of Solomon's efforts was an unsuccessful attempt of the Austrian Consul at Damascus to bribe the French Consul to withdraw the charge of ritual murder against the Jews.

As the Rothschilds had such complete control over Austria, they were not unduly incommoded by the death of their tool, the corrupt secretary of Metternich, the Jew von Gentz.

The spread of the 1848 revolutionary spirit to Austria caused Metternich to fly for his safety; Solomon Rothschild's house in Vienna was looted, and he also fled the country, never to return, for he died in 1855. Not until reaction had set in, did Metternich dare to return, and then Solomon's son, Anselm Rothschild, who was then Austrian Consul-General at Frankfort, re-established the Rothschild business, to be followed at his death in 1874 by his son, Albert Solomon Rothschild. This Rothschild was the first in Austria to be granted the privilege of attending Courts. Albert followed the policy of interference with European politics which Solomon had established as a Rothschild practice, for we find Professor Goldwin Smith (Professor of Modern History at Oxford, and later of English history at Cornell University) writing on the alarms of the Russo-Turkish War of 1877: "We were on the brink of a war with Russia which would have involved the whole of the Empire. . . . . The Jewish interest throughout Europe, with the Jewish press of Vienna as its chief organ, was doing its utmost to push us in." (*Nineteeth Century* Magazine, Oct., 1881, p. 494-5).

The Jewish press of Vienna carried out the orders of the Rothschilds.

Albert Rothschild was the largest stockholder in the Northern Railway, a concern which Solomon had the concession to develop by means of a public company in 1836. Later, it was nationalised. He held a similar position in the Southern Railway which the Rothschilds bought from the State on favourable terms.

By 1899, Albert possessed "alone about a quarter of the land in Bohemia (seven times as much as the Imperial Family) without counting that he possesses equally in other provinces, in Lower Austria, Moravia, Silesia and in Hungary." (*L'Autriche Juive*, by F. Trocase, 1899, published by A. Pierret, Paris).

The Vienna House now found most of its time taken up rather with the administration of its wealth than in the department of banking; Albert became Chief Shareholder in the

Credit Anstalt and when he died, 1911, he left 50 million pounds. His sons, Louis and Eugene emerge into our contemporary history. It was during Albert's administration that he did not shrink from using his financial power, at a time when debt-conversion was a serious matter to Hungary, to demand peremptorily that the Hungarian Government should not only withdraw the charges of murder against a Jew (the well-known Ritual Murder case of Tisza Eszlar) but that two Public Prosecutors who had been bribed to discredit the judge at the trial should be decorated! This was done via his Budapest representative Goldschmidt (U, p. 30).

Until closed down by Hitler, the Vienna Rothschild House never hesitated to influence affairs in other countries; when Kamal Ataturk, the Turkish dictator, was about to execute for treason the ex-Finance Minister, a crypto-Jew called Djavid Bey, "a number of great financial concerns, including the banking houses of the Rothschilds in Vienna and London, had tried to persuade the English and French Governments and the leading newspapers in both countries to use all their influence to make a personal appeal for Djavid," (V, p. 276). Observe the words "persuade" and "personal," and guess what form the persuasion took in the case of both Newspapers and Governments! The persuasion was such that the French Government sent the Grand Orient Freemason Sarraut to Angora to do the "personal" pleading with Kamal. This Sarraut is Minister for the Interior in the French War Cabinet of 1940!

The chief coal mines and iron-works at Witkowitz, in Moravia were owned by the Austrian Rothschilds in partnership with the Jew von Gutmann, and by 1939 the value of the assets of the Company they formed was estimated at anything between ten and forty million pounds.

"Czechoslovakia" is only another way of spelling Rothschild.

It is important, therefore, to note the close collaboration between that country and the Soviets, because this could not have developed without the sanction of the Rothschilds. One should get into the habit of associating the names of Masaryk and Benes rather with the Rothschilds than with "Czechoslovakia" if one is to see clearly through the fog of international politics.

It is estimated that by 1933, Barons Louis and Eugene Rothschild between them owned more than half the financial and industrial property in Austria. All their estates were confiscated by the Germans in 1938.

The Bohmische Escompte Bank in Prague was a Rothschild bank, the largest in the country.

The Credit Anstalt was formed by Anselm Rothschild after Solomon's death; its original object was to keep the non-Rothschild Credit Mobilier out of Vienna. Anselm roped the Princes Furstenberg, Schwartzenberg and Auersberg, and Count Chotek into the racket.

Owing to the impossible state of affairs in Austria due to her dismemberment after the Great War, various Banks began to crash, and by the end of 1930, the Credit Anstalt itself was in difficulty, its losses amounting to its entire share capital and reserves. The Austrian National Bank and the Rothschilds stepped in to try and save it by a huge loan, but were too late, and the flight of financial capital from Austria became a rout. Then *you*, gentle reader, were shoved into the firing line, for the Bank of England advanced £4,400,000 to the Austrian Banks, and this amount was subsequently repaid to the Bank of England, not by Austria, but . . . . by the Treasury, which means YOU, the British tax-payer! (Do you *still* believe that democracy means self-government, or is it Government by Rothschild Jews?) President Hoover of the U.S.A. then proposed a moratorium of one year on international debts and that cost us, according to the Chancellor of the Exchequer Philip Snowden, not less than £11,000,000! Then the panic reached Germany (pre-Nazi) and her international creditors rushed to her assistance with loans and more loans; but the German Banks smashed up in spite of it.

As a further result of this continental panic, the people who held over £400,000,000 foreign short-term funds on loan in Britain began to call for their money, and that began the drain upon the Bank of England that bled her of gold, and caused intense depression in business with accompanying increased unemployment, which the Government tried to counter by quack remedies; the Banque of France came to the rescue for a time, but the Bank of England ultimately had to surrender by accepting foreign loans; first of £45,000,000, then of £80,000,000!

During all this time, Sir Otto Niemeyer and Louis Rothschild were co-Directors of the Credit Anstalt, and the former was a Director of the Bank of England.

Thus, just as the world is now (1940) at war against Germany with the single object of saving the Jews (for no other object is demonstrable for Britain and Germany to be at war) so, to save Rothschild credit in Austria, the whole world has had to increase its indebtedness to the usurers and to suffer from the resulting money-shortage by semi-paralysis of business!

“England saves Austria;” “France saves England;” these were the catch-cries of the day. All that really happened was that the British tax-payer saved the Austrian Rothschilds, and then the Paris Rothschilds saved the Bank of England from bankruptcy, leaving the British tax-payer still paying, and that under a reduced standard of living!

And that is a good note on which to end this Chapter on the Rothschilds who did business in Austria, for you see, my reader, that their work has affected your standard of living in Great Britain, and that you are now at war with Hitler, the very man who brought the alien power of the Vienna Rothschilds to an end! Can you now guess why you are at war?

CHAPTER V.

THE NAPLES HOUSE.

THE Rothschilds obtained their first footing in Naples when Metternich of Austria sent troops to occupy the town in 1821, to support its King against revolutionary upheaval caused by the Carbonari, a masonic secret society. Metternich persuaded the Rothschilds to raise a loan to pay for the costs of the invasion and upkeep of the Austrian troops, and this was actually arranged to be done as a loan to Naples, not to Austria! For this purpose, Karl Rothschild, Solomon's brother and old Amschel's son, who had already done considerable service in the Frankfort House, was sent in that year to Naples.

Naturally in the double role of a member of the Rothschild family and a servant of Metternich, he soon became very powerful, and "contrived to make himself indispensible to the Neapolitan Court in financial matters" (A, Vol. I., p. 297). This was all the easier as the costs of the occupation of the Kingdom by Austrian troops ruined the State and made it more subject to the favours of the Rothschilds in the matter of loans.

The Papal States were among those to appeal to the Jew for loans, who, in 1831, lent them sixteen million francs, whilst his patron Metternich tried to get the ghetto gates in Rome abolished; but the Pope re-erected them. This was followed in 1845 by a smaller loan, but it is to be noted to their credit that neither of the two Popes, Gregory XVI. or Pius IX., who were reigning at these periods, were Jew-friendly on that account. It was Gregory who decorated the anti-Jewish Gougenot des Mousseaux as a reward for writing his work exposing the nature of the Jew and which exposes the practice of Ritual Murder by them; and it was Pius who refused audience to the Jew Montefiore on his journey back from bribing the Khedive and the Sultan over the Jewish Ritual Murders of Damascus and of Rhodes in 1840. (U, p. 23 seq.). Nevertheless, Karl Rothschild obtained the Papal order of St. George (!) with the privilege of kissing the Pope's hand instead of his toe! (A, Vol. II., p. 51). Faugh!

When Pius IX. had sought safety from the revolutionaries of 1848, he needed Rothschild loans to enable him to regain his temporal power: they did not grant him the loan until he promised to pull down the ghetto walls in Rome and establish freedom of movement and abolition of special taxes for Jews; this he refused to do until 1850, when the loan of thirty-three million francs was granted to him, on that condition. Payments of interest soon got into arrears (*Daily Telegraph*, 2nd Nov., 1935), which may be the reason that long after the Rothschild House in Naples had been closed down, the Rothschilds remained guardians of the Papal Treasure!

When Louis Napoleon came to be Emperor of France in 1852, both he and Cavour in Sardinia were strenuously endeavouring to free their respective countries from Rothschild influence, although they still resorted to Jews; Louis Napoleon started the Credit Mobilier in 1852, whilst Cavour, whose secretary was the Jew Artom, employed the Jewish Bank of Hambro.

Karl's influence was therefore prevented from spreading too widely, and when Garibaldi conquered Naples and united Italy under Victor Emanuel, the former King of Sardinia, the Naples House of Rothschild was closed down (1861), and Karl retired to Paris where

he remained in close familiarity with the Bourbon Royal Family of Naples who had gone there to live after their dethronement.

In Paris, the ex-King and Queen of Naples were on intimate social terms with Alphonse Rothschild (*My Past*, by Countess Larisch, Chapter VIII.).

Rothschilds have married into several Italian families of Jews; thus, Anselm Rothschild's daughter married Baron Raymondo Franchetti in 1858, with descendants; Gustav Rothschild's daughter married Baron Emanuel Leonino in 1896, and in the same year the daughter of Jas. Edward Rothschild married Baron David Leonino.

CHAPTER VI.

THE AMERICAN HOUSE.

ROTHSCHILD influence in the United States of America is of very long standing, but there is no reason to believe the story that the Jew Haym Solomon who helped to finance the War of Independence was an agent of the family, as he died in 1785, before Amschel Rothschild became an international financier.

In 1837 the Rothschilds sent an agent of theirs to establish offices in New York. This was a Jew called Schoenberg, whose name was changed to August Belmont, and who professed Christianity. This Jew had had experience both in the Frankfort and the Naples branches of the Rothschild connection. From 1844 to 1850, Belmont was, through Solomon Rothschild's influence, made the Austrian Consul-General at New York; he then resigned as a protest against Austria's treatment of the Hungarian revolutionary, Kossuth. (It is noted here that Kossuth was a friend of Lord Palmerston). In 1853, Belmont became U.S.A. representative to the Netherlands, living at the Hague for several years. After that, in 1860, he became Chairman of the Democratic National Committee. Altogether it is clear that Belmont had a tremendous power in the United States. He became enormously rich and married the daughter of Commodore Matthew Perry who "opened up" Japan to the western nations.

Meanwhile, the Rothschilds "established offices in the Southern States of the U.S.A. for the purchase of wool, which they shipped to France, where they marketed it . . . . They bought up whole tobacco harvests for supplying the tobacco requirements of the various States. Their own ships carried the enormous cargoes between the United States and France." (A, Vol. II., p. 387).

Thus, when the Civil War (1861-5) broke out between North and South, the Rothschilds of Europe were obviously very deeply involved on both sides. It is important to remember here that they were never in good odour with Napoleon III., who borrowed not from them but from other Jews. Napoleon III. had very definite plans as to the future of America, and the Rothschilds evidently had a somewhat similar scheme. The distrust of Napoleon III. for the Rothschilds, however, made it impossible for them *openly* to support him in his efforts with money.

Napoleon III.'s idea was to establish a new Empire by acquiring Mexico and some of the Southern United States, and he wanted Britain to come in with him to compel the North to abandon the blockade of the Southern ports. The South (the Confederates), hard-pressed, were trying to secure Napoleon III.'s intervention in their favour, which they hoped to get by offering him some territory, viz.: Louisiana and Texas. The Confederate Government had the Jew Judah P. Benjamin as their Secretary of State, and the *Jewish Encyclopædia* (B, Vol. III., p. 30) removes all doubt as to what was going on, for it says: "Unfortunately a thorough study of the diplomacy of the Confederacy has not yet been published, nor any adequate biography of Benjamin, of which that would be the principal chapter. But by such a publication it would be shown how near the Confederacy came to securing European intervention—particularly through the aid of Napoleon III.—by the tempting and statesmanlike efforts of the Confederate State Department under Benjamin's direction, and to the probable transformation of an insurrection into a successful revolution in consequence."

That Benjamin had, before the Civil War, actually conversed with Napoleon at Biarritz on this very subject of a French Dominion in America is revealed in Clew's *Fifty Years in Wall Street* (Z.3, p. 62).

Aided by Jewish loans, through the Credit Mobilier and backed by the Pereira firm, Napoleon's nominee, Maximilian of Austria, landed in Mexico in 1864 to become its short-lived Emperor. But the plot failed. Britain would not play her part. The man who prevented it was Tsar Alexander II. of Russia! He sent his fleet, such as it was, across the ocean and put it at Abraham Lincoln's disposal, so that the British and French knew that if they attempted to carry out the scheme of Napoleon III., they would find themselves engaged in hostilities with Russia. This bit of secret history has never been allowed to become public property. At the time, the Tsar himself did not advertise it because, immediately afterwards, he was forced by the European situation to make friends with Napoleon III. That the Russian fleet was in American waters at the time, under the command of the Tsar's brother, and was "invited" by Secretary Seward, and that this prevented France and Britain from carrying out their plans is confirmed by Clews (Z.3, p. 59). Clews regarded the presence of the Russian fleet as a lucky incident, but the British and French Government obviously considered it was deliberate.

Now what did the Rothschilds want? Their desires may be estimated fairly accurately by quoting the opinion given by Disraeli on the future of America when the Civil War was over:—"It will be an America of armies, of diplomacy, of rival States and manoeuvering Cabinets, of frequent turbulence, and probably of frequent wars." (*Annual Register*, 1863, N.S. cv. 21). Disraeli was Lionel Rothschild's mouth-piece. The Rothschilds wished to reproduce in America the chaotic conditions obtaining in Europe whereby they ruled all States; a united America would be too powerful for them; it must be split, and now was the time to do it, but it was awkward that Napoleon III. would not work with them! What were they to do? There was only one answer. Support both sides and prevent a win outright for either side, and so force apart the North and the South, with the possibility of the North becoming annexed to Canada. In practice, this meant helping the weak South more than the strong North.

That was what the British Government actually did; in spite of much liberal sentiment in sympathy with the North, British policy veered round in favour of the South, and the Confederacy was recognised by it and assisted directly by allowing ships to be built, fitted and even manned for it in British ports; so much so, that, as is well known, Britain had subsequently to pay damages for the activities of the *Alabama* and *Florida* on the high seas.

August Belmont in New York supported the North "with the greatest vigour." "His most valuable service, perhaps, was a constant correspondence with influential friends in Europe, the Rothschilds and others, in which he set forcibly the Northern side in the great conflict." (Z.4, Vol. II., p. 170). The *Encyclopædia Britannica* (R, Vol. III., p. 710) also says that he energetically supported the Union and exerted his influence on financiers in England and France in support of the North. Lionel Rothschild thought that the North would win, says Roth (L).

Meanwhile, the other Rothschilds invested heavily in the bonds of the South and so ultimately of course incurred heavy losses. (B, Vol. X., p. 496).

The Rothschilds, I repeat, backed both sides, their material interests being on both sides, and their political interests requiring a long war and a stalemate, which could only be produced by giving more help to the South than to the North.

Had August Belmont any contacts with Judah P. Benjamin, the Jew who was first Attorney-General, then Secretary for War, and finally Secretary of the Confederate Government? I find he had. Belmont's wife, a Gentile, had an uncle John Slidell (1793-1871), a partner in the law firm of Slidell, Benjamin & Conrad, in Louisiana, and of which Judah P. Benjamin was also a partner! This can hardly be a coincidence; it was obviously Cohen-cadence! Further, Slidell was one of the two commissaries that the Confederacy sent to France to purchase munitions and arrange for supplies, shipping and other help for the South. Slidell was on familiar terms with Napoleon III. (Z.3, p.p. 60-68), and approved of Napoleon's Mexican Adventure. (Z.4). His daughter married Baron Frederick Emil D'Erlanger, head of the Jew banking firm in Paris, whose father, Baron Raphael Erlanger of Frankfort had been confidential representative of the Rothschilds. The Erlanger firm financed the Confederates (*Confederate States of America*, by J. C. Schwab, p. 102, New York, 1901) and I have no doubt were assisted by their patrons the Rothschilds, who could do nothing openly because of Napoleon III.'s hearty distrust of them. The Erlangers were also agents for the Credit Mobilier, Rothschilds' rivals.

Abraham Lincoln tried to introduce State Loans to free the people of America from the clutches of the bankers. We need not be surprised therefore that August Belmont "strongly opposed the nomination and election of Lincoln." (Z.4, Vol. II.). Lincoln financed the Civil War on state credit, and for that he was murdered in 1865 by the Jewish actor Booth. This Booth was neither a Southerner nor ever owned a slave (*A New American History*, by W. E. Woodward, 1938, p. 475). An attempt to murder Seward was made the same evening; Seward was the man who gave the invitation to the Russian fleet. An attempt against the Tsar himself was made in Paris in the following year and in 1881

he was blown to pieces by a bomb. Lincoln, Seward and the Tsar were the three people who had chiefly prevented the Jewish partition of the United States!

President Garfield, who held the same views about the true nature of national credit as Lincoln did, was also duly assassinated.

"Lionel Rothschild had a large share in the successful funding of the United States National Debt." (B, Vol. X., p. 501). This would be the Funding Act, 1866, after the Civil War, which retired a large number of greenbacks (State Credit Notes) although the process was suspended within two years.

In 1893, Pierpont Morgan, Belmont and the Rothschilds supplied the U.S.A. Government with three-and-a-half million ozs. of gold in exchange for bonds carrying four per cent. interest and at a price far below the current market price of such securities. This transaction was very unpopular in the States, and with good reason, for the relief offered to the country's finances was only of ten months' duration after which the situation was worse than ever. Then, however, the U.S.A. Government floated a loan selling its bonds to the public, with gratifying results. (*A History of the American People*, by S. E. Forman, 1922, p. 647).

August Belmont, the Rothschild representative, became Grand Sachem of the Tammany Society which ran Tammany Hall, the centre of boss rule and corruption in New York; this position was extremely useful to the House considering the amount of Rothschild money that was invested in New York. Tammany Hall is a sort of Gentile front for the Jewish Kehilla, or Jewish secret government.

August Belmont died in 1890. His sons, Perry and August, were both prominent in the corrupt politics of the country. Perry Belmont was Chairman of the Committee on Foreign Affairs, 1885-9, and Minister Plenipotentiary to Spain, 1888-9, and held other important posts. The second August Belmont had a son, Morgan Belmont, and through him a grandson, John Mason Belmont; he carried on the firm for the Rothschilds until his death and now Morgan represents the family in it.

CHAPTER VII.

THE ROTHSCHILD GRIP IN OTHER LANDS.

BELGIUM.

THE Rothschilds had great influence with King Leopold (who died in 1865), and, in fact, one of Lionel's sons was named after him (L, p. 35). Karl Rothschild had entertained Leopold in Naples before he came to the Throne; long after, when the latter, as King, thought his Throne was in danger, he deposited five million francs with the Rothschilds to hold for him in case he had to fly the country (A, Vol. II., 274). After that, the Rothschilds were in social relationship with the King.

The Belgian Government obtained the necessary loans for railway construction through the Rothschilds. The affairs of the firm were managed by Baron Leon Lambert who married the daughter of Gustav Rothschild in 1862, and had a son, Henri.

BRAZIL AND SOUTH AMERICA.

So weighed down by Rothschildian loans was Brazil that, since 1825, that country "might have been described as a Rothschild State" (J, p. 9). All loans from 1883 to 1896 were floated by the Rothschilds.

The baneful influences of Rothschild control over Brazil and of debt-control in general in other South American States is at last producing a reaction in those countries.

In Chile, the Rothschilds control nitrates.

At Lima, in Peru, on the opening of the Pan-American Conference in 1939, the city "was festooned with thousands of Swastika flags, and only three American flags were visible" (*Telegraph*, 3rd Jan., 1939).

It is significant that the Presidency of the Latin-American Society has been occupied by Lionel Nathan Rothschild.

EGYPT.

Until the purchase of the Suez Canal shares for the British Government (see p. 20) in 1875, the Rothschilds were not much interested in Egypt.

In 1882, just before the British occupied the country, however, Egypt being almost bankrupt financially, two Jews, Sir H. Drummond Wolff and Sir Henry Goschen went to Egypt to investigate, and as a result, the Rothschilds made a loan of eight-and-a-half million pounds to Egypt, and the British Government guaranteed it; in other words, the Rothschilds "earned" the commission and interest, and the liability was taken by the British tax-payer. The Council of Foreign Bond holders (see p. 19) was the force which moved the Government in this case. Since then, the Rothschilds have made other loans to Egypt.

PORTUGAL.

The Jew Mendizabel "worked in close alliance with the House of Rothschild which arranged a loan of two million pounds to Portugal in April, 1835." (A, Vol. II., p. 138).

It is impossible, of course, in a small book to cover the whole of the Rothschild money power which exists in all but genuine racial Fascist states; I have dealt with the main items only.

The Rothschild power in Asia is represented by the Sassoon family, in Australia by the Montefiores, whilst their grip on South Africa will be referred to under the heading, Diamonds and Gold (see p. 61).

Since Austria-Hungary was partitioned by the Treaty of Versailles, the Rothschilds, together with Barings and Schroders, and Hambros, have made great loans to its component parts, Austria, Czechoslovakia and Hungary. The effect of this credit made through the four firms, all of alien origin and at least two Jewish, on "British" policy against Hitler will be estimated at its proper value by my readers.

CHAPTER VIII.

THE ROTHSCHILDS AND BRITISH ROYALTY.

ONE of the saddest reflections that Aryan patriots must suffer is in the recognition that Royalty in Europe has gradually succumbed to the influence of the money of the Rothschild family. It is useless to attempt to conceal from one's self the fact that, with few exceptions, the Hereditary Rulers and their families have failed in their duty towards their subjects who look to them for protection from penetrating evils. In many cases, Freemasonry was the agent by which the Kings and Princes were induced to forget why they were Kings and Princes. It is curious to note that Napoleon I., who sprang from ordinary well-born stock, stands out as more Kingly in this respect than Royalties born royal. We must not imagine that Royalty is especially weak because it has encouraged and embraced the Rothschilds when it should have held them at arms' length and made their advances impossible. The fact is that weakness against the power of riches is found in all classes without exception; only a fractional percentage of men and women have the foresight and strength of character to resist and oppose that power, and it is unlikely that such a small community as the Royal Families of Europe would be able to provide many examples of such.

We have seen how the Elector Prince of Hesse-Cassel was gradually induced by his advisers, particularly by Buderus, to trust the Rothschilds in business; we have seen how the Emperor of Austria failed to check his Chancellor Metternich from doing the same under the advice of the Jew von Gentz. That started the rot, and the various Royal Families have since fallen to such an extent that it is of no particular interest to enumerate them.

The shameless effrontery of the Jew knows no bounds, and once a feeling of confidence has been instilled into a princely heart, it is only a matter of insistence, of bribery and gifts to the needy officials and others around the throne, before another barrier is broken down—the social one.

Even in 1809, we find the Royal Dukes, brothers of George IV., doing what common people would then generally refrain from doing. We find the Jew Abraham Goldsmid, the same who helped to finance the French Revolution (see p. 13) acting as host to the Duke of Cambridge, whilst the latter, with the Duke of Cumberland, used to visit Nathan

Rothschild in his Piccadilly home. The Prince Regent arranged payments of borrowed money to the Elector of Hesse-Cassel through Nathan's hands.

Queen Victoria long resisted the Rothschild attack. Whatever her faults may have been, she was really Royal and her instincts true. These instincts had to be broken down. First, her advisers had to be penetrated, and Lionel Rothschild wormed his way into friendship with the Prince Consort, to whom he was soon an "adviser." The Queen must have been impressed early in her reign by the Rothschild power in European affairs, for she was then accustomed to send her correspondence to her Uncle Leopold in Belgium by means of the Rothschild courier in preference to the mails or the diplomatic bag. (L, p. 70).

Then, when Disraeli became Prime Minister in 1867, the scheming instrument of the Rothschilds, a Jew, yet not altogether a Jew according to the race-ignorant standards of the time since his head had been damped at an early age, all his cunning and knowledge of the weaker aspects of human nature were brought to bear upon Queen Victoria.

In 1869 we find her still resisting like a Queen. In a letter to Gladstone dated 1st November of that year, in which she referred to a recommendation made to her to promote Lionel Rothschild to the Peerage, she refused in these words:—"It is not only the feeling, of which she cannot divest herself, against making a person of the Jewish religion, a Peer; but she cannot think that one who owes his great wealth to contracts with foreign Governments for Loans, or to successful speculation on the Stock Exchange, can fairly claim a British Peerage. However high Sir L. Rothschild may stand personally in public estimation, this seems to her not less a species of gambling because it is on a gigantic scale and far removed from that legitimate trading which she delights to honour, in which men have raised themselves by patient industry and unswerving probity to positions of wealth and influence."

True protective Royalty spoke there, almost for the last time!

The Queen was horrified at the intimacy of the Prince of Wales (later King Edward VII.) with the Rothschilds; he had become a close associate of Nathaniel Rothschild when both were students at Trinity College, Cambridge; and he did not scruple to become an accustomed guest at the magnificent Rothschild country mansions, a practice which he maintained with two generations of that family. In 1878, he was guest at Lord Rosebery's wedding with Hannah Rothschild where Disraeli gave away the bride; he attended Ferdinand Rothschild's funeral service in a synagogue in 1898. He attended Leopold Rothschild's wedding, also of course at a synagogue. He had the Rothschilds as guests at Sandringham, and was equally familiar with the Jew family of Sassoon at whose houses he partook of hospitality.

At last, the resistance of Queen Victoria was broken down, and Nathaniel became a Baron of England in 1885.

In 1890, although never intimate with a Rothschild, she visited the home of Ferdinand Rothschild at Waddesdon Manor!

When Edward VII. came to the throne, the very first ball he attended with his consort was at 148, Piccadilly, the home of Baron Nathaniel Rothschild. Even Queen Alexandra became a great friend of Nathaniel's wife who was often her hostess.

In 1902, King Edward promoted the Baron to the Privy Council, together with the Jew Sir Ernest Cassel; this in spite of the strong resistance of Lord Salisbury who resigned his premiership on finding that the King insisted on conferring these Jewish Honours. (*The King and the Imperial Crown*, by Dr. A. B. Keith, p. 105-6, 1936).

It was not merely that Edward liked Jews; he preferred them. It made his hitherto constricted life easy. Thus from E. F. Benson's *King Edward VII*.:—"Owing to the financial acumen of such friends of his as Baron Hirsch and Mr. Ernest Cassel" (both Jews) "he had no debts at all." Again in *Letters of Prince von Bulow*, translated by F. Whyte, p. 182 (Hutchinson), the German Emperor says of the Jew Beit "He takes care of all the speculations of His Majesty, who must be almost a partner in his transactions. He must always be providing His Majesty with heaps of gold *of which he is always in need. One may say 'he runs the King.'*" (Our italics).

King Edward, when Prince of Wales, borrowed enormous sums from Baron Hirsch on notes of hand; according to Wm. Le Queux in *Things I Know* (1923, p.p. 26-29) when the Jew died, and the executors wrote Edward for repayment of the sums owing, Lady Hirsch, the widow, burned the notes; after which he kissed the Jewess's hand!

A man who could sink to that sort of thing would obviously see great advantages in making himself cheap to the Rothschilds, without considering how his familiarity with Jews would react upon his future subjects. King Edward let us all down.

King George V. did not hanker after the society of Jews, but nevertheless it cannot be said that he caused any reaction to set in against their recognition.

The Duke of Windsor followed in his grandfather's footsteps, and it is probable that his downfall was due to his Jewish *entourage.* He would visit Rothschild homes both in England and abroad, and after the people of England had turned him down, he took refuge at once in Rothschild castles in Austria, and Baron and Baroness Eugene Rothschild were guests at his wedding to Mrs. Simpson. The married pair seem to prefer Jews as companions.

The present King George VI. also favours Jews, and the Queen's niece on her marriage actually received a present of a Rothschild cheque. When the Duke and Duchess of Gloucester met the "exiled" Duke of Windsor in Paris in November in 1938, they all had tea at Baron de Rothschild's.

It is of course no accident that most of the male members of the British Royal Family who have forgotten their Royal Duty by mixing socially with Jews have been Grand Masters in Freemasonry; whilst those who have not shown a preference for Jewish company have not been Masons.

CHAPTER IX.

GENTILE INTERMARRIAGES WITH THE ROTHSCHILDS.

IN Britain, the first to fall for a Rothschild was *Hon. Henry Fitzroy* who married Hannah Rothschild, daughter of Nathan Mayer, in 1839. He was the second son of the second Baron Southampton. It is interesting to note that an uncle of his, Hon. Warren Fitzroy, had set the degenerate example by marrying a Jewess as long ago as 1794. Fitzroy's Rothschild wife became a "Christian." He himself in later life became an intimate friend of Lord Palmerston.

He died in 1859, leaving a half-caste daughter who married Sir Coutts Lindsay, Bart., in 1864, and had two daughters; one of these married Rev. T. S. Henrey of Old Brentford, and the other remained unmarried. The Rothschild blood has here died out.

In 1873, another member of the British aristocracy forgot his race and duty; this was *Hon. Eliot Yorke*, son of 4th Earl of Hardwicke, who married one of the daughters of Sir Anthony Rothschild, Bart. In this case, the bride remained a Jewess by religion. Although an M.P., her husband took little active part in politics, and died, fortunately without issue.

Four years after this marriage, the other daughter of Sir Anthony Rothschild, Bart., followed her sister's example by marrying a Gentile, *Mv. Cyril Flower*, whilst retaining her Jewish religion. Flower became a prominent Liberal politician, and was made by Gladstone a junior Lord of the Treasury in 1866. He became *Lord Battersea* in 1892. Once again, Providence defended England, and there were no children of the marriage. It was Flower who befriended Asquith and "took the greatest pleasure in offering him all the opportunities that lay in his power of meeting such men as would appreciate him and be useful to him in his career." (W, p. 268).

A letter to Cyril Flower from Sir Dighton Probyn is quoted congratulating him on his marriage to the Jewess in these words:—"You are marrying a person fit to be the Queen of England." (M, p.p. 170-1). As Sir Dighton Probyn was Comptroller and Treasurer of the Royal Household, and was later Private Secretary to King Edward VII., and a V.C. into the bargain, one may judge the kind of atmosphere in which that Household was developing.

In 1878, the Rothschilds scored two bulls-eyes, marrying into two of the aristocratic families of France and England, respectively.

Marguerite Rothschild, daughter of Mayer Karl, and granddaughter of Karl Rothschild of Naples became the wife of Agenor, Duc de Gramont, Prince de Bidache, as his second wife. They have children and grandchildren.

In the same year the 5th Lord Rosebery married Hannah, only daughter of Mayer Amschel Rothschild, son of Nathan Mayer, the bride being "given away" at the ceremony by Disraeli. She "made Lansdowne House the focus of social Liberalism and was an

important element in the organisation of the Liberal Party." (B, Vol. X., p. 472). She remained a Jewess by religion. Her husband was Under-Secretary for the Home Office, 1881-3; Lord Privy Seal and First Commissioner of Works, 1885; Foreign Secretary in 1886, and again 1892-4; and Prime Minister, 1894-5.

That he acted throughout for the Rothschild interest is indicated by the fact that as Prime Minister he discussed with Rhodes the possibilities of overcoming President Kruger by a filibustering raid (see p. 62) with the object of securing the Jewish mining interests, of which Rothschilds represented the main share, under a subservient "British" regime.

Lord Rosebery's two sons were the present Lord Rosebery (6th) and Right Hon. Neil Primrose. His two daughters married respectively Sir C. J. C. Grant, actually grandson of Sir Robert Grant who was knighted for his attempts in Parliament to emancipate the Jews, and the First Marquess of Crewe. Neil Primrose's daughter brought Rothschild blood into Lord Halifax's family, she marrying the latter's son and heir. The present Lord Rosebery, a half-caste Jew, has surviving issue (1) a daughter who married H. A. Vivian Smith of the Quaker family, and (2) Neil Archibald Primrose, heir to the title.

The surviving child of the Marquess of Crewe by his Jewish wife is the wife of 9th Duke of Roxburghe. Thus through this disastrous Rosebery-Rothschild union, no less than four titled families of British nobility are contaminated by Jewish blood.

It will be noted that the half-Rothschild, Rt. Hon. Neil Primrose was Foreign Under-Secretary, 1915, and joint Parliamentary Secretary to the Treasury, 1916-17. This half-Jew married the daughter of 17th Earl of Derby; her brother is Oliver Stanley, the new 1940 War Minister who replaced the Jew Hore-Belisha.

Thus, in the War Cabinet, both the Foreign Secretary Lord Halifax, and the War Minister, Mr. Oliver Stanley, have close family connections with the Rothschilds; which, considering that the war is being fought for the Jews and for no other reason at all, must, I suppose, be considered an appropriate arrangement.

Barthe Marie Rothschild, sister of the Rothschildian Duchess of Gramont, married Alexandre, Prince de Wagram, in 1882; but it is not absolutely certain that the latter's family was pure Gentile in blood. They had issue.

In 1934, Rosemary Rothschild, daughter of Lionel Nathan, and granddaughter of Leopold Rothschild, married Hon. Denis Berry, second son of Lord Kemsley, of the newspaper-owning Berry family. The significance of this union is apparently not appreciated by Lord Camrose, Lord Kemsley's brother, for in 1939 he published a booklet purporting to show that there was little or no Jew-control or Jew-interest in the London Press. The Berry family controls Allied Newspapers, Ltd., including *The Telegraph*, *Sunday Times*, *Financial Times*, and many leading provincial dailies.

The third Baron (British title) Rothschild took to wife a daughter of Mr. St. John Hutchinson, who until then was Sir Oswald Mosley's favourite counsel.

Adrien Thierry of the French Diplomatic Service, Ambassador in Bucharest, 1939, is married to the daughter of Henri Rothschild.

CHAPTER X.

GENTILE FRIENDS OF THE ROTHSCHILDS.

THE Rothschild family cunningly and perseveringly insinuated itself into "society" and particularly into relationships with politicians who wielded power in the affairs of Europe. It would of course be impossible to indicate more than a few of the most important of these "friendships," together with some of less importance which, however, may be of special interest to my readers.

Lord Palmerston. 1784-1865.

Prime Minister, 1855; many times Foreign Secretary. Described in *Occult Theocracy*, Vol. I., p. 264 (Lady Queenborough) as the "patriarch of European Freemasonry." Intimate friend of Kossuth and Mazzini; supporter of the 1848 French Revolution; influenced Napoleon III. to appoint Prince Murat, Grand Master of the Grand Orient Masons, as King of Naples; enemy of Russia, and prevented Austria from joining Russia in the Crimean War, thus ensuring Russia's defeat. Censored by Queen Victoria for forming important decisions without consulting her.

In a letter written by H. Reeve to Chas. Greville, he states "Rothschild says: 'Lord Palmerston is a friend of the House; he dines with us at Frankfort, but he has the disadvantage of depressing the funds all over Europe without giving us notice.'" (X, letter 20th December, 1845).

The Jewish Encyclopædia (B, Vol. IX., p. 454) writes of the Jew Don Pacifico who lived in Athens, "When the Easter burning of Judas Iscariot customary in that city was given up in 1847 at the request of the Rothschilds, the mob in revenge burned down Pacifico's house, whereupon he claimed compensation to the amount of £26,618. When this rather preposterous claim . . . . was not treated seriously by the Greek Government, Lord Palmerston sent a British fleet to Piraeus (1850) and seized all the ships in the harbour." This led to the withdrawal of the French Ambassador from London. As a consequence of all this, the Government was defeated by 37 votes, but in spite of that the Cabinet decided to do nothing about it. In the debate, "Such shuffling, special pleading, and paltry evasions were never before heard from public men of their eminence and character" (K, 19th May, 1850).

It is likely that Lord Palmerston used the Rothschilds at least as much as they used him. He was a friend of Hon. Henry Fitzroy whose wife was a Rothschild, and he spoke in 1840 at the Mansion House meeting of protest against the threatened execution of the Jewish Ritual Murderers of Damascus (see p. 53).

Lord Macaulay. 1800-1859.

This impecunious historian became an M.P. for a pocket borough and in 1833 for Leeds. In the latter year he was the principal supporter of Sir R. Grant when the latter successfully steered a Bill for Jewish emancipation through the House of Commons (but it was stopped in the Lords). Presumably for this service to the Jews, Macaulay obtained within a year a seat on the Supreme Council of India, *with a salary of* £10,000. His chief works were written subsequent to this period and we may be sure they would not err on the side of "anti-semitism."

In 1839 he became Secretary for War, and that was the first year of the Afghan War; he remained in office for nearly two years.

He was a favourite guest of Nathaniel Rothschild.

J. T. Delane. 1817-79.

Delane was Editor of *The Times*, 1841-77. He was a personal friend of Lord Palmerston, who has already been dealt with (see p. 47).

Delane was intimate with the Rothschild family and a constant and welcome visitor to their houses; so intimate indeed, that (quoting from *The Times*, 23rd Nov., 1926) the two daughters of Sir Anthony Rothschild often rode with Delane in Rotten Row, as well as in Buckinghamshire, "and he took a kindly interest in their lessons." He was described by Lady Battersea (Constance Rothschild) as "a dear friend." (Her *Reminiscences*, p. 106). He was a frequent guest both of Mayer and of Lionel Rothschild; it was at the latter's house that he first met Disraeli in 1863, and he was present at the wedding of Alphonse.

Delane was Editor of *The Times* before he met the Rothschilds, but in 1847 (26th Jan.) his diary shows that he "sat up late and went to Mayer Rothschild's house in Piccadilly to assist him in preparing his address" (election address, and Mayer was duly returned).

A. I. Dasent, in his *John Delane*, 1908, Vol. II., p. 341, gives the whole thing away:—"For eleven years Delane fought for him (Lionel Rothschild) the battle for the admission of the Jews to Parliament."

In the section on the Press, specific instances are given as to Rothschild influence over *Times* policy.

W. E. Gladstone. 1809-98.

Gladstone did not fall for the Rothschilds in early life. As in the case of Queen Victoria, they literally wore him down. He strongly supported Jewish emancipation in 1847, having previously been opposed to it.

His social acquaintance with the Rothschilds began in the late fifties, when he used to visit Lionel Rothschild at his Piccadilly home (W, p. 239), where he was also a frequent guest of Nathaniel after Lionel's decease. Nathaniel was then professing to be a Unionist, and his was the only Unionist house in London at which the Gladstones were wont to dine. Gladstone was intimate with the two daughters of Sir Anthony Rothschild, whom he first met about 1879; by 1888 he was calling Mrs. Flower by her first name, and in 1889 got so far as to go on a cruise on Mrs. Yorke's yacht. Gladstone tried to induce Queen Victoria to make Lionel a Peer in 1869 but failed; he succeeded however in 1885 in getting Nathaniel made a Baron of England.

What with Disraeli and Gladstone both in their hands, Rothschild policy was easy to enforce upon a British Government.

Sir Bernard Eric Barrington. 1847-1918.

Whilst attending the Berlin Congress (1878) he was writing intimately on politics to the Rothschild, Mrs. Flower (M, p. 148). He was precis writer to the Foreign Secretary. Later he became Private Secretary to Lord Salisbury. In 1906 he was Assistant Under-Secretary for Foreign Affairs.

Viscount Morley. 1838-1923.

Was Secretary of State for India, 1905-10, and Lord President of Council, 1910-14. Before that, ardent supporter of Gladstone.

From about 1890, "the happiest days of his life were passed" at the home of Lord Battersea. (W, p. 173). On one occasion in 1892, Morley accepted free quarters and coals from Cyril Flower, but in thanking him for this he writes: "but I cry out for Mrs. Flower and Lady de Rothschild."

Morley was also a guest at Tring Park, Baron Nathaniel's country seat.

Rt. Hon. Augustine Birrell. 1850-1933.

He was Chief Secretary to the Lord Lieutenant of Ireland, 1907-16, and was made scapegoat for the deplorable exhibition of slackness and sluggishness which left lawlessness unchecked and fomented the Rebellion of 1916; his Assistant Secretary was the Jew Sir M. Nathan.

From 1890, Birrell was an intimate of Lord Battersea and his Rothschild wife.

Rt. Hon. H. H. Asquith. 1852-1928. *Earl of Oxford*.

Asquith was Prime Minister 1908-16, and Secretary for War, 1914.

It was Cyril Flower, husband of a Rothschild, who helped to push Asquith forward into influential circles. (W, p. 268). He attended Asquith's second wedding (to Margot Tennant).

In 1892, Lady Anthony Rothschild had Asquith's five children to stay at her residence for Christmas! (M, p. 224).

Asquith was an occasional guest at Tring Park, Nathaniel Rothschild's seat and "at one period, Alfred Rothschild used to go to 10, Downing Street every morning to see Asquith, another close friend, who set great store on his advice." (L, p. 159).

In Asquith's *Memoirs and Reflections*, he speaks of "our friends Jimmy and Dolly," referring in these intimate terms to James Rothschild and his wife. Lady Oxford (née Margot Tennant) writes of her "week-end visits" to the Rothschilds and of her "dear friend," Alice Sassoon. (Y, p.p. 84 and 124).

Rt. Hon. A. J. Balfour. 1848-1930.

Offered Palestine as a National Home for the Jews in 1917, as the price for getting the United States of America into the War.

He was a regular visitor at Baron Nathaniel Rothschild's Ascot house. (L, p. 229). He was himself host to Lady Battersea in 1911. His brother Gerald was described by the latter as "a close friend of my husband and myself."

Cecil Rhodes. 1853-1902.

His connection with the Rothschilds is dealt with under the section "Diamonds and Gold" (see p. 61).

A. B. Freeman-Mitford, later 1st Lord Redesdale. 1837-1916.

He was in the Diplomatic Corps at St. Petersburg, Pekin and Tokyo, and when he came home in 1873 he was one of Lionel Rothschild's weekly visitors.

Lady Snowden. 1881 . . . Wife of Sir Philip Snowden.

Sir Philip Snowden was "Labour" Chancellor of Exchequer, 1924 and 1929-31.

At a Jewish charity meeting in London on 19th March, 1935, Lady Snowden said "For over fourteen years she had counted Lady Rothschild as her best friend" (this was Nathaniel's wife).

Viscount Haldane. 1856-1928.

Secretary of State for War, 1905-12; Lord High Chancellor, 1912-15.

In Lord Haldane's autobiography, he says:—"I was also very intimate with the Rothschild family. At Tring Park, I had a room which was always reserved for me, and I paid week-end visits to Lord and Lady Rothschild with great regularity. With them both I was very intimate. Towards the end of his life, in 1915, I was in temporary charge of the Foreign Office while my colleague Grey was on holiday. It was ascertained that a steamer had sailed from South America, and that, although neutral, there was reason to believe that she contained supplies intended for the Germans. There was no material to act on, and the only way was to use private influence. I motored to Lord Rothschild's house in Piccadilly, and found him lying down . . . . . But he stretched out his hand before I could speak and said 'Haldane, I do not know what you have come for, except to see me, but I have said to myself that if Haldane asks me to write a cheque for £25,000 and ask no questions, I will do it on the spot.' I told him it was not for a cheque, but only to get a ship stopped that I was come. He sent a message to stop the ship at once. I knew his brothers and other members of the Rothschild family also very well, and used to stay at their houses and dine with them very much. My friendship extended to the Paris Branch of the family, and to Princess Wagram and Baroness James de Rothschild, Lady Rothschild's sisters. Every year I used to go to the Chateau Gros Bois near Paris to spend a week-end before Christmas with Prince and Princess Wagram."

The most remarkable thing about the above extract is its candour.

Lord Kitchener. 1850-1916.

Lord Kitchener was "on terms of the deepest intimacy" with Alfred Rothschild from the time of Kitchener's first Egyptian years. (L, p. 158). He received valuable presents from this Rothschild. (L, p. 242).

General Ludendorff said of Kitchener, in a letter on view in the United Services Museum in Whitehall:—

"His mysterious death was the work neither of a German mine nor of a German torpedo, but of that power which would not permit the Russian Army to recover with the help of Lord Kitchener because the destruction of Czarist Russia had been determined upon. Lord Kitchener's death was caused by his abilities."

The following is an extract from *The Diary of Lord Bertie*; 1914-18 (P, Vol. I., p. 134):— "The Dardanelles expedition was known only to the Inner Ring; Louis Mallet heard of it at a dinner from Leo de Rothschild, who had learned it from Alfred de Rothschild, who may have picked up the information in the course of his daily visits to Kitchener at the War Office and 10, Downing Street. There is no such thing as a secret nowadays."

Nor would anyone expect secrecy under such circumstances!

At the Dardanelles, the Turks were ready for us, and we lost thousands and thousands of our best men, and the chief object of the expedition to boot.

Lady Cynthia Mosley. 1898-1933.

This was the first wife of Sir Oswald Mosley, and granddaughter of Levi Leiter of Chicago. She died 1933.

At her memorial service, among the numerous Jews present were Mr. James de Rothschild, Emil Cohn, Lady Melchett (representing Lord Melchett), Mrs. Edward Cahan and Mr. Beddington-Behrens (*Times*, 20th May, 1933).

Rt. Hon. Sir Auckland Geddes. 1879 . . .

Chairman of two Rothschild companies, viz.:—(1) Rio Tinto Co., Ltd., the Spanish copper mines (see p. 58) and (2) Rhokana Corporation, Ltd., the Rhodesian copper mines; the debentures of both these companies are secured by trust deeds dated 1931, to L. N. and A. G. Rothschild.

Sir Auckland Geddes was Ambassador to the U.S.A. 1920-24.

His brother, Sir Eric Geddes has held innumerable key appointments.

Count Ciano, Fascist Foreign Minister in Italy. 1903- . . .

Count Ciano was a friend of the Rothschilds and stayed with them when he came over to this country on a political visit.

His father, Admiral Constanzo Ciano, is stated in Rabbi S. S. Wise's paper *Public Opinion*, Nov., 1939, p. 6, to have married a Jewess; this statement was made in an article

by a Jewess, Gina Lombroso. Italian anti-Jewism is rather an anæmic affair, as the Fascist Government contains several members of Jewish blood.

Anthony Eden, Minister for Dominions, 1939.

This politician, like his war-mongering colleagues, Winston Churchill and Duff Cooper has many friends among the Jews.

Eden used to sit next the Rothschilds at public dinners, and his seat, or rather the one reserved for him, at the Jubilee Procession of George V. was also next the Rothschilds.

"Eden and Philip Sassoon are close friends. They share a love of pictures, and oriental poetry. In London, they sup together several times a week," *Cavalcade*, 18th April, 1936.

Sir Philip Sassoon's mother was a Rothschild.

"Eden and Sassoon have been friends for years" said the *News Review*, 21st July, 1938, in discussing the fact that Sir Philip Sassoon had become involved in controversy with Mr. Chamberlain. "Mr. Chamberlain discovered that Sir Philip had been allowing Anthony Eden and his satellites to hold meetings in his room at the House of Commons."

When Anthony Eden flew back from Geneva via Paris in August, 1935, after the League of Nations had been discussing Italy's attack on Abyssinia, he landed at Hythe to visit first his friend Sassoon.

"The voice that breathed o'er Eden" evidently spoke Yiddish.

Commander Oliver Locker-Lampson. 1881 . . . .

This fanatical Jew-lover, whose antics with a shot-gun during Professor Einstein's visit to this country as a refugee so amused the anti-Jewish world, has been from childhood a friend of the Rothschilds, particularly of Lady Battersea.

It may be remembered that the Commander was Russian Representative of the Ministry of Information in 1915, just after the Bolshevik Revolution. His "Hands off Britain" campaign against the Soviets (which had confiscated the Rothschild oil wells at Baku) never once mentioned that Bolshevism was Jewish. Who financed that movement? When the movement collapsed in 1933, the Commander advertised that he had £960 worth of badges, sleeve-links, hat-clips and gramophone records, collectively described as Loyalist Emblems, to dispose of!

In 1933, the Commander brought in a Bill "to promote and extend opportunities of citizenship for Jews resident outside the British Empire."

In 1936, when the Government decided to prosecute the author of this book for speaking the truth about the Jews, it was Locker-Lampson who was chosen to be the official spokesman in Parliament to bring the frightful crime to its notice.

The Quaker families of *Gurney*, *Pease* and *Buxton* have always been on very friendly terms with the Rothschilds.

CHAPTER XI.

ROTHSCHILD FAMILY RELATIONSHIPS WITH OTHER JEWS.

THE MONTEFIORE FAMILY.

THE Rothschilds were related by marriage to the Sephardic Jewish family of Montefiore as follows:—

Abraham Montefiore, brother of Sir Moses, married Jeanette, daughter of the senior Amschel Mayer Rothschild in 1815.

Nathan Mayer Rothschild, of London, Amschel's son, married the sister-in-law of Sir Moses Montefiore in 1806.

Abraham Montefiore's daughter, Louisa, married Sir Anthony Rothschild, Bart., in 1840.

The Montefiores themselves linked up with the big financial Jews Goldsmid by the marriage in 1850 of Abraham Montefiore's son, Nathaniel, to the daughter of Sir I. L. Goldsmid, Bart.

Sir Moses Montefiore, Bart. (1784-1885), after 1812 until his death "lived in New Court, close to his friend Rothschild; and the brothers Montefiore, as the brokers of that financial genius, became wealthy men." Thus says the *Jewish Encyclopædia* (B, Vol. VIII., p. 668), so there can hardly be any argument that Sir Moses Montefiore depended on and represented the Rothschild interest.

Thus, to 1824, together with Rothschild, he helped to found the Alliance Insurance Company as a sort of Jew-controlled rival to Lloyds.

We may take it that the rivalry between the Goldsmid firm and that of the Rothschilds was ended by the Montefiore-Goldsmid marriage mentioned above.

It is notable that Sir Moses Montefiore's son Leonard was a very intimate friend of Lord Milner and Arnold Toynbee.

It was Sir Moses Montefiore who was sent out to Egypt and Constantinople after the Jewish Ritual Murders at Rhodes and Damascus (U, p.p. 23 seq.) to bribe the Khedive

and the Sultan into hushing up this Jewish practice, after the failure of the Austrian House of Rothschild to achieve this object through the Austrian Consulates, Austria being in need of loans from the House. Referring to the Rhodes murder, the *Jewish Encyclopædia* states: "owing to the efforts of Count Camondo, Cremieux and Montefiore, a firman was obtained from the Sultan which declared all accusations of ritual murder null and void." The cost of this firman is not stated, but the reader will note with interest that the Paris Rothschild agent Cremieux reinforced the endeavours of Montefiore, their London broker. Camondo was banker to the Ottoman Government, and a Jew.

Writing of the Damascus case, the converted Rabbi Chevalier P. L. B. Drach states in his *Harmony between the Church and the Synagogue* (1844, Paris, p. 79) "Money played a great role in this business."

Another member of the Montefiore expedition was Salomon Munk, who had previously been teacher to the Paris Rothschild family, his pupils being Alphonse and Gustav.

The results of these bare-faced briberies have been completely misrepresented in the Jew-controlled "British" Press. Thus, the Damascus prisoners were released but not exonerated, whilst the Sultan's firman was the merest sophistry; but for further details see my other book (reference U).

It is particularly interesting that Pope Pius IX. refused to give an audience to Sir Moses Montefiore on his way back from this exploit, although the Jew persisted in his efforts to see His Holiness with typical shameless effrontery.

The Montefiores are the Jewish Kings of Australia: the first to go there was Jacob (1801-95) who arrived in South Australia in 1843 as agent for the Rothschilds (B, Vol. VIII., p. 666) where his reception by the Governor and the people is described as "enthusiastic."

THE WORMS FAMILY.

Baron Solomon Benedict de Worms, father of Lord Pirbright, lived in Nathan Rothschild's house in London as a boy; Nathan's sister was the boy's mother.

The estates of the Worms family in Ceylon were known as the Rothschild estates. Baron Pirbright, a "Conservative" politician, was more than once Parliamentary Secretary to the Board of Trade, and from 1888 to 1892 became Under-Secretary for the Colonies.

THE SAMUELS.

As stated on p. 59, the Samuel family was financed by the Rothschilds from the nineties of the last century, when the first Viscount Bearsted began to interest himself in the sea-transport of oil.

THE SASSOON FAMILY.

This family of Baghdad Jews is related by marriage to the Rothschilds. It represents the Rothschild power in India and China.

Sir P. A. Sassoon, Bart., married the daughter of Baron Gustave de Rothschild in 1887, and had two children, Sir Philip Sassoon and the Marchioness of Cholmondeley. Lady Sassoon was a member of the "Souls," the notorious gang of which Balfour and Margot Tennant were members.

Leopold Rothschild married a Perugia, sister of Mrs. Arthur Sassoon.

As stated elsewhere, Sir Philip Sassoon was the bosom friend of the war-mongering politician Anthony Eden. Sir Philip was Field-Marshal Haig's Private Secretary throughout the Great War; Private Secretary to Lloyd George at the Peace Conference; and was "British" representative at the League of Nations discussion in 1933 as to the possibilities of forming an International Air-Force. He was a constant associate of the Duke of Windsor when the latter was Prince of Wales.

King Edward VII. became familiar with the Sassoon family, setting the bad example to his grandson. He was a wedding-guest at the Rothschild-Sassoon marriage.

THE FRANKLIN FAMILY.

This family of banking Jews has long had relations with the Rothschilds. Jacob Franklin (1809-1877) was Secretary to the North of France Railway and other French railways and became auditor of the chief Brazilian railways. All these concerns were under Rothschild control. His nephew, Frederic Samuel Franklin had two daughters who married Sassoons.

CHAPTER XII.

ROTHSCHILDS AND PRESS CONTROL.

THE power of the Rothschilds to influence public opinion by means of press control has been too often acknowledged and exercised for any doubt to remain on the matter. A newspaper has to pay its way, and is, except in the rare cases where its editor or owner is a man of unusual character, particularly susceptible to the favours which Jews of unlimited means can bestow upon it, to say nothing of the detrimental effects those same unlimited means can produce if applied in a hostile manner.

The Jew poet Bialik, in an address given to Jews at the Jewish University in Jerusalem on 11th May, 1933, said:—"Not in vain have Jews been drawn to journalism. In their hands it became a mighty weapon highly fitted to meet their needs in their war of survival."

Note these words "weapon" and "war."

It is ridiculous then, considering that the Rothschilds have throughout the 19th century been the most powerful Jewish financiers in Europe, to suppose that they have not been the principal controllers of the Press for the purpose which Bialik so accurately defines.

When, therefore, *The Graphic* of 26th July, 1879, stated that "the Press of the Continent is to a large extent in the hands of Jews," it is equivalent to saying it was largely in the hands of Rothschilds.

The whole subject of Press Control in Britain by Jews is dealt with in a special pamphlet issued by the Imperial Fascist League called *Jewish Press Control.* I must confine myself to some known examples of what must have been the general practice for over 100 years.

Most noteworthy is the extreme intimacy of Mr. J. T. Delane, Editor of *The Times* between 1841 to 1877, with the Rothschilds, as already described (see p. 48).

We know that Sir Moses Montefiore introduced the Jew Samuel Phillips to the staff of *The Times* where he became Chief Literary Editor, professing Christianity, his son becoming Private Secretary to the Archbishop of Canterbury, Dr. Benson! We know that this Phillips tried to influence the provincial press not to pin Lord Derby down to a pledge of protection in 1852. We know that in 1872, on the last to day of the year, the Russian Ambassador in London, Brunnow, wrote the Russian Chancellor saying that he was persuading Lionel Rothschild to use his influence on *The Times* to adopt a policy of peace and conciliation, and that Brunnow had used the same influence in 1863. (*Cambridge Historical Journal*, I, No. 1, 1923). We know that the Rothschilds had been urged by a Cabinet Minister to bring pressure on *The Times* to induce it to modify its hostile attitude towards Germany during the Boer War in 1900; this was of course long after Delane's decease. (A, Vol. II., p. 453). The Rothschilds could do what no Cabinet Minister could achieve!

We know that Lord Kemsley's son Denis has married a Rothschild and that Lord Kemsley and his brother Lord Camrose are Press Kings.

We know that *The Standard* had to close down at the outbreak of the Great War, 1914-18, because the Austrian Embassy "which had been surreptitiously financing it, could no longer make payments" (speech in House of Commons, 21st Nov., 1938, by Rt. Hon. T. Johnston, M.P.). Who ruled Austria, the Hapsburgs or the Rothschilds?

We know that the Rothschilds are chief shareholders in *The Economist.*

We know that Alfred Rothschild gave *The Evening Times* a gift of £1,000 to enable it to carry on. (L, p. 148).

It is the same all over the Continent where "democracy" prevails.

The Rothschilds control the *Agence Havas*, *Le Temps* and *La Revue de Paris*, and, until Hitler took over Austria, the *Neue Freie Presse* of Vienna.

The most striking instances in which the Rothschild money-control of newspapers has been exercised have been in the deliberate suppression of news about Jewish Ritual Murders, and the vilification and abuse of prosecuting counsel and judges in such cases. Thus, the influence was brought to bear on the Damascus murder, 1840; the Tisza Eszlar Case, 1882; the Polna case, 1899; and the Kiev case, 1911.

CHAPTER XIII.

ROTHSCHILD CONTROL OF RAW MATERIALS.

MERCURY.

THAT the Rothschilds controlled Mercury is a fact which cannot be denied in the face of the statement to that effect in the *Jewish Encyclopædia* (B., Vol. V., p. 384).

Nathan Rothschild sent Lionel to Madrid and the latter obtained the lease of the Almaden mines in Spain in 1832, and received the Order of Isabella the Catholic from the Queen Regent of that country! This mining concession was obtained by the House of Rothschild in consideration of a loan of 15 million francs to the Spanish Government at a low rate of interest. In a few years, the income from these mines was anything between 1¼ million to 2 million francs. Thus the Quicksilver monopoly was established, the Vienna House having previously purchased the Austrian mines of Idria. The Rothschilds doubled the price of mercury, and their monopoly lasted until 1863 by which time Mercury was discovered in the United States of America.

In the years 1835 to 1837, the Rothschilds were in a somewhat desperate position because of these quicksilver interests in Spain. Don Carlos was fighting to gain the throne from the Queen Regent and was threatening the safety of the Almaden mines. The Rothschilds, whose agent in Madrid, the Jew Mendizabal was the Queen Regent's Finance Minister, supported the Queen Regent, but were hampered by the facts that they had little faith in Spain's credit and that their Austrian patron, the Chancellor Metternich, strongly favoured the cause of Don Carlos. The Rothschilds therefore actually "made great efforts to secure the armed intervention of England and France" and were successful in that the French lent the Queen Regent the services of the Foreign Legion, whilst Britain raised a volunteer force which was financed by Nathan Rothschild. (A, Vol. II., p. 124). As in 1940, the French and British were sent to fight the Jews' battles. At last, to please Metternich, the Rothschilds pretended that the Spanish Government had been guilty of bad faith, and they "beared" the Spanish funds in Paris and London bringing them down from 70 to 37. In spite of all this, Don Carlos's inadequacy led to his defeat in the field, and the Rothschild mines were safe again.

NICKEL.

The principal supplies of Nickel, used for hardening purposes in steel manufacture, and for which there is no known substitute, were in Canada, New Caledonia and Norway. The

Canadian supplies are controlled by the Jew Lord Melchett, and the New Caledonian mines by the Paris Rothschilds.

What this means exactly is exemplified by a curious occurrence in the Great War 1914-18. Nickel had been declared contraband by the British who cut off Germany's supplies from Canada. However, on 1st October, 1914, a Norwegian steamer loaded with 2,500 tons of the metal from New Caledonia and consigned to Krupp in Germany was stopped by the French Navy and taken to Brest as a prize of war. Immediately an order came from Paris to release the ship, which was then allowed to proceed to Hamburg! The French did not declare nickel to be contraband until May, 1915, by which time Germany had made sure of her supplies, supplementing them by bringing over from America a further 400 tons in the submarine *Deutschland*; this nickel must have been purchased in the United States from New Caledonia by arrangement (Z, pp. 166-7).

Who made the arrangement?

Who ordered the Norwegian steamer at Brest to be released?

One guess will suffice as an answer to both questions.

The French Rothschild Company was called Le Nickel, and had on its Board of Directors two Germans closely associated with Krupp and with the *Metallgesellschaft* of Frankfort, of which the Kaiser was a large shareholder.

That is what Rothschild control signified.

Since then, Finland promises to be the future chief source of Nickel, and the potentialities of the new mines in the arctic region of Petsamo in that country are enormous. These mines are owned by the Jew Lord Melchett's International Nickel Co. of Canada. Their existence will no doubt influence the amount of actual help to Finland which will be rendered by Britain against the Soviets' cowardly attack, but the intelligent reader will not allow himself to lose sympathy with the gallant Finns on that account.

COPPER.

From the beginning of this century, the Rothschilds have had an important share in the Rio Tinto Mines in southern Spain, and the Trust Deed (dated 1931) for the Company's Debentures is in favour of L. N. & A. G. Rothschild. These mines also produce Sulphur; Rear-Admiral Consett in his *Triumph of Unarmed Forces* (1923), p. 228, shows how the Rio Tinto Company during the World War 1914-18 sent to Denmark enormous amounts of pyrites containing sulphur for the purpose of mixing with raw phosphatic materials from North Africa to make fertiliser, obviously for German use.

According to the *Jewish Encyclopædia* (B, Vol. V., p. 384) the world control of Copper was (in 1903) in the hands of the Jew firms Lewisohn Bros. & Guggenheim Sons.

LEAD.

Among the most important Lead-mines in the world are those of the Spanish Company Societe Miniere de Penarroya which produces one-eighth of the world's total. Since 1883, the Paris Rothschilds controlled the Company and in 1909 they allied themselves with the Frankfort *Metallgesellschaft* (which meant Krupp and the Kaiser, as stated previously in this Chapter). This arrangement continued until 31st December, 1916, and must have been most profitable for Rothschild Freres during the first two years of the war, when they sent 150,000 tons to Germany, via Switzerland. (Z, p. 167).

OIL.

The story of Rothschild Oil-interests can be largely told by means of extracts from well-authenticated sources.

"The house of Rothschild, and more especially its Paris Branch, had been strongly interested in the Caucasian petroleum industry ever since 1883. Here it controlled two important companies, the Caspian-Black Sea Company, and, since 1898, the Mazut Company . . . these Rothschild companies had had to fight hard against the overwhelming superiority of Standard Oil. Thus it was only natural that the capitalists who owned them should strive to strengthen and expand their influence in the oil industry by giving financial support to the Dutch Company." (Z.1, p. 47).

The *Jewish Encyclopædia* (B, Vol. X., p. 496), says that the interest of the Rothschilds in the Baku Oil-wells made them the chief competitor of Standard Oil Company.

In a letter dated 14th March 1901, Sir Cecil Spring-Rice wrote of "Baku, an enormous town in a desert, breeding petroleum, once the home and temple of fire-worshippers—now mostly owned by the Rothschilds." (D, Vol. I., p. 338).

Then appears Deterding on the scene, an official of the Royal Dutch Company, later to become Sir Henri Deterding; this man is described by W. Thompson in an article "World Oil-War or Entente," published in *Asia*, May 1923, pp. 236-8, as "a Jew by race"; whilst the *News of the World*, 5th February, 1939, said he was "of Jewish descent."

"It was Deterding who induced the House of Rothschild to give Royal Dutch its backing, which undoubtedly saved the Company from ruin." (Z.1, p. 48).

The Jew Marcus Samuel "built an experimental oil-tanker with money borrowed from the Rothschilds of Paris." (Z.2, p. 21).

The Royal Dutch Company allied itself with the Shell Transport of Marcus Samuel (afterwards Viscount Bearsted), in 1897, and later, in 1902 with a sales firm, the Asiatic Petroleum Company. "As before, Samuel got the House of Rothschild to finance the companies." (Z.2, p. 23)

"Standard Oil's first desperate onslaught upon Royal Dutch was discontinued only when the Americans realised that Rothschild's millions were behind the Dutch company." (Z.1, p. 53).

The Rothschilds were always hostile to the Tsars of Russia who were the only European monarchs to protect their people from the Jews by refusing to give them the status of Russians in Russia. They must, therefore, like Jacob Schiff of Kuhn Loeb & Co., have been interested in the success of Kerensky's revolution; but it is impossible that the Rothschilds could have desired the success of the Bolshevik revolution which came next, because of the losses they would, and did, sustain in the Russian Oil-fields which were ultimately confiscated by the Soviet Government.

In the hope of recovering these oil-fields, the Rothschilds believing that the Bolsheviks would collapse, increased their holdings of Russian Oil-fields by further purchases made through Deterding, buying them at knock-down figures. We may be sure that they supported the counterrevolutionary attempts of Generals Wrangel, Deniken, and Admiral Kolchak, which all failed. It is interesting to note that the Brigadier-General of the British Military Mission to aid Denikin (1919-1920) and the Commanding Officer of the British Mission with Wrangel's forces (1920) was Sir J. Percy whose real name is Baumgartner and married to a Jewess, and the British High Commissioner in South Russia (1919-20) was Sir H. J. Mackinder, ex-Director of the London School of Economics, and also married to a Jewess! Deterding himself married the daughter of a Russian "White" General.

The Royal Dutch Company which so strongly represents the Rothschilds also controls the Anglo-Saxon Petroleum Company, which has two peculiarities:—

> 1. It hardly ever is able to find Oil in British territories, although its concessions range all over the Empire's Crown Colonies, besides South Africa, Egypt and Palestine.
>
> 2. There is little that is Anglo-Saxon in the composition of its Directorate. It is strongly Jewish, and is part owner of the Consolidated Petroleum Co. and the Anglo-Mexican Petroleum Co. which in turn controls the Shell-Mex Companies of Argentine, Chile and Uruguay.

The number of books written about "Oil-wars" is Legion; and it will be noted that in all the international crises caused by conflicting interests chiefly between American Standard Oil and the European Royal Dutch, the Rothschilds have held strong position in the latter Company. Under the Rothschild Paris regime, France found that she had neglected her Colonial oil-fields and suffered for it in the Great War 1914-18. Why was this allowed? R. Neumann blandly explains in his book *Zaharoff: the Armaments King* (1935), p. 210:—"It was known that it was in the interests of the foreign oil trust that France should not discover any oil-wells in her own soil or in any of her colonial territories, for then she would remain permanently under the control of the foreign oil producers."

And there you have also the explanation of the curious non-discovery of Oil in British territories. It is, however, so necessary for the Jews to have Hitlerism destroyed, that we should not be surprised to hear of many wonderful new discoveries of Oil in British and French possessions, although such discoveries must not be expected until the highest prices have been wrung out of the taxpayers of both countries for the benefit of the oil-fields already working.

Among the major Oil-Wars we note the following theatres:—

1. *Mexico.* Here the game was the corruption of successive Presidents by the two belligerents (Standard Oil and Deterding), or, where that did not work, they resorted to the financing of revolutions against such Presidents of the forcing of "incidents" rendering "necessary" the landing of armed forces. One side was just as bad as the other, and thus they made of Mexico a shuttlecock, caring nothing for the welfare of the Mexican people and rendering good government there an impossibility.

2. *Venezuela.* The Oil-war in this country consisted chiefly in a duel of bribery of President Gomez from 1928 onward, the belligerents being Standard Oil and Deterding. This oil-war completely prevented good government in Venezuela, and made it possible for Gomez to reign as a most barbarous dictator to the intense suffering of the Venezuelan people.

3. *Asia Minor.* The Turko-Greek war (1920) in this country was really an oil-war, Greece being backed by "Britain" and Turkey by "France." When Turkey won, we sent her an ultimatum to yield to us the Oil-field, but then the U.S.A. stepped in and obtained a concession for oil which made Turkey her ally! Britain's reply to that situation was to begin to jib at paying her War-debts to the U.S.A. and that brought the U.S.A. to heel. The dispute was referred to the League of Nations, and Iraq gained the oil-field under a 25 years' British Mandate.

CHAPTER XIV.

DIAMONDS AND GOLD.

IT is said that when Lord Randolph Churchill made his extensive tour through South Africa in 1891 he was acting as agent to obtain information for the Rothschilds, who, of course, knew of the diamonds and gold which were being worked there. He took with him on these travels a mining engineer and does not seem to have himself followed up the favourable reports that this professional made to him. It would seem unnatural for a Churchill to perform work which was not in aid of some Jewish interest.

However that may be, it was 3 years before this when Cecil Rhodes applied to the London Rothschilds to buy out the French interests in the Kimberley mines and so obtain control of the Diamond industry in South Africa. For this purpose, Rhodes was financed by the Rothschilds to the extent of £1,400,000, and soon afterwards (with Barnato, to

whom £5,338,000 was paid), the De Beers Consolidated Mines was formed, and the Rothschilds put in the Jew Sir Carl Meyer as their watchdog director. Out of the first deal, Rothschilds made £100,000 in 3 months by the rise in value of the Company's shares; they got a further £100,000 commission for the purchase of the De Beers mine. The Chairman of the De Beers Consolidated Mines is now the Jew Sir Ernest Oppenheimer. Sir Alfred Beit (Jew) is a Life Governor. The Diamond mining industry is a complete monopoly, and the price of these beautiful stones is kept up by artificial means so that no-one but the rich may acquire them, and the enormous profits pour into the hands of the Jews.

Before that, the Rothschilds "had long been interested behind the scenes, together with the Mosenthals, in London and South African Exploration Co." (L, p. 107). They took a financial interest also in the enormously powerful firm of Wernher Beit and Co., which owned huge tracts of land and gold mines in South Africa. "When Beit realised that it would be necessary to obtain the support of international financiers and bankers in order to raise all the capital required for the gold-mining industry, he decided to broaden the market by giving participations to the Rothschilds of Germany, Austria and France." So writes J. B. Taylor, of Wernher Beit & Co. in his *A Pioneer looks back*, 1939, p. 109.

To this day, the De Beers Company dominates the South African Press. According to the *Daily Telegraph*, 8th January, 1935, it was at Tring Park, the residence of Baron Nathaniel Rothschild, that Rhodes met the leading politicians of Britain. It is well known that the South African War was brought about by the Jews to obtain a strangle-hold on South African gold by means of the Union Jack, which they were unable to do under the rule of the crafty old Boer President Kruger. According to *Randlords*, by P. H. Emden (1935), it was the Rothschilds who backed financially the offer made to Portugal to purchase Delagoa Bay with the object of encircling the Transvaal of the Boers, the sum offered being £700,000.

Most significant of all is the information given by Dr. Hans Sauer in his book *From Africa*, 1937; Dr. Sauer was present in Westminster Hall when the Parliamentary Committee was examining Rhodes on his part in the Jameson raid which fomented the outbreak of the war, and says he noticed "that the evidence was taken in a curious way and always went to ground like a hard-pressed fox whenever it began to point too strongly at certain persons." Sauer asked Rhodes the reason for this; Rhodes replied "One of the big men knew all about it."

In discussing Sauer's book, the *Cape Times*, 2nd Nov., 1937, identifies the "big man" as (the late) Lord Rosebery! Rhodes told Sauer that he had discussed the possibility of the raid with Lord Rosebery when the latter was Prime Minister! The dates of Rosebery's Ministry were 1894-5, at which time he was a widower, his wife having been a Rothschild, and his children half-caste Rothschilds!

Now as Lord Rosebery and his Jewish friends and relations evidently arranged the Jameson Raid, the reader may guess what they must all have "made" by "bearing" the mining shares on the Johannesburg Bourse.

In the jargon of the stock exchange, a "bear" is one who sells shares, which he does not actually possess, for future delivery with a view to a drop in prices meanwhile; when that drop in values occurs, he buys the shares and delivers them to his customer. The weapon of the successful "bear" is thus seen to be possession of information on coming events.

These Jews knew what was coming, for they arranged it to happen; the Jameson Raid (1895) produced a fearful slump, and the Jews made millions as "bears."

Four "leaders" of the raid, including the Jew Lionel Phillips, were sentenced to death by a British Court, but the black cap meant nothing where Rothschilds were concerned, so the prisoners were able to buy their lives by a fine of £25,000 per head! Soon after this, there was a perfect epidemic of Jewish baronetcies among those intimately concerned with the dastardly business of the Raid. Cecil Rhodes was rewarded by becoming a Director of De Beers in 1900.

The Jameson Raid provoked the costly (in life and treasure) South African War, 1899-1902. Speeches made by President Kruger in 1899 prove that he knew that the Jews, not the British, were his real enemies. "If it were conceivable," he said, speaking in Johannesburg marketplace, in February, "to eject the Jew monopolist from this country neck and crop without incurring war with Great Britain, then the problem of everlasting peace would be solved."

Not only do the Rothschilds control the mining of South African gold, but they control also its price. In London, all gold bullion passes through the hands of three Jewish firms who govern the price of gold from day to day; these are N. M. Rothschild & Sons, Mocatta & Goldsmid, and Samuel Montagu & Co.

CHAPTER XV.

ROTHSCHILDS AND ZIONISM.

IN general it may be said that until recently the Rothschild family has opposed Zionism on the grounds that it would be dangerous for their status as "citizens" of the various nations they infested.

Mayer Amschel Rothschild, the son of the original Amschel Mayer, refused in 1845 to have anything to do with Zionism.

Edmund Rothschild also opposed political Zionism, although the Jewish colonies in Palestine before the war really owed their existence to his donations. In 1900 he ceded his eight "colonies" in Palestine to the Jewish Colonisation Association. But he approached Lord Bertie of Thame about a National Home in Palestine on 25th January, 1915. (P, p. 105).

Nathaniel in England was also an opponent of Zionism, until he met Theodor Herzl, the Zionist leader, in 1902, when, alone in the Rothschild family he endorsed the project for making a National Home for the Jews in East Africa.

After a while, the resistance of other Rothschilds to Zionist ideas was worn down, and Balfour made his notorious "Declaration" of 1917 as an address to Baron Lionel Walter Rothschild.

The first Zionist political committee's meeting on 7th Feb., 1917, had been attended by Lionel Walter and by James Rothschild, son of Edmond.

CHAPTER XVI.

OTHER ROTHSCHILDS.

CERTAIN Jewish families named Rothschild, apparently unconnected by blood with the family with which this book chiefly deals, are prominent in America, and one, *Walter N. Rothschild* is the husband of Carola Warburg, granddaughter of Jacob Schiff, the founder of the New York Jewish bankers Kuhn Loeb & Co., who, after the Great War, 1914-1918, were backing Jew-run Republican Germany with a view to control of politics there, whilst the European Rothschilds in London and Paris were favouring France.

But the most important of the mysterious Rothschilds is the Jew known to-day as "the French Disraeli," *George Mandel*, whom Alfred Rosenberg (the Nazi Minister) and French anti-Jewish workers state is really *Jeroboam Rothschild.* He certainly exhibits the symptoms of official Rothschild backing, for he appears to be indispensible to all Governments in France, whatever their labels may be, whilst his policy is always in accord with that of the Banque de France, which the Paris House of Rothschild always dominates by a member of it acting as Regent. Mandel is a member of the Jewish Masonic Order B'nai B'rith and of Grand Orient Masonry. During the Peace Conference at Versailles he was secretary to Clemenceau; it will be remembered that Lloyd George had Sir Philip Sassoon as his secretary, and that Sir Philip's mother was a Rothschild; which is just what might have been expected.

Mandel was also Clemenceau's secretary during the War itself.

Since the war, he has been the principal advocate in France of an alliance with Bolshevik Russia, and worked against an understanding with Fascist Italy. He controls *L'Ami du Peuple*.

Hon. E. M. Stonor, a brother of Baron Camoys, married as his second wife the daughter of *Thos. Wm. Rothschild* of Pretoria in 1925 but there was no issue of the marriage.

CHAPTER XVII.

THF MORAL OF IT ALL.

THERE is a very definite moral to this narrative of events. It is this:—Only a minority of men and women in any community, of any race and of any rank, and of any religion, are strong enough to withstand absolutely the influence exercised upon them by those who wield Money Power, which becomes without much effort the real ruler of "democratic" governments. When that Money Power is wielded by Jews, it follows that democracy is condemned by its very nature to result in the rule by alien Jews of the country which adopts it.

It is not to be supposed that all those who have done the Rothschilds' Jewish work for them in international politics have been bribed. Many of them, like Prince Metternich or Lord Kitchener, were men of high personal honour, to whom it would be unthinkable that even a Jew would dare to offer a bribe.

The influence of money is generally exerted in a far more subtle manner than that of raw bribery. Even good men and women, if they are not also strong, find it difficult to resist favours such as presents given under circumstances which make refusal difficult or churlish; "tips" as to the likely future fluctuations in value of stocks and shares; introductions to influential people afforded by the rich to the needy; residential accommodation supplied at a cost considerably below that which is usual for such accommodation; the supply of early news to politicians; and so forth and so on. Under such influences, people who could not be bribed by any direct means, find themselves placed sooner or later in circumstances where it is impossible for them to refuse some sort of return of the favours, a return which perhaps the official position of the individual concerned affords him the opportunity to make. That is the thin edge of the wedge. The Jew craftily taps the wedge further home, driving it as far as he dares, and in some cases probably completing control over his prey by resounding hammer blows upon that wedge until personality and honour begin to part company.

Democracy, the great political fraud, must be scrapped and the nation and the empire must be placed in the hands of a few great patriots whose race and character are above suspicion, and under whose influence even fallen Royalty can regain its sense of serious duty.

INDEX. [not reproduced]

“Money”
God or Mammon?

by **Prof. Giacinto Auriti**

This article already published in “Chiesa viva” nn. 204 and 205 (February and March 1990), as prophecy has now become extremely topical.



What is money? What is its origin? **In reality, nobody has yet defined it;** at most, what has been done is plumbed only the **“technical”** and **“functional”** aspects of it. We confront this theme because we realize that currency, yesterday and above all today, has had an enormous importance in the social-economical and political events of our society. Above all we are concerned with posing and answering these questions:

– What is currency?
– Why is it that the more a country is industrialized, the more it produces, the more it is in debt?
– And to whom is it indebted?
– Why is it that Third World countries, though having huge natural resources, are starving?

1. WHAT IS CURRENCY?

So far, the definitions of currency proposed are designated as **“credit value”** and **“conventional value.”**
“Credit value” means that the possessor of a bank-note, claims a credit against the Issuing Bank (in Italy, la Banca d’Italia).
“Conventional value” means that the currency has that value because it was established by convention. A just order of the “International Monetary System” is indispensable for the peaceful coexistence of peoples; the knowledge of the organization of this system, and of the potential of the monetary instrument, is utterly necessary, so that, whoever uses it, does so only to offer a service to humanity and not to use it as an instrument with which to threaten the fundamental liberty of all peoples. Today, with much ease and with too much trust, public opinion has accepted as a legitimate fact the institutionalization of the so-called **“paper gold.”** The general public, in fact, is convinced of “convertibility” of paper money into gold.
The reality, however, is quite different, even if almost all public opinion overlooks it; effectively: **«In 1935 the convertibility of the lira into gold** stopped, and at the same time the “suspension” of the **obligation** for the Bank of Italy was decreed. Since the end of 1926, the law of **the Monopoly of the Emissions was enacted** to keep available intentionally, a **gold reserve** of not less then 40% of

the money in circulation and pledge of cash on delivery [payment on receipt] (see R. Gattoni, "How the Bank of Italy functions," p. 52). Therefore, the caption on the banknotes: "Payable or payment on receipt" has no meaning. Sure enough, since then there is no longer coverage nor convertibility into gold, therefore, money as "trust deposit" results only in public illusion! ...maintained skilfully only in order to convince the man on the street. In fact:

– **An objective limit** exists to the issue of money, based on the quantity of the **"gold reserve."**
– **Money cannot be issued free** (as it actually is) from the Issuing Bank, because apparently conditioned by the production and availability of the real comodity (gold).



Prof. Giacinto Auriti.

With the pretext of the gold reserve, it is essentially desired to preserve the public opinion, which is the conditioned reflex caused by the old monetary system, i.e., the use of money commodity (gold, silver, salt, tobacco, shells, etc.) that, already belongs to the "History of the economy." This strategy, on the part of the International Monetary Banking System, is based on confusion willfully preordained between two concepts of "credit value" and "conventional value." So that, with the issue of paper money structured to as fake "promissory note" or "phony deposit validation," induces the community to give merchandise, which has a cost, against paper gold, which has no cost! At the international banking vertex it has been possible to substitute for money merchandise, the monetary symbol at nil cost, because a fundamental principle of the "philosophy of value" is understood, that is: **that the value is never a quality of the material, but a dimension of the spirit!**

So, for example, we might say that the pen has a value because we expect to write with it. Therefore, the value is the relation between the moment of the expectation and the expectation fullfilled. Also the money has a value because each one is ready to change merchandise into money, because each one expects to be able to give, in turn, money for merchandise. Therefore, as foreseen, other people's conduct as its own condition, is the source of the conventional monetary value. The conventional value, falsely passed off as **"title of credit,"** the banking system obtains the objective of appropriation of the conventional values produced by the community.

The bank transforms its own "Debt," only apparent, into a tangible accumulation of wealth, by a Macroscopic Accounting Reversal of which nobody, unfortunately, is aware, perhaps because is too obvious! and that it permits appropriating a value that has nothing to do with the "credit," which extinguishes itself with "payment," while the money continues to circulate after each transaction, indefinitely.

The category of the "conventional" values, even today is almost entirely ignored by the economic science (establishment) and by the legislative system, to the point that a valid monetary juridical regime still does not exist. According to the traditional theories, when we speak of "value," as a rule, we erroneously understand by that term, the "cost" value, as being the incorporation of the cost of the product (example gold money). Historically, it has been proven that each time a merchandise has been considered "a currency symbol," its value has notably risen; this shows that the value of a good is commensurate with its benefit.

The currency takes its value by the simple fact that it is a "unit of measure of the value of the goods. As the yardstick has the quality of length because it measures length; as the kilogram has the quality weight because it measures weight, so currency has the quality of value because it measures value. We must attain financial responsibility of this truth and discover the immense potentiality of value of the mental activity of the group. It has been demonstrated by the fact that the monetary value subsists even when the monetary symbol is of nil cost, and is lacking of any form of reserve, as for example the "dollar," declared non convertible, non guaranteed and not covered by gold, by President Nixon on August 15th 1971 at Camp David; as also we have seen in Italy, even since 1935. To recap, then we can say that "money" has the dual characteristic of being **the unit of measurement of the value of goods,** but also the Power of Acquisition of such Goods.

It is time that public opinion becomes aware that **those who create the value of Money are not those who issue and print it, but those who accept it as medium of payment, that is the Community!!!** The lack of this awareness means it that, by usurping of the monetary value, it is not the people but the International Banking System, by virtue of **"cultural monopoly"** of the category of the conventional values.

The Issuing Bank creates the money just for the cost of printing, in other words, paper and typographic colours. It is the community which gives **monetary value** to the banknotes, accepting them as **"medium of payment."**

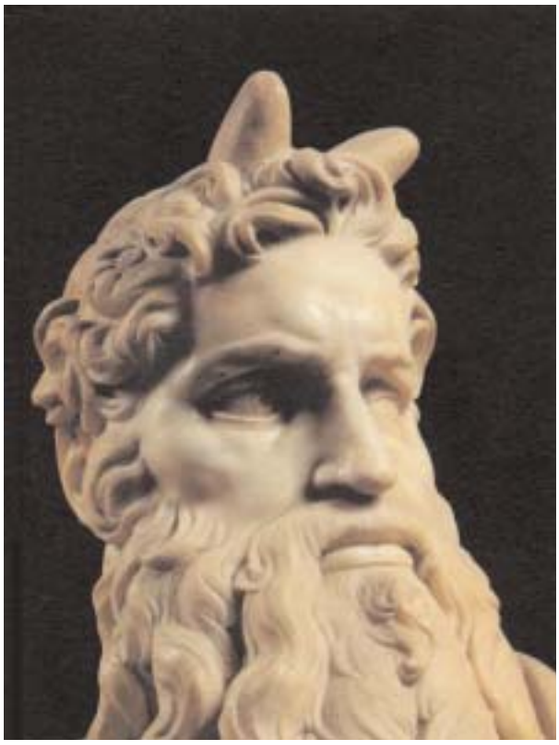
Today we observe that, in every modern state, the citizens, represented by the Treasury, **becomes indebted** to the **Issuing Bank** for all the money that the Bank puts into the marketplace (In fact the bank debits the said amount to the state). Such amounts instead ought to be **accredited to the State,** i.e., to the citizens **the legitimate owners** because they work, and through the medium of their work create wealth, and the wealth, therefore, is represented by Money; rather than to the Issuing Bank. This Macroscopic Accounting Reversal means that today any political, economical, social apparatus (Public Institutes, State- controlled institutes, etc.,) will be conditioned in their decisions and in their choices by the **Banking System!**

2. ORIGIN OF MONEY

The oldest document, ancestor of our Paper-Money, is the **"Mamre"** which is discussed at length in the Bible, in the **Book of Tobias.** The **"Mamre" was the real "monetary instrument" of the Israelites which was entrusted to the "religious" sensitivity and the responsibility of individual believers, and it was protected and supported by "solidarity lending" that extended to the whole People God.**

In the Book of Tobias, **it is presented as an "instrument of charity."** It does not need many words to comment on the moving story of Tobias, son of Tobit, and the high sense of religiosity of that story. **"Debt endowed with power of movement without the need of endorsement,"** the Bible devotes not a few verses, but **an entire book,** so **"the establishment of the monetary instrument"** was important and it does not speak in abstract form, but with clear and simple language understandable to all. The establishment of **"Mamre"** is transmitted from generation to generation as a means to draw upon oneself the divine blessings, **the true and fitting exercise of charity, and the gift and loan without interest are the source of life that frees from evil.**

The **Receipt,** or **"Mamre,"** as it is sanctified and ingrained with the emanation of God, so that the Most High does not hesitate to send one of the seven Archangels admitted to His presence, Raphael, to accompany the "creditor," Tobias, on his long journey that will lead to the "collection" of "credit." And in the journey He fills him with the blessings of life: he finds a wife, he brings the tangible material goods and unites him to friends. God Himself, through His Archangel, by the "collection" takes care of the "loan" (see Chap 5-12).



Mosès.

Paper-Money, so conceived, is the holiest and most sacred of all coins minted and visualized in gold and silver from ancient civilizations, as other peoples coined the "money" in the most precious metals, no people reached the extraordinary mystical-religious conception of the Hebrew people.

On the border of the Promised Land, Moses revealed to the people of God, **the Secret Commandment of Power and Goodness.** God, through the mouth of Moses, commanded to entrust this secret to the only Word and to the Tradition with the obligation to transmit it to future generations, but this duty was neglected, and from ancient times t**he "secret" of the "Power" was monopolized by the "curse of the human race."**

«I call heaven and earth to witness" says Moses, "I put in front of you Life and Death, Blessing and Curse. Therefore choose life, that thou mayest live, thou and thy posterity. Loving your God and obeying His voice» (Deut. 30: 19, 20).

The Commandment of **"Power"** is what gives a man the right to enter into the process of **"Creation,"** by changing the structure and evolution of living species and of territories, of the constituent elements of "matter": **this "commandment" has to be placed at the service of Creation!** It cannot remain hidden and monopolized by a few, who use it as **a weapon,** and in order to achieve a dreadful **tyranny on the work of God!**

The Commandment of Power must not be subordinated to greed and pride of man and of nations a Commandment, precisely because **"The Revealed Truth,"** given, does not come from the creature, but from the Creator! This commandment imposes on those who use it, that they subordinate themselves in an attitude of **"brotherhood"** and **"charity,"** a "**universal" precept of love;** this is the substance of the Revelation of Moses.

A "rabbinic" parable makes explicit reference to this Commandment, presenting a dialogue between God and Moses: «God, after having taught the Torah to Moses, he said: "Teach it to Israel."» And Moses replied: «Lord of the Universe, I will put it in writing for him.»

But God stopped him and said: **«I do not want you to put**

it in writing, because I foresee that the nations of the world will dominate Israel, and then will try to take away the Word. I give to Israel in writing only the **Mickra,** but I communicate only "orally" the **Mishnah,** the **Talmud** and the **Haggadah.** If the nations of the world come to dominate Israel, it will be distinguished from them thanks to the **Mishnah** and the **Talmud.** In this way the Israelites will be differentiated from all other peoples."

Few books have been read and commented on as much as the Bible, yet **the social doctrine of Moses, which has been translated into an explicit "monetary institutionality,"** imposed with extreme solemnity on the Hebrew people, just at the moment when they entered the **"Promised Land,"** has remained **"taboo!"**

It seems that a mysterious "censorship" has prevented eyes from seeing, ears from hearing and the words from being spoken! Nevertheless the words are all before us, as they were before the generations that preceded us over the millennia.

The "monetary social doctrine" of Moses is contained in Deuteronomy and is essentially based on three principles:

1. **All believers in God must mutually give each other "loans" without "interest" to the extent of their need.**
2. **The "loan" has an ephemeral life: every 7 years it is cancelled, even if it was not paid** (the sabbatical year).
3. No believer can make images of God, either carved or engraved or printed, nor on stone or metal. **Precious metals can be used as merchandise but not as currency.**



**«Thanks to our Press,
we have gotten
all the gold in our hands,
despite the fact
that we had to gather it
out
of the oceans
of blood and tears ...»**

(Mayer Amschel Rothschild, 1773)

From these three premises arise a fourth principle: "For those who believe in God should loan to each other, in accordance with their needs," **any "debtor," at any moment could have paid off their "debt" with the proceeds of a "new" debt contracted to a "new" creditor.** Therefore, **the Commandment of Moses rendered insolvency debt impossible,** and in addition, as a consequence of **the impossibility of "minted" coins made of precious metals,** it was necessary to have recourse to **another currency.** This coin was formed by the **"received credit"** that the debtors issued, they circulated without the need of "endorsement", and they were called **"Mamre:" the ancestor of our Paper-Money.**

The "Mamre" was born as a "perfect" instrument of charity and brotherhood.

The **"credit" Commandment** has established a very specific **"pact"** between God and His people, who, by means of **this instrument, has created a particular "social structure,"** unique in ancient history, that is in essence, **the "structure" of a "Credit Cooperative,"** as well as, the possibility of **creating from nothing a nominal money (paper) that cost nothing,** but **has an actual value, arbitrary and conventional,** and with an absolute guarantee, because it is protected by the **"solvency" of the whole people of God.**

This Commandment was a promise for mankind. It was an instrument of charity, of love and of prosperity for all nations!

But it has been transformed into an **instrument of prey, of tears and suffering!** Sure the **"weight"** of that Commandment, the "secret" of Power, loaded on the fragile back of a archaic pastoral people must have been too much, and the temptation, continuous and incessant. Over the centuries and millennia, that race must have been in the grip of a terrible spiritual warfare, lacerating its religious, cultural and political structure. The speech given by Moses before his death was clear: **he had endowed his people with the "secret" of Power, and of Brotherhood, to reveal to all future generations!**

«That thou mayst pass in the covenant of the Lord thy God, and in the oath which this day the Lord thy God maketh with thee. [That he may raise thee up a people to himself, and he may be thy God as he hath spoken to thee, and as he swore to thy fathers Abraham, Isaac, and Jacob. Neither with you only do I make this covenant, and confirm these oaths. But with all that are present and that are absent.» [Deut 29: 12-15]

This means that the commandment of Moses was revealed for all the peoples of the earth, who are still waiting for **the "instrument," the "institutionality"** that makes brotherhood and love possible: money, but used in the "ways" and "terms" prescribed by God (through the mouth of Moses), to date, **unfortunately always kept hidden for their own advantage and never revealed by our "Elder Brothers"!!**

3. FROM "MAMRE" TO MODERN MONEY (cause of the fall of Roman Empire)

The **Mamre** soon spread outside Israel, as the foreign merchants were willing to accept these **monetary "symbols"** in lieu of monetary gold coins; for two main reasons: **because the merchants themselves wanted to avoid being robbed;** and **because they had, in the symbol, the "maximum" trust, in that the "receipt" of payment issued by a single Israelite was securely guaranteed by the entire Israel.** The certainty in performance



The Bank of England, founded in 1694.

became that whoever was holding the **"title of credit,"** felt more advantaged to keep it with him, rather than presenting it **for collection.** At this point, the "original" nature of the "document" was modified since the function of **"paper credit"** was lost to become that of **"conventional monetary value!"**

It was said **"conventional value"** was given to the **"document"** by the same economic operators, as a consequence of the certainty of being able to claim it at maturity; they, therefore, were satisfied merely by the possession of that document, so they did not feel the need to present it at collection. That is why in trading practice, paper money issued by a mere component of the Israelite people, **acquired a value equivalent, if not superior, to that of gold.**

The Israelites could put on the market an unlimited amount of **Mamre** that **"acquired"** a **"real value,"** which were acknowledged by individual traders who accepted them as a "medium of payment" but, in reality, of **"zero cost"** (only paper and ink). The Mamre did not cause the accumulation of **"liabilities"** (among Israelites), because every seven years, according to the Mosaic Commandment, all the "debt" was cancelled; however, (the lender) came to seize all the goods, as we have seen. The merchants preferred Mamre to gold itself, so the Mamre continued on its way from border to border, being the certain possessor of solvency and collectability...

With the **"Diaspora," the Hebrew people conquered the "monetary sovereignty"** among all peoples of the world, precisely **through the Monopoly of the coinage of money symbols for zero cost,** made possible by the **"exclusivity" of the monetary and cultural "secret" of which they remained sole possessors,** and by **the link established between the "Israelite colonies" of the Mosaic Law.**

The Hebrew **paper money** came, in effect, to compete with the activities of those who used money merchandise (gold, silver, bronze, livestock, salt, etc.).

The potential for exchange of those who used the **commodity money,** in fact, was constrained by the amount of these precious goods available, **while paper money was inexhaustible.** The consequence of this state of affairs was that everywhere the Hebrew "Diaspora's" trading activity operated, the use of money-lending, along with monetary gold, silver or bronze, **made all money more plentiful. Consequently, the gold, silver and bronze had ever less value where paper money circulation was augmented.**

The **"Bad money" (at no cost) then pushed out the "good Money."** The fact was verified in the first three centuries of the Roman Empire. **The immense power of the Hebrews,** spoken of by Tacitus, was economic lending, and **demonetization of all the peoples of the Mediterranean which caused the collapse of the Roman Empire. Circulation and indebtedness of Rome to Israel was like a noose around the neck.**

Throughout the **"Middle Ages,"** and to this day, none of the Christian commentators on Deuteronomy have been able to pierce the veil of mystery it contains. **No one has penetrated the secret that God has entrusted to the oral tradition of the Hebrew people, the well-kept secret, since no one has ever been able to reveal it!**

Nobody realized that the Christian peoples were demonetised, not because they were subject to loans at exorbitant and usurious interest, but because, in effect, with their trading on the monetary market, a coin was established that was a "tax"!

So the people were not dispossessed of the interest, but of the value relative to the principal (wealth) created (the Mamre) out of nothing and loaned to them!

Only in the last three centuries, after the **"Creation of Money,"** on the part of Institutes of Issue, in **Amsterdam, London,** and later in the **USA, the "privilege" to create money out of "nothing" was transferred to an "official institutionality": the Bank.**

«The Bank of England, for example, was based on the discovery that, instead of lending money, it could lend

the Bank's own "promissory notes» (See Ezra Pound "Work and Usury" p. 68, Ed Scheiwilier, 1972).
The Bank has a "structure" of "hybrid" character between the political and the private sector, which is between the "power" group and the "Club," but no one can deny that in those clubs, the modest "puppets" that recite are "remote-controlled" with strings that go to the "mysterious" and "invisible" "Lords of Money." Still today before our eyes they repeat the same moves of the "monetary strategy," learned three thousand years ago, at the gates of the Promised Land, by the same voice of Moses.
«The world is governed by very different personages from what is imagined by those who are not behind the scenes.» (Benjamin Disraeli).
«Let me issue and control a nation's money and I care not who writes the laws.» (Meyer Amschel Rothschild, 1744 -1812).
To no avail are the speeches, warnings and "curses" of Moses to his people; he himself says:

> **«I know that you are a stiff-necked people, proud ...** you have transgressed the law of God while I was with you; I know that you will transgress even more so now that I'm about to leave and even when I will be no longer with you. **And then the "curses" will come true and you will be "scattered" among all the nations, and you will be servants; life will tremble in your heart.** Every hour of the day you freeze from fright. **And all this will happen because you transgressed this law of God, revealed through my word.** But I have prayed to God to have mercy on you, and the end of time you will be forgiven and return to your fatherland, because you will obey the commandment of God.» [Deut 31:27-30]

The mysterious **Lords of the Money,** still today **keep well hidden the terrible "secret" of money creation** that God wanted to give them, for their own happiness and the happiness of others. It is enough to think that, in our day, we have great sources of energy that can make deserts bloom and polar ice caps melt; the resources are particularly limitless. So why, even today, d**o some 30 million people a year die of hunger?** That is: one person every second, a child every two seconds?

4. POLITICAL SOVEREIGNTY AND MONETARY SOVEREIGNTY

With the creation of the **"Bank"** then, there was **the demonetization of gold: the currency-commodity (gold) was replaced by banknotes at no cost.**
The gold, in fact, was relegated to a secondary role, commodity trading ever less used as currency, and kept **its value fixed since 1717,** the official date of the creation of the Bank of England (see A.Z. "The Eye Above the Pyramid," p. 17, Tip. Artigianelli), although operating since 1694 until 1944, the year of the **"Bretton Woods Agreement."**
Let us not forget that in 1717, three major events occurred:

1. **The "fixity" of gold is established;**
2. **The Bank of England is officially founded;**
3. **Establishment of the Grand Lodge of London.**

The "control" of the issuance of paper money notes, symbols at zero cost implemented by banks, has made possible a "strategy" of domination of all markets, with the consequence of **stealing political (and economical) purchasing power of money which was at their disposal, that is, of their "economic-productive potentiality"** and therefore, in essence, **political Sovereignty!**
All the vaults of the old Royalist-Christian Europe were emptied of their contents, not as much for its material content, but for the immaterial: **the Value!**



Wall Street. New York Stock Exchange.

Governments were thus forced to indebit themselves to the banking system by borrowing Banknotes (at zero cost) to spend on the achievement of their projects and for the fulfilment of their undertakings.
Once then **"monetary value"** was extracted from gold, it was acquisitioned by the **"banking system,"** producer of the **"paper money"** at no cost, which thus became the **new master of the world.**

The realization of this "instrument of domination" was made possible by the "cultural monopoly" of the "issue of the conventional values at zero cost" (banknotes), legislatively and legally recognized by the Bank.



The BIS: Bank for International Settlements in Geneva.

To the issuance of money has been applied a principle **well known to the "Schools" of Upper Diplomacy,** so the other party accepts a condition that would never be accepted had they known the implicit "clause" set in the contract.

So it is that he who "takes money" on "loan" from the Issuing Bank explicitly **recognizes himself "the debtor"** (when in fact he is not!):

– **Firstly,** without realizing it, **he recognizes, in those "documents" received from the Bank, the quality of "money"** (because he accepts them as a "means of payment") and,
– **Secondly,** he attributes **ownership to the Bank,** because "lending money" is a "prerogative" of the owner.

Therefore, t**he Bank will charge the banknotes to the State. The Bank declares itself "debtor,"** because in fact on banknotes, there always appears the inscription: **"payable to bearer,"** but, in reality, it only gives **"false promissory notes,"** because, in our case, the Bank of Italy gives us nothing if, for example, we present L. 100,000 in banknotes at the "desk." You can only exchange them for more banknotes of the same amount; you cannot get gold coins or bullion, since **no "money" is covered, secured and convertible into gold.**

So, what do we do? At the time of issue of money, citizens are dispossessed and indebted to their own currency by the Central Bank; so it is obvious that this severe degeneration of the Monetary System cannot be eliminated unless the rectification of the defect at the root is made at the source, and we make known to humanity what is happening behind its back and to its skin.
The "ownership" of "money" must be taken away from the International Banking Oligarchy and restored to the people, who are the "legitimate and sole proprietors." "The money belongs to those who work and not to parasites," and this is made explicit, first of all, by putting on the banknotes the words **"State of Italy,"** i.e., sovereign "State Money."
It was precisely for this decision to regain monetary sovereignty, with the printing of **"Greenbacks"** (American State Banknotes) before the Civil War, that **Abraham Lincoln** was assassinated **with a bullet to the head** on April 14, 1865. And it was just because he wanted to counter the control of the money and the interests of U.S. bankers, that, having ordered the printing of several million dollars, denominated **"UNITED STATES NOTE"** instead of **"FEDERAL RESERVE NOTE,"** that **John F. Kennedy** was assassinated in Dallas, **also with a bullet in the head** on November 22, 1963.

5. TO WHOM ARE WE IN DEBT?

Another fundamental question of which we must deal is that of the futility of the **"Monetary Reserve." Today, no "money" whatsoever is anchored to a gold reserve,** not even the U.S. dollar, as was declared by **President Richard Nixon** on August 15, 1971 at Camp David, and reported by all the mainstream press.
So, **it is not understood why the Issuing Banks of the USA, the USSR and the IMF can issue money without "reserve", without gold, or without any other "title," while the same principle does not apply to other Sovereign Nations, which must be indebted to those banks in order to have currency "reserve."** In fact, while the "dollar" without reserve of gold, has international recognition as **legitimate currency** and is driving the Western economic system, that **is not the case for other "currencies" bound by the "necessity" of a "reserve" in "dollars;"** so it's like saying that while the dollar, without reserve, has the value of gold, that is not the case for other currencies!
At this point, we can say that the "**International Banking System"** is governed by a feudal type of "hierarchical structure," in which there are the **Imperial Banks,** i.e., those able to issue currency without reserve, and the **Colo-**

nial Banks, all the others that, to issue its own currency, **must necessarily have a currency of "reserve."**
This **"structure"** is based on the **cultural "monopoly"** at the vertex of the banks and on '**"public opinion" deculturated and accustomed to the principle of monetary rarity. "To say that a country cannot achieve its goals due to lack of money is like saying that you cannot build roads for lack of miles!"**

The rarity of monetary symbols, traditionally caused by the rarity of the goods with which the symbol was coined (for example gold,), is now accepted as a perfectly normal, even **though the paper-money** (the symbol) **can be produced without limit and without cost.** In addition, there is still a deep-rooted belief in the need of money "reserve," which is also manufactured without limit and without cost, but that is universally distributed in limited quantities arbitrarily established at the vertexes of the **Imperial Banks.**
At the present state of affairs, **"all" the peoples of the world are reduced to the level of "colonies" of the International Banking System with the aggravating circumstance of "not knowing."** All the social-cultural-political economic initiatives of the "nation-colonies" are "conditioned," "determined" and "programmed" at the table of the **Imperial Banking System,** through the "monopoly" of the issuance and delivery of the reserve currency that is **"loaned out,"** and so **"indebting"** the various nations; and when the "loans" – moreover – are denied, the people are destined to die of hunger.
Money, like water for fish, is by now "oxygen" for the nations! With this system, the Imperial Banks "deduct" from the Colonial Banks any "discretion" and every "freedom of decision," so they can adjust the monetary gains to the economic development of their own country. In fact, these increases are artificially "limited" and "proportionate" to the "amount" of reserve currency, which is basically determined by the Imperial Banks. **Money, then, is like blood: its amount should be proportionate to the size of the body!**



«With a combination of high taxes and unfair competition to bring ruin on the Goyim (Christians) in their own financial interests and t heir investments ... »

(Mayer Amschel Rothschild, 1773)

To realize this truth, it is sufficient to consider a simple example: if on the market there are 10 pens and 10 lire, you will be able to sell the pens at a price of 1 lira each pen, but if you have to produce 10 more pens, you will have to enter on the market 10 more lire, otherwise you would have to sell the pens at the price of only half a lira. And if the pen cost, for example, 0.6 lira, it is obvious that the process of production, in the absence of increase in monetary liquidity, stops!
This means that every freedom to make decisions on the development or market recession, does not lie in the hands of the actual producers of goods, **but in those of the "banking system" that produces "reserve currency."**
On this basis one can understand the meaning of the letter sent by **Mayer Amschel Rothschild** to the Company **Klerneimer, Morton and Vandergould** of New York dated June 26, 1863:

> **«... few understand this "system" and those who understand will be occupied in exploiting it; the public, perhaps, will never understand that the system is contrary to their interests ... »**

That is why - although there exists in the world raw materials in abundance, labour, facilities, qualified skilled workers, scientific and technological resources, and, in general, sufficient wealth to feed, even overfeed all its inhabitants - periodically and punctually, **the economic crises, inflation, unemployment, etcetera, reinvent themselves, until the arrival of famine, and even the death of millions of human beings, all creatures of God!**
The official economic science (at the service of the Banks) justifies these crises citing as "**cause" "counterfeit welfare"** and **"overproduction"** and, in some cases, even reaching the astonishing conclusion that i**t is natural and logical that some men live in poverty and in misery and even die of hunger,** despite having nearby, warehouses crammed with every type of merchandise!
At this point, the following statement appears clear and truthful:

> **«I doubt that the man in the street will be pleased to learn that the banks are able to manufacture money, as indeed they do manu-**

facture it. The mass of money in circulation varies only by the intervention of the banks, through the "expansion" or "contraction" of credit. Each "credit" or "overdraft" creates money. And those who "control" the credit of a country will direct government policy and hold the destiny of the people in their hands.» (Reginald McKenna, Member of the House of Commons, speech given at the Midland Bank in January 1924).

Also from the **Papal See** have come many allegations and admonitions, but never acknowledged by the **"men of good will"** (by inability or bad faith?).



The ECB: European Central Bank in Frankfurt.

Pope Pius XI, for example, in the Social Encyclical **"Quadragesimo anno"** (1931) Articles 105-106 and 109 read:

«An immense power and despotic economic dictatorship is consolidated in the hands of a few, who often are not owners but only the trustees and managing directors of invested funds which they administer according to their own arbitrary will and pleasure. This dictatorship is being most forcibly exercised by those who, since they hold the money and completely control it, control credit also and rule the lending of money. Hence they regulate the flow, so to speak, of the life-blood whereby the entire economic system lives, and have so firmly in their grasp the soul, as it were, of economic life that no one can breathe against their will.»

A sane monetary system should provide to the "community", money which is a **"measure of value,"** a **"medium of exchange,"** a **"way of claiming and obtaining goods and services."**
But to fulfil these "functions," **the prices of goods and services must remain stable,** in other words the ratio between the volume of goods and services exchanged in a "community" and the volume of the currency by which they are traded, **should be constant** (as the blood circulating should be commensurate with the size of the body).
The monetary system in use worldwide today, precludes this equivalence, since as we have seen, **the "power" is in the hands of a few who control at will the fate of nations.**
The modern monetary system was introduced in England by the promoters of the Bank of England, who adopted as a principle the bank loan according to this procedure: **it lent at interest to the State money which in reality was its own already!**
In fact, a private **"coterie (mafia)"** headed by **Mr. Paterson,** lent the government of **King William III,** the sum of **1,200,000 pounds** sterling in gold, at 8% interest and as a counterpart of the **"loan" was "authorized" to "print" Banknotes for the same amount.**
If **William III** had printed the "Notes" himself and had allowed the "cronies of Paterson" to keep the gold, he would not only have saved the nation 96,000 pounds sterling (equivalent to one year's interest at 8%) but his subjects would also have avoided the "tax" imposed on them to cover the "debt" contracted through the "Paterson Bank," with the consequent rise in prices and with the onset of the consequent inflationary spiral.
Inflationary effects which, in those days, with a predominantly agricultural economy, were negligible, **but when the system was introduced in the U.S. in 1913** (the year of the founding of the **Federal Reserve,**) after 2 centuries of industrialization, its effects were felt.

The need for a "growth" economy, in fact, establishes an "increase" in the demand for **"loans"** and then an **even higher "debt" to the banks.**
"Interest" on these loans piles up on the loan itself, and **the "community" therefore incurs "debts" to the banks of more money than there is in circulation;** in this way, even if only to allow "colonies" to pay "interest," banks are required to expand the volume of their "loans." In so doing, **it creates a permanent "imbalance" between the amount of money due to the Imperial Bank and the**

quantity of money in circulation with which to make the repayment, and the attempt to make up the difference with new loans makes the **inflationary effect** of the system **"cumulative,"** almost **"irreparably."**

Another consequence of this **lack of permanent** (artificial) **"liquidity"** is this: the community is never in a position to buy at reasonable prices all goods and services produced. **The effort to overcome this scarcity is one of the causes of the excessive importance given to "foreign trade"** to achieve a favourable **"trade balance."** The promotion of industrialization, the throwaway consumer society, generally promoted by the "Mass Media" only aggravate the situation, as **they lead the community to borrow more and more** because of the requirement of industries to borrow further from the banking system.
It's a dizzying spiral!

The peoples, the more they produce and the more they advance industrially, the more they overtake other nations in the "hit parade" of the economy; but at the same time - coincidentally note the inconsistency! – **the more they are indebted!** And to whom? It's simple, isn't it? To the **Imperialist Banking System,** but the "Mass Media" is careful not to mention this reality!

6. THE GREAT PARASITE OR THE HIDDEN GOVERNMENT

Since the first appearance of civilization, the people appointed **Leaders** – by choice or by force – but yet renowned leaders, acknowledged and responsible for their actions. Above the heads of the weaker nations, was **the power of the dominant people.** But over the heads of the stronger peoples there was nobody, no other power, and no other man. **And this is the fundamental criterion for distinguishing the free peoples from the people are not free.**
For at least two centuries, in an ever growing measure, and in different degrees from region to region, from area to area, it is no longer so: the hardly recognizable, never responsible, **"unofficial forces," are the true, the real Masters of the game. They decide the destinies of the peoples.** They are there somewhere, in high places and everywhere, omnipresent and elusive, but still over our heads. They provide us with ideals and slogans, reasons to hate and fight, weapons and money!
For several decades, a new factor has been added, **a power outside and above all, a power that,** among the many forces that agitates, that fights, that emerges and bubbles on the "crust" of the planet Earth, and chooses – as does the puppeteer - **who must win and who must lose.**
This power is constituted by the men of the Great International Finance that slowly, unceasingly, wisely, have stretched out the "threads" of their "intangible" network. **They made use, of the East as of the West,** now one ideology, now another according to their interest and advantage.

The Great "Parasite" has founded his instruments of "exploitation" and of "dominion" on "lies," on "deception," "intellectual and spiritual subversion" meticulously planned for hundreds of years.



Through **liberal capitalism,** it has subjugated human beings with the **"Phantom of Liberty"** and with the **mirage of wealth,** always there, alluring, two steps away but always elusive! Through **Communist Socialism** – instead – it has hypnotized and, without chloroform, has put the masses to sleep, with the utopia of **Justice** and the lie of **Equality, "awakening," then, in the Gulag Archipelago, "behind the Iron Curtain" and Cement Walls.** The **"foundations"** of the same bourgeois ideology were demolished, **in order to realize the ever forgotten "biblical promise" of dominion of the Chosen People over the gentiles and over all the countries of the earth!**

The **High Finance Banking** chooses a country or group of countries to dominate the world, giving these countries the illusion that they are the true rulers, whereas, in reality, they are the ones to be totally dominated in turn.
Until World War I, the **"Money Masters"** identified their interests with those of the **British Empire,** and then abandoned it, without ceasing to continue to exploit it.
They had done this previously with the **Russian Czarist** and **Hapsburg empires,** as well as with France, and as they are currently preparing to do, we think, over a period of one (or two) generations, with the **USA.**
In an article appearing in "Avvenire" (08.11.1989, p. 9),

Maurizio Blondet comments thus, «In fact, **"the Financial Crisis"** in New York could not be more bleak, in the diagnosis of **Felix Rohatyn,** the banker of the very powerful investment bank **Lazard Freres and Co.,** and President of the "Municipal Assistance Corporation" ...» The entire article shows how, in effect, the U.S. has in place a "great economic recession."
In the same article, the Nobel Prize winner for economics, **Maurice Allais** states:

> **«We have to change the system of the credit as it works today, i.e. the creation of money from nothing by the International Banking system.»**



The Wall Street banker, Jacob Schiff, an intimate friend of the Rothschilds and principal financier of the Russian Revolution of 1917.

For several decades, the interests of High Finance overlapped with those of the **American Empire,** until the Second World War, then, faced with the danger that **a total American "supremacy" could lead to a political and economic power too strong to be "controlled,"** the High Finance decided to push the U.S. toward "decline," while she was made to grow, but always under control, the **"Soviet"** power to be used as a counterweight.

Today, we are at **US-Soviet Agreement** (with meetings even on warships in the Mediterranean). But really, **has no one ever noticed that the two "superpowers" have never had need to join forces, because they always have been joined, through the Upper Finance Banking? Has no one really ever realized that the "cold war" was a scam and that the USA and USSR are two of the same pincer jaws, whose handles are kept under control by a single hand?**
The book, **"Vodka-Cola"** by **Charles Levinson,** is one of many sources of information demonstrating **the union between "capitalism" and "communism."**
In particular, it documents that the "main" banks in the liberal-capitalist sector, first among all of those branded **Morgan** and **Rockefeller,** have their own "branches" in the socialist-communist countries since 1917 (such as **Chase Manhattan Bank,** etc.), and vice versa, the socialist-communist sector banks have "branches" in the liberal-capitalist countries (e. g. **Northern Europe Commercial Bank, Eurobank BCEN,** etc.); that **the "capitalist" economy sustains the "communist"** with a continuous "flow" of facilitated "credit", if not even non-repayable "grant." In addition, a dossier "published in the journal **"OP"** of May 1982 showed how the **"Gosbank"** (the **Central Soviet Bank**) was a limited company with **"participation of foreign private capital"** (e. g. the Aschberg, Sweden, etc.).
Today, we are witnessing the downfall of many barriers, ideological and non-ideological walls; before our eyes what no one thought could ever happen is happening, **but the ways of High Finance are endless!**
The process of socio-political-economic-cultural-religious "homogenization" is essential for the establishment of a New World Order to technocratic government. We see, therefore, the apparent gradual rapprochement of the "two" alleged "enemy brothers" conceived and born from the **Yalta Pact.**

«We shall have world government, whether or not we like it. The question is only whether world government will be achieved by consent or by conquest,» proclaimed **James P. Warburg,** of **Kuhn-Loeb & Co.,** the son of **Max Warburg, in 1950, during a session of the United States Senate, who, along with Jacob Schiff, was the greatest financier of the Russian Revolution (1917).**

Aurelio Peccei, Executive Member of PCI and founder and President of the **"Club of Rome"** (one of many globalist institutes) said:

> «We need to arrive at an efficient "world system," governable with the same techniques of "marketing." And it is precisely this that is taking place in the world: a **"plot" by an almost closed number of Multinational Corporations, is carrying out the agreed-upon "division" of the "market areas," resulting in the "cessation of all forms of economic competition" and the policy of the single "national sovereignty."»**

Behind the large multinationals, operate the banks that create money out of nothing! (for which we now understand better the causes of "wars" going on between giants that contend for the European Common "Market" and the reason to achieve it).
And when such an event will actually be implemented in the whole world, then the World Economic Power, **the Great "Parasite,"** indistinguishable in the "infinite mass of anonymous shareholders of the "limited company," **will outsource the daily management of the Empire of Capital in the World technocracy. Every "national sovereignty" will cease "automatically," the World Economic Power will rule with an absolute "power," worse than that of a "tyrant."**
The people will be deprived of their wealth, in exchange for **"Credit Cards"** or perhaps still worse, not even those, but a **"Personal Number"** (the personal Code or **"mark of the beast"** or the number **666,** applied by means of a subcutaneous microsurgical operation on the **right hand** or on the **forehead** as in Revelation, Chapter 13, verse 17). In this situation we will be offered the choice to adapt to the rules or be left to die of hunger!

> **«If today man can still choose between different conceptions of the world and continually has to face moral and spiritual dilemmas, tomorrow will not be so ... we will have in the future only technical choices!»** (C. Finzi).

The Technocratic Government, in fact, will constitute a kind of "elitist" corporation, carefully "selected" and properly "educated," that will be responsible to operate on the coldly "rational" basis and with choices merely "technical," all designed to bring out the maximum "profitability" for the World Economic Power.
There will be the **"suppression"** of every type of **"privatization"** in the level of **"affection"** and that of the **"effects;"** the Technocracy will absorb all the "rights" of the "person" and "family;" the "socialization" will also include the education of children (already they are trying to take them away in Italy, perhaps under the pretext that children need to live "well" economically), and everything will be delegated to the **Technocratic Government.**
An "Agnostic Humanism" will replace the old "Christian Humanism." This will achieve **a breed of men, to whom will be distributed a set amount of food per capita, which is necessary for survival and for production!**
Once again the words of Revelation will resonate in the mind:

> «And it was given him to give life to the image of the beast, and that the image of the beast should speak; and should cause, that whosoever will not adore the image of the beast, should be slain. **And he shall make all, both little and great, rich and poor, freemen and bondmen, to have a character in their right hand, or on their foreheads. And that no man might buy or sell, but he that hath the character, or the name of the beast, or the number of his name. Here is wisdom.** He that hath understanding, let him count the number of the beast. For it is the number of a man: and the number of him is **666.**»
> (Revelation Chapter 13: 15-18)

As early as 1975, **Dr. Charles Ducombe** of the Information Office of Jerusalem declared that Dr. Harinck Eideman, head analyst of MEC Bruxelles, revealed the existence of a **"Super-computer"** called **"The Beast,"** occupying 3 floors of an Edifice carpeted with computers, and that would have assigned a number to each inhabitant of the Earth, and its code is **"666."** (See "Chiesa Viva" n. 201, p. 9, 12 and 13). Another **Super-Computer or SuperMarket of Religions,** called the **"Temple of Understanding," with 6 arches, 6 sides and 6 vaults** (here returns **"666"**), would provide from the U.S. to sell to the spiritual "consumers", wherever they live on earth, the "religion of choice," with the possibility of choosing from assorted **"sampling"** of the most important ones.

«And the third angel followed them, saying with a loud voice: If any man shall adore the beast and his image, and receive his character in his forehead, or in his hand; He also shall drink of the wine of the wrath of God, which is mingled with pure wine in the cup of his wrath, and shall be tormented with fire and brimstone in the sight of the holy angels, and in the sight of the Lamb. And the smoke of their torments shall ascend up forever and ever: neither have they rest day nor night, who have adored the beast, and his image, and whoever receiveth the character of his name. Here is the patience of the saints, who keep the commandments of God, and the faith of Jesus.»

(Apocalypse 14: 9-12)

So, with the extermination of **“native” cultures** and **“cultures”** and the plummeting of **“traditions” into oblivion,** will end up in the dust of museums without visitors! **Access to higher education will be reserved for the “caste” of technocrats; knowledge of the “masses” will be reduced to the minimum, consistent with that required for work performance.** Once the **“Universal Synarchy”** is achieved, **technocrats will be the official operators of the Mega-Brain and all its terminals,** and at that point **the World Empire of Capital will have dominion** [“dominion usque ad sidera et usque ad inferos”] for “whoever owns the soil, it is theirs all the way up to Heaven and down to Hell.”
It is quite understandable and natural that the reader of these notes can show a morsel of “doubt” and wonder how it is possible that all this comes about, and how it could happen that the general population – politicians, scientists, sociologists – is totally unaware of the Great Parasite that lurks behind our backs and of whom (almost) no one talks.



“Rothschild”, cartoon of C. Léandre - France 1898.

E. Ronzoni wrote:

> **«The dark times in which we live are characterized with respect to past eras in the “totalitarian” and “widespread” way, with which the masses are “conditioned” and for the way in which in the name of Democracy, they are kept “subtly” in the dark about what is being decided against them.»**



THE GREAT SEAL OF THE TRILATERAL COMMISSION

In the centre of the seal, appears a **Beast with seven heads,** the “Beast coming from the sea” as described in the Revelation of St. John. The Beast enwraps a **dodecahedron,** that is, a solid with 12 faces representing the **World. The Beast, therefore, symbolizes the Emperor of the World,** and is the Head of the temporal power, with **Lucifer** and the Patriarch of the World, forming the blasphemous and satanic **Most Holy and Indivisible Trinity ,** namely the **Third Masonic Trinity.**
The dodecahedron, composed of two square-based pyramids placed above and below a parallelepiped with a square base, with its 6 visible vertices, pinpointing the **6-pointed Star** etched on the solid. **The 6-pointed Star is a symbol of the Rothschild family** and, in ancient times, **Druid priests used it to symbolize human sacrifices.**
Above the Beast and the Dodecahedron, there are **three 6-point Stars.** Since the star represents the number **6** (its vertices) and **18** (segments made thus), the meaning of the 3 Stars is
3 times **6** = **666** = the **Antichrist** and the **Mark of the Beast,**
3 times **18** = **666** = **Declaration of War agaist God.**
Over the three 6-pointed Stars, there is the inscription: **NOSTER ORDO SECLORUM,** composed of **18 letters,** which symbolize the **18th degree Knight of the Rose-Croix** Scottish Rite of Freemasonry which has the task to **eradicate the Sacrifice of Christ on the Cross from the face of the earth.**
Under the Beast there is the inscription: **EGO TERMINATIO EGO FIDES EGO SCEPTRUM,** symbolizing the three powers of Lucifer and of the **Holy and Indivisible Masonic Trinity. Lightning manifests the divine will and the omnipotence of the “supreme god”.** The **two Lightnings,** in the claws of the beast, symbolize the **dual power of destruction and creation** of the **“supreme god”** of Freemasonry.
The Seal is enclosed in a succession of triple arches, **31** of which are visible to the right and **31** to the left. This number indicates the **31th** degrees of Scottish Rite Freemasonry, the degree of the Masonic **SAPIENTIA,** and that is the art of “**binding the hands and feet of the usurpers of the rights of men”** (i.e., Catholics).
In this degree, **the Mason swears blind obedience to the Most Holy of Holies and Indivisible Masonic Trinity.**
In this degree, **the Freemason is free from any obligation of oaths, in the past, to other authorities.**
The **Motto** of the 31st degree is: **“Justice and Equity.”**



The Tower of Babel. The New World Government is none other than the New Tower of Babel wanted by the occult power for the total annihilation of the Church of Christ.

Here is one more testimony from **Gore Vidal:**

> **«I believe that most of what we consider Human History is probably false.** We have no way of knowing, apart from what they told us. What we do know is that history is written by those who won the wars, so we know only one side ... **Whoever governs desires that no one comes to the "root of the problem" because, if that eventuates, then the people could change the government. Today, the ruler exercises his power through television and the press giving false images of the world!»** (See "L'informatore librario" no. 1, 1984).

"Wall Street" (so-called because it was the first American ghetto separating Jews from Americans, and later, as "revenge," therein arose the largest **Money Temple**) **and the City of London,** through the various Foundations (**Ford, Carnegie, Rockefeller,** etc.) that "feed" with inexhaustible "rivers of gold" the "machine" that maintains the gigantic deception.

Even the **Kremlin,** according to **Eugene Melani** of **"Il Giornale Nuovo,"** contributes the sum of 5,000 billion lire a year to overturn the "truth" and obfuscate the conscience of the people. And so therefore the World Economic Power manages to keep hidden and viewed as science fiction because, today, **it has full control of all the "centres" of power of the earth.**
Governments – sorry to say – **are "puppets" in its hands; the press, the TV, the radio, the cinema are its "dependents" and the tools of mental conditioning of the people.** On the other hand, among intellectuals, historians, sociologists, philosophers, etcetera, no one dares to come out of the rut of official "historiography" permitted and approved by sociology, since each of them is aware that the slightest "offense" would clearly truncate academic career, sinecures, honours, wealth, and would transform their lives into failure, if not tragedy.
If, despite careful vigilance, still some uncorrupted ones come forward, a few brave, some unconquerable, there is for all the same fate: the "excommunication" on the part of official "intelligentsia" and confinement in the "ghetto" of the visionaries, of the vulgar, of the storyteller, of the raving, of the unreliable, of the mentally ill, etcetera.

***

We are aware that even this small work, however incomplete – because of so many things we want to say – will be understood only by a few, but it comes with the hope of inducing "reflection," to study and fathom the depths of the problems and realities, just sketched here.



Also we want it to be an exhortation not to despair but to fight for our future and that of our children, knowing that the pages of the future have not yet been written.

Here's something to think about:

> «After the great intoxication, after the collective euphoria, we will plumb the inner silence that will to lay bare, **the loneliness of those who have no certainty, nor myth, nor gods, nor the will to exist. And anguish cometh as never before.** That will be the time when many among the masses will begin to ask questions, and to seek answers to the questions: to understand the why, the how, the when.»

And more:

> «The crisis will come upon an unprepared, stunned, helpless, **lost mass: a "throng" without any reference to morality,** unaccustomed to any sympathetic behavior, educated exclusively in unrestrained selfishness and mutual wellbeing; a mass incapable to design and build. **It will be an unprecedented phenomenon because never before has there been manifested such a prevalence of material interest over spiritual values.**
> With the **God-Mammon** collapse, all structures built in its name, and the current wellbeing vanished, **suddenly you will have a period of chaos, violence and abuse.** The course of events can change only at the hands of the aristocracy capable of effective authority, that is able to embody values, to guide and give security and confidence, to restore concrete forms of solidarity.»

There is always a possibility for the people to rise again, to modify their own destiny. Should men desire it, governments would still be able to **"restructure" the "economic system"** and therefore the **"socio-political;" Christian civilization always has the possibility to avoid disaster.**

«The members of the World Government will be appointed by the Dictator. He will choose men from among its scientists, economists, financiers, industrialists and millionaires ...»

«The forced unemployment and hunger ... creates the right of Capital to rule more securely.»

«The Reign of Terror ... is the most economical means to bring the population into quick submission ... »

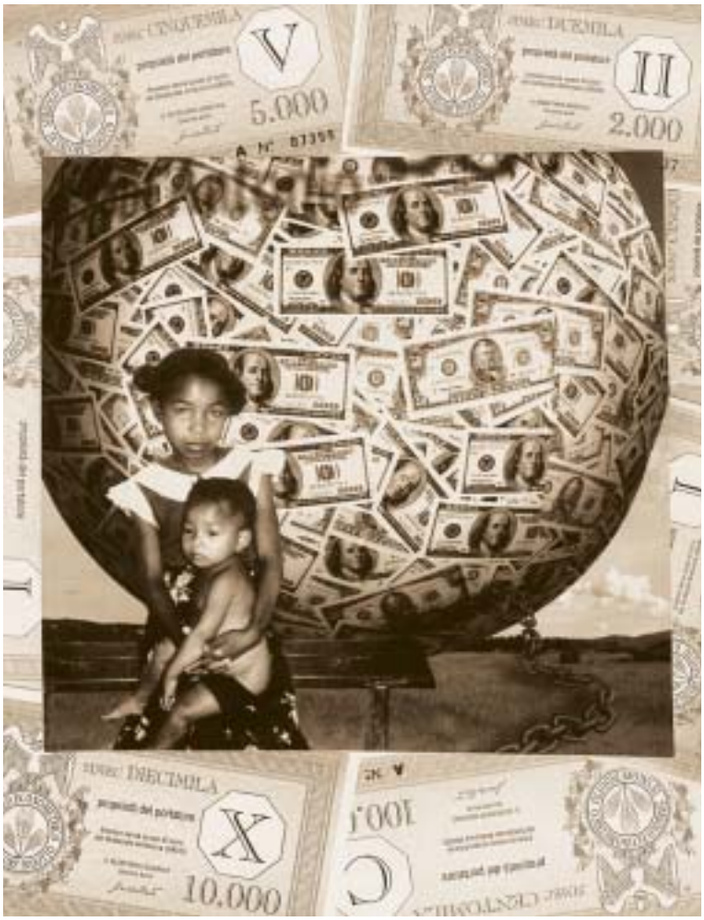
«... the Goyim (Christians) will destroy each other, but on a scale so colossal that, in the end, just the masses of the proletariat will remain in the world, with a few millionaires devoted to our cause ... and the police force and military sufficient to protect our interests.»

(Mayer Amschel Rothschild, 1773)



The civilized world must first **“Restore All things in Christ,”** to recover the physical and mental health, an indispensable condition for the “return” of the prerogative of the Sovereign National Monetary Issue:
Only thus would Samson’s hair be cut!!!
We must bring back the use of the “monetary” instrument for the purposes for which it was established. It was a “message of love” and “brotherhood,” of “charity” and of “wellbeing,” a foretaste of God’s generosity!
The peoples must recognize God’s sovereignty over all things and all men; obedience is due only to Him without end and without reserve, to Him the fidelity and confidence of every man.

> **«See, I have set before thee this day life and good, death and evil,** for I command you today to love the Lord your God, to walk in his ways, to keep His commands, His laws and His ordinances, **then you shall live and multiply, and the Lord will bless you ... But if your heart turns away and if you do not listen but shalt be drawn away, and worship other gods and serve them, I declare to you today that you shall surely perish ...** I take as witnesses today against you, that heaven and earth: **I have set before you life and death, blessing and cursing, therefore choose life, that you and your descendants may live.»** (Deut. 30-15,19).



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LE BARON

SALOMON

J. DE ROTHSCHILD

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17 MAI 1864

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PARIS

TYPOGRAPHIE GÉNÉRALE DE CH. LAHURE

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DISCOURS

DISCOURS PRONONCÉ SUR LA TOMBE

DE M. LE BARON

SALOMON DE ROTHSCHILD,

PAR M. ULMANN,

GRAND RABBIN DU CONSISTOIRE CENTRAL,

Le mardi 17 mai 1864.

Chers Frères,

Quelle leçon la Providence nous donne-t-elle aujourd'hui! En frappant une illustre et vénérée famille dans ses plus vives, dans ses plus chères affections, Dieu a-t-il voulu, par un de ces coups éclatants et trop sensibles, hélas! nous rappeler une fois de plus la vérité de ces paroles bibliques : « L'Éternel éprouve ceux qu'il aime et leur demande, comme autrefois au frère de Moïse, une force de résignation égale à la grandeur de leur perte? Ou bien, en brisant presqu'au début de sa carrière une existence si jeune, si pleine de vigueur, d'espérance et d'avenir, la mort a-t-elle dû hâter le moment de

nous montrer comment, dans une vie si courte, ont cependant pu se développer, avec une admirable facilité, les plus nobles sentiments, les plus charmantes vertus, et se multiplier les actes les plus méritoires, les plus sublimes exemples de bonté et de charité.

Sans vouloir sonder les impénétrables desseins de la Providence, et quel que soit l'enseignement que nous offre la présence de ce cercueil, serrons-nous autour de la famille si cruellement éprouvée, et mêlons notre deuil à celui des parents qui pleurent leur enfant bien-aimé, des frères qui pleurent un frère adoré, d'une tendre épouse qui pleure son ami de jeunesse, enlevé lorsqu'à peine il avait commencé à goûter avec elle les douces et innocentes joies de la famille!

Notre voix est trop faible pour un si lamentable sujet, trop au-dessous de sa tâche pour retracer la vie et pour honorer comme elle le mérite, la mémoire de M. le baron Salomon James de Rothschild, que Dieu vient d'appeler à lui.

A peine sorti de l'enfance et toujours modeste et sans ambition, Salomon de Rothschild n'a voulu révéler son nom à la communauté que par des actes de bienfaisance. De bonne heure son concours était acquis au Comité consistorial, qui le comptait au nombre de ses membres les plus charitables, et qui vient par l'organe de son digne président, lui payer un

si juste tribut d'hommages et de regrets. Prenant au sérieux la belle devise du Comité (אשרי משכיל אל דל) « Heureux celui qui consacre son intelligence aux intérêts des pauvres ; » il faisait le bien en joignant aux inspirations de son cœur généreux le discernement d'un esprit éclairé, et ceux qui étaient admis dans son intimité pourraient vous dire par quels actes admirables il a prouvé que le sentiment du devoir avait autant de part à ses nobles résolutions que sa bonté naturelle. Ses bienfaits, accordés avec autant de délicatesse que de libéralité, étaient marqués au coin de cette charité ingénieuse et élevée qui s'exerçant sans bruit et sans ostentation prévient la misère, qu'elle empêche de se produire, et reçoit, sans les rechercher, les bénédictions de ceux dont elle conjure la perte, en sauvant de la ruine leur fortune chancelante et leur honneur.

Mais, si avec cette sublime timidité, avec ce désintéressement propre seulement aux grandes âmes, Salomon de Rothschild a souvent dérobé à ses plus intimes la connaissance de ses bonnes œuvres, il possédait au suprême degré l'art de prévenir tout le monde en sa faveur par la franchise de son caractère, par l'aménité de ses paroles, par l'affabilité de ses manières, par ses procédés bienveillants qui lui gagnaient tous les cœurs et lui conciliaient promptement l'estime et l'affection de tous ceux qui ont eu le bonheur de l'aborder.

Uni par les liens du mariage à un ange de bonté et de charité, sa belle âme a pris un nouvel essor sous une influence si douce et en harmonie si parfaite avec ses propres inclinations; et la vie qu'il devait partager avec celle qui a si bien partagé ses principes et ses sentiments, lui promettait une existence dont rien ne devait troubler le charme et les joies. Mais qui eût cru que du dais nuptial à la tombe la pente dût être si rapide et le chemin si court? Deux ans à peine se sont écoulés depuis que nous avons vu bénir son union, et déjà nous devons lui adresser un dernier et suprême adieu, et voir la joie de sa famille se changer en deuil et en larmes.

Courbons la tête devant la volonté de Dieu et ne murmurons pas contre les décrets de sa Providence! accomplissons avec résignation le douloureux devoir « de louer le Seigneur pour le mal comme pour le bien » en prononçant ces paroles (בנוך דין אמות) « Hommage au juge suprême! » bénissons la mémoire de celui dont les dépouilles mortelles vont disparaître de devant nos yeux, et dont l'âme remonte vers le Père des miséricordes, pour recevoir là-haut la récompense de ses œuvres, et en laissant profondément gravé dans nos cœurs le souvenir de ses vertus et de son mérite!

DISCOURS PRONONCÉ SUR LA TOMBE

DE M. LE BARON

SALOMON DE ROTHSCHILD,

PAR M. ISIDOR,

GRAND RABBIN.

Le 17 mai 1864.

MES FRÈRES,

Sur le bord de cette tombe si prématurément ouverte, en présence d'un malheur comme celui qui vient de nous frapper, les larmes et les prières sont la seule manifestation convenable, la seule possible.

J'ai cherché tout à l'heure des paroles pour vous consoler, et je n'ai trouvé moi-même que des larmes pour pleurer avec vous.

Oui, pleurons ensemble, et arrosons de nos larmes ce cercueil où nous avons déposé la dépouille mortelle de notre bien-aimé frère, le baron Salomon de Rothschild. En fermant les yeux de ce jeune homme, Dieu nous enlève un de ces hommes d'élite qui sont

l'ornement de leur famille, l'honneur et l'espérance de leur communauté, et chacun de nous s'est senti tressaillir quand on est venu nous apporter le triste message de mort, qui, en frappant cette illustre et noble famille, nous frappe tous si douloureusement.

Prions ensemble, mes frères, et prions pour lui, demandons à Dieu d'accueillir son âme avec amour, et de lui donner là-haut les joies et les félicités célestes, les seules durables, en échange de ces félicités qui semblaient devoir être longtemps encore son partage sur cette terre, et au milieu desquelles la mort est venu le surprendre.

Ah! mes frères, de tous ces tombeaux qui nous entourent, nous entendons sortir une voix mystérieuse qui nous répète sans cesse cette lugubre parole de la Bible : « Nous sommes poussière et nous retournons à la poussière. »

Mais il semble que pour graver cette vérité plus profondément dans nos cœurs, Dieu se plaise parfois à frapper, comme aujourd'hui, de ces coups inattendus qui, en confondant notre raison, nous montrent d'une manière irrésistible tout le néant et toute la fragilité des choses humaines.

La légende nous raconte qu'un pèlerin, rencontrant un jour, sur sa route, un jeune arbre arraché du sol, s'arrêta et dit en pleurant : « Jeune arbre, quel malheur que tu aies été sitôt brisé! Que d'om-

brage et que de fruits tu aurais pu fournir encore au voyageur fatigué! »

En présence de ce jeune frère, moissonné à la fleur de l'âge, nous pleurons comme le pèlerin, et nous nous écrions :

« Ah ! Seigneur, pourquoi avez-vous abattu cet arbre, ce jeune arbre, et déjà si beau et si plein de fruits ? »

Vos décrets, mon Dieu, sont justes sans doute, mais ils sont terribles parfois, impénétrables toujours ! Pourquoi avez-vous enlevé ce frère à sa jeune compagne qui l'avait rendu si heureux, qui était déjà de moitié avec lui dans toutes ses grandes œuvres, et qui, aujourd'hui est veuve à vingt ans ? à cette enfant qui entre à peine dans la vie, et qui est orpheline avant d'avoir connu son père ? à ses frères et sœur qui l'aimaient si tendrement et qui étaient si fiers de lui ? à ses vénérés parents dont il continuait les nobles traditions d'honneur et de charité, dont la douleur si légitime et si profonde est notre douleur à tous, et qui, si cruellement frappés dans un âge où les affections de famille sont les plus belles, et les plus douces jouissances ? Pourquoi, Seigneur, avez-vous refusé d'exaucer les prières que nous vous avons adressées pour la guérison de ce frère chéri, et avez-vous éteint sans pitié cette belle, cette noble existence ?

A ces pourquoi, mes amis, il n'y a qu'une ré-

ponse, c'est celle du prophète : « Mes pensées ne sont pas vos pensées; inclinez-vous et espérez. »

Oui, inclinons-nous et espérons, Dieu a parlé, soumettons-nous au décret de sa divine Providence, et disons du fond de notre cœur : « Que votre volonté se fasse, Seigneur, et quand vous frappez, et quand vous bénissez. »

Entendez-vous la voix de Dieu qui vous adresse cette consolante parole : « Salomon de Rothschild était mûr pour l'éternité, et voilà pourquoi je l'ai appelé près de moi. »

Il était mûr pour l'Éternité; sa vie était courte, trop courte, hélas ! mais il l'a doublée par des bienfaits, il l'a marquée par des actes qui ne s'effaceront jamais.

Qu'importe les années et leur grand nombre ! Dans la balance de Dieu, les œuvres sont tout, et les années ne sont rien. Salomon de Rothschild est mort à l'âge de trente ans, et ces quelques années lui ont suffi pour gagner la couronne de l'immortalité ! Son nom est inscrit partout, du Nord au Sud, partout où s'est accomplie une belle œuvre. Sur les hauteurs où Dieu l'avait placé, il est resté fidèle à ses devoirs, il n'a jamais oublié ni la foi de ses pères, ni les souffrances de l'humanité; l'orgueil n'a point envahi son cœur ; la douceur de son caractère, l'aménité de ses paroles encourageaient ceux qui s'adressaient à lui, et lui faisaient gagner tous les cœurs !

Je voudrais, mes frères, vous raconter quelques-uns de ces actes ; je voudrais vous rapporter quelques-unes de ces nobles et généreuses paroles que j'ai entendu sortir de sa bouche, dans ce comité où j'ai eu le bonheur de siéger à côté de lui et où il a si souvent plaidé la cause des pauvres avec une chaleur qui prouvait tout ce qu'il y avait d'amour et de charité dans son cœur. Mon émotion ne me le permet pas, et c'est à peine si, étouffant la douleur de mon âme, je puis lui adresser un suprême adieu ! Qu'il me suffise de dire ici, chers frères, qu'il marchait déjà sur les traces de ses nobles parents ; qu'il savait déjà, comme eux, compatir à toutes les souffrances, et tendre une main secourable à toutes les misères, qu'il me suffise de vous dire que Salomon de Rothschild meurt pleuré de tous et regretté de tous !

Que pourrait-on dire, d'ailleurs, de plus éloquent que ce concert de bénédictions qui s'élève autour de cette dépouille mortelle ! Les accents de la reconnaissance générale sont une sainte harmonie qui accompagne son âme près de Dieu !

Ah ! soyez consolés, vous tous qui pleurez, soyez consolés, laissez couler vos larmes, mais élevez aussi vos yeux vers le ciel. Il est là-haut, il est près de Dieu, et son âme, unie à celles de ces ombres vénérées qui l'ont précédé dans le séjour des élus, priera pour vous tous, pour sa veuve, pour son enfant, pour

ses parents, pour tous ceux qu'il a aimés ici-bas, et qu'il continuera à aimer dans le ciel !

Soyez consolés ! Salomon est entré dans le port, et il n'est plus exposé aux souffrances de ce monde. C'est ici, non la maison des morts, mais la maison des vivants (בית החיים), le lieu de repos, et qui sait ce que l'avenir lui est réservé ! Qui sait si Dieu ne l'a pas appelé près de lui pour éloigner de ses lèvres la coupe du malheur !

Soyez consolés, et s'il est vrai que la sympathie générale adoucit l'amertume de vos souffrances, laissez-moi vous dire que vous n'êtes pas seuls dans la douleur ; nous la partageons, nous mêlons nos larmes à vos larmes, et nous venons jeter avec vous un dernier regard de douleur et de regret sur cette dépouille que la terre va couvrir, mais dont la mémoire vivra, et dont l'âme purifiée remonte radieuse vers Dieu !

Et vous, frère chéri, reposez en paix et jouissez du fruit de vos œuvres. Priez pour ceux que vous avez aimés, et que votre belle âme plane sans cesse au milieu de nous ; vous nous quittez, mais nous ne vous oublierons jamais, nous vous garderons une place dans la mémoire de notre cœur ; car deux choses impérissables nous restent de vous ; sur cette terre, votre nom couronné du souvenir de vos vertus : dans le ciel, votre âme unie à Dieu !

Amen.

DISCOURS PRONONCÉ SUR LA TOMBE

DE M. LE BARON

SALOMON DE ROTHSCHILD,

PAR M. LE Dr ALBERT COHN.

Le 17 mai 1864.

Ne pouvant t'accompagner jusqu'à la dernière demeure, c'est ici, cher ami, que je veux te dire un dernier adieu, à la porte de la maison des vivants. (שער בית החיים)

Il avait à peine un an quand je le vis pour la première fois; depuis cette époque, il a grandi pendant vingt-huit ans, se faisant aimer et chérir par tous ceux qui le connaissaient, qui le recherchaient, car un caractère aimable et généreux lui ouvrait facilement tous les cœurs, lui gagnait cette sympathie universelle dont vous voyez en ce moment la preuve la plus manifeste.

Pour soulager cette immense douleur, tous voudraient partager avec nous le poids de l'affliction générale. Aucun endroit ne fut visité par ce cher ami

sans qu'il y laissât des traces de sa nature libérale. Agé de vingt ans, il alla voir le Maroc, et un séjour de quelques heures lui suffit pour gagner sa sollicitude sociale. De retour à Paris, il obtint de sa bonne mère l'envoi d'un médecin particulier, et de cette époque date la régénération de cette population intéressante. En Amérique, comme en Europe, il trouva son bonheur à faire des heureux. Combien de jeunes gens, combien de pères de famille lui doivent l'accès dans leurs carrières? Il y a à peine quelques mois qu'en causant avec moi il me dit ces délicieux mots : « Je voudrais bien sauver quelqu'un, relever de temps en temps une famille qui puisse alors honorablement vivre par le travail. » Quelques jours après, un cas pareil se présenta : qu'il était content d'accomplir ce désir de sa bonne nature ; quelques jours avant ce triste événement, il s'informa encore avec une bien tendre sollicitude si ce premier essai avait bien réussi.

Dans ce moment même, j'en ai la plus entière conviction, au pied du trône céleste, auprès duquel son âme s'est rendue pour s'élever en pureté, en sainteté et en adoration, il implore le Père de la miséricorde pour qu'il veuille bien envoyer un baume consolateur dans tous ces cœurs, qui souffrent tant de son départ précipité ! Aussi, cher ami, tes bons parents ont bien deviné ta pensée, en voulant ajouter à une maison qu'ils ont fondée pour le soulagement de l'hu-

manité souffrante une partie dans laquelle, sous la protection de ta mémoire bénie, bien des existences puissent trouver jusqu'à la fin de leurs jours, sinon une guérison complète, du moins un adoucissement et des soins de tous les instants.

Le printemps vient de perdre sa fleur; car c'est le plus jeune de nos collègues que nous conduisons au champ du repos; son cœur était trop grand pour rester plus longtemps avec nous, il était prêt; aussi vas-tu au repos (לשלום); tandis que nous devons retourner aux labeurs de tous les jours, aux devoirs sérieux que la vie nous impose. Gardant de toi un souvenir ineffaçable, nous nous soumettons aux décrets impénétrables de la Providence par ces mots (יי נתן יי לקח יהי שם יי מברך): l'Éternel nous l'avait donné, l'Eternel nous l'a ôté trop tôt, que son nom reste béni.

Adieu, adieu, cher ami!

EXTRAITS DES JOURNAUX

JOURNAL DES DÉBATS.

« .... Quare mors immatura vagatur? »

Pourquoi la mort prématurée erre-t-elle parmi nous? dit tristement Lucrèce lorsqu'il énumère les fléaux qui peuvent nous faire mettre en doute la justice et la bonté des dieux. L'objection n'est peut-être pas invincible, mais ce n'en est pas moins un des spectacles les plus cruels et les plus mystérieux que de voir frapper à ses côtés, dans la fleur de la jeunesse et dans la plénitude du bonheur, des êtres qui semblaient destinés à faire beaucoup de bien et à jouir longtemps du bien qu'ils auraient fait. Ces tristes réflexions nous assaillaient il y a deux jours, lorsque nous conduisions à sa dernière demeure un jeune homme de vingt-neuf ans, auquel il n'a manqué que de naître dans une condition plus modeste pour mettre dans une pleine lumière les heureux dons qu'il avait reçus de la nature. La fortune, que tant de gens désirent avec excès, agit souvent comme un obstacle, et enchaîne parfois les esprits les plus distingués loin des carrières dans lesquelles ils auraient pris leur essor naturel et rencontré la renom-

mée. Si Salomon de Rothschild était né dans une condition ordinaire, si le monde des affaires, au lieu de le saisir, comme de droit, dès le berceau, l'avait laissé vivre au milieu de nous, condamné comme nous tous à prendre son rang, selon ses facultés, dans la grande mêlée de la vie, nous n'apprendrions aujourd'hui à personne que ce jeune homme était doué d'une vive et remarquable intelligence, d'un goût élevé et délicat pour les lettres, et des instincts les plus nobles et les plus droits dans tout ce qui touche aux affaires publiques. Si pourtant la grande fortune empêche ou détourne parfois de montrer tout ce qu'on peut, elle n'empêche pas de montrer tout ce qu'on vaut; elle peut rendre relativement stériles les plus brillantes qualités de l'esprit, mais elle laisse toute leur liberté aux nobles élans du cœur. Salomon de Rothschild était réellement bon, de cette bonté naturelle et presque involontaire qui agit toujours, qui se sent toujours, comme à l'insu de celui qui en est pénétré, qui se répand en bonnes actions et en bonnes paroles, par une sorte de courant continuel auquel la mort seule a le pouvoir de mettre un terme. Cette bonté était chez lui si ouverte et si sincère qu'elle provoquait à l'amitié les cœurs les moins faciles à séduire, et qu'elle triomphait en fort peu de temps de cette roideur involontaire à laquelle, dans notre société démocratique, toute âme un peu fière se sent d'abord disposée en face d'une grande

fortune. Lorsqu'il fut accablé en trois jours par le mal le plus soudain et le plus terrible, sa préoccupation la plus vive fut le chagrin qu'il craignait de causer aux autres. Il ne parlait plus guère que pour supplier qu'on s'évitât une fatigue ou pour dissiper de son mieux les inquiétudes croissantes de sa jeune femme et de ses malheureux parents. C'était entre cette jeune femme et lui un touchant combat à qui ferait meilleure figure et porterait le mieux sa part de cet affreux coup du sort. Quiconque meurt ainsi, l'âme tout occupée de la douleur d'autrui et l'esprit plein de délicates pensées, a réellement accompli sa destinée, car c'est après tout la bonté et le dévouement qui font la véritable perfection de l'homme.

PREVOST-PARADOL.

REVUE DES DEUX MONDES.

Peut-être nous sera-t-il permis encore, quoique bien tard, de nous associer au deuil qui frappait, il y a quinze jours, la famille de M. J. de Rothschild? Les regrets sentis qu'a inspirés la mort de M. Salomon de Rothschild, se sont exprimés par l'empressement universel qui a entouré sa famille, si inopinément, si cruellement atteinte. Salomon de Rothschild est mort à vingt-neuf ans, sans avoir rempli le rôle auquel il était appelé dans les grandes affaires économiques de notre époque; mais à ceux qui l'ont connu, il avait déjà prouvé que ce rôle il l'eût rempli dignement. Il avait une juvénile ardeur d'esprit et une rare chaleur d'âme. Il travaillait avec l'application d'un jeune homme qui aurait eu besoin d'être le fils de ses œuvres. Il aimait les livres, les arts comme les affaires. Il avait une pétulance bonne et communicative. A voir son activité, il semble qu'un instinct secret l'avait averti qu'il devait se hâter de vivre. Mille traits de gracieuse délicatesse, de cordiale générosité, que sa modestie et son bon goût tinrent cachés pendant sa vie, se révèlent maintenant chaque jour, et le font revivre douce-

ment dans la mémoire de sa famille et de ses amis, où sa spirituelle et attachante figure ne sera jamais effacée.

E. Forcade.

31 mai 1864.

LE PETIT JOURNAL.

MORT DU BARON

SALOMON DE ROTHSCHILD.

Que me parle-t-on, en ce monde, d'inégalité de conditions;

Des priviléges de la naissance, de l'éducation, de la richesse et du génie;

De la plus grande part de bonheur inhérente aux favorisés de la terre?

Je ne suis pas toujours de cet avis.

Je crois que plus on est modeste, léger de bagage, mieux on s'en va de ce monde, sans trop d'embarras et de chagrin.

Je crois que les humbles ont parfois leur bonheur dans leur humilité même.

C'est-à-dire qu'ils possèdent bien cette insouciance, ce détachement des biens matériels que commandait, en faveur du spiritualisme, la primitive religion.

La mort est dure à tous, assurément.

Mais s'appeler Horace Vernet, Halévy, Meyerbeer, Flandrin, et quitter le monde quand on a encore des chefs-d'œuvre dans l'esprit et le cœur,

C'est peut-être plus cruel que de s'en aller doucement, laissant une honnête médiocrité à sa famille.

Hier est mort un homme tout jeune,

Devant lequel la vie s'ouvrait avec toutes les garanties de bonheur et de succès;

Son nom était une recommandation;

Son esprit était fin, distingué, cultivé;

Sa fortune était immense.

Il s'appelle le baron Salomon de Rothschild.

Le défunt était le troisième fils du baron James de Rothschild.

Il comptait à peine trente ans,

Et avait fait, il y a quelques années, un voyage en Amérique, au point de vue d'études financières sur ce curieux pays.

Revenu de ses excursions, le baron Salomon de Rothschild s'était marié, il y a deux ans, comme les Rothschild se marient,

C'est-à-dire en choisissant sa femme dans sa propre famille.

Il avait épousé une jeune personne pleine de distinction, sa cousine de Francfort, la fille de la baronne Charles, sœur du baron Nathaniel.

Depuis 1795, date de la fondation de la maison allemande, il n'est arrivé qu'une fois qu'un fils de

ces riches banquiers ait cherché une femme dans une famille étrangère.

Ce fut quand, il y a peu d'années, le jeune baron Gustave épousa la fille de M. Anspach, le savant et honoré conseiller à la cour impériale.

Puisque j'ai l'honneur d'écrire dans un journal populaire, il m'est agréable de dissiper un préjugé très-répandu parmi nous.

On affirme que le premier Rothschild vendait des petits couteaux,

Et s'était enrichi à ce commerce de Langres et de Birmingham.

Il n'en est rien.

Le fondateur de cette dynastie de financiers éminents se nommait Mayer Anselme Rothschild.

Il naquit à Francfort-sur-le-Mein en 1742. Il étudia, pour se préparer au professorat, au collége de Furth.

Mais, suivant sa vocation, il entra comme commis chez un banquier à Hanovre, et s'établit quelques années plus tard, dans sa ville natale avec un bien petit capital, fruit de ses économies.

C'était un homme aussi instruit que persévérant.

A cette époque, l'Allemagne était envahie.

Le grand-duc de Hesse s'enfuit, laissant comme un dépôt sa fortune au jeune financier.

Non-seulement celui-ci la défendit au péril de sa vie, au détriment de sa fortune,

Mais il la fit valoir et en doubla l'importance.

Il mourut sans avoir eu la consolation de voir l'électeur revenir dans ses États.

Mayer Anselme Rothschild a, par sa probité et ses talents, puissamment contribué à l'émancipation des israélites.

Pour récompenser ses services, le grand-duc de Francfort avait donné aux juifs la jouissance de tous les droits civils et religieux.

Il avait appelé Rothschild à faire partie du collége d'élection.

En 1813, l'électeur rentra dans ses États et les fils de Rothschild lui restituèrent non-seulement son capital, mais encore les intérêts.

Charmé de cette loyauté, l'électeur leur laissa la somme en dépôt,

Et elle vint agrandir les opérations financières de la fraternelle association.

De ce jour, les Rothschild traitent avec les États, négocient des emprunts avec les grandes puissances.

Ils ont été anoblis en 1815 par l'empereur d'Autriche.

Ils ont reçu du roi de Prusse, en 1822, le titre de baron

Et la qualité de conseillers intimes.

Le doyen de la maison actuelle est depuis plusieurs années consul général d'Autriche.

Le véritable fondateur de la famille Rothschild

quitta la vie en 1812, laissant dix enfants, dont cinq fils, qui se partagèrent le monde :

Anselme Rothschild, né le 12 juin 1773, dirigea la maison de Francfort;

Salomon Rothschild, né le 9 septembre 1774, dirigea la maison de Paris;

Nathan Rothschild, né le 16 septembre 1777, fonda la maison de Manchester en 1798, qui devint la maison de Londres. Il est mort en 1836;

Charles Rothschild, né le 24 avril 1788, fonda la maison de Naples;

Enfin le cinquième frère, James Rothschild, né le 15 mai 1792, est venu en 1812 s'associer aux opérations de la maison de Paris.

C'est le fils de ce dernier qu'une mort aussi subite que cruelle vient d'emporter à la fleur de l'âge.

Le jeune baron Salomon a succombé à la rupture d'un anévrisme.

On prétend qu'il ne sentait aucune indisposition il y a quelques jours, et que le mal s'est déclaré par un refroidissement, à la suite d'une promenade aux courses de Longchamps.

M. le docteur Rayer, médecin de la famille, autour duquel s'étaient groupées toutes nos célébrités médicales, a donné tous ses soins au malade.

Le baron Salomon de Rothschild laisse une veuve de vingt ans, et un enfant de sept mois.

Les obsèques se feront mardi.

Un concours considérable suivra le cercueil jusqu'au lieu de la sépulture, où, selon le rite israélite, la cérémonie religieuse s'accomplit.

Le sépulcre des Rothschild est situé au cimetière du Père-Lachaise.

C'est un grand et sévère monument, sans ornement, sans statue,

N'ayant comme armoiries qu'un R majuscule gravé sur la pierre

Et des vases de granit remplis de fleurs en toute saison.

Je saluerai bien bas le cercueil de ce grand de la terre que je n'eusse point adulé de son vivant.

Car si la mort est cruelle, c'est assurément quand elle frappe un homme que tout attachait à la vie :

L'éclat d'un grand nom;

La jouissance d'une fortune sans pareille;

La tradition patriarcale de la famille;

Le bonheur dans le mariage;

La joie toute récente de la paternité;

L'avenir triomphant et prospère.

Mais je dirai à tous ceux qui ont aimé et estimé ce jeune homme, à ses parents, à ses amis, aux pauvres qui le connaissaient, cette belle phrase que chante notre Église : *Vita mutatur, non tollitur* : « La vie n'est pas enlevée à ceux que vous pleurez, elle n'est que changée. »

La voix de la religion est éloquente en condo-

léances à ces heures suprêmes de douleurs et de regrets.

Lamartine l'a rappelé dans son langage admirable :

On sent que sa douce parole
A d'autres ne peut se mêler,
Seigneur! et qu'elle ne console
Que ceux qu'on ne peut consoler.

TIMOTHÉE TRIMM.

JOURNAL DES CHASSEURS.

LE BARON
SALOMON DE ROTHSCHILD.

Le *Journal des Chasseurs* est en deuil; il vient de perdre un de ses meilleurs et de ses plus puissants protecteurs. Le baron Salomon de Rothschild est mort dans toute la force de sa jeunesse et de ses espérances, mort à vingt-sept ans ! Ce deuil est bien plus encore dans notre cœur que dans les quelques mots que nous adressons aujourd'hui à sa mémoire.

Des fonctions, auxquelles nous ne pensons jamais sans regret, nous ont mêlé, pendant trois ans, à la vie de cette grande et bonne famille ; quoique ce temps soit loin déjà, nos sentiments de respect et d'attachement dévoué sont restés les mêmes ; il nous semble qu'il nous est encore permis de prendre une part de ses douleurs.

A vous qui enviez sa fortune et sa grande position ici-bas, le baron James de Rothschild pourrait dire : la Providence ne m'a-t-elle pas fait bien large

ma part des misères et des peines de ce monde? Prenez-les ces richesses, ces honneurs, et rendez-moi mes enfants perdus!

De mes petits-fils, l'orgueil de ma vieillesse, l'objet de toute une vie d'honneur et de travail, quatre se sont éteints dans mes bras, et voilà que Dieu me reprend mon fils! Vous, les humbles de la terre, qui vivez dans la paix de la famille et dans la joie de voir grandir vos enfants autour de vous, n'êtes-vous pas plus heureux que moi?

Et elle, la pauvre mère, l'ange de ce foyer désolé, elle, dont la tendre nature ne resta jamais insensible au malheur d'autrui, elle qui toujours racheta ses richesses par l'immensité de sa charité, est-elle assez blessée au plus profond de ses entrailles, son front saigne-t-il assez sous les épines de sa couronne d'or! Un père, une mère qu'elle adorait, ses petits-enfants, son fils, tous ces trésors perdus en quelques années! Est-ce assez d'épreuves et de douleurs?

Le baron Salomon de Rothschild était bien jeune quand nous le vîmes pour la première fois, il avait quinze ans. C'était un cœur ardent et affectueux, il était généreux et affable pour tous. L'homme avait tenu les promesses de l'adolescent. Entré depuis dix-huit mois à peine dans la vie des grandes affections et des grands devoirs, il était bon, fort, intelligent, aimé; devant lui s'ouvrait une carrière dont nul n'aurait mesuré les limites, et voilà déjà qu'il

n'est plus ; le jeune athlète s'est couché sous le souffle de la destinée.

Pauvre père, pauvre mère, si grands et si misérables, que je vous plains, que je crois à votre souffrance ! Je ne puis, hélas ! vous apporter qu'un humble tribut de regrets et de sympathie, et prier le ciel qu'il vous console de ceux que vous avez perdus par le bonheur de ceux qui vous restent.

Ch. Godde.

L'UNIVERS ISRAÉLITE.

Juin 1864.

LE BARON

SALOMON DE ROTHSCHILD.

Cette grande et illustre famille israélite qui par ses immenses bienfaits sèche tous les jours tant de larmes et guérit tant de blessures, elle pleure maintenant à son tour et son cœur saigne douloureusement....

Le Seigneur, dans ses desseins impénétrables, lui a enlevé un de ses plus magnifiques ornements, une de ses joies les plus douces, une de ses forces les plus vitales, une de ses rayonnantes espérances d'avenir et de gloire, une de ses plus splendides bénédictions.

Le baron Salomon de Rothschild, troisième fils de M. le baron James de Rothschild, est mort presque subitement, le 14 mai, après avoir gardé le lit pendant trois jours seulement. Son âme est

montée au ciel lorsque la vie terrestre semblait encore l'inonder de toutes ses clartés.

Il n'avait que vingt-neuf ans.... Il y avait seulement deux ans qu'il avait épousé sa noble cousine, Adèle de Rothschild, fille du baron Charles, de Francfort, une jeune personne ornée de toutes les grâces et de tous les enchantements de la femme poétique de la Palestine, et de la femme brillante de la civilisation moderne. Elle était le rêve de sa jeunesse, l'attente de sa félicité, la fleur se développant splendidement sous le soleil pour parfumer et illuminer sa vie. Et après qu'il fut uni à l'élue de son cœur et de son âme, le ciel mit le comble à son bonheur en lui accordant un enfant, né en août 1863, au milieu de toutes les joies, de tous les ravissements, de toutes les actions de grâces envoyées au Très-Haut, de tous les actes de charité accomplis envers les hommes!

Pourquoi, hélas! en brisant tout ce bonheur si bien mérité et si noblement employé, la divine Providence nous a-t-elle montré de nouveau que tout est vanité et périssable ici-bas, que nous sommes nés de poussière et que nous retournons à la poussière!

Salomon de Rothschild, bien que fort jeune encore, possédait une haute intelligence qui le rendait digne d'être une des colonnes de cette grande et puissante maison, plus grande et plus puissante que

celle de maint souverain assis sur un trône. Mais il avait aussi un cœur large et magnanime, ouvert à tous les sentiments élevés, à toutes les généreuses inspirations, à toutes les bonnes et belles actions, Son nom rappelait ces paroles de l'Écriture dites du roi d'Israël, fils de David : ויתן אלהים חכמה לשלמה ותבונה הרבה מאד ורחב לב כחול אשר על שפת הים « Et Dieu donna la sagesse à Salomon, et un vaste esprit, et une étendue de cœur comme le sable sur le bord de la mer. » (I Rois, V, 9.)

Il possédait surtout le caractère le plus affable, le plus sympathique, le plus liant. Jouissant d'une des plus brillantes positions sociales, il se montrait gracieux, aimable, charmant envers tous, riches comme pauvres, grands comme petits. Dans ses rapports avec les hommes, on ne voyait sa haute fortune que dans ses bienfaits.

C'est à un voyage au Maroc qu'il fit, en 1856, qu'on doit le commencement de la régénération de nos malheureux coreligionnaires de ce pays. Tout jeune, à peine âgé de vingt ans, il demanda énergiquement au pacha de Tétuan une protection pour ses frères. En Amérique, où il passa près de deux ans, de 1859 à 1861, il sauva la vie à une jeune personne qui s'était jetée à la mer, et il fut nommé membre de la société des sauveteurs. Mais de tout cela, il ne parla jamais.

C'était une nature généreuse, heureuse de faire

le bien sur une large échelle, et toujours à l'insu de tout le monde.

La grande et irréparable perte que font en lui sa famille, ses amis, la société tout entière, est surtout bien douloureuse pour notre communauté et notre culte. Il en était un des plus fermes soutiens. Comme tous les membres de sa famille, il portait avec bonheur et orgueil le titre d'israélite; ses sentiments religieux éclataient en toute circonstance, et sa fraternité se lisait en lettres d'or partout où il y avait une œuvre d'humanité à accomplir. Sur toutes les listes de souscriptions charitables, son nom brillait d'un vif éclat. Membre du Comité de bienfaisance et de la Société des apprentis, il s'occupait avec le plus ardent dévouement des besoins et des souffrances de nos pauvres, de nos malades, de nos veuves et de nos orphelins. Agissant ainsi pendant son trop court séjour sur la terre, sa charité lui survit au milieu de nous et fera à jamais bénir sa mémoire.

Les regrets, la consternation de la communauté sont grands et légitimes. La situation du judaïsme est fort précaire dans les temps modernes. Beaucoup d'hommes nés dans notre sein, une fois arrivés à la richesse, à la puissance, à une haute position, ne nous connaissent plus, tournent le dos à l'assemblée du Seigneur et à son culte, renient leur naissance, leurs pères et mères, tout ce qu'il y a de sacré sur la terre. Salomon de Rothschild était un appui

fidèle, courageux, inébranlable de la maison de Jacob; nous pouvions compter sur lui comme sur un vrai fils de Juda: il était une forte et brillante espérance de notre avenir religieux et social au milieu des peuples. « Dieu nous l'avait donné, et Dieu, hélas! nous l'a repris. »

Le ciel nous l'a enlevé dans la fleur de son âge, avant qu'il ait pu développer tous les trésors de son cœur et de son âme, avant qu'il ait pu vider ici-bas la corne d'abondance de sa douce et bienfaisante bonté. Il repose maintenant dans le sein de l'Éternel, à côté de son grand-père et de sa grand'mère Salomon de Rothschild, dont nous avons pleuré naguère la mort comme un malheur public. « Son tré-
« pas a semé le deuil parmi nous, tandis que lui
« récoltera là-haut, avec joie, les fruits de ses ver-
« tus, הזרעים בדמעה ברנה יקצרו; il est parti au mi-
« lieu de nos larmes, retournant dans sa céleste
« patrie, où il est reçu avec allégresse, portant les
« gerbes abondantes de ses œuvres méritoires, et les
« déposant sur l'autel du divin sanctuaire, comme
« une digne et immortelle offrande au Seigneur. »
הליך ילך ובכה נשא משך הזרע בא יבא ברנה נשא אלמתיו

Que la mémoire de ce juste soit bénie à jamais!
זכר צדיק לברכה

S. Bloch.

LE CONSTITUTIONNEL.

Ce matin, vers dix heures, toute l'entrée du faubourg Saint-Honoré était remplie par le concours immense des personnes venues pour assister aux obsèques de M. le baron Salomon de Rothschild, enlevé d'une manière si douloureuse et si prématurée à sa famille et à ses amis. Le monde officiel, le monde financier étaient représentés par toutes leurs sommités.

M. le baron James de Rothschild avait voulu suivre le corps de son fils. Sa santé affaiblie l'a forcé de monter en voiture; chacun était attendri par la douleur profonde dans laquelle il était plongé.

Le cortége a suivi les boulevards pour se rendre au cimetière de l'Est. L'affluence était telle aux abords de l'hôtel du défunt, qu'il a fallu interrompre la circulation des voitures à l'entrée du faubourg Saint-Honoré.

Une très-nombreuse assistance a suivi le corps jusqu'au champ du repos.

LA FRANCE.

Aujourd'hui, à dix heures, ont eu lieu les obsèques de M. le baron Salomon de Rothschild, qu'une mort soudaine vient d'enlever, dans la force de l'âge, à l'affection de sa famille et de ses amis.

Tout ce que Paris compte d'illustrations dans les rangs de la haute société, dans le monde de la politique, de la finance, de la presse, des lettres, des sciences et des arts, était accouru à cette triste cérémonie, et avait voulu donner à la famille de Rothschild un éclatant témoignage de l'universelle sympathie dont elle est l'objet.

Tout le monde sait que c'est bien moins par le prestige de son immense fortune que par sa bienveillance, son goût éclairé, le concours qu'elle donne à toute œuvre belle, généreuse ou utile, mais surtout par son inépuisable charité, que la famille Rothschild a conquis l'estime et la haute considération qui l'entourent.

Le deuil était conduit par M. le baron James de Rothschild qui, obéissant à une émouvante tradition de la religion israélite, n'a voulu céder à personne le douloureux devoir d'accompagner le corps de son

fils jusqu'à sa dernière demeure. Il était suivi de ses deux autres fils, MM. Gustave et Alphonse de Rothschild.

Le convoi a parcouru tous les boulevards jusqu'au cimetière du Père-Lachaise, où le corps a été inhumé, et où deux discours ont été prononcés sur le cercueil.

M. le grand rabbin du Consistoire central, et M. le grand rabbin de Paris, escortés de leurs coadjuteurs, ont tenu à honneur de présider eux-mêmes à la cérémonie funèbre, donnant, au nom de la religion, cette marque de haute sympathie à une famille qui n'oublie pas que la richesse vient de Dieu, et que nous ne devons nous regarder ici-bas, auprès de nos frères malheureux, que comme les distributeurs des dons que la Providence nous accorde.

J. Cohen.

MONITEUR DU SOIR.

17 mai 1864.

Tous les journaux de Paris ont rendu compte des funérailles de Salomon de Rothschild, auxquelles la capitale tout entière semblait avoir pris part. Le *Moniteur du soir* du 17 mai donne les détails suivants :

« Les obsèques de M. le baron Salomon de Rothschild ont été célébrées ce matin en présence d'une assistance considérable, dans laquelle figuraient toutes les illustrations de Paris. L'hôtel de la rue Saint-Honoré pouvait à peine contenir les invités.

« A dix heures, le corps du défunt a été placé sur un char traîné par deux chevaux, et le cortége s'est mis en marche dans l'ordre suivant pour se rendre par les boulevards au cimetière du Père-Lachaise.

« Le char funèbre était précédé d'une voiture dans laquelle se trouvaient le grand rabbin du Consistoire central et le grand rabbin du Consistoire de Paris.

« Après le char marchaient M. le baron James de

Rothschild, père du baron Salomon ; MM. Alphonse de Rothschild, Gustave de Rothschild et Edmond de Rothschild, frères du défunt, conduisant le deuil.

« Venaient ensuite les serviteurs de la maison, les élèves des écoles israélites, les employés de la maison Rothschild, les employés des chemins de fer du Nord et de l'Est.

« Les invités avaient pris place dans les voitures de deuil. On remarquait parmi eux S. Exc. M. Fould, ministre des finances; le maréchal Magnan, M. le duc de Morny, M. le comte de Persigny, M. le comte Walewski, M. Vuitry, gouverneur de la Banque; M. de Forcade La Roquette, M. Thiers, M. Berryer, M. le général Changarnier, etc.

« Les restes du baron Salomon ont été déposés dans le caveau de la famille de Rothschild après la célébration de la cérémonie funèbre prescrite par le culte israélite. »

On remarquait aussi dans le convoi funèbre le personnel des ambassades d'Autriche, de Prusse de Bavière, etc. Un premier discours fort touchant a été prononcé, à la porte du cimetière, par M. Albert Cohn, président du Comité de bienfaisance; et sur la tombe même, MM. les grands rabbins se sont rendus les organes de la communauté et de la religion, et ont accompagné par leurs prières l'ame d'un noble enfant d'Israël au ciel.

Les parents du défunt ont envoyé dix mille francs

au Comité consistorial de bienfaisance, douze mille francs à l'administration de l'assistance publique de Paris, et ils ont l'intention d'ajouter et d'entretenir, en souvenir de son nom, une section pour les maladies incurables à l'hôpital israélite.

CORRESPONDANCE

DE L'UNIVERS ISRAÉLITE.

Tétuan (Maroc), 13 juin.

Notre communauté a appris avec une profonde douleur le décès de M. le baron Salomon de Rothschild et a célébré un service funèbre en son honneur le 4 de ce mois. J'ai prononcé un discours espagnol dans ma synagogue, que M. le baron Salomon a visitée lors de son passage à Tétuan. C'est à lui que notre ville est redevable d'un service de santé et de tant d'autres bienfaits. Après les paroles de regrets bien senties, prononcées par M. le grand rabbin Isaac ben Walid sur la perte cruelle de ce noble jeune homme, M. le docteur Schmidt a prononcé également un discours très-touchant qui a vivement ému tous les assistants. Puis M. le professeur Hermann Cohn a fait une belle prière hébraïque et dix élèves de son école ont chanté en *adagio* les psaumes 49 et 91. La cérémonie a eu lieu dans le local de l'école contiguë à l'établissement de pharmacie fondé par la famille de Rothschild.

LA FRANCE CENTRALE.

Paris, 19 mai 1864.

Le baron Salomon est mort à vingt-neuf ans, d'une inflammation de poitrine compliquée d'une maladie de cœur; depuis près de deux mois, il était souffrant, mais il ne s'est alité que l'avant-veille de sa mort:

Ce jeune homme, que tous ceux qui le connaissaient aimaient et estimaient, laisse après lui de profonds regrets, aussi ne faut-il pas s'étonner de la foule immense qui suivait à pied ou en voiture le char mortuaire qui l'a porté jusqu'au cimetière du Père-Lachaise.

Si quelque chose peut adoucir la douleur de la famille Rothschild, ce sera, sans doute, de la voir partagée par tant de gens qu'elle ne connaît même pas, mais qui, eux, connaissent l'honorabilité, la bonté et l'inépuisable bienfaisance des Rothschild.

Comme son père, comme sa mère, comme ses frères, le baron Salomon poussait la charité jusqu'à la prodigalité, si tant est cependant que l'on puisse être taxé de prodigalité en tendant sa main à toutes

les misères, en se laissant émouvoir par tous les malheurs. Comme toute sa famille aussi le baron Salomon cachait son ardente charité. Le baron Salamon était, non-seulement l'associé de la plus grande maison de banque française, mais encore de la maison de bienfaisance la plus riche en bonnes œuvres, la plus généreuse en véritable commisération.

Je ne saurais vous faire comprendre à quel point a été universelle la sympathie dont on a entouré la famille Rothschild. Autour de ce père et de ces frères si douloureusement blessés dans leur plus chère affection se pressait une foule où tous les rangs, toutes les opinions se trouvaient confondus et le peuple parisien s'est associé à cette immense manifestation, parce qu'il savait ce que la mort venait de lui ravir.

C'était, je vous l'atteste, un navrant et tout à la fois consolant spectacle que ce convoi conduit par un père et par trois frères désolés et que suivaient si douloureusement émus tant de serviteurs, tant d'obligés, tant d'amis qui ont voulu accompagner jusqu'au cimetière la chère dépouille mortelle d'un jeune homme si tendrement aimé.

Vous me permettrez, pour aujourd'hui, de faire trêve à la politique et de ne vous parler que du baron Salomon, car je me sens encore sous l'impression de cette grande tristesse dans laquelle nous nous recueillions avant-hier, et par le temps où nous vivons,

il y a une certaine douceur à éprouver de telles tristesses, à sentir ainsi que l'on ne vit pas seul et que le stoïcisme de l'égoïsme n'a point entièrement desséché votre cœur.

Paul Beurtheret.

LE CHARIVARI.

17 mai 1864.

Je ne peux terminer cette lettre sans dire un mot de la triste nouvelle qui est venue surprendre si péniblement la Bourse d'hier et que tout le monde connaît à cette heure ; je veux parler de la mort du baron Salomon de Rothschild, un des fils du célèbre banquier, le roi de la finance européenne. Le baron Salomon a succombé en peu de jours, tout jeune encore ; il avait à peine trente ans. Tous ceux qui l'ont connu s'accordaient à reconnaître les qualités de cœur et d'esprit qui le distinguaient, une rare aménité de caractère, le goût inné des arts et des façons généreuses de dépenser en grand seigneur une immense fortune. Il était adoré de sa famille qui l'appelait l'enfant prodigue, mot exprimant non un reproche mais l'éloge de ses qualités. Cette mort inattendue et si prématurée a produit à la Bourse une vive et profonde émotion.

Agréez, etc. CASTORINE.

Pour copie conforme :

S. ZABBAN.

DIVERS

LE CHAPEAU

DE M. DE ROTHSCHILD.

Il existe à la Havane, comme dans la plupart des grands centres à l'étranger où peut s'accumuler une population française, une institution qui, sous le nom de Société française de bienfaisance, et sous la présidence du consul général de France, rend de grands services à nos compatriotes nécessiteux. Le zèle des administrateurs est grand, l'empressement des souscripteurs méritoire, mais les obligations de la Société sont lourdes et la Société n'est pas riche.

Pendant mon séjour à la Havane, en 1855, je fus chargé par M. Durège, alors chef de la maison Mangoaga, Ducatel et C^ie^, et vice-président annuel, de faire quelques extraits dans les registres de la Société française.

Un article de recettes à la caisse attira mon attention; il était ainsi conçu :

Le chapeau de M. de Rothschild, deux cent cinquante francs.

Je priai M. Durège de m'en donner l'explication, et voici ce qu'il me dit :

« Dans le cours de son voyage en Amérique, le fils de M. le baron de Rothschild passa par la Havane et se présenta chez MM. Mangoaga, Ducatel et C^ie^, sur lesquels il avait une lettre de crédit. Il s'informa de tout ce qui pouvait attirer l'attention d'un étranger. Après renseignements pris avec soin sur la fabrication du sucre, la culture du tabac, du café, les richesses agricoles et industrielles de l'île, l'importance du mouvement commercial, le système financier en usage, enfin l'éternelle question de l'esclavage, il s'enquit aussi de ces petits objets, futiles en apparence, mais qui, rappelant matériellement les mœurs et les habitudes des pays parcourus, ont toujours un certain attrait pour le voyageur.

« A la Havane, tout le monde, riche ou pauvre, esclave ou grand d'Espagne, porte pour coiffure le chapeau de Panama, dit chapeau de *Jipijapa*.

« M. de Rothschild voulut en avoir un, et demanda qu'on l'accompagnât. Un employé de M. Durège fut chargé de cette mission. On demanda de beaux chapeaux, et le marchand d'étaler avec empressement ce qu'il avait de mieux. M. de Rothschild, en homme de goût, choisit entre tous un chapeau dont le tissu, plus souple et plus fin que la soie de l'Inde, en avait jusqu'au brillant et le reflet doré. Il s'informe du prix :

« C'est trois cents piastres, répondit le marchand.

« — Quinze cents francs! jamais mon père ne me « pardonnerait une pareille folie. »

« On choisit autre chose, et M. de Rothschild rapporta un fort joli chapeau de cinquante piastres. Chacun lui fit compliment sur la belle qualité et le prix modéré qu'il avait payé.

« J'en avais d'abord choisi un plus beau; mais « quinze cents francs, monsieur! j'eusse mérité que « mon père me déshérităt.

« Oh! monsieur votre père peut heureusement, « reprend M. Durège, vous pardonner sans se ruiner une fantaisie de quinze cents francs.

« — Sans doute, et vous m'avez mal compris, ré- « pond sérieusement M. de Rothschild; ce n'est pas « les quinze cents francs dépensés que mon père « me reprocherait, c'est le chapeau pris en échange « de cette somme, quand j'aurais pu si facilement « l'employer mieux. Aussi, monsieur Durège, veuil- « lez débiter la maison de mon père de trois cents « piastres, dont je dispose; vous voudrez bien pré- « lever cinquante piastres et faire payer mon cha- « pelier; puis vous verserez deux cent cinquante « piastres à la Société française de bienfaisance. Si « mon père me demande compte de cette somme, « il approuvera, je le sais, celui que je lui en ren- « drai. »

« Telle est l'histoire du chapeau de M. de Roth-

schild. En est-il beaucoup qui la vaillent? Ai-je eu tort d'en conserver précieusement le souvenir? Ne serait-ce pas dommage de la laisser ignorer? »

Ad. E. B.....

Bordeaux, 29 mai 1864.

. . . . . .

Je ne vous demande rien, et je n'ai pas besoin de vous.

Mais je suis avec vous parce que vous souffrez, et je vous aime parce que vous pleurez.

Mais aussi vous avez la foi, me dit-on, et si votre religion, comme les autres, vous promet les récompenses futures lorsque vous avez été bons, vous n'avez plus à souffrir ni à pleurer, pauvre père !

Quelle sainte parole on me dit de votre fils ! huit jours avant de mourir de cette mort qu'il n'attendait pas, il donne, un matin en se levant, dix mille francs à son homme de confiance, en lui disant : « Cherchez quelqu'un *à sauver !*

S'il a dit cette magnifique parole, plus magnifique que tous vos trésors — et elle est trop belle pour que je ne veuille pas croire qu'il l'ait dite — ne devez-vous pas être consolé, et ne sentez-vous pas, croyant, que votre enfant est à sa vraie place à cette heure?

J'ai eu besoin d'être consolé par la vérité, et comme votre mal a besoin d'être consolé, je vous apporte ce que je peux, à vous qui êtes en ce mo-

ment le plus misérable des hommes et que je plains du plus profond de mon âme, d'après ce que je pouvais pressentir, et d'après ce qu'on me dit de votre immense douleur.

Ceux qui ont été soulagés par votre bonté, et par la bonté des vôtres, ceux qui, sans y avoir eu recours, connaissent cette bonté, doivent souffrir et pleurer avec vous. — Moi, qui ne vous connais pas, je vous apporte ma parole de commisération et de consolation, et, si peu qu'elle puisse être et faire, je souhaite qu'elle vous arrive, parce qu'il me semble qu'elle doit vous soulager un peu.

Paris. — Imprimerie de Ch. Lahure, rue de Fleurus, 9.

LE BARON

JAMES DE ROTHSCHILD.

1844-1881.



PARIS,

DAMASCÈNE MORGAND, LIBRAIRE,

55, PASSAGE DES PANORAMAS.

1884.

Extrait du Catalogue des livres composant la bibliothèque de feu M. le Baron James de Rothschild.


1844 ~ 1881

LE BARON

JAMES DE ROTHSCHILD

1844-1881

Trois ans se sont écoulés depuis que la mort a ravi James de Rothschild, et son souvenir est encore si vivant en nous, le vide que sa perte a laissé dans notre existence est encore si profond, que ce n'est pas sans une bien douloureuse émotion que nous prenons la plume pour retracer en quelques mots une vie si noblement remplie. Peut-être eussions-nous réussi à hâter la publication, depuis si longtemps attendue, de ce catalogue, si nous n'avions reculé de jour en jour devant l'accomplissement de cette pénible tâche.

Nathan-James-Édouard de Rothschild naquit à Paris le 28 octobre 1844. Il était fils du baron Nathaniel et de la baronne Charlotte de Rothschild. Il tenait de son père cet esprit droit et lucide, cette entente des affaires, cette mémoire prodigieuse qui ont fait l'étonnement de tous ceux qui l'ont connu. Quant à sa mère, qui occupe une place si distinguée dans la haute société parisienne, elle ne nous en voudra pas de dire qu'il lui devait par-dessus tout l'amour du beau.

De bonne heure le jeune James entra au lycée Bonaparte (aujourd'hui lycée Condorcet), et nul n'apporta plus de zèle ni de régularité dans ses études classiques. Ce fut sur les bancs du collège que nous eûmes la bonne fortune de nous lier avec lui. Nous pourrions dire le jour où commença cette liaison : ce fut au banquet de la Saint-Charlemagne de l'année 1859, et, depuis lors, elle n'a jamais cessé d'être intime ; elle n'a été rompue que par la mort !

James de Rothschild n'avait pas plus de douze ans qu'il commençait à se former une petite bibliothèque. Les livres étaient les seuls cadeaux qui lui fissent plaisir le jour des étrennes. A peine adolescent il se mit en relations avec M. Potier, le savant libraire dont la maison était le rendez-vous de tout ce que Paris comptait d'amateurs distingués. Ce n'étaient pas alors les productions du XVIII[e] siècle, ni les ouvrages des romantiques que l'on recherchait avec passion ; la mode était aux classiques ; on s'intéressait même encore aux auteurs grecs et latins. James de Rothschild se familiarisa ainsi avec les livres sérieux, et, lorsqu'il se consacra plus spécialement à l'étude de nos vieux poètes et des grands écrivains du XVII[e] siècle, il n'en conserva pas moins le respect des lettres anciennes.

En 1862, James de Rothschild quitta le lycée, laissant à ses maîtres et à ses camarades les plus excellents souvenirs. Il entra à l'école de droit, où beaucoup d'entre nous le suivirent. Après les cours, nous nous réunissions souvent chez lui, dans cet hôtel de la rue Taitbout qui disparut lors du percement de la rue La Fayette. Notre ami nous surprenait sans cesse par ses goûts simples et par son ardeur au travail. L'activité de son esprit lui permettait d'embrasser à la fois les recherches les plus diverses. Entraîné dans les conférences, alors en grande vogue parmi les jeunes gens, il s'y fit remarquer par le soin avec lequel il suivait toutes les questions qui y étaient discutées. Il publia en 1863 un *Essai sur les Satires de Mathurin Régnier*, dont il avait donné lecture à la Conférence du Rez-de-Chaussée. Cet essai, qu'il eût voulu plus tard refondre et développer, atteste déjà une

véritable connaissance de notre ancienne poésie ; il est écrit de ce style clair et châtié que nous retrouvons dans tout ce qui est sorti de sa plume.

Bien qu'une partie de son temps fût consacrée à des lectures variées et, qu'il suivît avec une ponctualité exemplaire tous les cours de la faculté de droit, il voulut encore se familiariser avec la jurisprudence pratique. Il se fit clerc d'avoué, et fréquenta l'étude de Me de Brotonne. Ce ne fut pas là une fantaisie passagère. Il avait compris que la connaissance approfondie des lois et de la procédure lui serait d'un précieux secours dans le maniement des grandes affaires dont il était appelé à s'occuper un jour.

Après avoir passé dix mois de l'année dans un labeur assidu, il prenait généralement ses vacances en Italie, de préférence à Venise et, là, il visitait les musées et fouillait les boutiques des libraires. Il lui arriva plusieurs fois de sauver de la dispersion des collections précieuses. Ce fut ainsi qu'il conserva à l'Italie un millier de pièces, presque toutes italiennes, relatives à la bataille de Lépante. Cette réunion unique est aujourd'hui une des curiosités de la Bibliothèque Marcienne. Une autre fois, il se rendit acquéreur des archives de la famille Mocenigo ; il les offrit à la Bibliothèque de la Sorbonne.

Quand venait la fin des vacances, James reprenait ses études au jour dit. Le 9 août 1865, il fut reçu licencié en droit, et, le 14 novembre suivant, il prêta serment comme avocat stagiaire. Le 17 février 1866 il plaida pour la première fois à la cour d'assises, et, pendant trois ans il fut fréquemment appelé à prendre la parole devant les jurés. Mais les audiences criminelles n'étaient pas les seules qu'il suivît ; il plaida aussi diverses affaires devant la juridiction civile. L'étonnement de ses clients était grand quand ils se voyaient en présence d'un avocat qui ne réclamait pas d'honoraires et qui parfois ne les aidait pas moins de sa bourse que de ses conseils.

Entre les audiences, il assistait presque chaque semaine aux conférences des stagiaires ou à celles des attachés au parquet de la cour. Ce fut à l'une des réunions des attachés qu'il lut un mémoire intitulé : *De la naturalisation en France, sous la loi du 3 Décembre* 1849, *et des modifications introduites par*

la loi du 29 Juin 1867. Ce mémoire fut imprimé au mois d'octobre 1867 dans la *Revue pratique de droit français*.

James de Rothschild se rappela toujours avec bonheur le temps qu'il avait passé au palais. Il avait conservé les plus cordiales relations, non seulement avec le jeune barreau, mais avec les avocats plus anciens, avec une foule de conseillers et de juges, qui avaient été unanimes à l'apprécier.

En dehors du palais, il ne négligeait aucune occasion de faire le bien. Choisi comme délégué cantonal pour le VIII[e] arrondissement de Paris, il visitait les écoles, distribuait des encouragements aux maîtres et aux élèves ; il s'intéressait à la Société d'instruction élémentaire, à la Société protectrice de l'enfance, à la Société de patronage des jeunes détenus et à toutes les œuvres du même genre. Les établissements de bienfaisance israélites, dus pour la plupart à la munificence de sa famille, ne pouvaient le laisser indifférent ; il prodiguait à tous son argent et, chose plus rare, son temps et sa peine.

Une société à la fondation de laquelle James de Rothschild prit une part importante fut la Société de médecine légale, qui se constitua le 10 février 1868. Il fut nommé secrétaire des séances, tandis que la présidence était dévolue au D[r] Alph. Devergie. Il exposa lui-même plusieurs affaires délicates, et ne cessa de prendre part aux travaux communs qu'après s'être convaincu que l'existence de la société était assurée et qu'elle pouvait se passer de son concours.

Au mois de février 1870, James de Rothschild perdit son père, le baron Nathaniel à qui l'unissait la plus tendre affection et qu'il avait toujours entouré des soins les plus touchants. Le premier usage qu'il fit de sa fortune fut d'honorer par une œuvre durable le souvenir de ce père bien-aimé.

En visitant les écoles israélites du Marais, il avait été frappé d'y voir un grand nombre d'enfants chétifs et débiles ; ce fut à ces enfants qu'il résolut de venir en aide. La ville de Paris avait récemment fondé à Berck-sur-Mer, sous le haut patronage de l'impératrice Eugénie, un hôpital destiné au traitement des jeunes scrofuleux par l'hydrothérapie maritime ; on y constatait déjà des cures merveilleuses ; il n'y avait qu'à

suivre cet exemple, à créer dans des proportions réduites un établissement où les petits malades fussent reçus sans aucune de ces formalités administratives dont la lenteur pouvait compromettre leur guérison. Telle fut l'origine de l'hôpital Nathaniel de Rothschild.

Le commencement de l'année 1870 fut une époque laborieuse. James de Rothschild, qui jusque là n'avait pas voulu distraire une heure de ses études en s'occupant d'affaires financières, fut appelé à remplir dans le bureau de la rue Laffite l'importante place que la mort de son père y laissait vacante. Dès le premier jour ses aptitudes naturelles se révélèrent ; il devint pour ses oncles un précieux collaborateur. En même temps il fut nommé membre du comité de direction du chemin de fer du Nord, où ses talents d'administrateur, son horreur de la routine et sa sollicitude pour le personnel de la compagnie ne tardèrent pas à se montrer.

Quelques mois plus tard la guerre éclata entre la France et l'Allemagne. Le baron James, qui était né Anglais, mais qui, à sa majorité, avait réclamé la nationalité française, tint à remplir son devoir de citoyen. Il eût pu exciper de sa qualité de fils aîné de veuve et laisser à d'autres le soin de défendre la patrie ; il préféra s'enrôler dans un bataillon de marche et s'exposa volontairement à toutes les souffrances, à tous les dangers du siège de Paris. Sa noble conduite lui valut la médaille militaire, distinction dont il eût eu le droit d'être fier, mais dont il ne fit jamais parade. Nul ne se rappelle lui avoir entendu raconter ses campagnes ; par contre, ses camarades du régiment n'ont pas oublié les services qu'il leur rendit pendant ces longs mois où la famille Rothschild soulagea tant de misères.

A peine les portes de Paris furent-elles ouvertes que le baron James voulut avoir des nouvelles de son hôpital de Berck. Les travaux étaient fort avancés au moment de la déclaration de guerre, et les bâtiments, qui devaient recevoir des enfants, avaient donné asile à des soldats blessés ou convalescents. N'était-ce pas là une inauguration digne de cette belle œuvre ?

*

Le voyage de James dans le Nord fut marqué par un triste accident. Il se cassa la jambe dans la gare de Boulogne, et dut rester dans cette ville jusqu'à guérison complète ; mais, par une juste compensation, un événement heureux marqua sa convalescence. Il célébra ses fiançailles avec sa cousine, Mlle Thérèse de Rothschild, de Francfort-sur-Mein, que les qualités les plus charmantes rendaient digne de devenir sa compagne. Le mariage fut célébré à Francfort le 18 octobre 1871.

James de Rothschild avait de tout temps aimé la vie calme et tranquille ; aussi le mariage ne changea-t-il guère ses habitudes. Il partageait ses journées entre sa famille, ses affaires et ses livres. Il avait peu de penchant pour les voyages et ne quittait guère Paris que pour faire de rapides excursions à Francfort ou à Londres. Les séjours qu'il fit en Angleterre furent toujours profitables soit à sa bibliothèque, soit à ses études favorites. Il était bien connu, non seulement chez les libraires de Piccadilly et de Bond-Street, mais encore au Musée Britannique, où il venait travailler avec ardeur dès qu'il pouvait s'échapper de la Cité.

Les autres déplacements auxquels le baron James se prêtait volontiers, c'étaient ses excursions en Médoc, où il visitait régulièrement sa propriété de Mouton. Là aussi il marqua son empreinte par une œuvre utile : la fondation d'une école et d'un asile.

Sa bienfaisance intelligente rendit son nom populaire dans tout le Médoc ; aussi un groupe important d'électeurs lui offrit-il dans le département de la Gironde une candidature législative qui eût probablement rallié tous les suffrages ; mais il n'avait pas d'ambition politique. Il ne comprenait pas qu'un professeur pût quitter sa chaire, qu'un savant s'éloignât de ses livres ou de son laboratoire, pour se lancer dans les luttes le plus souvent stériles des partis. Il repoussa donc les ouvertures qui lui étaient faites, et le triste spectacle que nos assemblées parlementaires ont offert depuis quelques années ne nous fait pas regretter qu'il n'ait pas eu le désir d'y siéger.

Nous avons dit que James de Rothschild rêvait une existence tranquille et ne se déplaçait qu'à regret. Le seul véritable voyage qu'il fit dans les dernières années de sa vie fut le voyage de Russie. Il se mit en route au mois de janvier 1874, avec son oncle le baron Edmond de Rothschild. Son absence se prolongea pendant plus de six semaines. Le grand pays qu'il visitait et dont il put contempler les splendeurs lors des fêtes données à la cour au moment du mariage de la grande duchesse Marie Alexandrovna avec le duc d'Édimbourg, l'intéressait à plus d'un point de vue. Il était bien aise d'étudier chez eux ces peuples slaves qui lui paraissaient appelés à jouer un grand rôle dans le monde ; puis il se rappelait les relations que la Russie avait entretenues avec la France, surtout au XVIII^e^ siècle, et il était curieux de voir les collections réunies à l'Ermitage et dans les autres palais impériaux. Chaque jour il communiquait à sa femme ses impressions dans de charmantes lettres qui seront peut-être publiées un jour, et qui donneront une haute idée de son esprit et de son talent d'observateur.

Il avait espéré découvrir pendant son séjour en Russie quelques livres précieux apportés de France par les gentilshommes de la grande Catherine ; il eut à cet égard une déception : il ne trouva pas un seul volume digne de lui ; aussi se dédommagea-t-il, dès son retour à Paris, en se rendant acquéreur de la petite bibliothèque formée par M. Ernest Quentin-Bauchart.

En 1874 commença pour James de Rothschild la période de grande activité littéraire. Il s'occupait depuis longtemps d'une *Bibliographie des poésies anonymes du XV^e^ et du XVI^e^ siècle ;* il laissa provisoirement de côté ce travail, qu'il pensait avoir l'occasion de compléter dans le cours de ses recherches ultérieures, et profita de la connaissance qu'il avait acquise de notre ancienne littérature pour reprendre avec M. A. de Montaiglon le *Recueil de Poésies françoises des XV^e^ et XVI^e^ siècles*, resté inachevé depuis 1865. Les tomes X, XI, XII et XIII de cette précieuse collection, qui parurent de 1875 à 1878, sont presque entièrement de lui. Ils

contiennent 95 pièces puisées en grande partie dans sa propre bibliothèque, et accompagnées de notices érudites. Sentant bien qu'un recueil semblable ne peut rendre de réels services que grâce à des tables complètes, il entreprit de dresser un index détaillé des neuf volumes antérieurement publiés et de ceux auxquels il attacha son nom. Cet index existe; peut-être serait-il déjà imprimé si les vicissitudes subies par la *Bibliothèque Elzévirienne* et la mort de M. P. Daffis n'avaient entravé bien des projets. Il était d'ailleurs nécessaire de soumettre le travail à une révision qui aurait encore exigé de longues veilles.

A l'année 1874 appartient également la fondation de la Société des anciens Textes français, qui se constitua définitivement le 15 avril 1875. James de Rothschild devint l'âme de cette société, qu'il aida de toutes les manières. Non seulement il lui recruta de nombreux adhérents parmi ses amis et les membres de sa famille, mais il entreprit pour elle une vaste publication dont il fit généreusement les frais, le *Mistère du viel Testament*, qui ne doit pas compter moins de six forts volumes in-8. M. Gaston Paris, dans un discours prononcé par lui le 21 décembre 1881, à la séance annuelle de la société dont il était alors le président, a rendu un digne hommage à la mémoire de celui que nous venions de perdre, et nous ne pouvons mieux faire que de reproduire ses paroles :

« Le baron James de Rothschild, mort à trente-six ans il y a quelques semaines, est, messieurs, le véritable fondateur de la Société des anciens Textes. C'est lui qui, en 1874, à Vichy, où j'avais eu l'honneur de faire sa connaissance, me dit un jour, après plusieurs entretiens où il m'avait surpris et charmé par l'étendue et la sûreté de ses connaissances autant que par la finesse de son esprit : « Pourquoi ne fonderiez-vous pas, vous, M. Paul Meyer et les autres savants qui s'intéressent au moyen-âge littéraire, une société des anciens Textes français, analogue à l'Early English Text Society ? » — « Nous y avons pensé plus d'une fois, lui répondis-je; mais nous craignons un insuccès. Les affaires de ce genre ont un côté *temporel* qui nous est étranger et qui nous effraie. » Sa proposition me fit cependant réfléchir, et le lendemain je lui

dis en l'abordant : « Eh bien ! la société dont vous me parliez hier, nous la fonderons si nous pouvons la présenter comme ayant pour trésorier le baron James de Rothschild. » — « J'y consens de grand cœur », dit-il aussitôt, et la société existait l'année suivante.

« Vous savez quel intérêt il a toujours porté à vos travaux, et quel précieux concours il nous a donné et valu. Qu'il fût un trésorier hors ligne, c'est ce qu'on pouvait attendre ; qu'il fût en même temps un donateur libéral, on n'en était pas non plus étonné ; mais ce qui surprit fort ceux qui ne le connaissaient que de nom, ce fut de trouver en lui un excellent éditeur de textes. Je ne parlerai pas ici des ouvrages qu'il a publiés ou commencés ailleurs, et qui auraient justement fondé la réputation d'un littérateur sérieux ; mais le *Mistère du viel Testament*, dont il a pu nous donner deux volumes, et dont la suite, grâce à la générosité de M^me^ la baronne James de Rothschild et à l'active amitié de M. Émile Picot, ne nous fera pas défaut, est une publication hors ligne. Pour les soins à donner au texte, le baron James étonnait parfois les éditeurs les plus diligents par la rigueur de sa méthode et la minutieuse exactitude de son travail ; pour le commentaire, il a montré une information que peu de savants auraient possédée au même degré. Vrai Français de cœur, et s'intéressant à la France de toutes les époques, surtout de celle qui termine le moyen-âge et ouvre les temps modernes, fidèle en même temps à la race dont son nom est une des gloires, il trouvait un attrait particulier à publier et à illustrer cette grande œuvre, où se reflète la manière dont les Français d'autrefois ont compris l'histoire d'Israël. Il y avait du reste conçu bien d'autres projets pour la société. Elle perd avec lui tout ce qu'elle pouvait en espérer, tout ce qu'elle s'en promettait légitimement pour une longue suite d'années. »

Bien que James de Rothschild eût spécialement porté ses investigations sur le XV^e^ et le XVI^e^ siècle, il ne négligeait pas l'étude des auteurs classiques du XVII^e^ siècle, dont il s'efforçait de réunir les ouvrages. Ce fut lui qui nous encouragea à publier la *Bibliographie Cornélienne*, et ce livre ne

put être improvisé en aussi peu de temps que grâce à son active collaboration. Il eut aussi l'occasion de lire les gazettes rimées du temps de Louis XIV, et d'apprécier les renseignements qu'il était possible d'en tirer pour l'histoire littéraire. Il s'attacha dès lors à recueillir toutes les notes imprimées ou manuscrites de Loret et de ses continuateurs qu'il put rencontrer chez les particuliers. MM. Ravenel et Pelouze avaient commencé une réimpression de la *Muze historique* dont le tome I^er^ seul avait paru ; le baron James décida M. Daffis à se rendre acquéreur de l'édition et à charger M. Livet de l'achever. De son côté, il se donnait une tâche plus aride encore : il poursuivait dans toutes les bibliothèques publiques ou privées les gazettes publiées par les continuateurs de Loret. Il les fit copier, les classa et en constitua une série s'étendant de 1665 à 1689. Il ne se proposait pas de les imprimer avant d'avoir terminé les divers ouvrages qu'il avait entrepris ; mais, cédant aux instances de son ami M. Ludovic Halévy, il en mit sous presse le premier volume. Ce fut la dernière publication dont il put lui-même s'occuper.

Bien d'autres projets occupaient pourtant le baron James. Il se proposait d'achever l'édition des œuvres de Gringore, commencée en 1858 par MM. d'Héricault et de Montaiglon; son nom figure même sur le titre du second volume, publié en 1877, bien qu'il n'y eût pas travaillé ; sa collaboration devait commencer avec le tome III, et déjà il avait transcrit tous les poèmes du célèbre héraut d'armes qui devaient être réimprimés. Les chansonniers l'intéressaient également. Il en avait copié ou fait copier un grand nombre, qu'il devait annoter lui-même ou qui devaient paraître sous sa direction. Les *Noelz de Jehan Chaperon*, publiés par nous en 1879, étaient le premier volume d'une collection d'anciens chansonniers qui ne sera peut-être pas reprise.

Outre le *Viel Testament* bien d'autres mystères avaient attiré l'attention de James de Rothschild. Non content d'avoir réuni tous les ouvrages modernes consacrés à notre ancien théâtre, il fit copier les plus importants manuscrits conservés dans nos bibliothèques publiques. Il transcrivit lui-même le *Mistère de sainct Pierre et sainct Paul*, puis la *Vie de saint*

Christofle composée par maître Anthoine Chevalet. Épris de ce dernier ouvrage qui renferme des parties si vivantes et si curieuses, il se proposait de le réimprimer en y joignant l'ancien *Mistère de sainct Christofle* déjà reproduit en 1833 par la société des Bibliophiles français.

Ces copies et bien d'autres encore, il les faisait de sa main ; c'était, disait-il, le meilleur moyen de lire, et, en effet, grâce à sa mémoire, il se rappelait les moindres détails d'un texte qu'il avait une fois transcrit.

En voyant ces énormes cahiers copiés par lui, on se demande comment James de Rothschild, absorbé par les affaires financières et par l'administration d'un chemin de fer, si occupé de ses livres et des mille soins matériels qu'entraîne la formation d'une grande bibliothèque, recevant tant de lettres auxquelles il était obligé de répondre, a pu suffire à de si nombreux travaux. C'est qu'il avait un ordre et une méthode inflexibles. Quand il avait entrepris un ouvrage quelconque, il n'eût voulu pour rien au monde laisser passer un seul jour sans y consacrer au moins quelques instants. S'il copiait un mystère, il ne se serait jamais couché sans avoir transcrit ne fût-ce que vingt ou trente vers, pour « sauver le principe ». Il avait sans doute relu bien des fois l'épître dans laquelle le vieux Jehan Bouchet insiste sur les résultats inattendus que peuvent produire quelques heures d'un labeur quotidien.

Nous ne mentionnerons plus qu'un seul projet de publication formé par James de Rothschild, celle des papiers de Rasse des Nœux, le médecin de Charles IX. Ces papiers, bien connus de ceux qui étudient l'histoire du protestantisme et celle des guerres de religion, contiennent une multitude de pièces satiriques, d'épigrammes, de chansons, etc., qui peuvent servir d'introduction au recueil de Pierre de L'Estoille. La copie de ce vaste répertoire est entièrement terminée, quant à l'impression, il ne fallait y songer que plus tard.

Nous arrivons à la dernière fondation du baron James, à la Société des études juives, qu'il organisa sur le modèle de la

Société des anciens Textes, et dont il fut élu président. Dès la séance constitutive du 10 novembre 1879, il montra la largeur de ses vues en faisant écarter des travaux qu'il proposait d'encourager toute œuvre de polémique ou même de simple édification. La société ne devait avoir d'autre but qu'un but scientifique ; les orientalistes de profession, aussi bien que ceux qui se livrent à des recherches historiques, pourraient en faire partie au même titre que les Israélistes eux-mêmes. Ces principes libéraux ont été féconds en résultats. La *Revue des études juives* a pris rang, dès ses débuts, parmi les publications les plus sérieuses et les plus estimables. Nul doute qu'elle ne contribue puissamment à développer chez nous le goût d'études trop longtemps négligées.

Tant de travaux divers avaient causé chez James de Rothschild une grande fatigue. Sa santé, dont il avait peu de soin, inquiétait souvent ses amis, qui eussent voulu lui voir prendre quelque repos ; ils étaient pourtant loin de supposer que le mal fût déjà si grave. Pendant l'été de 1881, le baron éprouva plus d'une fois des accidents congestifs d'une nature inquiétante ; à l'entrée de l'automne, ces accidents devinrent plus fréquents, et il fut emporté subitement le 25 octobre 1881 : il allait avoir trente sept ans !

Nous n'essaierons pas de peindre le deuil dans lequel ce coup inattendu jeta non-seulement sa famille et ses amis, mais tous ceux dont il avait été le bienfaiteur. On en eut la preuve dans le long défilé d'hommes de toute condition qui suivirent le convoi funèbre. Ses obsèques n'eurent pas d'autre pompe. Conformément à un désir souvent exprimé, aucun discours ne fut prononcé. Il avait voulu être simple jusqu'au bout.

Nous avons retracé les principaux événements de la vie de James de Rothschild ; mais nous n'en n'avons pas assez dit pour faire apprécier les excellentes qualités de son cœur. Le nombre de ceux qu'il obligea, soit parmi ses anciens camarades, soit parmi le personnel du chemin de fer du Nord, soit dans le monde des inconnus, est vraiment incalculable. Il n'aimait pas à donner d'une manière banale ; quand il s'inté-

ressait à une infortune, il suivait ses protégés jusqu'à ce qu'il les eût vus hors du besoin. Sa munificence s'étendait particulièrement sur les libraires, les encolleurs, les relieurs : on eût dit qu'il leur était reconnaissant des jouissances que les livres lui procuraient. Nous ne dévoilerons pas ici les secrets de sa générosité ; aussi bien n'aimait-il pas à les divulguer. Nous-même, qui pendant des années avons eu avec lui un commerce de chaque jour, nous découvrons souvent des bienfaits qu'il nous avait cachés avec soin. Outre ce qu'il donnait lui-même, plusieurs de ses amis, ses anciens maîtres pour la plupart, étaient les distributeurs attitrés de ses aumônes. Le baron James suivait ainsi les traditions de sa famille, qui s'est toujours montrée aussi désireuse de faire le bien que de dissimuler la main qui donne. Son frère, le baron Arthur, qui coopéra toujours à ses bonnes œuvres, ne nous permettrait sans doute pas de dire quelle part il y a prise.

Nous voudrions avoir la compétence nécessaire pour rappeler les services rendus par James de Rothschild à la maison de banque dont il était l'associé ; tout ce que nous pouvons dire, c'est que la justesse de ses vues et son extrême prudence y furent constamment appréciées. Ainsi qu'il l'avait pensé, ses connaissances juridiques lui furent de la plus grande utilité et lui valurent des missions de la plus haute importance.

Nous avons plutôt à parler ici du bibliophile et, sur ce terrain, nous nous sentons plus à l'aise. Nous ne craignons pas d'affirmer qu'il n'y eut pas dans ce siècle un amateur plus délicat que le baron James. Sa collection, commencée vers 1856, ne prit un développement considérable qu'à partir de 1863. Il acheta lui même, à la vente Double, les *Libri de re rustica*, aux armes de J.-A. de Thou, et l'exemplaire des *Œuvres et Meslanges poétiques d'Estienne Jodelle* qu'on croit avoir appartenu à la reine Marguerite de Valois. En 1864, à la vente d'Auteuil, il se fit adjuger un superbe exemplaire de l'*Atalanta fugiens*, de Michel Maier, relié en mosaïque pour Girardot de Préfond. Ce précieux volume fut le premier article d'une série unique de ces riches reliures exécutées pour les plus illustres bibliophiles du XVIII[e] siècle. Dès lors, il n'y eut pas une vente marquante à laquelle il n'enlevât

quelques morceaux importants. Il nous suffira de rappeler les ventes de Techener (1865), du prince Radziwill (1866), de Yemeniz (1867), de J.-Ch. Brunet (1868), du baron J. Pichon (1869), de M. L. Potier (1871-1872), de MM. Bordes, Perkins et Tufton (1873), de M. W. Tite (1874), de MM. Capron et Benzon (1875), de M. Lebeuf de Montgermont (1876), de M. R.-S. Turner (1878), de M A.-F. Didot (1878, 1879 et 1881), du docteur Desbarreaux-Bernard (1879), du comte O. de Béhague (1880), du marquis de Ganay (1881), etc. Dans ces ventes, le baron James se contentait d'un petit nombre d'articles; mais il excellait à choisir, et c'est là surtout qu'il montrait la sûreté de son goût.

D'ailleurs, il n'était pas de ces bibliophiles qui dépensent de grosses sommes d'argent dans les enchères publiques, soit parce que la galerie les contemple, soit parce qu'ils espèrent ainsi retrouver plus facilement, en cas de revente, le prix qu'ils auront payé, et qui ne se décident qu'avec peine à faire une transaction amiable; il estimait au contraire que le vrai plaisir de l'amateur, c'est d'aller soi-même à la découverte. Les volumes les plus précieux peut-être de sa bibliothèque, il les avait acquis dans ses visites journalières à M. Potier, à M. Porquet, aux frères Tross, à MM. Morgand et Fatout. Ajoutons que ses trésors bibliographiques reçurent un accroissement notable à la mort de son grand'père, le baron de Rothschild, qui lui légua une collection unique de livres d'heures, de classiques et de dessins originaux, acquis pour la plupart aux ventes de Renouard et de La Bédoyère. La baronne douairière compléta cette dernière série en faisant acheter pour son petit-fils les dessins exécutés par Boucher pour les œuvres de Molière, suite admirable qui était la perle du cabinet formé par M. le baron Pichon.

Pendant dix ans, James de Rothschild exerça sur le marché des livres une sorte de suprématie. Il y avait des amateurs plus anciens que lui et dont les collections étaient encore plus importantes que la sienne; il n'y en avait pas de plus appliqué ni de plus soigneux. Sa mémoire lui permettait de reconnaître à des années d'intervalle les exemplaires qui lui étaient soumis; il possédait un véritable flair pour découvrir les

restaurations ou les défauts que nul parfois n'avait remarqués avant lui, et, comme il croyait avoir le temps de compléter sa bibliothèque, il ne voulut jamais fixer son choix que sur des volumes irréprochables. Il se priva souvent de tel ou tel ouvrage qui l'aurait intéressé, parce qu'il n'en trouvait pas un bel exemplaire et qu'il ne voulait pas faire baisser le niveau de sa collection en y introduisant des choses médiocres.

Chaque jour, un peu après trois heures, le baron James quittait la rue Laffitte et se dirigeait vers le passage des Panoramas. Il venait s'asseoir dans la librairie de MM. Morgand et Fatout, où sa place était marquée, et où de nombreux amateurs faisaient cercle autour de lui, désireux d'entendre ses appréciations et de profiter de ses conseils. C'est là qu'on pouvait le mieux juger et de son érudition et de son esprit. Il n'avait pas, comme causeur, la timidité qu'il avait dû surmonter comme orateur; il trouvait sans cesse des mots heureux, qu'il lançait avec un fin sourire; mais s'il connaissait la malice, il ignorait la méchanceté.

A quatre heures et demie, il regagnait son bureau; puis, après avoir expédié sa correspondance, il faisait une nouvelle séance chez M. Rouquette, dans le passage Choiseul. Il y retrouvait, à quelques exceptions près, les mêmes bibliophiles, auxquels venaient s'ajouter ceux qui ont voué un culte particulier aux romans et aux ouvrages illustrés du XIX^e^ siècle. Il avait bien quelques épigrammes contre ces amateurs d'un genre nouveau : il tint un jour à leur montrer que, s'ils avaient révélé au monde l'importance des couvertures imprimées qui recouvrent les éditions originales des romantiques, ils n'avaient pourtant pas encore poussé la minutie à ses dernières limites : ils avaient, en effet, négligé de conserver à la postérité les inscriptions placées sur le dos des livres. Il venait d'acheter un exemplaire de la première édition des *Chansons* de Béranger, dans sa brochure primitive, en vilain papier jaune; ne voulant pas dépouiller le volume d'un aussi précieux habit, ni soustraire aux regards l'étiquette en papier blanc qui portait le titre, il fit faire en maroquin un élégant étui dans lequel il enchâssa le livre broché. Nous ne savons si la raillerie fut

remarquée ; après tout, les amateurs de littérature moderne pouvaient s'en consoler en pensant que la baron James collectionnait, lui aussi, les œuvres des romantiques.

Dans ces conversations intimes, James de Rothschild avait sur les bibliophiles une influence incontestée et l'on peut dire que beaucoup ne le devinrent qu'à cause de lui. Les uns achetaient des livres parce qu'il le leur avait conseillé ; d'autres pour faire comme lui ; d'autres, peut-être, avec la secrète pensée de les lui revendre. Les livres une fois achetés, il fallait s'occuper de la reliure, et c'est alors qu'on le consultait de toute part. Il avait acquis sur l'art du relieur aux différentes époques les connaissances les plus sûres. Après avoir réuni de brillants spécimens de l'art ancien, il ne contribua pas peu au perfectionnement de l'art moderne. Ce fut lui qui mit en relief les rares qualités de M. Trautz. Cet excellent homme, victime d'une modestie excessive, était presque à la fin de sa carrière quand le baron James réussit à le faire ranger parmi les maîtres. Il publia dans le *Bulletin de la librairie Morgand et Fatout*, au mois de mai 1876, une notice dans laquelle il justifiait sa prédilection pour M. Trautz et décrivait en détail toutes les opérations par lesquelles un volume doit passer avant de prendre place sur les rayons d'un collectionneur délicat. Ce fut pour lui que le grand relieur exécuta ses œuvres les plus importantes, ses dentelles les plus riches et ses mosaïques les plus étincelantes. L'amateur était difficile, et l'artiste tâchait de se surpasser pour le satisfaire.

Après la mort de M. Trautz, le baron James sauva de la dispersion les dessins et les fers réunis dans l'atelier de la rue du Four, et veilla à ce que les traditions s'y maintinssent.

James de Rothschild devait ses succès de bibliophile moins à sa fortune qu'à la sûreté de son goût, et ce goût le guidait en toute chose. Ce ne sont pas seulement les livres de sa bibliothèque qui brillent par une qualité sans laquelle les autres ne sont rien, les objets d'arts acquis par lui, depuis le grand meuble en tapisserie du duc de Parme jusqu'au buste de M^elle^ Dotinville par J.-J. Caffieri, peuvent être cités comme des objets exquis. Au sein d'une famille qui compte tant d'amateurs

passionnés et de fins connaisseurs, aucune voix n'était plus écoutée que la sienne ; jamais une acquisition faite d'après ses conseils n'a causé de regrets.

Le baron James se montrait particulièrement sévère pour certains architectes contemporains qui font la leçon à Michel-Ange et s'enorgueillissent de rompre avec les traditions glorieuses des siècles passés. En voyant ces pauvretés qui coûtent des millions, il se prenait à regretter que l'amour des livres ne fût pas plus répandu ; il eût volontiers invité tel ou tel artiste en vogue à feuilleter avec lui les œuvres de Du Cerceau, de Bérain, de Meissonnier et de Delafosse. Quand le pic du démolisseur faisait tomber quelqu'une des merveilles de l'ancien Paris, il s'efforçait de sauver du naufrage les épaves les plus précieuses. C'est ainsi qu'il se rendit acquéreur des admirables boiseries exécutées pour la bibliothèque du roi sur les dessins de Robert de Cotte, lorsque M. Labrouste, les jugeant sans doute indignes de figurer dans un édifice construit sur ses plans, les fit vendre avec les matériaux de rebut. Il préserva de même de la destruction le joli fronton et la principale cheminée de l'hôtel Choiseul. Il avait surtout la passion des boiseries, et l'on en verra de superbes, tant dans son hôtel de l'avenue de Friedland que dans le château qu'il a fait construire près de Chantilly.

Tel fut James de Rothschild : à ceux qui l'ont connu de dire si nous exagérons son mérite ou si nous ne restons pas plutôt au-dessous. Jamais plus bel exemple ne fut donné, jamais homme ne trouva moyen en si peu d'années de se vouer à plus d'œuvres utiles. Ces œuvres heureusement ne périront pas avec lui ; grâce à l'inépuisable générosité de sa famille, elles ont, au contraire, reçu, en souvenir de lui, un nouveau développement. Malgré une santé délicate, la baronne James veille avec une piété touchante à l'exécution des volontés ou des désirs de son mari. Pendant ses séjours à Berck, elle prodigue à ses petits malades des soins maternels. Les résultats médicaux obtenus à l'hôpital Nathaniel de Rothschild sont supérieurs à ceux qu'on peut observer dans les autres établissements du même genre. On n'en sera pas surpris si l'on songe

que les enfants y sont admis dès que la nécessité du traitement par l'air marin a été constaté. Ils n'ont pas à subir cette longue attente pendant laquelle le mal s'aggrave au point de devenir quelquefois incurable.

Quant à l'héritage littéraire de James de Rothschild, il a été remis entre nos mains. C'est à nous qu'incombe la lourde tâche de terminer les vastes publications qu'il avait entreprises et qui auraient suffi à remplir une vie entière. Nous nous sommes consacré de tout notre cœur et de toutes nos forces à l'accomplissement de ce devoir. Nous avons déjà publié les tomes III et IV du *Viel* Testament et le tome II des *Continuateur de Loret;* nous donnons aujourd'hui le tome I du Catalogue des livres rares et précieux réunis par le baron James. Ce travail, auquel nous avons été associé, mais auquel il a eu la part principale, ne porte que sur les articles choisis. Il n'y est fait aucune mention, ni d'une bibliothèque moderne composée de plus de vingt mille volumes, ni d'une collection de pièces historiques relatives au règne de Louis XIII, collection acquise à la mort de M. Pécard, et considérablement augmentée depuis.

Bien que toutes les divisions contiennent des livres importants, on verra que James de Rothschild avait surtout concentré ses recherches sur les productions de nos anciens poètes et sur la littérature française en général.

En dressant l'inventaire de ses richesses, il a tenu à consigner une foule d'observations que lui suggérait son expérience d'amateur, et qui seront sans nul doute utiles aux bibliographes de l'avenir. Au lieu de publier une simple nomenclature des livres qu'il avait groupés sur ses tablettes, il s'est proposé de faire une œuvre scientifique. Il a voulu que tous ses volumes fussent décrits avec une précision rigoureuse; il a supprimé toutes les attributions douteuses ou contestables. Il lui aurait été facile de se conformer à l'usage et d'attribuer toutes ses reliures anciennes aux Du Seuil, aux Padeloup et aux Derome; il a cru préférable de s'abstenir de toute attribution quand les livres ne portent pas de signature. Il a de même supprimé ces épithètes, chères aux faiseurs de catalogues, de

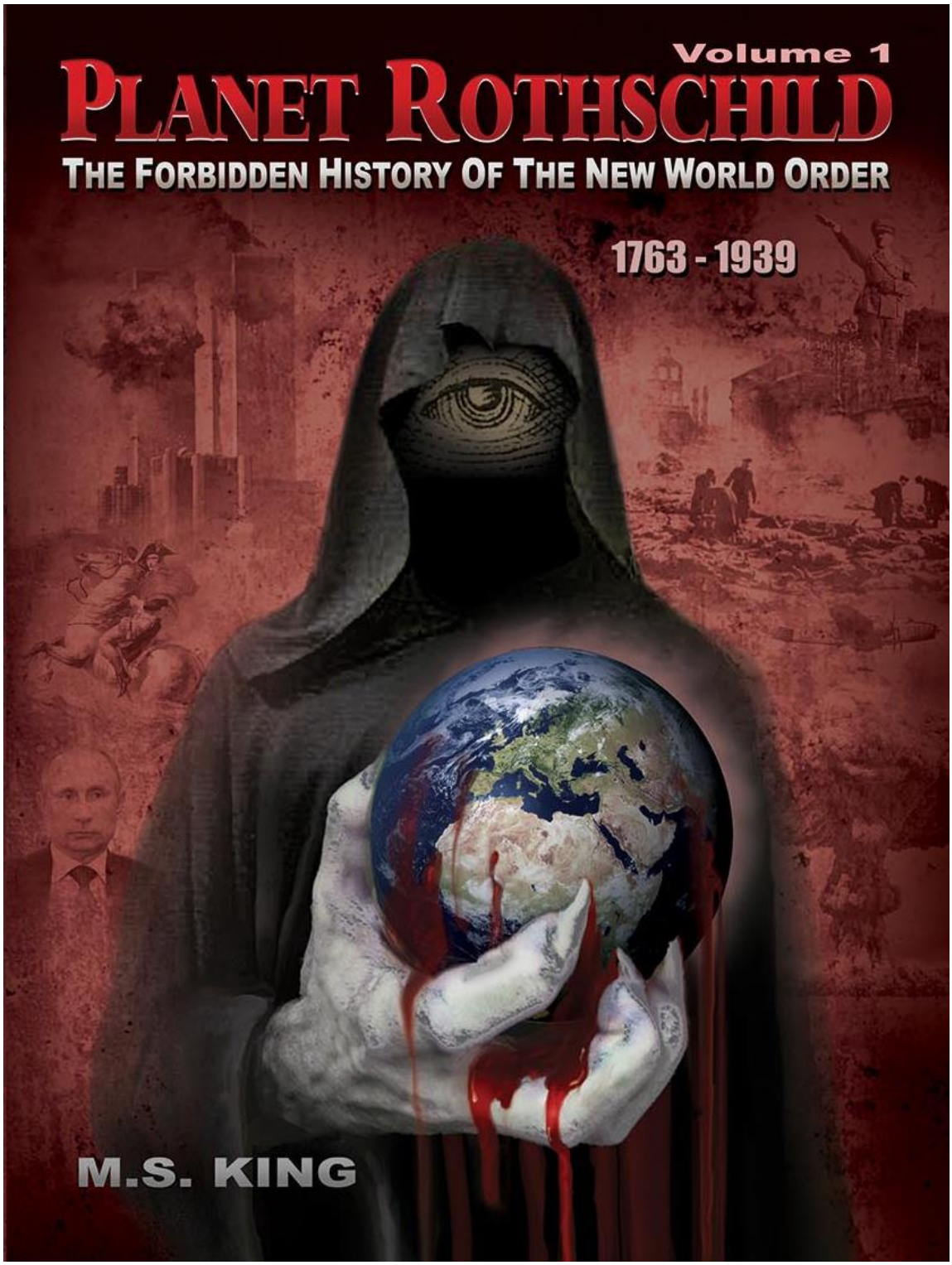
« bel exemplaire », de « rare » et de « précieux ». Ceux qui ont pénétré dans les deux cabinets de l'avenue de Friedland seront probablement d'avis que ces qualificatifs eussent été superflus. Ils ont été remplacés par des notices littéraires qui ne paraîtront peut-être pas sans intérêt, si l'on en juge par la peine qu'elles ont coûté. De nombreux fac-simile, obtenus à l'aide de la photographie, permettent de se faire une idée précise des impressions les plus rares, surtout de celles qui ne portent pas le nom du typographe qui les a exécutées. Elles devront servir à fixer l'origine de plus d'un volume curieux.

Le catalogue était déjà en grande partie rédigé lorsque la mort a frappé James de Rothschild. Il voulait qu'il fût entièrement composé en placards avant de commencer la révision des épreuves. Cette manière de procéder devait permettre d'y intercaler toutes les acquisitions faites au cours de l'impression; la correction et la mise en pages eussent pu s'opérer ensuite rapidement, et l'ouvrage eût été presque complet. Les évènements ont modifié le plan primitif. Nous n'avons pas cru devoir attendre que la rédaction et la composition du tome second fussent achevées pour donner au public le tome premier. La bibliothèque du baron James reste ce qu'elle était, en attendant que son fils soit en âge de la continuer : il n'y avait donc pas à s'inquiéter des additions. Par contre, nous nous sommes astreint à revoir toutes les descriptions sur les originaux et à contrôler rigoureusement toutes les notices.

Nous avons apporté tous nos soins à cette tâche, et, si nous avons échoué, si l'ouvrage auquel James de Rothschild attachait le plus d'importance, n'est pas ce qu'il avait rêvé, qu'on ne s'en prenne qu'à notre incapacité de mieux faire ; qu'on ne nous accuse pas d'ingratitude ni d'indifférence envers sa mémoire.

ÉMILE PICOT.

Paris, le 7 décembre 1884.


Volume 1
PLANET ROTHSCHILD
THE FORBIDDEN HISTORY OF THE NEW WORLD ORDER
1763 - 1939
M.S. KING

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"History is indeed little more than the register of the crimes, follies and misfortunes of mankind."

Edward Gibbon, English historian (1737-1794)

From: *"The Decline and Fall of the Roman Empire"*

About the Author

M. S. King is a private investigative journalist and researcher based in the New York City area. A 1987 graduate of Rutgers University, King's subsequent 30 year career in Marketing & Advertising has equipped him with a unique perspective when it comes to understanding how "public opinion" is indeed scientifically manufactured.

Madison Ave marketing acumen combines with 'City Boy' instincts to make M.S. King one of the most tenacious detectors of "things that don't add up" in the world today. Says King of his admitted quirks, irreverent disdain for "conventional wisdom", and uncanny ability to ferret out and weave together important data points that others miss: *"Had Sherlock Holmes been an actual historical personage, I would have been his reincarnation."*

King is also the author of *The War Against Putin: What the Government-Media Complex Isn't Telling You About Russia.* King's other interests include: the animal kingdom, philosophy, chess, cooking, literature and history *(with emphasis on events of the late 19th through the 20th centuries).*

Be sure to bookmark and follow King's popular website: **TomatoBubble.com**



The Mind-Altering Internet Classics of Alternative History, Economics, Philosophy and Current Events

FOREWORD – PLANET ROTHSCHILD

By Jeff Rense

For over the past 30 years, I've worked in many key positions in broadcast journalism, as a TV news reporter, news director, anchorman, and, for the past 20 years, the producer and host of my own talk radio program. It has been quite a journey and all during that times I really never stop wanting to know the realities of news stories, large and small. Who?, What?, Where?, How?, When?... and, most importantly, Why? When applying those timeless questions towards the crucial subject of History, I have seldom been satisfied with the 'official explanations' for my inquiries and questions. The 'truth' is just not 'out there' nor is it accessible. There is too much sleight-of-hand and structural criminality.

That's one reason I am so gratified that one of the most remarkable, insightful, truthful historians of today, M S King, has tackled the murky, imponderable subject of revisionist history, *(realistic history that is)* with his stunning epic, **"Planet Rothschild".** Though I am generally cautious in bestowing blessings upon the work of others, 'NWO Forbidden History' caught my attention for a number of reasons. Through his writings submitted to Rense.com, and also from his *'tour d' force'* guest appearance on my show, King's mastery of the subject, formidable writing talent, and unique ability to break down the complex into simple bites - were already known to me. I was pleased when I learned of his project to reformat his Internet Classic into a hard copy version.

As my regular listeners and readers are by now well aware, the world situation becomes gloomier by the day. It is only through a clear understanding of the past, that we can truly understand the present, and the dark future that is being planned for us. By distilling conspiratorial history into easy-to-understand, illustrated mini essays, **"Planet Rothschild"** serves as the perfect reference guide to help you navigate through the sea of lies which have been fed to us since childhood, and continue to be fed to us each day. **"Planet Rothschild"** makes an utterly unique and important contribution to the fields of economics and history - a contribution which we can all appreciate, and all understand.

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INTRODUCTION

From the days of the American Revolution, to the Jacobin French Revolution, to the coalition wars against Napoleon Bonaparte, to Andrew Jackson's war on the Central Bankers, to Karl Marx's war on sanity, to the American Civil War, to the Reds' shocking wave of 19th century assassinations, to the conspiratorial founding of the U.S. Federal Reserve, to the horrific First World War to enslave Germany, to the Rothschild-Communist subversion of Russia's Czar, to the horrible World War against Hitler and Japan, to the Cold War, to the JFK assassination, to the "women's movement" to the Global Warming Hoax, to the "fall of communism", to the 9/11 attacks & the "War On Terror", and finally, to the looming confrontation with Russia and China - the common thread of the **New World Order** crime gang links all of these events together.

At the heart of this self-perpetuating network sits the legendary **House of Rothschild** – the true owners of **'Planet Rothschild'**. Through an alliance with other billionaire families, universities, corporations, think tanks and media moguls worldwide; the cabal has, for 250 years, manipulated world events and political players like so many pawns on a global chessboard.

If it's true that "all the world is a stage", then the House of Rothschild and its international partners are the writers, directors and producers of the exciting play called, 'History". The politicians are the actors and the TV talking heads are the narrators. The audience is humanity itself – most of which, unfortunately, have no idea that a rigged show has been, and still is, playing out before their eyes. It is a global monster-scam of unimaginable dimensions in which humanity is the target.

Now, you can earn your 'Phd' in New World Order studies by reading this epic two-volume timeline thriller entitled PLANET ROTHSCHILD. It is a unique "blurb by blurb" chronological and photographical review that will enrich your depth of historical and economic knowledge like no other work of its kind. Travel through time in just under 600 easy-to-digest pages loaded with over 1200 images. This life-changing work is ideal as a permanent reference & study guide. You may not like what you find in its pages. Truth is not always easy to swallow. But you won't be able to refute any of it; and nor will you ever look at world events in the same light ever again.

1763 – 1820

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The Mind-Altering Internet Classics of Alternative History, Economics, Philosophy and Current Events

1763
BIRTH OF THE NEW WORLD ORDER: THE ROTHSCHILD BANKING DYNASTY IS ESTABLISHED

In 1743 a goldsmith named **Amschel Moses Bauer** opens a coin shop in Frankfurt, Germany. Above his door he hangs a sign depicting a Roman eagle on a red shield. The shop became known as the Red Shield *(German: Rothschild).*

Amschel Bauer had a very intelligent son, **Meyer Amschel Bauer**. His father spent much of his time teaching him everything he could about the money lending business and the dynamics of finance. After his father's death in 1755, Mayer went to work at a bank in Hannover, owned by the **Oppenheimer Family**. Meyer's immense ability was quickly recognized and he quickly advanced within the firm. He was awarded a junior partnership.

His success allowed him to return to Frankfurt and purchase the business his father had established in 1743. The Red Shield was still displayed over the door. Recognizing the significance of the Red Shield *(his father had adopted it as his emblem from the Red Flag which was the emblem of the revolutionary minded Jews in Eastern Europe)*, Mayer Amschel Bauer changed the family name to **Rothschild**. It was at this point that the House of Rothschild came into being.



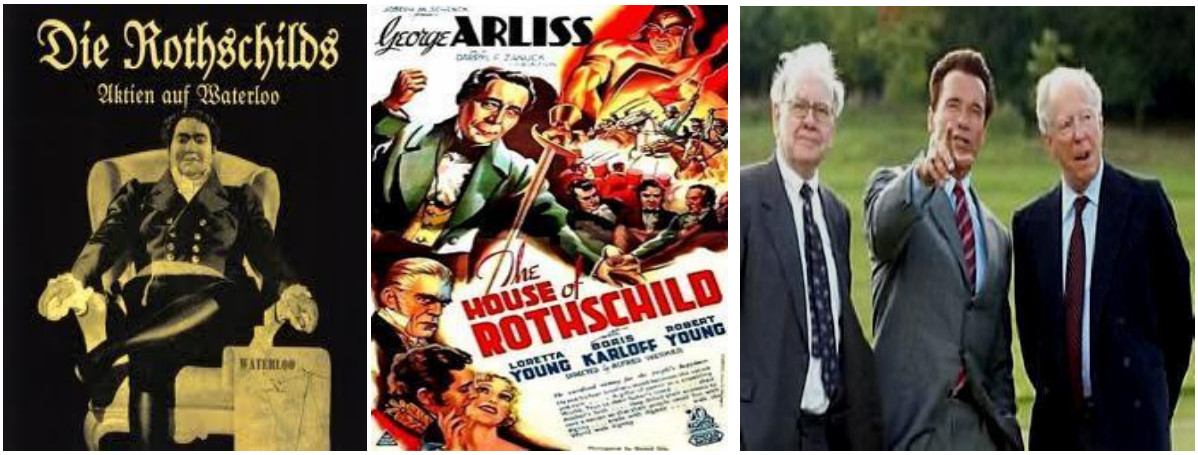



The Rothschild home in Frankfurt / Family Coat of Arms

Through his experience with the Oppenheimers, Rothschild learns that loaning money to governments is much more profitable than loaning to individuals. The loans are not only much bigger, but they are secured by the nation's taxes.

The Rothschild Banking Dynasty becomes the richest family business in world history. **(1)** Forbes Magazine refers to Mayer Amschel Rothschild as *"a founding father of international finance"*. **(2)** Rothschild's five sons will later branch out to head banking dynasties in Austria, Italy, France, and England, becoming lenders to the Kings of Europe, often financing both sides of the European wars that will so enrich them.

To this very day**,** the House of Rothschild and its allies remain the dominant force behind world finance, Globalism, "environmentalism", and 'liberalism'. The Jewish-Zionist Rothschild Family will also play a major role in establishing Israel in the 1900's *(Zionism)*. There can be no doubt; Mayer Amschel Rothschild was the original "Godfather" of the **New World Order**.



1 - 1934 Hollywood Film: The House of Rothschild / 1940 German Film: The Rothschilds

2- 2002: Warren Buffett, Governor Schwarzenegger marvel at one of Lord Jacob Rothschild's palatial European estates.



Just a few of the Rothschild Family palaces / England – Austria – France

1764
THE BRITISH CURRENCY ACTS FORBID THE ISSUE OF DEBT-FREE CURRENCY IN THE AMERICAN COLONIES


Anno Regni
GEORGII III.
REGIS

The Currency Act of 1764 is a British law that imposes a monetary policy on its American colonies. The Act extends the provisions of the 1751 Currency Act and forbids the colonies from issuing debt-free paper currency as legal tender. This creates financial difficulty for the colonies. Benjamin Franklin, the colonial representative, urges the British to reject the Currency Act.

The Currency Act creates tension between the colonies and Britain. When the First Continental Congress meets in 1774, it strongly objects to The Act as *"subversive of American rights."* It is a little known fact of the American Revolution, that the right of the colonists to issue debt-free currency, and spend it into circulation *(as opposed to a private Central Bank lending debt-currency into circulation)*, became one of the main causes of the Revolution.

MARCH 5, 1773
THE "BOSTON MASSACRE" / TENSIONS MOUNT AS FIVE AMERICAN COLONISTS ARE KILLED BY BRITISH TROOPS



Exaggerated images of "the massacre" were used to inflame the colonists.

The increase in British troops stationed in Boston leads to tension with the locals. Fights erupt between soldiers and liberty-minded civilians. British troops are sent to Boston in 1768 to enforce the **Townshend Acts**, a series of laws passed by the British Parliament. The purpose of the Townshend Acts is to make colonial governors and judges independent of colonial control, to enforce compliance with trade regulations,

and to tax the colonies without their approval.

When an angry crowd of colonists - most likely led by provocateurs of a secret society known as **The Sons of Liberty (3) -** confronts a group of soldiers with taunts and snowballs, the frightened British soldiers overreact. Shots are fired and five American colonists are killed. The embellished news of the Boston Massacre serves the purpose of spreading the revolutionary spirit throughout the colonies.

DECEMBER 16, 1773
THE BOSTON TEA PARTY / COLONISTS REBEL AGAINST BRITISH TAXES AND MONOPOLIES



The Boston Tea Party is an action by Boston colonists in the British colony of Massachusetts, against the British government and the monopolistic East India Company which controls all of the tea shipments coming into the colonies. After officials in Boston refuse to return three shiploads of taxed tea to Britain, a group of colonists, dressed as American Indians, climb aboard the ships and destroy the tea by throwing it into Boston Harbor.

The Tea Party is the culmination of a resistance movement against the Tea Act, which had been passed by Parliament in 1773. Colonists object to the Tea Act for a variety of reasons, especially because it violates their right to be taxed only by their elected representatives. The Boston Tea Party is a revolt against state sponsored monopolies *(British East India Company)* as much as it is about taxation.

It should be noted that, as was the case with the Boston Massacre, the Sons of Liberty orchestrated the event. Many members of this organization are true liberty-loving patriots *(Sam Adams, John Adams, Paul Revere),* but others may have had ulterior, NWO-related motives for wanting to weaken the British Empire.

APRIL 19, 1775
LEXINGTON & CONCORD / AMERICAN REVOLUTION BEGINS WITH 'THE SHOT HEARD AROUND THE WORLD'

The Massachusetts Militia is storing guns and ammo in the town of Concord, MA. About 700 British troops are sent to seize the military supplies. Patriot leaders learn of the British plan and begin organizing.

The night before the scheduled British raid, **Paul Revere** takes off on his famous **"Midnight Ride"** to warn the local militiamen *(Minutemen)*. The first shots are fired as the sun begins to rise in Lexington, MA. The militias are outnumbered and fall back as the British advance upon Concord. At Concord, approximately 500 "rag tag" militiamen fight and defeat the King's troops.

The "red coats" retreat after a pitched battle in open territory. More militiamen arrive soon thereafter and inflict heavy damage upon the British, firing at them from behind trees as they march back towards Boston. The war for American independence is on! **The Battle of Lexington and Concord** will go down in history as "the shot heard around the world."





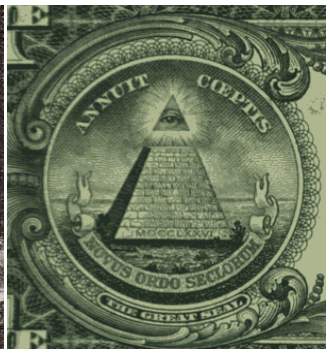
1- Paul Revere's 'Midnight Ride' – part real history / part mythology.

2- The Battle of Lexington & Concord

MAY 1, 1776
ADAM WEISHAUPT ESTABLISHES THE SECRET ORDER OF THE ILLUMINATI

Jewish Professor **Adam Weishaupt**, forms the secret order of **The Illuminati** in Bavaria *(Germany).* He is most likely a paid agent of Rothschild, also based in Germany. Weishaupt *(code name Spartacus)* recruits wealthy elites to his society. The Illuminati, or, Enlightened Ones, infiltrate Masonic lodges, which serve as cover for their activities.

They plot the overthrow of governments, the destruction of Christianity, and the future arrival of a world communal state **(New World Order).** Bavarian authorities disband the Illuminati in 1784. But the tactics and goals of the order are clearly evident in the French Revolution of 1789, and future Communist plots. To this day, May 1 *(May Day)* remains a sort of 'Holy Day' to Communists, Anarchists, and "Progressives".



The 'illuminated' all-seeing eye atop a pyramid is the symbol of Weishaupt's Illuminati NWO Mafia – and CBS network.

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JULY 4, 1776
THE DECLARATION OF INDEPENDENCE IS SIGNED

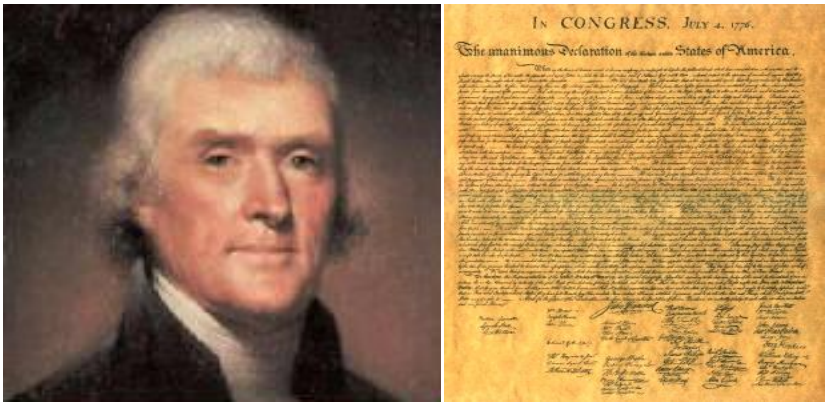
Written by Thomas Jefferson and signed by 56 patriots, the Declaration of Independence officially breaks the colonies away from Britain, and sets forth the ideal that governments exist to serve the people, not to control them.

America's founders believe that rights come from God, not government. Prosperity follows when the power of the state is limited. Small government, God-given

rights, morality, stable currency, respect for private property, and minimal taxes represent the *opposite* of what the Illuminati and latter day 'Red" revolutionaries advocate.

These lines of the Declaration sum up what America, and the '4th of July', are *(or were)* all about:

"We hold these truths to be self-evident, that all men are created equal, that they are endowed by their Creator with certain unalienable Rights that among these are Life, Liberty and the pursuit of Happiness. --That to secure these rights, Governments are instituted among Men, deriving their just powers from the consent of the governed, --That whenever any Form of Government becomes destructive of these ends, it is the Right of the People to alter or to abolish it, and to institute new Government." **(4)**

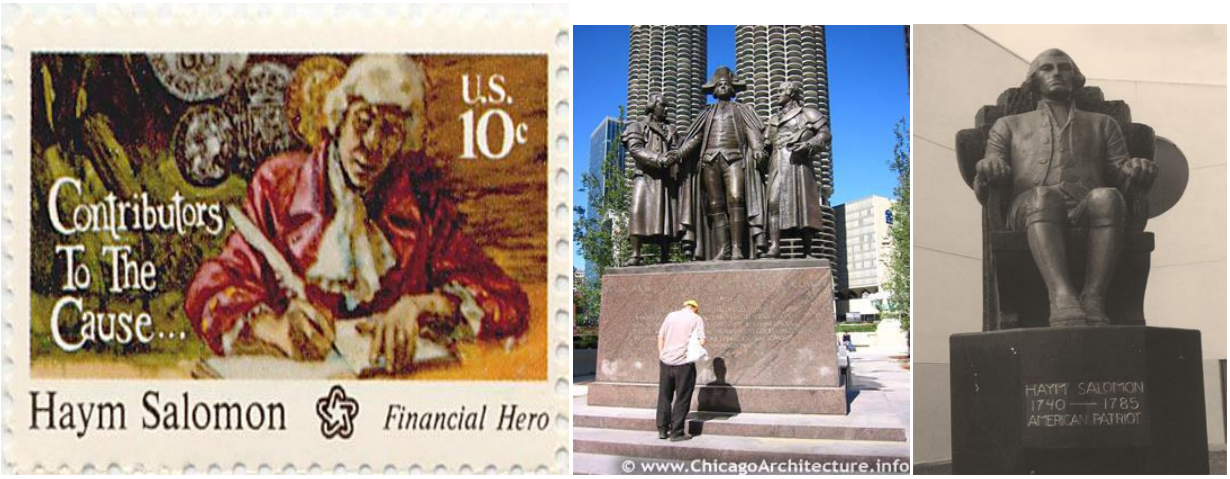


Jefferson: Rights come from the Creator, not the State

1781-1784
JEWISH MONEY-LENDER IS THE MAIN FINANCIER FOR THE AMERICAN REVOLUTIONARY WAR

During the war, Washington relies ***heavily*** upon a well-connected Polish-born Jewish money-lender named **Haym Salomon** for financing. Salomon is a member of the Sons of Liberty – the same secret society that had instigated the Boston Massacre and organized the Boston Tea Party. From the period of 1781–84, records show Salomon's outside fundraising and personal lending help provide over $650,000 *(approximately $9 billion in 2015 dollars!*) in financing to Washington in the war effort against Britain. **(5)**

Certainly, Salomon's eagerness to finance the war must have had some profit motive *(though he died in 1785 before he could be repaid),* but it is also in line with Jewish Illuminati objectives to weaken the existing Empires of Europe while keeping them all in a "balance of power" situation in which one can be played off of another. Without Solomon's money and other fundraising efforts, the colonies will have no chance of winning the war.



Commemorative postage stamp, Chicago statue, and Los Angeles statue in honor of Haym Solomon.

1782
THE MYSTERIOUS GREAT SEAL OF THE UNITED STATES

Although the freedom-based, Creator-based ideology of American's Founding Fathers represents the polar opposite of the goals of the New World Order / Illuminati system, it does appear that elements of the early NWO Mafia may have assisted the Revolution for the ulterior purpose of weakening the British Empire and then taking control of the new American nation. George Washington certainly was no Globalist Red, but he was indeed a Freemason. It was through the secretive Masonic lodges that Illuminati plotters operated.

The most ominous sign that conspiratorial influence was at work during the earliest days of the United States can be found in the Great Seal of the United States, first established in 1782. The Seal depicts an eagle with the 6-pointed Jewish Star of David above it. The inscription reads: "E Pluribus Unum" – *(out of many, one)*. Is

that a reference to the uniting of the colonies, as we have been taught? Or is it really a reference to "the chosen people"?

In 1786, a reverse side was added to the Seal. The all-seeing illuminated eye above the pyramid with the Latin phrase: "Annuit Coeptis"*(He favors our undertaking)* and the Roman numeral 1776 *(Declaration of Independence? …Or founding of Weishaupt's Illuminati?*). But the 'dead giveaway' is the inscription at the bottom: "Novus OrdoSeclorum" *(New Order for the Ages)* – **New World Order!**





NWO Symbols and the Star of David are right under our noses, and in our wallets. There is a legend that during the design of the Great Seal, Washington asked what compensation ***Haym Salomon*** *wanted in return for his financial contributions to the Revolution. He replied that "he wanted nothing for himself but that he wanted something for his people".***(6)** *As a result, the 13 stars representing the colonies were arranged in the shape of the Star of David.*





Degenerate modern celebrities like Kanye West, Jayzee, Rihanna, Beyonce & Lady Gaga have all sold their souls to the powerful geo-political force. Above, they make hand-symbols of the Illuminati pyramid and eye.

1783
WITH FRENCH HELP, AMERICA'S WAR FOR INDEPENDENCE ENDS IN VICTORY FOR THE COLONIES

The American Revolution had begun badly for the 13 colonies. The colonists themselves were divided as to their loyalties with as many as one third wishing to remain British subjects, at least at first. The best that General George Washington's 'Continental Army" can do against the better equipped British is to limit direct combat and harass the British instead.

As American "minutemen" and Washington's Army draw the 'redcoats' into a battle of attrition, Ben Franklin visits Paris to persuade the French to help the colonies. After Washington's surprise Christmas Day 1776 attack against the British & Hessian mercenaries, followed by victory at Saratoga in '77, the French are sold. French military assistance will play a huge role in reversing the course of the war. The British grant the colonies full independence in 1783.

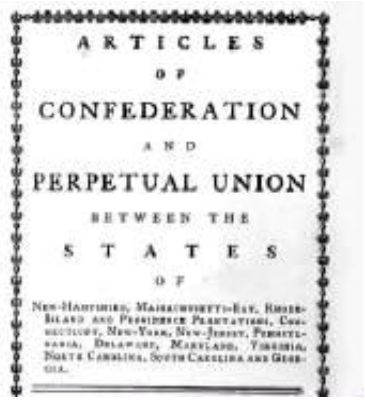




1- Christmas, 1776: Washington crossing the Delaware River

2- 1781: General Cornwallis surrenders to Washington

1781-1788
THE COLONIES ARE UNITED UNDER THE ARTICLES OF CONFEDERATION


ARTICLES
OF
CONFEDERATION
AND
PERPETUAL UNION
BETWEEN THE
STATES
OF

Drafted during the early years of the war, and ratified in 1781, the "**Articles of Confederation and Permanent Union"** establishes a very decentralized government for the colonies. Under the Articles, the colonies *(now referred to as "States')* are sovereign entities. For six years after the end of the war, the colonies are not truly a united nation, but rather a league of allied states living under mutually agreed upon rules.

America's founders are divided. Though all of them believe in freedom and limited government, one camp *(The Federalists)* prefers a stronger central government to help organize the nation's affairs. The other camp *(the anti-Federalists)* fear that *any* centralized American government might become corrupted and dangerous to the people's liberty.

JUNE 21, 1788
THE U.S. CONSTITUTION IS RATIFIED / THE "UNITED STATES IS CREATED"

Some of America's founders believe that the Articles of Confederation are too weak for the government and the new nation to survive. For this reason, the Continental Congress approves the US Constitution in 1787, in Philadelphia. Months of contentious debate follow before the States ratify the Constitution, the framework of the Federal Government.

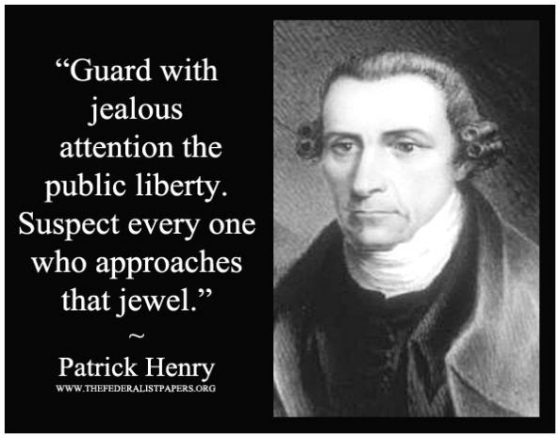
The checks and balances built into the Constitution establish 3 branches of government, and limit the power of each. George Washington will be chosen as the first US President. **The document also limits the power of the masses of people**. The founders know that "democracy" results in mob rule, in which a "majority" of people can be manipulated into voting themselves the wealth of the productive people. Under the Constitution, taxes and state spending are minimal, and only

gold and silver coins are recognized as currency. There is no authorization for income taxes, central banking, and social welfare schemes.

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The Constitution and its original 10 amendments ***(The Bill of Rights)*** serve as a leash on government growth and power, and a guarantor of personal liberties, such as rights to free political speech, to own firearms, and to be secure from unlawful searches and seizures.





1- Similar to pre-Imperial Rome, the United States is founded as a republic (rule of law) -<u>NOT</u> a socialist "democracy" (rule of the manipulated mob).

2- Even with its strict limits on government power, patriots such as Patrick Henry of Virginia viewed the new Constitution as a potentially dangerous power-grab.

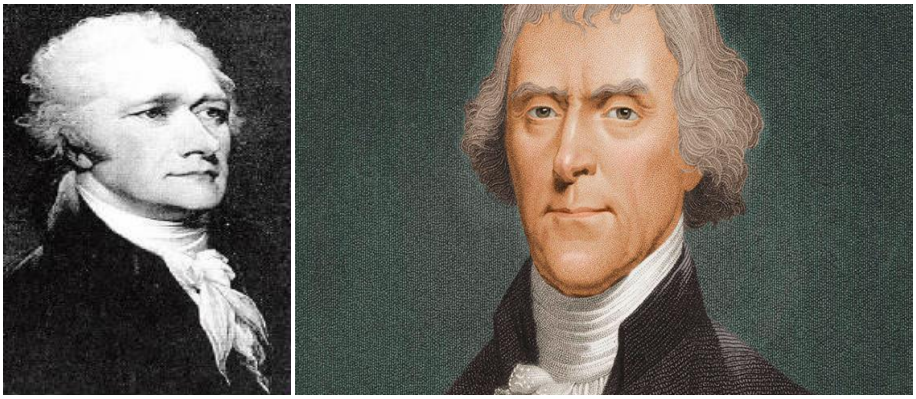
1790
JEFFERSON AND HAMILTON CLASH OVER CENTRAL BANK

The proposed **Bank of the United States** is to be a Central Bank with a 20-year charter. It is the brainchild of New York banker **Alexander Hamilton**. Hamilton, born in the British West Indies and educated in a Jewish school there **(7)**, is an agent of the New York-London moneylenders. Hamilton had previously founded the Bank of New York in 1784.

As President Washington's Treasury Secretary, Hamilton clashes with Secretary of State Thomas Jefferson. Hamilton and the New York bankers believe in strong central government and debt-based central banking and currency issue. Virginians

Jefferson, James Madison *(father of the Constitution)* and the southern agricultural class believe in decentralized government and local banking. The roots of the future American Civil War can be traced, in part, to the Jefferson-Hamilton feud.

Jefferson argues that centralization of power away from private mints and banks is unconstitutional and dangerous. He wrote: ***"…banking establishments are more dangerous than standing armies."*** **(8)** The New Yorker Hamilton argues that if the nation is to grow, it needs a standard coinage supported by a Central Bank and excise tax.



1- Hamilton was London's banker boy.

2- Jefferson wanted no part European Central Banking.

1791
HAMILTON WINS. A U.S. CENTRAL BANK IS ESTABLISHED / WHISKEY FARMERS REBEL

President Washington listens to Jefferson's and Hamilton's position on the Central Bank, but is ultimately taken in by Hamilton. The Father of America has a blind spot when it comes to the smooth talking, foreign- born deceiver. Others are not so easily fooled. In later years, **President John Adams** will describe Hamilton as:

"...the most restless, impatient, artful, indefatigable, and unprincipled intriguer in the United States, if not in the world." **(9)**

Along with establishing an excise tax, Hamilton's Bank is a private company with some foreign shareholders. To cover the government's interest payments to the Bank, Hamilton imposes an excise tax on whiskey.

When Pennsylvania whiskey farmers rebel ***(Whiskey Rebellion)***, Hamilton convinces Washington to allow him to personally lead 12,000 troops to enforce compliance. Brute force is used to collect the taxes needed to pay the interest to the foreign shareholders of the Central Bank.



When men were men! Angry whiskey farmers attack, tar & feather Hamilton's tax collectors for the Central Bank.

THE CENTRAL BANKING SCAM EXPLAINED

CENTRAL BANKING AND GOVERNMENT DEBT



When government uses up the money it collects in taxes, it resorts to borrowing. It can borrow by selling bonds to investors, or to foreign governments. **But when governments borrow from a privately owned Central Bank, the Bank is actually creating new money "out of thin air" and then lending it to the government at interest.** The injection of new money into the economy has the effect of reducing the value of existing money (inflation). The government must then tax its citizens to repay the loans (Bonds) to the Central Bank, *plus interest.*

If the government were to simply create its own debt-free currency to cover its bills, there might still be an inflationary effect, but the government would not carry debt, and therefore not need to tax its people to pay principal and interest to the Central Bank.

It makes no sense for a government to pay interest to a Central Bank on new currency when it can simply create the currency itself, *interest free!*

CENTRAL BANKING AND LOCAL BANK / CONSUMER DEBT



The other way in which a Central Bank preys upon people is by lending to the nation's banks. The banks can then increase the number of loans to their customers by borrowing money themselves from the Central Bank *(again, created out of thin air.)* The local bank borrows at a lower rate from the Central Bank, and then re-loans the money to you at a higher rate. Consumer debt is thus maximized as constant inflation erodes the value of existing money.

Consumers do not benefit from debt as they would believe because the new money pumped into the economy artificially drives up the price of whatever they are buying.

In short, behind its academic cover, **Central Banks are legalized counterfeiters and loan sharks.** When a Central Bank, owned by private shareholders, controls the money, every dollar of currency must be loaned into circulation at interest. Therefore, **there will always be more total debt outstanding than there is money in circulation.** Those who control this perpetual debt machine always become powerful enough to control the government.

1789
THE FRENCH REVOLUTION

The French Revolution is a period of radical upheaval in France. Unlike America's Revolution, which put limits on government power, the atheistic radicals of France seek total power. Their rallying cries of "Liberty, Fraternity, and Equality" are empty words that attract gullible mobs.

The revolution leads to the rise of the mad killer Robespierre, and the **Jacobins**. From 1793-1794, the **"Committee of Public Safety"** operates as the dictatorship of France. A "Reign of Terror" is unleashed. King Louis XVI, Queen Marie

Antoinette, and 40,000 others are executed, mostly by public guillotine. The Jacobin mobs single-out priests, nuns, and the wealthy for special brutality.

The Jacobins *(forerunners of the Communists)* are eventually displaced by more sensible elements of the revolution. Robespierre himself is executed. The "Directory" will control France from 1795-1799 as the monarchies of Europe wage a war against Republican France.

Though historians portray The Revolution as a "spontaneous uprising" of the oppressed, the funding of the movement, and the disciplined organization of the radicals, suggest otherwise. Was Rothschild money behind the revolt? Could this be the meaning of the French Revolution's theme color, red? *(Rothschild is German for "Red Shield")*. Many more "spontaneous" red revolts will follow over the centuries to come.



The works of early 20th Century British historian Nesta Webster exposed the genocidal French Revolution as the work of occultists aiming to overthrow civilization and bring about "world revolution".

1795
THE JACOBINS ARE OVERTHROWN; 'THE DIRECTORY' TAKES CONTROL OF FRANCE

The Jacobins ***(forerunners of the Communists)*** are eventually displaced by more sensible, Republican elements of the revolution. Robespierre himself is then executed. The "**Directory**" will govern France from 1795-1799 as the worried

monarchies of Europe *(led by Great Britain)*, as well as the displaced Jacobin Reds of the NWO, continue to wage war against a divided France.



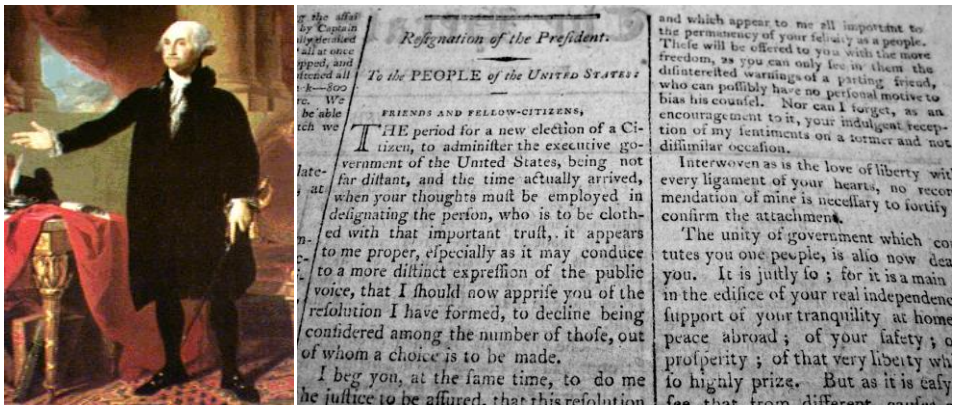
Robespierre gets a taste of his own medicine as the Directory takes control. But the Red Jacobin Clubs are still in operation.

1796
WASHINGTON'S PROPHETIC FAREWELL ADDRESS

In his **Farewell Address to Congress** and an adoring American public, the great General and President George Washington uses the occasion to advise America on how to secure its future happiness and prosperity. Washington's prescient warnings come from his extensive knowledge of history. His wise and prophetic advice includes:

- Maintain religion and morality as supports of a free people.
- Beware of the formation of political parties.
- Avoid alliances & foreign military entanglements.
- Balance the Federal Budget and avoid state debt.
- Keep the government's spending and taxes low.
- Do not weaken the U.S. Constitution with amendments.
- Do not allow sectional differences to divide the Union. **(10)**

In Europe, the early **New World Order/Red** crime gang is already in operation. Eventually, the Globalists will attack America *(and the world)* in each area that Washington warned about.



Resignation of the President.

To the PEOPLE of the UNITED STATES

FRIENDS AND FELLOW-CITIZENS,

THE period for a new election of a Citizen, to administer the executive government of the United States, being not far distant, and the time actually arrived, when your thoughts muft be employed in defignating the perfon, who is to be clothed with that important truft, it appears to me proper, efpecially as it may conduce to a more diftinct expreffion of the public voice, that I fhould now apprife you of the refolution I have formed, to decline being conftdered among the number of thofe, out of whom a choice is to be made.

I beg you, at the fame time, to do me

and which appear to me all important to the permanency of your felicity as a people. Thefe will be offered to you with the more freedom, as you can only fee in them the difintereited warnings of a parting friend, who can poffibly have no perfonal motive to bias his counfel. Nor can I forget, as an encouragement to it, your indulgent recep- tion of my fentiments on a former and not dilfimilar occafion.

Interwoven as is the love of liberty wit every ligament of your hearts, no recor mendation of mine is neceffary to fortify confirm the attachment.

The unity of government which co tutes you one people, is alfo now dea you. It is juftly fo ; for it is a main in the edifice of your real independene fupport of your tranquility at home peace abroad ; of your fafety ; o profperity ; of that very liberty wh fo highly prize. But as it is eafy

Once regarded as a sacred American historical relic, Washington's prophetic advice has long since been forgotten.

1797
ITALIAN CAMPAIGN – NAPOLEON BONAPARTE CAPTURES ROME / DEFIES DIRECTORY'S ORDER TO DETHRONE POPE

French military hero Napoleon Bonaparte completes his successful Italian campaign, defeating Austrian, Sardinian, and Neapolitan forces before capturing Rome. The French General's stature as a military genius and leader is now such that he can defy the Atheistic Directory's orders to dethrone the Pope and get away with it. Napoleon is by now a legend in the making, soon to be a political force in his own right – a force beyond Illuminati-Rothschild-NWO control.





1- **Napoleon crosses the Alps.** **2- Napoleon enters Rome.**

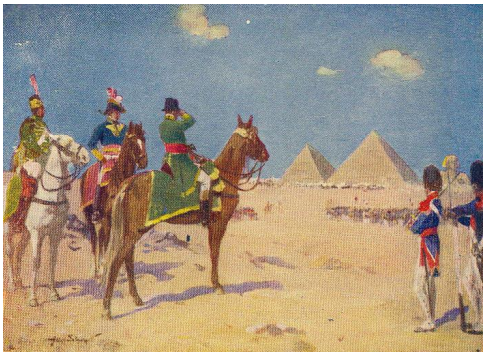
The NWO gang was behind the French Revolution, but they cannot control Napoleon Bonaparte.

1798
NAPOLEON'S EGYPTIAN EXPEDITION

The **French Campaign in Egypt and Syria** (1798–1801) is Napoleon Bonaparte's campaign to protect French trade, undermine Britain's access to India, and promote scientific enterprise in the region.

Napoleon approaches the Egyptians not as a conqueror, but as a liberator who respects their religion and culture. This position earns him solid support in Egypt and the admiration of Muhammad Ali, who later succeeds in declaring Egypt's independence from the Ottoman Turks.

An unusual aspect of the Egyptian military expedition is the inclusion of a large group of scientists and scholars. This deployment of intellectual resources is an indication of Napoleon's devotion to higher learning. Much of what we know today about ancient Egypt is the result of this mission. The discoveries include the deciphering of ancient Egyptian hieroglyphics by way of "The Rosetta Stone".





1- Napoleon at the pyramids.

2- The Rosetta Stone was etched in hieroglyphics and Greek. The known Greek figures allowed the French to decipher the unknown Egyptian, and translate into modern languages.

1798
JOHN ROBISON WRITES: 'PROOFS OF A CONSPIRACY'

John Robison was a prominent physicist and professor of philosophy at Scotland's Edinburgh University. He worked with James Watt on the early steam car and he later invented the siren. The Illuminati had attempted to recruit him but he

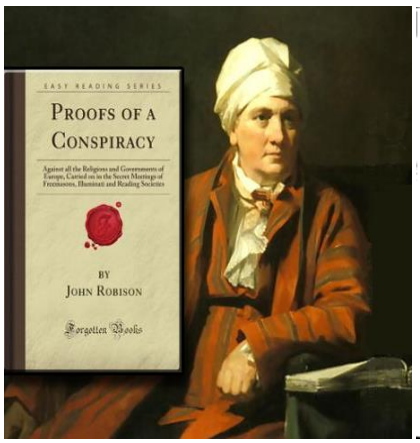
declined. In 1798 he writes **"Proofs of a Conspiracy Against the Religions and Governments of Europe"** in which he exposes the secret societies behind the terrorist French revolution.

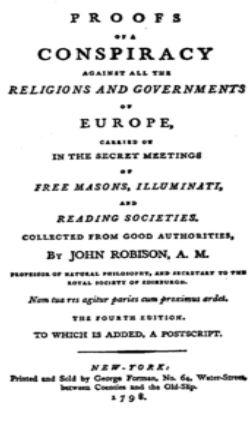
His warning to Europe is stark:

"An association has been formed for the express purposes of rooting out all the religious establishments and overturning all existing governments ***... the leaders would rule the World with uncontrollable power****, while all the rest would be employed as tools of their unknown superiors."* **(11)**

French priest **Abbe Barruel** independently developed similar views that the *Illuminati* had infiltrated Freemasonry, **(12)** leading to the excesses of the French Revolution. In 1798, the Reverend G. W. Snyder sent Robison's book to George Washington for his thoughts on the subject. Washington replied:

"It was not my intention to doubt that, the Doctrines of the Illuminati, and principles of Jacobinism had not spread in the United States. On the contrary, ***no one is more truly satisfied of this fact than I am.*** *The idea that I meant to convey, was, that I did not believe that the Lodges of Free Masons in this Country had, as Societies, endeavored to propagate the diabolical tenets of the first, or pernicious principles of the latter (if they are susceptible of separation). That individual of them may have done it, or that the founder, or instrument employed to found, the Democratic Societies in the United States, may have had these objects; and actually had a separation of the People from their Government in view, is too evident to be questioned."* **(13)**




PROOFS
OF A
CONSPIRACY
AGAINST ALL THE
RELIGIONS AND GOVERNMENTS
OF
EUROPE,
CARRIED ON
IN THE SECRET MEETINGS
OF
FREE MASONS, ILLUMINATI,
AND
READING SOCIETIES.
COLLECTED FROM GOOD AUTHORITIES,
BY JOHN ROBISON, A. M.
PROFESSOR OF NATURAL PHILOSOPHY, AND SECRETARY TO THE ROYAL SOCIETY OF EDINBURGH.
Nunc tua res agitur paries cum proximus ardet.
THE FOURTH EDITION.
TO WHICH IS ADDED, A POSTSCRIPT.
NEW-YORK:
Printed and Sold by George Forman, No. 62, Water-Street, between Cranelin and the Old-Slip.
1798.



Robison was a big man of science and letters. George Washington agreed with his observation about Illuminati & Jacobin infiltration of freemasonry.

1798-1815
THE 5 SONS OF ROTHSCHILD SPREAD THEIR MONEY LENDING EMPIRE ACROSS EUROPE

After amassing an enormous fortune from his base in the Hessian city of Frankfurt (Germany) Mayer Amschel Rothschild sends his five sons abroad to expand the Rothschild Family Empire throughout Europe. Each of the brothers will emerge as dominant financial players, and behind-the-scenes political players, in their respective new countries. The five sons and the five sub-dynasties they will operate are as follows:

Anselm: Stays in Frankfurt to run the German operation.
Salomon: Vienna, Austria
Nathan: Manchester, and then London, England
Carl: Naples, Italy
Jacob: Paris, France

Of the five, Nathan in London *("The City of London")* will become the wealthiest and most powerful of the brothers. His power surpasses even that of the other existing Jewish family dynasties that own The Bank of England (**Montefiores**, **Goldsmids**, **Mocattas**).

The London Rothschilds are the beating heart of the centuries old movement to tear down European civilization and erect **The New World Order** in its place.







1 & 2 - The Jewish-produced 1934 Hollywood film, The House of Rothschild made no effort to hide the historical power of the 5 sons, especially Nathan of London (played by George Arliss - brother in center).

3 – Today, young Nat (Nathan) Rothschild, great-great-great-great grandson of Nathan is being groomed as the next Family Patriarch.



Then and now: the immense wealth of the Rothschild Family STILL commands obedience. (Above: Sir Evelyn de Rothschild with gold bars, and commenting on BBC TV)

1799
NAPOLEON STAGES A COUP IN PARIS - OVERTHROWS THE DIRECTORY

Napoleon the war hero returns to a deeply-divided and chaotic Paris. With the help of allies in the French Senate, Napoleon stages a bloodless coup and is named First Consul. A plebiscite *(popular vote)* is held soon afterwards. Napoleon's ascension to First Consul is overwhelmingly approved by the French public.

The New World Order gang created the Revolution in order to overthrow the Monarchy. Now, with the rise of Napoleon, the NWO has lost control of France.

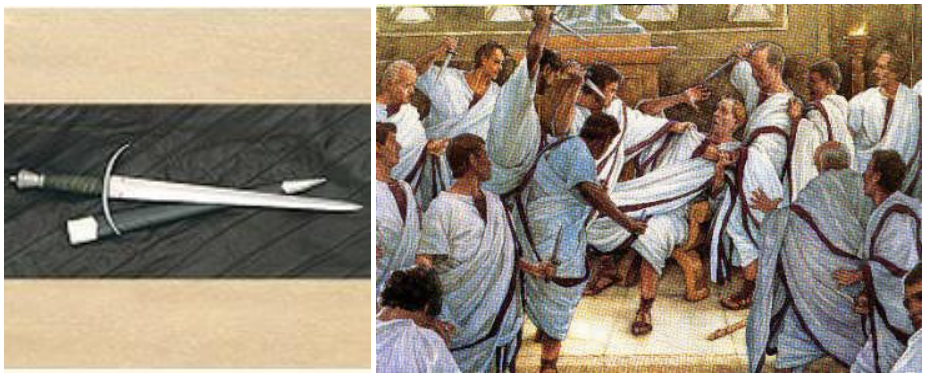


Move over Directory. Napoleon Bonaparte is now the Boss!

OCTOBER 1800
JACOBINS PLOT TO KILL NAPOLEON WITH DAGGERS

The Communistic Jacobins *(working for their secret New World Order Rothschild bosses in London)* want their bloody dictatorship back. They openly call for the death of Napoleon. One leftist agitator, named Metge, publishes a pamphlet comparing Napoleon to Roman ruler Julius Caesar, who was killed by daggers wielded by Brutus and others. Metge openly calls for *"the birth of thousands of Bruti to stab the tyrant Bonaparte."*

Indeed, one of the Jacobin plots which is foiled is the "Conspiration des poignards" *(Conspiracy of the Daggers)* in October 1800. The Jacobins plan to stab Napoleon, as Julius Caesar had been, as he arrives at the Paris Opera House. Informants are able to foil the assassination plot, but the Jacobins will again try to kill Napoleon.



Jacobins plotted to stab Napoleon, as Caesar had been by Brutus & others.

OCTOBER 1800
JACOBIN BOMB NEARLY KILLS NAPOLEON & HIS WIFE

Two months after the Dagger Plot is foiled, the Jacobins nearly succeed in blowing up Napoleon's carriage with a bomb (Plot of the Rue Saint-Nicaise or "The Infernal Machine"). Napoleon and Josephine *(who faints)* both survive the massive blast, but 10-12 innocent bystanders are killed, and dozens more injured or maimed.

Napoleon uses public outrage over the bombing to annihilate the remnants of the violent and conspiratorial Red Jacobins.

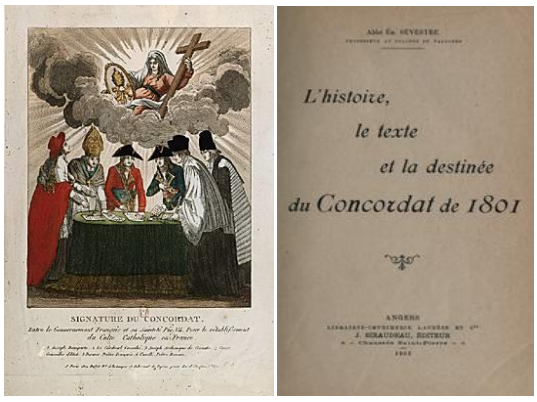


The Jacobins never stop plotting. The mighty bomb that nearly killed Napoleon was known as "The Infernal Machine".

1801
NAPOLEON MAKES PEACE WITH THE CATHOLIC CHURCH

After years of persecution at the hands of atheistic Jacobin radicals and also the Directory, Napoleon moves to protect and preserve the Roman Catholic Church that he had spared from extinction during his Italian campaign. Raised Catholic, Napoleon is himself a Deist **(14)** *(belief in a Creative force)* who retains a special fondness for the moral principles and ceremonies of the Church. Napoleon is also impressed by Islam, and believes that people of all faiths should have freedom of conscience.

The Concordat of 1801 between Napoleon Bonaparte and Pope Pius VII reaffirms the Roman Catholic Church as the majority church of France and restores its civil status. While the Concordat restores ties to the Papacy, the balance of church-state relations tilts in Napoleon's favor.



The Concordat reassured French Catholics, angered Red Atheists, and improved relations with the Vatican.

MARCH, 1802
THE TREATY OF AMIENS: PEACE WITH BRITAIN

The Treaty of Amiens ends hostilities between the French Republic and the United Kingdom. It is signed in the city of Amiens on March 25, 1802 and celebrated as the "Definitive Treaty of Peace" between Napoleon and Britain. In retrospect, it appears to have been a British ploy more than a sincere desire to make peace with France.



The Peace Treaty of Amiens. Was it just a British trick to buy time?

MAY, 1803
BRITAIN BREAKS THE PEACE / NAPOLEONIC WARS FOLLOW

The Peace of Amiens lasts only one year and was the only period of extended peace during the 'Great French War' between 1793 and 1815. Britain does not evacuate Malta as promised. Instead, the British protest against Bonaparte's annexation of Piedmont and his Act of Mediation, which establishes a new Swiss Confederation, ***though neither of these territories are covered by the treaty***.

These phony pretexts for starting a new war against Napoleon culminate in a declaration of war by Britain, and the reassembly of another coalition against France. Having failed to kill Napoleon from within France itself, the NWO Mafia and the Royal Families of Europe will continue to wage a series of on and off "coalition wars" on post-revolutionary France. At varying times, Great Britain *(the chief instigator)*, Russia, Austria, Prussia, Spain and other minor Kingdoms unite in opposition to Napoleonic France. The ensuing wars that follow are known as the **Napoleonic Wars**, although Napoleon didn't start these wars with Britain and friends.

It is important to note that without Rothschild funding, these wars would not have been possible, at least not in the long term. The Old World Order *(Monarchies)* and the New World Order *(Rothschilds-Illuminati)* **both** seek the demise of Napoleon Bonaparte.



The Napoleonic Wars were a series of wars declared against Napoleon's French Empire by opposing coalitions, led by Britain and funded by Rothschild.

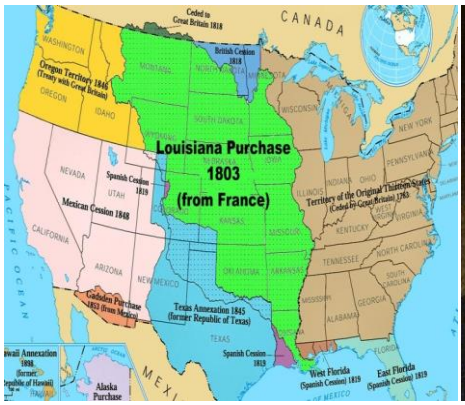
1803
THE LOUISIANA PURCHASE: RATHER THAN BORROW FROM THE BANKERS, NAPOLEON SELLS LAND TO THE U.S.

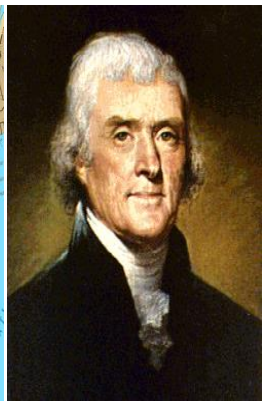
Napoleon needs money to finance France's war effort against the European powers, but he is unwilling to borrow from big bankers. Napoleon once wrote:

"When a government is dependent upon bankers for money, they and not the leaders of the government control the situation, since the hand that gives is above the hand that takes. Money has no motherland; financiers are without patriotism and without decency; their sole object is gain." **(15)**

Instead of crawling to Rothschild, Napoleon raises money by proposing to sell the massive Territory of Louisiana to the United States. President Jefferson jumps at the offer. Napoleon's move also closes a possible front in the western hemisphere from which Britain could wage war against French territory.





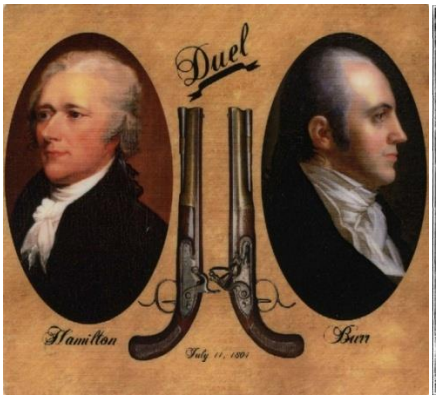


Cartoon above depicts nobles and peasants crawling to Rothschild. Napoleon did borrow money, but he also utilized other means for finance. The Jefferson-Napoleon deal DOUBLED America's territory.

1795 - 1804
THE FALL OF ALEXANDER HAMILTON

Meanwhile, back in the fledgling U.S.A., in 1795, London's banker-tool Alexander Hamilton is forced to resign his Treasury position in disgrace when it was discovered that he is sleeping with another man's wife *(Maria Reynolds Affair).*

On July 11, 1804, Hamilton is killed in a duel with Thomas Jefferson's Vice President, **Aaron Burr**; a political rival whom the arrogant Hamilton had insulted and defamed. Though dueling was illegal in New Jersey, Burr returned to Washington and finished out the remaining 8 months of his term as Jefferson's first Vice President.



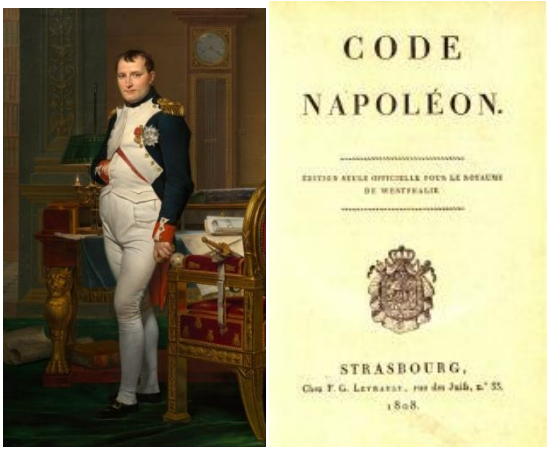


Hamilton had many enemies. He finally messed with the wrong guy.

1804
NAPOLEON ESTABLISHES THE NAPOLEONIC CODE

Napoleon's lasting reforms include higher education, a tax code, road systems and sewer systems. His set of civil laws, the *Code Civil*—now known as the **Napoleonic Code**—is prepared by committees of legal experts. Napoleon participates actively in the sessions of the Council of State that revises the drafts. The Code forbids privileges based on birth, allows freedom of religion, and specifies that government jobs must go to the most qualified. Other codes are commissioned by Napoleon to codify criminal and commerce law. A Code of Criminal Instruction is also published, which enacts rules of due process.

The Code will be accepted throughout much of Europe and remain in force even after Napoleon's eventual defeat. It is a revolutionary idea that spurs the development of the middle class by extending the right to own property. Napoleon also reorganizes what had been the Holy Roman Empire, made up of more than a thousand entities, into a streamlined 40-state Confederation of the Rhine. This confederation will provide the basis for the German Confederation and the unification of Germany in 1871.



The Napoleonic Code sought to eliminate undeserved privileges and establish true justice.

1804
GENOCIDE IN HAITI: 'BLACK JACOBINS' MASSACRE ALL REMAINING FRENCH WHITES

In 1791, the French Revolution in Europe had also inspired a Revolution in the French Caribbean colony of Haiti. The after-effect of the 13 year conflict will ruin Haiti, which remains an unhappy land to this day. The Revolution begins as a slave uprising but eventually degenerates into a genocidal race war targeting French settlers in Haiti – including many who are opposed to slavery and friendly toward the Blacks.

Even after slavery had been abolished, radical elements of the Haitian Revolution continue to incite racial hatred toward the innocent Whites who were far outnumbered by the Blacks and Mulattos. In 1802, a notorious killer named **Jean-Jacques Dessalines** takes over Haiti by betraying his more reasonable, and actually pro-French, Black predecessor, **Toussaint L'ouverture.**

Napoleon had previously sent troops to retake Haiti, but as many as 40,000 died of Yellow Fever. Now, pre-occupied with European Wars, there is little he can do to save the Whites of Haiti. The smart Whites get out, but many of the "bleeding heart liberal" types refuse to see the danger of being such a small minority under Black Jacobin rule.

In 1804, Dessalines orders the genocidal massacre of the remaining White population of Haiti. His secretary Boisrong-Tonnere declares:

"For our declaration of independence, we should have the skin of a white man for parchment, his skull for an inkwell, his blood for ink, and a bayonet for a pen!" **(16)**

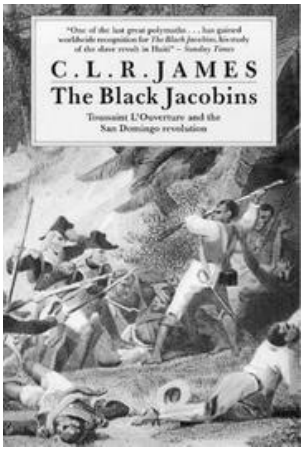
Squads of Black soldiers move from house to house, killing entire families. The weapons used are silent ones; such as knives and bayonets rather than gunfire. This is so that the killing can be done more quietly, thus giving no loud gunfire warning to other intended victims. Killings take place on the streets. Plundering and rape also occur. White children are beaten and stabbed to death; and white women are raped and pushed into forced marriages under threat of death.

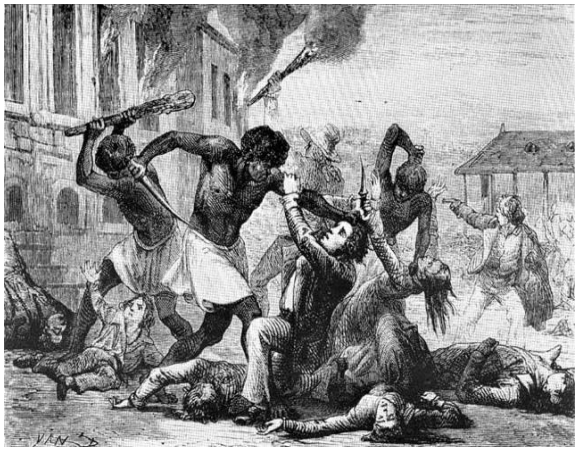
To flush out Whites who went into hiding, the monster Dessalines proclaims an amnesty for all Whites. When the terrified Whites resurface, they too are murdered. One of the most diabolical of the massacre participants is **Jean Zombi**,

a mulatto known for his brutality. One account describes how Zombi stops a White man on the street, strips him naked, and takes him to the stairs of the Presidential Palace where he kills him with a dagger as Dessalines watches. In the Haitian 'Voodoo' cult tradition, the figure of Jean Zombi is the prototype for the "zombie".

The massacre results in the deaths of between 4,000 to 5,000 people of all ages and genders. **(17)** But because the victims were White and the perpetrators were Black Jacobins; the historians who serve **The New World Order** have forgotten them.







Under orders from Dessalines, the "Black Jacobins" of Haiti carried out the first open manifestation of the New World Order's 'War on Whites'. Because of the Yellow Fever outbreak which had devastated his Caribbean forces, Napoleon is unable to save the French of Haiti.

DECEMBER, 1804
NAPOLEON IS CROWNED EMPEROR BY POPE PIUS VII



Napoleon, by a very wide margin, is elected "Emperor of the French" in a November, 1804 plebiscite. He is crowned by Pope Pius VII as Napoleon I at Notre Dame Cathedral. The story that Napoleon seized the crown out of the hands of the Pope during the ceremony, to avoid subjugating to the Pope's authority, is not accurate, as the coronation procedure had been agreed upon in advance.

After a string of stunning victories, France establishes itself as the leading continental power of Europe and builds alliances of its own. Napoleon is now 'larger than life' – a development which has the British and NWO types seething.

1805
NAPOLEON TRIUMPHS AT THE BATTLE OF AUSTERLITZ

On the first anniversary of his coronation, Napoleon defeats Austria and Russia at Austerlitz. This ends the Third Coalition War against him. To commemorate the victory, Napoleon commissions the 'Arc de Triomphe'.

Austria has to concede territory. The subsequent Peace of Pressburg leads to the dissolution of the Holy Roman Empire and creation of the Confederation of the Rhine with Napoleon named as its *Protector*. Napoleon later states, *"The battle of Austerlitz is the finest of all I have fought."* **(18)**



The famous Arc de Triomphe in Paris commemorates Austerlitz.

1807
RUSSIA'S CZAR AND NAPOLEON MAKE PEACE



In 1805 and 1807 Russia suffers major losses in battles with Napoleon's armies. Napoleon's forces, though victorious, are weary from fighting and unable to pursue the Russian armies further. Finally, Czar Alexander I makes peace with Napoleon with the **Treaty**

of Tilsit *(1807)*. The Russian ruler accepts France's continental position, and vows support of Napoleon. For his part, Napoleon believes Alexander has extended him a hand of friendship.

1800's
NAPOLEON WANTS TO ASSIMILATE THE JEWS

Napoleon is very tolerant in his attitude towards the Jews. As a result, he has won the respect of many of them. But he has his motives. Historian Rabbi Berel Wein reveals that Napoleon was primarily interested in seeing the Jews assimilated, rather than prosper as an alien community:

"Napoleon's outward tolerance and fairness toward Jews was actually based upon his grand plan to have them disappear entirely by means of total assimilation, intermarriage, and conversion." **(19)**

This attitude can be seen from a letter Napoleon wrote in November 1806,

"It is necessary to reduce, if not destroy, the tendency of Jewish people to practice a very great number of activities that are harmful to civilization and to public order in society in all the countries of the world. It is necessary to stop the harm by preventing it; to prevent it, it is necessary to change the Jews. ... Once part of their youth will take its place in our armies, they will cease to have Jewish interests and sentiments; their interests and sentiments will be French." **(20)**

Again, privately, in an 1808 letter to his brother Jerome, Napoleon makes his assimilation plans clear:

"I have undertaken to reform the Jews, but I have not endeavored to draw more of them into my realm. Far from that, I have avoided doing anything which could show any esteem for the most despicable of mankind." **(21)**



Napoleon's outreach to the Jews was intended to eventually assimilate them as Frenchmen. To a hard-core Jew, this is a big 'no-no'!

1808
NAPOLEON'S DECREE CANCELS DEBTS OWED TO JEWISH MONEY-LENDERS



In response to complaints about Jewish money lenders, Napoleon had, in 1806, suspended all debts owed to them. In 1808, he goes a step further and issues a decree that the money lenders refer to as **"The Infamous Decree."**

Napoleon wants the Jews to move away from their traditional money lending practices and become farmers and craftsmen instead. His decree severely restricts the practice of lending, and annuls all debts owed by married women, minors, and soldiers. Any loan that had an interest rate exceeding 10 percent is also annulled.

Napoleon's religious tolerance is admired by many of the Jews. But his efforts to regulate usury upset the Jewish money-lenders and seal his fate. That is why, to this day, they refer to Napoleon's decree as "The *Infamous* Decree." **The Rothschilds of Europe must destroy Napoleon before his anti-debt monetary philosophy can take hold in Europe.**

1808 -1814
THE PENINSULAR WARS, FRANCE vs SPAIN, BRITAIN & PORTUGAL

British international intrigue draws Spain into war against its former French ally. The years of fighting in Spain take a heavy burden on France's Grande Armée. While the French win battle after battle, their communications and supply lines are severely tested. French units are isolated, harassed, and slowly bled to death by guerilla fighters.

The Spanish armies are repeatedly beaten, but time and again they regroup and hound the French. This drain on French resources leads Napoleon to call the conflict, "the Spanish Ulcer".



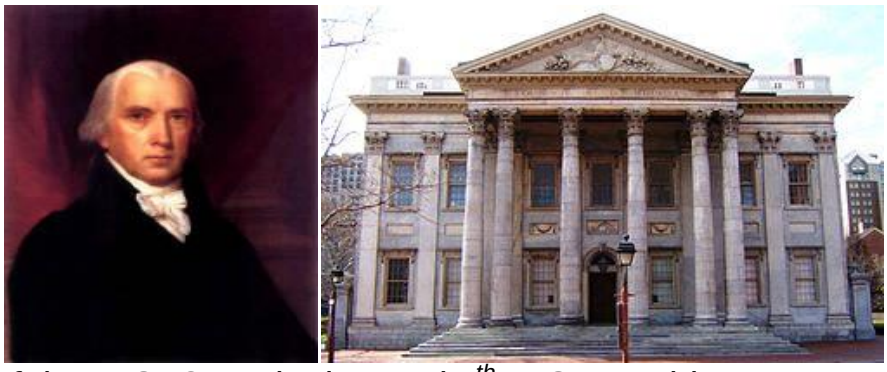
At the peak of the French Continental Empire, Spanish Guerrillas take a heavy toll on French forces.

1811
THE U.S. CENTRAL BANK IS KILLED AS BRITAIN THREATENS ANOTHER WAR AGAINST THE U.S.

Meanwhile, back in the fledgling U.S.A., the 20-year charter of Alexander Hamilton's Monster Bank is set to expire. **President James Madison** had opposed the Bank in 1791, and has no desire to renew the charter. The "Federalists*" (Hamiltonians)* in Congress favor its renewal and close relations with Britain. The

"Democratic-Republicans" *(Jeffersonians)* want to kill the Bank and view Britain with suspicion.

The vote to renew the charter is close, but the anti-Bank faction prevails. The New York-London Bank is allowed to die. At this time in history, the British are "coincidentally" escalating tensions with America. Britain is already at war with Napoleon and is blockading France. Under the blockade, US ships are being harassed and sailors taken prisoner. The young American Republic appears to be headed for a 2nd war with its ex 'Mother Country", which by now belongs to Nathan Rothschild and friends.

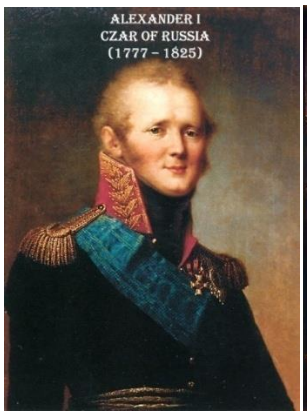


Author of the U.S. Constitution and 4th U.S. President James Madison allows the Philadelphia-based National Bank to die.

1811
BRITISH AND INTERNAL INTRIGUE CAUSE RUSSIA TO BREAK OFF ITS ALLIANCE WITH NAPOLEON

Napoleon and Czar Alexander I of Russia had been enjoying friendly personal relations. By 1811, however, tensions increase as Alexander comes under intense pressure from political forces within the Russian nobility to break off the alliance with France. Fearing another two-front war, Napoleon threatens serious consequences if Russia forms an alliance with Britain.

By 1812, advisers *(intriguers)* to Alexander suggest an invasion of the French Empire and recapture of Poland *(now an ally of France)*. On receipt of intelligence reports on Russia's war preparations, Napoleon prepares for a **preemptive** offensive campaign against Russia. The invasion begins on June 23, 1812.





1- Court intriguers persuaded Alexander to break off his alliance with Napoleon and join up once again with Rothschild-Britain instead.

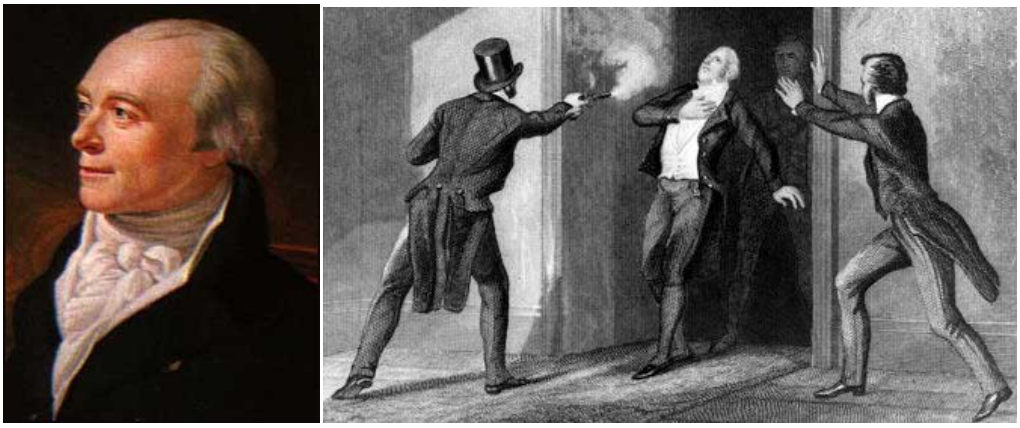
2- Painting depicts meeting between Alexander and Napoleon during happier days.

MAY 11, 1812
BRITAIN'S PRIME MINISTER ASSASSINATED JUST BEFORE HE IS TO MAKE PEACE WITH THE U.S.

British Prime Minister **Spencer Perceval** enters the lobby of the House of Commons. He is on his way to a meeting whose purpose is to discuss how to calm the rising tensions with the United States – an important goal for Perceval. **(22)** A man named **John Bellingham** then draws a pistol and shoots Perceval at close range. Perceval is killed. Bellingham is tried and hanged just one week later.

In 1787, Bellingham had been a midshipman on a vessel that was taken over by mutineers and sunk. In 1803, he briefly worked in Russia, where he was imprisoned for sabotaging a Russian ship, also lost at sea. These incidents suggest that Bellingham is a political radical, and not just a "crazed lone gunman". The odd manner in which Bellingham is so quickly executed, the lack of investigation into a possible broader conspiracy, his link to a mutiny, his arrest in Russia, and the looming Bank War with the U.S., all suggest that the killer is a radical patsy, used by higher authorities to eliminate a disobedient Prime Minister.

Perceval's murder will be the first in a long series of political murders, and attempted murders, which will plague Europe and America for the next 200 years. In many of these cases, it will be an emotionally unstable 'lone' radical who is used to carry out the dirty deed.



The murder of Perceval makes war with the United States inevitable.

JUNE, 1812
THE STRANGE 'WAR OF 1812' BEGINS (1812-14)

The murder of Prime Minister Perceval delays the effort to improve relations with the United States. Had Perceval lived, the British wartime policy of European trade restrictions and harassing of American vessels would have been lifted, and peace maintained.

War commences just 5 weeks after the assassination. The same Hamiltonian-Federalists, who wanted to re-charter The Central Bank also oppose Madison's decision to fight the British. After the war ends in 1814, the Federalists will be perceived as unpatriotic and their political party collapses.

Perceval's successor, **Robert Jenkinson** ***(Lord Liverpool)*** will later lift the trade restriction orders, which are the stated cause of the war. But by that time, the gesture is meaningless as the war is already started. Whether Liverpool was being sincere, or whether he was just trying to shift the blame for war onto the United States, is unclear.

What is known is that the House of Rothschild financed both sides of the war! **(23)**





American General Andrew Jackson will emerge as a heroic figure from The War of 1812. More on Jackson, later on.

1812
NAPOLEON'S INVASION OF RUSSIA PROVES COSTLY / TYPHUS WRECKS HIS GRAND ARMEE

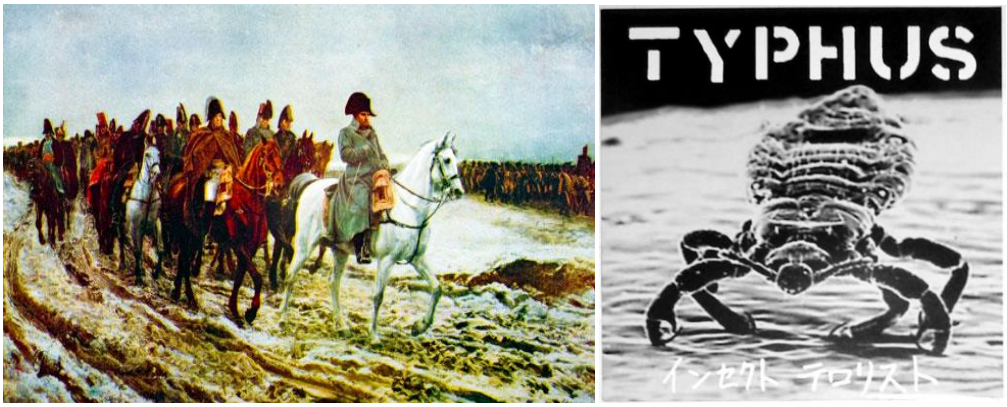
The Russians avoid Napoleon's objective of a decisive engagement and instead retreat deeper into Russia. A brief attempt at resistance is made at Smolensk in August, but the Russians are defeated in a series of battles. Napoleon resumes his advance.

Owing to the Russian army's scorched earth tactics, the French find it hard to forage food for themselves and their horses. The Russians eventually offer battle outside Moscow. The Battle of Borodino results in about 44,000 Russian and 35,000 French dead, wounded or captured.

Although the French win, the Russian army has withstood the major battle Napoleon had hoped would be decisive. Napoleon's own account:

"The most terrible of all my battles was the one before Moscow. The French showed themselves to be worthy of victory, but the Russians showed themselves worthy of being invincible." **(24)**

Napoleon retreats with most of his Grand Armee intact. On the long march home, typhus wipes out most of his men.



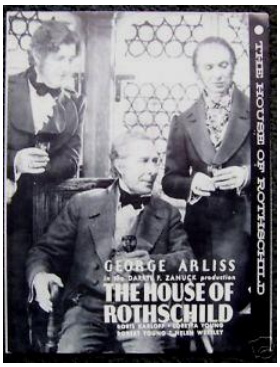
The retreat from Russia proves disastrous for Napoleon. Contrary to popular belief, it was neither the Russian Army, nor hunger, nor the cold that wiped out most of his returning Grand Armee. It was the lice-spread disease of typhus. **(25)**

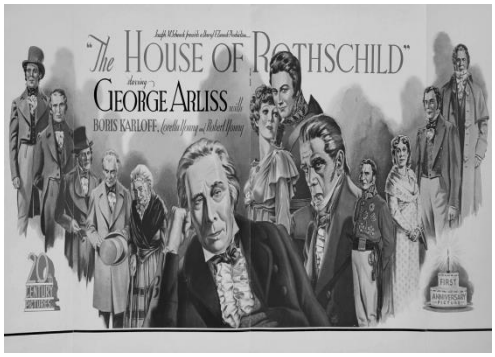
1812-1814
ROTHSCHILD'S ARMY vs NAPOLEON'S ARMEE

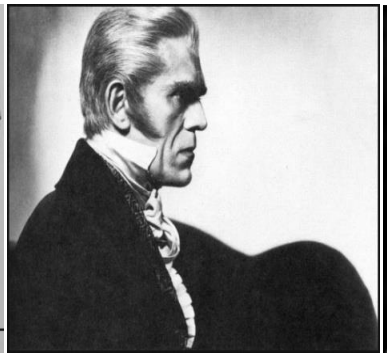


The Duke of Wellington's Army was funded by Nathan Rothschild

From his base in London's financial district, *("The City")* **Nathan Rothschild** single-handedly continues to finance Britain's war to defeat Napoleon. Shipments of gold to the European continent fund the Duke of Wellington's armies and also those of Britain's allies, Prussia and Austria. The Rothschild brothers co-ordinate their activities across the continent, and develop a network of agents, shippers, and couriers to transport gold across war-torn Europe. **Were it not for Rothschild's limitless fortune, the Allies would surely have had to make peace with Napoleon by now.**

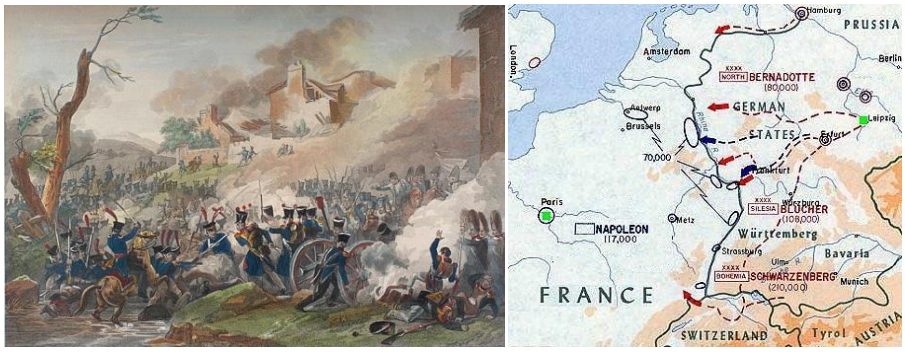



*The 1934 Hollywood film **openly** portrays the Allies begging Rothschild for finance! **Boris Karloff**, best known for his 1931 role as the Frankenstein Monster, plays the part of a Prussian (German) "anti-Semitic" Count who despises the Rothschilds. Karloff is deliberately made-up to resemble the monster.*

1813
NAPOLEON SCORES MORE VICTORIES, BUT HIS FORCES ARE BEING DEPLETED

There is a lull in fighting over the winter of 1812–13 as both the Russians and the French rebuild their forces. Napoleon is then able to field 350,000 troops. Emboldened by France's failure in Russia, Prussia joins with Austria, Sweden, Russia, Great Britain, Spain, and Portugal in a new coalition. Napoleon assumes command in Germany and inflicts a series of defeats on the Coalition, culminating in the Battle of Dresden in August 1813.

Despite these stunning successes against multiple armies, the losses continue to mount against Napoleon. The French army is eventually pinned down by a force twice it's size at the Battle of Leipzig. This is by far the largest battle of the Napoleonic Wars and cost more than 90,000 casualties in total.



The Battle of Leipzig marks the first time Napoleon was defeated in battle.

SPRING 1814
PARIS IS CAPTURED / NAPOLEON FORCED TO ABDICATE

Napoleon withdraws back to France; his army having been reduced to 70,000 soldiers and 40,000 stragglers, against more than three times as many Allied troops. The French are surrounded as British forces press from the south, and other Coalition forces position to attack from the German states. Paris is captured by the Coalition in March 1814.

On April 2, 1814, the French Senate declares Napoleon deposed. When Napoleon learns that Paris has surrendered, he proposes that the army march on the capital. His Marshals then mutiny. They confront Napoleon and force him to announce his unconditional abdication only two days later.



"Sorry Boss. But you have to step down."

APRIL, 1814
NAPOLEON IS EXILED TO THE ISLAND OF ELBA

The combination of Rothschild's endless money, cunning British intrigue, limitless allied manpower, "the Spanish Ulcer', and the disastrous typhus-infested retreat from Russia were all just too much for the French to overcome. After Napoleon's abdication, King Louis XVIII is installed as ruler of France. Napoleon is exiled to the island of Elba off the Italian coast, where he is given authority over the island's 12,000 inhabitants.



While in exile, Napoleon plans his next move.

AUGUST, 1814
THE BRITISH BURN THE WHITE HOUSE



The Redcoats burn the White House before a storm chases them away.

British forces occupy Washington DC. They set fire to the White House and other important buildings including the Treasury, The Capitol, and the Library of Congress. Less than two days after sacking Washington, the British are forced to leave when a violent hurricane tears through DC. The freak storm extinguishes fires, kills British troops, and damages many of their ships.

President Madison and the rest of the

government then quickly return to the Capitol City. Legend has it that a storm sent by “Divine Providence” drove the British away. Later that same year, Britain and the US will make peace.

FEBRUARY, 1815
THE LEGEND CONTINUES. NAPOLEON ESCAPES FROM EXILE!

Separated from his wife and sons, and aware of rumors that he might be shipped to a remote island in the middle of the Atlantic, Napoleon stuns Europe by escaping from Elba with a handful of supporters and soldiers, in February of 1815. Soon after landing on the French mainland, a regiment of French soldiers, under orders to arrest him, confronts their former Emperor. Napoleon approaches the regiment alone, dismounts his horse and shouts:

"Here I am. Kill your Emperor, if you wish." **(26)**

The soldiers respond with, *"Long Live the Emperor!"* and march with Napoleon to Paris!

King Louis XVIII flees. Napoleon quickly raises another army. He will once again confront the Rothschild-funded British and Prussians at the decisive **Battle of Waterloo** in Belgium.



He's back! Defying orders to arrest Napoleon, the troops join him instead.

JUNE, 1815
THE BATTLE OF WATERLOO

Again financed by The House of Rothschild, The British, led by the Duke of Wellington, and the Prussians, led by Gebhard von Blucher, amass their armies near the north-eastern border of France. Napoleon is forced to preemptively attack France's enemies before they can unleash a massive, coordinated invasion of France, along with other members of this latest Allied coalition.

The **Battle of Waterloo** is fought on Sunday, June 18, 1815, near Waterloo in present-day Belgium. The French army nearly wins the great battle. It is only the late arrival of Prussian reinforcements that suddenly tilts the battle against the French.

The defeat at Waterloo marks the end of Napoleon's Hundred Days return from exile and ends his rule as Emperor once and for all. The very word "Waterloo" has since been synonymous with one's final defeat.




Napoleon's strategy to divide the British and Prussian armies, and then destroy them separately, almost worked.

JUNE, 1815
NATHAN ROTHSCHILD CAPITALIZES UPON THE BATTLE OF WATERLOO

The Rothschild Brothers utilize courier pigeons to rapidly communicate amongst themselves and their agents. The network provides Nathan Rothschild with political and financial information ahead of his peers, giving him an advantage in the financial markets. After the final defeat of Napoleon at Waterloo, Rothschild receives word of the battle's outcome long before anyone else.

Rothschild will use the "insider information" of Wellington's victory to become Britain's supreme master. He orders his brokers to sell off his holdings. Other brokers assume that Rothschild has therefore learned that Britain has lost at Waterloo. A panic sell-off drives the market down to historic lows. Rothschild then buys up the devalued market at bargain prices.

When the public learns of Britain's *victory* over Napoleon, the stocks skyrocket to new heights. Nathan Rothschild multiplies his massive fortune by 20 times!



Nathan buys up Britain after Waterloo.

The 1934 film does indeed portray Rothschild's buying-up of the London market, but makes it seem like it was the "accidental" consequence of his trying to "save" the market and not "insider trading"!



1- Rothschild's descendants (like Jacob, above) still wield enormous financial and political power.

2 – It is enough power to make star-struck groupies like Governor Arnold Schwarzenegger and Billionaire Warren Buffett (shown above with Jacob) seem like nobodies.

1815
NAPOLEON IS AGAIN EXILED, AND PROBABLY MURDERED

After the final defeat at Waterloo, Napoleon is exiled to the island of St. Helena, 1000 miles off the coast of West Africa. King Louis XVIII is installed on the throne and, predictably, allows Napoleon's "Infamous Decree" against usury to expire in 1818. The Rothschilds are back in control!

Rumors of Napoleon returning will continue to occasionally circulate throughout Europe. Napoleon is neglected by his British captors, and will finally die in 1821, at age 51, from what appears to be arsenic poisoning.




Napoleon dies. The legend lives. His coffin is still on display in Paris.

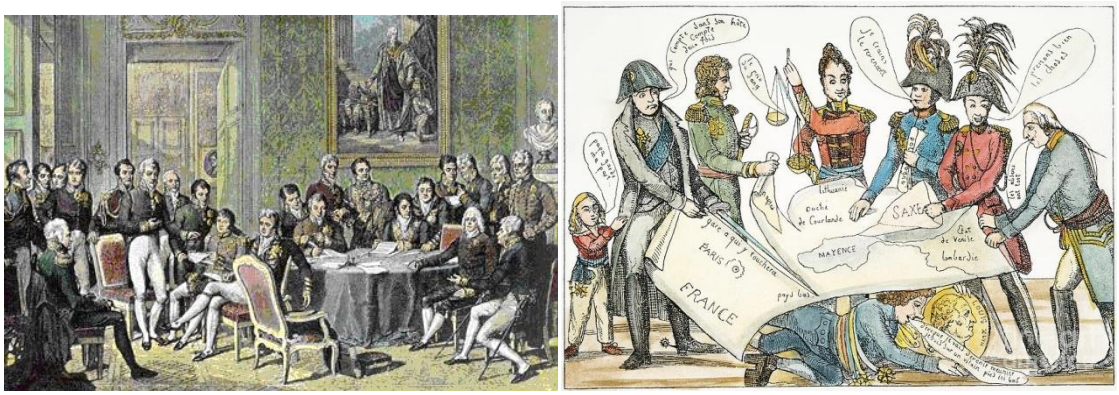
1814-1815
BALANCE OF POWER POLITICS / THE CONGRESS OF VIENNA RESHAPES EUROPE

After Napoleon's defeat, the European powers hold a series of meetings in Vienna, Austria. Political boundaries are redrawn. Old disputes are settled. These conferences are known as Vienna "Though many nations participate, the Congress is run by the "Big Four" *(Britain, Prussia, Russia, & Austria*). The most notable decision reached at Vienna is the consolidation of 360 small German states, into a German Confederation of 38 states.

Arrangements made by the Four Great Powers ensure that future disputes will be settled in a manner that will avoid the wars of the previous twenty years. Although

the Congress of Vienna preserves the "balance of power" in Europe, it does not check the spread of the Red revolutionary movements that are being born, and will spread across Europe some 30 years later.'

"**Balance of Power**" politics serves the interests of the Globalist planners in that it allows for a disobedient nation, or nations, to be checked, challenged, and controlled by a group of other nations of equal power. The Rothschilds and their agents will soon wield enormous financial influence in 3 of the "Big 4" nations. **Only Russia still remains free of Rothchild's reach.**



The Congress of Vienna consolidated German states and redrew the borders of Europe.

1816
THE BEAST IS BACK! THE 2nd CENTRAL BANK OF THE U.S. IS ESTABLISHED



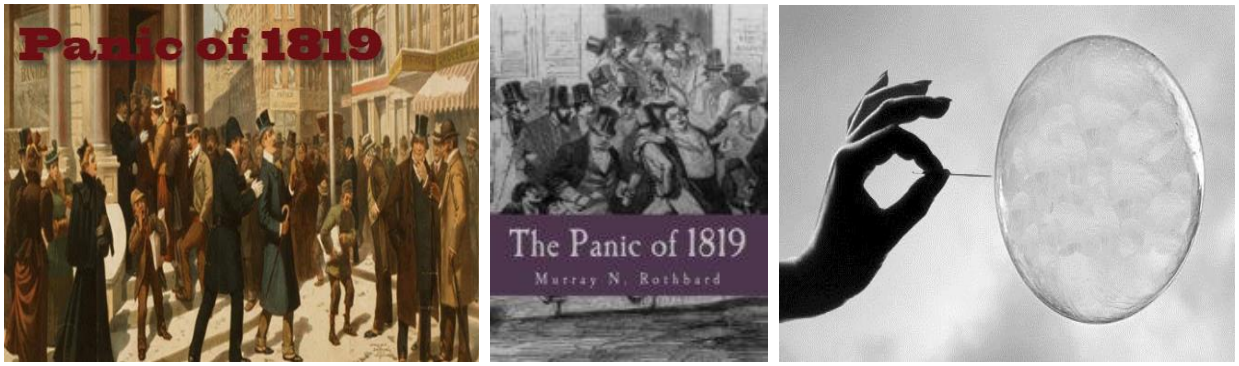
Five years after America's Central Bank was killed, and just two years after the White House is burned, the **Second Bank of the United States** is chartered by many of the same Congressmen who voted against the re-charter in 1811. After the War of 1812, Madison and other anti-Bank Jeffersonians had a "change of heart" when they found it difficult to cover war debts. Was there a deal made to re-establish a Bank in order to call off Rothschild's British attack dogs?

The timing of the re-charter, the timing of the Perceval assassination, the timing of the war, and the sudden decision to now accept a Central Bank, suggest that the very strange War of 1812 was actually a Bank War. Like the first Bank, this one also has a 20 year charter, is also a privately held corporation, and its principal shareholders are also linked to the New York-London axis. The Bank has the power to engineer debt driven "booms" by creating money "out of thin air" and then lending it into the economy at interest.

1819
THE 2nd CENTRAL BANK OF THE U.S. CAUSES A PANIC

By 1819, the Bank has already created its first boom-bust real estate bubble. The Bank's easy debt money drove prices up, and its "tight money" adjustment drove prices down. When the bubble from **The Panic of 1819** pops; borrowers are unable to repay their loans and property values crash.

Bankruptcies and bank runs follow.



By 1819, the new Central Bank will already have created its first disastrous bubble – in real estate and also stocks.

1820
THE CATO STREET CONSPIRACY / RED RADICALS PLOT TO KILL THE UK PRIME MINISTER AND HIS CABINET

With the recent death of King George III, Revolutionary **Arthur Thistlewood** and his gang of conspirators hope to exploit his death and bring a French style revolution to Britain. At their Cato Street meeting place in London, the group plots to kill Britain's Prime Minister as well as all of his Cabinet Ministers. In the ensuing chaos, the radicals would then institute a "Committee for Public Safety" to instigate and oversee a radical Revolution similar to the murderous French Revolution of just 30 years earlier.

After the plot is uncovered, five of the main planners are executed and five others sentenced to prison. As was the case in France, Thistlewood's masters and financial backers remain in the shadows. The Red monster is still alive and growing in Europe.





Britain's Red Revolution was foiled and the traitors were hanged.

1821 – 1880

DECEMBER, 1823
THE MONROE DOCTRINE

The Monroe Doctrine is aimed at curbing European influence in 'The Americas'. **President James Monroe'**s policy states that the US will not interfere in the colonial affairs of Europe, but would regard further colonization in the America's as an act of aggression, which would trigger US intervention.

As Spanish colonies struggle for independence, Monroe seeks to prevent the establishment of puppet British or French monarchies in their place. Whether or not Spain keeps its colonies does not concern Monroe. His goal is to prevent the "balance-of-power" politics of Europe from spreading to the Americas, and thus threatening the young USA.



"Don't cross this line!"

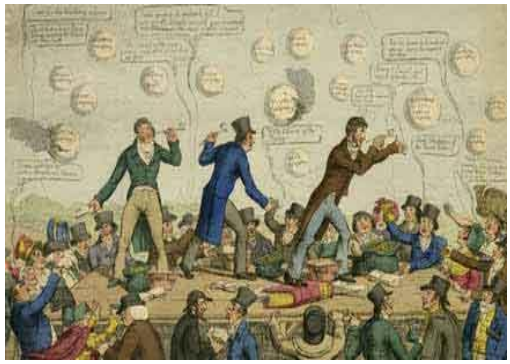
1825
THE HOUSE OF ROTHSCHILD BAILS BRITAIN OUT OF THE "PANIC OF 1825"

The **Panic of 1825** is a stock market crash that arises, in part, out of speculative investments in Latin America. As is *always* the case, the crisis is precipitated by the expansionary monetary policy – in this case from the Bank of England. This fuels a stock market bubble. The inevitable tightening of money pops it.

The crisis leads to the closing of six London banks and sixty country banks in England; but was also manifest in the markets of Europe, Latin America, and the

United States. Nathan Rothschild steps up to supply enough coin to the Bank of England to enable it to stay afloat.

An infusion of gold reserves from the Rothschild-affiliated **Banque de France** also helps to save the Bank of England from complete collapse. As if the family didn't have enough wealth and power -- the House's bailout / buy up of 1825 makes them even bigger!





The Bubble Game:

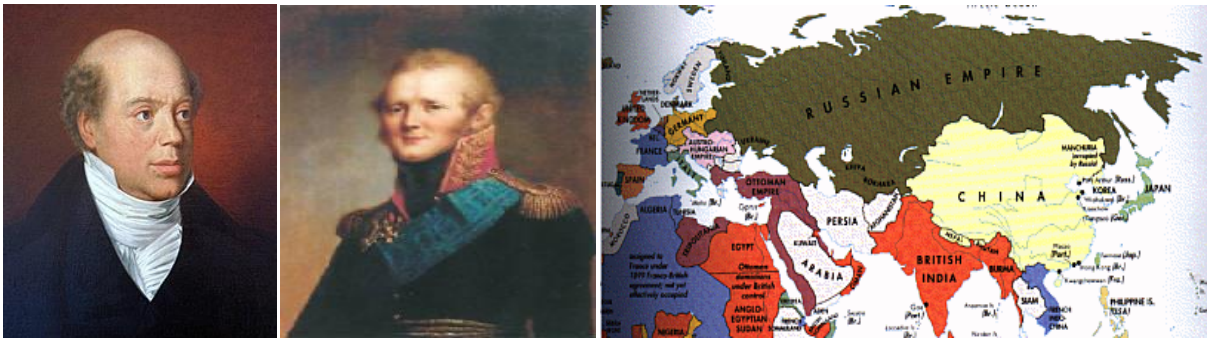
With passions inflamed by the Rothschild financial press, greedy fools get all excited over easy money and rising stock prices. When the money supply is tightened, the bubble inevitably pops and stocks crash. Rothschild then steps in and buys everything up…..And the idiots NEVER figure it out.

1825
RUSSIAN CZAR ALEXANDER I DIES MYSTERIOUSLY AS ROTHSCHILD TARGETS RUSSIA FOR DESTRUCTION

After the fall of Napoleon and the Congress of Vienna, the Rothschilds have turned their hateful lust towards the Royal **Romanov Family** of Russia. The Russian Empire is an up and coming world power, possessing vast territory and resources. Like the young United States of America, Orthodox Christian Russia is also destined for greatness. And also like the USA, it is not under Rothschild's complete control.

Czar *(King)* **Alexander I** had already survived a kidnapping attempt made while he was on his way to a conference in Europe. In 1825, the Czar dies of an unexpected illness, contracted while he was again traveling far away from the safe

Capital of St. Petersburg. The death is sudden and mysterious, giving rise to "conspiracy theories." The world-shaking events that will occur over the next 100 years add much credibility to the poisoning theory. Coming events will clearly confirm that the Romanovs and their Empire have been targeted for death by the forces of the **New World Order** and its controlled gang of Red terrorists.



Nathan Rothschild wants the Romanovs dead and the enormous Russian Empire and its resources under NWO control. Czar Alexander's death was shrouded in mystery.

1832-1835
CENTRAL BANK BOSS NICHOLAS BIDDLE BATTLES WITH ANDREW JACKSON

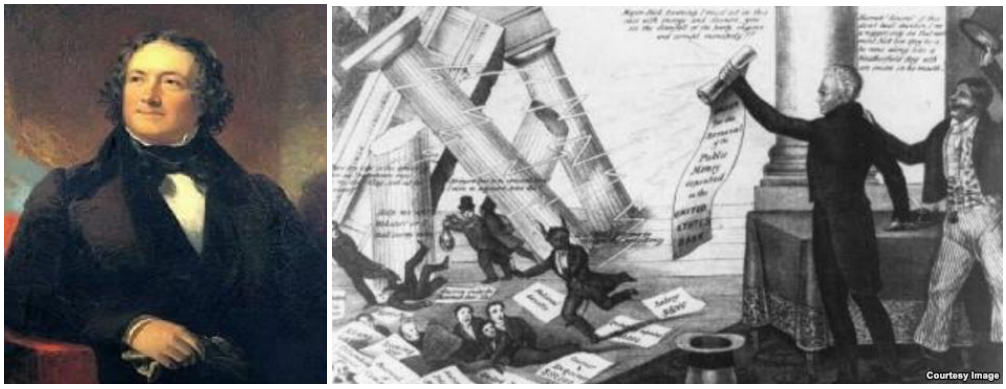
The Charter for the **Second Bank of the United States** is due to expire in 1836. **Nicholas Biddle** is the President of the privately owned Central Bank. Biddle is an advocate of big government, public *(government)* education, and centralized banking.

In 1833, President **Andrew Jackson** begins his effort to "Kill the Bank" by withdrawing government funds from it and then letting its charter expire without renewal. Jackson hates Biddle's Bank. He accuses it of causing inflation, creating speculative bubbles, and corrupting the nation's politics. He is said to have declared to the bankers':

"You are a den of vipers and thieves. I intend to rout you out, and by the Eternal God, I will rout you out!" **(1)**

Biddle then *deliberately* causes the recession of 1834 by tightening the money supply, leaving debtors short of new currency to repay old loans. Biddle is trying

to intimidate the ex-General and hero of the War of 1812, but the fiery Andrew Jackson is a fearless defender of the common people. Instead of backing down from banker pressure, Jackson turns up the heat. He threatens the bankers and wins the public to his side in **"The Bank War".**



When he didn't get his way, Biddle deliberately damaged the economy. Jackson is determined to shut the bankers down and clean them out.

JANUARY, 1835
JACKSON PAYS OFF THE ENTIRE NATIONAL DEBT – THE FIRST & ONLY TIME IN U.S. HISTORY!

The banking dynasties watch in dismay, as Andrew Jackson becomes the first and only President in US history to pay off the entire national debt. US taxpayers are thus spared the burden of paying bond interest on debt to the Central Bankers. Jackson warns America about the danger of debt:

"I am one of those who do not believe that a national debt is a national blessing, but rather a curse to a republic; inasmuch as it is calculated to raise around the administration a moneyed aristocracy dangerous to the liberties of the country." **(2)**

Deprived of the huge profits that Central Banks generate from the debts of big government, the bankers plot the destruction of Andrew Jackson.




Jackson hated debt and mistrusted the New York Bankers.

JANUARY 30, 1835
BRITISH AGENT ATTEMPTS TO KILL ANDREW JACKSON

As President Jackson leaves the Capitol following a funeral, a "deranged" man from Britain named **Richard Lawrence** emerges from behind a column and fires his pistol at Jackson. The gun misfires. Lawrence pulls out a 2nd pistol, which also misfires! Jackson attacks Lawrence with his cane. The would-be assassin is then restrained.

Lawrence plays the part of a "deranged" lone gunman, but he does suggest that Jackson's opposition to the Central Bank is what motivated his action, saying that with Jackson dead, *"Money will be more plenty."* **(3)**

The assassination attempt on Jackson is the first against an American President who defied the **New World Order** bankers. Many more attempts against conservative and nationalist Kings, Prime Ministers, and Presidents, carried out by manipulated loner fanatics, are yet to come.




The legend of the General – President Jackson grows stronger by the day.

1836
JACKSON WINS! THE CENTRAL BANK IS KILLED

Biddle's effort to keep the Central Bank alive fails as the charter expires. When asked in later years about what he believed was his greatest accomplishment, Jackson replied: ***'I Killed the Bank."*** **(4)**

The privately owned bank will go out of business completely in 1841. Biddle is arrested for fraud, but later acquitted. Jackson's heroism set the NWO bankers' efforts back many years. It will be 77 more years before the fraudulent monster of central banking resurfaces in America under the name: "The Federal Reserve System".





1- 1836 Cartoon: Jackson slaying the 'Monster Bank'

2- Jackson is still hated to this day by America's Ruling Financial Class and their prostitute "historians". In 2015, a media-hyped effort to remove Jackson's image from the $20 bill was launched.

1844
WRITER, FUTURE UK PRIME MINISTER USES FICTION TO CONFIRM THE ROTHSCHILD CONSPIRACY

Benjamin Disraeli is a Jewish writer and aspiring politician. He will become Prime Minister of Britain *(1868, and 1874)* and a dominant player of the 19th century. Long before his rise to power, Disraeli publishes **Coningsby: The New**

Generation. Though fictional, *Coningsby* is based on British politics ***(****Young England* ***Movement).***

A character named Sidonia represents **Lionel de Rothschild** *(son of Nathan)*. Sidonia describes to the politician Coningsby how unseen forces - the "Sidonias" foremost among them, shape Europe's affairs. Sidonia reveals his dislike for the Romanovs *(Russian Czars)*:

"there is no friendship between the Court of St. Petersburg (Russia) and my family." **(5)**

Sidonia foretells of the Jewish role in the coming 1848 Revolutions about to engulf Europe.

"You never observe a great intellectual movement in Europe in which the Jews do not greatly participate... that mighty revolution of which so little is as yet known in England, is entirely developing under the auspices of Jews." **(6)**

Sidonia hints of subverting White nations by making the Whites disappear through "race mixing":

"The fact is you cannot destroy a pure Caucasian race. It is a simple law of nature. ***The mixed persecuting race disappears****, the pure persecuted race (Jews) remains."* **(7)**

- "persecution"' = opposition to Rothschild

Sidonia concludes his confession by speaking of the shadow rulers:

"*So you see my dear Coningsby, that the world is governed by very different personages from what is imagined by those who are not behind the scenes."* **(8)**







Disraeli was very close to the Rothschild Dynasty which made his career. In 'Coningsby', Disraeli uses fiction to describe the very real power and real plans of Lionel de Rothschild (right) and family.

"The mixed persecuting race disappears."

1848
'SPRING TIME OF THE PEOPLES'; PRE-PLANNED REVOLUTIONS AFFECT 50 COUNTRIES

As foretold by Disraeli, pre-planned uprisings - similar to today's "color revolutions" - begin in Sicily in January of 1848. Soon after, revolts "spontaneously" break out in 50 states throughout Europe and South America. The rebel Reds and other assorted groups demand "democracy" *(mob rule manipulated by the Banking Dynasties / Globalists).*

Although there are legitimate grievances in any nation, and many of the 1848 reformers are sincere people with noble republican visions, the higher purpose of the revolts is not to improve the lives of the people. The true goal is to subvert the authority of existing governments and install "democratic" governments that can be easily controlled by agents working for **The New World Order.**

Again, let us reiterate:

The New World Order refers to a movement among banking, media and academic elites - the legendary Rothschild Family foremost among them - with philosophical roots dating back to the days of the French Revolution.

The N.W.O. envisions the future establishment of an integrated system of "Global Governance" to be erected upon the ruins of the "Old World Order" - a world based on sovereign and independent nations.

The controlled revolutions wreak havoc, causing thousands of deaths and leading to political changes in some states. Within a year, the revolutions will have been put down, but the political structure of Europe has now been weakened by the slow poison of "liberalism". Czarist Russia, the hated enemy of the legendary Globalist **Rothschild Family**, is unaffected by the Red tumult of 1848, but not for long.



1848 was a big year for the Globalists and their controlled 'pro-democracy' mobs of Communists, republicans and assorted dupes of varying stripes.

1848
KARL MARX PUBLISHES THE 'COMMUNIST MANIFESTO'

As well-funded and well-organized revolutionary movements spread across Europe, German-Jewish "philosopher" **Karl Marx** sets forth the goals of the Communists. For all his lofty talk and empty promises of a "workers' paradise" and "social justice", the **Communist Manifesto** is just an intellectual mask for the Rothschild Family's Globalist plan to enslave humanity under a **New World Order.** Marx's grandparents were actually related to the Rothschild Family, through marriage.

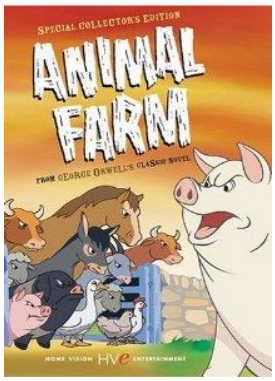
The Communists call for heavy income taxes, a Central Bank with monopoly on credit, abolition of private land ownership and inheritance, state control over communication, education, manufacturing, agriculture, and medicine. Marx refers to this totalitarian scheme as 'dictatorship of the proletariat *(downtrodden masses).*

Marx's cult followers promote violence, class envy, and hostility towards free markets, family, business, tradition, and Christianity. In addition to the angry misfits, envious losers and maladjusted criminals who worship Marx; there are many well-meaning idealists who fall for Marx's empty and poisonous promises of a better world with security and prosperity for all.

These "useful idiots" are known, to this day, as "liberals" or "progressives". Their thoughtless idealism will unwittingly help the Reds and Globalists greatly.







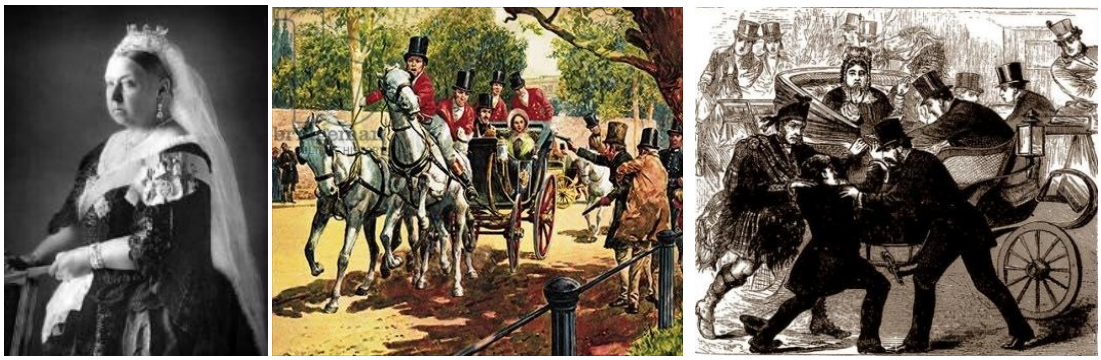
1 & 2 - The revolutionary philosophy and false promises of Marx & Engels will destabilize Europe for many years to come. 3- George Orwell's classic, 'Animal Farm' is an allegorical expose of what idealistic Communism is really all about.

1840-1880
<u>SEVEN</u> ASSASSINATION ATTEMPTS ON QUEEN VICTORIA

During the 64 year reign of **Queen Victoria** *(1837-1901),* **(9)** the legendary Monarch will survive an astounding **seven** assassination attempts! Three of these failed efforts against Victoria occurred during the turbulent 1840's. These attempts, and the many other attempts and murders of European Kings in the

coming years, combine to send a clear and intimidating message to the Monarchs of Europe.

Were the dark forces of the NWO behind any of the attempts on Queen Victoria? We can only speculate, but it does seem plausible. By the end of her reign, the once powerful Victoria and her heirs will have been reduced to a nostalgic sideshow. The Rothschild **New World Order** is, to this day, run out of London's financial district *(AKA "The City" of London.)* The symbolic British Monarchy survives only because its members know better than to challenge the Globalist-Zionist Bosses in London.



Victoria's power is usurped by The House of Rothschild and its agents.

FEBRUARY, 1853
ASSASSINATION ATTEMPT MADE AGAINST EMPEROR FRANZ JOSEPH OF AUSTRIA-HUNGARY



The wave of attempted murders of European Monarchs continues with an attempt on Austria-Hungary's Emperor **Franz Joseph**. The Emperor survives a stabbing by Hungarian "nationalist" Janos Libenyi, who attacks Franz from behind, stabbing him in the neck.

In addition to using Reds *(Communist & Anarchists)*, the NWO Mafia will often use mentally unstable "nationalist" tools to carry out suicidal assassination attempts and destabilize multi-national Empires.

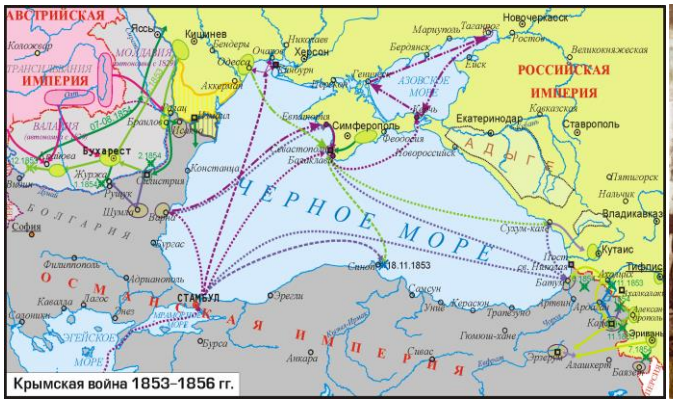
Fortunately for the Emperor, the collar of his uniform is so sturdy that it blunts the effect of the knife. One of the Emperor's officers then strikes down the assassin with his saber, killing him on the spot. Franz Joseph will go on to live a long life. He will still be Emperor when Austria-Hungary, Serbia and Russia are manipulated into World War I following the 1914 assassination of his nephew by a Serbian "nationalist".

1853-1856
ROTHSCHILD, BRITAIN, FRANCE & TURKEY WAGE THE CRIMEAN WAR AGAINST RUSSIA

The Crimean War is fought between Russia, and an alliance of Britain, France, and the Ottoman Empire *(Turkey)*. Most of the conflict takes place on the Crimean Peninsula *(Black Sea / Ukraine)*. On the surface, the war is fought for influence over territory, **including control of Ottoman ruled Palestine**. Russian Czar Nicholas I seeks to avoid war by assuring Britain that its only interest is to protect fellow Orthodox Christians under Ottoman rule.

But Rothschild's Britain is determined to fight Russia. France will join them. The Rothschild Family finances the British-French war effort against the Czar. **(10)** After 2& 1/2 years of war, peace negotiations begin in 1856 under Nicholas I's son and successor, Alexander II. Russia and Turkey agree not to establish any naval bases on the Black Sea. The loss of Black Sea ports is disadvantageous for Russia, but she will regain the ports later on.

The results of the Crimean War foreshadow future events. It is the first direct assault on Russia by the forces of **The New World Order.**





The Crimean War weakens Russia's position.

1859
DARWINS THEORY OF 'EVOLUTION' IS EMBRACED BY THE COMMUNISTS AND HYPED UP BY THE PRESS

When **Charles Darwin** publishes "**The Origins of Species"** there is great skepticism over his theory that all life "evolved" from a common ancestor. The un-testable, un-observable "theory of evolution" holds that a self-forming, single-cell creature, over a very long time, evolved into a fish - then an amphibian -then into a tree swinging ape - and then into a human being.

Mistaking observable adaptation for "Evolution", Darwin predicts that in time, fossil evidence will reveal the billion year progression from ocean scum to swimsuit 'super model'. After 150 years of digging, this chain of evidence has yet to materialize.

There are HUGE holes in Darwinism and his works are absolutely riddled with logical fallacies and rhetorical tricks. Yet, from its inception, Darwin has benefited from intense media and academic hype. To even *mildly* question "evolution" will get one shouted down as "ignorant" and "uneducated". This alone is evidence of its flaws!

The cult-like acceptance of Darwinism has done much to destroy faith in a Supreme Creator - and therefore the moral standards that logically derive from such faith. History shows that a people not rooted in moral principles cannot sustain self-government. They will in time degenerate and fall easy prey to tyrants.

Therefore, the fact that **Karl Marx** in his 1873 work, "Das Kapital" **writes a dedication to Charles Darwin**, is not at all surprising:

"Darwin's work suits my purpose in that it provides a basis in natural science for the historical class struggle." **(11)**

And nor is that the first and only expression of Communist excitement over Darwinism:

November 27-30, 1859: Communist icon **Friedrich Engels** acquires one of the very first copies and sends a letter to Marx telling him:

"*Darwin, by the way, whom I'm just reading now, is absolutely splendid*". **(12)**

December 19, 1860: Marx writes a letter to Engels telling him that Darwin's book provides the natural-history foundation for the Communist viewpoint:

"These last four weeks, I have read all sorts of things. Among others, Darwin's book ….this is the book which contains the basis on natural history for our view. **(13)** (emphasis added)

January 16, 1861: Marx writes an excited letter to his Communist friend Ferdinand Lassalle, the founder of the International Socialist movement in Germany:

"Darwin's work is most important and ***suits my purpose*** *in that it provides a basis in natural science for the historical class struggle."* **(14)** (emphasis added)

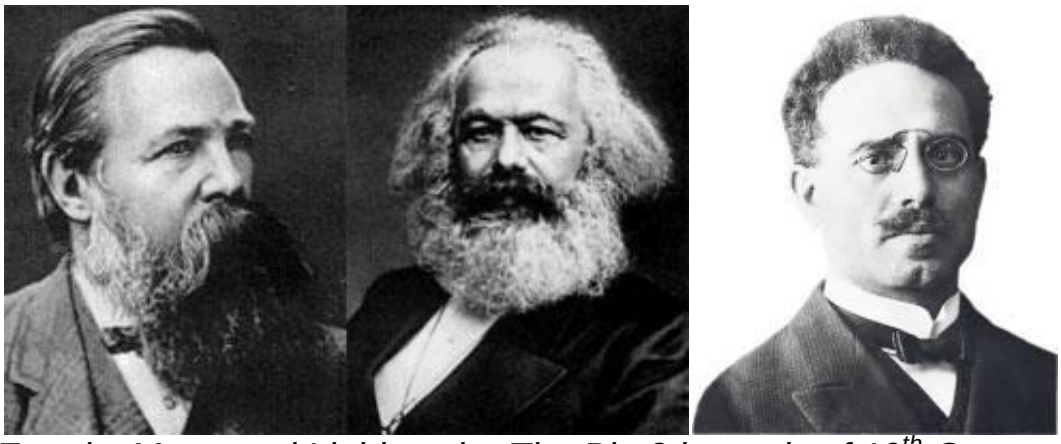
June 18, 1862: Marx had already *re-read Origin of Species*, and again writes to Engels: *"I am amused at Darwin, into whom I looked again"* **(15)**

1862: Marx quotes Darwin again within his 'Theories of Surplus Value':

"*In his splendid work, Darwin did not realize that by discovering the 'geometrical progression' in the animal and plant kingdom, he overthrew the Malthus theory.*" **(16)**

German Communist leader Wilhelm Liebknecht later described just how excited the 19th Century Communist leaders all were about the new theory:

"*When Darwin drew the conclusions from his research work and brought them to the knowledge of the public,* ***<u>we spoke of nothing else for months but Darwin</u>*** *and the enormous significance of his scientific discoveries.*" **(17)** (emphasis added)

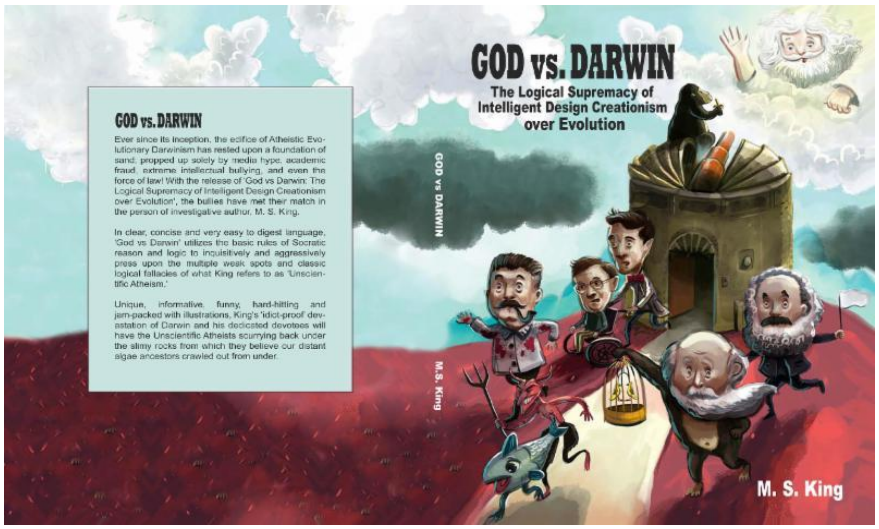


Engels, Marx, and Liebknecht. The Big 3 legends of 19th Century Communist subversion were all obsessed with Darwinism. Why?

Indeed, "evolution" is very good for Globalism. That explains the academic and media hype behind it, as well as why **we are not allowed to question it.**

In spite of its **scientific flaws -** such as the complete lack of fossil evidence for the transitional species, the impossibility of testing the evolution hypothesis, the impossibility of species adding and losing complex chromosomes, the unobservable event of life coming from non-life, the impossibility of DNA codes writing and re-writing new and never seen before sequences, the lack of any plausible explanation for the "evolution" of *integrated complexity* present in all living organisms, and the simple fact that cross-species evolution has never been observed *(only minor adaptation of traits within a species has been observed)* - "evolution" is pushed as an indisputable fact and protected by extreme intellectual bullying as well as the force of law.

The purpose is to destroy man's faith in a Creative Intelligent Designer and the associated higher virtues that logically flow from such knowledge. In the vacuum left by "the death of God", a demoralized and degenerate people 'worship' the Government instead. As traditional families and cash strapped churches fade away, the Atheistic state takes over the charitable duties that strong families & churches used to provide.



God vs Darwin: *The Logical Supremacy of Intelligent Design Creationism over Evolution*



1- Darwin: Shhhh! You must not question 'Evolution"

2- The insanity of "Evolution" teaches that the lizard and the super-model evolved from the same common spontaneously forming one-cell ancestor.



1859
THE TERRORIST JOHN BROWN

In 1859, the abolitionist-terrorist John Brown attempts to raid a Federal armory in Harper's Ferry, Virginia. His purpose is to start a violent liberation movement among enslaved Blacks. The effort fails and Brown is tried for treason against the Commonwealth of Virginia, murder, and inciting a slave insurrection. A few years earlier, Brown and his men had also massacred five White men in Kansas.

Brown is found guilty on all counts and hanged. Southerners believe that his rebellion is just the tip of the abolitionist iceberg and represented the wishes of the Republican Party to end slavery. The **Harpers Ferry** raid in 1859 escalates already existing tensions that, a year later, will lead to secession and the Civil War. Had it not been for unreasonable psychopaths like Brown, the South would, in due time, have phased out slavery without bloodshed – as other countries already had done.



The lunatic John Brown remains a heroic figure for modern day Marxists. (Google: John Brown Marxism).

APRIL, 1861
NORTH VS SOUTH: THE AMERICAN CIVIL WAR BEGINS

It might be a bit of an oversimplification to say that New World Order gang engineered the entire **Civil War**, aka The War Between the States, aka *(in the South)* **The War of Northern Aggression**. Regional differences of culture, interest and ideology existed since the founding of the American Republic *(recall Hamilton vs Jefferson / Jackson vs Biddle)*.

The American system of mercantilism / protectionism profits the North at the expense of the South. The perpetuation of that system is a cause of friction between the two regions. Another factor is that self-righteous New Englanders despise the more libertarian and *sometimes* less educated citizens of the South. Southerners are aware of this supercilious attitude, which in turn fuels resentment of the "Yankees".



However, the playing off of the Northern Central Government against a southern Confederacy dovetails very nicely with how the Globalists have always operated *(and continued to operate)*. The United States is now a commercial power *mostly* outside of Rothschild control. But those political & cultural differences between the industrial North and the agricultural South have long been an issue of concern. When tensions between the South and the U.S. Federal Government come to a boil, the southern states *(Confederacy)* begin to secede from the Union. In April of 1861, after provoking a Southern attack against the Feds at Fort Sumter **(18)**, President Lincoln orders an invasion of the South.

Contrary to pop- history, the main issue of the Civil War is not about slavery.

At most, only about 3% of southerners hold slaves, and four of the Northern states are actually slave-holding states! President Lincoln does indeed oppose slavery, but he will later use the issue only as a propaganda tool to raise moral support for his true goal; saving and strengthening the Union / Federal government.

INTRIGUERS IN THE NORTH / INTRIGUERS IN THE SOUTH

Apart from those in the North whose sincere desire is to "save the union"; and apart from those in the South whose equally sincere wish is to defend their liberties, there are shady characters maneuvering behind the scenes on both sides – elements without which, the tragic war might never have happened.

THE NORTH

In American Jacobins: Revolutionary Radicalism in the Civil War Era, Jordan Lewis Reed of the University of Massachusetts explains:

"By the late 1830s, this radical edge of the antislavery movement embarked onto two courses, both derived from and influenced by their newfound ideology. The first was towards violent direct action against slavery while the second aimed at legitimizing radical new legal theories and creating the political structure necessary to bring about their enforcement. While on the one hand ***John Brown*** *and* ***Gerrit Smith*** *pursued militant action, on the other* ***Alvan Stewart*** *and* ***Salmon P. Chase*** *sought a political and legal redefinition of American society through the Liberty and eventually Republican parties.*

With the coming of war in the 1860s, these two trends, violence and radical politics, converged in the Union war effort. In the midst of the Civil War and the early fight for Reconstruction, Radical Republicans and their allies in the Union Army displayed themselves as ***American Jacobins****."* **(19)**

There were also many Jews energetically supporting the Northern cause. **August Belmont** a known financial agent of the House of Rothschild **(20),** is foremost among them. Belmont is a German Jew who had changed his name from Schönberg to Belmont. He is a leader of the war faction of the Democrat Party known as 'War Democrats". The Belmont Stakes horse race is named after Belmont.

THE SOUTH

There is strong Jewish influence supporting the cause of secession as well. Louisiana Senator **John Slidell** is not Jewish, but his family ties to European Jews run deep. Slidell's daughter is engaged to **Baron Frederic Erlanger**, a French Jewish financier based in Paris. Erlanger helps to fund the Confederacy, gouging the South with usurious interest rates and fees too! **(21)**

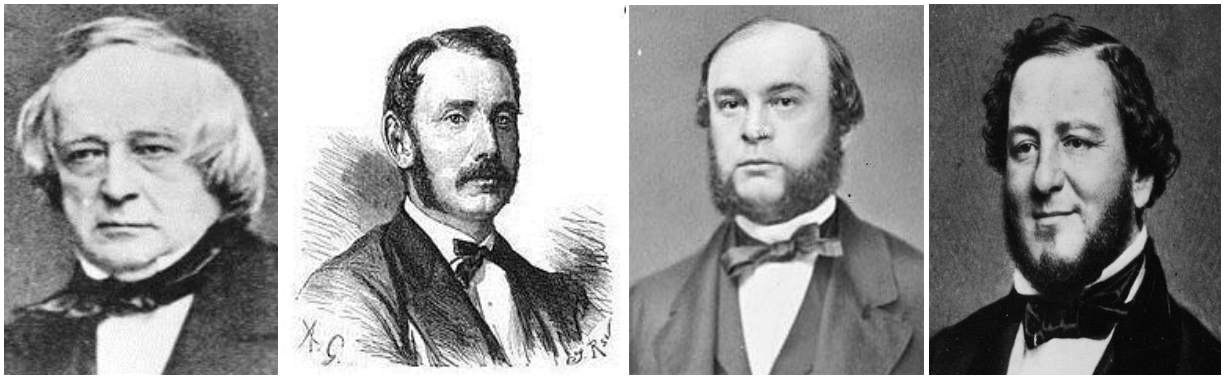
Erlanger's financing of the South, as confirmed even by today's New York Times **(22)**, is directly linked to the House of Rothschild. Slidell would later serve the Confederate States government as foreign diplomat to Great Britain and French Emperor Napoleon III.

Now the niece of the influential Senator Slidell is married to the aforementioned northern financier August Belmont *(Schönberg)*- Rothschild's Jewish boy and

Democrat boss supporting the Northern cause. After the war, "Confederate" Slidell will make his "Unionist" nephew-in-law his political protégé.

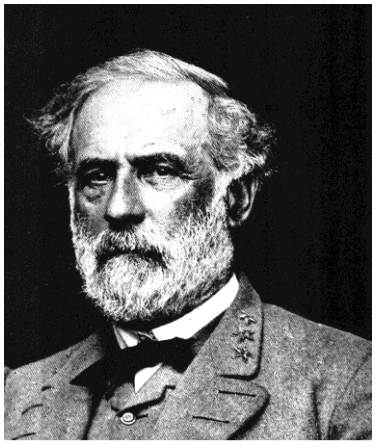
Also hooked up with Senator Slidell in this tangled North-South-Rothschild knot of financial-political intrigue is fellow Louisiana Senator **Judah Benjamin**, the Jewish big-shot who goes on to become the Confederacy's Attorney General, then Secretary of War, and then Secretary of State. There will be more on Big Benjamin in just a moment.

Through the shadowy fog of 150 years of elapsed history, we can still discern a clear pattern of divide & conquer, balance of power conspiratorial actions being played upon both sides - and with tragic consequences.



*Senator Slidell – His Jewish Son-in-Law Erlanger – His Jewish Nephew-in-Law Belmont, and Jewish fellow Senator Benjamin form an incestuous North-South connection with **direct links** (through Erlanger and Belmont) to the House of Rothschild*

General Robert E. Lee is critical of politicians on both sides:



"They do not know what they say. If it came to a conflict of arms, the war will last at least four years. Northern politicians will not appreciate the determination and pluck of the South, and Southern politicians do not appreciate the numbers, resources, and patient perseverance of the North. Both sides forget that we are all Americans. I foresee that our country will pass through a terrible ordeal, a necessary expiation, perhaps, for our national sins." **(23)**

- *Confederate General Robert E Lee*

JULY, 1861
THE BATTLE OF BULL RUN / SOUTH WINS THE FIRST BATTLE OF THE WAR, BUT FAILS TO FOLLOW-UP WITH THE 'KNOCK-OUT BLOW'

If the South is to have any chance of gaining its independence, it will have to win early, before the more industrialized and populated North can outlast them. The first battle of the war at Bull Run *(Manassas, Virginia)* is therefore critical. To make a long story short, the rebels force a Union retreat that soon turns into a full rout. The Battle of Bull Run will soon be referred to by some as "The Battle of Yankee Run" *(Yankees are the Northerners).*

The Union Capital, Washington DC, is just miles away and now essentially undefended. It is the South's for the taking. The capture of DC and other parts north would have delivered a huge psychological blow to the North. Because many northerners aren't in favor of the war anyway; the capture of DC might very well have ended the war that same year. But instead of finishing the job, someone has decided to save the Capital - a decision that enflames the Southern press and leads to bitter finger-pointing.

The 'fall-guy' for this blunder will be War Secretary Leroy Walker. But in reality, it is the ex-war hero and ex-War Secretary and current Confederate President **Jefferson Davis** who calls the shots, not the young Walker. But it is also known that Davis relies heavily on the advice from the man whose intelligence and gift-of-gab he was awed by – Jewish Attorney General and former Louisiana Senator **Judah Benjamin**, referred to by critics as, *"Davis's pet Jew"*. **(24)**

Was it Judah Benjamin, ***the man openly admired by Solomon de Rothschild***, **(25)** who may have whispered poison in Davis's ear, telling him not to take DC and thus blowing the chance to win the game early for the South? And after Walker has been made the scapegoat and fired; who replaces him as War Secretary? None other than Judah Benjamin!



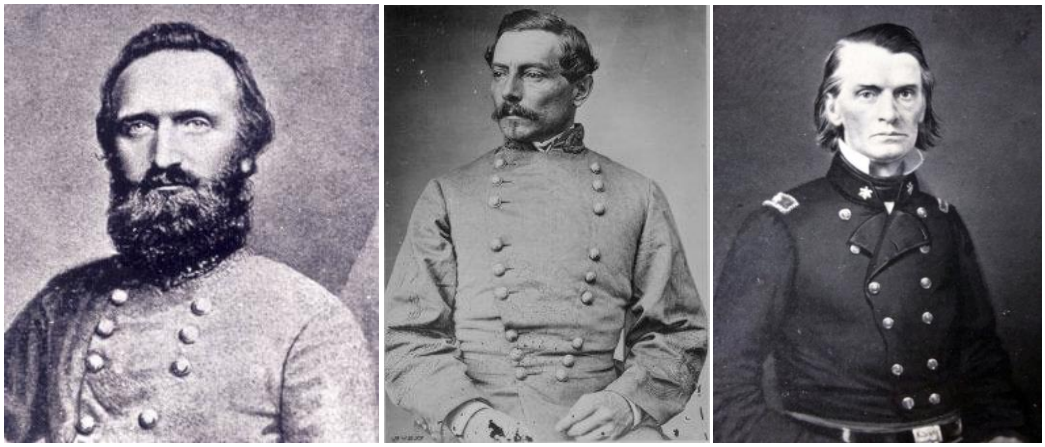
After Bull Run turned into a rout, Washington – just 30 miles away – could have been captured. Whose idea was it to halt? That of Davis --.or Benjamin?

Could the new War Secretary Benjamin's subsequent 1861 interference with the Generals, - acts so controversial that they would force a Congressional investigation - and his bizarre refusal to supply them as requested have been a ploy designed to prolong the war until the Rothschild's British and French hit-men could arrive to divvy up' America into two spheres?

Establishment historians will later claim that Benjamin's defiance of the Generals was due to a lack of supplies in the South. But given how early it was in the war, the claim that supplies were low seems like a cover story. If "lack of supplies" had been the cause of Benjamin's decisions, Generals Jackson and Beauregard would not have had reason to dislike Benjamin as they did.

Such a delaying scenario would fit perfectly with a Rothschild plan to have a long war, one in which both sides could be weakened before the British-French can arrive.

Let’s take a closer look at the shady Mr. Benjamin.



Generals Jackson, Beauregard and Wise all hated Judah Benjamin.

1861-1865
JUDAH BENJAMIN – THE JEWISH INTRIGUER BEHIND THE CONFEDERATE 'THRONE'

Outwardly, the esteemed **Jefferson Davis** is the 'top dog' of the South – the President of the Confederate States of America. But behind the scenes, Judah Benjamin, with his European connections and impressive intellect, is, in the grand scheme of things, more powerful than Davis. What the banking agent Alexander Hamilton had been to George Washington, the trusted Benjamin is to Davis, *and then some*. Like Hamilton, Benjamin was also born a British subject *(West Indies)*. **There is simply no exaggerating the significance of Judah Benjamin.**

Biographer Eli Evans wrote that Benjamin:

"…achieved greater political power than any other Jew in the nineteenth century — perhaps even in all American history." **(26)**

Historian Charles Curran, in a 1967 issue of 'History Today' wrote:

Judah Philip Benjamin must be bracketed with Disraeli, who was his contemporary, as the ablest Jewish politician ever born under the British flag. But his career outdid Disraeli's in audacity. Benjamin lived three lives in one." **(27)**

Judah was a plantation owner, slave-owner and originally a Senator from Louisiana - as was the aforementioned and equally European-connected John

Slidell. Although he has no military experience, Benjamin is named the South's Secretary of War in 1861, after serving as Attorney General for several months. Many in the South loath and mistrust Benjamin. The great General Stonewall Jackson once threatened to resign over conflicts with Benjamin **(28)**- who was commonly referred to in the South as *"Mr. Davis's pet Jew"*. **(29)**

But certain people in Europe had a much higher opinion of Benjamin. In 1861, Salomon de Rothschild - grandson of dynasty founder Mayer Amschel Rothschid - described Benjamin as: *"the greatest mind in North America"* **(30)** That pretty much tells us all we need to know about the "southern rebel" Judah Benjamin!

In 1862, Benjamin is forced to resign as War Secretary. But Davis then appoints him as the South's Secretary of State. In this position, Benjamin will work with Swindell and Swindell's French Jewish son-in-Law Erlanger to secure not just financing from the Rothschild syndicate, but also to induce the direct involvement of Rothschild's Britain & France into the war, on the side of the South.



Judah Benjamin's face appeared on Confederate currency and bonds!

NOVEMBER, 1862
LINCOLN FIRES GENERAL McCLELLAN FOR HIS REPEATED DELAYING TACTICS

General **George B. McClellan** ably built the Union Army in the early stages of the war and achieved some early successes. But by 1862, McClellan's campaigns became notorious for timidity and sluggishness. Just like the Judah Benjamin's Confederate Army passed up a golden opportunity to capture the Union Capital *(Washington DC)* in 1861, McClellan was poised to take the Confederate Capital *(Richmond, Virginia)* in 1862 – but chose to retreat to a smaller-numbered force.

After Robert E. Lee defeats the Union at the Second Battle of Bull Run in late August, 1862, he invades Maryland. With the Confederates crashing into Union territory, Lincoln has no choice but to turn to McClellan to stop Lee.

McClellan and Lee battle to a standstill along Antietam Creek near Sharpsburg, Maryland. Lee retreats back to Virginia and McClellan ignores Lincoln's urging to pursue him. For six weeks, Lincoln and McClellan exchange angry messages, but McClellan stubbornly refuses to march after Lee.

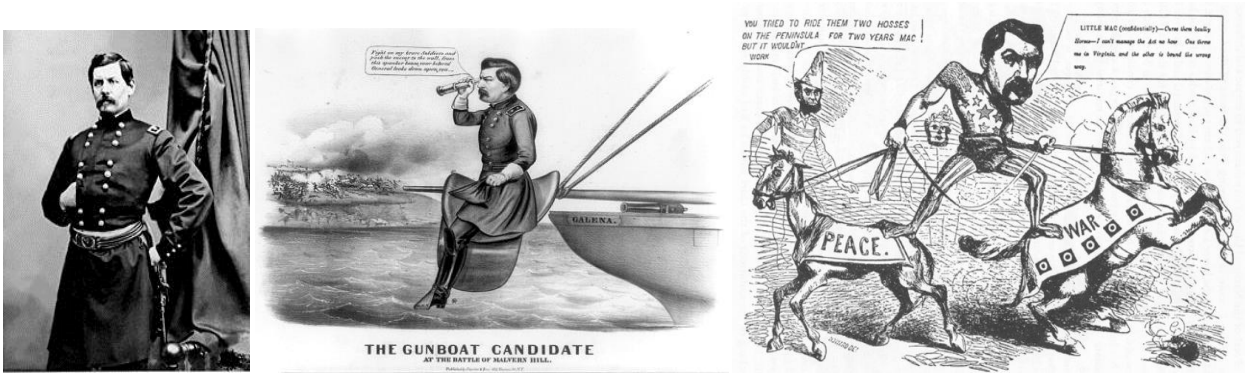
In late October, McClellan finally begins moving across the Potomac in feeble pursuit of Lee, but he takes nine days to complete the crossing. Lincoln has seen enough. He finally removes McClellan and names General Ambrose Burnside to be the commander of the Army of the Potomac.

A picture now emerges of players on both sides of the conflict refusing to press advantages that could end the war early. We have already reviewed the intrigues of Judah Benjamin and his links to the Rothschild gang. Is there a Rothschild player that we can connect McClellan too? There is.

Two years after his removal, at a time when the Union is winning the war, McClellan will be named as the Democrat Presidential candidate to run against Lincoln in 1864. The chairman of the Democrat Party, and enthusiastic supporter of McClellan, is none other than Rothschild Jewish boy with the adopted English name – August Belmont; the nephew-in-law of Louisiana Senator and Judah Benjamin crony, John Slidell.

McClellan-Belmont-Slidell-Erlanger-Benjamin--Rothschild.

The North-South circular game is clear now. Neither side was supposed to win the War Between the States, at least not too soon. *Both* sides were meant to be bled before losing to the **New World Order**.



The Northern Press mocked McClellan's unwillingness to fight in numerous stories and cartoons. His past refusal to engage became an issue when he ran for President in 1964.

1861-1865
THE UNION DEFIES THE HOUSE OF ROTHSCHILD AND PRINTS ITS OWN 'GREENBACK' CURRENCY

Lincoln needs money to fund the war. He is extorted by the New York bankers, who want the Union to sell high interest bonds to them *(20%!)*, which they can resell to the banking syndicate in London.

Lincoln thwarts the bankers by issuing unbacked currency directly from the Treasury. The currency comes to be known as **Greenbacks.** The effect is inflationary, but it does prevent the Union from having to crawl to the New York-London syndicate.



Printing your own national currency is forbidden by The New World Order

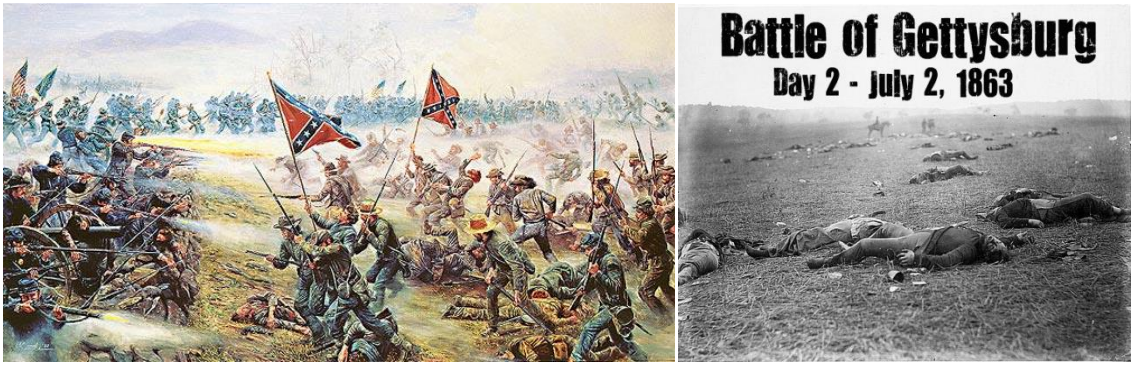
JULY 1-3, 1863
THE NORTH WINS THE BATTLE OF GETTYSBURG

The **Battle of Gettysburg** is fought in and around the town of Gettysburg, Pennsylvania. The battle involves the largest number of casualties of the entire war and will mark the turning point of the Civil War – in the North's favor.

After his success in Virginia in May 1863, Gen. Robert E. Lee leads his army through the Shenandoah Valley to begin the invasion of the North. With his army in high spirits, Lee intends to shift the focus of the war away from northern Virginia. The goal is to influence Northern politicians to stop the war by penetrating as far North as Harrisburg, Pennsylvania, or even Philadelphia.

After a grueling tussle back and forth, the Union Army beats back attacks by the Confederates and ends Lee's attempt to invade the North. For a three-day battle, the final casualty numbers are horrific.

North: 3,150 / Killed / 14,500 Wounded
South: 4,700 / Killed / 13,000 Wounded **(31)**



Brother killing brother with Rothschild agents involved in both ends.

JULY, 1863
DEADLY ANTI-DRAFT RIOTS IN NEW YORK CITY

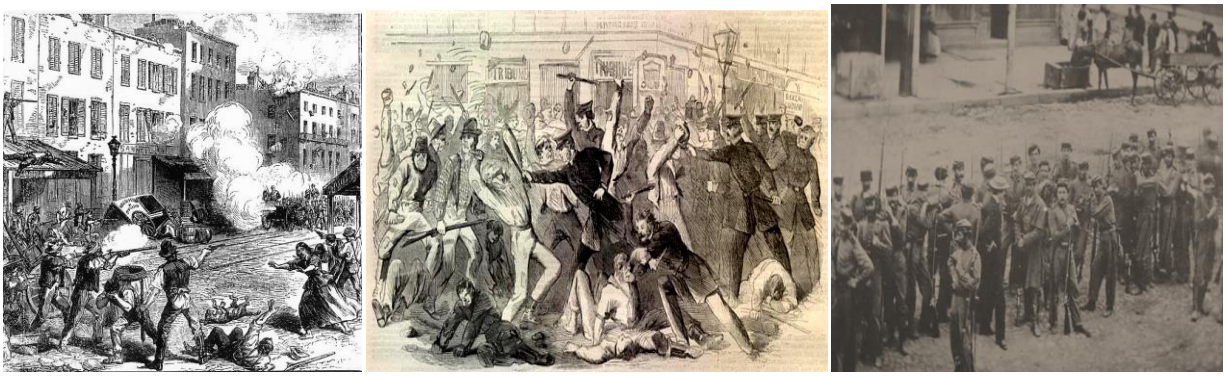
Increasing support for the abolitionists and for emancipation of southern slaves led to anxiety among New York's Irish. From the time of Lincoln's election in 1860,

the Democratic Party had warned New York's Irish and German residents to prepare for the emancipation of slaves and the resultant labor competition when southern blacks came north. To these New Yorkers, the Emancipation Proclamation was confirmation of their worst fears.

In March 1863, fuel was added to the fire in the form of a strict federal draft law. All male citizens between twenty and thirty-five and all unmarried men between thirty-five and forty-five were subject to military duty. The federal government entered all eligible men into a lottery. Those who could afford to hire a substitute or pay the government three hundred dollars might avoid enlistment. Blacks, who were not considered citizens, were exempt from the draft.

Initially intended to express anger at the draft, draft protests turned into a 4-day riot, with white Irish immigrants attacking blacks wherever they could find them. The military did not reach the city until after the first day of rioting, when mobs had already destroyed numerous government buildings, two Protestant churches, the homes of abolitionists, many black homes, and a Colored Orphan Asylum, which was burned to the ground. Lincoln had to divert 4,000 troops to control the city.

The official final death toll was listed at 119, with 2000 injured. Pro-Union newspapers later allege that some of the leaders of the riots were funded by foreign interests seeking to split the country. **(32)**



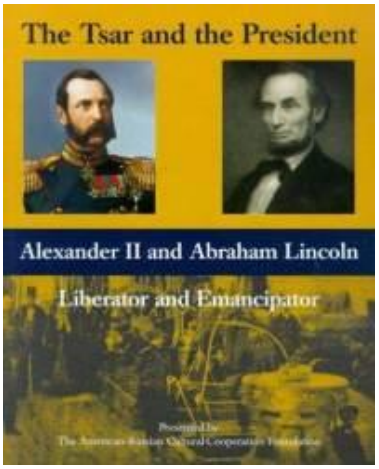
Irish New Yorkers fight the Federal Army.

1863
LINCOLN AND SECRETARY OF STATE SEWARD TURN TO RUSSIAN CZAR ALEXANDER I FOR HELP

A joint British & French entry into the war would have tipped the scales in favor of the South, and ultimately led to two American nations. Lincoln and his Secretary of State, William Seward block the scheme of Judah Benjamin by turning to Russia.

In a clear message to his old Rothschild-funded foes from the Crimean War, Czar Alexander II stations the better part of his Pacific fleet in San Francisco, and a portion of his western fleet in New York. The British & French instigators of the Crimean War get the message and are forced to back off. Judah Benjamin and the Rothschild financiers are thwarted. **Together, Alex and Abe have defied the London Bankers,** and will both pay a heavy price for it, as we shall see.

After the war, in recognition of, or payback for, Russia's help in keeping Britain & France out of the war; Seward will arrange for the purchase of Alaska from Russia after the war – an act dismissed at the time as "Seward's Folly". But now we know the reason for the "folly".







1 & 2 - The Czar and the President / UK cartoon mocks both Lincoln and Alexander

3 - The presence of the Russian Navy during the U.S. Civil War sent a strong message to Rothschild Britain & France.

OCTOBER, 1864
THE CHICAGO TRIBUNE ACCUSES AUGUST BELMONT AND THE ROTHSCHILDS OF PLOTTING AGAINST THE UNION

On 16 October 1864 on page 2, *The Chicago Tribune* reported,

"BELMONT'S CONFEDERATE BONDS (Excerpts)

"It is perhaps somewhat flattering to our national pride to know that the Rothschilds, who hold up every despotism in Europe, have concluded that it would be cheaper to buy up one of our political parties (Democrats), and in that way secure the dissolution of the Union, than to have their agents in England and France interfere and fight us.

But Irishmen and Germans have a something, which for brevity we will all a 'crop,' and this fact sticks in their crop, that the oppressors of Ireland and Germany, the money kings of Europe, not daring to carry out their first pet project of breaking down this Government by the armed intervention, of England and France,

Let Belmont state over his own signature, if he can that he and Rothschilds have not, directly or indirectly, in their own name, or in that of others, operated in Confederate stocks during this rebellion. Until he can face the music in that style it matters little what tune any of the Copperhead penny whistles may be authorized to blow, as they are very seldom authorized to state anything that is true." **(33)**

APRIL 9, 1865
GENERAL LEE SURRENDERS / SOUTHERN WAR EFFORT BEGINS COLLAPSING

With the loss of the Battle at Appomattox Courthouse, General Lee accepts surrender terms. There will be isolated fighting for a few weeks, but in essence, the game is over at this point. True Southerners had fought bravely for "Dixieland" against what they saw as a central government that was usurping the rights of the states. In the end, Northern manpower, industry, and quite frankly, the *brutality* of Generals such as Sherman and Sheridan gave the Union an advantage which could not be overcome.

The Union is preserved, at a cost of 600,000 dead. Though the differences between the North and South were very real; the bloodbath need not ever have happened. Issues such as States' Rights, slavery, tariffs etc. could all have been worked out intelligently and peacefully by wise men of good faith on both sides.

America has the John Browns, John Slidells, Judah Benjamins, August Belmonts and other assorted dupes and traitors on *both sides* to thank for the disaster. And above those puppet-players stood the 'usual suspects' - the House of Rothschild.



General Robert E. Lee surrenders to General Ulysses S. Grant at Appomattox Court House in Virginia. A sad story for both sides.

APRIL 14, 1865
LINCOLN IS KILLED / SECRETARY OF STATE SEWARD STABBED IN HIS HOME

In the closing days of the American Civil War, a massive conspiracy to decapitate the U.S. government results in the assassination of President Lincoln by an actor with ties to secret societies. **John Wilkes Booth** shoots Lincoln in the back of the head as Lincoln and his wife watch a play at Ford's Theatre. Booth escapes.

On the same night of Lincoln's murder, **Lewis Powell**, an associate of Booth, attacks Secretary of State **William Seward** in his home. Seward is stabbed in the face and neck before other men in the house subdue Powell. Seward's wife Frances dies two months later from stress caused by seeing her husband nearly killed.

Vice President Johnson and General Ulysses S Grant were also to have been killed.

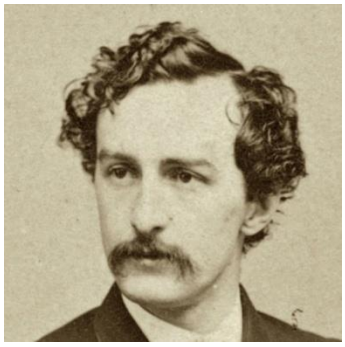
The "conspiracy theorists" of the day point the finger at Judah Benjamin, who burns the official papers of the Confederate Secret Service right about this time. **(34)** Thanks to Bennie the Burner, the full story of Confederate clandestine services, and most likely the Lincoln assassination, may never be known.




Lincoln was shot from behind as he sat next to his wife. Hours later, Secretary of State Seward is nearly stabbed to death in his home.

APRIL 26, 1865
DEAD MEN TELL NO TALES! / LINCOLN'S ASSASSIN IS ALSO ASSASSINATED

John Wilkes Booth is tracked down by troops nearly two weeks later. The soldiers set fire to a barn that Booth is hiding in. Instead of taking him alive, Sergeant Boston Corbett shoots Booth in the head as he moves about in the barn. Booth's secrets die with him.




The assassin was shot after soldiers set the barn he was hiding in on fire. Why was he not taken alive so that he could be interrogated?

APRIL 27, 1865
THE SINKING OF THE SULTANA / 1700 DEAD / GREATEST MARITIME DISASTER IN U.S HISTORY

The ***Sultana*** is a Mississippi River steamboat that is tied up at Cairo, Illinois when word reaches the city that Lincoln had been shot in Ford's Theater. Immediately, Captain Mason grabs an armload of newspapers and heads south to spread the news, knowing that telegraphic communication with the South had been almost totally cut off because of the war.

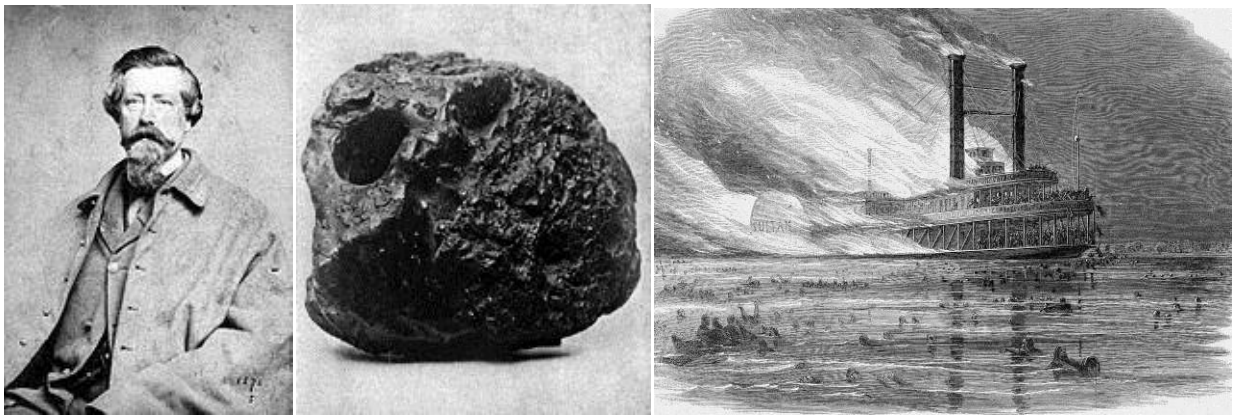
While docking in Vicksburg, Mississippi, to pick up a couple of thousand recently-released Union Prisoners-of-War, *Sultana* also has some repairs done to a leaky boiler. This gives Benjamin's Confederate secret agents access to the ship.

After leaving port in Mississippi, three of the boat's four boilers suddenly explode. *Sultana* burns to the waterline, sinking near Memphis, Tennessee. An estimated 1,700 of her 2,400 passengers die **(35)** *(more than the death toll of the famous Titanic)*. The disaster will be overshadowed in the press by the just day-old killings of John Wilkes Booth and recent killing of President Lincoln.

In 1888, a St. Louis resident named William Streetor reveals that his former business partner, **Robert Louden**, made a death bed confession of having sabotaged Sultana by a weapon known as a **coal torpedo (36) -** a hollowed out prop that looked like a lump of coal but is actually packed with explosives. Enemy agents would sneak the weapons into a ship's coal supply. When shoveled into the ship's firebox – the boiler goes BOOM! Several Union ships were destroyed in this manner with substantial loss of life.

Louden, a former Confederate agent and saboteur who operated in and around St. Louis, had the opportunity and motive and may have had access to the means. **Thomas Edgeworth Courtenay**, the inventor of the coal torpedo, was a former resident of St. Louis and was involved in similar acts of sabotage against Union shipping interests. Supporting Louden's claim are eyewitness reports that a piece of artillery shell was observed in the wreckage.

Remember this fiendish little weapon – the coal torpedo – because *Sultana* will not be the last ship to mysteriously blow up.



Agent Courtenay's invention – the coal torpedo – sank the Sultana.

MAY, 1865
JUDAH BENJAMIN ABANDONS THE SOUTH AND ESCAPES TO GREAT BRITAIN

As the south collapses, Benjamin stays in the home of a Jewish merchant in South Carolina while final surrender negotiations drag on. Here, Benjamin abandons President Davis's plan to fight on, telling him that the cause is hopeless. When negotiations fail, Benjamin remains part of the group around Davis that moves on with the President.

At one point, Benjamin *(under suspicion for involvement in Lincoln's assassination)* tells Davis that he needs to separate from the Presidential party temporarily, and go to the Bahamas to be able to send instructions to foreign agents. He reassures Davis that he will rejoin him in Texas. According to historian William C. Davis, *"the pragmatic Secretary of State almost certainly never had any intention of returning to the South once gone"*. **(37)**

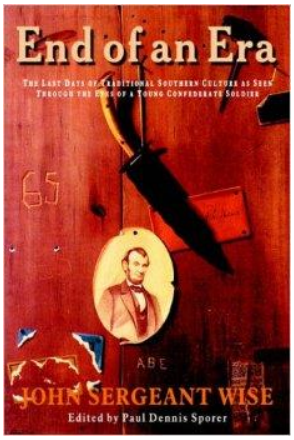
When he bids Postmaster Reagan goodbye, the Postmaster asks where Benjamin is going. Benjamin replies: *"To the farthest place from the United States, if it takes me to the middle of China."* **(38)**

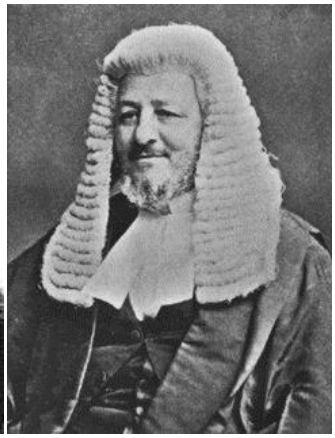
While other Confederate leaders, including the trusting fool Jefferson Davis, are being jailed and abused, Benjamin arrives in London before traveling to Paris - where his wife and daughter had been sent to live years before the war had even started. Benjamin then moves back to England and will enjoy a very profitable career and "second life" as an attorney, until his death in 1884.

Congressman John Wise, son of Confederate General and Virginia Governor Henry Wise, wrote a highly popular book about the South in the Civil War in 1899, *The End of an Era*. In it, he stated:

"(Benjamin) had more brains and less heart than any other civic leader in the South ... The Confederacy and its collapse were no more to Judah P. Benjamin than last year's bird's nest." **(39)**

Unfortunately for historians, and fortunately for the Rothschilds, Benjamin, exactly as he had done with papers pertaining to the Confederacy's secret services in 1865, burned his personal papers shortly before his death in 1884.



1 & 2 - John Wise 'End of an Era' expresses the true Southern feeling toward the scoundrel Judah Benjamin.

3 - After ditching his Confederate colleagues and the people of the South, Benjamin the Barrister went on to enjoy a hugely successful career in Rothschild's Britain.

1865
JEWISH MOGUL ESTABLISHES REUTERS NEWS AGENCY

The Reuters Telegram Company is the world's first major news organization. Established by **Paul Reuter** *(born Israel Bere Josafat),* Reuter's builds a reputation in Europe for being the first to report news 'scoops' from abroad, such as Abraham Lincoln's assassination. Almost every major news outlet in the world today subscribes to Reuters' services, which operates in over 200 cities in 94 countries in

about 20 languages. The creation of the Reuters media empire marks the critical point in history when Jewish moguls begin to dominate the press of Europe and the US.

Though the Reuters family founders and heirs have since passed away, the public company today continues to vomit out pro-Globalist and pro-Zionist propaganda.



Jewish domination of the press, and thus, the public mind, began with Reuters

1865-1870
LINCOLN'S DEATH ALLOWS A RADICAL FACTION TO BRUTALIZE THE SOUTH / SOUTHERN VETS FORM THE KKK

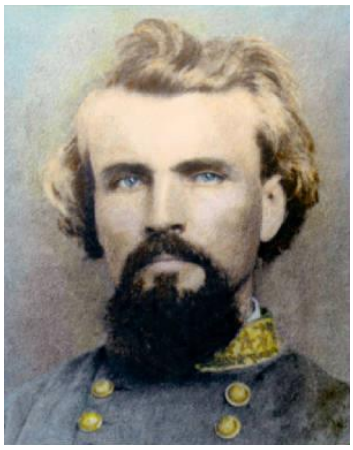
Though his war against the South was brutal and destructive, Lincoln's post-war policy towards the defeated states was to have been one of brotherly reconciliation and rebuilding. With his sudden death, however, a radical Jacobin-like faction of the Republican Party known as the **Radical Republicans** are free to abuse and punish the southern states for their attempt at succession.

During **Reconstruction**, many supporters of the Confederacy are banned from voting while newly freed slaves are given the vote before they can be educated. Smooth talking "carpetbaggers" from the North flood the South, promising the ex-slaves "40 acres and a mule" in exchange for their votes.

Once in office, the carpetbaggers and their ex-slave allies raise heavy taxes on the conquered southerners. Criminal acts against southern citizens, as well as rapes of southern women, are common. In this atmosphere of oppressive occupation, Confederate Army veterans form a secret society known as the **Ku Klux Klan** (KKK). Klan members clad in white robes and hoods, serve as vigilante groups.

They restore order, protect white women from being raped, lynch criminals, attack Radicals, and prevent the ex-slaves from mob voting for carpetbaggers.

More than the Civil War itself, it is the vindictive oppression of the South during Reconstruction that will incite racial tensions and leave lasting scars that will take nearly a century to heal.





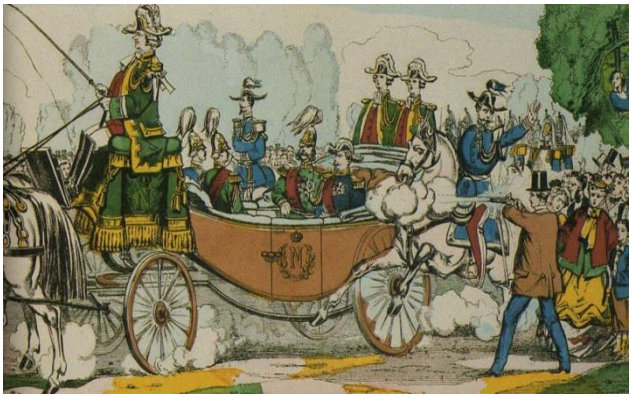
1- General Nathan Bedford Forrest was a founder of the KKK

2- 1915 film, "Birth of a Nation' depicts Klansmen chasing off post-war Black Union occupiers.

APRIL, 1866
THE FIRST ASSASSINATION ATTEMPT ON ALEXANDER II IS MADE BY A RED TERRORIST

One year after the murder of President Lincoln, Lincoln's ally, Russian Czar Alexander II also comes under fire. Red Revolutionary **Dimitry**.**Karakozov** draws his pistol and attempts to fire at Alexander. The attempt is thwarted when a quick-thinking bystander jostles his arm as he fires.

Karakozov is captured and will be executed. Ten of his accomplices are arrested and sentenced to hard labor


Alexander narrowly escaped the same fate as his ally, Abe Lincoln at the hands of a patsy named Karakozov.

1870-71
FRANCE STARTS – AND LOSES – A WAR WITH THE GERMAN STATE OF PRUSSIA

The **Franco-Prussian War** is a conflict between the French Empire of Napoleon III *(a nephew of Napoleon Bonaparte)*, and the Germanic Kingdom of Prussia. Prussia is aided by a confederation of many smaller German states. The swift Prussian / German victory thwarts French ambitions in central Europe, and brings about the end of Napoleon III's rule.

After the war, the French branch of the Rothschild Family steps up with a massive bail out of the nearly bankrupt French government. The new government *(The 3rd Republic)* is again a "democracy", bought and paid for by the Rothschilds, and under their influence more so than before.





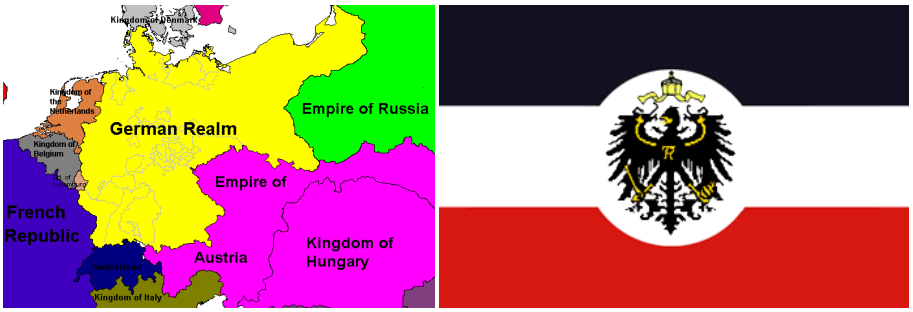
Imperial France started the Franco-Prussian War, not the Germans. Above: Prussian leader Bismarck (seated right) meets the defeated Napoleon III.

JANUARY, 1871
GERMAN STATES DECLARE UNITY / GLOBALISTS SEEK TO CONTROL NEW GERMAN EMPIRE

The Prussian / German victory over France brings about the unification of the German states under Kaiser *(King)* **Wilhelm I** of Prussia. United Germany will soon become the main economic power of continental Europe with one of the most powerful and professional armies in the world.

Meanwhile, back in England, the Globalists plot to control the new German nation. Although Jewish bankers thrive in Germany, Germany *(like Tsar Alexander's Russia)*, has the capacity to shape its own destiny and thwart the ambitions of the "City of London". Not only is German politics outside of Rothschild's total control, but the fact that several German Royals are intermarried with British nobility complicates 'the City's" ability to menace Germany with British power.

It will be 48 years before the new German nation can be brought under the thumb of The New World Order. But the long-range plan goes into effect immediately. Rothschild agent and future *(as well as ex)* "British" Prime Minister Benjamin Disraeli plots against both Germany and Russia.



The voluntary unification of the German states gives rise to a great German Reich (Empire / Realm)

1871
THE NEW GERMAN REICH GRANTS CITIZENSHIP RIGHTS TO JEWS / THE JEWS OF GERMANY PROSPER

Otto Von Bismarck is the Chancellor of the new German Reich under Kaiser Wilhelm I. Through his skilled and energetic diplomacy, he will keep Germany out of war, and the rest of Europe at peace.

Soon after united Germany is established, Bismarck's government becomes the first European nation to grant citizenship privileges to its Jewish population. **(40)** Even Rothschild's England has yet to do this. The UK's Jewish Prime Minister *(Disraeli)* holds office because he had "converted" to Christianity. **By 1900, this remarkable people will have obtained massive influence over German commerce, education, press, politics, arts and banking.**

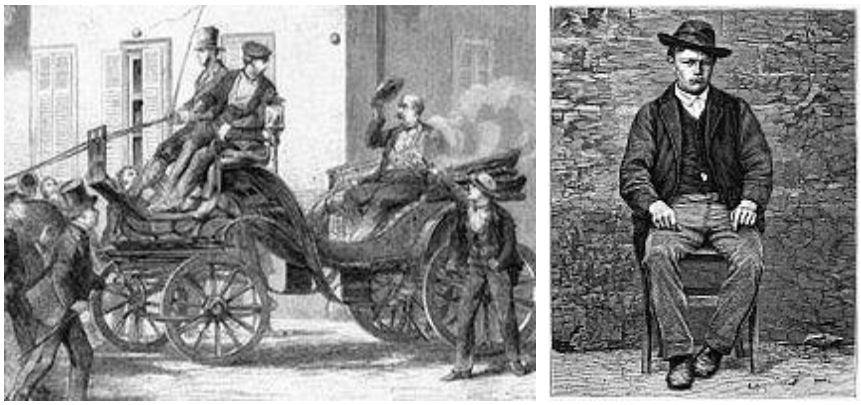


Bismarck, the political father of the German Reich, treated the Jews very well. They prospered in tolerant Germany.

1874
REDS ATTEMPT TO KILL CHANCELLOR BISMARCK

A Jewish Red named **Frederick Cohen** had previously shot Bismarck when he was Prime Minister of Prussia in 1866. Now, in 1874, terrorist **Eduard Kullman** attempts to assassinate Chancellor Bismarck. Kullman's gunshot strikes Bismarck's hand.

Kaiser Wilhelm I and Chancellor Von Bismarck are the peacemakers of Europe, but Rothschild's **New World Order** crime gang would like these leaders dead so that mighty Germany can be subdued under their thumb.



Kullmann (on right) nearly killed Bismarck.

OCTOBER, 1873
GERMANY, AUSTRIA-HUNGARY, & RUSSIA FORM 'THE LEAGUE OF THE THREE EMPERORS

Chancellor Bismarck negotiates an agreement between the monarchs of **Austria-Hungary** *(Emperor Franz Joseph)*, **Russia** *(Czar Alexander II)*, and **Germany** *(Kaiser Wilhelm I)*. The alliance, known as **The League of the Three Emperors**, has three purposes:

1. The League serves as a mutual defense against the growing Red movements, which have menaced Europe with violence since 1848.

2. The League will avoid war amongst each other when diplomacy can resolve differences.

3. The League opposes the expansion of French and British power, as well as plots to threaten the internal order of their countries.

The military and financial power of these three Empires forms a Central-Southern-Eastern European power base that the Rothschilds and their British & French "hit men" cannot control.

There can be no New World Order until this mighty defensive coalition of Empires is somehow broken up and individually smashed.





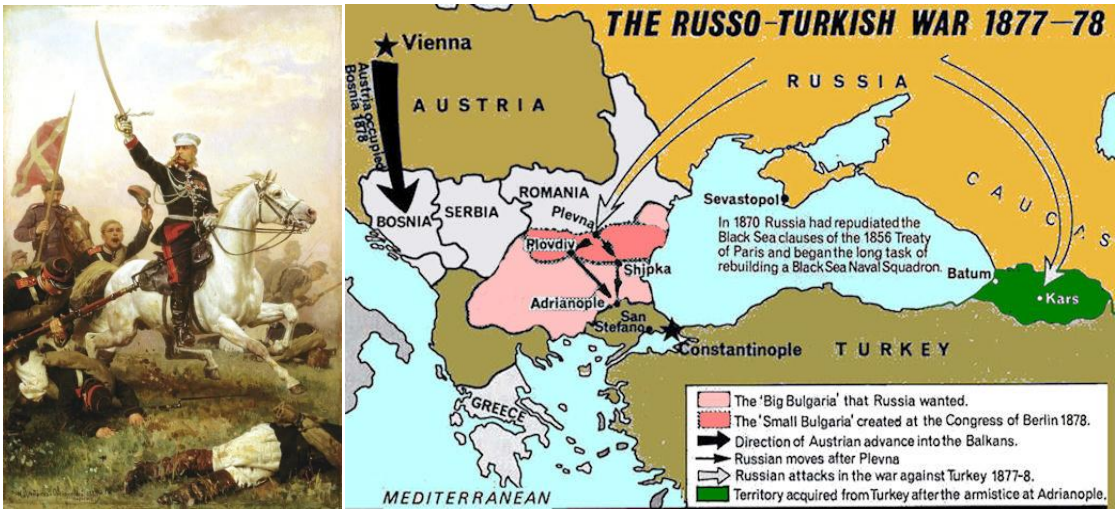
British cartoon on left mocks The Three Emperors League. Bismarck is depicted as puppet master of the Emperors.

1877-78
RUSSIA DEFEATS THE OTTOMAN EMPIRE (TURKEY) IN THE RUSSO-TURKISH WAR

There are two main causes of the **Russo-Turkish War.** First, Russia desires to reclaim vital Black Sea territory lost in the Rothschild-financed Crimean War of 20 years earlier. The other objective, or at least, the other *stated* objective, is to liberate the Orthodox Christian Slavic populations of the Balkan states. Russia's Orthodox Christian and Slavic allies, Serbia, Montenegro, Romania, and Bulgaria, all rebel against Turkey and fight with Russia. Claims of Turkish mistreatment of Bulgarian Christians further upset the Russians.

Russia dominates the fighting, and begins advancing towards Istanbul *(Constantinople).* Dismayed that Russia may capture Constantinople and even

Palestine from the beaten Turkish Empire, Britain's Jewish Prime Minister **Benjamin Disraeli** pressures Russia to accept a truce offered by Turkey. Britain sends ships to the area to intimidate Russia and force a peace conference in Berlin, Germany.



Russia wins the Russo-Turkish War but gets nothing.

MAY 11 & JUNE 2, 1878
REDS MAKE <u>TWO</u> ASSASSINATION ATTEMPTS AGAINST KAISER WILHELM I

In the days just before the important post-Russo-Turkish War international conference *(Congress of Berlin)* is due to take place in Berlin, two assassination attempts are made against **Kaiser Wilhelm I**. On May 11, '78, a Red named Emil Max Hodel fires shots at the Emperor and his daughter as they travel in their carriage. Hodel is captured and then executed in August.

Three weeks later, another Red named **Karl Nobiling** fires a gun at the Emperor. The 82 year old Kaiser is wounded, but he survives. Nobiling then shoots himself, and dies 3 months later. **The New World Order**'s secret war against The Three Emperors League, and all of Europe's Christian Monarchs, is really starting to heat up.





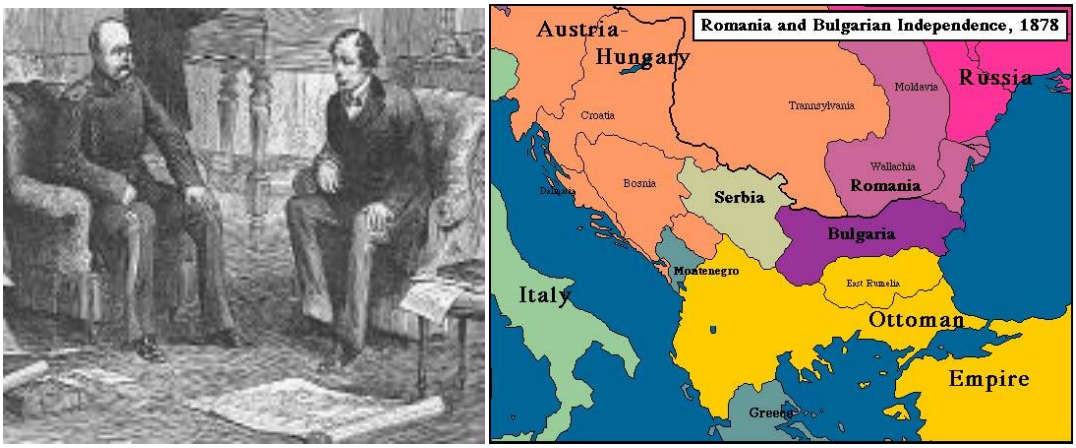
The War on the Three Emperors Leagues heats up with two assassination attempts against German Kaiser Wilhelm in just 3 weeks time.

JUNE, 1878
BENJAMIN DISRAELI PLAYS DIRTY TRICKS IN BERLIN

Rothschild wholly-owned British-Jewish Prime Minister, Benjamin Disraeli, dominates the conference which was called into session to settle the Russo-Turkish war. Britain, Germany, Austria-Hungary, Russia, France, Italy, and Turkey attend the **Congress of Berlin**. The Ottoman Turks still control the "The Holy Land", but Britain and the Rothschilds wish to ultimately take over Palestine. Russia is committed to the protection of Orthodox Christians throughout southern Europe and Turkey.

Before the Congress opens, Disraeli concludes a secret deal with Turkey against Russia, in which Britain will keep the strategic island of Cyprus. **(41)** This gives Disraeli an advantage, leading him to issue threats of war if Russia doesn't comply with the demands of the Turks, who had lost the war!

Another dirty pre-Congress deal is struck between Disraeli and Russia's soon-to-be *ex*-ally, Austria-Hungary. **(42)** Slavic Orthodox Christians, including the Serbs of Bosnia, are to be put under Austria-Hungary's rule. Russia and its Slavic allies had *won* the war against Turkey, but now many of the Slavs are to be transferred from Turkish rule to *Austro-Hungarian* rule. This breeds resentment among the Slavic subjects of Austria-Hungary, especially the Serbs of Bosnia who are forbidden from uniting with the independent nation of Serbia. **Court intriguers on all sides have put a permanent wedge between Russia and Austria-Hungary.**



Devious Disraeli (right) dominated the Berlin Congress and undermined its host, Bismarck (left). The "victorious" Russians weren't happy about the deal, nor were their Bulgarian allies, and nor were the Serbs living in Austro-Hungarian Bosnia.

JUNE, 1878
DISRAELI'S DIRTY TRICKS CAUSE THE BREAKUP OF THE THREE EMPERORS LEAGUE

Chancellor Bismarck tries to keep the Disraeli-engineered controversies from breaking up the Three Emperors League, but the humiliation of Russia at the hands of Britain, Turkey, and Austria-Hungary is too much to bear. Russia pulls out of the League. Instead of being allied with Germany *(whom Disraeli also wants to isolate)*, Russia is now cut off from her, and placed in a position where it can be played off against Germany's ally, Austria-Hungary - a classic divide & conquer scheme.

The foundation of the Great War of 1914-1918 *(World War I)* was laid at the Congress of Berlin, thanks to the dirty work of the Globalist-Zionist-Rothschild agent Benjamin Disraeli.

Upon returning to England, Disraeli boasts to Queen Victoria of how he killed the Three Emperor's League. **(43)**





By causing the Three Emperors League to split, dirty Disraeli laid the foundation for the Global bloodbaths of the coming century.

NOVEMBER 1878
DISRAELI PROVOKES RUSSIA BY INVADING PEACEFUL AFGHANISTAN

With the Three Emperors League disbanded, Rothschild & Disraeli escalate their assault on Russia. Disraeli plots to project British power along Russia's long Asian border with Afghanistan. He must sell his Afghan plot to the Parliament, the public, and to a foolish Queen that he has charmed and wrapped around his finger. Two years earlier, the deceitful flatterer had bestowed the title of "Empress of India" upon Queen Victoria.

Disraeli falsely accuses Russia of planning to conquer India *(a British colony)* via Afghanistan. The charge is ridiculous. Russia has no intention of attacking India and the Afghan and Himalaya Mountains make conquest virtually impossible. To counter the non-existent Russian threat Disraeli proposes a British occupation of Afghanistan. He writes to Victoria of his plan to: *"to clear central Asia of Muscovites (Russians) and drive them into the Caspian Sea*." (**44)**

The appeal to patriotism leads Britain into an invasion of Afghanistan, a campaign that ends very badly for the British. They withdraw in 1880 and Disraeli's influence is finally checked.

The "Great Game" in Afghanistan will be played again in 2001. Instead of a fictitious threat against India, it will be the **NWO-orchestrated attacks of**

9/11/2001, and the fictitious threat of "Al Qaeda" that will be used as the excuse to encircle Russia *(and China)* by way of Afghanistan and other Asian nations.



Rothschild's evil flattering agent has the foolish Queen wrapped around his finger. Cartoon depicts Disraeli crowning Victoria as Empress of India.

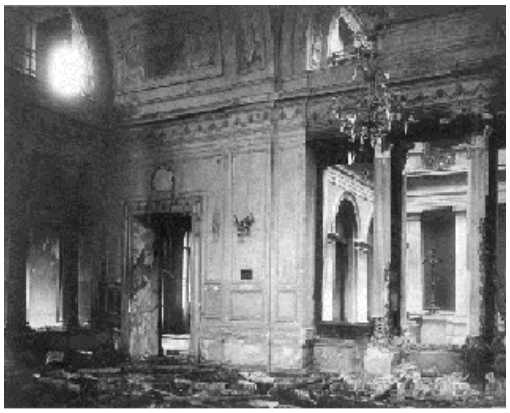
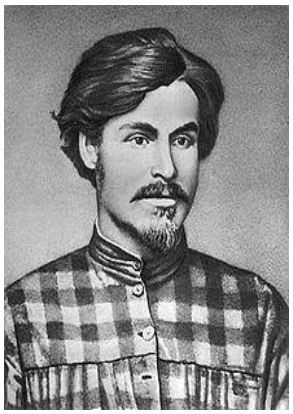
APRIL 1879, DECEMBER 1879, FEBRUARY 1880: THREE MORE ASSASSINATION ATEMPTS ON ALEXANDER II

The **New World Order** Red crime gang is relentless in its obsession to murder Czar Alexander II. One attempt had already failed in 1866. In April of 1879, a Red named **Alexander Soloviev** makes an attempt on the Czar in St. Petersburg.

In December of the same year, a Red group calling itself **"The People's Will"** tries to blow up the Czar by planting explosives.

Two months later, Red terrorist **Stephan Khalturin** detonates a bomb intended to kill the Czar at a dinner party. The Czar is late for dinner, but 11 others are killed and 30 wounded.

While Britain's Disraeli wages war against Russia on the diplomatic and military fronts; Rothschild's insane Red Revolutionaries attack Romanov Russia internally.

1- Soloviev fired five shots at the Czar and missed.

2- ‘The People’s Will” blew up a train station but didn’t get the Czar either.

3- Khalturin's bomb failed to kill the Czar, but it did kill 11 others.

1881– 1910

MARCH, 1881
COMMUNIST TERRORISTS FINALLY KILL ALEXANDER II

After four previous attempts, Rothschild's Red terrorists finally succeed in assassinating Czar Alexander II of Russia. With his son Alexander III, and grandson Nicholas watching, the Marxists hurl bombs at the Czar. Alexander's legs are blown off and he bleeds to death.

Due to the presence of so many Jews in the revolutionary movement, anti-Semitic violence sweeps across Russia after the Czar's murder. These "pogroms", though exaggerated for propaganda purposes, help to trigger a wave of Jewish immigration to the United States, England, and Germany.

Many of these new immigrants bring their radical politics with them, as they continue to agitate against Christian Russia from their newly adopted nations.



The killing of Alexander II triggered massive Jewish immigration to America. Alexander is remembered as the man who liberated the serfs.

JULY 2, 1881
U.S PRESIDENT JAMES GARFIELD IS SHOT / DIES FROM WOUND INFECTION IN SEPTEMBER

The civilized world is still reeling from the brutal murder of Czar Alexander II just a few months earlier. Now America will lose its 2nd President in 16 years to an assassin's bullet. **James Garfield** is an Ohio Republican who has only been in

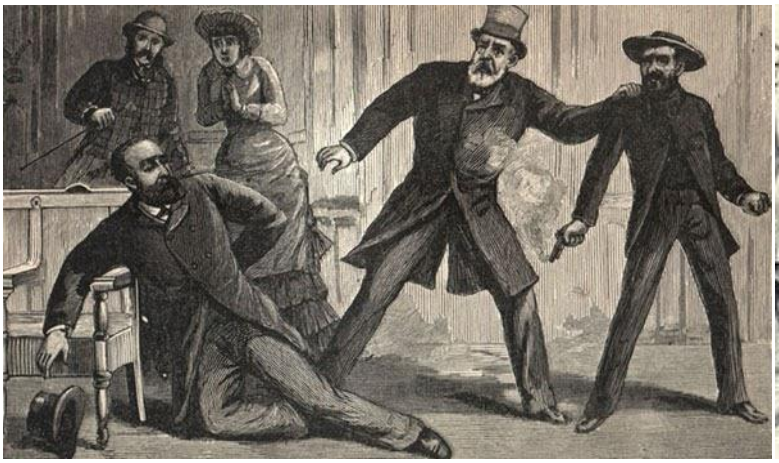
office 4 months. The state of Ohio will earn the reputation for producing Constitutionalist, Republican Presidents *(Garfield, McKinley, Taft, Harding)*

.

Garfield is a brilliant scholar, talented orator, and an advocate of interest-free "hard money" *(gold)* as a national currency. Like Napoleon, Andrew Jackson and Abe Lincoln before him, Garfield mistrusts the international bankers. Garfield warns:

"Whoever controls the volume of money in any country is absolute master of all industry and commerce." **(1)**

On July 2, '81, Garfield is shot at a railroad station by "crazed lone gunman" Charles Guiteau. Garfield survives and is slowly recovering, but his condition worsens after weeks of doctors needlessly probing him to find the now harmless bullet. Garfield finally dies on September 19, not from the bullet, but by infection caused by "incompetent" doctors. Garfield is the first of 4 Ohio Republican Presidents who, over the course of the coming 40 years, will either be killed, or cheated out of an election.





Garfield is shot in the back and dies 10 weeks later.

1880 - 1900
THE RED 'REFUSE' OF EUROPE INVADES AMERICA

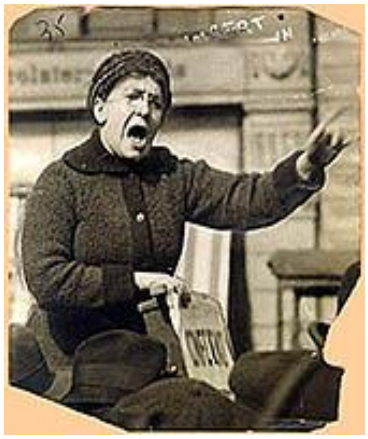
In the wake of Czar Alexander's murder, anti-Jewish & Anti-Red uprisings sweep across the Russian Empire. Having watched his father blown apart by a Red bomb, Czar Alexander III does little to quell the public outrage *(or so it is said)*. The outbreaks, known as "pogroms", lead many Jews to flee to Germany, Britain, or the U.S. The Jews adapt well to their new lands, but the Red Jews bring their

radical politics with them. In 1885, **Emma Goldman**, the notorious anarchist who will terrorize America for 30 years, arrives in New York.

In 1883, Jewish writer **Emma Lazurus** pens the '*The New Colossus'*, a poem still on display at the Statue of Liberty. She forever changes the original theme of the Statue *(liberty)*, to what most people believe it now represents *(immigration).* The poem includes the famous line welcoming the "wretched refuse":

"Give me your tired, your poor, your huddled masses yearning to breathe free, the wretched refuse of your teeming shore." **(2)**

Of course, many good European people arrive during this period, but so does much of "the wretched refuse." **An overlapping collection of Zionists, Communists, Anarchists, and money-lenders will soon spread Europe's violent Red plague throughout America's free society.**







1- 'Red Emma' Goldman began agitating as soon as she arrived in the U.S.

2- Emma Lazurus called for more "wretched refuse" to be let into America.

3- Both good people and bad Reds stared pouring into America

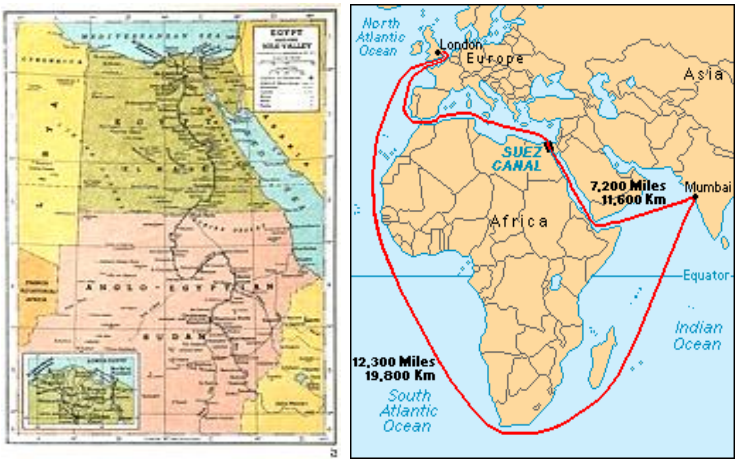
1882
THE ANGLO - EGYPTIAN WAR / ROTHSCHILD'S BRITAIN ADVANCES TOWARDS PALESTINE

The Zionists dream of one day capturing the Holy Land *(currently under Ottoman Turkish control)*. Recall how years earlier, with Ottoman Turkey on the brink of total defeat, Benjamin Disraeli intervened to keep the Russians away from

Palestine. Now, the Zionists are positioning their "chess pieces" towards the next step.

When the British-French **Suez Canal** opens in 1869, it is Benjamin Disraeli's Britain; *with Rothschild financing* that purchases enough shares to make Britain the main shareholder of the waterway linking the Mediterranean to the Red Sea.

By 1882, the Canal's host nation, Egypt, is being treated like a colonial subject of Britain. Always waging war under false pretenses, Rothschild's UK attack-dog picks a fight with Egypt, under the pretext of "protecting the Suez Canal." During the **Anglo-Egyptian War**, the British bomb Alexandria and invade Cairo. Rothschild's Britain becomes master of Egypt. During World War I, Egypt (*which borders Palestine)* will be a useful staging post to launch attacks on Turkey. **Palestine *(Israel)* is now within the Zionist Rothschild Family's reach.**

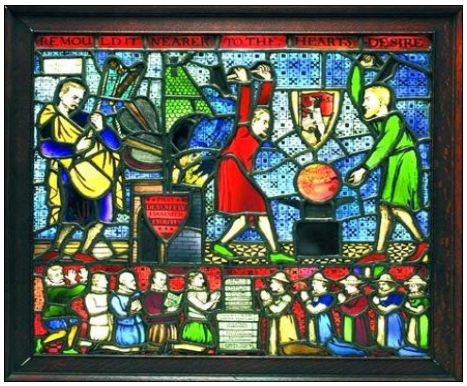


Egypt's strategic location and proximity to Palestine (future Israel) are coveted by the Zionist Rothschilds.

1884
THE SOCIALIST / COMMUNIST FABIAN SOCIETY IS FORMED

Like their openly Communist cousins, Fabian Socialists are followers of Karl Marx. **The Fabian Society** takes its name from Quintus Fabius Maximus, an ancient Roman general famous for his stealth delaying tactics. The difference between Fabians and Communists is one of tactics.

Communists work towards their goal through murder, terror, and revolution. The Fabians however, use stealth, gradualism, and 'democracy' to establish a Red world. Fabians practice *evolution instead of revolution.* Fabian homosexuals soon capture the British Labor Party. The disease spreads to the U.S. under the name of "progressivism", eventually taking over the Democrat Party and gaining a foothold in the Republican Party.







1- The stained glass window from the Headquarters of the Fabian Society depicts leading members (Sydney Webb & George Bernard Shaw) molding the world. (Inscription reads: "Remold it nearer to the heart's desire."). Beneath the floor of the workshop, gullible 'useful Idiots' worship the books that Fabians above feed to them.

2- Fabian Society symbol depicts a wolf in sheep's clothing

3- The patient Fabian Turtle's motto: "When I strike, I strike hard!"

MAY 4, 1886
MAY DAY RIOTS AT HAYMARKET SQUARE / IMMIGRANT REDS MURDER 8 CHICAGO POLICEMEN

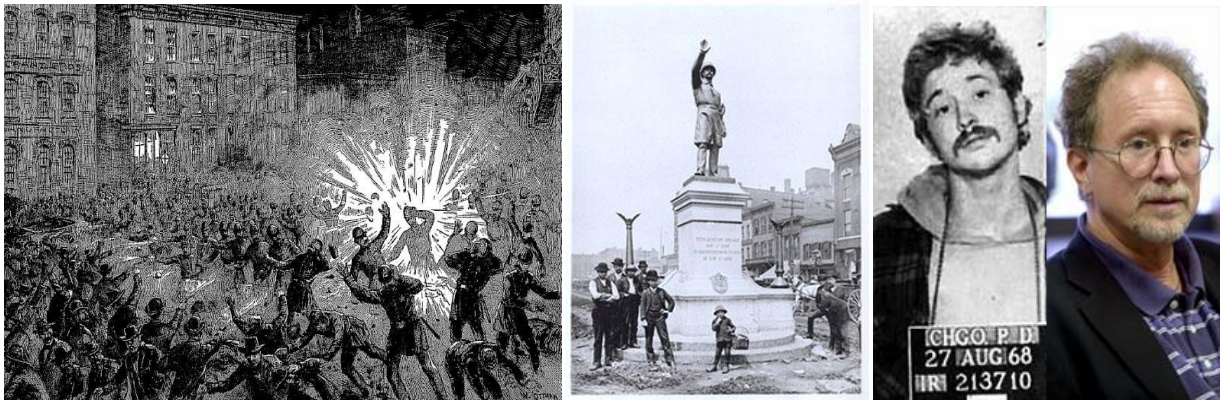
American Reds organize massive May Day *(Illuminati Founding Day)* demonstrations in Chicago. On May 3rd, **August Spies**, a German born Anarchist Labor leader and self-styled "hero of the working man" addresses a crowd of striking union workers. The agitated mob then attacks a group of non-striking workers of the McCormick Harvesting Machine Company. To protect the non-

strikers *("scabs")*, and themselves, the police fire shots on the frenzied mob; killing two of the Red union thugs.

Red agitators then spread the false rumor that the police killed the strikers in cold blood. The Reds print fliers calling for the workers to take up arms and attend a mass meeting in Chicago's Haymarket Square.

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The following day, a line of police officers maintains order as Red speakers address the crowd. Suddenly, a pipe bomb is thrown at police lines. Reds begin firing pistols at the police and the police return fire. When the smoke clears, eight policemen lay dead and 60 others are wounded. Four of the Reds are also killed. Seven Red leaders *(most of them European immigrants)* will be tried and executed.



The monument to the dead policemen will be bombed in 1968 by terrorist Bill Ayers; the Communist friend and ghost-writer of future President Barack Obama.

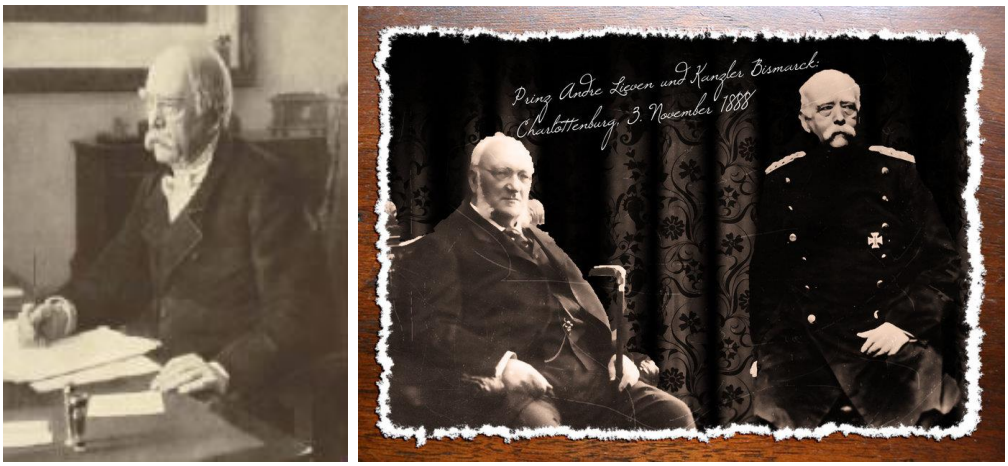
JUNE, 1887
'THE REINSURANCE TREATY' / GERMANY AND RUSSIA FORM A SECRET ALLIANCE

Although the British-Rothschild agent Disraeli had destroyed The Three Emperors League *(Russia / Germany / Austria-Hungary)* back in 1878, German Chancellor Bismarck continues to work for peace. To "reinsure" the peace of Eastern Europe, and to prevent British or French intrigue from starting more wars, Bismarck's

Germany and Tsarist Romanov Russia agree to a secret treaty known as **"The Reinsurance Treaty"**.

Under the terms of the agreement, Germany and Russia agree to remain neutral should either become involved in war with a third nation. However, neutrality would not apply if Russia attacks Germany's ally, Austria-Hungary.

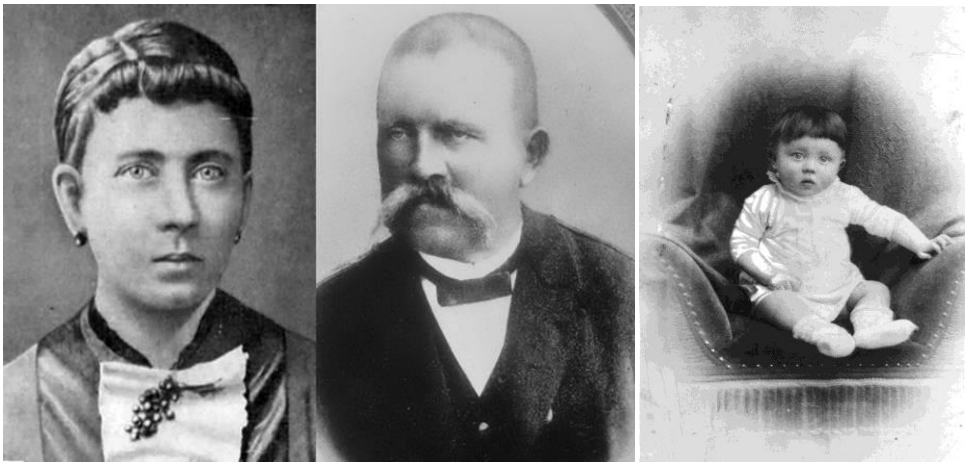
The two powers remain vulnerable to the Balkan controversy in Austria-Hungary *(Russia is the protector of the minority Slavic/Orthodox community under Austrian rule, and also of small Slavic states like Serbia)* Nonetheless, the Reinsurance Treaty is a very good sign that Russia and Germany will be able to work out any future differences diplomatically.



Bismarck worked to keep France & Britain from getting Germany and Russia to fight. Right: Bismarck with Russian Prince Andrey Lieven

APRIL 20, 1889
ADOLF HITLER IS BORN

At a time when the dark forces of the **New World Order** were already setting the chess pieces for the future war to enslave Germany, **Adolf Hitler**, the man who would become their greatest nemesis, is born into a very simple Austrian family.



Klara Hitler, Alois Hitler and baby Hitler

1890
NEW GERMAN KAISER DISMISSES BISMARCK / TURNS DOWN RUSSIAN OFFER TO RENEW THE REINSURANCE TREATY

Kaiser Wilhelm I passes away in March of 1888 at the age of 91. He is succeeded by his son Frederick I, who dies of throat cancer after a reign of just 3 months. Frederick's 29 year old son **Wilhelm II** then becomes Kaiser in June of 1888.

Like many young, "educated" Europeans, Wilhelm II is partially infected with the poison of "liberalism". Whereas 'Iron Chancellor"' Bismarck wants to smash the Reds of Germany, young Wilhelm is hesitant to crush the Communists. He believes that if Germany becomes more "democratic", it will pacify the Red agitators. Wilhelm II also wants better relations with the UK, the enemy of Russia. To that end, Wilhelm, *(possibly under the influence of NWO court intriguers)* turns his back on Russia, refusing repeated Russian requests to renew Bismarck's Reinsurance Treaty.

These irreconcilable differences lead Wilhelm to dismiss the legendary Bismarck in 1890. As the grandson of Britain's Queen Victoria, Wilhelm evidently believes that he can trust and befriend Britain *(which really belongs to the Rothschilds, not Victoria).* He also believes that he can solve problems with Russia by negotiation.

Russia now feels isolated and mistrusts Germany's ally, Austria-Hungary. This leaves Russia very vulnerable to French and British intrigue. **History will prove that wise old Bismarck was right, and naive young Wilhelm was wrong.**



"Dropping the Pilot" - British cartoon mocks the dismissal of the great statesman and peacemaker. Bad move Kaiser Wilhelm!

1892
PENNSYLVANIA STEEL STRIKE TURNS VIOLENT / JEWISH RED SHOOTS AND STABS CHAIRMAN OF CARNEGIE STEEL

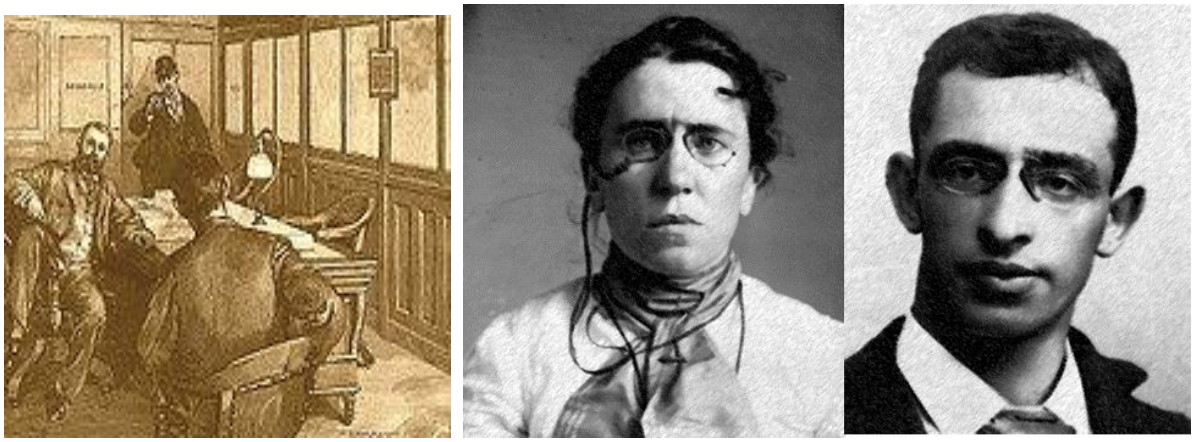
The **Homestead Steel Strike** turns deadly when members of the Amalgamated Association of Iron and Steel Workers threaten non-striking workers of the Carnegie Steel.Corporation. Pinkerton Security men are called in to secure the plant. Union thugs fire upon them as they arrive. The Pinkertons fire back and a 10-minute shootout leaves 2 dead from each side.

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In nearby Pittsburgh, steelworkers gather in the streets, listening to accounts of the attacks at Homestead. Hundreds of them, many armed, move toward the town to assist the strikers. The Pinkertons confront the angry mob and beat them back.

The strike, and the Steel Union itself, are finally broken when the state militia arrives. Soon afterwards, **Alexander Berkman**, a Russian-born Jewish anarchist from New York, arrives and attempts to murder Henry Clay Frick, Carnegie's Chairman. Berkman had plotted with his lover, Russian-born Jewish anarchist Emma Goldman, to carry out the murder. Frick is shot and stabbed, but survives.

Berkman will serve 14 years in prison. "Red Emma" Goldman remains free and continues to openly call for violence against prominent Americans.

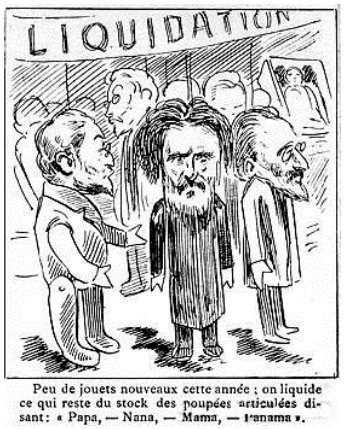


1- Berkman - the lover of Red Emma Goldman (yikes!) - nearly killed Frick.

1890-1894
'ANTI-SEMITISM' BREAKS OUT IN FRANCE OVER 'THE PANAMA AFFAIR' & 'THE DREYFUS AFFAIR'

The collapse of the **Panama Canal Company** in 1889, due to corruption, causes 800,000 French investors to lose their savings. Two Jews, **Cornelius Herz** and **Jacques Reinach**, play prominent roles in the political bribery aspect of the massive scandal. Their role in the massive fraud leads to a breakout of anti-Semitism.

Then, in November of 1894, a Jewish French army captain named **Alfred Dreyfus** is convicted of treason for passing military secrets to German agents. Amidst an international firestorm and charges of "anti-Semitism", the conviction is later overturned. But many French still believe that Dreyfus was guilty. **The Dreyfus Affair** deeply divides the people of France.







1 – The Panama Canal investment scandal rocked France

2 & 3- French postcard: "Museum of Horrors" depicts Dreyfus as a snake & Dreyfus is ceremonially shunned by his fellow soldiers

1893
GLOBALIST BANKERS ENGINEER THE U.S. PANIC OF 1893

Like all bursting bubbles of economics, the **U.S. P**anic of 1893** is a serious economic depression caused by excessive lending of bank notes *(monetary expansion)* followed by the inevitable tightening of loans. As always, when there is not enough new money flowing into the system to support the repayment of old loans, the end result is stock market crashes, bank runs and bank failures.

Compounding the panic is a run on the gold supply. Even though the currency is gold-backed, and although there is no Central Bank, bankers had still been able to artificially balloon the money supply with 'paper gold' issued through the scam of "fractional reserve banking".

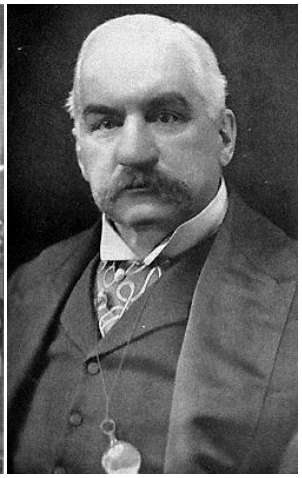
The Democrats and President Cleveland are generally blamed for the Depression as the decline of the gold reserves stored in the Treasury fell to a dangerously low level. This forces Cleveland to borrow $65 million in gold from legendary Wall-Street banker J.P. Morgan and the Rothschilds of England. **(3)** Crawling to Morgan & Rothschild is the only way to support the gold standard. Morgan is an immensely wealthy and powerful man in his own right; but he is a "made man" - his maker being the House of Rothschild.

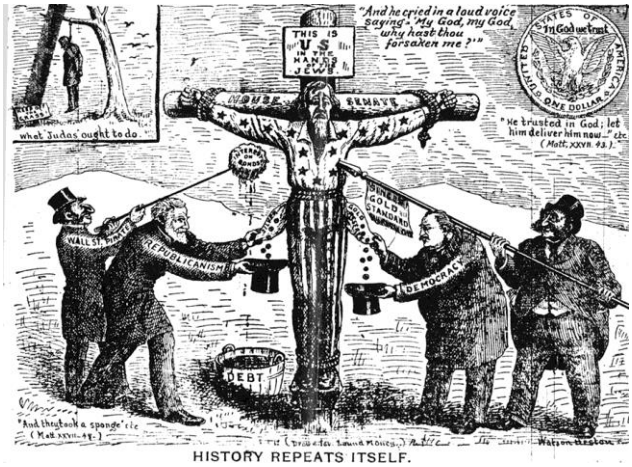
The simple-minded blame “Capitalism” for the distress. Many of them will turn leftward politically, even radically so. But the more astute observers place the blame elsewhere. Jewish historian Hasia Diner notes:

"Some Populists believed that Jews made up a class of international financiers whose policies had ruined small family farms. Jews, they asserted, owned the banks and promoted the gold standard, the chief sources of their impoverishment. Agrarian radicalism posited the city as antithetical to American values, asserting that Jews were the essence of urban corruption.” **(4)**

Like all previous and future monetary crashes & panics, 1893 is a very good year for the Rothschilds. It marks a major American power grab for the House of Rothschild and its American agents and allies.







1- Drawing of panic at the stock exchange

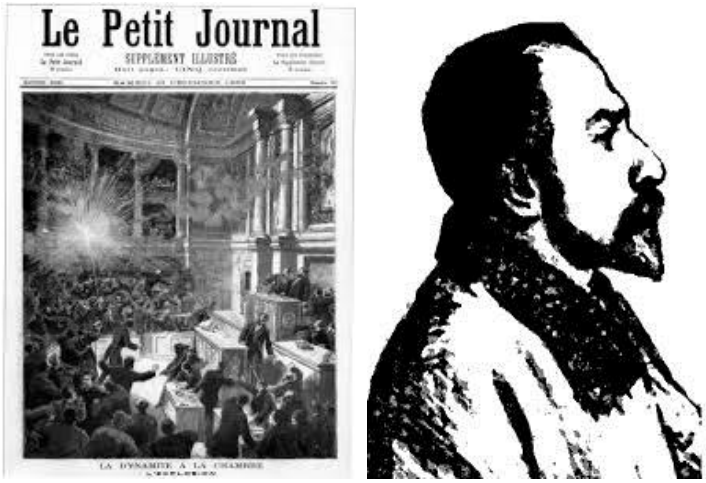
2- House of Rothschild Rothschild front man J.P. Morgan

3- An “anti-Semitic” political cartoon in an issue of "Sound Money" magazine which appeared in the 1800’s. Caption reads: "This is the U.S. in the Hands of the Jews", portraying Uncle Sam being crucified like Jesus.

DECEMBER, 1893
FRENCH RED BOMBS THE CHAMBER OF DEPUTIES

French Anarchist **Auguste Vaillant** throws a home-made bomb device from the public gallery of the French Chamber of deputies. The explosion injures 20 French deputies but fails to kill anyone.

Vaillant is sentenced to death and executed in February 1894. His last words were "Death to the Bourgeoisie! Long live Anarchy!"



French society was shocked by the brazenness of the Red attack.

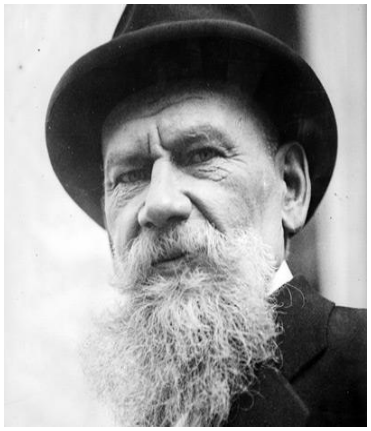
JANUARY, 1894
RUSSIA ENTANGLED INTO A 'FRANCO-RUSSIAN ALLIANCE

Isolated from Germany and suspicious of Austria-Hungary, Russia *(which wants another crack at Turkey)*, falls into a clever trap set by France *(which wants another crack at Prussia/Germany)* and Rothschild NWO agents *(who have a much bigger picture in mind)*. **The Franco-Russian Alliance** creates an entangling military alliance between the two nations. The Russian giant can now be used to create a deadly 2nd front in any future war with Germany. **This is what German Chancellor Bismarck had worked so hard to avoid!**

The great Russian novelist **Leo Tolstoy** *(War and Peace)* passionately condemns the Franco-Russian Alliance as a French trick to entangle Russia in a

future war against France's enemy (*Germany)*. Tolstoy sarcastically describes the suddenly friendly French as ***"people who, without reason, suddenly professed such spontaneous and exceptional love for Russia".*** **(5)**






1- Bismarck's nightmare; French magazine glorifies the Franco-Russian Alliance.

2 & 3: Tolstoy warned of the danger: ***"The Franco-Russian alliance cannot now present itself as anything else than what it is: a league of war."*** **(6)**

JUNE, 1894
REDS ASSASSINATE PRESIDENT OF FRANCE

The popular French President **Marie Francois Sadi Carnot** has a reputation for honesty and was untouched by the massive Panama Canal scandal of the 1890's. He establishes a friendship with Russian Czar Alexander III, receiving the Order of St. Andrew from the Czar himself. **(7)**

Carnot's popularity, immunity to blackmail, and close friendship with the hated Czar make him difficult for the Rothschilds to control. At this point in history, it appears that the Zionists are "removing some of their eggs" from the increasingly anti-Semitic French basket, and placing them in the increasingly Jewish-influenced German basket *(as suggested by Jewish-French Captain Dreyfus passing secrets to Germany and the attack on the French deputies).* The one constant that remains is Rothschild's hatred for Russia.

This may explain why Carnot was stabbed to death by Italian Anarchist **Sante Geronimo Caserio.** The murder arouses horror and outrage throughout France. No King or President is safe from the Red beasts and their **New World Order** masters.







Like U.S. President Abe Lincoln before him, President Carnot befriended a Russian Czar. Carnot is then stabbed to death by the Italian Red, Caserio.

1896
GLOBALIST - ZIONIST PURCHASES THE NEW YORK TIMES

Since its founding in 1851 by Republican Henry Jarvis Raymond, ***The NY Times*** has been a big player in shaping public opinion. In 1896, the *Times* takes a turn to the internationalist left when it is purchased by a German-Jew named **Adolph Ochs**. In 1897, Ochs himself coins the paper's self-serving slogan**: *"All the News That's Fit to Print"***

Ochs' daughter marries **Arthur Hays Sulzberger**, who becomes publisher when Adolph dies. Ochs' great grandson **Arthur Ochs Sulzberger, Jr.** is the publisher of the NY Times today. For 117 years, America's most influential rag has been in the hands of the same Zionist-Marxist family. Count on *The Times* to promote big government, Globalism, phony environmentalism, Israel, the Fed, and endless wars.



The New York Times

Above: Adolph Ochs / The awesome power and influence of the New York Times Jewish Ochs & Sulzberger dynasty cannot be denied.

1896-1898
THE 'YELLOW PRESS' AGITATES FOR WAR AGAINST SPAIN

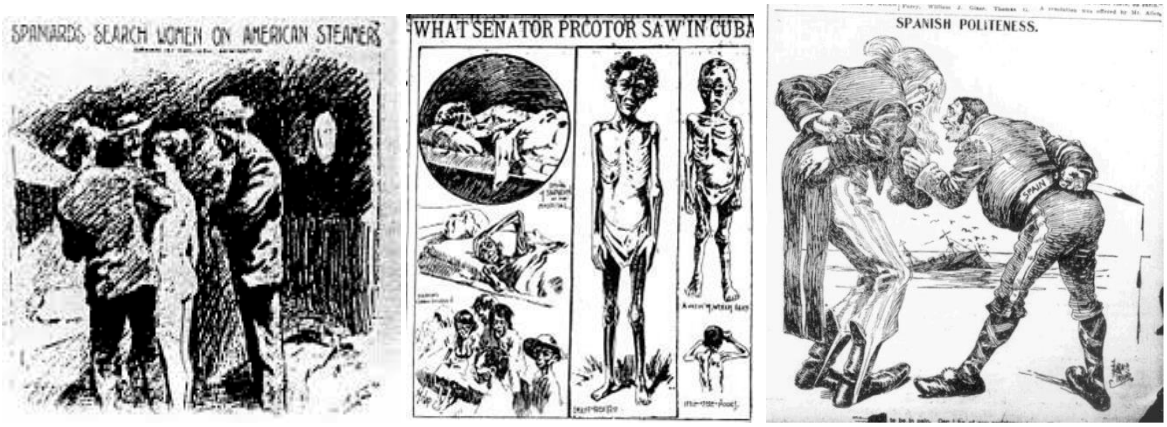
Beginning on a small scale in 1896, and building up to a comical climax in 1898, the very same New York 'Yellow Press', whose propaganda had already invented the legend of Superman Police Commissioner Roosevelt, agitates relentlessly for war with Spain, ostensibly over the "liberation" of Cuba.

Our High School History fables taught us that the Spanish-American War of 1898 was a meaningless war instigated by the Yellow Journalist William Randolph Hearst for the purpose of selling newspapers. Here's a typical history-book sample of the retarded drivel that is still being spoon-fed to captive audiences of dumbed-down students:

"It is arguable that the Spanish-American War was perhaps the most pointless war in the history of the United States. Although it was not known at the time, the war was not truly fought for territory, for markets, for principle, or even for honor. Rather, it began because William Randolph Hearst, editor of the popular New York Journal sought sensational material to print." **(8)**

Certainly, Hearst and his propaganda rival at the New York World, Joseph Pulitzer, are helping to poison the public mind against Spain while selling a lot of papers in the process. But this idiotic and incomplete analysis ignores the "big picture" of the geopolitical hand which is moving the chess pieces. The point of the imperial game is to project U.S. imperial power over the Asian Pacific. To that

end, it is necessary to kick Spain out of The Philippines and Guam so that U.S. naval bases can be established there instead. It is a dirty game and, as we shall soon see, the cowboy-turned-super-cop will become a key player in the game.



The phony, absurd, and vile atrocity stories of the warmongering Yellow Press created the momentum needed for the Spanish-America War.

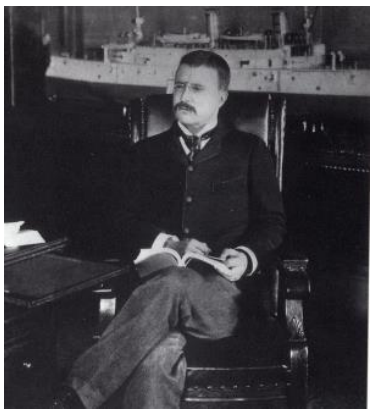
APRIL, 1897
TEDDY ROOSEVELT IS NAMED ASSISTANT SECRETARY OF THE U.S NAVY / AGITATES FOR WAR WITH SPAIN

With war propaganda heating up, the charmed life and meteoric rise of **Theodore Roosevelt** (TR) continues with an appointment to the Office of Assistant Secretary of the U.S. Navy. Clearly, somebody is puffing-up this still young man, and in a big way.

Near the end of 1897, TR explains his warmongering priorities to one of the Navy's planners. Behold the chilling talk of a social-engineering psychopath who views Americans as his personal clay, and military men as cannon-fodder to be sacrificed for "the governing class." TR:

"I would regard war with Spain from two viewpoints: first, the advisability on the grounds both of humanity and self-interest of interfering on behalf of the Cubans, and of taking one more step toward the complete freeing of America from European dominion; second, the benefit done our people by giving them something to think of which is not material gain, and especially the benefit done our military forces by trying both the Navy and Army in actual practice." **(9)**

As for the pious rubbish about "liberating Cuba", we shall address that self - aggrandizing bit of bullshit shortly.




The rapid career rise of the new Assistant Naval Secretary was fueled by the same political and journalistic forces agitating for war with Spain.

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AUGUST, 1897
REDS MURDER PRIME MINISTER OF SPAIN

The New World Order crime gang wants to destabilize Catholic Spain and turn it into a controllable "democracy." **Antonio Canovas** is Prime Minister of Spain. He is an advocate of a Constitutional Monarchy, and a supporter of the Catholic Church. This makes him a target of the Christian-hating Reds and their Rothschild masters. Red terrorists had previously hurled a bomb at Canovas in 1896 but the attempt failed.

While internal Red turmoil weakens Spain from within, external U.S. Globalists agitate for war with Spain over control of its Cuban and Philippines Naval Bases. Canovas will not live to see the disastrous Spanish-American War. He is shot dead by Italian Red, **Michele Angiolillo,** before the war begins.

Add Canovas to the growing list of dead Kings, Presidents, and Prime Ministers

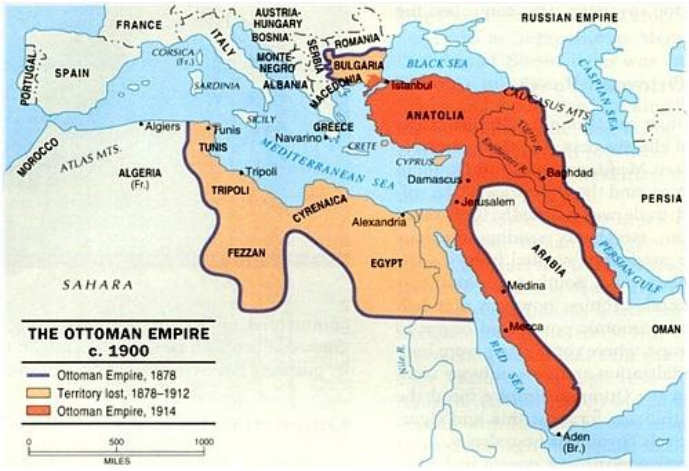
AUGUST, 1897
THE 1ST ZIONIST CONGRESS MEETS IN BASEL SWITZERLAND / THE PLOT TO STEAL PALESTINE IS HATCHED

The First Zionist Congress is held in Basel, Switzerland and is chaired by **Theodore Herzl**. Jewish delegates from across Europe agree that Palestine should be given to them. The idea of a Jewish takeover of Palestine had been floating around for decades. Whenever Russia advanced its interests in the area, Rothschild's Britain would keep Russia out.

The problem is, Palestine is 90-95% Arab, and falls under the sovereignty of the Ottoman Turks. Unless the Turks agree to give Palestine to the Jews, the Zionist dream cannot be realized.

In 1901, the Zionists will offer to arrange a reduction of Turkey's foreign debt *(owed to Zionist bankers)* in exchange for Palestine. The Sultan of Turkey bluntly refuses. Giving away the Holy Land to the Zionists would be a betrayal of Turkey's, and Palestine's, Muslim population.

Herzl refuses to give up. The British offer to give the Jews part of the African colony of Uganda. The Zionists refuse, insisting upon Palestine. Prior to his death in 1904, Herzl predicts that a world body will one day give Palestine to the Jews, and that he will go down in history as father of the Jewish State. **For Herzl's dream to come true, a European military power will have to be manipulated into taking Palestine away from the Ottomans by force.**





Palestine lies deep within Ottoman territory. But Herzl has a long range plan. He speaks of a "future world body" that will give the Jews a homeland in Palestine.

DECEMBER, 1897
THE DYING BISMARCK'S FINAL WARNING AND PREDICTION

Former German Chancellor Bismarck is now 83 years old and in poor health. Kaiser Wilhelm II visits Bismarck for the last time in December of 1897. Again, the wise old man warns the Kaiser to beware of the intrigues of courtiers around him, and of a European disaster that may yet still come.

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Bismarck warns Wilhelm not to trust court advisors: ***"Your Majesty, so long as you have this present officer corps, you can do as you please. But when this is no longer the case, it will be very different for you."*** **(10)**

Subsequently, Bismarck makes these accurate predictions: ***"... the crash will come twenty years after my departure if things go on like this." ....."One day, the great European War will come out of some damned foolish thing in the Balkans."*** **(11)**

This prophecy will be fulfilled almost to the year! Bismarck knew that a Balkan crisis could result in a 2-front war against Britain & France in the west, Russia in the east, plus an internal Red uprising on the home front.




Bismarck foresaw the evil plot against Germany.

FEBRUARY 15, 1898
THE CONVENIENT SINKING OF THE USS MAINE

In January, 1898, with war propaganda now at fever pitch, Assistant Secretary Roosevelt, on his own initiative, orders the armored cruiser USS Maine to provocatively sail into Cuba's Havana Harbor *(controlled by Spain).* In an amazing "coincidence", the ship just blows up, resulting in the deaths of 266 men. The warmongers of the New York Yellow Press, stirred up by Roosevelt's false accusation of Spain, finally have the 'casus belli' *(cause for war)* that has eluded them. What good "fortune", eh?

Without a trace of evidence, and in spite of strong Spanish denials, the treacherous TR proclaims Spain as the guilty party. Pressure grows on a reluctant President McKinley to ask Congress for a Declaration of War. Knowing that Spain is innocent, McKinley resists.

The official position of the U.S. government today is that "coal dust accumulation" caused the horrific, and unprecedented, explosion. But astute students of history understand how such events are often engineered by the clandestine services of the "victim" nation itself.

Speaking of "coal dust" and clandestine services, recall how during Civil War days the secret service of the Confederacy developed a "**coal torpedo**" – a hollowed-out device that resembled a lump of coal, but was actually packed with explosives. Enemy agents sneak the weapons into a ship's coal supply. When shoveled into the

ship's firebox – the boiler goes BOOM! This nasty little weapon caused great loss of life during the Civil War; and was probably the means used by Secretary Roosevelt used to blow up the Maine.



$50,000 REWARD—WHO DESTROYED THE MAINE?—$50,000 REWARD

EDITION FOR GREATER NEW YORK

NEW YORK JOURNAL

AND ADVERTISER

NEW YORK, THURSDAY, FEBRUARY 17, 1898

DESTRUCTION OF THE WAR SHIP MAINE WAS THE WORK OF AN ENEMY

$50,000!
$50,000 REWARD!
For the Detection of the Perpetrator of the Maine Outrage!

Assistant Secretary Roosevelt Convinced the Explosion of the War Ship Was Not an Accident.

The Journal Offers $50,000 Reward for the Conviction of the Criminals Who Sent 258 American Sailors to Their Death. Naval Officers Unanimous That the Ship Was Destroyed on Purpose.

$50,000!
$50,000 REWARD!
For the Detection of the Perpetrator of the Maine Outrage!

Source: "Crucible of Empire," PBS Online (adapted)

The World.

MAINE EXPLOSION CAUSED BY BOMB OR TORPEDO!

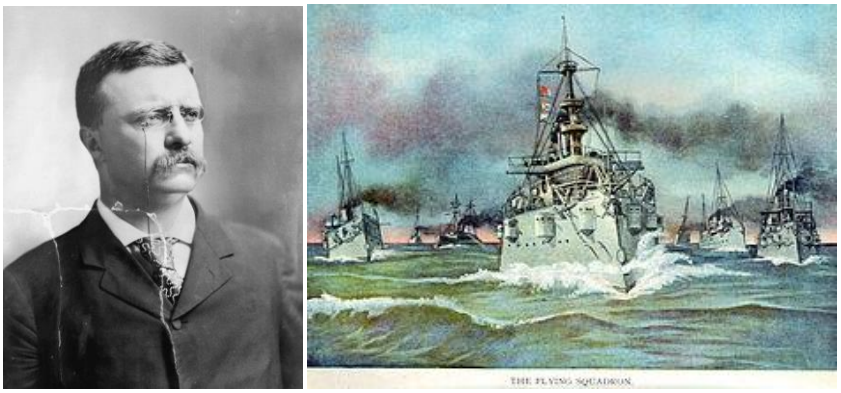
Capt. Sigsbee and Consul-General Lee Are in Doubt—The World Has Sent a Special Tug With Submarine Divers, to Havana to Find Out—Lee Asks for an Immediate Court of Inquiry—260 Men Dead.

1- The mysterious and deadly blast was immediately followed by the false accusations of the Yellow Press and their darling Teddy Roosevelt.

2- Was it a coal torpedo? You know it was!

FEBRUARY 25, 1898
TR ORDERS THE U.S. NAVY TO PREPARE FOR WAR

Just 10 days after the battleship *Maine* explodes, the Secretary of the Navy leaves his office and Roosevelt becomes Acting Secretary for four hours. TR wastes no time in cabling the Navy worldwide to prepare for war, ordering ammunition and supplies, bringing in "experts" and going to Congress to ask for authority to recruit as many sailors as needed. All the while, Spain continues to protest its innocence.



THE FLYING SQUADRON.

TR orders the squadrons to prepare for the war that he wants so badly.

APRIL, 1898
McKINLEY CAN NO LONGER RESIST / ASKS CONGRESS FOR DECLARATION OF WAR

Even after the strange explosion on the Maine, President McKinley, Speaker of the House Thomas Brackett Reed, and America's business community had all urged a negotiated solution to the manufactured crisis in Cuba. **McKinley even communicates with the Pope in hopes for a peaceful mediation. (12)**

But the warmonger coalition in Congress and the New York Press is now too strong. Feeding off of Roosevelt's vile slanders, the Yellow Press runs headlines such as "Spanish Murderers" and "Remember the Maine". It is interesting to note that when McKinley finally surrenders to the inevitable, he never mentions the sinking of the USS Maine. That's because he knows that Spain is innocent and, unlike Roosevelt, isn't willing to lie to the American public.

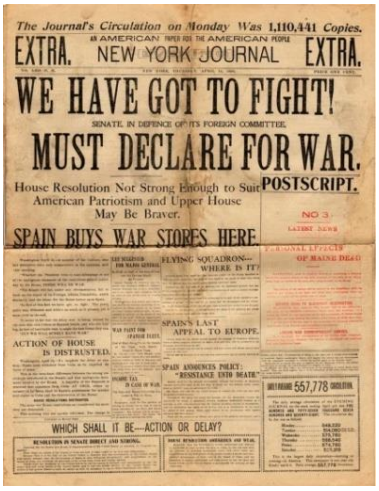

NIGHT SPECIAL NEW YORK JOURNAL NIGHT SPECIAL

BOTH HOUSES.

IN UPROAR, THREATENING REVOLT.

WARN M'KINLEY.

EXTRA


The Journal's Circulation on Monday Was 1,110,441 Copies.

EXTRA. NEW YORK JOURNAL EXTRA.

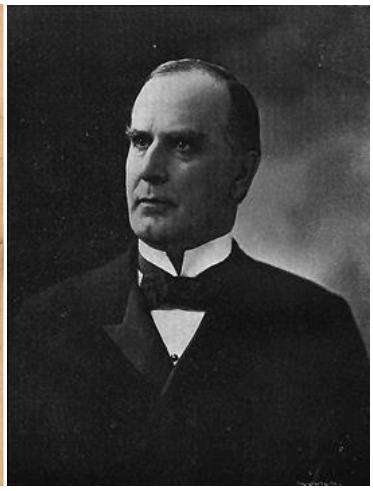
WE HAVE GOT TO FIGHT!

MUST DECLARE FOR WAR.

POSTSCRIPT.

House Resolution Not Strong Enough to Suit American Patriotism and Upper House May Be Braver.

SPAIN BUYS WAR STORES HERE.



Neither the Pope, nor the innocent Spaniards, nor the U.S. President was able to beat back the insane war mania and press propaganda which followed the destruction in the Maine. ***The Congressional and media pressure on McKinley forced him to finally ask for a war declaration.***

APRIL 12, 1898
TR ORDERS NAVY TO ATTACK SPAIN'S PACIFIC FLEET

Within hours of the war declaration, "Assistant" Secretary Roosevelt again takes matters into his own hands by issuing an order for America's **Asiatic Squadron**, stationed in British Hong Kong, to "protect commerce" - by destroying the Spanish

fleet based in the Philippines. Try not to laugh, dear reader; but some warmongers justify this outrageous act of aggression as a necessary defensive strike aimed at preventing a Spanish attack on California!

The Battle of Manila Bay takes place on May 1 and it is an absolute rout. Commodore Dewey not only destroys the Spanish fleet, but also captures the harbor of Manila - effectively a U.S. body of water ever since. On June 20, a U.S. fleet commanded by Captain Henry Glass, also captures the island of Guam - a U.S. territory ever since.

And finally, in July, the House and Senate work their way around the 2/3 Senate requirement for annexing Hawaii by voting on a joint resolution instead. **The "emergency" of the war is what finally enables the establishment of a huge base in Hawaii** *(Pearl Harbor).* This is against the wishes of most native Hawaiians**.**

Philippines, Guam, Hawaii; yes, the war with Spain turned out to be very good for the warmongering Globalist imperialists of that era. Hey Teddy! Wasn't this holy war of yours supposed to be about "liberating" ***Cuba***?



The war for "Cuba's freedom" was really all about controlling Asia.

MAY 6, 1898
TR RESIGNS AS ASSISTANT NAVAL SECRETARY TO BECOME A FAKE "WAR HERO'

The totally lopsided war will end in August, after just 3 and 1/2 months. But not before the war's most important instigator, Teddy Roosevelt, steps down from his position and volunteers to "fight". The grand-standing clown serves just long enough to build his resume as a "war hero". His mythical achievements as the fearless, horse-mounted leader of the "The Rough Riders" and "hero of San Juan Hill" will be hyped by the very same Yellow Press which propagandized for the wicked little war in the first place.

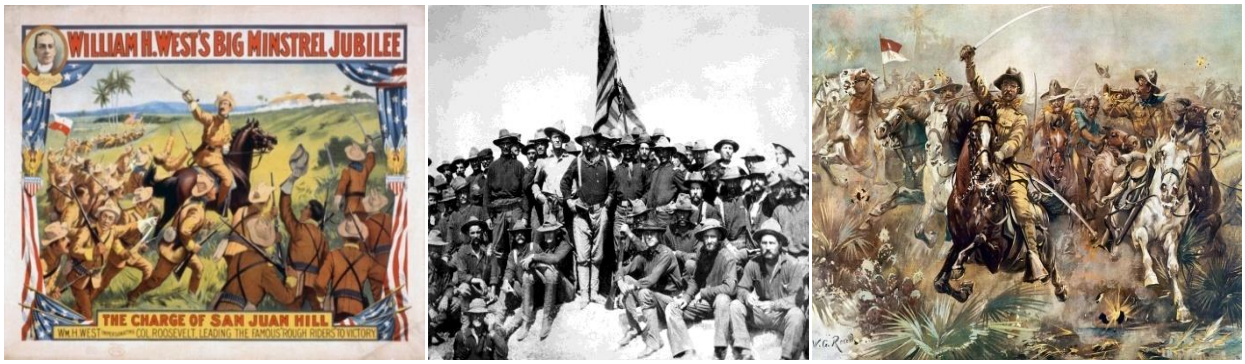
In reality, the Battle of San Juan Hill, which actually took place at Kettle Hill, was only a minor supporting skirmish, *fought on foot*, in which Americans outnumbered Spaniards 15-1! It was actually the Buffalo Soldiers of the 10th Cavalry and 24th Infantry Regiments that had already done the heavy fighting, not TR's "Rough Riders". **(13)**

Prior to charging up the essentially undefended hill, the dramatic little Caesar, who had the only horse, rode back and forth between rifle pits at the forefront of the advance up Kettle Hill**, an advance that he urged despite the absence of any orders from superiors.** He was forced to walk up the last part of the hill when his poor horse became entangled in barbed wire.

The mythical "war hero" later wrote about his imaginary role in the non-battle:

"On the day of the big fight I had to ask my men to do a deed that European military writers consider utterly impossible of performance, that is, to attack over open ground an unshaken infantry armed with the best modern repeating rifles behind a formidable system of entrenchments. The only way to get them to do it in the way it had to be done was to lead them myself." **(14)**

The great glory-hound recalled the Battle of Kettle Hill *(part of the San Juan Heights)* as "the great day of my life" and "my crowded hour". But it will not be until 2001 that "the war hero" is posthumously awarded the Medal of Honor for his actions. The reason why *TR's* request for the Medal of Honor was denied at the time was because Army officials, who knew the truth about his headline-grabbing, make-believe "heroism", blocked his nomination. **(15)**



Idiotic false propaganda turned TR into an instant "war hero". But TR's commanding officers knew the San Juan Hill story was fake.



"I am entitled to the Medal of Honor and I want it."

- *Teddy Roosevelt, in a letter to a friend, written upon his return to New York* **(16)**

SEPTEMBER, 1898
REDS MURDER EMPRESS ELISABETH OF AUSTRIA-HUNGARY

Elisabeth of Austria is the wife of Emperor Franz Joseph I, and thus Empress of Austria and Queen of Hungary. Despite warnings of possible assassination attempts, the sixty-year-old Elisabeth is traveling incognito to Switzerland.

On September 10, 1898, Elisabeth and her lady in waiting leave their hotel on the shore of Lake Geneva, on foot, to catch the steamship. The two walk along the promenade when a 25-year-old Italian Anarchist named **Luigi Lucheni** approaches them. Lucheni suddenly stabs Elisabeth with a 4-inch file inserted into a wooden handle.

Lucheni had originally planned to kill the Duke of Orléans, but the French noble had left Geneva earlier. Failing to find him, the assassin selects Elisabeth when a Geneva newspaper reveals that the elegant woman traveling under the pseudonym of "Countess of Hohenembs" was the Empress Elisabeth of Austria.

After Lucheni strikes her, the Empress collapses and dies soon afterwards. Lucheni is soon apprehended as anger and grief sweep Autria-Hungary.



Murderous Reds of unstable mind are being incited by propaganda and unseen handlers to blindly serve the bloodlust of The New World Order.

NOVEMBER, 1898
THE "WAR HERO" IS ELECTED GOVERNOR OF NEW YORK

Almost immediately after leaving the Army in August, 1898, the legend-in-his-own-mind is tapped by the kingmakers of New York to run as the Republican Party candidate for governor. As one would have come to already expect of the raging narcissist, TR campaigns vigorously on his war record as the "hero" of San Juan Hill. The mendacious mythology is multiplied by the Yellow Press. 'Colonel" Roosevelt wins the election by the historically narrow margin of just 1%. So many good things happening for Theodore Roosevelt!

His brief 2-year Governorship is marked by a flurry of busy-body activity in which TR casts himself as the champion of "little guy" against the big bad corporations. Like his mythical charge into the imaginary gunfire of San Juan Hill, this simplistic narrative is based on smoke and bullshit. In reality, TR was a wholly-owned creation of the very Wall Street Finance Kings that he claims to be crusading against.

The other notable, and typical, development of TR's Governorship was the very strange innovation of holding press conferences not on a weekly basis; not on a daily basis, but *twice* each day! Ostensibly, this was done to "stay connected with the middle-class". In reality, the two-a-day pressers serve as further evidence that

TR is a self-obsessed, attention-seeking megalomaniac who should never have been allowed anywhere near the levers of state power.



Then, as now, the gullible public loves a "war hero". TR shamelessly rode his fictitious battlefield heroism into the Governorship of New York.

1899-1900
U.S. VICE PRESIDENT GARRET HOBART DIES / TR IS IMPOSED UPON McKINLEY AS NEW VICE PRESIDENT

Just 55 years of age, Vice President Garret Hobart dies of strange heart ailment in November, 1899. Hobart is a constitutional conservative. His untimely death conveniently creates an opening for the Progressive-Globalist faction that has infiltrated the Republican Party.

The very same faction of warmongers that had imposed the phony Spanish-American War upon McKinley will soon impose TR onto the Presidential ticket for the 1900 election. This effort is also supported by some in New York who wish to be rid of the meddlesome do-gooder Governor and his excessive interference in commerce.

The Globalists are now "just one heartbeat away" from having their first puppet installed in the White House. ***Was Hobart poisoned to pave the way for the Globalist TR's stunning rise?*** Subsequent events suggest that Hobart's oddly convenient death was likely part of a plan.

Step 1: TR's military record is exaggerated by the Yellow Press *(San Juan Hill)*.
Step 2: The "War Hero" is then rocketed into the Governorship of New York
Step 3: When Hobart dies, the "the war hero" is forced upon a reluctant McKinley.

The popular McKinley is re-elected. In September, Roosevelt coins the phrase for which he is best known: *"Speak softly and carry a big stick, and you will go far."* **(17)** Spoken like a true sociopath. So many good things are happening for Theodore Roosevelt!






An unexpected death (poison?) turns McKinley-Hobart into McKinley-Roosevelt. The Yellow Press cartoon image at center depicts a "reluctant" TR, in "war hero" uniform, having to be seduced by the 4 maidens (North, South, East, West) into joining the McKinley 1900 ticket as Vice President.

1899-1902
THE BOER WARS / ROTHSCHILD INVADES SOUTH AFRICA

The **2nd Anglo-Boer War** is the first major war of the 20th century. *(The 1st war was a brief conflict won by the Boers in 1881)* Boers are descendants of German, French & Dutch settlers who arrived in South Africa in the 1600's. Hard working Boers develop the virgin land and build prosperous, free republics. Like flies to feces, the discovery of diamonds in the 1800's attracts British/Zionist immigration and intrigue.

Rothschild agent **Cecil Rhodes** *(for whom the Globalist "Rhodes Scholarship" is named)* and Jewish mogul **Barney Barbato** establish the **DeBeers** company, which will control the world's diamond production. In December of 1895, a band of 500 British adventurers had attempted to seize control of South Africa in an "unofficial" armed takeover. The failed raid is led by Rhodes's personal friend, Leander Starr Jameson.

Undaunted by the raid's failure, the aggressors continue to foment war against the Boers, with Zionist newspapers in the UK being the most vocal. The Boers ask

Britain to withdraw its troops. The Brits refuse. The 2nd Boer War begins in October of 1899.

The British wage a cruel war, even starving women and children in filthy concentration camps. They instigate and arm Black tribes to "kill the Boers." The Boers finally submit and accept British rule, *(up until 1961).* The Jewish Oppenheimer Family - whose business ties with the Rothschilds go back more than 100 years **(18)** -, will dominate **DeBeers**, and South Africa's media. To this day, the **Globalists** are using Blacks to wage war against Boers.




Many women & children died in Rothschild Britain's concentration camps.

JULY 29, 1900
REDS ASSASSINATE THE KING OF ITALY

In May of 1900, Red terrorist **Gaetano Bresci** leaves his home in Paterson, NJ and returns to Italy. He proceeds to stalk **King Umberto**, arriving in the town of Monza on July 26. The King, who had survived a Red assassination attempt in 1878, arrives on the evening of the 29th in an open air carriage and begins distributing medals to the Italian athletes gathered.

After a short word of congratulations, Umberto descends the platform and gets back into his carriage. As he sits, Bresci bursts from the crowd brandishing a revolver and fires four times. The King dies seconds later, having been hit three times in the chest. Bresci is tackled by police agents and arrested.



Mamma Mia! The King of Italy is dead!

SEPTEMBER, 1901
REDS ASSASSINATE PRESIDENT McKINLEY / GLOBALIST TEDDY ROOSEVELT BECOMES PRESIDENT

The charmed political life of the cowboy-super cop-war hero Roosevelt continues when **Leon Czolgosz**, a Red terrorist, shoots President McKinley at close range. It was the speeches of the notorious Red subversive, Emma Goldman, which moved Czolgosz to "do something heroic" and thus become famous.

McKinley appears to be making a strong recovery, before suddenly weakening and dying on September 14, 1901. Just shy of his 43rd birthday, the ultra-ambitious Theodore Roosevelt becomes the youngest President in U.S. history. A Red bullet has put a "progressive" in the White House.

And again, so many good things are happening for Theodore Roosevelt!


CHIEF EXECUTIVE THE VICTIM OF MOST COWARDLY ANARCHIST

JOYOUS THRONG SHOCKED

Many Witness the Assault on Guest.

President Strives to Calm Enraged People.

When Serious Nature of Wounds Appear an Uproar Ensues.

SHOOTER PROMPTLY ARRESTED

Saved From the Enraged Populace.

Attempt Is Made to Lynch Fiendish Assassin.

Officers of the Law Lose No Time in Jailing the Prisoner.



McKinley dies. TR is sworn-in as President. The rapid rise of TR is complete.





*1- Leon **Czolgosz**: The immigrant Red's bullet put a big government "Progressive" into the White House.*

2- Cartoon later depicts TR and Wall Street bosses welcoming Karl Marx.

1901-1907
TR FIGHTS THE PHILIPPINES WAR AND MORO REBELLION

The shameful Philippines War and subsequent Moro Rebellion grow out of the equally shameful Spanish-American War – the "splendid little war" as TR refers to it.

During TR's war of Asian aggression, **5,000 Americans and 20,000 Filipinos are killed, with as many as 100,000 more natives dying of disease. (19)** This is the Philippine independence movement's reward for rising up against Spain, based on America's empty promises. The formerly Spanish-speaking natives are then converted to the English language, which they speak to this day.




1- TR's long-since forgotten Philippines War got 5,000 Americans killed
2- American troops waterboard-torture a Philippine rebel.

1903
TR ORCHESTRATES A REVOLUTION IN COLUMBIA

Contrary to TR's post-Presidency boasts, and also contrary to official U.S. history fables, the phony Pharaoh of America did not "build the Panama Canal". The concept was long in the works before TR even arrived on the scene. At most, TR can be credited with expediting the stalled project; but the manner in which he did this amounts to yet another shameful and uncalled for episode of Rooseveltian "big stick" bullying.

Irritated by Colombia's reasonable request for better terms for what is to become the Panama Canal, TR foments a fake revolution in the Panama region of Colombia. As a show of intimidation, TR also orders battleships into the area. The result is the newly formed puppet state of Panama. Colombia ends up being screwed out of any lease payments for the Canal! **(20)**







1- Cartoon depicts TR's militaristic bullying of Columbia.

2- The Yellow Press and modern court historians would have you believe that TR single-handedly conceived and built the canal with his own two hands!

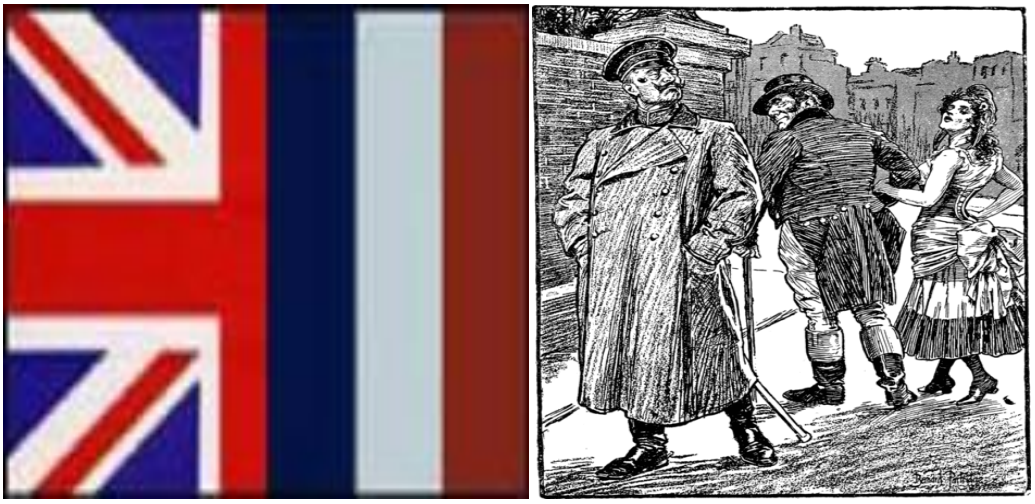
3- Cartoon mocks TR's intrigues which broke up Columbia and created the Panama puppet state.

APRIL, 1904
THE 'ENTENTE CORDIAL' / UK & FRANCE FORM AN ALLIANCE / GERMANY IS SUSPICIOUS

The Entente Cordiale is a series of agreements signed between France and Great Britain. The agreements settle issues regarding colonial expansion and also mark the end of a centuries-old era of on and off conflict between France and Britain.

Germany views the new alliance with great suspicion, especially because France had already allied itself with Russia in 1892. ***The "chess pieces" of Europe are clearly being set in preparation of the Big Game to come.***

The Rothschild-Anglo-French alliance will one day entangle the U.S. These nations will serve as the military "hit men" of the **New World Order**.



German cartoon: John Bull (UK) walks by with his French whore as Germany, saber at the ready, looks on with suspicion.

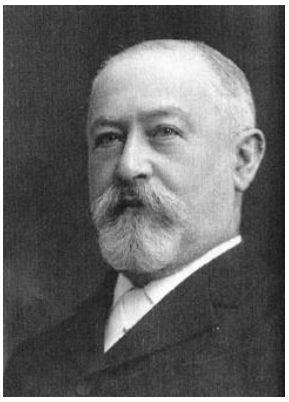
1905
ZIONIST BANKERS & REDS ATTEMPT REVOLUTION IN RUSSIA

The attempted **Russian Revolution of 1905** is a wave of political uprisings, massive labor strikes, and terrorist acts against the government of Russia. The Reds *(under orders from their Rothschild / Schiff masters)* use the discontent surrounding the lost war with Japan *(financed by Schiff)* to foment the revolution. From 1905 to 1909, Red terrorists will kill 7,300 people and wound about 8,000.

Though the Jewish-inspired Red Revolution is suppressed, Tsar Nicholas II is forced to make "democratic" concessions which weaken his power and set him up for a future attempt. Nicholas makes a critical mistake by showing mercy to Red leaders such as Lenin and Trotsky. Instead of executing the Marxist leaders, the Russians merely arrest or deport them.

Lenin finds his way to Switzerland, and Trotsky ends up in New York after escaping from prison. The exiled Communists will one day return, with more money from the Zionist bankers, to terrorize Christian Russia once again.





1- Trotsky (center) and his Jewish-Marxist gang hung out in New York.

2- Jewish Wall Street banker Jacob Schiff weakened Russia by financing Japan's victorious war effort

FORBIDDEN HISTORY: QUOTE TO REMEMBER



***"The Jews have undoubtedly to a large extent furnished the brains and energy in the revolution throughout Russia."* (21)**

George von Longerke / US Ambassador to Russia

FEBRUARY 17, 1905
REDS MURDER GRAND DUKE OF RUSSIA (The Czar's Uncle)

Russia's **Grand Duke Sergei Alexandrovich** is the brother of the late Czar Alexander III. Their father, Alexander II *(Lincoln's ally)*, is murdered by the Reds in 1881. The Grand Duke is a very influential figure during the reign of his nephew and current Czar, Nicholas II.

The Grand Duke meets the same sad fate as his father when a Red terrorist named **Ivan Kalyayev** hurls a bomb at the Duke's carriage. The bomb lands on his lap, obliterating the Duke and his carriage beyond recognition. Duchess Elizabeth, the Grand Duke's wife, withdraws from public life, founding a convent and dedicating herself to helping the poor. The Reds will eventually murder her and her nun-maid in 1918.





Another Romanov is murdered. The Communist killer got so close that the Duke's blood splattered on his own face.

1905
THE MYSTERIOUS PROTOCOLS OF THE LEARNED ELDERS OF ZION IS PUBLISHED IN RUSSIA

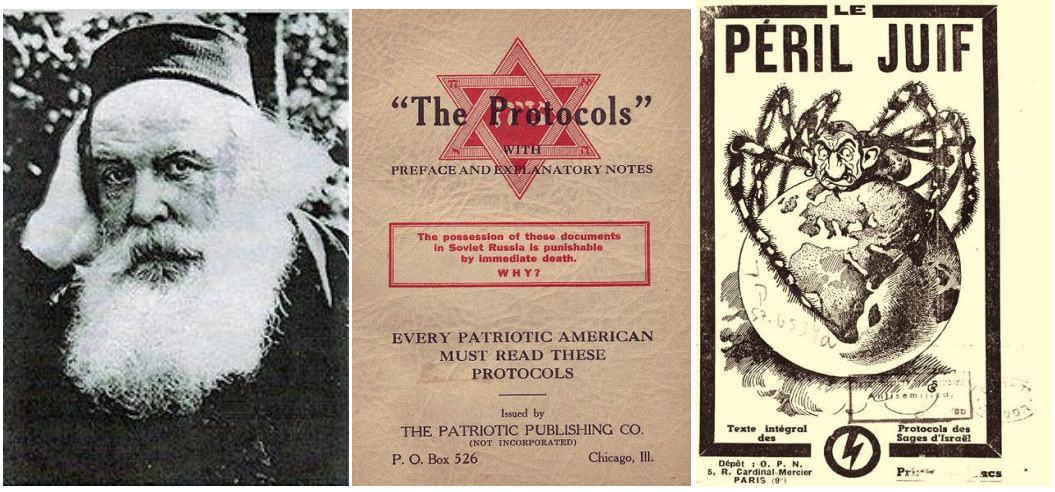
Russian Professor **Sergei Nilus** publishes a full version of **The Protocols of the Learned Elders of Zion**, a controversial document discovered a few years earlier. The *Protocols* are alleged to be the minutes of a secret meeting of Jewish elites in which a master plan for world domination, to be completed over the next 100 years, is laid out in chilling detail.

The *Protocols* tell of Jewish control of world banking, world media, Communism, liberalism, and political parties of every type. The master plot includes plans to:

- Destroy the Catholic Church and all Christianity
- Promote Atheism
- Wage class warfare / labor against management
- Overthrow Tsarist Russia

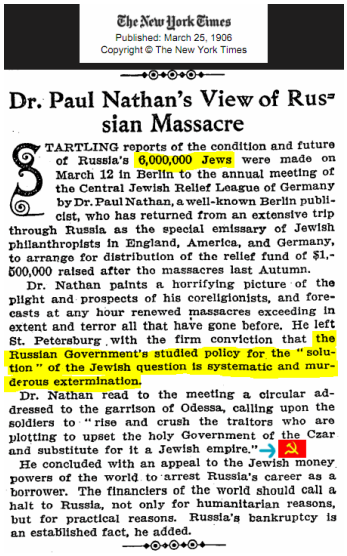
- Corrupt the morals of the people
- Promote senseless “modern art” and dirty literature
- **Use anti-Semitism to keep "lesser Jews" cohesive**
- Manipulate women with ideas of "liberation"
- Create economic depressions and inflations
- Create "controlled opposition" to themselves
- Use state debt as a weapon to enslave countries
- Subvert and control all existing governments
- Install tainted politicians that can be blackmailed
- Manipulate college students with phony idealism
- Assassinate world leaders
- Spread deadly diseases
- Use balance of power politics to control nations
- Commit acts of terrorism
- Promote sports and games in order to divert people from politics
- Start a World War which will include the USA
- Set up world government after an economic crash

Some allege that the *Protocols* were forged by Russian security agents in order to convince the Tsar Nicholas II of the **New World Order's** existence. Although the authenticity of the document remains in question, world events of the coming decades will match the *Protocols* so closely that the document becomes a worldwide sensation during the 1920's and '30's. Forgery or not, whoever wrote it had an unusual knowledge and spooky prescience.



Professor Nilus translated the Protocols; since re-translated widely.

MARCH 25, 1906
ZIONIST-OWNED NEW YORK TIMES PUBLISHES FALSE CLAIM THAT 6 MILLION JEWS FACE EXTERMINATION IN RUSSIA



The New York Times
Published: March 25, 1906
Copyright © The New York Times

Dr. Paul Nathan's View of Russian Massacre

STARTLING reports of the condition and future of Russia's 6,000,000 Jews were made on March 12 in Berlin to the annual meeting of the Central Jewish Relief League of Germany by Dr. Paul Nathan, a well-known Berlin publicist, who has returned from an extensive trip through Russia as the special emissary of Jewish philanthropists in England, America, and Germany, to arrange for distribution of the relief fund of $1,500,000 raised after the massacres last Autumn.

Dr. Nathan paints a horrifying picture of the plight and prospects of his coreligionists, and forecasts at any hour renewed massacres exceeding in extent and terror all that have gone before. He left St. Petersburg with the firm conviction that the Russian Government's studied policy for the "solution" of the Jewish question is systematic and murderous extermination.

Dr. Nathan read to the meeting a circular addressed to the garrison of Odessa, calling upon the soldiers to "rise and crush the traitors who are plotting to upset the holy Government of the Czar and substitute for it a Jewish empire."

He concluded with an appeal to the Jewish money powers of the world to arrest Russia's career as a borrower. The financiers of the world should call a halt to Russia, not only for humanitarian reasons, but for practical reasons. Russia's bankruptcy is an established fact, he added.



WENATCHEE DAILY

VOLUME I.—NO. 300. WENATCHEE, WASHINGTON, WEDNESDAY, JUNE 20, 1906

MAY EXTERMINATE JEWS IN RUSSIA

Bloody Anti-Jewish Campaign is so Well Organized That Few Jews and Very Little Jewish Property Will Survive

London, June 20.—Leopold J. Greenburg, honorary secretary of the English Zionist Federation, received a telegram this morning from a member of the Russian douma, stating that the bloody anti-Jewish campaign in Russia is so well organized and so vigorously supported by the bureau of an attempt on the life of General Trepoff, commandant of the palace, by a well dressed woman masquerading as Princess Nariahbin.

According to the rumor, the woman gained admittance to the palace and when Trepoff appeared she drew a revolver, but before it was fired she was seized.

The story is denied by the police.

BEVERIDGE BILL PASSES THE HOUSE

Washington, D. C., June 20.—The beef inspection bill passed the House today.

Senator Beveridge and the President

PASSAGE OF RATE BILL STILL IN DOUBT

Three Amendments are Giving Trouble and Arguments Have not Yet Been Reached on Several More

Washington, June 20.—From present indications the conferees on the railroad rate bill will not reach an agreement until some time next week, which in all probability will be the last week of the session. The purpose of withholding their report, it is said, is to avoid a repetition of the long de-

**Smaller newspapers later picked up the "6,000,000" claim too.*

MAY 31, 1906
REDS NEARLY ASSASSINATE KING & QUEEN CONSORT OF SPAIN ON THEIR WEDDING DAY

The wedding day of the popular **King Alphonso XIII of Spain and Queen Consort Victoria Eugenia** *(granddaughter of England's Queen Victoria)* is marred by yet another Red assassination plot. **Mateu Morral Roca**'s bomb is concealed in a bouquet of flowers, which he launches at the Royal couple from a nearby balcony. The deadly flower-bomb misses its mark, but several bystanders are killed.

The New World Order's murderous war against Spain, and all of western civilization, continues.



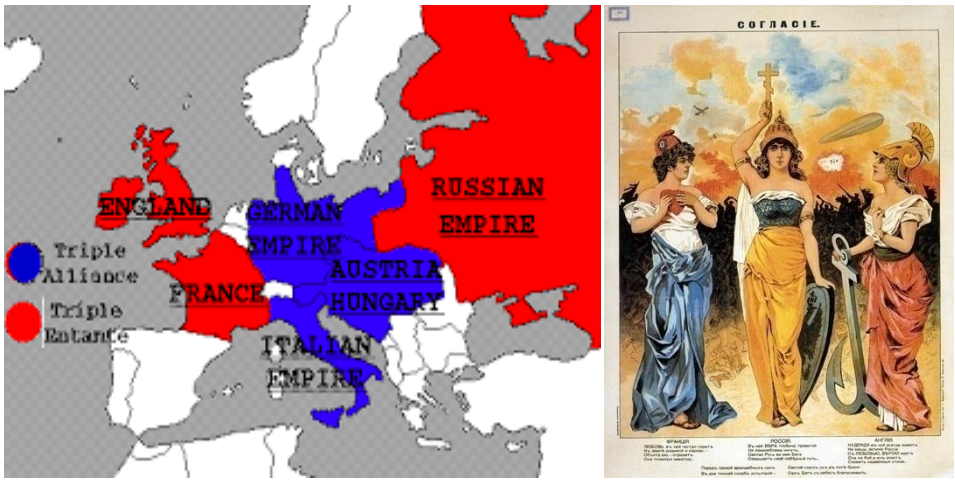
The King & Queen-to-Be were almost killed, in church, on their wedding day, by yet another crazed Anarchist dupe of the New World Order.

1907
<u>TRIPLE</u> ENTENTE BRINGS EUROPE CLOSER TO WAR!

The Triple Entente *(from French* entente, *"agreement")* is a military alliance between the UK, France, and Russia, concluded after the signing of the British-Russian Entente in 1907. Of course, Rothschild Britain is not allying with Russia out of any friendship. The Globalist goal is to draw Russia into fighting Germany & Austria-Hungary from the east. After Russia, Germany, and Austria-Hungary exhaust themselves, all three former allies can then be subverted from within by Communists and/or liberals, controlled by the Globalists.

The Triple Entente is the counterweight to the 1882 **Triple Alliance** *(or Central Powers)* of Germany, Austria-Hungary, and Italy. Rothschild & Warburg agents are also at work within The Triple Alliance. Italy later switches sides and is replaced by the Ottoman Empire *(Russia's nemesis).* The two alliances have been cleverly set up as mechanisms for the purpose of triggering the coming world war to rearrange Europe, and the world. One little incident in the Balkan region of southern Austria-Hungary is all that it will take to ignite the two alliance powder kegs, and drag the powers of Europe *(and America)* into a massive war.

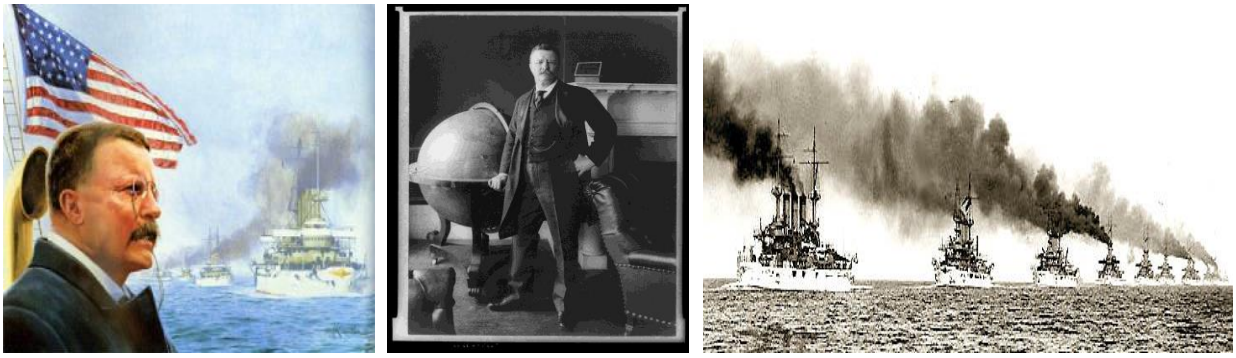
The New World Order and its agents will skillfully manipulate the patriotic passion of the various nations so as to bring about a disaster that will benefit Zionism, Communism, and Globalism.



Germany & Austria-Hungary boxed-in by The Triple Entente. The 3 ladies in the Russian propaganda poster represent France, Russia and Britain.

1907-1909
TR SHOWS OFF THE 'GREAT WHITE FLEET'

The **Great White Fleet** was the popular nickname for the U.S. Navy battle fleet that TR ordered to sail around the world from December 1907 to February 1909. TR's ostentatious and unnecessary "big stick" intimidation consists of 16 battleships divided into two squadrons, along with various escorts. The vulgar display of military power marks the completion of America's Rooseveltian transition from a peaceful republic to a violent global bully that is prepared to intervene around the world.



"USA! USA! USA!"....The jingoistic and militaristic ugliness that is modern "American exceptionalism" originated with the mad Globalist TR.

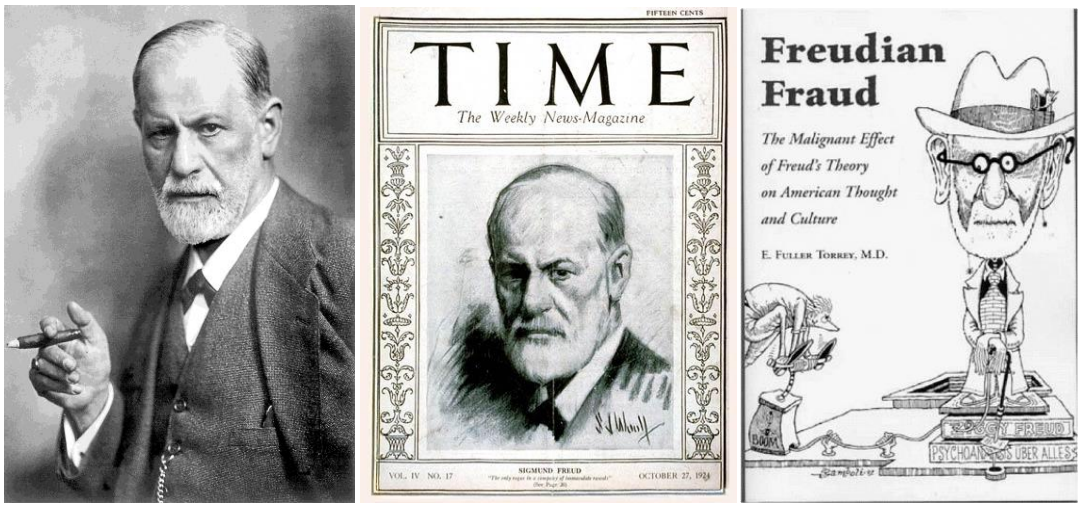
EARLY 1900's
SIGMUND FREUD SEXUALIZES PSYCHOLOGY

Jewish psychologist Sigmund Freud is a press-hyped charlatan whose "insights" will play a major role in breaking down and obliterating the sexual mores needed to stabilize a family-based society – a critical objective that The New World Order has *always* promoted.

Freud is a neurotic himself who projects his own weird obsessions onto his patients and into his writings. He smokes 20 cigars a day, and does not quit even when he is diagnosed with cancer of the jaw. **(22)** Freud will be operated upon many times before the disease finally kills him.

Freud's "Seduction Theory" claims that many mental disorders are due to repressed, or even imagined memories of seeing or hearing adults engaging in various forms of sexual activity. Schizophrenia, he argued, was caused by unresolved feelings of homosexuality.

Everything with Freud is about penis envy, sexual desire for one's mother, and the alleged evils of "repression" *(sexual self-control).* His imagination is his only check in reality. In short, Freud's destructive message to the West is that "repressed sexuality" is the root of insanity. Indulge. Indulge. Indulge. That's bad for society – but good for those who wish to destroy it.

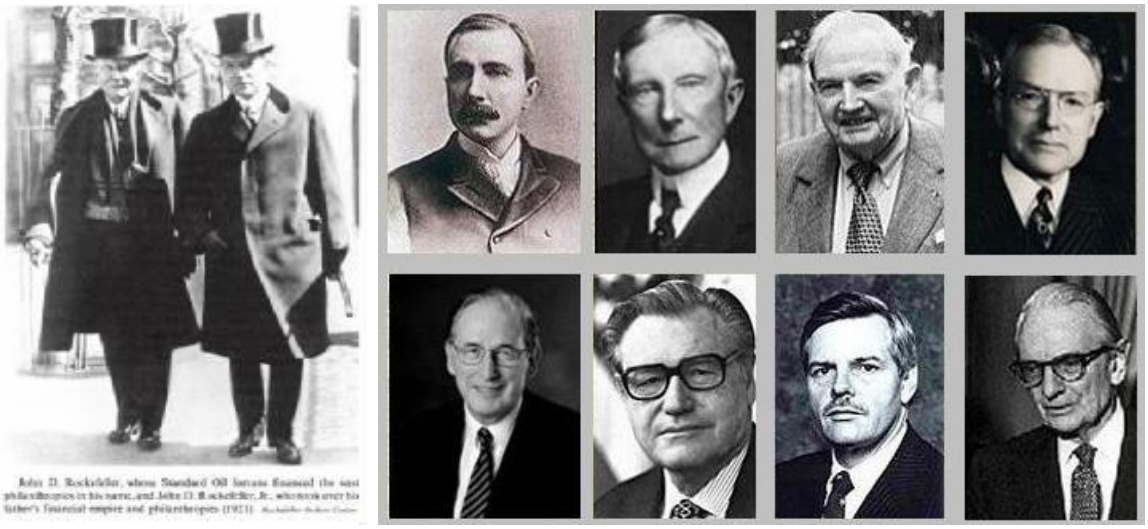


Hyped by the Globalist press, Freud's sex-obsessed fraud has done great damage to European and American thought and culture.

EARLY 1900's
THE RISE OF THE HOUSE OF ROCKEFELLER

In the early 1900's, wealthy non-Jewish, "Anglo" elites *(JP Morgan, Rockefeller, etc.)* have formed alliances with Jewish Dynasties such as the Rothschild, Warburg, and Schiff Families. Drunk on their power and wealth, these families believe it is their birthright to control humanity under their **New World Order.**

The most prominent of the U.S. Globalists is **John D Rockefeller Sr.**, who founded Standard Oil in 1870. Rockefeller's fortune, adjusted for inflation, makes him the richest American in history *(net worth of 700 billion in 2013 dollars!)* His son, John Jr. inherits the Rockefeller Empire and expands it into banking. He will raise 5 sons who take the family's crime operation into the 21st century.



'Puttin' on the Ritz.'John D. and his son, John Jr. Their offspring would influence world affairs for the next 100 years.

OCTOBER, 1907
WALL STEET BANKERS ENGINEER THE PANIC 1907

The New York bankers have artificially inflated the stock market with easy loans. When lending is then tightened, the bubble pops. Stocks crash nearly 50% and bank runs follow. The New York Times and the Wall Street bankers use the **Panic of 1907** to make a case for establishing a European-style Central Bank *(as Karl Marx envisioned).*

A few years later, Senator Robert Owen (OK) accuses the Bankers,

"The Panic was brought about by a deliberate conspiracy for the enrichment of those who engineered it." **(23)**

JP Morgan, John D Rockefeller, Jacob Schiff, and **Paul Warburg**, all declare that the lesson of the Great Panic is that the U.S. needs a Central Bank. In fact, nine months *before* the crisis, **Schiff** warned, in a speech to the Chamber of Commerce:

"unless we have a central bank with control of credit resources, this country is going to undergo the most severe and far reaching money panic in its history." **(24)**

How "prophetic" indeed!



Rothschild-connected Jacob Schiff and friends engineered the bank runs of 1907 in order to set the stage for the re-establishment of the Central Bank that Andrew Jackson had killed 70 years earlier. Senator Owen (right) figured this out.

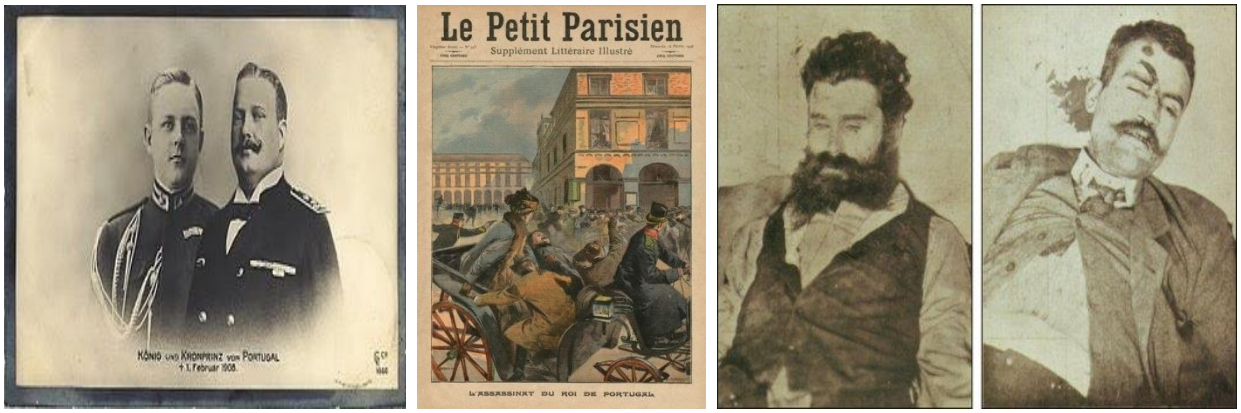
FEBRUARY 1908
RADICALS ASSASSINATE BOTH THE KING AND CROWN PRINCE OF PORTUGAL

The Royal bloodbath in Europe continues as assassins murder **King Carlos of Portugal** along with his son and heir to the throne, **Prince Luis Filipe**. The assassins, **Alfredo Costa and Manuel Buiça**, are linked to the secret **Carbonari**

Society. They had also wanted to murder the Queen. Their hope was to provoke a revolution.

Similar to the case with Abe Lincoln's murder, the assassins are executed on the spot before they can talk, suggesting that the conspiracy may have included elements within the government. Although panic ensues, a revolution does not materialize. Prince Manuel *(younger son of the King)* succeeds his father.

The heads of Europe are revolted, partly due to King Carlos's popularity, and also the brutal manner in which the assassination was planned and orchestrated.

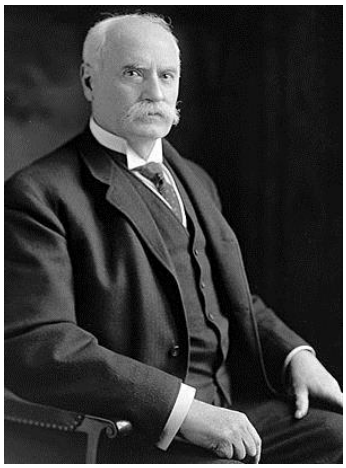


Father and son, killed by radicals; both of whom were immediately killed.

1908
TR APPOINTS WALL STREET FRONT MAN TO MONOPOLIZE AMERICA'S CURRENCY & CREDIT

One year after the seemingly engineered Panic of 1907, TR and Congress establish the "**National Monetary Commission**" to study the crash and make suggestions. In stark contradiction of Roosevelt's careful crafted image as "the scourge of the Wall Street Robber Barons"; Senator Nelson Aldrich, the son-in-law of John D. Rockefeller, is named as Chairman. The NMC later suggests the establishment of a privately owned Central Bank for America - which will eventually come into being in 1913 as "The Federal Reserve".

The on-again and off-again harm that the Fed has caused to America ever since is beyond the scope of this work and too far removed from the direct subject matter. The essential takeaway point here is that TR's well-publicized battles against the New York "Robber Barons" are a publicity sham. Indeed, TR's NMC, assembled during TR's final months in office, aims to hand over the whole damn money supply to the Rockefellers ,Warburgs, Schiffs, Morgans and Rothschilds!


1- The Yellow Press myth of TR as the slayer of the giant "capitalists" is as phony as the "cowboy" and "war hero" legends. It was Wall Street fat cats who were behind TR all along. TR's National Monetary Commission began the process of handing over the money supply to the Global Banking Mafia.

2- Nelson Aldrich, an in-law and trusted agent of the Rockefellers 3- Papa Rockefeller and son John D. Jr. strolling in their top hats.

1905-1908
MARK TWAIN NAILS TR TO THE LITERARY CROSS

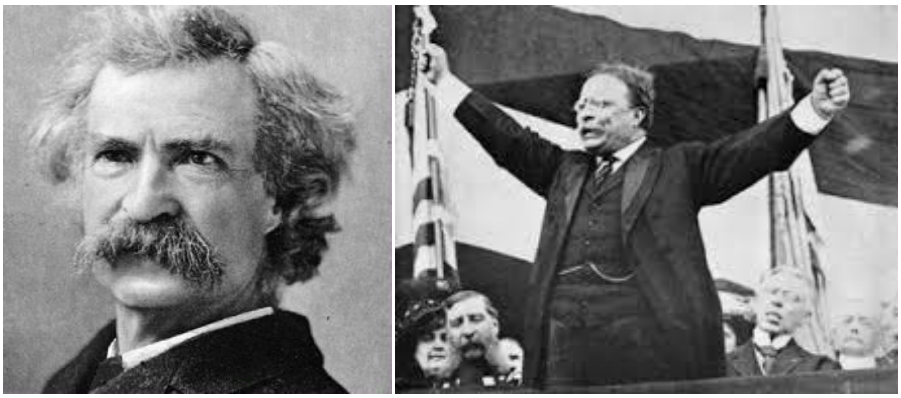
One thing that great writers all have in common is the uncanny ability to read human nature and to see through the facades of our behavior. The legendary **Mark Twain** had TR all figured out. His brutal and illuminating words, accumulated over a period of 6 years, speak for themselves.

"He is magnificent when his ears are pricked up and his tail is in the air, and he attacks a lightning express, only to be lost in the dust the express creates. **(25)**

Mr. Roosevelt is the Tom Sawyer of the political world of the twentieth century; always showing off; always hunting for a chance to show off; in his frenzied imagination the Great Republic is a vast Barnum circus with him for a clown and the whole world for audience; he would go to Halifax for half a chance to show off and he would go to hell for a whole one. **(26)**

We are insane, each in our own way, and with insanity goes irresponsibility. Theodore the man is sane; in fairness we ought to keep in mind that Theodore, as statesman and politician, is insane and irresponsible. **(27)**

Our people have adored this showy charlatan as perhaps no impostor of his brood has been adored since the Golden Calf, so it is to be expected that the Nation will want him back again after he is done hunting other wild animals heroically in Africa, with the safeguard and advertising equipment of a park of artillery and a brass band. **(28)**



Great writers instinctively sense the flaws and facades of the human character. That is why Mark Twain despised the show-off "circus clown" Roosevelt.

1908
ROTHSCHILD'S 'YOUNG TURKS' REVOLUTION WEAKENS THE OTTOMAN EMPIRE

The Young Turks, *(like Young England years earlier)* are a group of Globalist backed "progressives" who work to undermine the Sultan of the Ottoman Empire and bring about "democracy". In 1908, the Young Turks, supported by elements within the military, stage an uprising against the Sultan. Because the Young Turks have penetrated the army, the Sultan is forced to submit to concessions which weaken his power.

The **"Committee of Union and Progress"**(CUP), emerges from its previous conspiratorial darkness and becomes a powerful force in Turkish parliamentary politics. As is the case in Europe, Jewish reformers play a leading role in the Young Turks/CUP *(Carasso, Bey, Russo, Jabotinsky etc.)*

This latest "chess move" advances Globo-Zionist plans. The Sultan had strongly opposed the establishment of a Jewish state in Ottoman Palestine. Now, with so many prominent Jewish Young Turks on the rise, the Zionists have some friendly partners in Turkey to work with.




1- Jewish 'Turk' Carasso worked for Rothschild.

*2- Young Turk leader **Mustafa Kemal Atatürk** preaches Globalism:*
" Mankind is a single body and each nation is a part of that body."

1909
RETIRED PRESIDENT TR GOES ON A SAFARI RAMPAGE

After 7 years in office, TR decides to not seek re-election. He entrusts his 'Progressive' agenda to his friend, William Howard Taft. Ever-hungry for the limelight, the fake tough-guy with the childhood inferiority complex goes on an African safari and again proves his manhood by killing every majestic creature that he can point a rifle at. The numbers of animals that TR and his group, including his son, kill for "science" is staggering.

More than 1000 large animals, including 512 big game animals and six rare White Rhinos, are gunned down in TR's great expedition. **(29)** Tons of salted animals and their skins are shipped to Washington's Smithsonian Museum, which has to pass some off to other museums. When criticized for the shocking number of animals so senselessly slaughtered, Roosevelt, in typical narcissist fashion, replies: *"I can be condemned only if the existence of the National Museum, the American Museum of Natural History and all similar zoological institutions are to be condemned"*. **(30)**

Although the safari was ostensibly conducted in the name of science, it was really a self-aggrandizing political and social event as it was a hunting excursion. In 1910, TR, as expected, publishes a book about his great adventure, *African Game Trails*. Theodore Roosevelt is truly a sick man.

After a 10 year run of killing U.S. sailors and Philippine natives, ex-President Roosevelt took to killing elephants, rhinos, giraffes and lions as a hobby.



"He is hunting wild animals heroically in Africa, with the safeguard and advertising equipment of a park of artillery and a brass band."

- Mark Twain **(31)**



Edward Gibbon's description of the shocking excesses of the megalomaniac and degenerate Roman Emperor Commodus (depicted by Joachim Phoenix in the 2000 movie 'Gladiator'), is very similar to TR's well-publicized safari slaughter:

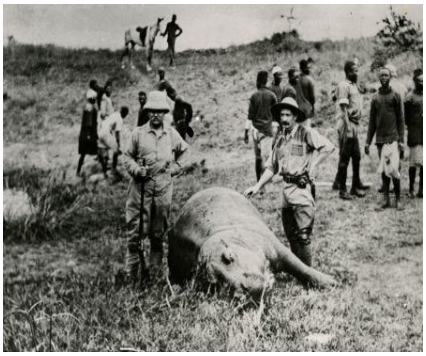
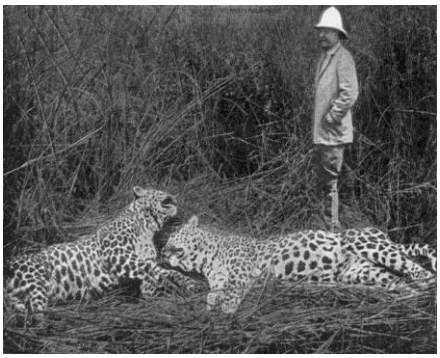
From the Wikipedia entry on Commodus:



"Commodus was also known for fighting exotic animals in the arena, often to the horror of the Roman people. According to Gibbon, Commodus once killed 100 lions in a single day. Later, he decapitated a running ostrich with a specially designed dart and afterwards carried the bleeding head of the dead bird and his sword over to the section where the Senators sat and gesticulated as though they were next. Dio notes that the targeted senators actually found this more ridiculous than frightening, and chewed on laurel leaves to conceal their laughter. On another occasion, Commodus killed three elephants on the floor of the arena by himself. Finally, Commodus killed a giraffe, which was considered to be a strange and helpless beast." **(32)**

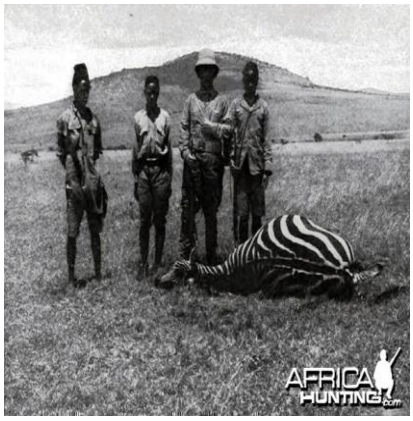
Commodus also had an inferiority complex for he could never measure up to his learned philosopher-king father, Marcus Aurelius. Likewise, the Columbia Law School dropout TR knows that he can never measure up to American Presidents of the past.

More proud photos from the great American Emperor-Gladiator:


Hippo – Cheetahs – Antelope







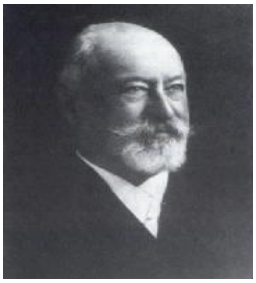
Giraffe – Zebra – Decapitated Bull Elephant "Trophy"

1900-1920
NEW AMERICAN ZIONIST KINGPINS EMERGE

The Rothschild orbit includes other Zionist bankers who emerge as giants in their own right. These "American" moguls will dominate the coming 8-year Presidency of their pathetic puppet, Woody Wilson.

- **JACOB SCHIFF:** The Schiff Family shared a home with the Rothschilds in the 1700's. Schiff helped Japan defeat Russia in 1905. He will also help to found / fund the comig NAACP and the ADL.
- **BERNARD BARUCH:** Baruch first introduced Woodrow Wilson to the wealthy Jewish community of New York City. According to one account, *"Baruch led Wilson as one would a poodle on a string"*. **(33)** During World War I, Baruch will head up Wilson's War Industries Board, making him the most powerful figure in U.S. industry.

- **THE WARBURG BROTHERS:** German banker **Paul Warburg** will soon become the "Father of the U.S. Federal Reserve" – a private banking and stock manipulation syndicate which collects interest for the privilege of printing the nation's currency. His son James will set up the **United World Federalists** in 1947 to *openly* promote world government. **(34)** His brother, **Max** is a very powerful banker in Germany, and his other brother, **Felix**, a 'philanthropist', uses his fortune to promote Globo-Zionist causes.

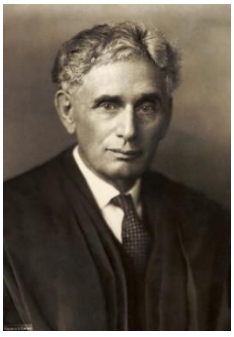

Jacob Schiff


Paul Warburg

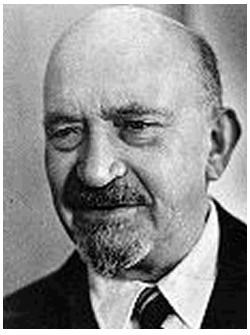

Felix Warburg


Bernard Baruch

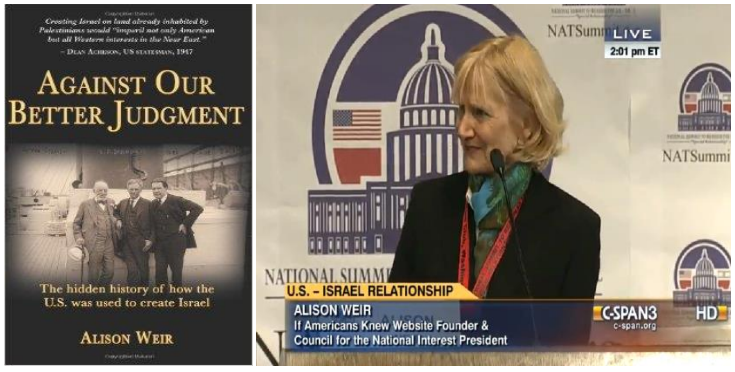
Other Zionist power players of that era


Louis Brandeis


Samuel Untermyer


Chaim Weizmann


Rabbi Wise



"Against Our Better Judgment" by journalist and historian Alison Weir reveals how early Zionists manipulated Wilson, and others.

FEBRUARY, 1909
WEALTHY GLOBO-ZIONISTS ESTABLISH THE N.A.A.C.P. IN ORDER TO CONTROL BLACK AMERICANS

The **NAACP** *(National Association for the Advancement of Colored People)* is the most well-known Black American organization. What is not widely known is that its founders are all Jewish! **(35)** Early Jewish founders include Julius Rosenwald, Lillian Wald, Rabbi Emil Hirsch, and Rabbi Steven Wise. A black Communist named **W.E. Dubois** is cleverly put up as the NAACP's front man.

In 1914, Jewish Professor Joel Spingarn becomes Chairman and recruits for its board Jewish leaders such as Jacob Billikopf, Rabbi Stephen Wise, and the all mighty Jacob Schiff. Zionist money has long controlled this "civil rights" group.

By design, the Zionist run NAACP draws blacks away from the positive influence of the Black-American conservative **Booker T. Washington**., a popular Black leader who believes in America's founding principles and seeks to build bridges between whites and blacks.

The liberal Democrat NAACP represents the opposite of what the Republican Booker T. stands for. The NAACP is a Globalist Marxist tool that serves to divide and incite Americans while herding black voters *(who they do not care about!)* into the left-wing political camp. As a result, even today, 90-95% of black voters blindly vote for Democrat Party candidates.



Conspirators such as the "Red Rabbi" Stephen Wise created and controlled the NAACP for their war against Whites. Communist WE Dubois (center)) was the front-man used to neutralize the influence of Booker T Washington.

1909
NATHAN ROTHSCHILD IS DESCRIBED AS THE MOST POWERFUL MAN IN BRITAIN

After amassing huge fortunes during the 19th century, the name Rothschild is now synonymous with power and wealth. The family is known for its art collecting and palaces. By the end of the 19th century, the Rothschild Family owns about 40 palaces, of a scale and luxury unparalleled even by the Royal families..The soon-to-be British Prime Minister **Lloyd George** states, in 1909, that **Lord Nathan Rothschild** *(son of Lionel) **"is the most powerful man in Britain"***. **(36)**

The French and Austrian branches of the Rothschild syndicate also hold similar power *(though to a lesser degree)* over those nations. Their agents also influence American and German politics and finance. Together with other Jewish banking dynasties *(Schiff, Warburg, Baruch, Lazard et al)* and also Anglo-American allies and agents *(Rockefeller, JP Morgan et al.)* the Globo-Zionist House of Rothschild is the beating heart of the self-perpetuating **New World Order** crime syndicate that carries on to this day.



'Lord' Nathan Rothschild (left) - the son of Lionel (center) became the new patriarch of 'The Family'. His great great grandson Nathan is a rising superstar of International Finance today

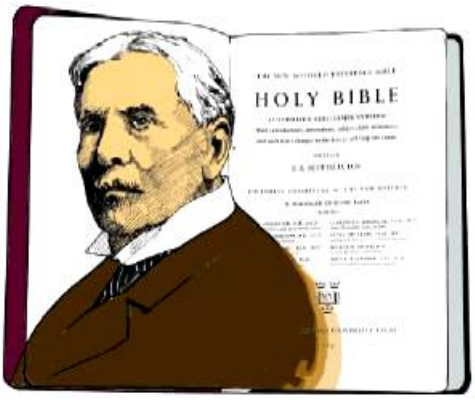
1909
THE SCOFIELD BIBLE TURNS CHRISTIANS INTO ZIONISTS!

Cyrus Scofield is a small time politician and career criminal. In 1873, he is forced to resign his position as a District Attorney because of crooked financial transactions which include accepting bribes, stealing political contributions, and securing bank notes by forging signatures. He serves jail time for forgery charges.

A heavy drinker, Scofield later abandons his wife and two daughters. His wife finally divorces the drunken crook in 1883.As so many con-men do, Scofield then claims to have "found Jesus". He is ordained as a Minister and then claims to have a Doctor of Divinity degree, but this degree is never verified.

After several mysterious trips to Europe and New York; Scofield publishes the notated reference Bible that bears his name. The **added side notes** in **Scofield's Bible** inject a very weird "End Times" prophecy into Christianity. Because of Scofield's altered Bible, many Christians today believe that Jesus will return to save his followers from the "end times" (The Rapture), only after Israel is established, and that **"God will bless those who bless Israel."**

This biblical alteration, *at the hands of a known criminal*, marks the beginning of a powerful force in American politics known as "**Christian Zionism**." Many millions of "Evangelical" Christians have been mentally infected with Scofield's poison. Christian Zionists are even more fanatical in their support of Israel than the Jewish Zionists are. **The Scofield Bible is very good for Zionism!** The question is; who did the con-man Scofield meet with while in New York and Europe?





Con Man Scofield warped Christianity to serve his paymasters. Christian-Zionist pastors like John Hagee will later wield influence on Israel's behalf.

1909
THE 'MELTING POT' OPENS ON BROADWAY! WARM & FUZZY GLOBALIST PROPAGANDA CONTAINS A 'POISON PILL'

Jewish Globalist writer **Israel Zangwill** coins the demeaning term **"Melting Pot"** to describe an America in which all races and cultures are blended into a new people. When 'The Melting Pot' opens on Broadway, it is critically acclaimed *(hyped)* by the Zionist Press, and publicly praised by Teddy Roosevelt. **(37)**

Like all Globalist schemes, this concept sounds like a noble ideal, but, in reality, the "multi-cultural" dissolution of the European people *(Whites)* is a critical long range goal of the "anti-racist" Globalist & Zionist elite - who keep their bloodlines intact as they seek to dominate a de-Europeanized, non-White new world.



The long-term vision of Israel Zangwill and his type is to 'melt' (and even kill) Whites out of existence.

1910-1912
MONEY KINGS OF NEW YORK USE TR TO RUN A 3RD PARTY CAMPAIGN TO REMOVE TAFT

To thwart the Republican Taft's re-election bid, TR, with backing from some big Wall Street financiers, quits the GOP and runs again for President as a 3rd party candidate ***(Progressive / Bull Moose Party)***. Many years later, a well-connected

businessman named **Benjamin Freedman** tells the real story of how the historic election plot of 1912 originated in his father's home.

From a Freedman speech given in 1974:



Benjamin Freedman's speeches and writings reveal the "inside story" of that period in history

"Jacob Schiff came back to New York - he was at that time head of The American Jewish Committee, - and in my father's home - I was a young man then- in the presence of many prominent men , names that are familiar to many people that are here. That is a fact. Now, what happened?

They ganged up in New York, to get rid of Taft. I was a protégé of Mr. Bernard Baruch - a name that I think you are all familiar with. His father was a doctor, Dr. Simon Baruch, who had brought me into the world, and Bernard Baruch was a visitor at our home all the time. He courted my sister; one of my sisters. So the stage was set to get rid of the Republican Party and the Republican President and put in their own party and their own President. But it was very difficult, because, after the Cleveland Depression -President Cleveland was a Democrat- we had the worst depression ever seen anywhere. And that swept the Republican Party into power, because they advocated protective tariffs to protect the working man against the cheap labor of Europe and to protect the infant industries of the United States against foreign competition.

Mr. Schiff came back to New York and the stage was set. And I, as a young man, got into the act. What I am telling you now, I saw with my own eyes, heard with my own ears, but I make it brief. The stage was set: "How can we get rid of the Republican Party; how can we get rid of Taft" - and Mr. Baruch was picked out as the leg man. He was a smart man!

They set up the National Democratic Headquarters at 200 Fifth Avenue, which was the site of the old Fifth Avenue Hotel, now an office building, and Mr. Henry Morgenthau, Sr., the old man, the father of the one you all know, was made chairman of the Finance Committee. I was made his confidential assistant in liaison with the Treasurer, who was Mr. Rollo Wells of St. Louis, - the Andrew Mellon of his time. And I was right in the middle! I saw everything that went on, because I handled all the books that had the cash contributions in them. Mr. Jacob

Schiff and the Jews put up the money to launch this Party and they looked around for a man to put up as President. To make a long story short, they got Woodrow Wilson, a rascal who wasn't worth the powder to blow him to hell!

They got Woodrow Wilson, the man who had more ego than any man I have ever read about, they got him to head the Democratic Party. And they got into difficulties, because the Democrats only got the Electoral votes in the South; where the people in agriculture wanted cheap goods from Europe. But the North wanted the Republicans. They found out they could not elect a President in the United States. So, I handled the money; I was the leg man, the errand boy.

They trotted Theodore Roosevelt out of the political "moth-balls". They told him, "You are the indispensable man. You are the only man who can save the United States." And with his ego they formed the "Bull Moose Party" and Mr. Jacob Schiff and the Jews throughout the world - they got plenty of money from England - they formed the Bull Moose Party. And in that way they split the Republican vote between Roosevelt and Taft, and Mr. Wilson walked in with a minority of the popular vote - the lowest man -and I knew the inside of his private life, which I don't want to go into here-. But never was a lower rascal in the White House, and I've known plenty of them since that time! **(38)**







1- Seated behind TR is New York financier and Rothschild agent, Jacob Schiff (gray beard) - America's richest and most well-connected Money King at the time.

2- Financier Bernard Baruch set up TR's 'Bull Moose' scam.

3- The famous photo of TR riding a Bull Moose has since been confirmed as a doctored-up FAKE. **(39)**

NOVEMBER, 1910
SECRET MEETING ON JEKYLL ISLAND PLOTS THE CREATION OF A NEW U.S. CENTRAL BANK

The same forces that deliberately created the Panic of 1907, and the Monetary Commission of 1908, continue to advance their plot to impose a "solution" to the very crises that they engineered. **Senator Nelson Aldrich** *(maternal grandfather of Nelson & David Rockefeller)* invites top bankers to attend a secret conference at the Jekyll Island hunting club in Georgia. Meeting under the ruse of a duck-shooting excursion, the conspirators plot to recreate a privately owned Central Bank for America.

The "duck hunt" on Jekyll Island includes Senator Aldrich, Henry P. Davison *(the front man for financier **J.P. Morgan**)*, National City Bank President **Frank A. Vanderlip**, and the "Father of the Fed", the recent German Jewish immigrant and Rothschild agent, **Paul Warburg.** From the start, the group proceeds covertly. They avoid the use of last names as they meet quietly at Aldrich's private railway car in New Jersey.

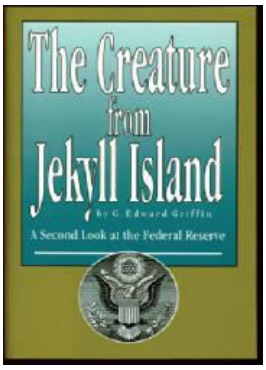
Details of the secret Jekyll Island meeting will not emerge until years later. ***It is later <u>openly acknowledged</u> that the Warburg-Rothschild Central Bank, (which will be established in 1913 as the Federal Reserve System), was conceived at the Jekyll Island meeting.***

Writing in his autobiography 25 years later, Jekyll Attendee Frank Vanderlip reveals:

*"There was an occasion, near the close of 1910, when I was as secretive—indeed, as furtive—as any conspirator. ..I do not feel it is any exaggeration to speak of **our secret expedition** to Jekyll Island as the occasion of the actual conception of what eventually became the Federal Reserve System. We were told to leave our last names behind us. We were told further that we should avoid dining together on the night of our departure. We were instructed to come one at a time and as unobtrusively as possible to the railroad terminal on the New Jersey littoral of the Hudson where Senator Aldrich's private car would be in readiness attached to the rear-end of a train to the south.*

Once aboard the private car we began to observe the taboo that had been fixed on last names. We addressed one another as Ben, Paul, Nelson and Abe. Davison and

I adopted even deeper disguises abandoning our first names. On the theory that we were always right, he became Wilbur and I became Orville after those two aviation pioneers the Wright brothers. The servants and train crew may have known the identities of one or two of us, but they did not know all and it was the names of all printed together that would've made our mysterious journey significant in Washington, in Wall Street, even in London. Discovery we knew simply must not happen." **(40)**



1- 'The "Creature from Jekyll Island": by Edward Griffin is a must read!

2- ***FLASH FORWARD 100 YEARS****…The 'Banksters'* ***OPENLY*** *celebrate the 100th anniversary of the conspiratorial meeting at Jekyll Island. Zionist Fed Chairman Ben Bernanke and Zionist ex-Chairman Alan Greenspan are both in attendance at the conference entitled* ***"A Return to Jekyll Island: The Origins, History, and Future of the Federal Reserve"*** *- held exactly 100 years after the original 1910 meeting, and in the exact same building! Ben Bernanke (l) / Alan Greenspan (r)*

1911 – 1920

1910-1912
TR VICIOUSLY TURNS ON PRESIDENT TAFT

TR had groomed Taft to be his "progressive" successor. But he is disappointed when Taft turns out to be his own man on issues such as tariffs and "trust busting". Ironically, Taft actually breaks up more monopolistic trusts than Roosevelt ever did -- a fact which should have made him beloved by the "progressives". But Taft ran afoul of TR when he tried to break up J.P. Morgan's U.S. Steel, which happened to be a trust that TR supported. Roosevelt accuses Taft of not knowing a "good" trust from a "bad" one. Once again, the exaggerated myth of TR being the arch-enemy of the Rockefeller-Morgan crowd reveals itself as public propaganda.

Taft had also angered Jacob Schiff by refusing to apply economic sanctions to Czarist Russia. With the Rothschild-Schiff gang behind him Roosevelt turns against his old friend and viciously criticizes his successor. Taft is hurt and stunned by TR's venom, but he remains firm in his Constitutionalism. Taft hits back at the Progressives, stating, *"They (Progressives) are seeking to pull down the temple of freedom and representative government."* **(1)**

Due to TR's petty vindictiveness, the ideological differences undermine the friendship and personally hurt Taft to his core. The friendship between the two men is destroyed when TR launches continuous insults at the honorable Taft and then, at the urging of Baruch, Schiff and company, runs for President as third party spoiler.

Never before, and never since, has an ex-President so publicly interfered and undermined the Presidency of his successor. The Taft-Roosevelt split is the beginning of a deep divide in the Republican Party that still exists *(though Constitutionalist Republicans are very few now.)*





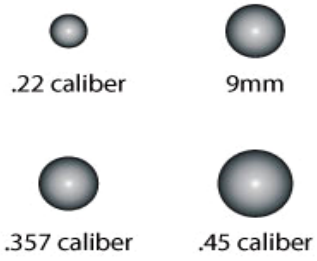


Taft was a good man and a good President. The cartoons above mock the hypocrisy of TR's "good trust / bad trust" comment; and his attacks on Taft.

1912
A STAGED ASSASSINATION ATTEMPT ON TR RUINS TAFT'S CHANCES

In the fall of 1912, Taft still has a chance to win reelection; but that chance is about to disappear. Just 3 weeks before the election, an "October Surprise" comes in the form of an "assassination attempt" against TR.

On October 14, 1912, just moments before he is set to deliver a typically Rooseveltian 50-page speech, TR, we are told, is shot with a Colt .38 by an Anarchist fanatic named **John Flammang Schrank.** The bullet is first said to be a "flesh wound" that "lodged in his chest". Afterwards, the story changes to that of a bullet "safely lodged" against TR's rib, after having been slowed down by both his steel eyeglass case and the thick speech he was carrying in his jacket.



As far as bullet sizes go, the .38 caliber *(a measure of diameter)* is one of the larger size bullets. But "Superman" TR felt no pain?

TR takes a clean handkerchief to cover the "wound" as he heads for the stage, where one of his bodyguards is attempting to explain what has just happened to the audience. Someone in the crowd shouts out: *"Fake! Fake!"* **(2)**

True to his self-promoting form, TR the drama queen wastes no time in proclaiming to the crowd:

"Friends, I shall ask you to be as quiet as possible. I don't know whether you fully understand that I have just been shot." **(3)**

The horrified audience in the Milwaukee Auditorium gasps as the theatrical TR unbuttons his vest to reveal his bloodstained shirt. Then comes the proud boast: *"It takes more than that to kill a bull moose."* **(4)**

Now the crowd is really buzzing as the legend of TR reaches new heights of super-humanism. The babbler continues before launching into yet another 90-minute speech about nothing:

"But fortunately I had my manuscript, so you see I was going to make a long speech, and there is a bullet - there is where the bullet went through - and it probably saved me from it going into my heart. The bullet is in me now, so that I cannot make a very long speech, but I will try my best." **(5)**

Right on cue, Schrank claimed that the spirit of President McKinley had told him to avenge his murder by killing TR. In an open letter to the American people, Schrank writes:

"To the people of the United States: In a dream I saw President McKinley sit up in his coffin pointing at a man in a monk's attire in whom I recognized Theodore Roosevelt. The dead president said—'This is my murderer'—avenge my death." **(6)**

There were indeed some Taft supporters who believed that the murder of McKinley in 1901, also carried out by a deranged "Red", was part of a plot to install TR as President. This event makes Taft supporters look bad. Schrank's "dream", coupled with TR's whining about the "vicious attacks" against him, damages the Taft campaign while creating sympathy for the "wounded" and "tough" TR.

The very strange event is directly responsible for drawing many votes away from Taft. A reasonable person has to wonder if the assassination stunt and the McKinley murder were both staged by the same invisible hand that has guided fanatical 'Red' assassins since the days of the French Revolution; and has also guided the rocket-like career of TR all along.

Should the disbelieving reader be inclined to dismiss the staged shooting scenario as an irresponsible "conspiracy theory", your suspicious author here invites you to jam a .38 thick screwdriver through your chest and to your rib. Then, attempt to speak loudly for a full 90 minutes. Go ahead. Try it; and do let us all know how you make out.

TR will not win the election, but he will, with the help of this oh-so-convenient "October Surprise", and exactly as Schiff & Baruch had intended all along, steal enough votes to propel fellow "progressive" Woodrow Wilson into the Presidency with just 41% of the vote. Schrank is committed to a mental hospital for the remaining years of his life. The alleged bullet in TR is "never removed". That figures!


HE ATLANTA CONSTITUTIO

WOULD-BE ASSASSIN SHOOTS COL. ROOSEVELT
BUT LATTER DISREGARDS BULLET IN HIS BREAST
AND DELIVERS SPEECH TO MILWAUKEE CROWD

FLESH WOUND, SAY DOCTORS

Bullet Somewhere in Roosevelt's Chest Wall.

MAN IS CAPTURED AND ANGRY CROWD WANTED TO LYNCH

HATRED OF THIRD TERM APPARENTLY MOVED MAN TO ATTEMPT TO MURDER



1- After the "shooting", the sympathetic press hyped the "wounded" TR's "heroic" speech.

2- The would-be "assassin" Schrank and the police officers share a good laugh. What's the joke, gentlemen?

SEPTEMBER, 1911
REDS ASSASSINATE THE PRIME MINISTER OF RUSSIA

More bloodshed in Europe! The Russian Prime Minister **Pyotr Stolypin** is a dedicated reformer who wants to improve the quality of life for Russia's peasants. Stolyypin is a hard-liner when it comes to dealing with violent Red revolutionaries. But he also understands that a thriving and growing middle class is the real key to depriving the Reds from gaining support among the poor and uneducated.

While attending a performance at the Kiev Opera House, the popular Prime Minister is shot at close range by a Jewish double agent named **Dmitri Bogrov** *(born Mordekhai Gershovich).* Bogrov is a member of the Ohkrana, a Russian police force that has been infiltrated by Red spies. The murder of Russia's Prime Minister is carried out in front of the Czar and his two eldest daughters.



Prime Minister Stolypin (left) – killed at the Opera by another Red.

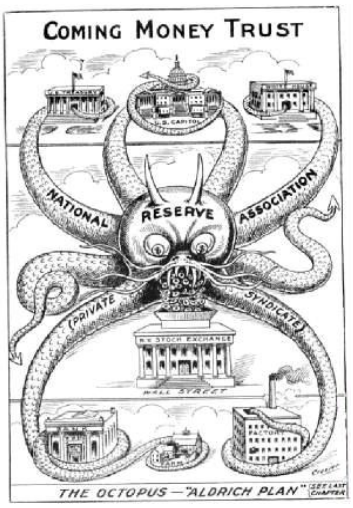
1912
THE 'ALDRICH PLAN' FOR A CENTRAL BANK IS QUICKLY KILLED IN THE U.S. CONGRESS

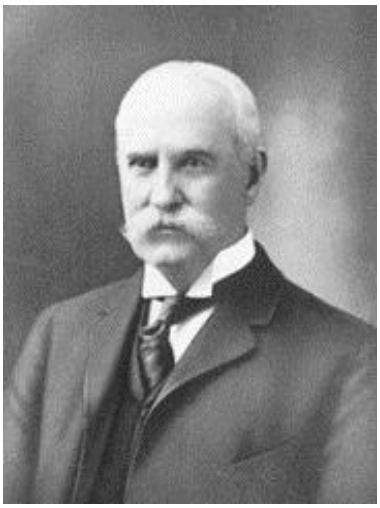
Senator Nelson Aldrich introduces his bill to establish a Central Bank *(The Aldrich Plan).* The scheme *(hatched at Jekyll Island)* is transparent, and Aldrich's name is too closely linked to the Money Masters of New York. Congressman Charles A Lindbergh Sr. *(father of the famous aviator)* declares:

"*The Aldrich Plan is the Wall Street Plan. It means another panic, if necessary, to intimidate the people. Aldrich, paid by the government to represent the people, proposes a plan for the trusts instead."* **(7)**

Opposition to Aldrich's scheme is so strong, that the bill to create a Central Bank is never even brought to the floor for a vote.







1- Charles Lindbergh Sr. and Jr. *2- 1912 anti-Bank cartoon*

3- A known Wall Street stooge; Senator Aldrich's name was too toxic.

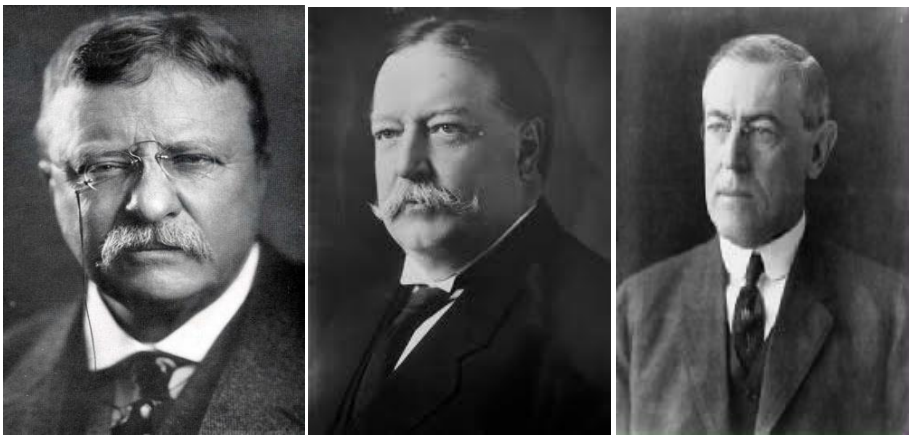
NOVEMBER, 1912
NEW WORLD ORDER GANG RE-CAPTURES THE U.S. PRESIDENCY WITH THE ELECTION OF WOODROW WILSON

Understanding that popular U.S. President William Howard Taft would never involve America in Rothschild' schemes; the Globalists had recruited **Woodrow Wilson**, a Princeton professor who had been rocketed to Governor of New Jersey, then to Democrat nominee for President.

To steal Republican votes from Taft, ex-President Roosevelt runs as the Progressive Party candidate *(aka Bull-Moose)*. The divide & conquer trick works. **Due to TR's meddling; Wilson wins with just 41% of the vote.**

After decades of strategic political preparation, the **New World Order** now has 7 major goals its wants to achieve in the coming decade, and the right puppet in the White House to do it:

1. Establish a Central Bank in the U.S.
2. Impose an Income Tax on America so that State debt to the Central Bank can be collateralized with human labor
3. Trigger the long planned Triple Entente-Triple Alliance war to reshape Europe
4. Entangle the U.S. in the coming war and World Organization
5. Finish off Russia and convert the Eurasian giant into a Red tyranny
6. Establish a World Political Body under the pretext of "world peace"
7. Carry out Herzl's plan to steal Palestine from the Turks and Arabs.



TR's interference undermined Taft (center) and enabled Puppet Wilson (right) to become President and make a HUGE mess of the world.

NOVEMBER, 1912
REDS MURDER ANOTHER PRIME MINISTER OF SPAIN

The liberal reformer **Jose Canalejas** became Prime Minister in 1910. While in office, he works to turn Spain into a more democratic state. But that's not good enough for the Reds. On November 12, 1912, while shopping in a Madrid bookstore, Canalejas is fatally shot by anarchist **Manuel Pardiñas**.



Even liberals like Canalejas (left) aren't safe from the never-ending Anarchist bloodbath. Pardinas on right.

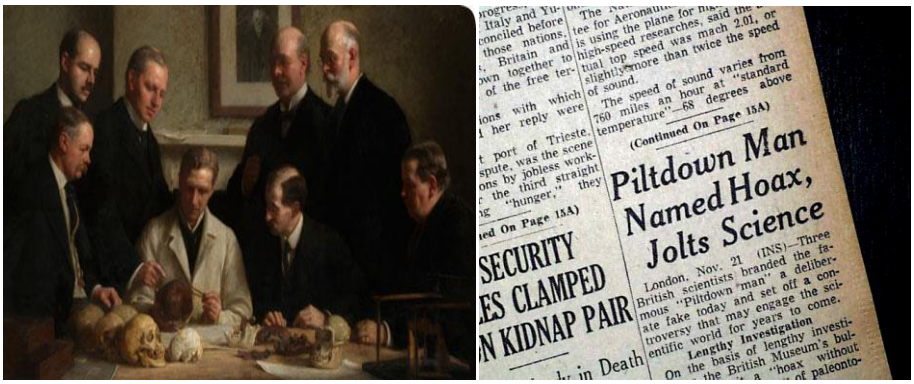
DECEMBER, 1912
WORLD PRESS HYPES THE 'PILTDOWN MAN' HOAX

Much of the world press excitedly hypes the discovery of the fossilized remains of an "apelike human ancestor". The skull and jawbone of this "missing link" are found at a gravel pit in Piltdown, England. It will be another 40 years before "**Piltdown Man**" is exposed as a hoax, a combination of an orangutan jawbone and a human skull.

Up until the Global Warming Hoax of the present day, Piltdown Man is the most famous scientific hoax ever. During its 40 year run, the Piltdown Hoax will do much to undermine public faith in God - an important goal for the Globalists who always work to break down the civilizing and stabilizing influences of religion and morality.



'Reconstruction' of the Piltdown skull by J.H. McGregor (1914)

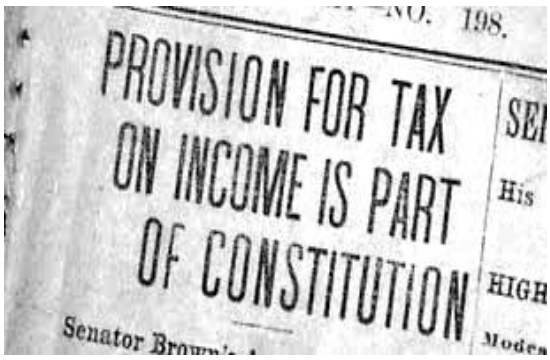


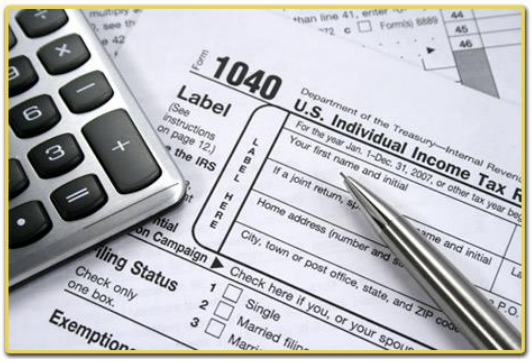
Respected scientists fell hook, line and sinker for the 40-year hyped hoax!

OCTOBER, 1913
WOODROW WILSON SIGNS THE INCOME TAX AMENDMENT INTO LAW

A new bill for establishing a new Central Bank for the United States is already pending. If the government is to now borrow counterfeited money from a privately owned Central Bank, *(by selling Bonds to the Bank)* the Central Bankers must have assurance that the Government can pay them back, *plus interest*.

A Marxist style 'Progressive Income Tax" will now turn American workers into **human collateral** for the Zionist bankers. **The Revenue Act of 1913** adjusts American tariffs, and it also institutes an Income Tax of 1-7%, but only for the wealthiest Americans. Naturally, empty promises are made that the initial rates, as well as the income ranges subject to tax, will not be changed.





It's hard to believe, but about 100 years ago, self-reliant Americans paid ZERO income tax – and still had roads, courts, schools, police, & military!

OCTOBER 1913
ZIONIST CROOKS ESTABLISH THE A.D.L. (ANTI-DEFAMATION LEAGUE)

The **ADL** (*Anti-Defamation League)* is founded by Sigmund Livingston in response to the 1913 trial of **Leo Frank**. Frank is a Jewish factory manager in Georgia who raped and murdered a young employee named **Mary Phagan**, and then tried to frame a black man for the crime. After oddly being spared the death penalty, angry Georgians would later storm the prison and hang Frank themselves.

The charter of the ADL states:

"The immediate object of the League is to stop, by appeals to reason and conscience and, if necessary, by appeals to law, the defamation of the Jewish people. Its ultimate purpose is to secure justice and fair treatment to all citizens alike and to put an end forever to unjust and unfair discrimination against and ridicule of any sect or body of citizens." **(8)**

The ADL's true purpose is to protect Rothschild's Mafia from exposure. **Anyone who dares to call attention to the workings of the New World Order or the Federal Reserve will be denounced by the ADL as "anti-Semitic."** The ADL continues, to this day, to destroy political and journalistic careers.



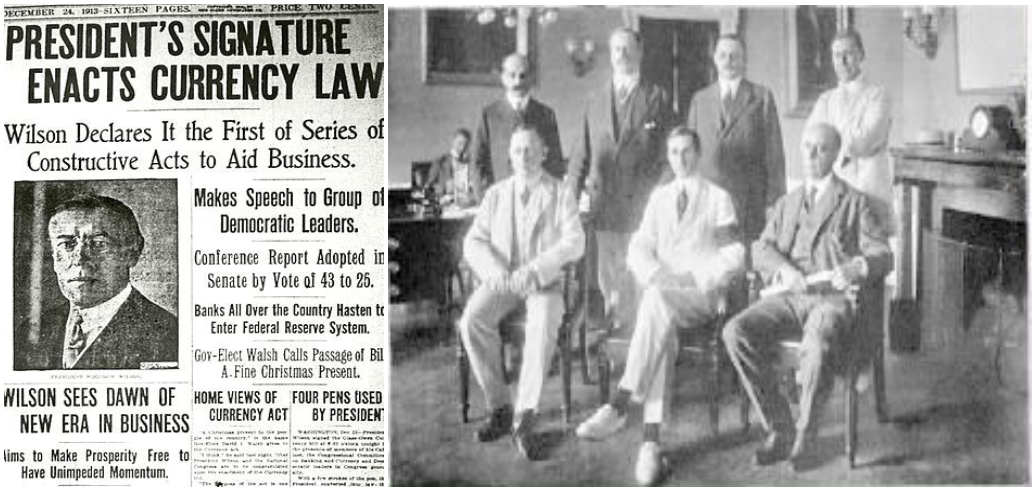
Rapist killer Leo Frank is lynched. The ADL still claims he was innocent!

DECEMBER 23, 1913
WOODROW WILSON SIGNS THE FEDERAL RESERVE BANK INTO LAW

A few cosmetic changes are made to the old Aldrich Bill and the bill is then renamed '**The Federal Reserve Act**'. Minnesota Congressman Lindbergh Sr. is not fooled:

"This is the Aldrich Bill in disguise ...This Act establishes the most gigantic trust on earth. When the President signs this bill, the invisible government by the Monetary Power will be legalized. The people may not know it immediately, but the day of reckoning is only a few years removed. ***The worst legislative crime of the ages is perpetrated by this banking bill."*** **(9)**

The bill passes anyway, on December 23, after many Senators and Congressmen had left town for Christmas! Puppet President Wilson quickly signs the bill creating the privately owned **Federal Reserve System**. Weeks earlier, Wilson had already enacted the nation's first Income Tax *(needed to pay interest to the bankers after they set up their Central Bank!)*


DECEMBER 24, 1913—SIXTEEN PAGES. PRICE TWO CENTS

PRESIDENT'S SIGNATURE ENACTS CURRENCY LAW

Wilson Declares It the First of Series of Constructive Acts to Aid Business.

Makes Speech to Group of Democratic Leaders.

Conference Report Adopted in Senate by Vote of 43 to 25.

Banks All Over the Country Hasten to Enter Federal Reserve System.

Gov-Elect Walsh Calls Passage of Bill A Fine Christmas Present.

WILSON SEES DAWN OF NEW ERA IN BUSINESS

Aims to Make Prosperity Free to Have Unimpeded Momentum.

HOME VIEWS OF CURRENCY ACT

FOUR PENS USED BY PRESIDENT

The Fed Board: Warburg (standing-left) Frederic Delano, uncle of FDR (seated-right)

After the Fed is up and running, Lindbergh adds:

"The financial system has been turned over to the Federal Reserve Board....The system is private, conducted for the sole purpose of obtaining the greatest possible profits from the use of other people's money." **(10)**

The "Federal Reserve System" is neither "Federal", nor does it contain "reserves", and nor is it part of a decentralized "system" The new Central Bank now has the power to create money out of thin air, and then lend it to the nation's banks and U.S. Treasury *at interest.* To this day, the 'Fed plagues America with constant inflation, housing & stock bubbles, artificial booms, recessions, and depressions. Its money-creating tricks enable Big Government to borrow endlessly from the Fed. Behind its academic façade, **the Fed is just a counterfeiting, loan sharking, and insider trading operation all in one.**

The member banks which own the Fed are controlled by the Rothschild-Warburg-Schiff Axis. To conceal the Jewish influence, Paul Warburg, *(the Fed's true founder)* is not named Chairman. Instead, he is appointed Chairman of the New York Branch of the Fed *(the most important seat).* Today however, there is no need

to conceal the Fed's Zionist face. **Every Fed Chairman since 1970** ***(with exception of William Miller's 1 year term in 1978-79)*** **has been Jewish.**
(Burns, Volcker, Greenspan, Bernanke, Yellen).*

** Volcker is Jewish by lineage, not by practice.* **(11)**



Left to Right: Yellen, Volcker, Greenspan, Bernanke. Why can't non-Jews serve as Fed Chairmen anymore?

JUNE 28, 1914
A DOUBLE MURDER LIGHTS THE BALKAN FUSE

To kick off their long-awaited, pre-planned World War, the **New World Order** uses "Serbian Nationalists." A secret society known as **Young Bosnia**, possibly working with **The Young Turks**, plots the murder of an Austrian Royal.

Serbia is an Orthodox Christian nation under the protection of Russia. **Due to Disraeli's past schemes**, **many Serbs also live under Austro-Hungarian rule** ***(in Bosnia)*** **instead of under Serbian sovereignty.** This situation has always caused friction, both within Austria-Hungary, and also between Russia and Austria-Hungary.

Archduke Franz Ferdinand is heir to the Habsburg Family throne of Austria-Hungary. While traveling through the Bosnian city of Sarajevo with his wife, Sophie, a bomb is thrown at the Archduke's open car. He deflects the bomb with his arm and it explodes behind him. The royal couple insists on seeing all those

injured at the hospital. After traveling there, they decide to go to the palace, but their driver takes a wrong turn onto a side street, where another assassin named **Gavrilo Princip** spots them. He shoots Sophie in the stomach and Franz in the neck. Franz is still alive when witnesses arrive to give aid. His dying words to Sophie are, *"Don't die darling. Live for our children."* **(12)**



"All the News That's Fit to Print."

The New York Times.

THE WEATHER

NEW YORK, MONDAY, JUNE 29, 1914.—EIGHTEEN PAGES.

CALIFORNIA GOES ON ROCKS IN FOG

FEDERALS DESERT AGUASCALIENTES

OUR GUNS FIRE ON SANTO DOMINGO

HEIR TO AUSTRIA'S THRONE IS SLAIN WITH HIS WIFE BY A BOSNIAN YOUTH TO AVENGE SEIZURE OF HIS COUNTRY

Francis Ferdinand Shot During State Visit to Sarajevo.

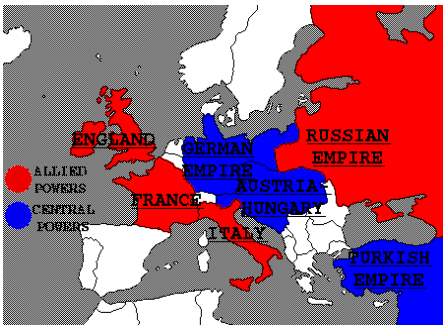
TWO ATTACKS IN A DAY

Archduke Francis Ferdinand and his Consort, the Duchess of Hohenberg

Slain by Assassin's Bullets.

The world is shocked. The fateful prophecies of Tolstoy and Bismarck are about to come to pass.

SUMMER 1914	***POST ASSASSINATION CHAIN-REACTION SETS EUROPE ON FIRE***
JUNE 29	Anti-Serbian riots erupt in the Austro-Hungarian city of Sarajevo.
JULY 7	Austria-Hungary convenes a Council of Ministers to discuss the situation.
JULY	**The Zionist Austro-Hungarian press of Vienna fans the flames of anti-Serbian sentiment. False reports of a Serbian conspiracy are circulated.**
JULY	Kaiser Wilhelm II of Germany, at the request of Russian Tsar Nicholas *(his cousin)*, attempts to restrain his Austro-Hungarian ally by encouraging Austria-Hungary to talk with Serbia. **(13)**
JULY 28	Austria-Hungary gives in to war hysteria and declares war on Serbia.
JULY 29	To defend its Serbian ally, Russia mobilizes it armies against its former 'Three Emperors League' ally Austria-Hungary.
AUGUST 1	**Beyond both the Tsar and the Kaiser's control**, the Triple Alliance / Triple Entente time bomb is triggered. Germany declares war on Russia for its mobilization against its ally Austria-Hungary.
AUGUST 1	Ignoring German pleas to not enter the conflict, France begins advancing towards Austria-Hungary in support of its Entente ally, Russia.
AUGUST 3	Facing the dangerous 2-front war that France & England had engineered, *(and that Bismarck had feared)* Germany quickly advances towards France, through Belgium, while at the same time confronting Russia in the east.
AUGUST 4	Great Britain enters the war on the side of France & Russia.
SEPTEMBER 5	**London Agreement: Triple Entente allies France, Russia, & UK agree that no member shall make separate peace with Germany or Austria-Hungary.**
OCTOBER 28	Russia's southern rival, the Ottoman Turkish Empire, enters the war on the side of Austria-Hungary and Germany.
In just a few weeks' time, Europe is now aflame in war as the Globalist-Zionist press in France, England, Austria, and Germany whip up a mutually destructive nationalist fervor among the European nations.	






1 & 2: Surrounded by the Great Powers of the Triple Entente, peaceful Germany was forced to quickly advance in two directions.

3: The 'Willy-Nicky" cables clearly reveal how the Russian and German Emperors both tried to avoid war, **(14)** *but were powerless to stop the dark forces controlling events.*

1914-18
EARLY GERMAN VICTORIES / FOLLOWED BY STALEMATE

After Germany's westward march towards Paris stalls, the Western Front bogs down into a bloody stalemate with trench lines that change little until 1918. In the East, the Russian army successfully fights against the Austro-Hungarian forces but is then forced back by the German army. Additional fronts open after the Ottoman Empire *(Turkey)* joins the war *(on Germany's side)* in 1914. Italy switches sides and joins the Entente powers in 1915.

At sea, the British Navy blockades Germany. German U-boats will counter the blockade, and sink many British merchant ships carrying arms and supplies.





Not one inch of German territory was ever lost during the Great War.

1914
THE MANIFESTO OF THE 93 / GERMANY'S LEADING INTELLECTUALS AND ARTISTS CONDEMN THE WEST'S ANTI-GERMAN PROPAGANDA

To counter the lies of the Allied propagandists, 93 of Germany's leading scientists, scholars and artists sign their name to **"The Manifesto of the 93".** The document denounces the lies aimed at Germany, and declares unequivocal support of German military actions. Perhaps the most notable of the accomplished signatories is **Wilhelm Roentgen**, the Nobel Prize winning physicist who discovered "X-rays".

The Manifesto reads:

"As representatives of German Science and Art, we hereby protest to the civilized world against the lies and calumnies with which our enemies are endeavoring to stain the honor of Germany in her hard struggle for existence—in a struggle that has been forced on her.

The iron mouth of events has proved the untruth of the fictitious German defeats; consequently misrepresentation and calumny are all the more eagerly at work. As heralds of truth we raise our voices against these.

It is not true that Germany is guilty of having caused this war. Neither the people, nor the Government, nor the Kaiser wanted war.

It is not true that we trespassed in neutral Belgium. It has been proven that France and England had resolved on such a trespass, and it has likewise been proved that Belgium had agreed to their doing so. It would have been suicide on our part not to have preempted this.

It is not true that the life and property of even a single Belgian citizen was injured by our soldiers without the bitterest defense having made it necessary.

It is not true that our troops treated Louvain brutally. Furious inhabitants having treacherously fallen upon them in their quarters, our troops with aching hearts were obliged to fire a part of the town, as punishment. The greatest part of Louvain has been preserved..

It is not true that our warfare pays no respects to international laws. It knows no undisciplined cruelty. But in the east, the earth is saturated with the blood of

women and children unmercifully butchered by the wild Russian troops, and in the west, dumdum bullets mutilate the breasts of our soldiers.

It is not true that the combat against our so-called militarism is not a combat against our civilization, as our enemies hypocritically pretend it is. Were it not for German militarism, German civilization would long since have been extirpated..

We cannot wrest the poisonous weapon—the lie—out of the hands of our enemies. All we can do is to proclaim to the entire world, that our enemies are giving false witness against us.

Have faith in us! Believe that we shall carry on this war to the end as a civilized nation, to whom the legacy of a Goethe, a Beethoven, and a Kant, is just as sacred as its own hearths and homes." **(15)**



As the discoverer of 'X-rays', Wilhelm Roentgen was able to 'see through' the Allies' anti-German atrocity propaganda.

DECEMBER 2, 1914
JEWISH-OWNED NEW YORK TIMES REPORTS ON THE PLIGHT OF 6 MILLION JEWS

Again with the 6 million???

APPEAL FOR AID FOR JEWS
New York Times; Dec 2, 1914

APPEAL FOR AID FOR JEWS.

American Committee Tells of Suffering Due to the War.

The American Jewish Relief Committee, called into being at a conference of more than 100 national Jewish organizations which was held at Temple Emanu-El on Oct. 25 to consider the plight of more than 6,000,000 Jews who live within the war zone, has elected Louis Marshall Chairman, Cyrus L. Sulzberger Secretary, and Felix M. Warburg Treasurer, and has issued the following appeal:

MAY 7, 1915
UK LORD OF THE ADMIRALTY WINSTON CHURCHILL SETS UP THE LUSITANIA TO BE SUNK / 1200 CIVILAINS KILLED

The UK wants to draw America into the war. Lord of the Admiralty **Winston Churchill** and Wilson's Marxist advisor, **Edward Mandell House**, believe that if Germany can be baited into sinking a British ship with Americans on board, the U.S. will be forced into the war. **(16)** Unbeknownst to its passengers, the luxury liner **Lusitania** is carrying arms and explosives destined for Britain. **(17)**

Sailing from New York, Lusitania is loaded with 600 tons of explosives, 6 million rounds of ammunition, 1200 cases of shrapnel shells, and some American passengers. The German embassy in Washington is aware of this and tries to warn American travelers by placing ads in U.S. newspapers, which are refused in most cases. **(18)**

As Lusitania approaches the Irish coast, it is ordered to reduce speed, and its military escort ship, *Juno*, is withdrawn. **(19)** Churchill knows that German

U-Boats are in the area. **He purposely slows down the Lusitania and calls off *Juno*, leaving the Lusitania as a sitting duck.** A German torpedo hit ignites the munitions, causing a secondary explosion which sinks the massive liner in just 18 minutes! *Nearly 1200 of its 1959 passengers are killed, including128 Americans.* The American press vilifies Germany, but makes no mention of the smuggled munitions *(or perhaps a pre-planted bomb?)* which really sank the Lusitania.

During the 1950's, the British Navy attempts to destroy the historical evidence of the *Lusitania* explosion by **dropping depth charges onto the sunken liner.**






The New York Times. EXTRA 6:30 A.M.

LUSITANIA SUNK BY A SUBMARINE, PROBABLY 1,260 DEAD; TWICE TORPEDOED OFF IRISH COAST; SINKS IN 15 MINUTES; CAPT. TURNER SAVED, FROHMAN AND VANDERBILT MISSING; WASHINGTON BELIEVES THAT A GRAVE CRISIS IS AT HAND

1- Mad Dog Churchill

2 & 3 - Globalist NY Times, claimed TWO torpedoes hit.

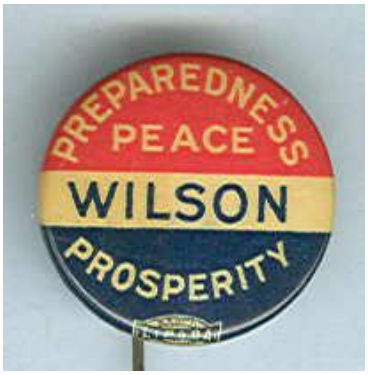
1915-16
IN SPITE OF THE LUSITANIA SINKING, WILSON DELAYS U.S ENTRY INTO THE WAR

The Lusitania incident plays a role in turning American sentiment against Germany, but it is not yet time for America to make its entry. **The Zionists are waiting to achieve maximum leverage before ordering Wilson to finally pull the trigger.** For the time being, Wilson will just verbally condemn the Lusitania attack, while keeping America out of the war and cruising towards re-election in November, 1916.

The British are disappointed. UK politicians, journalists, and the certifiably insane Teddy Roosevelt all mock Wilson as being timid. In an effort to keep America inflamed, the British fabricate a story about German school children being given a

holiday to celebrate the sinking of the *Lusitania*. Other false tales tell of German soldiers nailing babies to church doors in Belgium!

The British know that they will eventually need American help if they are to gain the advantage over The Triple Alliance / Central Powers. **The Zionists know this too, but they are biding their time, setting up the UK and the US for the right moment,** *and the right deal.*





Wilson intends to drag America into the war, but his 1916 re-election campaign promises say otherwise.

1915
ROTHSCHILD'S 'YOUNG TURKS' COMMIT GENOCIDE OF 1.5 MILLION ORTHODOX CHRISTIAN ARMENIANS

During and after the Great War, Jewish-led, "**Young Turks**" take advantage of the fact that both Christian Russia and the Ottoman Sultan are now unable to protect the Christian minorities of the Ottoman Empire.

A policy of mass killings, burnings, and deadly forced marches kills off most of the Armenian population of Turkey. Orthodox Assyrians and Greeks are also murdered by the Young Turks.

To this day, the systematic genocide of 1915-16 is ignored or denied by the current government of Turkey.




Rothschild's 'Young Turks" got away with genocide! To this day, Armenians still seek recognition of the event, but in vain.

DECEMBER, 1916
GERMAN KAISER TRIES TO STOP THE WAR

The Battle of Verdun rages for 10 months, resulting in 306,000 battlefield deaths *(163,000 French and 143,000 German)* and 500,000 wounded. That's an average of 30,000 deaths for *each* of the 10 months of the battle!

Taking place in north eastern France, Verdun is the longest and most devastating battle of **The Great War.** By the end of Verdun, the war has broken down into a stalemate, but Germany still holds an advantage. In December of 1916, Kaiser Wilhelm offers to negotiate peace with The Entente Powers. **But Britain and France deliberately make impossible demands upon Germany as a condition for even negotiating.**

In spite of Germany's sincere efforts to stop the madness, somebody wants this senseless bloodbath to continue. But who? ..... *And why?*



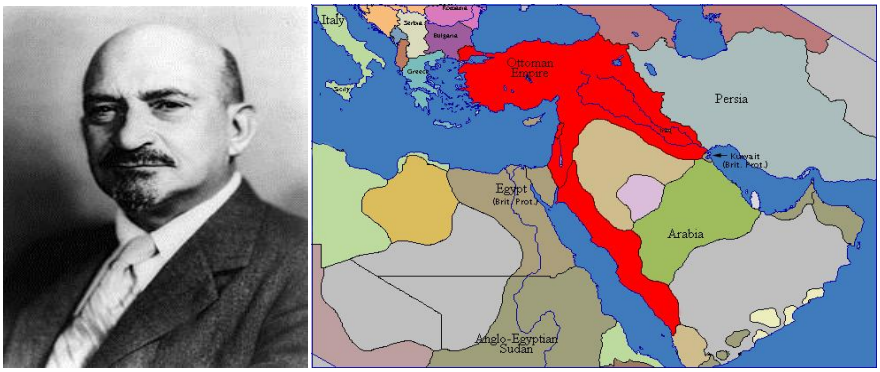

Battle of Verdun / Kaiser Wilhelm wanted peace all along.

DECEMBER, 1916
DIRTY BACK-ROOM DEAL KEEPS WAR GOING / ZIONISTS TO BRITAIN: "WE CAN BRING THE U.S. INTO THE WAR!"

By December 1916, the Central Powers have a clear advantage. France has suffered horrible losses. Russia is facing internal Red revolutionary chaos. Britain is under U-Boat blockade, *and not one square inch of Germany has been occupied*. Germany offers generous peace terms. Basically, Kaiser Wilhelm is willing to just call off the war and return to how things were.

That's when the Zionists make their move to fulfill Herzl's plan! **Chaim Weizman** and **Nathan Sokolow** approach the British with a dirty deal. The Zionists offer to use their international influence to bring the U.S. into the war on Britain's side, while undermining Germany from within. **The price that Britain must pay for U.S. entry is to steal Palestine from Ottoman Turkey *(Germany's ally)* and allow the Jews to settle there. (20)**

Though the official declaration of British support for a Jewish homeland is not to be made public until 1917 *(Balfour Declaration)*, **the agreement was, in fact, reached in December of 1916.** Soon after that, Zionist agitated anti-German propaganda was unleashed in the U.S. while the Zionists and Marxists of Germany begin to undermine Germany's war effort from within.

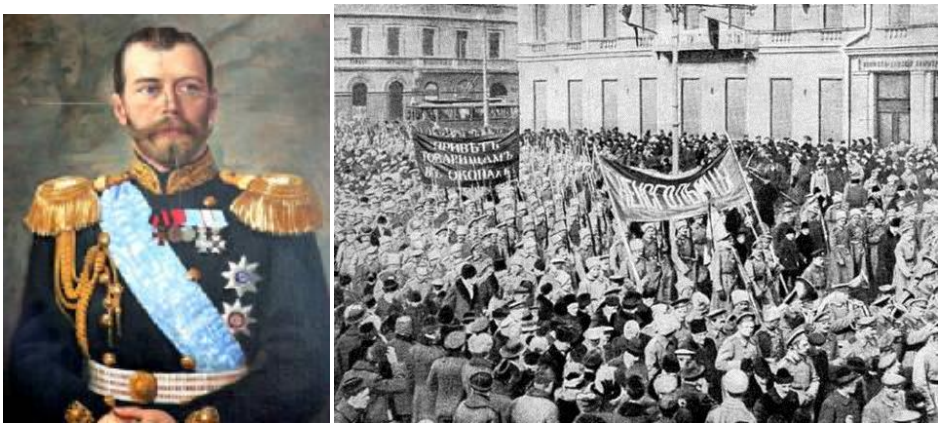


Chaim Weizman made the British an offer they couldn't refuse. In return, the Zionists want to see the Turkish Empire busted up and Palestine given to the Jews.

FEBRUARY, 1917
THE 'FEBRUARY REVOLUTION' TOPPLES RUSSIA'S ROYAL ROMANOV FAMILY

As the Russian economy deteriorates and the war becomes unpopular, the '**February Revolution**' begins. Communists, Progressive Socialists, and disaffected soldiers combine to destabilize the already weakened reign of Czar Nicholas. The Tsar is forced to abdicate his throne and put under house arrest pending exile. Jews worldwide celebrate the abdication of the Russian Czar.

A "center-left" coalition government consisting mainly of Socialists and Communists is established. A power struggle between the Democratic Socialists and the hard-core Communist *(Soviet-Bolshevik)* faction follows.



The Romanov Dynasty is over – conquered by The House of Rothschild.

APRIL, 1917
WILSON BREAKS HIS PROMISE AND BRINGS THE U.S. INTO THE WAR

During the weeks following the Zionist-UK dirty deal to steal Palestine, the Zionists deliver on their end of the bargain. **An intense propaganda campaign is suddenly unleashed in America.** The 1915 Lusitania incident is resurrected, along with hype over German U-boat warfare. A German contingency plan to ally with Mexico if the U.S. enters the war (*Zimmerman Note*) is falsely portrayed as a plot to attack America.

Citing various phony pretexts, on April 2nd, 1917, Wilson, who, according to Benjamin Freedman, was under blackmail over an affair he had when he was a Princeton professor, asks Congress for a Declaration of War. Congress complies. Regular forces of the small US military begin arriving in Europe, but it will be months before the full force of drafted men can be deployed.




The Chicago Daily Tribune FINAL EDITION

U. S. AT WAR: WILSON

"WE MUST FIGHT FOR JUSTICE AND RIGHTS"

BOTH HOUSES HASTEN WORK ON PROGRAM

Zionist Fred Rothman's iconic poster portrays Germans as monster "Huns"

APRIL, 1917
EXILED REDS BEGIN RETURNING TO RUSSIA

The terrorist Red leaders that Czar Nicholas had only exiled in 1905 now begin returning to Russia. **Vladimir Lenin** arrives from Switzerland, via Germany, with a stash of Zionist banker gold. **Leon Trotsky** arrives from New York with more money and a gang of Marxist-Jewish thugs. **(21)**

The Zionist-funded Communists immediately undermine the new provisional government. A violent coup is attempted in July, but the Bolshevik Reds are held back. Democratic Socialist **Alexander Kerensky** becomes Prime Minister as Bolshevik leaders go underground.



Back from Brooklyn, the killer Leon Trotsky (left) will join Lenin (center) in seeking to oust Kerensky (right)

APRIL, 1917
EDWARD BERNAYS FORMS PROPAGANDA COMMITTEE

Wilson establishes the **Committee on Public Information** (CPI) for the purpose of manipulating public opinion in support of the war. **Edward Bernays**, *"the father of American propaganda"* is a CPI member. A nephew of the psychoanalyst Sigmund Freud, Zionist Bernays boasts of his ability to control the public mind. He calls his scientific methods for controlling public opinion, *"the engineering of consent."* In his 1928 book, **Propaganda**, Bernays explains:

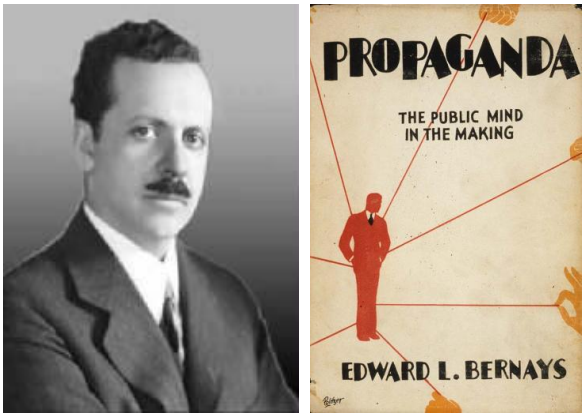
"The conscious and intelligent manipulation of the habits and opinions of the masses is an important element in democratic society. Those who manipulate this unseen mechanism of society constitute an invisible government which is the true ruling power of our country. - We are governed, our minds are molded, our tastes formed, our ideas suggested, largely by men we have never heard of. It is they who pull the wires that control the public mind." **(22)**

Bernays and his CPI co-conspirators portray the American war effort as a holy crusade *"to make the world safe for democracy"*, while at the same time spreading hate-filled propaganda directed towards Germany and its Emperor, Wilhelm II.

"Babies & Bayonets."



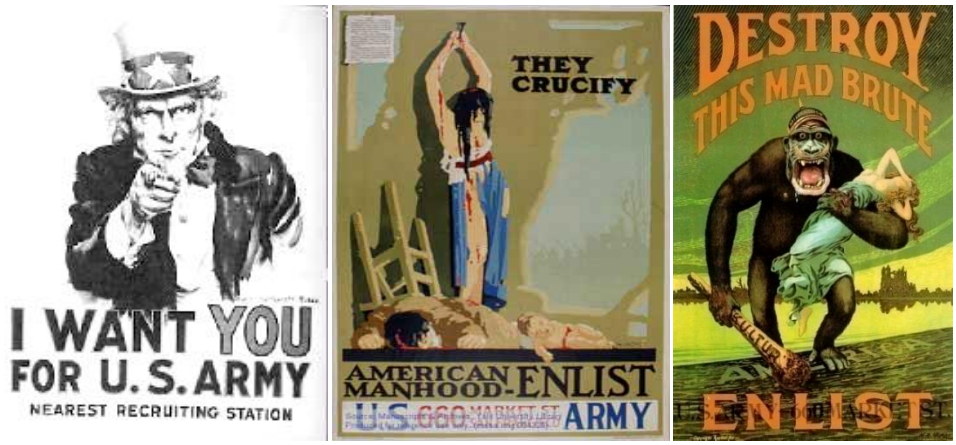
In Europe and America, Germany was now the target of hateful and ridiculous war propaganda.



Bernays wrote the book on propaganda and manipulation; literally.

JUNE, 1917
WILSON SIGNS MILITARY DRAFT INTO LAW / VICIOUS HATE PROPAGANDA USED TO ATTRACT VOLUNTEERS

America's military is very small, but its capacity to field and equip an army is great. The unpopular draft is instituted in 1917. By the war's end, under the idiotic pretext of ***"making the world safe for democracy"*** *(Bernays' slogan)*, more than 2 million unsuspecting American men will have been sent to fight for Globalism and Zionism.



U.S. propaganda posters encouraged men to enlist by accusing the German "mad brutes" of crucifying women and children.

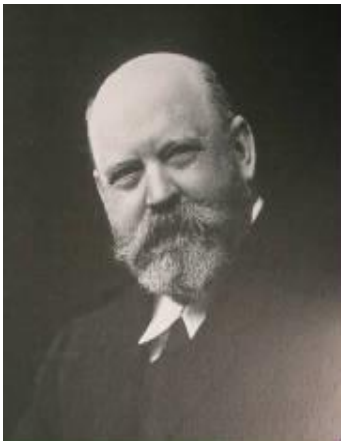
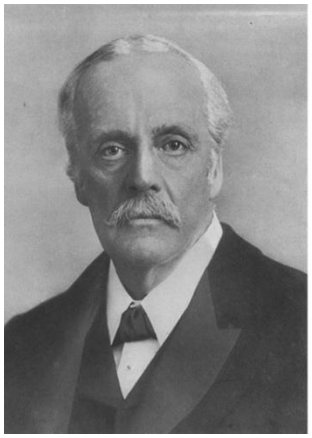
NOVEMBER, 1917
BRITAIN ISSUES 'THE BALFOUR DECLARATION' TO BARON WALTER ROTHSCHILD

The Zionists have delivered on their end of the dirty deal made with the British in 1916. American entry into the war was delivered as promised. By formally, and *publicly*, issuing **"The Balfour Declaration**", Lord Balfour is assuring the Zionists that Britain will fulfill its end of the deal after the war– the theft of Palestine!

The Declaration is delivered to the 'Baron' **Walter Rothschild**. It reads, in part:

"His Majesty's government views with favor the establishment in Palestine of a national home for the Jewish people, and will use their best endeavors to facilitate the achievement of this object." **(23)**

The extraction of this promise from the British is one of the main reasons why the senseless war was kept going, and why America was finally dragged in. In Israel today, Balfour Day *(November 2nd)* is widely celebrated. The Palestinian Arabs observe it as a day of mourning.

Foreign Office,
November 2nd, 1917.

Dear Lord Rothschild,

I have much pleasure in conveying to you, on behalf of His Majesty's Government, the following declaration of sympathy with Jewish Zionist aspirations which has been submitted to, and approved by, the Cabinet.

"His Majesty's Government view with favour the establishment in Palestine of a national home for the Jewish people, and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country."

I should be grateful if you would bring this declaration to the knowledge of the Zionist Federation.

"Dear Lord Rothschild" - Baron Walter Rothschild (left) received the Balfour Declaration from Lord Balfour.

*OCTOBER 25, 1917**
'RED OCTOBER' / COMMUNISTS SEIZE CONTROL OF ST. PETERSBURG! ***NEW STYLE GREGORIAN CALENDER: NOV 7, 1917**

Socialist Prime Minister Kerensky struggles to keep a bad economy afloat, an unstable coalition government together, and a tired Russian nation in the war. The time is ripe for the Reds to stage another violent attempt at power. This time, Trotsky, Lenin and their evil gang will succeed. With backing from some Red troops - *many of whom had been brainwashed in 1905 Japanese POW camps by communist reading materials paid for by Jacob Schiff* **(24)** - the Capital City of Petrograd *(St. Petersburg)* is seized during the **October Revolution**, *(aka "Red October")*.

Kerensky flees for his life and the new Soviet regime immediately moves to pull Russia out of the war *(before Germany can beat them)*. Outside of Petrograd, the pre-dominantly Jewish Red government is not recognized as legitimate. A bloody civil war between the Jewish-led Reds and the Christian "Whites" is now in the making.




Red rabble-rouser Vladimir Lenin incites the hungry mobs.

FORBIDDEN HISTORY: QUOTE TO REMEMBER:



"The Bolshevik leaders here (Russia), most of whom are Jews and 90 percent of whom are returned exiles, care little for Russia or any other country but are internationalists and they are trying to start a <u>world-wide social revolution</u>." **(25)**

David R. Francis, U.S. Ambassador to Russia, January 1918

1918-1921
'REDS' vs 'WHITES' / CIVIL WAR IN RUSSIA

After the fall of St. Petersburg to the Reds, a counter-revolutionary civil war will tear Russia apart for three more years. The various opponents of the 'Reds' are collectively referred to as 'The Whites', led mainly by **Admiral Kolchak**.

When it becomes apparent that a Red revolutionary army composed solely of workers and some ex-Tsarist troops is far too small to put down the counter-Revolution, Trotsky institutes mandatory conscription of the peasantry into the Red Army. Opposition to Red Army conscription is overcome by terror tactics. Hostages and their families are tortured and killed when necessary to force compliance.



Admiral Kolchak's Whites vs Trotsky's Reds

JANUARY, 1918
WILSON LAYS OUT A 14 POINT PEACE PROGRAM / GERMANY AND AUSTRIA-HUNGARY RESPOND POSITIVELY

Had it not been for America's 1917 entry into the war, the stalemated parties would have ceased fighting on their own and millions of lives would have been saved. But it would not be until 1918 that sufficient numbers of trained American recruits would be ready to deploy in combat operations.

Before fresh new rivers of American blood would be shed *(117,000 Americans would die of combat or disease-related causes between April and November of 1918*), both Germany and Austria-Hungary again communicate their desire for a peaceful resolution; just as they had previously been proposing to make a mutually acceptable peace with Britain and France all along.

In an address before the U.S. Congress, the puppet warmonger Wilson is forced to admit that, in response to his recent "14 Points" Statement, **Germany and Austria-Hungary have indeed expressed general agreement with Wilson's high-sounding proposals. (26)** But in the very next breath, Wilson casually dismisses these promising peace overtures *(referring to them as 'peace utterances')* as unacceptable.

Wilson's New York handlers *(Baruch, Schiff, Warburg, Morgenthau, Brandeis etc)* want their long-awaited war for Globalism *(the pre-planned 'League of Nations')* and Zionism *(the British theft of Palestine)*; and they certainly are not about to allow Germanic peace proposals to derail the NWO Express.

The most astonishing of Wilson's lies is his rosy description of what the eventual post-war peace is to be like. The fact that so many naive and war-weary Germans will later buy into Wilson's empty promises, will contribute to Germany's bizarre unconditional surrender and disarmament in November of that same year, 1918.


The New York Times.

PRESIDENT SPECIFIES TERMS AS BASIS FOR WORLD PEACE;
ASKS JUSTICE FOR ALSACE-LORRAINE, APPLAUDS RUSSIA,
TELLS GERMANY SHE MAY BE AN EQUAL BUT NOT A MASTER

Text of President Wilson's Speech



1- Wilson "Tells Germany She May Be Equal"
2- Wilson's phony peace talk carried the poison pill of the Globalists' "League of Nations". (World Government)

1918
GLOBALIST BIO-WEAPON? / MYSTERIOUS 'SPANISH FLU' KILLS 50 – 60 MILLION PEOPLE WORLDWIDE

The **1918 Flu Pandemic** *(Spanish Flu)* is an unusually severe influenza pandemic. The virus originates at a military base in Kansas. It spreads to Europe, then Asia and Africa. Victims suffer horribly. Within hours of feeling the first symptoms of fatigue, fever, and headache, they turn blue. *Sometimes the blue color is so dark that it is difficult to determine a patient's original skin color!* Victims cough with such force that they tear their abdominal muscles, as foamy blood exits from their mouths, noses, and ears.

The final death toll of the disaster is higher than that of the War! In India, 17,000,000. In the U.S. 600,000, UK: 250,000, France: 400,000, Japan: 390,000, Germany: 400,000.

Several oddities suggest that the epidemic may be a bioweapon, aimed at the Central Powers, which somehow backfired and infected everyone! Consider the following:

1. Place of its origin *(a military base in Kansas)*
2. Coincidental timing of the flu's beginning *(same time that the full US force arrives in Europe)*
3. Strange effects of the illness *(blue skin / blood from nose & mouth)*
4.Odd way in which it targets 20-35 year olds *(military age)* instead of weak infants and elderly
5.The odd way in which it struck in 3 separate waves
6. German soldiers affected in greater numbers worse than Entente troops.
7. Inexplicable, coincidental manner in which epidemic abruptly ends as soon as the war ends

Scientists have never explained why the virus mutated into such a deadly form, why it suddenly stopped without a cure, why it targeted the young, and why it has never reappeared.




Globalist bio-weapon gone out-of-control?

SPRING, 1918
AFTER SUCCESFUL SPRING OFFENSIVE, GERMAN TROOPS 'STABBED IN THE BACK' BY HOMEFRONT JEWS

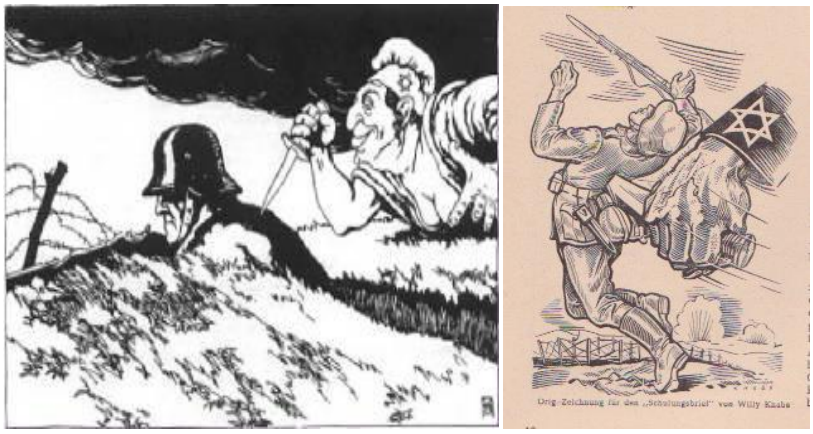
The Reds of Russia can't fight a civil war at home and an external war at the same time. Lenin and Trotsky have no choice but to take Russia out of the war. Before the American troops can be deployed in large numbers, Germany diverts its troops from the pacified eastern front and stages a major western offensive.

The operation begins in March with an attack on British forces in France. The Germans advance 40 miles and Paris is just 75 miles away! **The Spring Offensive** is so successful that Wilhelm declares March 24 a National Holiday.

At this exact critical point, Marxists & Zionists in Germany stab their countrymen in the back. Marxist Trade Union leaders order factory strikes which deprive German troops of critical supplies. **(27)** The Jewish owned press, **which had fanned war passions in 1914,** suddenly turns sour on the war and begins ripping on the German military. German morale begins to fall quickly, as does industrial output. Recent recruits arrive at the frontline with a defeatist attitude as anti-war protests and general discontent spread throughout Germany.

The Great Offensive comes to a halt just as the Americans begin to arrive. German Zionists are betraying Germany so that Palestine can be taken from Germany's Turkish ally and given to the Jews *(Balfour Declaration)*. German Jewish Marxists and "Democratic Socialists" also see a German defeat as a means to destabilize the nation and stage a revolution.

After the war, the treasonous betrayal of 1918 becomes known as **"The Stab-in-the-Back."** Modern liberal "historians" dismiss this allegation as a "legend", but there is nothing mythical about it. **On the brink of final victory, Germany was betrayed from within - plain & simple.**



Post-war cartoons depict Zionist-Marxists stabbing German soldiers in the back.

SUMMER, 1918
'THE YANKS ARE COMING!

It had taken about a year for America to get its military drafted, trained, and deployed under American command. By summer of 1918, 10,000 fresh troops arrive *daily* at the front. About 120,000 of them will die in the Great War, 90,000 in combat, 30,000 from disease. In addition to the badly needed fresh blood, the French and British war machines are now being re-supplied by the industrial output of mighty America.

With the breakdown of the Spring Offensive, the tide turns against Germany and its allies. The Allied counter attack, ***(*100 Days Offensive**)** begins in August. At the **Battle of Amiens**, the Allies advance 7 miles into German-held territory in just 7 hours. Back in Germany, the Jewish Press ignores the devastating effects of the Jewish-led factory strikes and Jewish-inspired defeatism. Instead, the newspapers blame General Erich Ludendorff for the recent German setbacks!



Fresh American boys arrived to kill German boys as the Jewish press of Germany shamelessly shifted the blame onto General Ludendorff.



1- Come on man! Join me in dying for Wilson's lies!

2- Dead American trapped in barbed-wire. If his mother, father, wife, kids could have watched him die -what would they say to Professor Wilson?

JULY, 1918
TR'S SON IS KILLED IN EUROPE

Little did TR know that Wilson and the British had already been plotting to drag America into Europe's war. Wilson just needed to wait until after his 1916 reelection was secured. Among the young Americans to die is 20-year old Quentin Roosevelt, the youngest son of Theodore Roosevelt, who was killed in aerial combat over France in 1918. Roosevelt is said to have been deeply affected by his son's death. TR dies himself just 6 months later.




The wartime death of TR's youngest son finally gave TR a taste of the pain that his warmongering had dished out to so many others.

JULY 16, 1918
CZAR NICHOLAS AND HIS ENTIRE FAMILY ARE BRUTALLY MURDERED

Czar Nicholas II had hoped to be exiled to the UK while Kerensky was in power**,** but his British "ally" had refused to take him in. The **Bolsheviks** *(Communists)* now hold Nicholas, his wife Alexandra, his four daughters and young son under house arrest. Their Red captors force them to live on rations.

As a boy, Nicholas had witnessed the bombing murder of his grandfather, Alexander II, in 1881. Nicholas's tragic error was in failing to execute the Red scum, such as Lenin and Trotsky, after their failed 1905 revolution. Now, his misguided mercy returns to haunt him, and his family.

On the evening of July 16/17, 1918, the royal Romanov Family is awakened at 2AM, told to dress, and then herded into the cellar of the house in which they are

being held. Moments later, Jewish Reds storm in and gun down the entire family, their doctor, and three servants in cold blood. Some of the Romanov daughters are stabbed and clubbed to death when initial gunfire fails to kill them. News of the brutal murder of the Romanovs will send shock waves throughout Russia, and all of Christian Europe.




A beautiful family - shot and stabbed to death like animals! As the shooting began, the Czar tried to shield his young son.

1918
BRITISH DIVERT MANPOWER SO AS TO FINISH OFF THE OTTOMAN EMPIRE AND STEAL PALESTINE

Britain's previous campaign against the Turks had ended in failure *(Gallipoli).* Now, with fresh and strong Americans arriving to fight the Germans in Western Europe, British troops are freed-up to concentrate on the Ottoman Empire. Britain covets the oil fields of the Middle East, but the UK also has a debt to repay to the Zionist bosses who dragged the U.S. into the war.

Assisting the Brits in the effort to steal Palestine are 10,000 American Jews who enlist to fight not alongside their fellow Americans in Europe, but with the British, who intend to seize their future home, Palestine. **(28) See: The Jewish Legion**

During this time, British airplanes drop leaflets over Germany. **Printed in Yiddish, the Balfour leaflets seek to win Jewish support in Germany** by promising the Jews a 'homeland' in Palestine after they have won the war. **(29)**




1- Vladimir Jabotinsky (left) led Jewish units in the fight against Turkey.
2- Leaving the Americans to do the heavy lifting against Germany, the British head south to dismantle the Ottoman Empire.

1918
LENIN & TROTSKY ESTABLISH THE 'COMMUNIST INTERNATIONAL' / VIOLENT RED PLAGUE GOES GLOBAL



"All Power to the Workers" really means all power to the New World Order!

With the Russian Civil War raging, the *Communist International*, known as "**The Comintern**", is established in Moscow, Russia. The Comintern states *openly* that its intention is to fight *"by all available means, including armed force, for the overthrow of the international "bourgeoisie" (the entrepreneurial class) and for the creation of an international Soviet republic (world government)."* **(30)**

From 1918-1922, Comintern-affiliated Parties form in France, Italy, China, Germany, Spain, Belgium, the U.S. and other nations. All Communists operate under the direction of the Soviets, who are themselves financed by the same international bankers that created the Federal Reserve and brought about the Great War.

SEPTEMBER, 1918
THE 'RED TERROR' IS ANNOUNCED IN RUSSIA

The Russian Communists plan to strategically use terror to intimidate their White adversaries into submission. On orders from Lenin and Trotsky, the **"Red Terror"** is announced by the Jewish Red **Yakov Sverdlov**. The Red Terror is marked by mass arrests in the middle of the night, executions, and hideously creative tactics of torture. As many as 100,000 Russians are murdered in the Red Terror, carried out by Jewish-run **Cheka** *(secret police).*

Among the atrocities committed, often in view of victim's family members, are:

- 40,000 White prisoners publicly hanged in the Ukraine
- Burning coals inserted into women's vaginas
- Crucifixions
- Rapes of women of all ages
- Victims submerged in boiling oil or tar
- Victims doused with petrol and burned alive
- Victims placed in coffins filled with hungry rats
- Victims soaked with water and turned into human ice-cubes in winter
- Priests, monks, and nuns have molten lead poured down their throats

(31)

The demoralizing terror takes a heavy psychological toll on the frightened Russian people. By 1922, many are broken into submission to the Cheka monsters.





1 & 2 - The horror of the Jewish Red Terror frightened Europe. Not since the days of Genghis Khan have so many Europeans been so brutally murdered.

3- Yakov Sverdlov was a mass murdering beast.

NOVEMBER 11, 1918
THE GREAT WAR ENDS / 'THE NOVEMBER CRIMINALS' BETRAY GERMANY TO THE GLOBALISTS

By the fall of 1918, it is clear that Germany can no longer win the War. Its policy now is "*to not lose it either."* As he had in 1916, the Kaiser offers to negotiate peace on terms favorable to all. Though Germany cannot win, the Allies are not able to win either. Germany's Eastern front with Russia is closed. There are no Allied troops on German soil, the Capital, Berlin is 900 miles safely away from the front, and the German military is very capable of defending the homeland from any invasion.

But the home front is collapsing. Treasonous politicians, Marxist labor union leaders, and Zionist media moguls, combine to demoralize the people and destabilize Germany. The Kaiser is forced to step down, exiling to Holland. On November 11, '18, Marxists and liberals of the newly formed "**Weimer Republic**" *(formed in the city of Weimar)* lie down and roll over for the Allies!

Incredibly, at a time when the Allies <u>do not have a single soldier on German soil</u>, the Weimar traitors order the military to lay down their arms and withdraw from the front.

Based on Wilson's empty promises of *"peace without victory"*, the 'November Criminals' place Germany at the total mercy of the **New World Order.**






The New York Times.

ARMISTICE SIGNED, END OF THE WAR!
BERLIN SEIZED BY REVOLUTIONISTS;
NEW CHANCELLOR BEGS FOR ORDER;
OUSTED KAISER FLEES TO HOLLAND

1- The armistice trap was signed in a railway car in Compiegne, France. 2- Patriotic German cartoon depicts politicians stabbing German troops in the back. 3- Jewish Reds seize Berlin that very day

NOVEMBER 11, 1918
AS JEWISH COMMUNISTS CAPTURE BERLIN / KAISER FLEES TO HOLLAND



The New York Times.

ARMISTICE SIGNED, END OF THE WAR!
BERLIN SEIZED BY REVOLUTIONISTS;
NEW CHANCELLOR BEGS FOR ORDER;
OUSTED KAISER FLEES TO HOLLAND

WAR ENDS AT 6 O'CLOCK THIS MORNING

The State Department in Washington Made the Announcement at 2:45 o'Clock.

ARMISTICE WAS SIGNED IN FRANCE AT MIDNIGHT

Terms Include Withdrawal from Alsace-Lorraine, Disarming and Demobilization of Army and Navy, and Occupation of Strategic Naval and Military Points.

BERLIN TROOPS JOIN REVOLT

Reds Shell Building in Which Officers Vainly Resist.

"Berlin Seized by Revolutionists" (Reds)

In 1915, Jewish Reds **Rosa Luxemburg** and **Karl Liebknecht** founded the "**Spartacus League**" *(named after NWO / Illuminati founder Adam Weishaupt's code name of "Spartacus")*. In 1919, the group becomes the **Communist Party of Germany**.

That same month, the Spartacists, aided by Jewish-Hungarian Red **Bela Kun**, take advantage of the post-war chaos, and stage a coup in Berlin. Kaiser Wilhelm, fearing the same fate as Tsar Nicholas, flees to Holland. He now regrets his past liberalism and denounces the "Jewish influence" that ruined Germany.

The Communist takeover of Berlin is short-lived as veterans known as the '**Freikorps**' reclaim control from the Reds and their followers. Luxemburg and Liebknecht are captured and executed. The "Freikorps" has saved Germany from the same deadly fate that has befallen Russia, but the new "democratic socialist" Germany will soon face other serious problems. Just like the hard core Reds of Russia pushed aside the socialist Kerensky, the Reds of Germany will keep trying to grab absolute power from the "democratic socialists" of Weimar.







The German Freikorps saved Germany from the Soviet-style Communist bloodbath that Jewish Reds Luxemburg and Liebknecht were planning.

NOVEMBER, 1918
INJURED GERMAN ARMY CORPORAL REACTS BITTERLY TO NEWS OF THE SURRENDER

As a 25-year-old 'starving artist', **Adolph Hitler** had volunteered to fight for Austria in 1914. By that time, both of his parents had passed away. Afflicted with tuberculosis during youth, Hitler was rejected for military service. Hitler then pleaded with Bavarian authorities to allow him to fight for Germany. He served with great distinction, and was promoted to Lance Corporal after being awarded the German **Iron Cross 2nd Class** for bravery. In October '16, he was badly wounded and spends two months in a military hospital. He could have stayed home but chose to return to the frontlines.

In August of '18, Hitler is awarded the prestigious **Iron Cross 1st Class**. In October 1918, he is blinded by a British poison gas attack. While recovering his eyesight, Hitler hears of Germany's shameful capitulation. He is confused and outraged. The sacrifice and suffering of the German soldiers had been for nothing. The brave unknown painter from Vienna wants answers, and he won't rest until the 'November Criminals' *(his term)* are exposed and Germany's honor restored.





Hitler, seated left, was a heroic and highly decorated soldier.

JANUARY, 1919
THE PARIS PEACE CONFERENCE

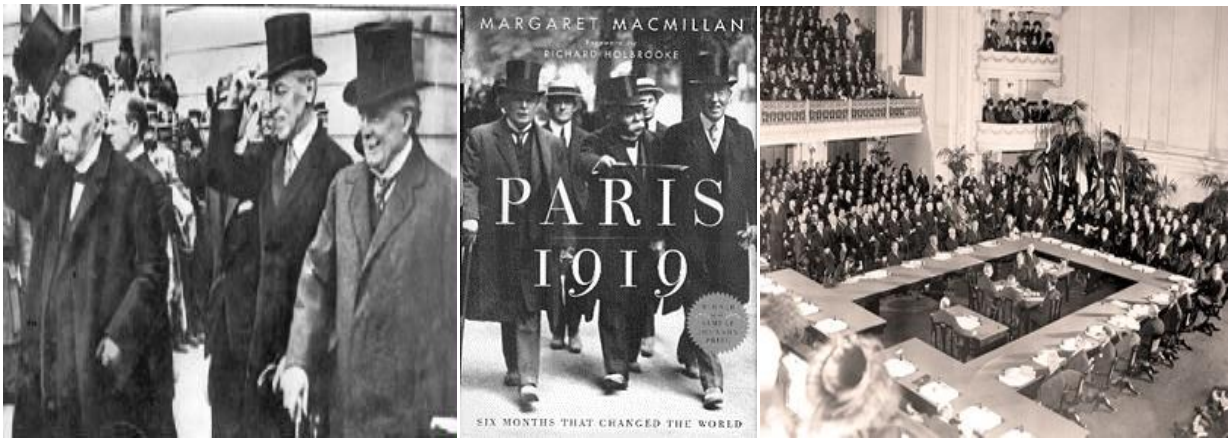
The **Paris Peace Conference** is the meeting of the Allied victors to financially crush Germany and determine the new borders of the defeated nations. The

Globalists devise a series of treaties *(Paris Peace Treaties)* that reshape Europe and the world. At its center are the leaders of the three 'Great Powers': **Woodrow Wilson** *(U.S.)*, Prime Ministers **David Lloyd George** *(U.K.)* and **Georges Clemenceau** (France). *Germany is not invited and will have no say in the final decisions.*

The Globalists will dismantle existing nations and create new ones. Austria-Hungary and Turkey are carved up; their disparate peoples re-assigned to new states. The Conference also creates the framework for a future World Government, **The League of Nations**.

A Zionist delegation is also present. They had brought America into the war, and now it is time to collect payment for services rendered *(Balfour Declaration)*. Former Arab territories of the Ottoman Empire are separated from Turkish rule and broken up into small states. Palestine is to become a British protectorate. **See: British Mandate**

The Zionist statement establishes the Jew's claim to a piece of Palestine, guaranteed by The League of Nations and exactly as Herzl had predicted in 1897! Jews from all over the world may now immigrate to British Palestine, but in controlled numbers. **The Arabs of Palestine *(a 95% majority)* were not consulted about this deal, and they are angry.**



Clemenceau, Wilson, & George front for the Globalist gangsters in Paris.

MARCH 1919
JEWISH REDS ESTABLISH COMMUNIST REGIME IN HUNGARY

During the Russian Civil War, Jewish-Hungarian, **Bela Kun** fights for the Reds. As a commander, Kun orders the killings of thousands of anti-Communists.

With the collapse of the Austro-Hungarian Empire, Kun sees an opportunity to impose Communism in Hungary. In November '18, his Red gang returns to Hungary with money given to him by the Russian Reds. He founds the Hungarian Communist Party on November 4, '18.

The **Hungarian Soviet Republic** is soon established. Kun reports directly to Lenin and is the dominant personality in the government during its brief existence. Kun's first act is to nationalize *(confiscate)* all private property. After an anti-communist coup attempt in Hungary in June '19, Kun organizes a response in the form of a Red Terror, carried out by secret police and mostly Jewish irregular units. Red Tribunals condemn 600 prominent Hungarians to death. Kun's Reds are removed from power after an invasion by Romania. Kun flees to The USSR.



Bela Kun: Yet another Rothschild rabble-rouser on a soap box.

JUNE, 1919
GERMANY IS GANG-RAPED BY THE 'TREATY OF VERSAILLES'

Out of the **Paris Peace Conference** comes the barbaric and infamous "**Treaty of Versailles**". The cruelty of the Treaty is today recognized even by liberal historians. With Germany disarmed by its new government, the Globalists & Zionists proceed to rape the German nation; **a nation that did not want war, had tried to avert the war, and had offered to make peace on numerous occasions after the war had begun.**

The Treaty contains 440 clauses, 414 of which are dedicated towards punishing Germany for a <u>war that was imposed upon her.</u>

Among the key provisions that a disarmed Germany and Austria *(Treaty of St. Germaine)* are forced to accept *<u>at gunpoint and while under a hunger blockade</u>* are:

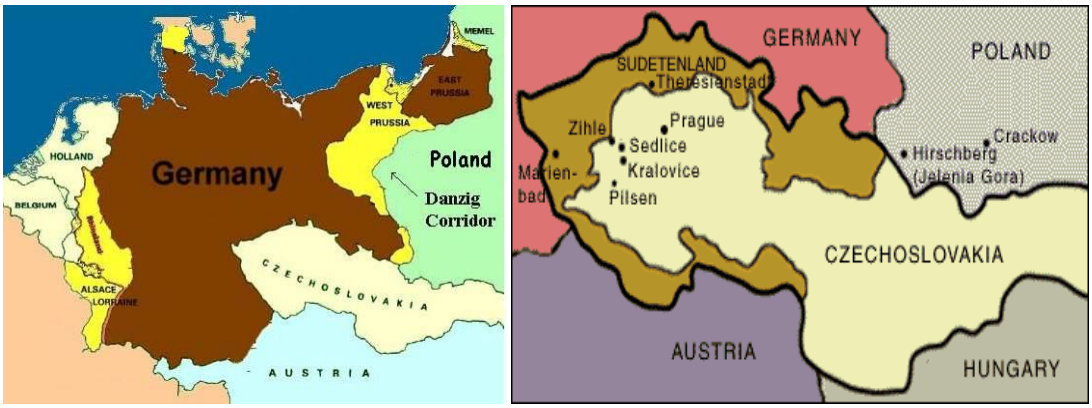
1. Germany must accept 100% responsibility for the war.
2. German armed forces restricted to 100,000 men.
3. The industrial German Rhineland will be occupied by French troops for 15 years.
4. Kaiser Wilhelm II *(safe in Holland)* should be tried for *"offenses against international morality"*.
5. The German region of West Prussia is given to the new nation of Poland.

Two million West Prussians are forcefully expelled from their homes, and East Prussia is left isolated from the rest of Germany!

6. The German Sudetenland region is put under the rule of the new nation of 'Czechoslovakia'.
7. The new state of Austria is forbidden from uniting with their brothers in Germany.
8. Germany is stripped of African colonies. Britain, France, & Belgium take them.
9. The coal-rich Saar region of Germany is placed under League of Nations control for 15 years. During this time, its coal is to be shipped to France.
10. The Baltic Sea port city of Danzig is separated from Germany and declared a "free city."
11. Germany is forced to pay massive war reparations in the form of money and

natural resources. The crushing debt payments *(equal to 1 Trillion dollars in modern currency)* will devastate the German economy and soon cause a hyperinflationary monetary collapse. **(32)**

Defenseless Germany is kept under the hunger blockade until she agrees to the harsh terms. About 100,000 Germans die as a result of the post-armistice food blockade. (33) The unjust and inhumane Treaty of Versailles will breed resentment and anger for year to come.



1- West Prussia is given to the new state of Poland. East Prussia is cut off from the rest of Germany!

2- German Sudetenland is assigned to the new state of Czechoslovakia

OCTOBER, 1919
PRESIDENT WILSON IS PARALYZED BY A STROKE / THE PUBLIC IS KEPT UNAWARE FOR 1 ½ YEARS!

The Zionist-Globalist pressure on Woodrow Wilson is too much for the feeble Princeton Professor to handle. The **New World Order** Bosses have ridden their blackmailed puppet very hard since 1912. Now, Wilson is being ordered to undertake an intense, year-long cross-country campaign to win public support for US entry into the world government blueprint known as 'The League of Nations' *(established at the Paris Peace Conference).*

During his grueling propaganda train tour, Wilson suffers a massive stroke that leaves him paralyzed. For the next 17 months, the enfeebled President lies in bed

on the brink of death, barely able to write his own name. *The outside world knows nothing of this.*

All communication with the "dummy" President goes through his wife, Edith. Wilson never fully recovers and will die in 1924. His horrible legacy of treason *(The Fed, Income Tax, Zionism, World War I & Globalism etc.)* haunts America to this very day.



Even when healthy, the dummy was only good for ceremonies. Wilson's grueling 'League of Nations' train tour campaign wore him down.

NOVEMBER, 1919
MAJOR SETBACK FOR GLOBALISM! U.S. SENATE REFUSES TO JOIN THE LEAGUE OF NATIONS

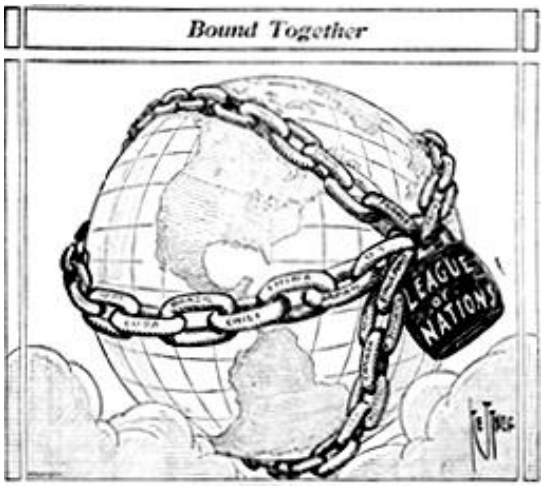
After an intense, yearlong campaign to win support for entry into the League of Nations, the now incapacitated President Wilson and his Rothschild-Globalist masters are dealt a devastating blow when the Senate fails to approve U.S. membership. **Globalist pressure forces the Senate to vote three times,** but the necessary 2/3 majority *still* cannot be reached.

Leading the opposition to membership in the infant World Government are Senators **Henry Cabot Lodge** (R-MA), **Warren Harding** (R-OH), and **William Borah** (R-ID).

The American people now realize that the very strange war that they had just fought served no American interest at all. Americans want no more of Europe's

affairs and just want to "return to normalcy." But the Globalists will keep on scheming against the people until they finally get their **New World Order.**





1- Senator Borah led the opposition to the New World Order trap.

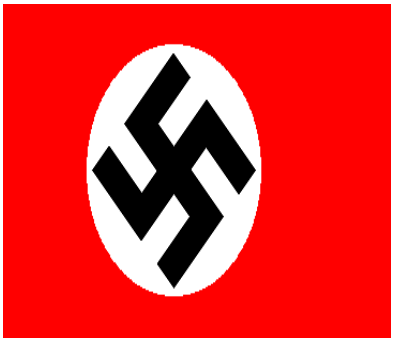
2- 'Bound Together": even then, certain cartoonists smelled the global trap.

1919
UNKNOWN ADOLF HITLER SPARKS A MOVEMENT

When Adolf Hitler joins the **German Workers Party** (DAP) in 1919, he becomes only the 7th member of the nationalist group. The now 30-year old, self-educated artist from Austria has little money and no political connections. But his oratorical, organizational, and marketing talents propel him to leadership of the tiny band of brothers. Hitler's mesmerizing beer-hall speeches stop onlookers in their tracks. He denounces the Versailles Treaty, the occupation, the 'November Criminals', the Marxists, the Press, and the international bankers.

DAP membership then grows rapidly, recruiting unemployed young men and disgruntled ex-soldiers betrayed during the war. Hitler appeals to veterans because he himself was a frontline soldier, twice decorated for serious injuries sustained, and twice more for conspicuous bravery on the battlefield.

To draw recruits away from *both* the rival "right" Nationalist and "left" Socialist Parties, Hitler simply adds 'National' and 'Socialist' to the Party's name, making it NSDAP. ***(They never called themselves "Nazis"!)***. To draw people away from the Reds, Hitler also uses red flags, with a symbol of the ancient Aryans of Asia.



Hitler designed the NSDAP flag. The "swastika" was a symbol of the ancient Asian Aryan peoples who settled in Europe.





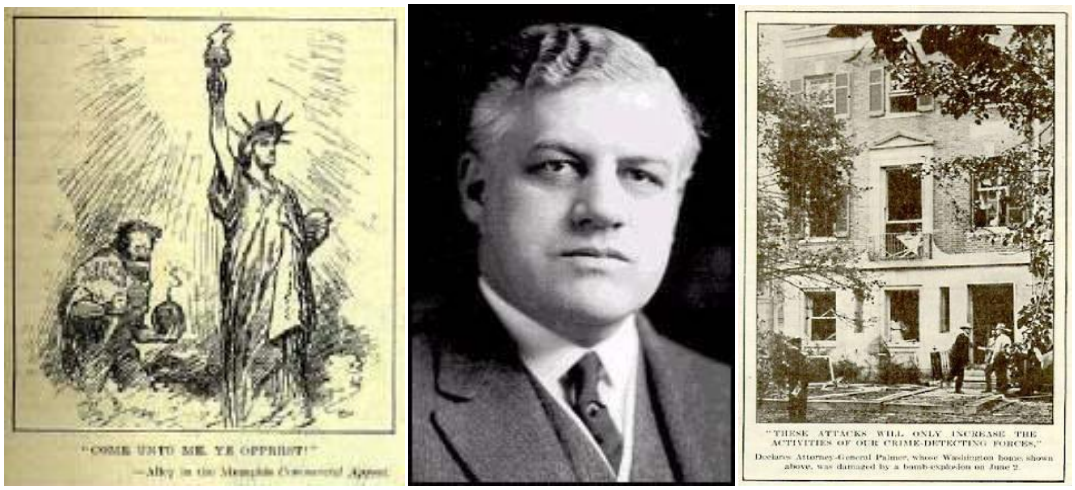
Adolf Hitler: A talented painter with a dream to save Germany.

1919
RED TERROR EXPLODES ACROSS AMERICA!

What modern day liberal historians mockingly refer to as "**The First Red Scare**", is nothing to laugh about. Coming just 18 years after the Reds murdered President McKinley, the 1919 "Red Scare" is marked by a campaign of Communist/Anarchist terror and radical political agitation, set against the backdrop of Lenin's ongoing bloodbath and Wilson's crashing economy.

In April, 30 booby-trap mail bombs are sent to prominent Americans. After the 1st bomb fizzles, and the 2nd injures the wife of a US Senator, the remaining 28 are intercepted by postal authorities. On May 1 *(May Day)*, Reds stage large rallies that lead to violence in Boston, New York, and Cleveland. Two die and 40 are injured as patriots clash with immigrant Reds.

Later that year, 8 more bombs are mailed, killing 2 innocent people. The home of anti-Red **Attorney General A. Mitchell Palmer** is also bombed, and heavily damaged. Fortunately for Palmer and his family, the bomb detonates prematurely, killing **Aldo Valdinoci**, the Italian anarchist planting it. In September, Marxist Union leaders organize steel strikes, soon followed by coal strikes. The 'Red Scare' is no joke! The Reds mean business, and Americans are rightfully concerned.



1- Cartoon: Anarchist Bomber sneaks up on Lady Liberty

2- Attorney General Palmer's home was bombed by Reds.

1919 -1920
THE 'PALMER RAIDS' CRIPPLE THE U.S. REDS

The efforts of Attorney **General A. Mitchell Palmer** weaken the Reds greatly. Opposed by the pro-Red ACLU, undermined by some in the Wilson Cabinet, and undeterred by the bombing of his own home, Palmer presses on with his roundups and investigations. Palmer's Federal Agents often rough up the foreign Reds, including many Russian-Jewish radicals, as well as Italian and East European Anarchists.

In November 1919, Palmer deports 249 foreign Reds, including top leaders such as "Red Emma" Goldman, who inspired and praised the 1901 McKinley murder. Palmer then focuses on the Marxist labor strikes, leaving his young assistant *(and future FBI Director)* **J. Edgar Hoover**, to fight the foreign Reds. Hoover rounds up 3000 more radicals. In all, 5000 radicals are arrested, 556 of which are booted out of America. **(34)** Good riddance!





Palmer's efforts to contain the murderous Red cancer were heroic.

FEBRUARY, 1920
WINSTON CHURCHILL WARNS OF A WORLDWIDE JEWISH COMMUNIST CONSPIRACY

Lord of the Admiralty and Lusitania war criminal **Winston Churchill** is a supporter of Zionism *(Jewish state in Palestine)*, but opposed to Jewish Communism. Although both movements trace back to the same Rothschild Crime Family, they sometimes appear - **to this day**- to operate at cross-purposes, and in conflict with each other.

In an editorial appearing in the Illustrated Sunday Herald entitled, '*Zionism vs Bolshevism*', Churchill argues that Jews should support Zionism as an alternative to Communism; missing the fact that both movements emanate from the same source. The future Prime Minister rails against *"the schemes of the International Jews":*

"This movement among the Jews is not new. From the days of Weishaupt to those of Karl Marx, and down to Trotsky (Russia), Bela Kun (Hungary), Rosa Luxembourg (Germany), and Emma Goldman (United States), ***this worldwide conspiracy for the overthrow of civilization and for the reconstitution of society on the basis of arrested development, envious malevolence, and impossible equality, has been steadily growing.*** *It played, as a modern writer, Mrs. Webster, has so ably shown, a definitely recognizable part in the tragedy of the French Revolution……It has been the mainspring of every subversive movement during the Nineteenth Century; and now at last this band of extraordinary personalities from the underworld of the great cities of Europe and America have gripped the Russian people by the hair of their heads and have become the undisputed masters of that enormous empire."* **(35)**


ZIONISM versus BOLSHEVISM.

A STRUGGLE FOR THE SOUL OF THE JEWISH PEOPLE.

By the Rt. Hon. WINSTON S. CHURCHILL.



Zionism vs Bolshevism is a precursor of today's Neo-cons vs. Globalists rivalry.

SEPTEMBER, 1920
AMERICAN REDS BOMB WALL STREET / 38 DEAD

In New York, a horse drawn carriage stops on the Wall Street Financial District's busiest corner. The driver leaves the scene. Inside of the carriage, 100 pounds of dynamite with 500 pounds of iron shrapnel are set to explode in a timer-set detonation. The horse and wagon are blasted into small fragments. The 38 victims, most of who die within moments of the blast, are mostly young people who work as messengers, clerks, and brokers. Many of the wounded suffer severe, disfiguring injuries.

Prior to the blast, flyers were found in a nearby Post Office. Written in red ink, the flyers promised violence if political prisoners were not released. At the bottom was

written: “American Anarchist Fighters.” The actual perpetrators will never be caught, but the terrorist Red movement in America is clearly behind the mass murder.





NEW CASTLE NEWS

VOLUME XLI No. 30. NEW CASTLE, PA., THURSDAY, SEPTEMBER 16, 1920 —16 PAGES

TERRIFIC EXPLOSION WRECKS BANKING HOUSE OF MO

PROFITEERING RESTAURANTS MUST CUT DOWN PR

24 Dead And 200 Injured With Chances That Death Record Will Mount Higher

Believed To Have Been Bomb At First, But Later Investigation Indicates That Wagon Load Of Dynamite Was Hit By Automobile

HOSPITALS IN DOWN TOWN SECTION OF CITY ALL FILLED WITH INJURED

Claims Explosion Was A Time Bomb Loaded On Wagon

Expert Gives Sound Advice To Merchants

LET EMPLOYEE SHARE TROUBLES

Primaries Featured By Murder And Many Arrests In Chicago

Break In Strike

Gigantic Upheaval

The Red bomb overturned automobiles. The nation was shocked.

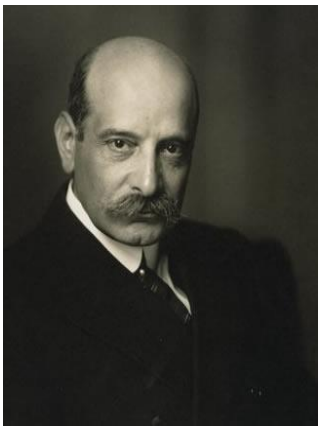
1920 - 21
GLOBALIST ‘THINK TANKS’ FORM IN BRITAIN AND AMERICA / ELITES RECRUITED TO JOIN THE NEW WORLD ORDER

At the Paris Peace Conference, Globalists from the U.S. & Britain had agreed to establish sister “think tanks” that will dominate the affairs of both nations. In 1920, the Fabian dominated **Royal Institute of International Affairs** *(now Chatham House)* is founded in London. In 1921, the **Council on Foreign Relations (CFR)** is established in New York with “Father of the Fed” Paul Warburg serving as its first Director.

"Chatham House Rules" of secrecy govern the members of both clubs. Membership is by invitation only. Members may discuss generalities of group meetings, but are expected to remain discreet concerning who attends the meetings and what is said.

Up until the present day, the membership rolls of **CFR** & **Chatham** have included top names from politics, media, banking, business, and academia. The membership rolls include a variety of Globalists, Communists, Zionists, ambitious careerists,

and well-meaning dupes. The chosen few recruited by the world government builders often find themselves on a fast track to greater fame and fortune.


1- The Manhattan based CFR is the seat of America's Oligarchy. Rothschild ally Paul "Father of the Fed" Warburg is its first Director.

2- Obama speaks before his Council co-conspirators.

1921 – 1930

1921 - 22
'WAR COMMUNISM' STARVES 10 MILLION TO DEATH

Lenin's oppression of the Russian people breaks their strength and will to resist. **The Famine of 1921** is partly due to the folly of central economic planning, as well as to a deliberate effort to kill off any Russians still not willing to support the Red takeover. The Communists ran the money-printing presses to finance their civil war and welfare schemes. When inflation follows, they impose price controls, causing farmers to lose money by farming. Compounding the shortage is the Red seizure of seeds.

The horrific famine is then used to selectively feed those regions submissive to the Reds, and starve out those loyal to the Whites.

Starving Russians and Ukrainians resort to eating grass, or even cannibalizing the dead. The horror escalates when Lenin deliberately blocks foreign relief efforts. When the death toll reaches 10 million, Lenin finally allows relief. Were it not for the mostly American aid, the death toll for Lenin's cruelty would have doubled.



Starving children and corpses of the 1921 Soviet Famine

MARCH, 1921
FOR THE THIRD TIME IN 23 YEARS, REDS MURDER A PRIME MINISTER OF SPAIN

Eduardo Dato became Prime Minister of Spain for the first time in 1913. In 1915, he left that position, but would return to it for a short while in 1917, and then, for a third time in 1920.

On March 8, 1921 in Madrid, while being driven from the parliament building and in front, Dato was assassinated by three anarchists, **Lluís Nicolau, Pere Mateu, and Ramon Casanelles**, who were riding a motorcycle.







1 & 2- Dato was killed in a motorcycle drive-by shooting.

3- The bullet riddled car.

JULY, 1921
NEW YORK TIMES PUBLISHES SOVIET CLAIM THAT 6 MILLION JEWS FACE EXTERMINATION BY 'WHITE' COUNTER-REVOLUTIONARIES

BEGS AMERICA SAVE 6,000,000 IN RUSSIA
New York Times (1857-Current file); Jul 20, 1921;
ProQuest Historical Newspapers The New York Times (1851 - 2006)
pg. 2

BEGS AMERICA SAVE 6,000,000 IN RUSSIA

Massacre Threatens All Jews as Soviet Power Wanes, Declares Kreinin, Coming Here for Aid.

Copyright, 1921, by The Chicago Tribune Co.

BERLIN, July 19.—Russia's 6,000,000 Jews are facing extermination by massacre. As the famine is spreading, the counter-revolutionary movement is gaining and the Soviet's control is waning. This statement is borne out by official documents presented to the Berlin Government, which show that numerous pogroms are raging in all parts of Russia

Yet again!

1921 - 23
THE BRIEF AND VERY SUCCESSFUL PRESIDENCY OF WARREN G HARDING

Pledging a “return to normalcy”, Warren Harding (R-OH) is elected President in 1920. An opponent of entry into the League of Nations, his victory over James Cox (D-OH) and his VP running mate Franklin D Roosevelt (TR's cousin), is the largest Presidential landslide in U.S. history (60%-34%)

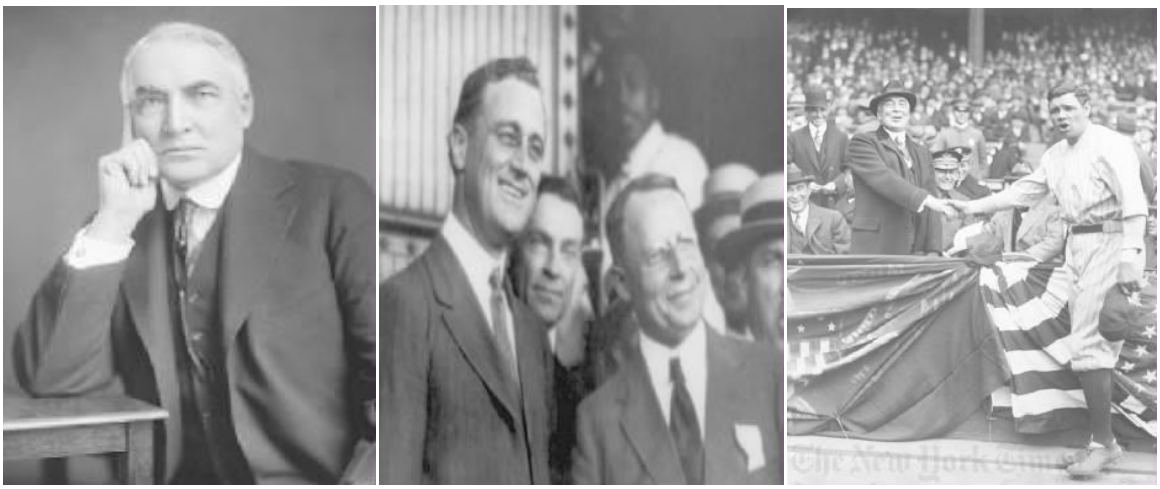
In his inaugural address, Harding lays the smack-down upon the Wilsonian Zio-Globalists:

"The recorded progress of our Republic, materially and spiritually, proves the wisdom of the inherited policy of noninvolvement in Old World affairs. Confident of our ability to work out our own destiny, and jealously guarding our right to do so, ***we seek no part in directing the destinies of the Old World. We do not mean to be entangled.*** *We will accept no responsibility except as our own conscience and judgment in each instance may determine.*

We sense the call of the human heart for fellowship, fraternity, and cooperation. We crave friendship and harbor no hate. But America, our America, the ***America built on the foundation laid by the inspired fathers, can be a party to no permanent military alliance.*** *It can enter into no political commitments, nor assume any economic obligations which will subject our decisions to any other than our own authority."* **(1)**

Harding inherits a severe Wilsonian Economic Depression. He quickly moves to slash income taxes, and will cut government spending by 50%. With the private economy now freed from the parasitic dead weight of big government, an historic economic boom soon follows. Harding is undoing Wilson's damage, and returning the country to the days of William Howard Taft *(who he names as Chief Justice of the Supreme Court).*

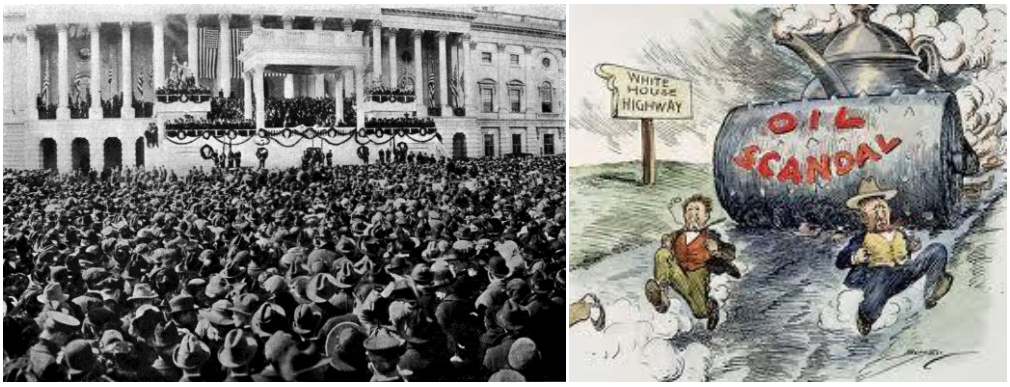
Harding's support for free markets, limited government, low taxes, neutral foreign policy, and his refusal to grant diplomatic recognition to the murderous Soviet Union, are all positions that anger the Globalists. An intense newspaper smear campaign regarding "scandals" in Harding's administration is unleashed against the highly popular President. In spite of the hate campaign, Harding remains extremely popular.



1- Harding (left) crushed Cox & FDR in the 1920 election and put America back on the road to recovery and happiness.

2- American glory days: Harding with baseball legend Babe Ruth

*



1- Harding's inaugural address rejected Globalism.

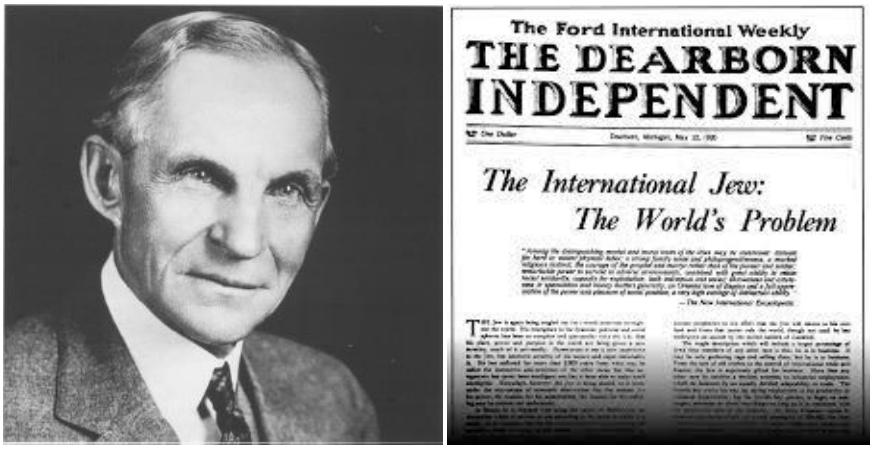
2- Globalist owned "Yellow Press" discovered "scandals" on Harding.

1920 – 1922
HENRY FORD PUBLISHES 'THE INTERNATIONAL JEW: THE WORLD'S PROBLEM'

American auto manufacturer and icon Henry Ford publishes a 4-volume set of booklets exposing the operations of the Globalist Jewish elite. Ford's investigations reveal a hidden influence over American politics, the Fed, the press,

organized crime, theatre, art, and music. German NSDAP members read and distribute translated copies of Ford's work. Hitler himself has a copy in his office, along with a photo of Ford.

Because of Ford's national stature and vast wealth, many take the warnings of **The International Jew** very seriously. After withstanding years of intense pressure and a libel suit aimed at him, Ford eventually backs off of his crusade, even closing his newspaper, *The Dearborn Independent,* in 1927.



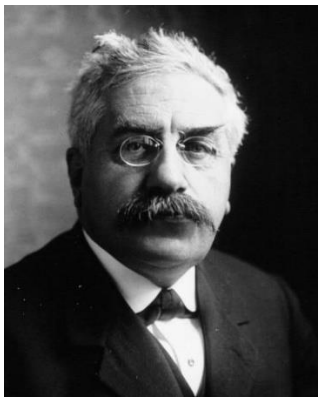
Ford knew all about the New World Order.

JULY, 1922
REDS ATTEMPT TO ASSASSINATE THE PRESIDENT OF FRANCE

Alexandre Millerand is the President of France. On July 14, 1922, an anarchist named **Gustave Bouvet** makes an attempt to assassinate him.

As Millerand and other dignitaries travel in a procession of three carriages along the Champs-Élysées; Bouvet draws a revolver from his pocket and fires two shots at the second car, which he mistakenly believes the President is riding in. Both shots go wide due to a bystander grabbing Bouvet's arm before he can aim.

Bouvet drops the gun and is quickly subdued. He is found to be carrying another revolver and 25 cartridges in his pockets. Upon interrogation, he declares that he intended to shoot the President "in order to make an example."

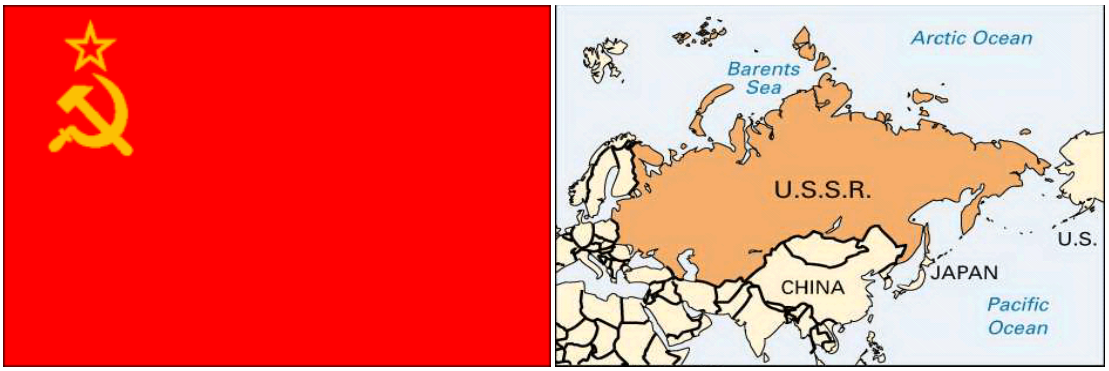



Millerand & Bouvet The Reds have an endless supply of disaffected and brainwashed young assassins who show no fear of being captured or executed.

1922
THE REDS WIN THE RUSSIAN CIVIL WAR / THE 'SOVIET UNION' (U.S.S.R.) IS FORMALLY ESTABLISHED

At the conclusion of the Red Terror, Red Famine, and Red-White Civil War in 1922, Lenin and Trotsky formally establish the Soviet Union with its capital city in Moscow. The former Russian Empire is now also known as the USSR *(Union of Soviet Socialist Republics)*.

The Communist giant spans Eurasia. Of its multi-ethnic "republics" the Russian republic is by far the largest and most populated. The well-known criminal brutality of the Soviets shocks the world, as do the Communist declarations to overthrow all other nations. For these reasons, three consecutive Republican Presidents *(Harding, Coolidge, Hoover)*, will refuse to diplomatically recognize the Soviet Union.



Phony symbolism: the Hammer & Sickle on Soviet flag symbolize Communist love for "the workers." The enormous Russian Empire is now the evil Soviet Empire.

OCTOBER, 1922
'THE MARCH ON ROME' / BENITO MUSSOLINI'S FASCISTS SAVE ITALY FROM THE COMMUNISTS & LIBERALS

The global economic Depression that follows World War I gives the Reds and socialists an opportunity to agitate in post war Italy. **Benito Mussolini** and his Fascist Party decide to act before the "democratic" Reds can get any stronger.

In October of '22, Mussolini declares before 60,000 people at the Fascist Congress in Naples: **"Our program is simple: we want to rule Italy."** Fascist "Black-shirts" capture the strategic points of Italy. Mussolini then leads a March of 30,000 men on the Capital City of Rome. On October 28, a sympathetic King Victor Emmanuel III, whose father had been murdered by a Red in 1900, grants political power to Mussolini. Mussolini is supported by veterans and the business class.

The corrupt left-wing political parties are eventually shut down. Under "Il Duce's" rule, the pro-business Fascist Party takes control and restores order to Italy. Fascism combines an honest and sound monetary system with a mix of free enterprise and state regulated corporatism.

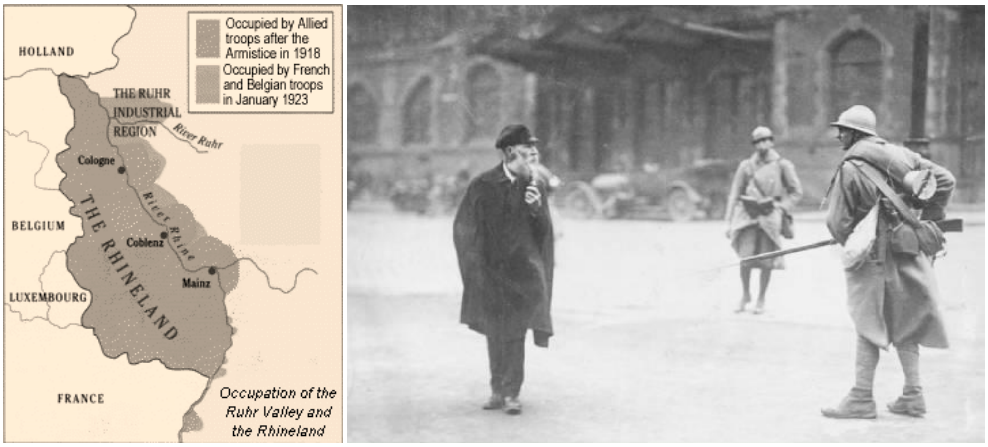



Mussolini's 'March on Rome': "Communism is a fraud, a comedy, a phantom, a blackmail." **(2)**

JANUARY 11, 1923
FRANCE INVADES GERMANY'S RUHR REGION AFTER GERMANY IS LATE ON EXTORTION PAYMENTS

More than four years have passed since Germany's complete and total surrender at the end of The Great War. The poor & hunger-stricken German nation is now having difficulty in making the massive reparations extortion payments imposed by The Treaty of Versailles. Having already destroyed the value of Germany's currency, the Allies now demand to be paid in timber and coal. Extortionist allied troops move in for a "shakedown."

In a further humiliation of an already occupied Germany *(Rhineland)*, 60,000 troops from Belgium, France, and the French African colonies expand the occupation into the defenseless Ruhr *(an industrial region of Germany)*. While German children go hungry, the Allies collect their stolen loot of physical German commodities. Machine gun posts are set up in the streets as Allied troops take food and supplies from German shopkeepers. Other than stage passive demonstrations, there is nothing the disarmed, humiliated, and hungry German people can do about the French abuse.



Shaking down Germany! France and Belgium expanded the occupation of industrial parts of Germany. The invaders killed 132 disobedient Germans.

AUGUST 21, 1923
THE SUDDEN AND STRANGE DEATH OF PRESIDENT HARDING

While recovering from a strange sickness that had stricken him in San Francisco, President Harding shudders and dies suddenly during a conversation with his wife. Doctor's cannot agree on the cause of his strange death. Within an hour of his demise, Harding's body is embalmed and placed in a casket. The following morning, the body is on a train, headed back to Washington Incredibly, *no autopsy is performed*. **(3)** The suspicion of a deliberate poisoning plot rages throughout America.

The sudden death of the 57-year-old statesman, who successfully reversed Wilson's damage in just 29 months, remains a mystery. Of course, liberal 'historians' today rate Harding as "the worst President ever."



Crowds of mourners watched the train carry the body of President Harding back to DC.

1923
GERMAN SUPER-INFLATION WIPES OUT MIDDLE CLASS

With Allied troops occupying the Ruhr, and the German Mark losing its value to inflation, Germany in '22-23 goes through a horrific *hyperinflation*. The socialist Weimer Government and the Warburg/Rothschild Central Bank resort to massively expanding the money supply, mostly to cover the crushing debt imposed by the Versailles Treaty, but also to keep the Weimar Republic's welfare state afloat.

The life savings of the German people is wiped out as *prices double every 2 days for 20 straight months!* Workers are paid daily, so that they may go food shopping before prices double again. Many Germans refer to their devalued money as **"Judefetzen",** *(Jewish confetti)*. **(4)**

This leads to more chaos and another attempt by the Communists to stage a revolution. As they had during the war, the Marxist Trade Unions call for strikes at a time when Germany is most vulnerable. To pacify the striking workers, the Weimar / Reichsbank complex pumps even more paper debt money into the economy.






1- Germans needed wheelbarrows full of paper money to go shopping.
2- 20 BILLION Marks for a postage stamp! 3- Mark wallpaper.

NOVEMBER, 1923
'THE BEER HALL PUTSCH' / HITLER ATTEMPTS A COUP IN BAVARIAN CITY OF MUNICH

Righteous anger is boiling over the hyper-inflation and the new French-Belgian occupation. Hitler decides that the time is right to seize power from the local government in Munich. Hoping that war veterans will join the revolt and move against the national government in Berlin, Hitler uses a rally in a Munich 'Beer Hall' to launch a coup.

The local uprising, or "putsch", is ignited by Hitler's moving speech, but fails to sustain itself as troops open fire on the nationalist rebels, killing 16 of them. Hitler and others are arrested and tried for treason. At his trial, Hitler uses the occasion to spread his ideas, which are then published in the newspapers. The judge is impressed, and issues a lenient sentence for the rebels. Though the Munich coup has failed, the legend of the great orator grows, attracting new followers by the day. Membership in Hitler's NSDAP tops 20,000 by year's end.



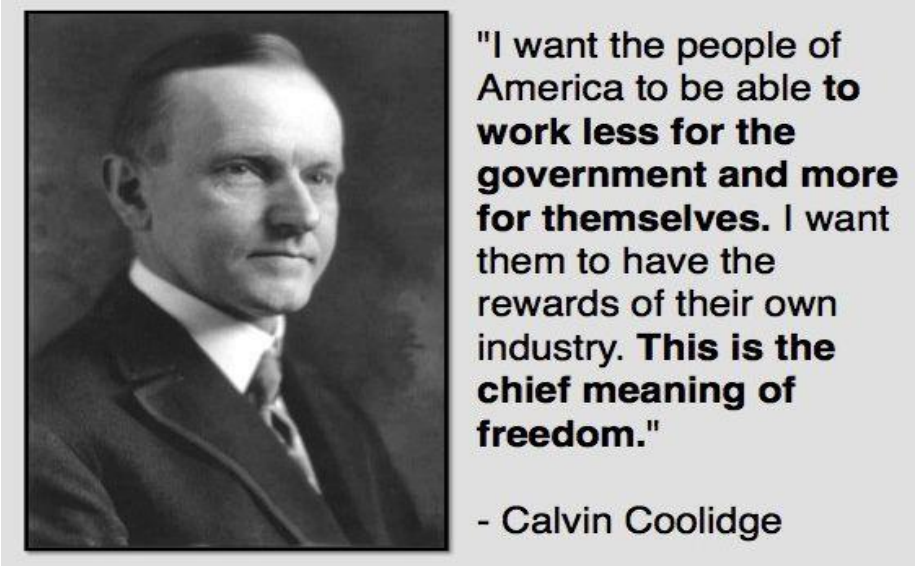

A crowd turned out to support Hitler. Hitler and Ludendorff were arrested.

1923-1928
CALVIN COOLIDGE, THE ROARING 20's, AND THE DEMISE OF THE GLOBALISTS

After Harding's sudden death/assassination, America doesn't know what to make of **Calvin Coolidge** *("Silent Cal")*, the new President. It is believed that Coolidge will serve the remaining 19 months of Harding's term, and then be replaced at the Republican Convention in 1924. But after continuing Harding's policies, Coolidge is now very popular. He is nominated to run against Democrat John Davis. Remarkably; Davis is also a conservative!

The Globalists put up Robert La Follette (R-WI) as the Progressive nominee. On Election Day 1924, Coolidge carries 35 states, Davis wins 12, and La Follette wins only his home state!

A period of peace & prosperity known as **"The Roaring Twenties"** has the Constitutional Republicans riding high. What's a Globalist to do? They can't just keep killing Presidents! The "Fed" will begin laying a financial time bomb beneath the nation's prosperity. When the bomb finally explodes in 1929, the era of Constitutional Republicanism will be swept away for good.



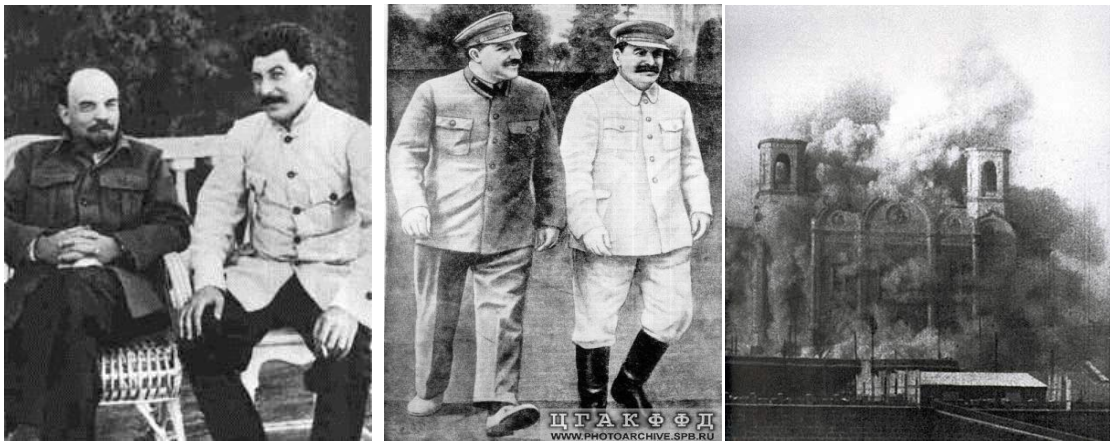
The unknown "Silent Cal" turned out to be just as good as Harding!

JANUARY 21, 1924
LENIN DIES / PSYCHOPATH KILLER JOSEPH STALIN TAKES OVER THE USSR

When Lenin dies in 1924, **Joseph Stalin**, Secretary of the Communist Party Central Committee, skillfully outmaneuvers Red Army leader **Lev Trotsky** to take leadership of the USSR. Stalin will eventually expel Trotsky from the Party, then from the USSR itself. Finally, he will have his Marxist rival axed through his brain by a Soviet agent in Mexico.

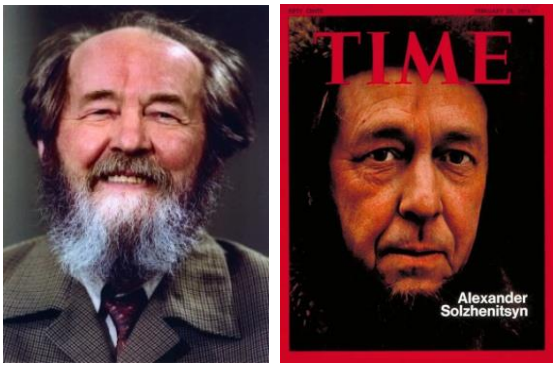
Stalin's brutality instills fear not only in the enslaved people of the Soviet Union, but also in the hearts of fellow Communists that the paranoid Stalin believes may challenge his leadership. The egomaniac renames a city after himself *(Stalingrad*), and erects statues of his likeness in town squares. From time to time, Stalin will "purge" many of his own Red comrades, as well as wives. He dumps his first wife, and drives his second, *(as well as one of his sons)* to suicide.

In years to come, Stalin's chilling crimes against humanity will make Lenin's Red Terror and Red Famine seem like minor infractions by comparison.



Lenin (l) was a pussycat compared to the genocidal Stalin and his Jewish 'right hand man' Lazar Kaganovich. It was Kaganovich who ordered the demolition of Russia's grand and historic Christ the Savior Cathedral (right).

FORBIDDEN HISTORY: QUOTE TO REMEMBER:



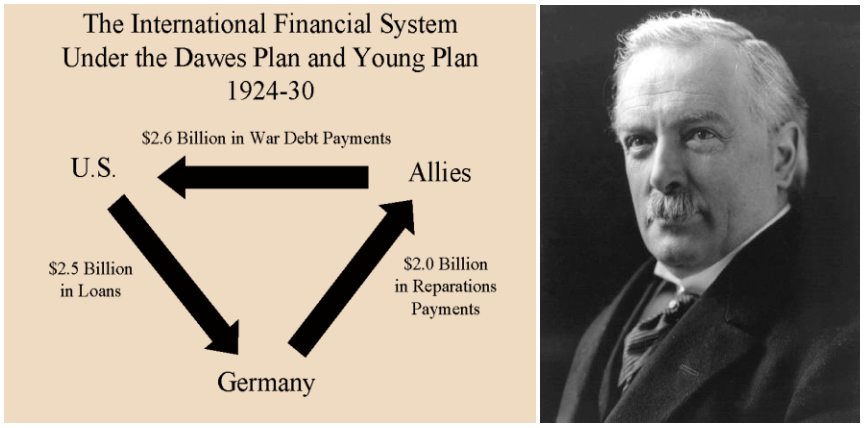
"You must understand, the leading Bolsheviks who took over Russia were not Russians. They (Bolshevik Jews) hated Russians. They hated Christians. Driven by ethnic hatred they tortured and slaughtered millions of Russians without a shred of human remorse. It cannot be overstated. Bolshevism committed the greatest human slaughter of all time. The fact that most of the world is ignorant and uncaring about this enormous crime is proof that the global media is in the hands of the perpetrators."

Aleksandr Solzhenitsyn, Russian historian and literary figure (5)

AUGUST, 1924
THE DAWES PLAN / ZIONIST BANKERS REFINANCE GERMANY'S DEBT

In 1924, a refinancing of Germany's reparations debt, as well as Allied debt to the US Treasury *(which in turn is indebted to the Fed)* is worked out. The terms are still harsh, but the German economy and currency are temporarily stabilized. In 5 years the Dawes plan will also fail, and be replaced by the Young Plan. The reality of the **Dawes Plan**, named after US Vice President Charles Dawes, is that Dawes himself has little to do with it. It was the Zionist-Globalist bankers imposing the new plan. Former UK Prime Minister **David Lloyd George** reveals:

"*The international bankers dictated the Dawes reparations settlement. The protocol, which was signed between the allies and Germany, is the triumph of the international financier. Agreement would never have been reached without the brutal intervention of the international bankers. They swept statesman, politicians, and journalists aside, and issued their orders with the imperiousness of absolute Monarchs, who knew there was no appeal from their ruthless decrees. The Dawes report was fashioned by the Money Kings."* **(6)**



The circular Dawes Scam reworked Germany's debt. David Lloyd George confirmed that it was the International Bankers, not the politicians, who dictated the terms.

1925
HITLER PUBLISHES 'MEIN KAMPF'

During his imprisonment of 1924, Hitler had dictated '**Mein Kampf'** *(My Struggle)*. His close associate **Rudolf Hess**, imprisoned with Hitler, typed out the dictation for the book, which was published in 1925. In it, Hitler places the blame for Germany's sorry condition upon a Global conspiracy of Marxists and Finance Capitalists.

According to Hitler, this global conspiracy for world government, directed by Jewish bankers, engineered Germany's loss of The Great War, the Russian Revolution, the Versailles Treaty, and the resulting hyperinflation that devastated Germany. He accuses the elite Marxist Jews of Germany of controlling newspapers and banking, fomenting wars, and corrupting the art, culture and morality of Europe.

Mein Kampf combines elements of a political manifesto and an autobiography along with discussions of history, philosophy, and economics. Originally written for the followers of National Socialism, *Mein Kampf* quickly grows in popularity, making Hitler a wealthy man.



Mein Kampf was first written in prison. Hitler spoke while Hess (4th from left) typed. The book is still banned in U.S. occupied Germany today.

1926
ZIONIST DAVID SARNOFF ESTABLISHES NBC RADIO

David Sarnoff was born in a small Jewish village in Tsarist Russia and immigrated to New York in 1900. At the age of 15, he joined the Marconi Wireless Telegraph Company of America, starting a 60-year career in electronic communications.

By 1919, Sarnoff is General Manager of RCA radio. In 1926, Sarnoff's RCA forms NBC, the first major broadcast network in the U.S. Sarnoff is instrumental in building the AM broadcasting radio business which became the preeminent public radio standard for the majority of the 20th century. During World War II, he will serve under General Eisenhower as a "Communications Consultant" *(psychological warfare)*. **(7)** Sarnoff, who had no military experience, would be awarded the rank of Brigadier General.

When television in America is born under the name of the National Broadcast Corporation, the first TV show aired at the New York World's Fair and was introduced by Sarnoff himself. Leadership of RCA-NBC eventually passes down to Sarnoff's eldest son, **Robert Sarnoff**, one of the husbands of Felicia Schiff-Warburg of the two famous banking families. Franklin Roosevelt Jr. *(son of FDR)* was also an ex-husband of Felicia Schiff-Warburg.

The Sarnoff Family will control RCA-NBC TV for more than 60 years.





Sarnoff was an immensely powerful media giant of the 20th century. He will later serve as a Psychological Warfare specialist during World War II.

APRIL, 1927
CIVIL WAR IN CHINA / MAO's REDS vs CHIANG's NATIONALISTS

A major civil war breaks out in China between the governing Kuomintang (KMT or Chinese nationalist Party) and the Communist Party of China (CPC). The anti-Communist **Chiang Kai Shek** leads the KMT. The Red guerillas are led by **Mao Tse Tung**, who himself is supported by Comintern boss Joe Stalin. This bloody civil war will eventually blend into the Asian theater of World War II vs Japan, and finally end with Communist victory in 1949.




Mao was Stalin's agent in China. Combined, the 2 monsters murdered as many as 100 million people. Right: Chiang Kai Shek

MAY 21, 1927
CHARLES LINDBERGH JR. BECOMES 1ST MAN TO FLY ACROSS THE ATLANTIC OCEAN

Charles Lindbergh, the 25-year-old son of the Anti-Fed Congressman of the same name, becomes a world hero when he completes the first solo flight across the Atlantic. His plane "The Spirit of St. Louis" departs New York on May 20, arriving to a hero's welcome near Paris on May 21.

In 1938, Hermann Goering, Chief of the German Air Force, will present Lindbergh with a German Medal of Honor. Lindbergh's acceptance of the medal causes an outcry in the United States among critics of "Nazism". Lindbergh's politics mirror

those of his father. 'Lucky Lindy" will use his fame to speak out on the issues of the day. In future years, Lindbergh's stature will make him a leader in the "**America First**" movement.





1- Young Lindbergh, an American patriot idolized in America and Europe.
2- Papa Lindbergh, with boy Charles, was hated by the Rothschild bankers.

1928
ZIONIST WILLIAM PALEY TAKES OVER CBS RADIO

William S. Paley *(Paloff)* is the son of Jewish immigrants who came from the Ukraine region of the Czarist Russian Empire. In 1928, the 27-year old businessman secures majority ownership of the CBS radio network *(of which his father Samuel Paloff had been part owner)*. Within the next decade, Paley expands CBS into a national powerhouse with 114 affiliate stations.

During World War II, Paley, like Sarnoff of NBC, will also serve under General Eisenhower as a colonel in the *Psychological Warfare* branch of the Office of War Information. **(8)**

As the King of the CBS radio (and later TV), Paley is without question, one of the most powerful figures of the 20th Century. With David Sarnoff already controlling RCA-NBC, and Paley now in control of CBS, the important pre-TV medium of radio is now mainly under Zionist control.





Like Sarnoff's NBC, Paley's CBS will shape what Americans believe for many years to come. Paley lived until 1990.

1928
STALIN SEIZES THE LAST OF RUSSIA'S FARMS / RESISTERS ARE KILLED

As part of Stalin's first "5 Year Plan", the small farmers of the Soviet Union are forced into a collectivization scheme. The government, not the market, now controls output and sets prices. Land, livestock, and equipment become property of "the people" *(the State)*. Reluctant farmers *(kulaks)* are smeared in the Soviet press as "greedy" "capitalists." Those who continue to resist the state's directives are murdered or imprisoned.

Thousands of private farmers are killed, but the really massive death tolls will occur during the famine of the early 1930's. Like all centrally planned economic schemes, in which "intellectuals" think they know better than the actual farmer, Stalin's collectivization, and other "5-Year Plans", yield only low living standards for the Soviet people.




The bestial Stalin cruelly dispossessed the Kulak farmers. Quote attributed to Stalin: "One death is a tragedy. One million deaths is a statistic." **(9)**

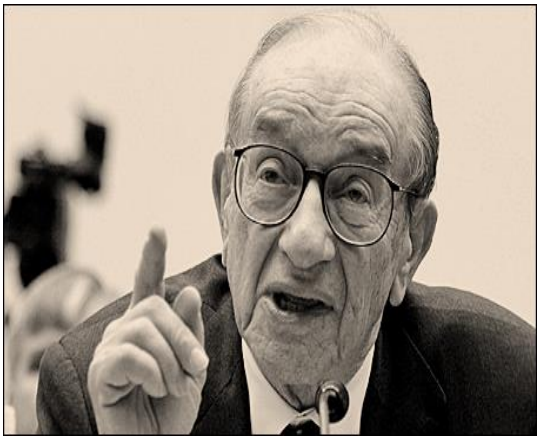
OCTOBER, 1929
THE FEDERAL RESERVE CRASHES THE STOCK MARKET / ENGINEERS 'THE GREAT DEPRESSION'

In the late 1920's, the privately owned U.S. Federal Reserve's policy of "easy money" had made it profitable for investors to borrow money at artificially low interest rates, and then purchase stocks with the money. **Like two con men working a 'mark', the Zionist Fed pumps out credit while the Zionist press hypes the Stock Market "rally".** As surely as night follows day, a massive bubble is inflated.

In 1929, the Fed suddenly hits the brakes on the money supply with a "tight money" policy. When the adjustment to the Fed's bubble occurs, the Stock Market collapses. Investors big and small are ruined. Instead of loosening up the money supply to enable debtors to pay down old debt, the Fed tightens even more. The sudden shortage of currency creates a tidal wave of bankruptcies across the U.S., as debtors cannot get their hands on enough money to pay off old loans. The well connected then swoop in to buy up assets at bargain prices.

The press, the Reds, and the idiot liberals will blame "capitalism" and Republican policies for the coming *worldwide* Great Depression, while deceitfully ignoring the *deliberate* role of Warburg/Rothschild Federal Reserve.


The Milwaukee Leader
HOME EDITION
BILLIONS LOST IN NEW STOCK CRASH
May Punish Senator for Aiding Tariff Lobbyists



1- Every newspaper in America led with the story of the October crash.

2- In later years, future Fed Chairman Greenspan admitted that the Fed actually caused the Great Depression. **(10)** *("Inadvertently" according to him)*

SEPTEMBER, 1930
HITLER'S NSDAP BECOMES 2ND LARGEST PARTY IN GERMANY

The worldwide Great Depression hits debt-heavy Germany especially hard as loans from U.S. banks dry up. The people had already been worn out by the Versailles reparations, the unjust war guilt, the 1920's inflation, and chronic unemployment. There is a real fear among many that a hungry Germany may yet fall to Communism.

As a result, the NSDAP makes its first major electoral breakthrough. Hitler's party wins 6 million votes *(18% of vote),* increasing its number of seats in the Reichstag *(German parliament)* from 12, to 107. NSDAP is now second only to the 143 seats held by Germany's socialist party, the Social Democrats. The Communist Party also gains 23 seats, raising its Reichstag representation to 77 Reds in the Reichstag, plus any secret members posing as Social Democrats.



On his way up; supporters salute Hitler after the NSDAP's success in the elections. His message is spreading fast, but so are the empty promises of the Communists.

General Leon Degrelle on the education of Adolf Hilter



Belgian SS volunteer General Leon Degrelle with Hitler

"Hitler was self-taught and he made no attempt to hide the fact. The smug conceit of intellectuals, their shiny ideas packaged like so many flashlight batteries, irritated him at times. His own knowledge he had acquired through selective and unremitting study, and he knew far more than thousands of diploma-decorated academics.

I don't think anyone ever read as much as he did. He normally read one book every day, always first reading the conclusion and the index in order to gauge the work's interest for him. He had the power to extract the essence of each book and then store it in his computer-like mind. I have heard him talk about complicated scientific books with faultless precision, even at the height of the war.

His intellectual curiosity was limitless. He was readily familiar with the writings of the most diverse authors, and nothing was too complex for his comprehension. He had a deep knowledge and understanding of Buddha, Confucius and Jesus Christ, as well as Luther, Calvin, and Savonarola; of literary giants such as Dante, Schiller, Shakespeare and Goethe; and analytical writers such as Renan and Gobineau, Chamberlain and Sorel.

He trained himself in philosophy by studying Aristotle and Plato. He could quote entire paragraphs of Schopenhauer from memory, and for a long time carried a pocket edition of Schopenhauer with him. Nietzsche taught him much about willpower.

His thirst for knowledge was unquenchable. He spent hundreds of hours studying the works of Tacitus and Mommsen, military strategists such as Clausewitz, and empire builders such as Bismarck. Nothing escaped him: world history or the history of civilizations, the study of the Bible and the Talmud, Thomistic philosophy and all the masterpieces of Homer, Sophocles, Horace, Ovid, Titus Livius and Cicero. He knew Julian the Apostate as if he had been his contemporary.

His knowledge also extended to mechanics. He knew how engines worked; he understood the ballistics of various weapons; and he astonished the best medical scientists with his knowledge of medicine and biology.

***The universality of Hitler's knowledge may surprise or displease those unaware of it, but it is nonetheless a historical fact**: Hitler was one of the most cultivated men of this century. Many times more so than Churchill, an intellectual mediocrity; or than Pierre Laval, who had a merely cursory knowledge of history; or than Roosevelt; or Eisenhower, who never got beyond detective novels."* **(11) - Leon Degrelle (1993)**

1931 – 1939

DECEMBER, 1931
SHOCK CLAIM OF 6 MILLION JEWS FACING STARVATION IN SOUTH-EASTERN EUROPE



MONTREAL, TUESDAY, DECEMBER 29, 1931.

WAY LAUNCHES W DEPARTMENT

n of Communications naugurated by Canadian Pacific

NEIL NAMED CHIEF

Covers Supervision All Lines — Other notions and Retirements Noted

ing with the new year, an- sion will be added to the nts of the Canadian railway, the Department of ications. This inform- announced yesterday by ail, vice-president of the he department will have on over the company's telephone and radio ling services. ad of the department will . Neil, who succeeds John on his retirement. hanges are announced by nt Hall, as follows:

SIX MILLION JEWS FACE STARVATION

Bad Conditions in South-Eastern Europe Reported by Rabbi Wise

FEARS CRISIS AT HAND

Chairman of American Joint Distribution Committee Makes Appeal to Canadian Jewry for Help

Six million Jews in Eastern Europe face starvation, and even worse, during the coming winter. If additional funds are not collected by the American Joint Distribution Committee to meet an estimated budget of $2,500,000 unprecedented havoc and misery will rule to the everlasting shame of humanity at large, Rabbi Jonah Wise, of New York, chairman for 1931, told a large gathering of leaders in Montreal Jewish communal life at a luncheon meeting at the Montefiore Club, Guy street, yesterday.

themselves and t responsible for th The Christmas of Mrs. Rutherfo S. T. Blaiklock Sutherland; whil home present Inc Angus, president; berton, honorary Mrs. W. A. Gra treasurer. The 60 children between the ages a splendid Chris On Friday they formal dinner with pudding. At thi presented prizes and obedience du senior and junio donated by Mr. six dolls for the given by Forbes great surprise, a ent for each child. Christmas seals much appreciated ren Hale.

Rotarians'

The first family real Rotary Club day in the Windso wives, sons and d the members of th ular weekly lu Over 200 guests the meeting will instead of 12.45. The speaker wil Douglas, and Mrs. ing several solos. will be broadc CKAC at 1.10 p.m.

AWARD OF $

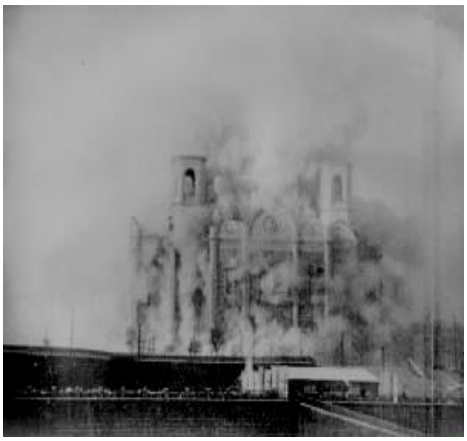
Decision Rende

Yet again, another baseless newspaper claim of 6 million Jews facing death:

DECEMBER 5, 1931
SOVIET JEW KAGANOVICH ORDERS DEMOLITION OF THE CATHEDRAL OF CHRIST THE SAVIOR

The 340 ft. tall **Cathedral of Christ the Savior** is the grandest Orthodox Christian Church in the world. Completed in 1883, it had taken nearly 20 years to build, and 20more to decoratively paint its interior. But after Lenin's death, the Reds choose the location to be the site of the 'Palace of the Soviets'. By order **of Stalin's Jewish minister and brother-in-law, Lazar Kaganovich,** the Cathedral is dynamited and reduced to rubble. Jewish Reds watch and laugh as horrified Christians grieve over the destruction of their religious and cultural icon. Due to poor planning and lack of funds, the Palace of the Soviets never materializes. The site is turned into a swimming pool.

In 1990, the Russian Orthodox Church receives permission, from what is by then a more open Government, to rebuild the Cathedral of Christ the Savior. Though the interior is not as elaborate as the original, the massive new Cathedral is still a very impressive structure.




Christ the Savior Cathedral was dynamited, but Jewish synagogues were untouched. This is the same cathedral (since rebuilt) that will, in 2012, be defiled by the U.S. / CIA -funded feminist band, "Pussy Riot."

MARCH, 1932
THE STRANGE KIDNAPPING & MURDER OF CHARLES LINBERGH'S BABY BOY

Because of his heroism, fame and family history of political activism, the anti-Fed, anti-Globalist, Charles Lindbergh is someone the Globalists need to "keep an eye on". The kidnapping of **Charles Augustus Lindbergh, Jr**., the first-born son of the great aviator, becomes one of the most highly publicized crimes of the 20th century.

The 20-month-old toddler was abducted from his family home in New Jersey, on the evening of March 1, 1932 and held for ransom. Over two months later, on May 12, 1932, his body is discovered a short distance from the Lindberghs' home. A medical examination determines the cause of death as a massive skull fracture.

A German immigrant named **Bruno Hauptmann** is framed for the crime. In addressing his last words to his spiritual advisor, Rev. James Matthiesen, Hauptmann declares, *"Ich bin absolut unschuldig an den Verbrechen, die man mir zur Last legt"*, which Matthiesen tells Gov. Hoffman means, *"I am absolutely innocent of the crime with which I am burdened."* **(1)**

Was this horrible crime intended as a message to Lindbergh? Some have noted that the murder occurred just before the Jewish observance of Passover *(an event based on the killing of the first-born of ancient Egypt)*, suggesting that the killing may have had ritualistic implications.



The case against the German Hauptmann was full of holes.

1932-1936
LOUIS McFADDEN EXPOSES THE FED…THEN HE DIES



Louis McFadden became the latest enemy of the NWO to die suddenly.

U.S. unemployment tops 23%. The Zio-Globo press blames Hoover, the Republicans, and "unregulated capitalism" for the crisis. There are calls for more government action.

A prominent Congressman who dares to accuse the Fed is the Chairman of the House Banking Committee: **Louis McFadden** (R-PA). McFadden puts the blame directly on the international bankers for fomenting the Russian Revolution, crashing the US economy, and robbing the American people. McFadden pulls no punches:

"(The Fed) was deceitfully and disloyally foisted upon this country by the bankers who came here from Europe and repaid us for our hospitality by undermining our American institutions. Those bankers took money out of this country to finance Japan in a war against Russia. They financed Trotsky's passage from New York to

Russia so that he might assist in the destruction of the Russian Empire. ...What king ever robbed his subjects to such an extent as the Federal Reserve has robbed us?" **(2)**

In 1933, McFadden introduces articles of impeachment for the Secretary of the Treasury, two assistant Secretaries of the Treasury, the entire Board of Governors of the Federal Reserve, and the officers and the directors of its twelve regional banks. In 1936, McFadden dies of a "sudden illness" after dining at a banquet while on a visit to New York.

1932
STALIN & KAGANOVICH ENGINEER ANOTHER FAMINE

The Holodomor *(Ukrainian translation: Killing by hunger)* was a man-made famine occurring mainly, but not exclusively, in the Ukrainian Republic of the Soviet Union during 1932-33. The famine was caused partly by the folly of Stalin's latest economic scheme, and partly due to a deliberate, strategic terror plan engineered by Stalin's powerful Jewish brother-in-law, **Lazar Kaganovich**.

Encyclopedia Britannica estimates 8 million people, 5 million of them Ukrainian, were starved to death by the Stalin-Kaganovich famine. Some estimates run as high as 10 million. The famine-genocide is aimed at stamping out anti-communist resistance as well as starving anti-Red peasants in Belarus, Kazakhstan and Russia.

Despite Soviet denials of the famine and a news blackout in most of the US Zionist/Globalist press, the truth of the Holodomor was indeed known to the West. Unlike Lenin's terror famine of 1921, this time **no outside assistance is permitted into the Soviet Union.** Millions die a slow death and people resort to cannibalism. With this famine, Stalin and his henchmen destroy any remaining resistance to the Red Revolution.




Lazar Kaganovich: "The Butcher of Ukraine" had also blown up the Cathedral of Christ the Savior.

JULY & NOVEMBER, 1932
NSDAP SCORES BIG IN TWO ELECTIONS / BECOMES LARGEST PARTY IN REICHSTAG

German elections in 1932 are held under violent conditions. NSDAP "brown shirts" clash in the streets with Red paramilitary. Hitler's party scores major gains, winning 230 Reichstag seats. It is now the largest political body, but it is still not a majority in the 608 member body.

Political deadlocks trigger another election in November: NSDAP: 196, Social Democrats: 121, Communists: 100, Center Party: 70, and 9 minor parties split 100 seats. Germany's chaotic politics are paralyzed and divided.

The brutal "austerity" policies of Chancellor Heinrich Brüning had shrunk the economy by about 25%, but still did not prevent the German budget deficit from growing. **Unemployment tops 30% as desperate Germans commit suicide by the 10's of 1000's.**

In addition to a Parliamentary Reichstag and a Chancellor, Germany has a President with unique powers. President **Paul von Hindenburg** was a World War I Field Marshall and is a national hero. Politically, he is a non-Party Independent. On the basis of the NSDAP's 196 seats, and in order to end the gridlock, Hitler

asks Hindenburg to appoint him as Chancellor. Hindenburg refuses Hitler's request.



1932 Parade: As economic conditions in Germany worsen, NSDAP becomes the largest political party. Hitler now has a platform for addressing the nation.

1933
PRESIDENT HINDENBURG NAMES HITLER AS CHANCELLOR / REDS IMMEDIATELY CALL FOR LABOR STRIKES

After two parliamentary elections in 1933, Germany remains ungovernable as the Socialist and Communist Parties continue to oppose the NSDAP. President Hindenburg is concerned that the Reds will exploit the chaos and attempt another revolution in Germany. Hitler's NSDAP is the only group that can prevent this.

To protect Germany from Communism, Hindenburg relents and allows Hitler to become Chancellor of Germany. Hitler's powers are limited, but the NSDAP now holds the upper hand in what is still a very unstable government.

The Communist Trade Union leaders move quickly to destabilize Hitler, calling for massive strikes. Meanwhile in the U.S., the Zionist Sulzberger-owned New York Times kicks off an anti-Hitler campaign on its front page of January 31, 1933. Zionist Sarnoff's NBC and Zionist Paley's CBS soon follow.





1- Chancellor Hitler shows his respect for Marshal Hindenburg

2- A Communist propaganda poster threatens violence against the Hitler-Hindenburg system.

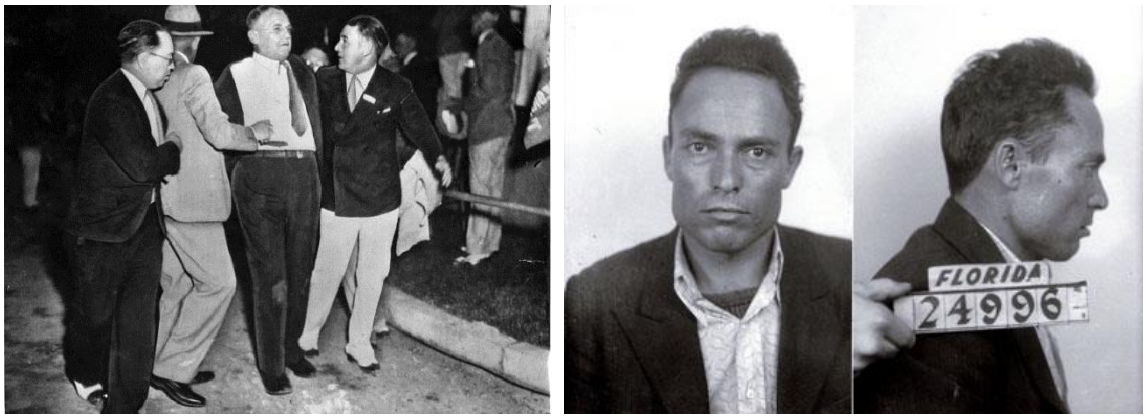
FEBRUARY, 1933
RED MURDERS THE MAYOR OF CHICAGO AS HE SHAKES HANDS WITH PRESIDENT-ELECT FDR

While shaking hands with President-elect Roosevelt in Miami, Florida, Chicago Mayor **Anton Cermak** is fatally wounded when anarchist **Giuseppe Zangara**, fires multiple shots. In addition to Cermak, Zangara hits four other people, one of whom, a woman, also died of her injuries.

Official history holds that Zangara, who had been an expert marksman in the Italian Army, was really intending to kill Roosevelt but suddenly forgot how to shoot properly – killing Cermak and hitting four others instead. But why would the Reds want to kill the man who was just about to be sworn-in as the reddest President in U.S. history?

A more plausible explanation is that the Red patsy fanatic was put forth for the purpose of "sending a message" to FDR – "obey, or next time it will be you".

On March 20, 1933, after spending only 10 days on Death Row, Zangara is executed in Old Sparky, the electric chair at Florida State Prison.



Cermack after the shooting and Red assassin Zangara's mug shots.

FEBRUARY, 1933
RED TERRORIST SETS FIRE TO THE REICHSTAG / HITLER IS GRANTED EMERGENCY POWERS

Four weeks after Hitler's appointment as Chancellor, angry Reds set the **Reichstag** *(Parliament)* on fire. Local police catch a Dutch Communist named **Marinus Vander Lubbe** on the premises. He had just arrived in Germany a few weeks ago. The fire was to have been the start of the Red-instigated civil war, aimed at toppling the crumbling Weimar state before Hitler and the NSDAP could establish themselves.

Hindenburg and Hitler act fast. Emergency decrees are issued and Communist leaders are rounded up. The Red Revolution backfires. Instead of plunging Germany into civil war, the Reichstag Fire starts a chain of events that leads to the **The Enabling Act** and Hitler's consolidation of power. NSDAP becomes Germany's only Party as the Weimar Republic is swept away by **The Third Reich**, led by "The Fuehrer" *(leader)*.

Some modern historians promote the theory that Hitler staged the fire himself and then blamed the Reds for it. *There is no evidence at all to support this theory*. It is a baseless claim that ignores both the violent history and the standard destabilization tactics that the Communists are well known for.




The Reichstag fire backfired on the Communists! Above: Brainwashed Red drifter Marinus Vander Lubbe

MARCH, 1933
FDR BECOMES PRESIDENT AND SERVES THE NEW WORLD ORDER

New York Governor and Globalist puppet **Franklin Delano Roosevelt, (FDR)** defeats President Hoover in a 1932 landslide. Upon taking office in 1933, FDR *(a cousin of Teddy Roosevelt)* moves quickly to remake America into a welfare state. His expensive schemes, known as "**The New Deal**" take shape in "the first 100 days".

FDR uses the economic crisis, which was created by his handlers, as the pretext for this expansion of government power, ignoring the fact that it was the Federal Reserve's artificial manipulation of currency and stocks, *not the free market* that caused the crisis.

The New Deal will be a colossal failure. It's reckless spending, high taxes, and ballooning deficits will only prolong the Depression and lead to even more expensive schemes, exactly what the Globalist Fed bankers want. The debt-driven economic calamity that the U.S. is headed towards today has its roots in FDR's fundamental transformation of the American Republic into a perpetual warfare and welfare state.




1- The grinning phony will surpass the warmongering evil of cousin Teddy.

2- FDR with billionaire backer and unofficial "advisor", Bernard Baruch. At that time, Baruch was the most powerful of the New York Jewish financiers.

MARCH, 1933
HITLER BECOMES FUEHRER AND DEFIES THE NEW WORLD ORDER

Like FDR, Hitler came into true *authoritative* power in March 1933. Like FDR, Hitler inherits an economic disaster. Like FDR, Hitler's "first 100 days" in office are marked by a flurry of determined activity. **But the similarities end there.**

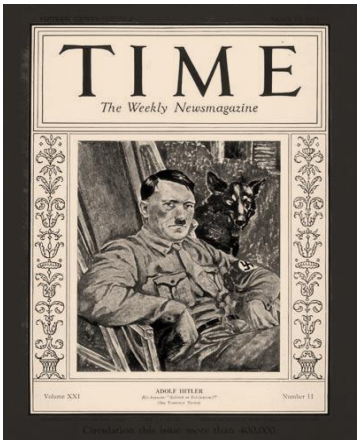
Whereas FDR is implementing all of the Globalists' economic and foreign policy plans, Hitler is openly defying the Globalists**.** He implements the following policies:

*** Pulls Germany out of the Globalist League of Nations**
***** Bans the Communist Party and arrests its leaders
* Replaces the national Marxist Trade Unions with company unions
* Implements the "Strength Through Joy" affordable luxury vacation program
* Establishes NSDAP as Germany's only political Party
* Ends reparations payments from the Versailles Treaty/Dawes Plan
* Takes control of Germany's Reichsbank and issues National currency
* Restricts Jewish ownership of radio and newspapers
* Cuts taxes and provides incentives for mothers to stay home and raise children

* Relaxes the strict “gun control” laws of the previous government
* Rebuilds German infrastructure and initiates the Autobahn Highway system

The Globalists & Marxists have lost control of Germany!





Hitler becomes a living legend as his policies begin to put Germany back on its feet. Meanwhile, a subtle propaganda campaign is launched against him in the West.

MARCH, 1933
INTERNATIONAL JEWRY DECLARES WAR ON GERMANY

Jewish leaders formally issue a "Declaration of War" against Germany. On March 23, 1933, 20,000 Jews protest at New York's City Hall. Rallies and boycotts are directed against German goods**.** The front page of the March 24, London Daily Express carries the headline: “*Judea Declares War on Germany”.*

Jewish leaders are quoted as calling for “Holy War" against the German people:

"The Jewish wholesaler will quit his house, the banker his stock exchange, the merchant his business and the beggar his humble hut, in order to join the holy war against Hitler's people. ....Germany is now confronted with an international boycott of its trade, its finances, and its industry.” **(3)**

On March 27, '33, 40,000 Jews and other assorted Reds gather in Madison Square Garden to protest the new Chancellor. The NY Daily News front page blares: ***"40,000 Roar Protest Here Against Hitler."***

Worldwide Jewish leadership is firing the opening propaganda shots of what, in due time, will escalate into World War II. Hitler responds to the false "atrocity" charges being made against the new Germany, stating on March 28: *"Lies and slander of positively hair-raising perversity are being launched against Germany."* **(4)**



1- 1933 / Daily Express (London): "Judea Declares War on Germany."

2- 1933 / NY Daily New: 40,000 Roar Protest Against Hitler



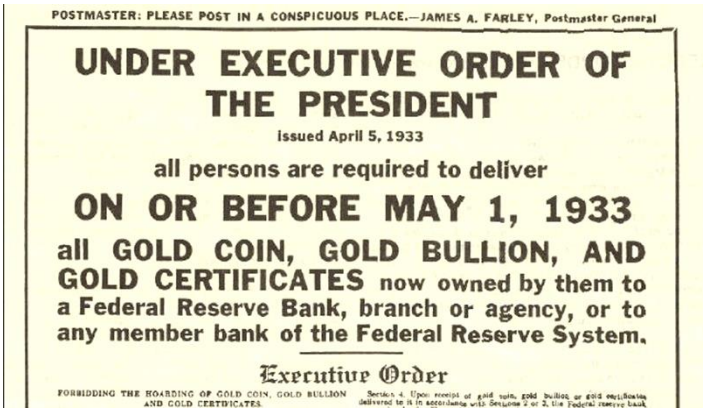
International Jewry openly declares a sanctions war on Germany.

APRIL, 1933
FDR BANS THE PRIVATE OWNERSHIP OF GOLD / FED STEALS THE GOLD

Citing an "emergency", as all tyrants do, FDR signs **Executive Order 6102** *"forbidding the Hoarding of gold coin, gold bullion, and gold certificates within the continental United States"*. **(5)** Under the false pretext of "economic stabilization", the order criminalizes the possession of monetary gold by any individual, partnership, or corporation.

Americans are required to deliver all but a small amount of gold coin, gold bullion, and gold certificates owned by them **to the privately owned Federal Reserve**, in exchange for $20.67 *(equivalent to $372.75 today)* per troy ounce. Violation of the order is punishable by fine up to $10,000 *(equivalent to $180,334 today)* or up to ten years in prison, or both!

Numerous Americans are arrested and imprisoned for possession of Gold. In those cases, their Gold is seized without compensation.


POSTMASTER: PLEASE POST IN A CONSPICUOUS PLACE.—JAMES A. FARLEY, Postmaster General

UNDER EXECUTIVE ORDER OF THE PRESIDENT

issued April 5, 1933

all persons are required to deliver

ON OR BEFORE MAY 1, 1933

all GOLD COIN, GOLD BULLION, AND GOLD CERTIFICATES now owned by them to a Federal Reserve Bank, branch or agency, or to any member bank of the Federal Reserve System.

Executive Order

FORBIDDING THE HOARDING OF GOLD COIN, GOLD BULLION AND GOLD CERTIFICATES



FDR to America: "Turn your coins in to my friends at the Fed, or go to jail!"

JUNE, 1933
ZIONIST – GLOBALIST FEDERAL RESERVE CHAIRMAN BUYS THE WASHINGTON POST

The Washington Post is one of many businesses to go bankrupt during the Great Depression. Owner Ned McLean unloads The Post at a bankruptcy auction. The buyer is Zionist **Federal Reserve Chairman Eugene Meyer** Having just stepped down from the Federal Reserve; Meyer immediately changes The Post's editorial policy, transforming the influential newspaper into a pro-FDR, anti-Germany, and soft-on-Stalin propaganda sheet. In 1940, Meyer will fire the Post's pacifist editor for refusing to endorse U.S. intervention in World War II **(6)**.

The Post will lose money for 20 more years, but Meyer doesn't care. He bought the Post for influence, not profit. The Post will later be handed down to Meyer's daughter, the late **Katherine Meyer-Graham**.

With tension between International Jewry and Germany building, it is <u>ESSENTIAL</u> to note that the four most powerful media sources in America are now ALL under Jewish ownership.



CBS: Paley, NBC: Sarnoff, NY Times: Ochs-Sulzberger, Washington Post: Meyer

A CLEAN SWEEP! *When Fed Chairman Eugene Meyer (right) purchased the Washington Post, it gave the Globalist-Zionist moguls a clean sweep of the Big 4 major media giants; and the ability to distort the truth about Hitler and Germany.*

FORBIDDEN HISTORY: QUOTE TO REMEMBER



Count Potocki leaving the White House

"Above all, propaganda here (in the U.S.) is entirely in Jewish hands. When bearing public ignorance in mind, their propaganda is so effective that people have no real knowledge of the true state of affairs in Europe. President Roosevelt has been given the power to create huge reserves in armaments for a future war which the Jews are deliberately heading for." (1934) **(7)**

Count Jerzy Potocki / Polish Ambassador to the U.S.

1930's
THE TYRANNICAL AND STUPID EDICTS OF THE NEW DEAL

Whether they are pro or con, when most people think of the New Deal, massive 'relief' programs and 'make work' schemes come to mind. But the New Deal's dictatorial aspects are often overlooked. The totalitarian and counterproductive, dictates associated with the **National Recovery Act (NRA)** include wage-controls, price-controls, production-controls, as well as mandates governing agriculture and industry.

To manipulate prices upward so that un-payable business loans can be repaid, farmers are ordered to kill livestock as millions go hungry during the Great Depression! In one well known case, a New Jersey tailor named **Jacob Maged** is arrested and convicted for charging *too little* to press suits. Upon his release after 3 days, Maged is forced to increase his prices and display a blue NRA sticker on his shop window. **(8)**

In addition to the NRA, there is the Communist Harry Hopkins' **Works Progress Administration (WPA)** - referred to by its critics as "We Piddle Around". The WPA does build some useful infrastructure, but is, at its core, an expensive and inefficient 'make-work' scheme that becomes the object of many sarcastic stories about digging and filling up holes.





Left: The "criminal" tailor Maged was arrested, fined, forced to raise his prices, and obediently put an NRA sign in his shop window.

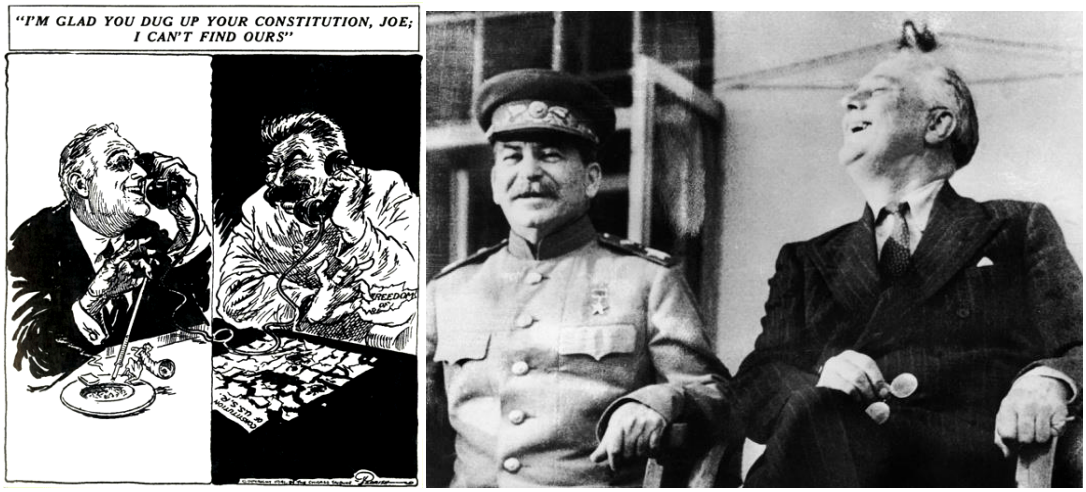
Right: New Deal insanity. Killing and wasting cattle is good for the economy?!

NOVEMBER, 1933
FDR GRANTS DIPLOMATIC RECOGNITION TO THE SOVIET UNION (USSR)

Ever since the Reds seized power in Russia, three consecutive U.S. Presidents have refused to recognize the criminal regime. Apart from its genocidal actions towards its own captive people, the Communist International *(Comintern) openly* states that its' goal is to overthrow all "bourgeois" governments, including America's.

FDR ignores these realties and pleases his Globalist masters by reversing this policy. The normalization of relations is a great benefit to the USSR, and will help the Soviets, and international communism, to grow stronger.

As Hitler's Germany continues to be vilified for imaginary offenses; the <u>real</u> crimes of Stalin & Kaganovich are ignored by the media.



1930's cartoon notes the ideological similarities between FDR and Stalin. The two will forge a close relationship during the coming war years.

JUNE 30, 1934
'THE NIGHT OF THE LONG KNIVES' / LEFT WING COUP ATTEMPT IS SUPPRESSED

More than one year into Hitler's rule, Nationalist Marxist and homosexual Ernst Roehm is threatening a 2nd revolution to "redistribute wealth". Roehm commands the massive paramilitary organization known as the SA *(Brownshirts)*, whose members have a reputation for street violence. German military brass despises Roehm and fears his ambition to absorb them into the SA under his own leadership.

Facing an imminent coup attempt from these former allies, Hitler's government carries out '**Operation Hummingbird**'; the purge of Roehm's out-of-control left-wing faction. Many of the coup plotters are executed and hundreds are arrested. The SA now comes under Hitler's command and control as western Jewish newspapers squeal about what they refer to as "**The Night of the Long Knives**".



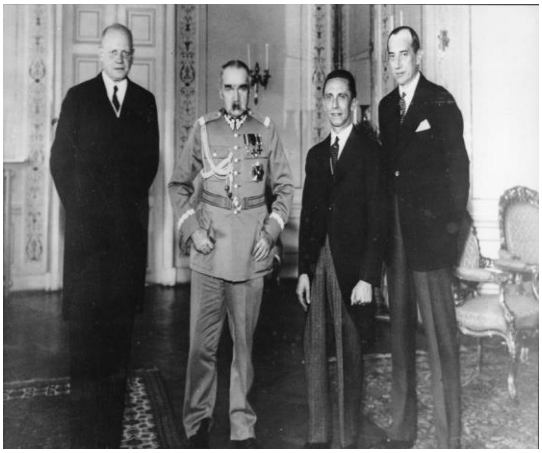
Coup-plotter Roehm and his 'brownshirts' had their own agenda for Germany.

MAY 12, 1935
THE SUDDEN DEATH OF POLISH MARSHAL PILSUDSKI IS BAD NEWS FOR GERMANY

Polish leader Marshal Jozef Pilsudski had been on good terms with Hitler. Pilsudski had actually congratulated Hitler on winning the 1933 elections, and the **German-Polish Non-Aggression Pact** was signed just 10 months afterwards. Not surprisingly, the Polish Communist Party denounced Pilsudski as a "fascist and a capitalist".

According to the **Non-Aggression Pact**, both countries pledge to resolve their problems through negotiations, not armed conflict. Just before his death, Pilsudski re-emphasized that Poland should maintain neutral relations with Germany.

The popular Marshal will eventually be succeeded by the pompous warmonger, **Marshal Edward Rydz-Smigly**. Pilsudski's death, and Smigly's rise, will prove to be great setbacks for Germany - facts which Hitler will reiterate during the closing weeks of World War II.

1- Hitler attends a Berlin Memorial Service held in honor of Pilsudski, whom he respected greatly.

2- Pilsudski and his Foreign Minister Beck (left) make peace with German Minister for Propaganda & Public Enlightenment, Joseph Goebbels, and German Ambassador to Poland, von Moltke.

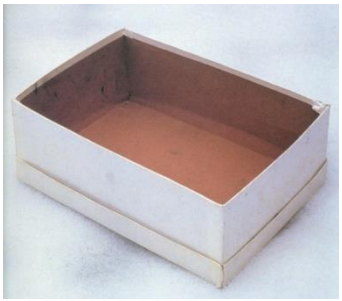
AUGUST, 1935
FDR SIGNS THE SOCIAL SECURITY PYRAMID SCHEME INTO LAW

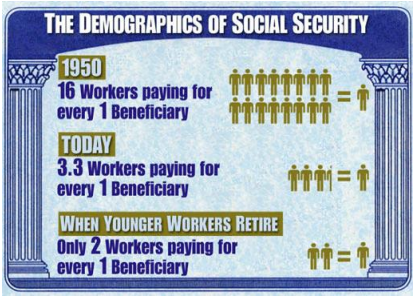
FDR promises the American people that a forced savings plan *("like a shoebox")*, with dollar for dollar employer matching will be there for them in old age. In reality, Social Security TAXES have never funded old age. The sneaky taxes that are collected are used to pay current SS recipients; with any excess used to purchase the government bonds that fund America's out-of-control welfare and warfare state. **There is no "shoe-box" and there never was!**

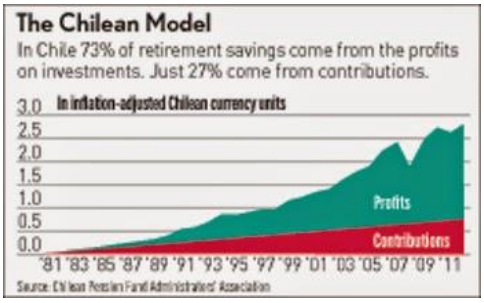
Every current American senior citizen has therefore been cheated out of what would have been a privately self-funded small fortune at retirement. Just imagine what nearly 50 years of employee-employer forced savings, intelligently diversified and with a reasonable rate of compound growth would have accumulated to in our "shoe-boxes".

Instead, FDR's monstrous pyramid scheme is now busting America's multi-trillion dollar budget and can only be kept afloat by more debt and currency debasement

caused by the Fed's printed money. Many Seniors barely survive as younger people already know that FDR's SS will not support them in old age.







1 & 2: The 'shoe-box' is empty! It was a Pyramid Scheme all along.

3- Chile's Social Security system truly is a mostly self-funded private "shoe box", and the people LOVE it!

SEPTEMBER, 1935
THE INVESTIGATION AND ASSASSINATION OF HUEY LONG

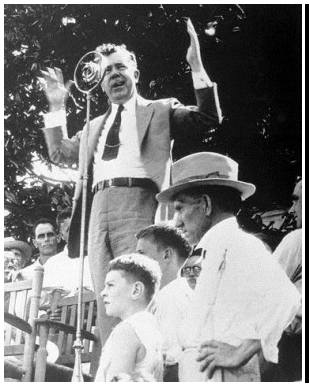
Nicknamed "Kingfish", the colorful **Huey Long** served as Louisiana Governor of Louisiana *('28–'32)* and U.S. Senator *('32 -'35)*, He was noted for his honesty and populism. Long had backed FDR, but split with him over FDR's ties to the New York Bankers. Long accuses FDR of being a liar. FDR comes to despise Huey Long, referring to him and General Douglass Macarthur as ***"the two most dangerous men in America".*** To intimidate and discredit him, FDR has Long investigated by the IRS. The Feds fail to find any illegality.

At the height of his fame, Long lashes out at the NWO bankers in his "Barbeque Speech":

"How many men ever went to a barbecue and would let one man take off the table what's intended for nine-tenths of the people to eat? The only way you will be able to feed the balance of the people is to make that man come back and bring back some of that grub he ain't got no business with. How are you going to feed the balance of the people? ***What's Morgan and Baruch and Rockefeller gonna do with all that grub?"*** **(9)**

Long prepares to mount a 1936 challenge to FDR from within the Democrat Party. But on Sept. 8, '35, Dr. Carl Weiss confronts Long at the State Capitol and is said

to have fired a bullet into Long's abdomen. Rather than take Weiss alive, bodyguards shoot him 60 times! *(He won't be talking!)* One theory is that Weiss was set up as a patsy to punch Long in the face while a guard actually shoots Long in the back.







1: Long denounces FDR and the Eastern banking class.

2: Carl Weiss, the patsy "assassin" is needlessly shot to death (ala Lee Harvey Oswald and John Wilkes Booth)

3: Long was actually recovering before his condition "worsened'.

1930's
FDR'S ORDERS THE IRS TO ABUSE HIS CRITICS

Like Cousin Teddy, the egomaniac FDR does not respond well to criticism. The tyrant uses the IRS against a host of political rivals and opponents, ranging from populist Sen. Huey Long (D) of Louisiana, United Mine Workers leader John Lewis, Rep. Hamilton Fish (R) of New York, Chicago Tribune publisher Robert "Colonel" McCormick, Philadelphia Inquirer publisher Moses Annenberg *(a fierce opponent of the New Deal)*, and, most notably, former Republican Treasury Secretary Andrew Mellon. **(10)**

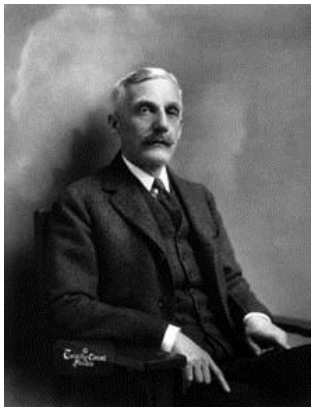
FDR's IRS inspectors and prosecutors focused on Mellon's financial records, especially whether deductions for his philanthropic activities amounted to tax evasion. The great philanthropist, who had given so much back to society, strongly denied the accusations. **Even after IRS agents found nothing irregular, FDR's Justice Department pursued the investigation.**

A federal grand jury acquits Mellon of tax fraud in 1934. But the IRS is still pursuing claims against Mellon for at least $3 million in back taxes. Mellon's "tax trial" lasts a grueling 14 months. Possibly as the partial result of the enormous stress that FDR's had imposed him, the 82 year old Mellon dies the next year.

Writes former New York Times reporter David Burnham, author of *A Law Unto Itself: Power, Politics, and the IRS*:

"Although Richard Nixon was notorious for treating the I.R.S. as though it were his private domain, the records show that Franklin Delano Roosevelt may have set the stage for the use of the tax agency for political purposes by most subsequent Presidents," **(11)**





1- Beneath the phony smile, FDR was a cruel bastard who destroyed anyone who opposed him. His abuse may have even killed Richard Mellon.

2- As Treasury Secretary following World War I, Richard Mellon was one of the key architects of President Harding's 1920's debt reduction and National recovery. Mellon's generous philanthropy – with HIS money - amounts to far more than what FDR ever did with public money.

NOVEMBER, 1935
WINSTON CHURCHILL PRAISES HITLER, THEN DROPS A 'POISON PILL'

By November of 1935, it has become clear to the world that the anti-German atrocity stories were baseless. The Jewish boycott effort has failed; Hitler has renounced any claims to the disputed Alsace-Lorraine region *(France)*; and the rapid economic and social recovery of Germany is self-evident. There are

Monarchs, Prime Ministers, politicians, clergymen, artists and poets from across Europe who are publicly singing the praises of 'The Fuehrer'. Even some Americans have come to admire him from afar.

Therefore, in order for the Globalist warmongers to impose their *second* war against Germany, they must reboot their hate campaign *gradually*. Toward that end, Zionist puppet Winston Churchill pens an article for *Strand Magazine*, entitled, **'The Truth About Hitler'**. So as not to sound like the raving, warmongering lunatic that he truly is, Churchill, in order to *appear "*objective", makes a remarkable concession:

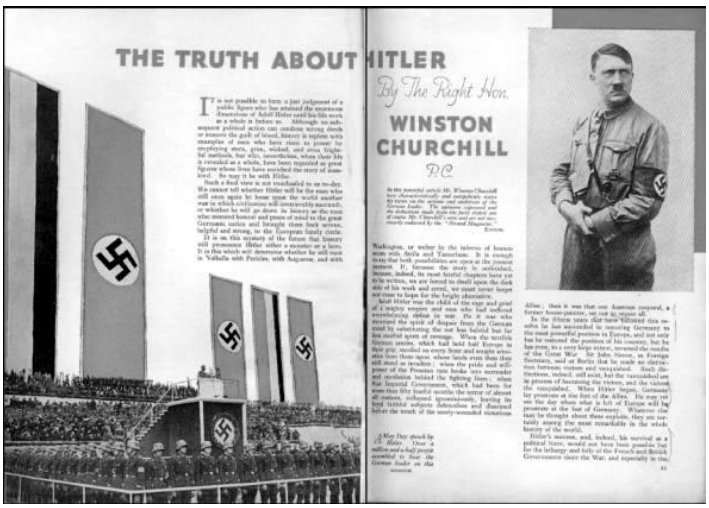
"One may dislike Hitler's system and yet admire his patriotic achievement. If our country were defeated, I hope we should find a champion as indomitable to restore our courage and lead us back to our place among the nations." **(12)**

But further down in the article, the "objective" Churchill drops the other shoe by suggesting that Germany may, possibly, yet turn out to be a threat to world peace:

"We cannot tell whether Hitler will be the man who will once again let loose upon the world another war in which civilization will irretrievably succumb, or whether he will go down in history as the man who restored honour and peace of mind to the great Germanic nation and brought them back serene, helpful and strong, to the European family circle.

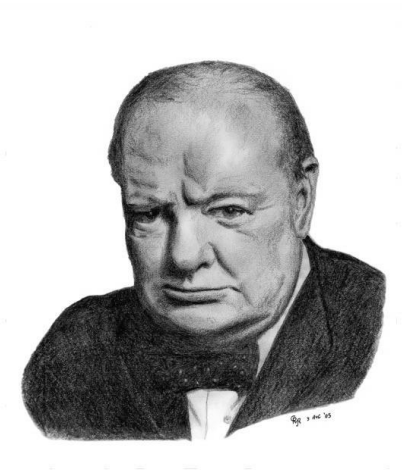
It is on this mystery of the future that history will pronounce Hitler either as a monster or a hero. *It is this which will determine whether he will rank in Valhalla with Pericles, with Augustus, and with Washington, or welter in the inferno of human scorn with Attila and Tamerlain. It is enough to say that both possibilities are open at the present moment."* **(13)**

The German press and Foreign Ministry are quick to express displeasure with Churchill's under-handed and baseless speculative comparison of Hitler to genocidal Hun and Mongol leaders from antiquity. But Churchill's anti-German hate campaign is just getting started, along with his rise to political influence.



THE TRUTH ABOUT HITLER

By The Right Hon.
WINSTON CHURCHILL
P.C.



Strand Magazine Nov 1935, Churchill: The Truth about Hitler Page 10-11

Slowly but surely, the ambitious killer of the Lusitania is coming back from the political graveyard he had been banished to.

FEBRUARY 4, 1936
THE MURDER OF WILHELM GUSTLOFF

Wilhelm Gustloff had founded the Swiss branch of the NSDAP in 1932. A Jewish student named **David Frankfurter**, heeding the worldwide call for Jewish "Holy War" against the German people, visits Gustloff's home. Hedwig Gustloff shows the killer into the study, asking him to wait since her husband was on the telephone. When Gustloff comes to meet his unexpected guest, Frankfurter draws his pistol and shoots him 5 times. Hedwig screams and cries hysterically.

Germans and German Swiss are outraged at the murder. Hitler attends Gustloff's funeral and then names a luxury ship, christened by his widow, in Gustloff's honor. The Swiss sentence Frankfurter to 18 years, but he will be pardoned after World War II, before moving to Israel. In 1945, on what would have been Gustloff's 50th birthday, the ship named after him will make history as the greatest sea disaster ever.



Wilhelm Gustloff (left) was murdered by David Frankfurter as his wife watched in horror. After the war, Frankfurter (center & right) was allowed to live out the rest of his life in Israel.

1933-1936
THE MIRACLE OF THE GERMAN RECOVERY

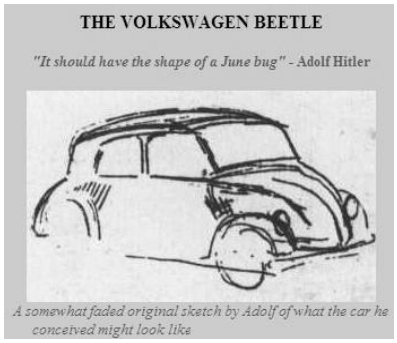
It has been 3 years since Hitler began his program for economic recovery. **It is now the most stunning economic revival in world history. (14)** While the world remains mired in the Great Depression, Germany's once dead economy booms.

Unemployment, which had been over 30% a few years ago, is now under 5%. Productivity is way up, as are wages. By freeing Germany from the heavy taxation of the Weimar Republic, the cruel burden of the Versailles Treaty, and the perpetual interest costs of Weimar's debt-based Central Bank currency, Hitler has unleashed the private economy while using public spending very wisely.

Unlike FDR's wasteful public works programs, Hitler's public works are useful investments, such as the national highway system which Hitler began building in 1933 (**The Autobahn**). Hitler, a great admirer of Henry Ford, sketched the original prototype for the **Volkswagen** *(The People's Wagon)* and suggested to Ferdinand Porsche that, *"It should have the shape of a June bug"*. Hitler wanted every German family to be able to buy a car and take a vacation.

Low taxes, responsible debt, intelligent planning, lean government, sound currency, and a business friendly environment are the secrets of Hitler's economic miracle, and of his **extraordinary popularity** among a grateful German people, including many former liberals who were once Communist voters.







1- Hitler understood the basic principles of automotive engineering. He consulted with Ferdinand Porsche on the manufacture of the Volkswagen; the prototype for which Hitler drew himself (Image # 2)

3 -Henry Ford receives the Grand Cross of the German Eagle from the German consul-general of Cleveland

Along with economic revival, the re-born Germany experiences a cultural and moral rebirth. The NSDAP, whose membership is open to all Germans of sound character, cleans up the pornography and debauchery that thrived under the Weimar State. Classic art makes a comeback, as "modern art" is relegated to its proper status as an object of ridicule. The future is looking bright for Germany. Before the German model can spread to other nations, the dark forces of **The New World Order** must destroy it.

By 1936, support for Hitler in Germany is near universal. Even the formerly pro-Marxist liberals have been won over by his achievements. Photos and films of happy Germans and of Hitler smiling are deliberately censored by the Zionist-Globalist media.







1- Hitler turns first shovel of dirt for the Autobahn project.

2- Overjoyed adoring German crowds greeted Hitler everywhere.

3- Vacation-loving Germans were now the happiest people in Europe.




BEFORE & AFTER

1- The 1970's Broadway play and Hollywood film, 'Cabaret', depicts the depraved "transgender" night life of pre-Hitler Berlin. 2- Hitler's youth groups promoted virtue, discipline and clean living.




Due to the war, Hitler's grand vision (models above) to make Berlin the architectural and cultural wonder of the world would never be realized.

FEBRUARY, 1936
IN AN INTERVIEW WITH LONDON'S 'DAILY MIRROR', HITLER OFFERS FRIENDSHIP TO THE WORLD



Daily Mirror

THE DAILY PICTURE NEWSPAPER WITH THE LARGEST NET SALE

SATURDAY, FEBRUARY 29, 1936

HITLER'S "LET'S BE FRIENDS" PLEA TO WORLD

An Exclusive Interview with "Daily Mirror"

"I APPEAL TO REASON"

Passionately ... fervently ... in the plain words of a Man of the People, Adolf Hitler, Leader and Master of Germany, in an exclusive interview with the "Daily Mirror" yesterday, pleaded with the world—

"LET'S BE FRIENDS"

"I appeal to reason in international affairs," he said. "I want to show that the idea of eternal enmity is wrong. We are not hereditary enemies."

The "Daily Mirror" challenged his views with those in his book, "My Struggle." "My justification," said the Leader, "I shall write in the great book of history."

Man of Destiny Speaks

Rest of the News

"I appeal to reason in international affairs. I want to show that the idea of eternal enmity is wrong. We are not hereditary enemies." - Hitler

FORBIDDEN PHOTOS OF ADOLF HITLER

The images of Hitler shown by the western Yellow Press of his day, as well as the modern day history books and TV documentaries, are careful never to show a smiling Hitler with children, animals, women, or adoring German crowds. This serves to conceal the fact that he had a soft heart and a warm fondness for children and animals; so much so that he was a vegetarian.








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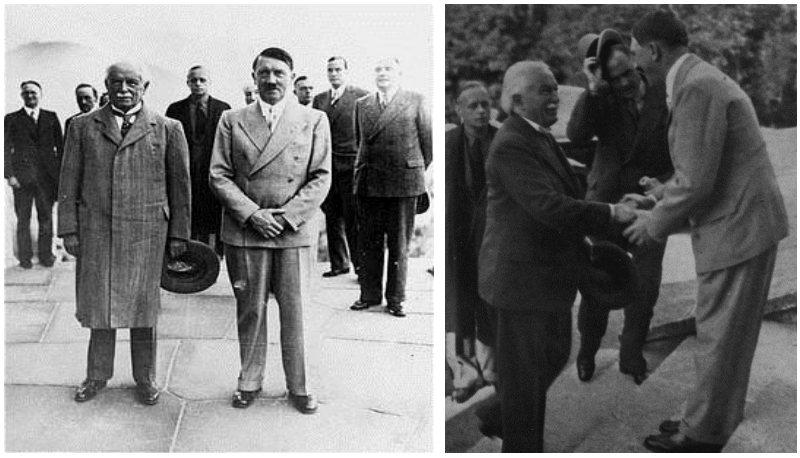








FORBIDDEN HISTORY: QUOTE TO REMEMBER



"It is not the Germany of the decade that followed the war- broken, dejected and bowed down with a sense of apprehension and impotence. It is now full of hope and confidence, and of a renewed sense of determination to lead its own life without interference from any influence outside its own frontiers. **One man has accomplished this miracle.** *He is a born leader of men. A magnetic and dynamic personality with a single-minded purpose, a resolute will and a dauntless heart.*

As to his popularity, there can be no manner of doubt. The old trust him; the young idolize him. It is not the admiration accorded to a popular leader. ***It is the worship of a national hero who has saved his country from utter despondence and degradation.....*** *I have never met a happier people than the Germans."*

-David Lloyd George, Ex-Prime Minister, UK, 9-17-36 (15)

MAY, 1936
IN NEW YORK TIMES, GERMANY IS ACCUSED OF A "HOLOCAUST" FIVE YEARS BEFORE THE JEWS WERE EVEN INTERNED!



AMERICANS APPEAL FOR JEWISH REFUGE

Pro-Palestine Federation Asks Britain to Take a Strong Course in Holy Land.

AIMS OF MANDATE CITED

Petition Urges It Be Made Clear to "Turbulent Element" That Those Will Be Carried Out.

Special to The New York Times.

WASHINGTON, May 30—A petition addressed to Prime Minister Stanley Baldwin expressive of the hope that Great Britain will steer a course favoring the establishment of a free Jewish nation in Palestine such as would provide refuge for millions of persecuted Jews in Eastern Europe and Germany was presented to Sir Ronald Lindsay, the British Ambassador, today by a Christian delegation representing the Pro-Palestine Federation of America. The petition, stressed the intolerable sufferings of the millions of Jews in the European holocaust.

Virgin Islands Policy

It is suggested that such a step by the British Government by the Pro-Palestine federation would be in line with the policy of the United States in the Virgin Islands, where slavery and the slave trade were abolished by the Danish Government over a century ago and the islands are now governed by the United States as a possession.

The petition, signed by Secretary Harold Ickes, president of the Pro-Palestine Federation of America; Felix Frankfurter, associate justice of the Supreme Court; John Haynes Holmes, Commander Richard E. Byrd, Senator Robert F. Wagner, Governor Herbert H. Lehman of New York and Governor Harry W. Nice of Maryland, was presented to Sir Ronald by Rabbi Stephen S. Wise, chairman of the Pro-Palestine Federation of America, and Rabbi Abba Hillel Silver, both of Cleveland. Rabbi Silver is also president of the Zionist Organization of America.

Seat of Politics

The text of the petition follows: "Whereas, the Jewish people throughout the world has proved its loyalty, and whereas many Jews have given their lives in the defense of the countries of persecution and particularly in the defense of Germany in the World War, and whereas the Jewish people throughout the world has made great contributions to the culture and civilization of the countries in which they live, and whereas England was one of the great champions of the rights of the Jewish people throughout the world in the past, and whereas the Jewish people throughout the world recognizes that the right to establish a Jewish National Home in Palestine was granted to the Jewish people as a matter of right and not of favor, be it therefore resolved

The New York Times
Published: May 31, 1936
Copyright © The New York Times

Europe is at peace and the Jews who have remained in Germany are prospering in the revitalized economy; 75% of them being middle class or higher. Even the legendary Max Warburg, though stripped of his dominance over Germany's Central Bank, chose to stay in Germany until 1938.

A **group of "Christians" fronting for the Chicago and New York Zionists now makes the** ridiculous claim of a "European **Holocaust**". This claim forms the basis of the case for the establishment of a Jewish State in Palestine; which the British had conquered as part of a World War I payoff to the Zionists for their help in dragging the U.S. into the war on Britain's side. Not content with mass immigration to Palestine *(The British Mandate)*, the Zionists, speaking through their "Christian" front men and dupes, now want the British to crack down on the oppressed Arabs and give the Jews an actual nation of their own. The New York Times reported on this bizarre allegation:

"WASHINGTON, May 30 *- A petition addressed to Prime Minister Stanley Baldwin expressive of the hope that Great Britain will steer a course favoring the establishment of a free Jewish nation in Palestine such as would provide refuge for* ***millions of persecuted Jews in Eastern Europe and Germany*** *was presented to Sir Ronald Lindsay, the British Ambassador, today by a Christian delegation representing the Pro-Palestine Federation of America ... The petition, stressed the intolerable sufferings of the* ***millions of Jews*** *in "****the European holocaust.****"* **(16)**

Oops! It appears as though some over-eager Zionist went off the script and let the fake ‘Holocaust” cat out of the bag a full 5 years too soon!

AUGUST, 1936
THE BERLIN OLYMPICS / HITLER AND JESSE OWENS

The 1936 Olympics had been awarded to Germany before Hitler became Chancellor. So despite the protests of Jewish groups, it is too late to take the games away. The games showcase the new Germany. Visitors are impressed at the spirit and positive outlook of the German people. Germany wins more medals than any other nation, but black American Jesse Owens is the biggest star of the games.

The German crowd cheers wildly for Owens as he wins 4 Gold Medals as both a sprinter and long jumper. But the Zionist media uses Owens to vilify Hitler. It was reported then, *and repeated endlessly ever since*, that Hitler "snubbed" Owens because he was black, storming out of the stadium in a fit of rage when Owens won his first race. This "snub" makes Hitler seem petty and rude in the eyes of the world. **But the story of the Owens' “snub” is a big lie.**

Owens himself confirms that the “snub” story is a hoax, stating:

“When I passed the Chancellor, he arose, waved his hand at me, and I waved back. I think the writers showed bad taste in criticizing the man of the hour (Hitler) in Germany.” **(17)**

Years later, in his autobiography, Owens again clarifies:

"Hitler didn’t snub me -it was FDR who snubbed me. The president didn’t even send me a telegram." **(18)**


DAY LONG TO HEAR ABOU

THE AFRO-AMERICAN

NATIONAL

"ADOLF" SNUBS U.S. LADS

Hitler Won't Shake Hands

Intentional Discourtesy Is Shown Owens, Johnson

Stockholders of Bank Must Pay $30,000

Longest, Legs Longest Stride

Joe Louis and Sharkey in Gay Good Humor



1- The "snub" of Jesse Owens was a false propaganda story.

2- Owens was befriended by German long-jump competitor Luz Long. They became pen pals.

1936 – 1939
THE SPANISH CIVIL WAR / NATIONALISTS vs REDS

Nationalist **General Francisco Franco** leads a rebellion against a democratic socialist government in Spain. The country is deeply divided, with Socialists, Communists, and liberals fighting for the government, and Nationalists, conservatives, and the Catholic Church favoring Franco. The war becomes a proxy war between Nationalism and Globalism. Germany, Portugal and Italy provide military aid to Franco as Stalin sends arms to the Spanish government.

The Comintern sends volunteers to fight for the Spanish regime. American Communists of the **Abraham Lincoln Brigade** arrive to fight alongside the Reds. As usual, Red fighters commit atrocities against civilians, such as setting fire to the wives and children of Nationalist officers after dousing them with petrol. Determined to stamp out Christianity, they rape nuns, torture priests, and set fire to churches with the worshippers locked inside.

The Spanish Civil War finally ends in victory for Franco, but the war between New World Order Globalism and European Nationalism is only just beginning.





1- Hitler helped Franco to defeat Stalin's Communists in Spain

2- Intolerant Spanish Reds "execute" a statue of Jesus.

DECEMBER 10, 1936
THE PRO-HITLER KING OF ENGLAND IS FORCED TO ABDICATE HIS THRONE

England's **King Edward VIII** is an admirer of Adolf Hitler. This creates a dilemma for the Globo-Zionists who wish to instigate a war with Germany. Six months into his reign, there is an assassination attempt against him. **Jerome Bannigan** produces a loaded revolver near the King. After being quickly pounced upon by police and arrested, he claims to have been recruited by "a foreign power".

Weeks later, Eugene Myers' *Washington Post* reports that Edward plans to marry an American woman who has still not divorced her husband. British politicians use the "crisis" to squeeze Edward out, giving him a choice between **Ms. Wallis Simpson**, or abdicating his thrown. As the story goes, it is for love of Ms. Simpson that Edward gives up the throne. The real reason for the silent coup is concealed from the public.

Hitler will later state: "*I am certain through him permanent friendly relations could have been achieved. If he had stayed, everything would have been different. His abdication was a severe loss for us."* **(19)** With Edward gone, the Globalists proceed with plans to wage war on Germany. Edward is replaced by his stuttering, stammering idiot brother -**George VI - ("The King's Speech")**, who will spend the coming war years making 'patriotic' radio speeches.




Anderson Daily Bulletin
KING ABDICATES THRONE
EDWARD RENOUNCES BRITISH MONARCHY
Duke Of York To Assume Rule As King George VI
Self-deposed Ruler And Successor
XMAS TRADING STIMULATED BY SANTA PARADE
WARD-STELSON PARTY TO TAKE
MAN DIES OF INJURIES IN AUTO WRECK
PUBLIC OPINION EXPRESSED
POPE SUFFERS RELAPSE FROM SUBORNATION
Well, I'll Tell You —
Edward And 'Bertie' Are Far Apart In Personality


Many in England defended their King and opposed abdication. After stepping down from the throne of England, Edward and his American bride visit Hitler in 1937.

FEBRUARY, 1937
FDR ATTEMPTS TO PACK THE SUPREME COURT WITH 6 OF HIS STOOGES

FDR proposes the **Judicial Procedures Reform Bill** (AKA the **"court-packing plan"**) to add more justices to the U.S. Supreme Court. Roosevelt's purpose is to obtain favorable rulings regarding New Deal schemes that the court has ruled unconstitutional. The bill will grant FDR the power to appoint an additional "rubber stamp" Justice to the Supreme Court, up to a maximum of six, for every member of the court over the age of 70 *(who FDR openly mocks as "nine old men").*

FDR's outrageous scheme is so unpopular that many fellow Democrats begin to distance themselves from him. The horrible power grab fails.



Even many of FDR's Democrat supporters and the press were shocked by FDR'S infamous 'Court Packing Scheme'. Cartoonists mocked FDR.

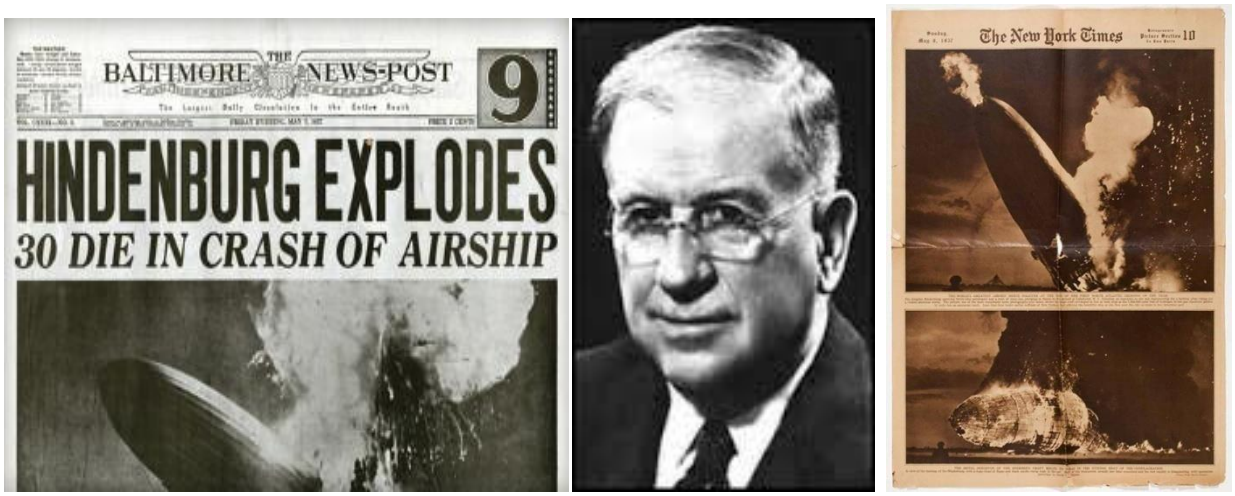
MAY 6, 1937
THE HINDENBURG DISASTER

The **Hindenburg Airship**, named after the man who helped Hitler become Chancellor, is the pride of Germany's fleet. American crowds marvel as the air-ships passes over New York, saluting them with the German "Sieg Heil". The airships are designed to float using Helium. But after FDR's Jewish Interior Secretary, **Harold Ickes**, slaps a Helium embargo on Germany; the Zeppelins are redesigned to use highly flammable Hydrogen instead.

The moment Hindenburg begins to dock in Lakehurst, NJ, it bursts into flames and crashes, killing 35 of the 97 passengers. "Static electricity" is blamed, **yet Hindenburg had previously endured <u>direct</u> lightning hits!**

The cause of the explosion remains unknown to this day. But the unusual amount of news reel cameras present that day, the Helium embargo, the timing of the mysterious ignition just as the ship is mooring, the hyping of the idiotic "static electricity" theory, and the anti-German hysteria being whipped up by the press, suggest that the Hindenburg disaster was actually an act of sabotage.

Theories range from an onboard suicide-bomber to an incendiary rifle-bullet fired from the nearby woods. The incident shatters confidence in Germany's airships and marks the end of the airship era.



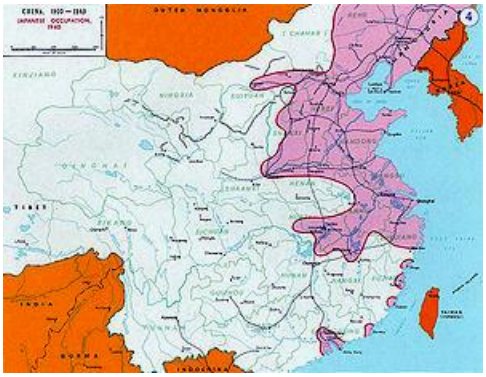
A suspicious blast at the exact moment of mooring destroys Germany's Airship industry. It was Harold Ickes who cut off helium exports to Germany.

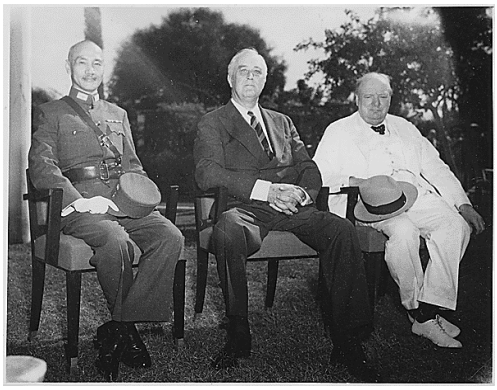
JULY, 1937
WAR BREAKS OUT BETWEEN CHINA & JAPAN

The **Japan-China War** starts when the Japanese claim to have been fired on by Chinese troops at the Marco Polo Bridge near modern day Beijing. Tensions escalate and Japan launches an invasion of China, using Japanese bases in Manchuria, as a launching point.

Manchuria is rich in resources and has strategically vital ports on the Sea of Japan. It is located in Northeastern Asia, bordering China, Korea, and also western Russia. Manchuria was once Chinese controlled, then part of the Russian Empire. Japan won Manchuria from Russia in the war of 1905, but Nationalist Chinese view Manchuria as historically Chinese. The Japan-China war blends into the ongoing Chinese Civil War raging between the Chinese Communists and the Chinese Nationalist government. At the same time that Japan is fighting the Chinese nationalists *(led by Chiang Kai Shek)* the Japanese must also fight the guerilla Reds *(led by Stalin's agent Mao Tse Tung)*.

The US, though still officially neutral, clearly favors Chiang Kai Shek over Japan. But Chiang is only a disposable tool for the Globalist's Asian ambitions; a fact that will serve to prolong the Japan-China War. It's Japan vs. China Reds vs. China Nationalists in a 3-way Far Eastern Battle Royale that will shape the course of Asian history.





1- Part of Manchuria (region on right) was won by Japan in the Russo-Japanese war of 1905.

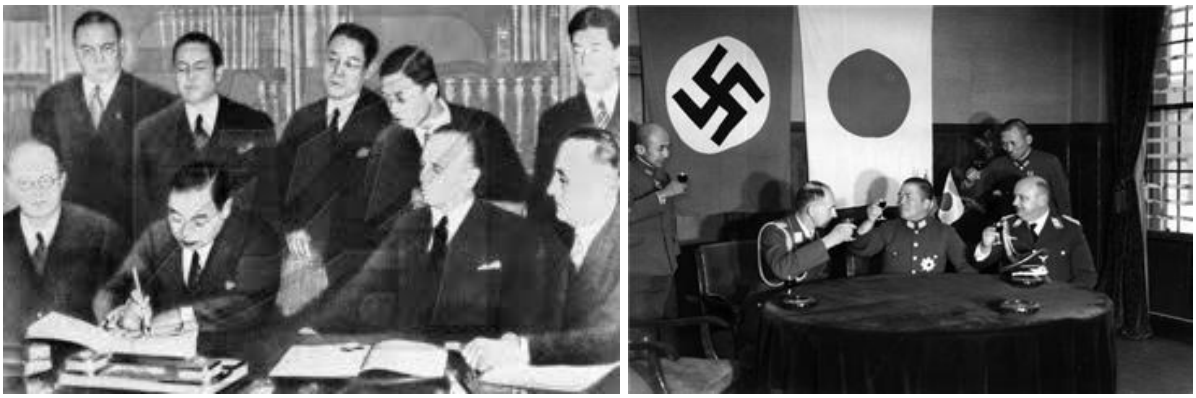
2- FDR & Churchill will later play their boy Chiang (seated left) for a fool and sell him out at the Yalta Conference.

NOVEMBER 25, 1937
GERMANY & JAPAN AGREE TO AN ANTI-COMMUNIST DEFENSE PACT

Germany and Japan agree to the **Anti-Comintern Pact**, a mutual defense Treaty directed at the Soviet controlled Communist International. Italy will join the following year. The pact states:

"recognizing that the aim of the Communist International, known as the Comintern, is to disintegrate and subdue existing States by all the means at its command; convinced that the toleration of interference by the Communist International in the internal affairs of the nations not only endangers their internal peace and social well-being, but is also a menace to the peace of the world desirous of co-operating in the defense against Communist subversive activities." **(20)**

In case of an attack by the Soviet Union against Germany or Japan, the two countries agree to take measures "to safeguard their common interests". Mussolini's Italy will soon join the anti-Comintern and several other nations join later on. **Germany also invites Britain and Poland to join the Anti-Comintern Alliance.** Both nations decline.



German and Japanese officials sign the Anti-Comintern pact.

DECEMBER, 1937
THE IMAGINARY "RAPE" OF NANKING

The alleged **Rape of Nanking** is said to have been committed by the Japanese military in the city of Nanking, then capital of China. China has long claimed that the Japanese massacred 300,000 Chinese people in just six weeks.

But newspaper accounts, photos, documentary films, records and testimonies in those days all suggest that neither a large-scale massacre, nor even a small-scale massacre, ever took place. During the battle for Nanking, every civilian remaining in the city is urged to take refuge in the internationally monitored Safety Zone. This Safety Zone is managed by the International Committee for the Nanking Safety Zone, which is a group of professors, doctors, missionaries and businessmen from Europe and the U.S.. They remain in the city throughout the battle.

On the day that Japanese troops enter Nanking, more than 100 press reporters and photographers enter with them. The press is not only from Japan, but also from Europe and America, including Reuters and AP. However, none of the journalists report the occurrence of a civilian massacre. If the Japanese military had wanted to massacre the citizens of Nanking, it would have been very easily done by simply bombing the very narrow and crowded Nanking Safety Zone.

The most telling indicator is the fact that most of the alleged details of the "massacre" will only surface *after* the unconditional surrender of Japan in 1945. During the war itself, Chinese leader **Chiang Kai-Shek** broadcasts 100's of radio addresses to the Chinese people. But he never mentions that 300,000 people had supposedly been killed! Furthermore, **many of the "massacre" photos which surface later on are clearly fakes. (21)**

Many Chinese are however killed by Chinese Supervisory Units, whose job is to kill Chinese soldiers trying to escape from the battlefield. Many *pro-Japanese* Chinese *(who saw Japan as pro-Asian liberating force)* are also killed by these units, not by the Japanese military.





1- Japanese soldiers distribute food and sweets.

2- After the battle, many Nanking citizens, who abhorred the Chinese military, welcomed the Japanese. The citizens are wearing armbands of the flag of Japan, which were given to all civilians of Nanking to distinguish them from Chinese soldiers hiding in civilian clothing.

JANUARY 9, 1938
NEW YORK TIMES PUBLISHES <u>ANOTHER</u> FALSE CLAIM OF <u>6 MILLION</u> JEWISH VICTIMS OF PERSECUTION

As the 'Four Tops' of Motown fame used to sing: ***"Now it's the same, old song, with a different ….***



9 MONTHS BEFORE KRISTALNACHT, JEWS CLAIM 6 MILLION TOTAL EUROPEAN JEWS. (VICTIMS, OF COURSE)

PERSECUTED JEWS SEEN ON INCREASE

New York Times (1857-Current file); Jan 9, 1938;
ProQuest Historical Newspapers The New York Times (1851 - pg. 12

PERSECUTED JEWS SEEN ON INCREASE

Dr. Kahn Returns With Report of Rise in Europe of Those Deprived of Rights

6,000,000 VICTIMS NOTED

25,000 Refugees Said to Be in Need—Rumania Menaces 800,000 With Anti-Semitism

The number of Jews deprived of their rights and economic opportunity in Europe increased greatly last year, Dr Bernhard Kahn, European director of the American Jewish Joint Distribution Committee, said on his arrival here last week from Europe.

The new Government of Rumania has threatened to outlaw 800,000 Rumanian Jews, "disregarding peace treaties, minority treaties and the constitution of the country," said Dr Kahn.

government except sometimes in cases of physical violance and public disturbance," he said.

"It is a matter for encouragement, however, that many outstanding personalities and some political parties in Poland are courageously raising their voices against the inhuman treatment of the Jews and the poisonous atmosphere of anti-Semitism.

"In Germany the Jews are being driven out of the last economic positions. Increased oppression is swelling the number of refugees and emigrants. More than 15,000 Jews had to leave Germany during the last year and in the middle of the year the German laws of racial discrimination were extended to the 12,000 Jew in Upper Silesia (the Danzig corridor)."

Dr Kahn said there are 25,000 refugees in Europe, the greater number of them living in need and in demoralizing uncertainty. He expressed the hope that the intergovernmental conference at the League of Nations would take up the refugee problem again in February.

"Five to six million in all are today the victims of governmental anti-Semitism and policies of unchecked anti-Semitic propaganda and persecution. All these millions are in danger of losing their rights as citizens. Their economic existence is constantly menaced and for thousands upon thousands their

7 YEARS BEFORE THE END OF WW2, JEWS CLAIM 6 MILION VICTIMS.



MARCH 12, 1938
THE ANSCHLUSS / AUSTRIA IS INCORPORATED INTO THE GERMAN REICH

The Anschluss is the ***voluntary*** incorporation of Austria into the German Reich. The merger with their Germanic brothers is supported by 99% of Austrians and Germans **(22)**, but opposed by the puppet Austrian government instituted by the Allies after World War I.

The Versailles Treaty broke up the Austro-Hungarian Empire and forbid the new nation of Austria from uniting with Germany. But after seeing the great success of Germany, there is no stopping the Austrians desire to unite with their happy brothers and sisters. Without a shot being fired, German forces move in unopposed and are greeted as liberators by the joyous Austrians. As a brotherly gesture

towards the Austrians, Hitler invites Austrian troops to march inside of Germany as well.

When Hitler himself comes to visit the land of his youth, he is given a hero's welcome by the frenzied Austrian crowds. Not surprisingly, the western Globo-Zionist media portray the joyful unification as "Germany conquers Austria."



Happy Austrians turn out to welcome Hitler, their hometown boy. Image #4, Hitler lays a wreath at the gravesite of his parents.

MARCH, 1938
UK NEWSPAPER BOSS: "I AM SHAKEN. THE JEWS MAY DRIVE BRITAIN INTO A WAR WITH GERMANY."

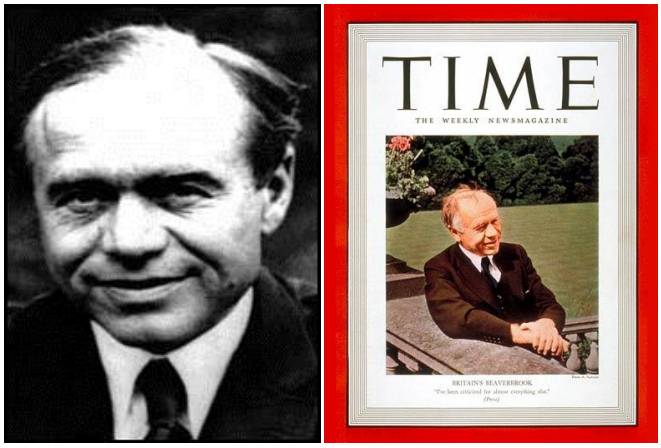
Lord Beaverbrook is the top newspaper mogul in Great Britain. His *Daily Express* is the most widely read newspaper in the world. During World War I, he served as UK's Minister of Information.

In a *private letter* written in 1938, Lord Beaverbrook voices concern over Jewish influence leading the UK towards war with Germany. He writes:

"There are 20,000 German Jews in England – in the professions, pursuing research. They all work against an accommodation with Germany." **(23)**

In a subsequent letter he adds:

"The Jews have got a big position in the press here. ... At last I am shaken. The Jews may drive us into war." **(24)**



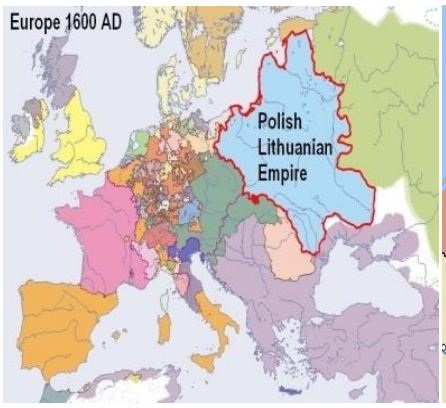
Lord Beaverbrook was a big name media player. In private letters, he wrote what he would not dare say publicly.

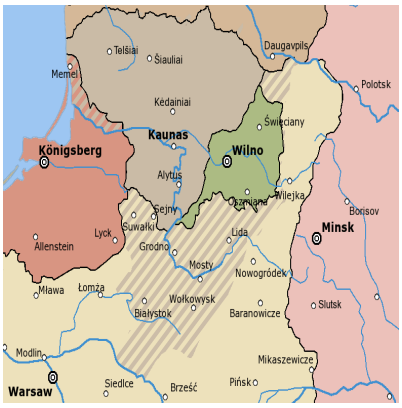
MARCH, 1938
THE MILITARY DICTATORSHIP OF POLAND STRONG-ARMS LITHUANIA AND INVADES CZECH TERRITORY

Poland's **Marshal Rydz-Smigly** issues an ultimatum to the tiny Baltic State of Lithuania. Lithuania had refused to have diplomatic relations with Poland after 1920, protesting the annexation of the Vilnius Region by the new Polish state. The ultimatum demands that Lithuania unconditionally agree to establish diplomatic ties with Poland within 48 hours. The establishment of diplomatic relations would mean a renunciation of Lithuanian claims to the region containing its historic capital, Vilnius.

Tiny Lithuania, preferring peace to war, accepts bully-boy Smigly's ultimatum and conditions. Had Lithuania stood firm, it's quite possible that Stalin would have used the ensuing war as pretext to take the Baltic States *(which he eventually will in 1940)* and start the 2nd Polish-Soviet war. Such is the recklessness of Marshal Rydz-Smigly of Poland. Many in the "democratic" West, including the New York Times, express dismay over Poland's militaristic bullying of Lithuania; a development deemed so dangerous that it causes jitters among Wall Street investors. **(25)**







1 & 2- The megalomaniac Smigly dreams of restoring the old Polish Empire from centuries past.

3 – Tiny Lithuania is Poland's first victim of bullying.

SEPTEMBER, 1938
THE MUNICH CONFERENCE / SUDETENLAND IS REUNITED WITH GERMANY

When the Treaty of Versailles dismantled Austria-Hungary, it combined Czechs, Slovaks, Germans and Hungarians into an artificial state called "Czechoslovakia". The German region ***(*Sudetenland)**, lies south of Germany and has 3.5 million inhabitants. Like the Austrians, The Sudetenlanders also wish to unite with the Reich; but Czechoslovakia's pro-Communist President, **Edvard Benes**, will not allow it. The Sudetenlanders are politically disenfranchised and severely mistreated by the Globalist-owned state of Czechoslovakia. **The role assigned to Benes is to pick a fight with Hitler; a fight which will draw in the UK, France and the USSR.**

To resolve the matter peacefully, Hitler calls for an emergency conference in Munich with England, France, and Italy. The parties agree that the German Sudetenland should rightfully be a part of Germany, and that the Slovaks will have their own state **(Slovak Republic 1939-1945).** As the artificial Czechoslovakian state is dissolved, Germany establishes autonomous protectorates over what remains **(Bohemia and Moravia)**. Again, **without a shot being fired or a drop of blood being shed,** Germans are welcomed into the Reich while other ethnic groups are given their own states; a win-win-win for all parties!

As was the case in Austria, Hitler receives a hero's welcome upon visiting the Sudetenland. UK Prime Minister **Neville Chamberlain** applauds the deal as *"peace in our time."* But his rival, the drunken cigar chomping Winston Churchill, and the Jewish Press denounce the deal as "Hitler's latest conquest". Simply for agreeing to what was fair and just, Neville Chamberlain has since been unfairly branded by history as "an appeaser". In fact, a Google search of just the term **"appeasement"** yields pages and pages of references and images to poor Neville Chamberlain!

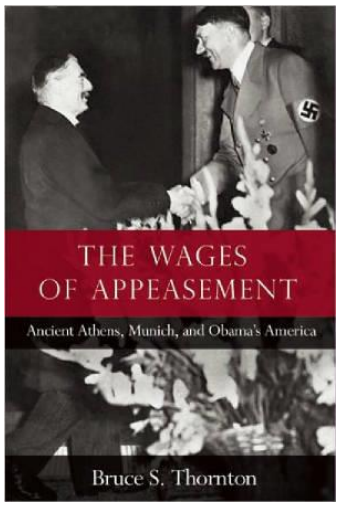
For his part, Benes relocates to Britain and becomes part of Churchill's circle. After the war, he will again serve as President of the Communist-dominated government of a reconstituted Czechoslovakia; using his position to confiscate the property of three million Germans.

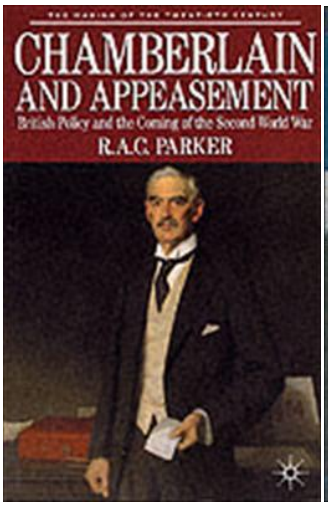


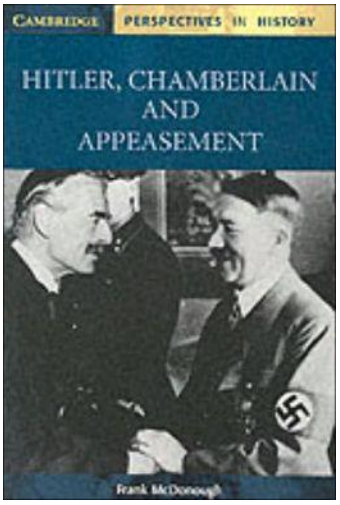




Very happy Sudetenland women salute Hitler. Women often wept at the sight of Hitler. In western versions of this photo, the two women on the left are cut out so as to make it seem that the woman on the right is crying tears of sadness.







The eternal stupidity of the "Neville Chamberlain appeased Hitler" lie has been enshrined in false history.





Benes with Churchill / Benes with Stalin

OCTOBER, 1938
POLAND GRABS A PIECE OF CZECH TERRITORY

The Polish regime continues its aggressive foreign policy by taking advantage of the Sudetenland Crisis and demanding a portion of Zaolzie and some other smaller Czech areas. The Czechs are powerless to stop the forced annexations.

The Polish Army annexes areas with a population of 227,399 people. Again, the "democratic" West shakes its head in dismay, but has to hold its nose and bite its tongue because it was understood that the fool Rydz-Smigly and his gang would be needed for bigger things; namely, picking a fight with Hitler's Germany.



Polish tanks roll into annexed Czech territory. The Czechs join the Lithuanians as the latest victims of Polish bullying. 'Emperor' Smigly will soon set his sights on grabbing territory from German Prussia.

NOVEMBER, 1938
AMERICA TURNS AGAINST FDR / DEMOCRATS LOSE 80 SEATS IN MID-TERM CONGRESSIONAL ELECTIONS

Anger over the failed court-packing scheme coupled with the failure of the New Deal to end the Depression contributes to the Democrats losing 80 Congressional seats in the 1938 mid-term election. FDR is not only losing America, but even many in his Party are turning against his policies; most notably the former New York Governor, Al Smith. Apart from the dictatorial aspects of FDR's regime, the Keynesian economic tax-spend-borrow schemes themselves aren't working.

The Republicans gain 80 House seats, 8 Senate seats, and 11 Governorships. Though it remains one of the worse Congressional election routs in U.S. history, the 1938 anti-FDR , anti-New Deal bloodbath is seldom, if ever, mentioned by Rooseveltian court-historians and the media.



No longer "untouchable", FDR's failed schemes had become the butt of many jokes and creative cartoons.

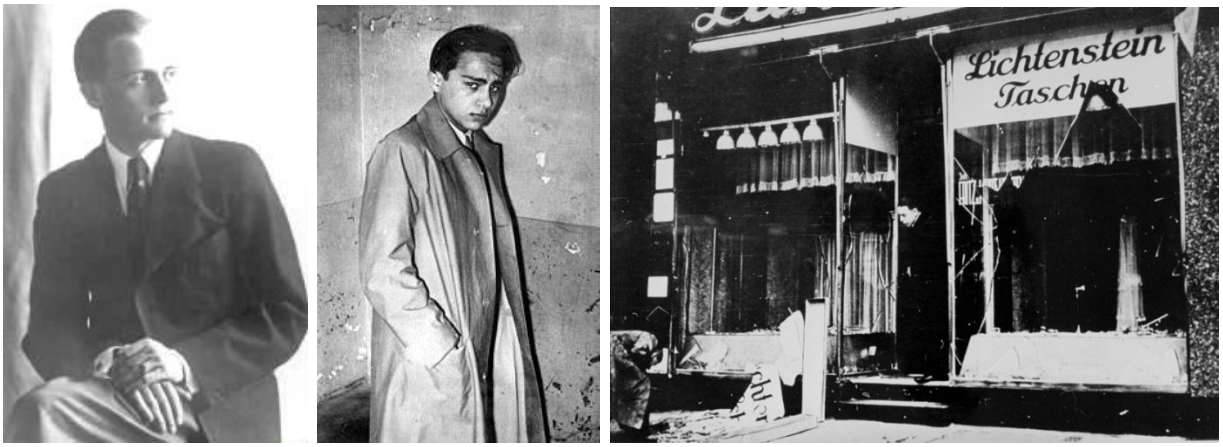
NOVEMBER 9, 1938
KRISTALLNACHT / JEWISH KILLER MURDERS GERMAN DIPLOMAT / ANTI-JEWISH RIOTS ERUPT

Ernst vom Rath is a 29 year old German diplomat stationed in Paris. In a repeat of how Swiss Jew David Frankfurter had asked to speak to Swiss NSDAP head Wilhelm Gustloff before killing him in 1936, a Polish Jew named **Hershel Grynspan** arrives at the German embassy, asking to speak to a member of the diplomatic staff. When vom Rath comes to greet the visitor, Grynspan draws his pistol and murders him in cold blood.

By now, the Germans have had enough of the Jewish inspired boycotts, slanders, warmongering, and *murders* aimed at them. News of the murder triggers rioting, arson, and vandalism directed at Jewish shops and businesses. It is an angry **Hitler who orders the violence to cease immediately and it stops after the first night.**

The night of violence, referred to by Jews as "Kristallnacht*" (Night of the Broken Glass)*, is hyped by the western media. Kristallnacht is still whined about to this

day. But the repeated agitation boycotts, and murders which provoked German resentment are never mentioned.



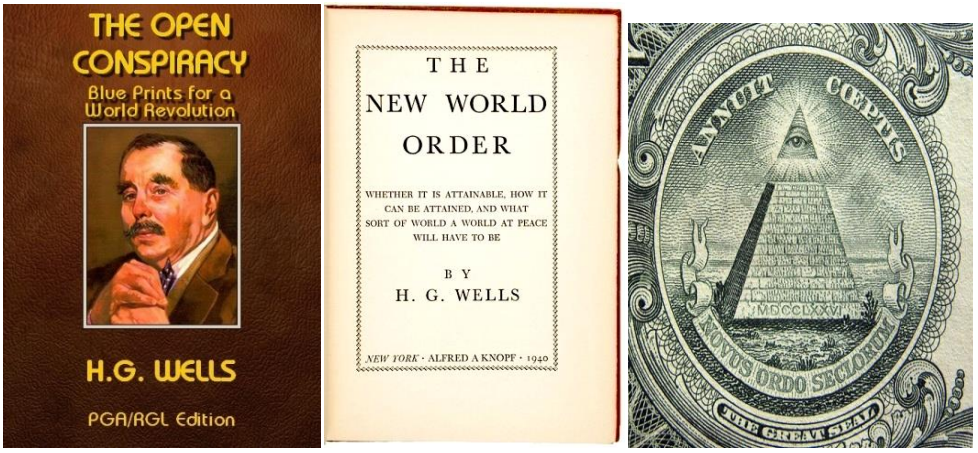
A senseless murder; young Ernst (left) and his killer Hershel Grynspan

1939
H.G. WELLS PUBLISHES 'THE NEW WORLD ORDER'

British writer **H.G. Wells** is best known for classic works like 'The Invisible Man', 'Time Machine', and 'War of the Worlds.' In 1939, Wells, a member of the Globalist Fabian Society, releases a non-fiction book, **The New World Order;** which compliments his earlier work on the same subject, **'The Open Conspiracy'.** Unlike most Globalists, Wells speaks *openly* about his utopian dream. Some excerpts:

> *"This new and complete Revolution we contemplate can be defined in a very few words.* ***It is outright world-socialism;*** *scientifically planned and directed."...*
>
> ***Countless people will hate the new world order and will die protesting against it.*** *When we attempt to evaluate its promise, we have to bear in mind the distress of a generation or so of malcontents. .....The term Internationalism has been popularized in recent years to cover an interlocking financial, political,*

and economic world force for the purpose of establishing a **World Government." (26)**



Fabian member Wells: "Countless people will die."

ALL OF 1939
HITLER ATTEMPTS TO PEACEFULLY RESOLVE DISPUTE OVER THE 'POLISH CORRIDOR'

The "free city" of Danzig is 95% German. Along with its surrounding German area of East Prussia, Danzig was isolated from the German mainland by the Versailles Treaty. Formerly German territory now belongs to Poland, cutting right through the Prussian/Pomeranian region of Germany. As had been the case with Germans stranded in Czechoslovakia, the Germans in Poland *(those not brutally expelled in 1919)* are a persecuted minority.

Throughout all of 1939, Hitler tries to solve the problem of the "**Polish Corridor**" peacefully. He proposes that the people living in Danzig and the "corridor" be permitted to vote in a referendum to decide their status. If the region returns to German sovereignty, Poland will be given a 1 mile wide path, running through Germany to the Baltic Sea so that it would not be landlocked.

The Polish military dictatorship of Edward Rydz-Smigly and friends is urged by Britain and, from behind the scenes and across the ocean, Roosevelt, to not make any deals with Germany. (27) When it becomes apparent to Hitler that Poland will not allow a referendum, he then proposes another solution – international control of the formerly German regions. This sensible offer is

also ignored. The Globalists intend to use foolish Poland as the match which ignites World War II.





Map shows stolen German areas of W. Prussia, "free" Danzig, and E. Prussia isolated from the rest of Germany. Polish Marshal Rydz-Smigly wants Danzig and all of Prussia.

MAY, 1939
AS GERMANY TURNS TO THE VATICAN FOR PEACE, BRITAIN APPEALS TO STALIN FOR A WAR ALLIANCE

The warmongering faction of Great Britain continues to press for war with Germany. **The war-hawks are openly threatening to dump Neville Chamberlain if he refuses to deliver. (28)** Having failed to ignite the war in Czechoslovakia, the warmonger's "Plan B' is to draw Stalin into a war alliance with Britain and France; and to then use Poland to start a war with Germany. After Poland picks the fight, the western allies will attack Germany from the west as the Soviets advance from the east; an exact replay of how they imposed a two-front war on Germany 25 years ago.

Britain assures Stalin that in case of war, the USSR would not be expected to join until the British and French are in it first. But Stalin is hesitant to join the alliance at this time because he has plans of his own. Hitler is well aware of the plots being cooked up against Germany. **While the British *openly* court Stalin, Germany reaches out to Pope Pius XII – quite a contrast!** The Vatican offers to mediate an international conference between Germany, Poland and the western powers. Germany and Italy are all in, but Britain refuses the Vatican's offer. **(29)**

Excerpts from the May 11, 1939 issue of The New York Times:

British Assurance Given
By Robert P. Post

"The position as it stands now is ....that Russia has been assured that she is not being maneuvered into a position to fight alone and the British are awaiting her reply and any demands she may make to assure that her conditions will be fulfilled.

The note of cautious optimism continued here about the Russian negotiations, the belief being that the two countries are not so far apart as they first appeared to be. **The British are now expected to make certain concessions to the Russian idea of an alliance.**

The negotiations with Russia are having repercussions on the British reaction to **the Pope's conference proposal.** At the present stage the British are reluctant to take part in any such conference with Russia eliminated."

Demand for Soviet Pact Rises
By Sir Arthur Willert
Noted British Journalist

"LONDON, May 10. - The general British reaction on the feasibility of an international conference to smooth out the troubles of Europe is somewhat lukewarm. This applies to reports that the Vatican has put out feelers regarding the possibility of international action for the settlement of the German-Polish problems.

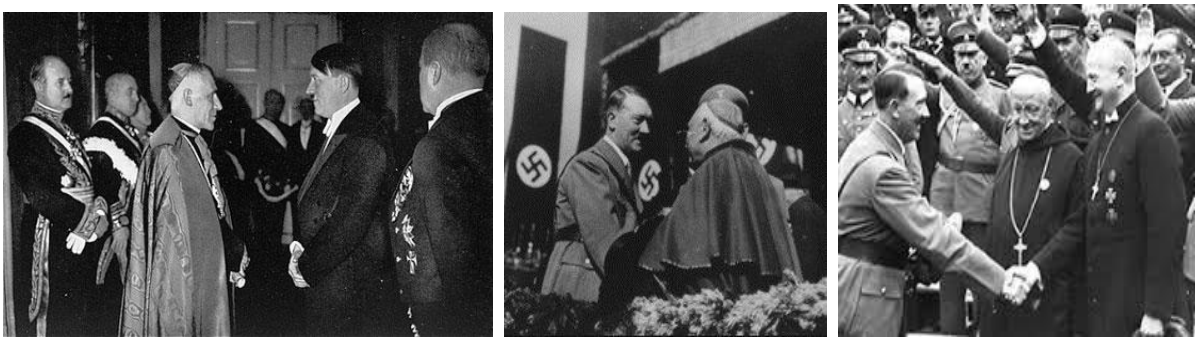
The predominant opinion here is that if a conference were held at this juncture, the Rome-Berlin Axis powers would try to vitiate it by the same intolerable pressure of fear and menace that Chancellor Adolf Hitler so successfully brought to bear on the Munich meeting.

... This view accounts for **the constant sniping at Prime Minister Neville Chamberlain**, from his own supporters in Parliament, as well as from the Opposition parties, on the ground that he is not pushing ahead effectively with the Russian negotiations."





When Adolf Hitler turned to the Pope for peace; "John Bull" turned to Joe Stalin for war!



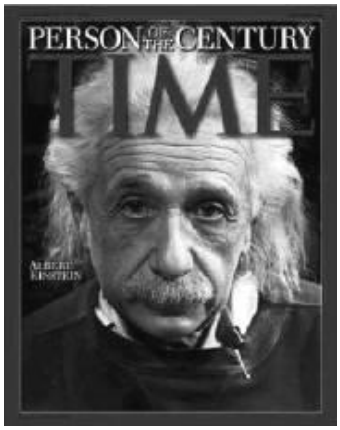
Contrary to historical distortion, ex-altar boy Hitler enjoyed excellent relations with the Catholic Church, an institution which he viewed as vital to public virtue and world stability.

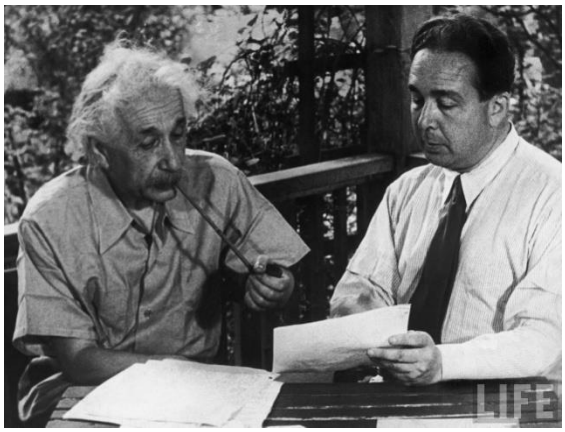
AUGUST, 1939
JEWISH MAD SCIENTIST ALBERT EINSTEIN ASKS FDR TO BUILD ATOMIC BOMBS

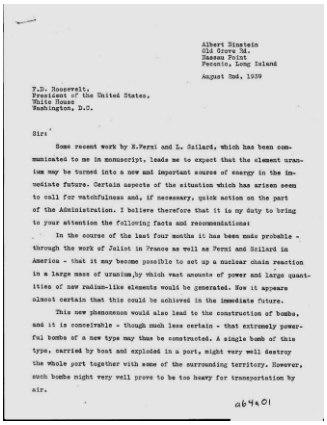
Jewish scientist **Albert Einstein** had left Germany shortly after Hitler came to power. Though dismissed by scientific great Nikola Tesla as a "long haired crank" *(in private letters)*, Einstein had achieved world fame in the press for his "Theory of Relativity", which some researchers now claim was plagiarized from the work

of an Italian physicist. **(30)** Einstein is an outspoken advocate of world government and is linked to numerous Communist front groups in Germany.

While Europe is still at peace, Einstein *(at the urging of lesser known Jewish scientists)* writes **a letter to FDR** in which he describes the power of a potential atomic bomb. He falsely insinuates that Germany is already working on such a weapon, and urges FDR to fund research into building atomic bombs. Though not stated so directly in the letter, it is clear that **Mr. Einstein hopes to one day murder millions of Germans with this devilish weapon.** The 'Manhattan Project' will eventually grow out of this effort.







Albert Einstein
Old Grove Rd.
Nassau Point
Peconic, Long Island

August 2nd, 1939

F.D. Roosevelt,
President of the United States,
White House
Washington, D.C.

Sir:

Some recent work by E.Fermi and L. Szilard, which has been communicated to me in manuscript, leads me to expect that the element uranium may be turned into a new and important source of energy in the immediate future. Certain aspects of the situation which has arisen seem to call for watchfulness and, if necessary, quick action on the part of the Administration. I believe therefore that it is my duty to bring to your attention the following facts and recommendations:

In the course of the last four months it has been made probable - through the work of Joliot in France as well as Fermi and Szilard in America - that it may become possible to set up a nuclear chain reaction in a large mass of uranium,by which vast amounts of power and large quantities of new radium-like elements would be generated. Now it appears almost certain that this could be achieved in the immediate future.

This new phenomenon would also lead to the construction of bombs, and it is conceivable - though much less certain - that extremely powerful bombs of a new type may thus be constructed. A single bomb of this type, carried by boat and exploded in a port, might very well destroy the whole port together with some of the surrounding territory. However, such bombs might very well prove to be too heavy for transportation by air.

a6401

Time's "Person of the Century" & Leo Szilard issued a libelous letter to FDR. The genocidal physicist will later write, in 1942:

"Due to their wretched traditions the Germans are such a badly messed-up people *that it will be very difficult to remedy the situation by sensible, not to speak of humane, means. I keep hoping that at the end of the war, w*ith God's benevolent help*;* they will largely kill each other off*."* **(31)**

End of Volume 1

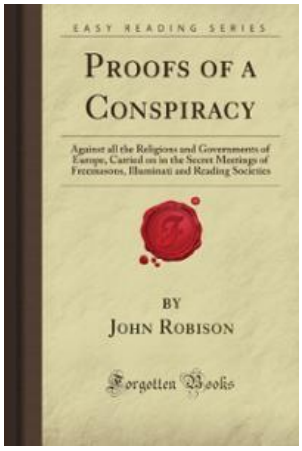


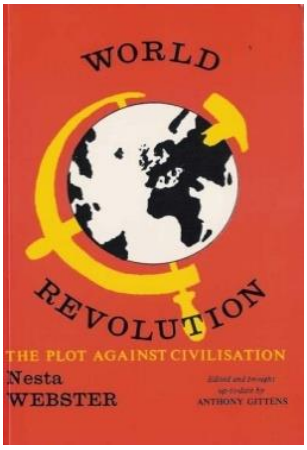
Be sure to bookmark and follow King's popular website: **TomatoBubble.com**

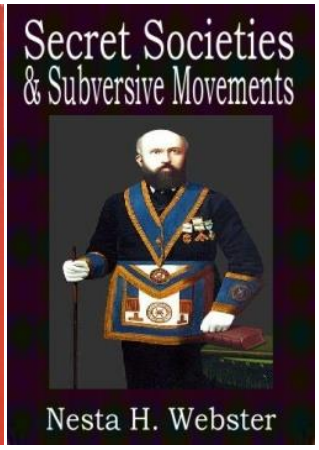
The Mind-Altering Internet Classics of Alternative History, Economics, Philosophy and Current Events

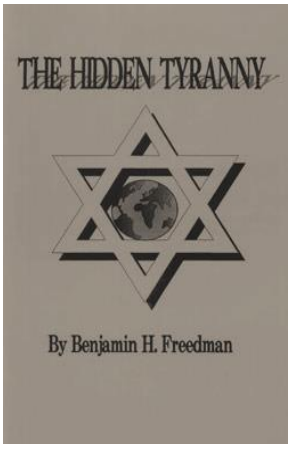
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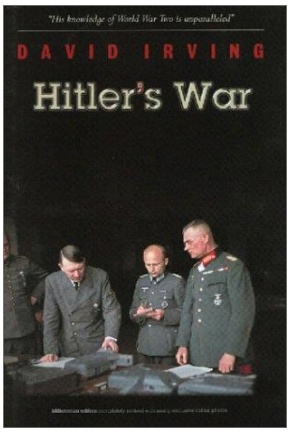


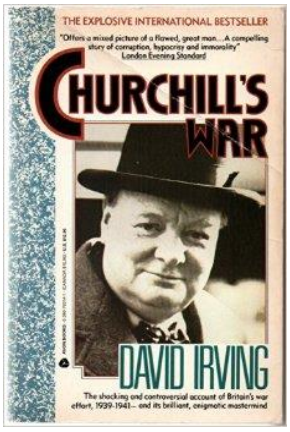


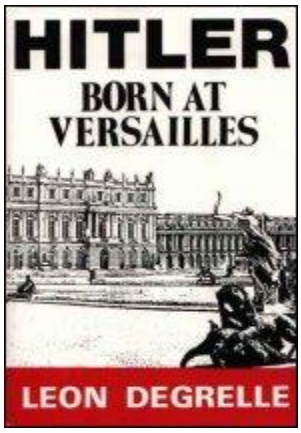


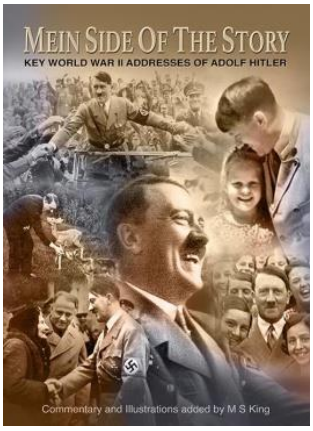


Proofs of a Conspiracy, by John Robison / World Revolution, by Nesta Webster / Secret Societies & Subversive Movements, by Nesta Webster / The Hidden Tyranny, by Benjamin Freedman

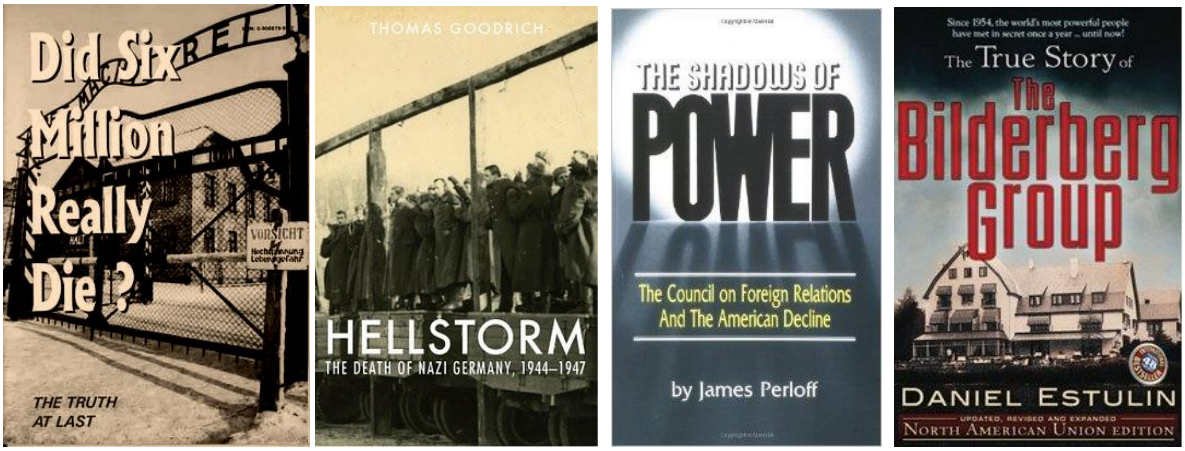




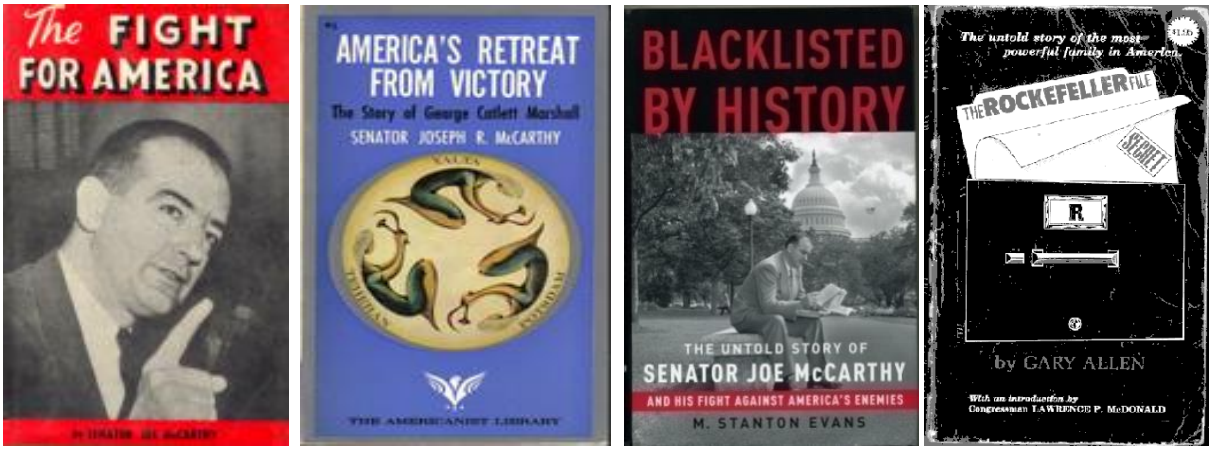




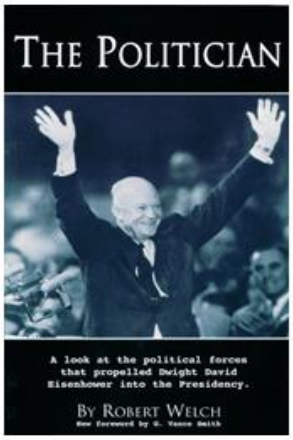
Hitler's War, by David Irving / Churchill's War by David Irving / Hitler: Born at Versailles Leon DeGrelle / Mein Side of the Story, by M S King & Hitler

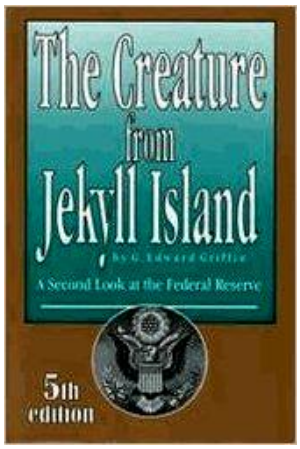


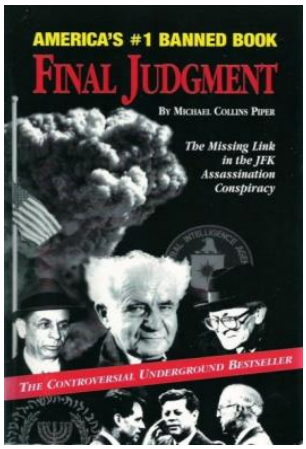
Did Six Million Really Die?, by Richard Harwood / Hellstorm: The Death of Nazi Germany / The Shadows of Power, by James Perloff / The True Story of the Bilderberg Group, by Daniel Estulin

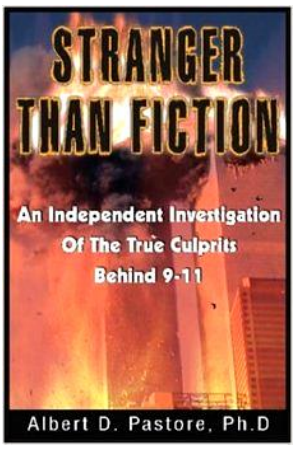


The Fight for America, by Joseph McCarthy / America's Retreat from Victory, by Joseph McCarthy / Blacklisted by History, by M Stanton Evans / The Rockefeller File, by Gary Allen



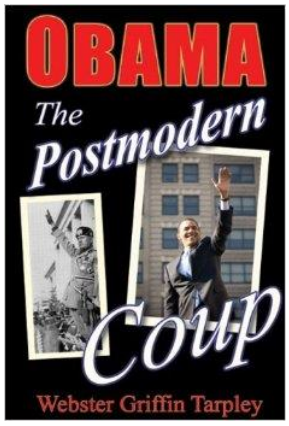


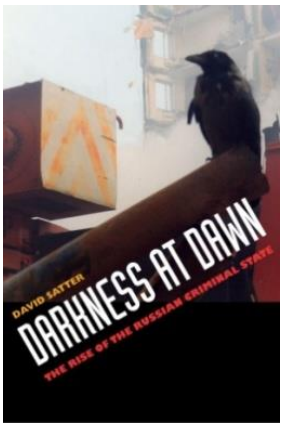


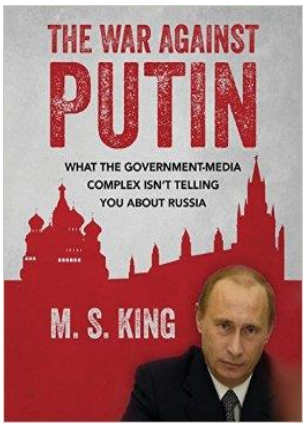


The Politician, by Robert Welch / The Creature from Jekyll Island, by G Edward Griffin / Final Judgment, by Michael Collins Piper / Stranger than Fiction, by Albert D. Pastore









9/11 Synthetic Terror, by Webster Griffin Tarpley / Obama: The Postmodern Coup, by Webster Griffin Tarpley / Darkness at Dawn, by David Satter / The War Against Putin, by M S King /

FOOTNOTES

The innovative use of Internet Search terms in lieu of the traditional format for footnotes allows the researcher to instantaneously link to numerous sources instead of just one. The reader is encouraged to explore the footnote searches in depth. Not only will one find that the research, events and quotes presented in this book are accurate, but the searches will also open up new avenues of exploration.

1763 - 1820

1- Internet Search Term: rothschild richest family world history

2- Internet Search Term: fortune magazine Rothschild a founding father international finance

3- Internet Search Term: sons of liberty boston massacre

4- Internet Search Term: declaration of independence

5- Internet Search Term: haym salomon

6- Internet Search Term: haym salomon wanted nothing for himself but something for his people

7- Internet Search Term: alexander hamilton jewish school

8- Internet Search Term: jefferson banking establishments are more dangerous armies

9- Internet Search Term: john adams impatient artful indefatigable and unprincipled intriguer

10- Internet Search Term: washington farewell address

11- Internet Search Term: Robison proofs conspiracy an association has been formed

12- Internet Search Term: abbe barruel

13- Internet Search Term: washington not my intention to doubt that doctrines of the illuminati

14- Internet Search Term: napoleon deist

15- Internet Search Term: napoleon when a government is dependent upon bankers for money

16- Internet Search Term: boisrong-tonnere we should have the skin of a white man

17- Internet Search Term: massacre haiti 1804

18- Internet Search Term: napoleon battle austerlitz is the finest of all I have fought

19- Internet Search Term: berel wein napoleon's outward tolerance and fairness toward jews

20- Internet Search Term: napoleon necessary to reduce destroy, the tendency of jewish people

21- Internet Search Term: i have undertaken to reform the jews

22- Internet Search Term: spencer perceval the evangelical prime minister page 177

23- Internet Search Term: http://www.jewishhistory.org/the-1850s/

24- Internet Search Term: naploleon most terrible of all my battles

25- Internet Search Term: napoleon grand armee typhus russia

26- Internet Search Term: napoleon here i am kill your emperor if you wish

1821 - 1880

1- Internet Search Term: citation needed – andrew jackson you are a den of vipers and theives

2- Internet Search Term: andrew jackson national debt is a national blessing, but rather a curse

3- Internet Search Term: richard lawrence money will be more plenty

4- Internet Search Term: andrew jackson I killed the bank

5- Internet Search Term: sidonia "there is no friendship between the Court of St. Petersburg

6- Internet Search Term: sidonia great intellectual movement in Europe Jews participate

7- Internet Search Term: sidonia the mixed persecuting race disappears

8- Internet Search Term: sidonia so you see my dear coningsby

9- Internet Search Term: queen victoria assassination attempts

10- Internet Search Term: rothschild crimean war

11- Internet Search Term: marx darwin’s work suits my purpose

12- Internet Search Term: engels darwin, by the way, whom i'm just reading now

13- Internet Search Term: marx book contains the basis on natural history for our view

14- Internet Search Term: marx darwin’s work is most important and suits my purpose

15- Internet Search Term: marx i am amused at darwin into whom ilooked again

16- Internet Search Term: marx in his splendid work darwin did not realize

17- Internet Search Term: we spoke of nothing else for months but darwin

18- Internet Search Term: lincoln provoked fort sumter

19- Internet Search Term: lewis reed radical republicans and allies American Jacobins

20- Internet Search Term: august belmont rothschilds

21- Internet Search Term: erlanger loan confederacy

22- Internet Search Term: new york times a rothschild on the rebel loan

23- Internet Search Term: robert e lee both sides forget that we are all Americans

24- Internet Search Term: davis's pet jew judah benjamin

25- Internet Search Term: judah benjamin brilliance recognized salomon rothschild

26- Internet Search Term: eli evans judah benjamin achieved greater political power any jew

27- Internet Search Term: curran judah philip benjamin must be bracketed with disraeli

28- Internet Search Term: stonewall jackson threatens to resign judah benjamin

29- Internet Search Term: davis's pet jew judah benjamin

30- Internet Search Term: solomon rothschild judah benjamin greatest mind in north America

31- Internet Search Term: casualties battle gettysburg

32- Internet Search Term: copperheads civil war british

33- Internet Search Term: belmont's confederate bonds chicago tribune

34- Internet Search Term: judah benjamin burns papers confederate secret service

35- Internet Search Term: sultana sinking 1865

36- Internet Search Term: robert louden coal torpedo

37- Internet Search Term: william davis pragmatic Secretary State never had intention returning

38- Internet Search Term: judah benjamin escape **t**o the farthest place from the united states

39- Internet Search Term: end of an era john wise judah benjamin last year's nest

40- Internet Search Term: bismarck jews citizenship

41- Internet Search Term: cyprus disraeli congress berlin

42- Internet Search Term: congress of berlin disraeli austria hungary

43- Internet Search Term: disraeli destroy three emperors league / disraeli hatred of Russia

44- Internet Search Term: to clear central asia of muscovites

1881 - 1910

1- Internet Search Term: james garfield *w*hoever controls the volume of mone**y**

2- Internet Search Term: emma lazarus give me your tired

3- Internet Search Term: panic 1893 j p morgan agent of rothschild

4- Internet Search Term: hasia diner notes some populists believed that Jews made up a class

5- Internet Search Term: franco russian alliance tolstoy people sudden love

6- Internet Search Term: tolstoy franco russian alliance cannot now present itself

7- Internet Search Term: marie carnot order of st andrew

8- Internet Search Term: it is arguable that spanish-american war perhaps most pointless war

9- Internet Search Term: roosevelt i would regard war with spain from two viewpoints

10- Internet Search Term: bismarck so long as you have this present officer corps

11- Internet Search Term: bismarck damned foolish thing in the balkans

12- Internet Search Term: mckinley pope spanish american war

13- Internet Search Term: buffalo soldiers spanish smerican war

14- Internet Search Term: teddy roosevelt only way to get them to do it was to lead them myself

15- Internet Search Term: teddy *r*oosevelt's request *for* medal of honor was denied by the army
16- Internet Search Term: teddy roosevelt i *a*m entitled to the medal of honor and I want it

17- Internet Search Term: teddy speak softly big stick

18- Internet Search Term: oppenheimer and rothschild

19- Internet Search Term: phillipine american war casualties

20- Internet Search Term: teddy Roosevelt panama revolution colombia

21- Internet Search Term: von longerke jews furnished the brains

22- Internet Search Term: freud smoked cigars

23- Internet Search Term: robert owen the panic was brought about by a deliberate conspiracy

24- Internet Search Term: schiff 1907 unless we have central bank with control credit resources

25- Internet Search Term: mark twain quotes about teddy roosevelt

26- Internet Search Term: ibid

27- Internet Search Term: ibid

28- Internet Search Term: ibid

29- Internet Search Term: teddy roosevelt safari

30- Internet Search Term: ibid

31- Internet Search Term: mark twain he is hunting wild animals heroically in africa

32- Internet Search Term: commodus was also known for fighting exotic animals

33- Internet Search Term: baruch wilson in tow leading him like poodle

34- Internet Search Term: james warburg united world federalists

35- Internet Search Term: naacp jewish founders

36- Internet Search Term: lloyd george nathan rothschild most powerful man in Britain

37- Internet Search Term: the melting pot teddy roosevelt that's a great play mr Zangwill

38- Internet Search Term: benjamin freedman 1974 speech jacob schiff came back to new York

39- Internet Search Term: teddy roosevelt riding bull moose photo fake

40- Internet Search Term: secret meeting at jekyll island vanderlip quote furtive conspirator

1911 – 1920

1- Internet Search Term: taft progressives pull down temple of freedom
2- Internet Search Term: the speech that saved teddy roosevelt's life assassination attempt 1912
3- Internet Search Term: ibid
4- Internet Search Term: ibid
5- Internet Search Term: ibid

6- Internet Search Term: john schrank letter people of united states in a dream
7- Internet Search Term: lindbergh the aldrich plan is the wall street plan
8- Internet Search Term: adl charter the immediate object of the league
9- Internet Search Term: lindbergh worst legislative crime of the ages
10- Internet Search Term: lindbergh financial system been turned over to federal reserve board

11- Internet Search Term: ynet obama mulls naming jewish economist secretary of treasury

12- Internet Search Term: franz ferdinand don't die darling live for our children

13- Internet Search Term: willy nicki telegrams

14- Internet Search Term: ibid

15- Internet Search Term: manifesto of the 93

16- Internet Search Term: edward mandell house flame of indignation lusitania

17- Internet Search Term: secrets of Lusitania arms find challenges allied claims

18- Internet Search Term: lusitania german embassy publishes warnings in newspapers

19- Internet Search Term: winston churchill juno Lusitania

20- Internet Search Term: benjamin freedman speaks balfour declaration

21- Internet Search Term: Trotsky financed by Schiff wall street

22- Internet Search Term: bernays intelligent manipulation habits and opinions

23- Internet Search Term: balfour declaration

24- Internet Search Term: schiff distribution of propaganda among Russians prisoners-of-war

25- Internet Search Term: david r francis bolshevik leaders here are returned exiles
26- Internet Search Term: wilson speech analyzing german peace utterances

27- Internet Search Term: german factory strikes 1918

28- Internet Search Term: - jewish legion world war 1
29- Internet Search Term: balfour british drop yiddish leaflets germany

30- Internet Search Term: comintern overthrow of the international bourgeoisie

31- Internet Search Term: red terror atrocities

32- Internet Search Term: treaty of versailles provisions

33- Internet Search Term: german hunger blockade after world war 1
34- Internet Search Term: palmer raids
35- Internet Search Term: churchill zionism vs bolshevism

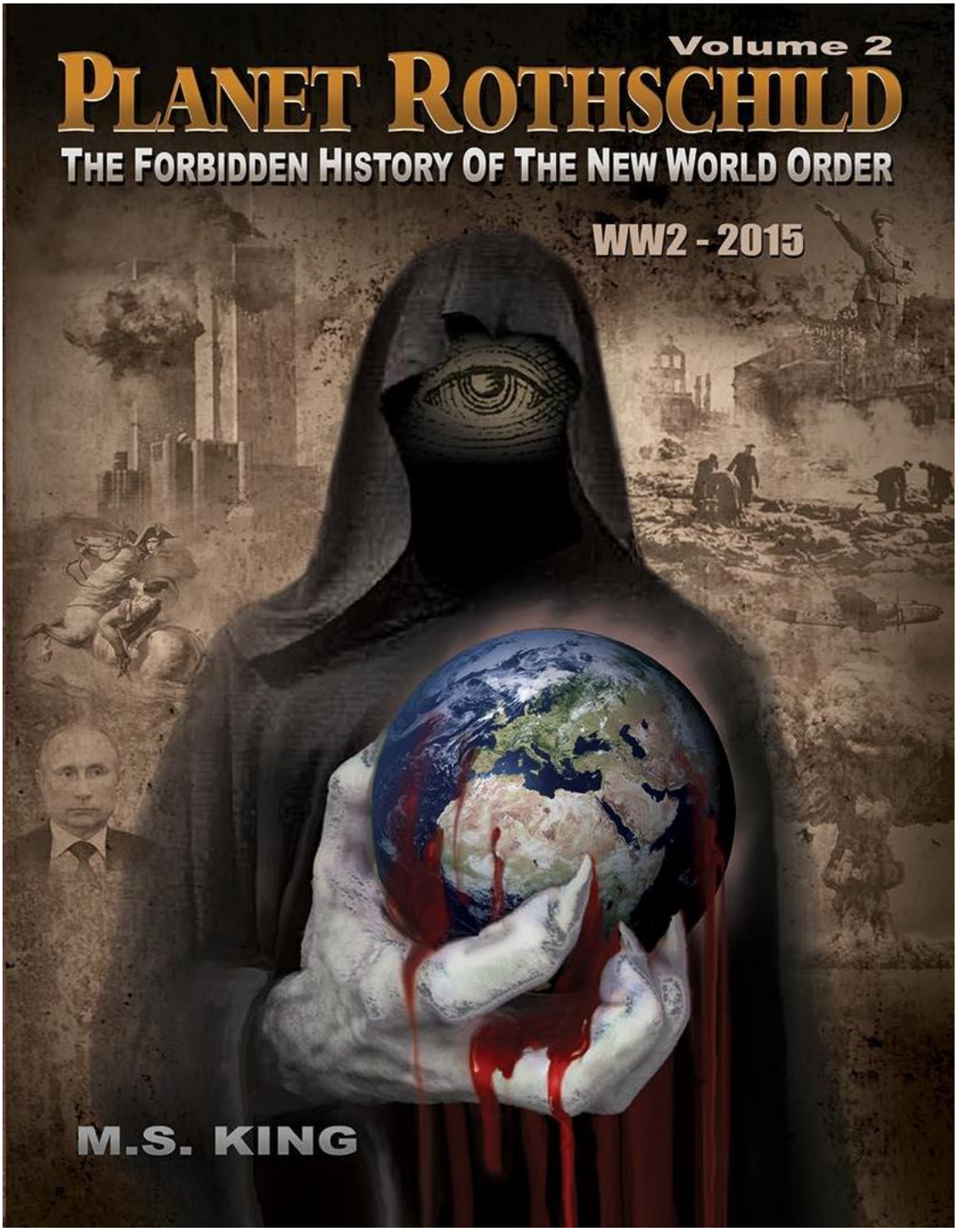
1921 - 1930

1- Internet Search Term: harding inaugural address seek no part directing destinies of old World
2- Internet Search Term: mussolini fraud comedy blackmail
3- Internet Search Term: harding no autopsy
4- Internet Search Term: wiemar jew confetti
5- Internet Search Term: solzhenitsyn bolshevism committed greatest human slaughter
6- Internet Search Term: lloyd george imperiousness of absolute monarchs
7- Internet Search Term: sarnoff communications psychological warfare
8- Internet Search Term: william paley psychological warfare
9- Internet Search Term: stalin one death tragedy million statistic
10- Internet Search Term: greenspan fed caused great depression
11- Internet Search Term: degrelle enigma hitler

1931 - 1939

1- Internet Search Term: bruno hauptmann I am absolutely innocent
2- Internet Search Term: louis mcfadden fed was deceitfully disloyally foisted upon country
3- Internet Search Term: judea declares war on germany
4- Internet Search Term: hitler lies slander hair raising perversity
5- Internet Search Term: executive order 6102 bans gold fdr
6- Internet Search Term: eugene meyer fires quaker editor
7- Internet Search Term: potocki propaganda here entirely in Jewish hands
8- Internet Search Term: jacob maged tailor arrested new jersey
9- Internet Search Term: huey long what's morgan and baruch and rockefeller
10- Internet Search Term: fdr andrew mellon irs
11- Internet Search Term: david burnham records show that Franklin Delano Roosevelt may
12- Internet Search Term: churchill strand magazine truth about hitler 1935
13- Internet Search Term: ibid
14- Internet Search Term: hitler tackled unemployment revived germany economy
15- Internet Search Term: lloyd george i talked to hitler
16- Internet Search Term: new york times americans appeal for jewish refuge
17- Internet Search Term**:** jesse owens hitler waved at me
18- Internet Search Term: jesse owens hitler didn’t snub me
19- Internet Search Term: hitler edward abdication was a severe loss for us
20- Internet Search Term: anti comintern pact
21- Internet Search Term: rape nanking fake photos
22- Internet Search Term: 99% support anschluss
23- Internet Search Term: beaverbrook 20,000 german jews in england
24- Internet Search Term: beaverbrook i am shaken jews drive us into war
25- Internet Search Term: 1938 polish ultimatum to lithuania
26- Internet Search Term: hg wells countless people hate new world order
27- Internet Search Term: roosevelt's campaign to incite war in Europe polish documents
28- Internet Search Term: new york times may 11 1939 arthur willet demand for soviet pact rises

29- Internet Search Term: ibid
30- Internet Search Term: einstein plagiarist italian de pretto
31- Internet Search Term: einstein at the end of the war they will largely kill each other off


Volume 2
PLANET ROTHSCHILD
THE FORBIDDEN HISTORY OF THE NEW WORLD ORDER
WW2 - 2015
M.S. KING

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"History is indeed little more than the register of the crimes, follies and misfortunes of mankind."

Edward Gibbon, English historian (1737-1794)

From: *"The Decline and Fall of the Roman Empire"*

About the Author

M. S. King is a private investigative journalist and researcher based in the New York City area. A 1987 graduate of Rutgers University, King's subsequent 30 year career in Marketing & Advertising has equipped him with a unique perspective when it comes to understanding how "public opinion" is indeed scientifically manufactured.

Madison Ave marketing acumen combines with 'City Boy' instincts to make M.S. King one of the most tenacious detectors of "things that don't add up" in the world today. Says King of his admitted quirks, irreverent disdain for "conventional wisdom", and uncanny ability to ferret out and weave together important data points that others miss: *"Had Sherlock Holmes been an actual historical personage, I would have been his reincarnation."*

King is also the author of *The War Against Putin: What the Government-Media Complex Isn't Telling You About Russia.* King's other interests include: the animal kingdom, philosophy, chess, cooking, literature and history *(with emphasis on events of the late 19th through the 20th centuries)*.

FOREWORD – PLANET ROTHSCHILD

By Jeff Rense

For over the past 30 years, I've worked in many key positions in broadcast journalism, as a TV news reporter, news director, anchorman, and, for the past 20 years, the producer and host of my own talk radio program. It has been quite a journey and all during that times I really never stop wanting to know the realities of news stories, large and small. Who?, What?, Where?, How?, When?... and, most importantly, Why? When applying those timeless questions towards the crucial subject of History, I have seldom been satisfied with the 'official explanations' for my inquiries and questions. The 'truth' is just not 'out there' nor is it accessible. There is too much sleight-of-hand and structural criminality.

That's one reason I am so gratified that one of the most remarkable, insightful, truthful historians of today, M S King, has tackled the murky, imponderable subject of revisionist history, *(realistic history that is)* with his stunning epic, **"Planet Rothschild".** Though I am generally cautious in bestowing blessings upon the work of others, 'NWO Forbidden History' caught my attention for a number of reasons. Through his writings submitted to Rense.com, and also from his *'tour d' force'* guest appearance on my show, King's mastery of the subject, formidable writing talent, and unique ability to break down the complex into simple bites - were already known to me. I was pleased when I learned of his project to reformat his Internet Classic into a hard copy version.

As my regular listeners and readers are by now well aware, the world situation becomes gloomier by the day. It is only through a clear understanding of the past, that we can truly understand the present, and the dark future that is being planned for us. By distilling conspiratorial history into easy-to-understand, illustrated mini essays, **"Planet Rothschild"** serves as the perfect reference guide to help you navigate through the sea of lies which have been fed to us since childhood, and continue to be fed to us each day. **"Planet Rothschild"** makes an utterly unique and important contribution to the fields of economics and history - a contribution which we can all appreciate, and all understand.

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INTRODUCTION

From the days of the American Revolution, to the Jacobin French Revolution, to the coalition wars against Napoleon Bonaparte, to Andrew Jackson's war on the Central Bankers, to Karl Marx's war on sanity, to the American Civil War, to the Reds' shocking wave of 19th century assassinations, to the conspiratorial founding of the U.S. Federal Reserve, to the horrific First World War to enslave Germany, to the Rothschild-Communist subversion of Russia's Czar, to the horrible World War against Hitler and Japan, to the Cold War, to the JFK assassination, to the "women's movement" to the Global Warming Hoax, to the "fall of communism", to the 9/11 attacks & the "War On Terror", and finally, to the looming confrontation with Russia and China - the common thread of the **New World Order** crime gang links all of these events together.

At the heart of this self-perpetuating network sits the legendary **House of Rothschild** – the true owners of **'Planet Rothschild'**. Through an alliance with other billionaire families, universities, corporations, think tanks and media moguls worldwide; the cabal has, for 250 years, manipulated world events and political players like so many pawns on a global chessboard.

If it's true that "all the world is a stage", then the House of Rothschild and its international partners are the writers, directors and producers of the exciting play called, 'History". The politicians are the actors and the TV talking heads are the narrators. The audience is humanity itself – most of which, unfortunately, have no idea that a rigged show has been, and still is, playing out before their eyes. It is a global monster-scam of unimaginable dimensions in which humanity is the target.

Now, you can earn your 'Phd' in New World Order studies by reading this epic two-volume timeline thriller entitled PLANET ROTHSCHILD. It is a unique "blurb by blurb" chronological and photographical review that will enrich your depth of historical and economic knowledge like no other work of its kind. Travel through time in just under 600 easy-to-digest pages loaded with over 1200 images. This life-changing work is ideal as a permanent reference & study guide. You may not like what you find in its pages. Truth is not always easy to swallow. But you won't be able to refute any of it; and nor will you ever look at world events in the same light ever again.

WORLD WAR II
Part 1

AUGUST 23, 1939
THE MOLOTOV-RIBBENTROP PACT / GERMANY & RUSSIA AGREE TO A NON-AGGRESSION PACT

Like Bismarck before him, Hitler understands how the dangers of British & French intrigue can again entangle Germany into a dangerous two - front war. To alleviate the threat in the east, German Foreign Minister Ribbentrop and Russian Foreign Minister Molotov sign the **Molotov-Ribbentrop Non-Aggression Pact**.

Hitler understands what kind of monster Stalin is, but he hopes that if he can at least keep the peace with the USSR, the scheming warmongers of Britain and France can be prevented from drawing the USSR into a war against Germany.

Western Globalists are annoyed with Stalin over this pact with Germany. But Stalin has his own plans, and his own timetable. **Rather than fight Germany now, he wants Germany and the Anglo-French Alliance to weaken each other first, in preparation for the day when his Red Army can take** *all* **of Europe.**


"All the News That's Fit to Print."

The New York Times.

LATE CITY EDITION

GERMANY AND RUSSIA SIGN 10-YEAR NON-AGGRESSION PACT; BIND EACH OTHER NOT TO AID OPPONENTS IN WAR ACTS; HITLER REBUFFS LONDON; BRITAIN AND FRANCE MOBILIZE

U.S. AND ARGENTINA PLAN TRADE PACT, WELLES DISCLOSES

BRITAIN ACTS FAST

The Developments in Europe

QUICK ACTION SEEN

Text of the Berlin-Moscow Treaty

BARS HOSTILE UNION

Molotov - Ribbentrop– Stalin; the agreement to not fight upsets the Globalists, who mocked the deal in numerous cartoons.

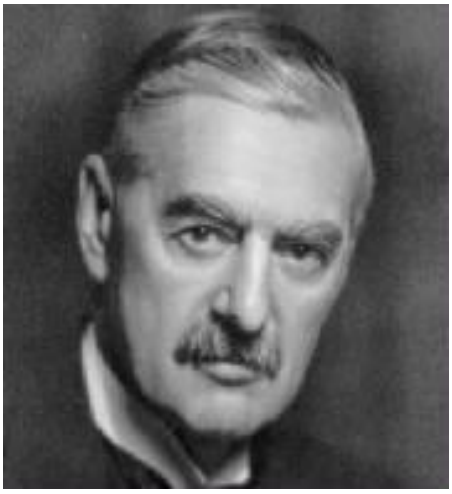


Western cartoons mock the idea of a Hitler-Stalin pact

AUGUST 25, 1939
BRITAIN & POLAND AGREE TO A MILITARY ALLIANCE

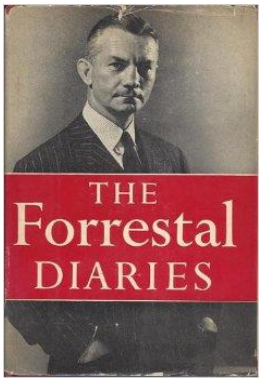
The **Polish-British Common Defense Pact** contains promises of British military assistance in the event that Poland is attacked by another European country. This builds upon a previous agreement *(March 1939)* between the two countries, and also with France, by specifically committing to *military* action in the event of an attack.

With this agreement, Zionist-Globalist forces in the UK have trapped the reluctant Prime Minister Neville Chamberlain, as well as France. All that is left to do now is for Polish-Jewish border thugs, under the protection of Marshal Edward Rydz-Smigly, to deliberately provoke Germany into action and get the war started. On the nights of August 25 to August 31 inclusive, there occur many violent attacks on German civilians as well as German officials and property.




Under heavy pressure, Chamberlain was manipulated into a UK-Poland Defense pact. The power to start World War II was thus placed in the hands of the mad Marshal, Rydz-Smigly

FORBIDDEN HISTORY: QUOTE TO REMEMBER



"Chamberlain (speaking off the record to Ambassador Kennedy while golfing) stated that the America and the world Jews had forced England into the war".
(1)

AUGUST 28, 1939
HITLER ISSUES AN OPEN PEACE LETTER TO THE PRESIDENT OF FRANCE



Now emboldened by Britain, France and, from 'behind the scenes', Roosevelt, Poland's relentless and *murderous* abuse of its captive German population reaches the breaking point. Hitler is prepared for war with Poland but is still attempting to preserve peace, especially with France and Britain. In an open letter to French President Daladier, Hitler makes yet another impassioned plea for peace.

Some pertinent excerpts:

"My dear Minister President:
I understand the misgiving to which you give expression. I, too, have never overlooked the grave responsibilities which are imposed upon those who are in charge of the fate of nations. As an old front line fighter, I, like you, know the

horrors of war. Guided by this attitude and experience, I have tried to remove all matters that might cause conflict between our two peoples.

As you could judge for yourself during your last visit here, the German people, in the knowledge of its own behavior held and holds no ill feelings, much less hatred, for its one-time brave opponent. On the contrary, the pacification of our western frontier led to an increasing sympathy.

I am deeply convinced that if, especially, England at that time had, instead of starting a wild campaign against Germany in the press and instead of launching rumors of a German mobilization, somehow talked the Poles into being reasonable, Europe today and for twenty-five years could enjoy a condition of deepest peace.

As things were, Polish public opinion was excited by a lie about German aggression. The Polish government declined the proposals. Polish public opinion, convinced that England and France would now fight for Poland, began to make demands one might possibly stigmatize as laughable insanity were they not so tremendously dangerous. ***At that point an unbearable terror, a physical and economic persecution of the Germans although they numbered more than a million and a half began in the regions ceded by the Reich***.

May I now take the liberty of putting a question to you, Herr Daladier: How would you act as a Frenchman if, through some unhappy issue of a brave struggle, one of your provinces severed by a corridor occupied by a foreign power? And if a big city - let us say Marseilles - were hindered from belonging to France and if Frenchmen living in this area were persecuted, beaten and maltreated, yes, murdered, in a bestial manner?

I see no way of persuading Poland, which feels herself as unassailable, now that she enjoys the protection of her guarantees, to accept a peaceful solution. ***If our two countries on that account should be destined to meet again on the field of battle, there would nevertheless be a difference in the motives. I, Herr Daladier, shall be leading my people in a fight to rectify a wrong, whereas the others would be fighting to preserve that wrong."*** **(2)**





"All the News That's Fit to Print."

The New York Times.

LATE CITY EDITION

VOL. LXXXVIII... No. 29,861. NEW YORK, MONDAY, AUGUST 28, 1939. PPP THREE CENTS

HITLER TELLS PARIS HE MUST GET DANZIG AND CORRIDOR; BERLIN THINKS DOOR IS LEFT OPEN TO PEACEFUL SOLUTION; BRITISH ANSWER TODAY TO INSIST ON RIGHTS OF POLAND

FAIR SETS RECORD AS PAID ADMISSIONS NET 306,680 IN DAY

Perfect Weather and Limited Bargain Rate Bring Out Biggest Crowd So Far

BEST WEEKS SEEN AHEAD

Throngs Exceed the Previous Mark for Paying Guests by More Than 40,000

The Developments in Europe

LONDON IS DECIDED

Cabinet Rules Out Any Retreat—It Sees Hope in Playing for Time

TRUCE SUGGESTION LIKELY

Note to Hitler Is Expected to Propose a Six-Month Period to Precede Negotiations

PARIS AWAITS BLOW

Declares Hitler Rejects a Humane Settlement of Dispute With Poles

DENIES MEDIATION PLAN

France Now Watches Action of Britain—Evacuation of Paris Held Urgent

Hitler Note and Paris Communique

REICH FLIERS' GARB COMMON IN DANZIG

POLES DIG TRENCHES AND WATCH SOCCER

FUEHRER INSISTENT

Tells Daladier in Letter Danzig and Corridor Must Return to Reich

POLISH STAND IS ASSAILED

Hitler Pleads With France to Keep Out of East, Stressing Friendship for Nation

The headline of the New York Times confirmed that Hitler sought to avoid war with Britain & France. The front page carried the full text of the thoughtful and logical letter which Hitler wrote to French President Edouard Daladier (shown laughing with Hitler in 1938) - a letter which The Times cannot now deny.

FORBIDDEN HISTORY: QUOTE TO REMEMBER





"German men and women were hunted like wild beasts through the streets of Bromberg. When they were caught, they were mutilated and torn to pieces by the Polish mob. . . . Every day the butchery increased. . . . Thousands of Germans fled from their homes in Poland with nothing more than the clothes that they wore..

On the nights of August 25 to August 31 inclusive, there occurred, besides innumerable attacks on civilians of German blood, 44 perfectly authenticated acts of armed violence against German official persons and property." (3)

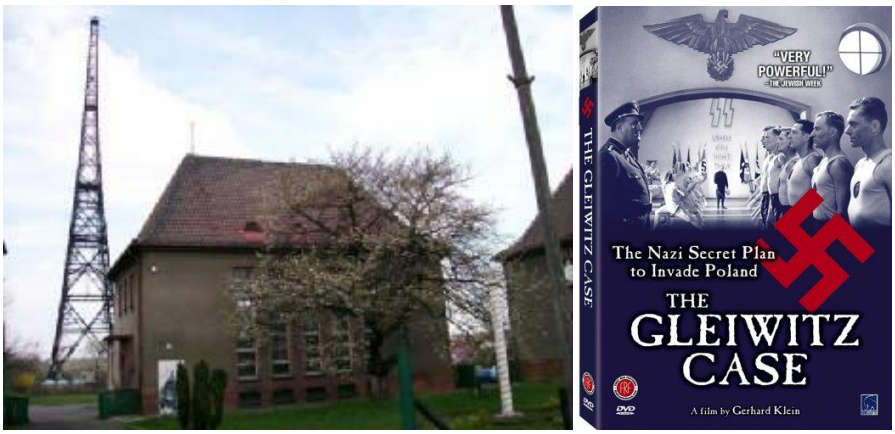
William Joyce, Irish defector to Germany

AUGUST 31, 1939
'THE GLEIWITZ' (& other) BORDER ATTACKS / JEWISH-POLISH GUERILLAS ATTACK GERMAN RADIO STATION

Overestimating their strength, underestimating German strength, and believing that France and the UK would now back him, Marshal Smigly allows Polish-Jewish partisan terrorists to cross the border and attack a German radio station in Germany. It is actually the latest in a string of deliberate border instigations against Germany**.**

The "Poles" then broadcast a message *(in Polish)* urging others to take up arms and start killing Germans. German police quickly arrive and retake the station, killing one of the Red terrorists. **Jewish Red terrorists, their Polish government protectors, and their Globalist-Zionist masters have picked a fight with Germany!**

Modern fake historians claim that the Gleiwitz incident was staged by Germans dressed as Polish terrorists. But as is the case with the Reichstag Fire conspiracy theory, they offer no evidence to support this oft-repeated lie, *(beyond a forced "confession" obtained after the war)* to support this theory – a theory that ignores the outrageous and repeated pattern of provocations directed at Hitler's Germany ever since 1933, the numerous border incidents, the murders of Germans and also Hitler's sincere attempts to negotiate a resolution to the Corridor and Danzig controversies.



The Gleiwitz radio station was attacked and calls to kill German residents of Poland were broadcast. Books and films claiming otherwise are false.

FORBIDDEN HISTORY - QUOTE TO REMEMBER

"I lived in Germany during the 1980's when many people who lived during the war were still alive. I sought out anyone who lived near Poland in 1939 and was lucky enough to meet several people. One was a customs official who said it was so bad on the border they were armed and also had grenades in their office ready for attacks. Another told me his farm animals were often stolen by Polish (Jewish?) terrorists. Another told of his niece being raped by a Pole (Jew?) who crossed the border. He told me in 1940 they caught the man and showed me a copy of the death order signed by Heydrich, in which he ordered the man be put to death.

This is just one of many stories told to me by German civilians who witnessed these border incursions just like had happened in 1919-1928. One thing many people fail to see is that Poland openly attacked Germany right after World War I, which led to many border battles. Once Germany started pressing Poland to work out a solution to the corridor, the attacks started again. ***And one thing that is clear to me is that Germany did not make up these attacks****."* **(4)**

- George H. Ohio, USA

Hitler has had about all he could take from Poland.

SEPT 1, 1939	**GAME ON!** **GERMANY INVADES POLAND**	As the German army advances eastward, the badly beaten Polish forces withdraw rapidly.
SEPT 3,1939	**'BLOODY SUNDAY'** **BOLSHEVIKS MURDER 3000+ GERMAN CIVILIANS IN BROMBERG**	Red Jewish terrorists rape, torture and massacre 3000+ German civilians in the town of Bromberg, Poland. The Massacre is known as "**Bloody Sunday**".
SEPT 3,1939	**UK & FRANCE DECLARE WAR UPON GERMANY**	The world press shrieks in horror over Germany's "aggression" as Britain & France declare war! The Bromberg butchery of innocent Germans is ignored.





The New York Times. EXTRA

GERMAN ARMY ATTACKS POLAND;
CITIES BOMBED, PORT BLOCKADED;
DANZIG IS ACCEPTED INTO REICH

Germans troops arrive to the rescue as the western press portrays Germany as the aggressor.



2nd EXTRA

The San Diego Union

BRITAIN DECLARES WAR

France Ready; To Back Britain

NO GAME OF TAG AS LONDON PRACTICES FOR WAR

'State of War Exists,' Chamberlain Tells World



1- Britain & France declare war

2- Bromberg: Poles and Jews massacre Germans

FORBIDDEN HISTORY: QUOTE TO REMEMBER




"This (Declaration of War) is the fault of the anti-appeasers and the fucking Jews." **(5)**

British Duke Arthur Wellesley (5th Duke of Wellington) was the great grandson of the famous Duke of Wellington who defeated Napoleon.

SEPTEMBER 7-16, 1939
THE SAAR OFFENSIVE / FRANCE INVADES GERMANY

The **Saar Offensive** is a French ground invasion into Saarland, Germany. The large scale assault is to be carried out by 40 divisions and 40 tank battalions. According to the **Franco-Polish military convention**, the French Army was to gain control over the area between the French border and the Siegfried Line of German defense. Much to the dismay of the fools in Poland, the full 40-division all-out assault never materializes. The empty promises of empire were just an Allied trick just to get stupid Marshal Smigly to start the fight with Germany.

But a limited invasion and occupation of Germany's Saar region does indeed occur. On October 16 & 17, the German army, now reinforced with troops returning from the Polish campaign, conducts a counter-offensive which retakes the lost territory from the invading French. In liberating what the French had invaded, the Germans lose 196 soldiers, plus 114 missing and 356 wounded. Hitler continues to plea for peace.

So you see, dear reader, the Anglo-French Allies not only *instigated* the war, and not only were the first to *declare* war, they also drew *first blood* upon Germany.





1- Invading French soldier reads a poster in German village of Lauterbach; a French-occupied area of Germany.





1- NY TIMES: 'FRENCH INVADE REICH; BRITISH LAND IN FRANCE

2- HERALD AMERICAN: 'FRENCH CRACK SAAR LINE; NAZIS OFFER PARIS PEACE

SEPTEMBER 17, 1939
SOVIET UNION INVADES POLAND FROM THE EAST / ALLIES SAY NOTHING

With the Polish army being routed by the advancing Germans in the west, Stalin cleverly decides to break the **Soviet-Polish Non Aggression Pact of 1932**. Poland is stabbed in the back as Soviet forces pour in from the east. The advancing Reds carry out massacres, the most infamous being the **Katyn Forest Massacre** in which 10,000 Polish Army officers are shot in the head.

Other than the pre-Versailles German areas which Germany reclaims, the Soviets will eventually take all of Poland. In a shocking double-standard, **the anti-German, FDR, France & the UK remain oddly silent about this brutal Soviet aggression.**

Poland appeals to Britain and France for help, citing the Poland-British Defense Pact just signed a few weeks ago. The Polish ambassador in London contacts the British Foreign Office pointing out that clause 1(b) of the agreement, which concerned an "aggression by a European power" on Poland, should apply to the Soviet invasion. The UK Foreign Secretary responds with hostility, stating that it was Britain's decision whether to declare war on the Soviet Union.

The truth is, the Allies don't give a rat's ass about Poland. They only used its stupid ultra-nationalist leader *(who by now has shamelessly abandoned his troops and fled to Romania)*, to instigate Hitler so they could have their war. The horror Poland suffers under Soviet occupation is now Poland's problem, not the Allies'.



Marshal Smigly's egomania doomed Poland. The Soviets massacred 10,000 Polish officers after the rat Smigly abandoned his armies.

SEPTEMBER 17, 1939
GERMANY DEFEATS POLAND / DANZIG AND ALL OF PRUSSIA REUNITED WITH THE REST OF GERMANY

Within a few weeks, the German-Polish War is already over. Hitler receives a hero's welcome upon his arrival in liberated Danzig. Hitler addresses the Danzig crowd*:*

"No power on earth would have borne this condition as long as Germany. I do not know what England would have said about a similar peace solution (Versailles) at its expense or how America or France would have accepted it.

I attempted to find a tolerable solution - even for this problem. I submitted this attempt to the Polish rulers in the form of verbal proposals. You know these proposals. They were more than moderate. *I do not know what mental condition the Polish Government was in when it refused these proposals. …….As an answer, Poland gave the order for the first mobilization. Thereupon wild terror was initiated, and my request to the Polish Foreign Minister to visit me in Berlin once more to discuss these questions was refused. Instead of going to Berlin, he went to London."* **(6)**

Hitler rightfully mocks Smigly as a coward:

*"The Polish Marshal, who **miserably deserted his armies**, said that he would hack the German Army to pieces."* **(7)**





Liberated Germans welcomed Hitler to Danzig.

OCTOBER, 1939 – MAY, 1940
HITLER PLEADS FOR PEACE WITH BRITAIN & FRANCE

The German-Polish War has ended quickly. The Allies never had any intention of helping Poland. **The French actually invade Germany on September 7th, advancing 8 km before stopping.** The quiet period between the end of the Polish war until May 1940, is dubbed by a U.S. Senator as "**The Phony War**."

During this time, Hitler pleads for the Allies to withdraw their war declarations. Towards France he declares: ***"I have always expressed to France my desire to bury forever our ancient enmity and bring together these two nations, both of which have such glorious pasts."*** **(8)**

To the British, Hitler says***: "I have devoted no less effort to the achievement of Anglo-German friendship. At no time and in no place have I ever acted contrary to British interests….Why should this war in the West be fought?"*** **(9)**

Hitler's pleas for peace are ignored as **the allies begin to mobilize more than 2,000,000 troops in Northern France.** Plans are openly discussed to advance eastward upon Germany, via "neutral" Belgium and Holland, as well as establishing operations in "neutral" Norway and Denmark, *with or without their consent*.





During his speech of October 6, 1939, Hitler pleaded for peace. Meanwhile, the British government shamelessly frightened its own people with idiotic tales of imminent German gas attacks.

NOVEMBER, 1939
FDR REPEALS THE NEUTRALITY ACTS

The Neutrality Acts prohibited the United States from selling arms to warring nations. The purpose of these acts was to prevent the U.S. from again becoming involved in Europe's wars.

Throughout the 1930's, FDR and his Zionist advisor **Bernard Baruch** *(who had also been an advisor to Woodrow Wilson),* anticipating a new war against Germany, had unsuccessfully tried to amend the previous Neutrality Acts. Soon after Germany and Poland began fighting, FDR again urges Congress to repeal the Neutrality Acts.

In November of '39, a new Neutrality Act is passed. The sale of arms to the UK is now legal. The scheming FDR has taken a big step towards involving America in a war that his Zio-Globo handlers have long been agitating for.





With help from the Jewish Press and Jewish Hollywood newsreels, Jewish Money King Bernard Baruch and his puppet FDR undid the previous Neutrality Acts.

NOVEMBER, 1940
THE PATRIA DISASTER: ZIONISTS SINK A SHIP FULL OF FELLOW JEWS IN ORDER TO GAIN SYMPATHY

The ***Patria*** is carrying 1800 Jewish émigrés, originally from Europe, whom British authorities are deporting from Palestine to Mauritius *(island off of southern*

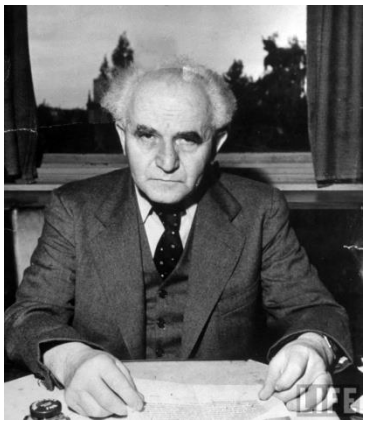
African coast) because they lack entry permits. The ship soon explodes and sinks off the coast of Palestine, killing 267 people.

The Zionist "Haganah" terror-military group claims that the passengers blew up the ship as a suicide protest against British refusal to let them arrive in Palestine. The truth eventually comes out and it is revealed that Haganah planted the bomb which sank the ship in just 15 minutes. Hard core Zionists would rather see Jewish passengers die than be relocated to Mauritius. The propaganda value of a "mass suicide protest" would outweigh the value of even Jewish lives.

The "official story" today is that Haganah only wanted to cripple the ship, not sink it. Regardless of the intent, Haganah murdered its own people and lots of them too!







1- The sinking of Patria

2- Haganah units

3- Future Prime Minister of Israel David Ben Gurion – part of the Patria plot

NOVEMBER 30, 1939
SOVIET UNION INVADES FINLAND

Just two months after swallowing Poland, Stalin launches an invasion of Finland. As he had with Poland, Stalin breaks *another* 1932 non-aggression pact he had agreed to; **The Soviet-Finnish Non Aggression Pact of 1932**.

The invasion is massive, with 21 Soviet divisions consisting of 450,000 Red Army troops. Stalin expects to overwhelm Finland in a matter of weeks and install a government of Finnish Communists currently waiting in Moscow, but the brave and outnumbered Finns stage a heroic defense of their homeland. The "Winter War" is an embarrassment for Stalin. A treaty is signed the following March, but the Finns are forced to give up some territory.

Stalin has now broken ***two*** non-aggression treaties and annexed territory from both betrayed parties *(Poland & Finland)*. The "International Community" verbally condemns the Soviet invasion and makes some symbolic economic gestures, but once again, there are no calls for boycotts, nor any declaration of war against the USSR as there was against Germany. Hitler is also forced to remain silent about Stalin's actions because he does not want a two-front war.



The brave Finns put up a fierce resistance against the Soviet aggressors.

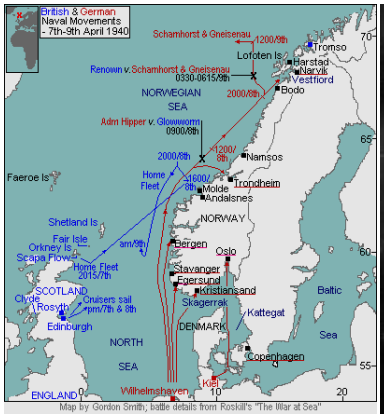
APRIL 9, 1940
GERMANY IS FORCED INTO PRE-EMPTIVE, LIMITED OCCUPATIONS OF NORWAY & DENMARK

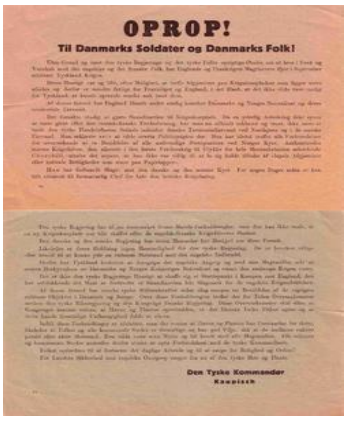
The Allied plan of attack is to disrupt Germany's iron ore imports from Sweden by illegally mining Norwegian waters, and then occupying the important Norwegian port of Narvik. Plans are also made for imposing a base of operations in Denmark, Germany's neutral neighbor to its north. **(10)**

A Norwegian politician named **Vidkun Quisling** confirms the existence of these Allied plots ***(Operation Wilfred and Plan R 4).*** Sympathetic to Germany, and not

wanting his country to become a battlefield, Quisling informs Hitler of the Anglo-French plot to wage war from the two Scandinavian countries.

Germany moves quickly to secure the Norwegian port of Narvik just before the British can place their mines, and also to occupy Denmark. German diplomats assure the leaders of both Scandinavian nations that Germany seeks neither conquest nor interference in internal affairs. **(11)** Life under *limited* German occupation goes on quietly for the Scandinavians during the war. Quisling's name is now a dictionary word in the English language, synonymous with "traitor" – a totally unfair characterization.





OPROP!
Til Danmarks Soldater og Danmarks Folk!

1- Hitler prevented the UK from using Norway & Denmark as bases of operation against German shipping.

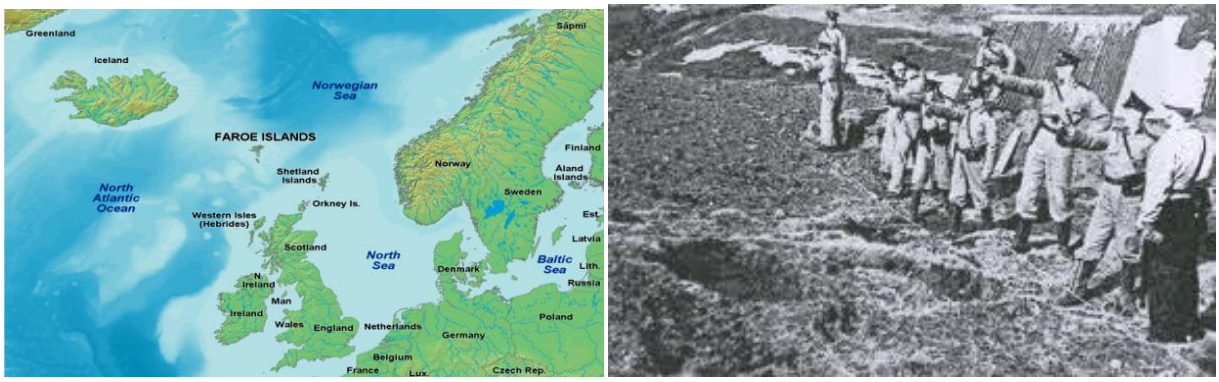
2- Norway's Vidkun Quisling was a patriot - not a traitor.

3- The Germans dropped leaflets over Denmark which explained their actions, condemned British warmongering, and reassured the Danes that Germany would protect their country.

MAY 10, 1940
GREAT BRITAIN INVADES NEUTRAL ICELAND

The British invasion of tiny, neutral Iceland is code named "**Operation Fork**." It begins on May 10, 1940 ***(the same day that Churchill comes to power)*** with British troops disembarking in the Capital City of Reykjavik. The British quickly move inland, disabling communications networks and securing landing locations. The government of Iceland protests the violation of their neutrality, but to no avail.

This force is then subsequently augmented, to a final strength of 25,000. The recently thwarted British occupations of neutral Denmark and Norway, and the successful occupation of neutral Iceland, show that Rothschild Britain is the true aggressor of the coming war in Western Europe. Although FDR, up until December 1941, promises that America will remain non-belligerent, 30,000 US troops will relieve the British and occupy Iceland in spring of 1941. **(12)**



1- Bully Britain and the U.S. intend to use neutral Iceland (top left) as a base of naval operations in the North Atlantic.

2- Icelandic police officers training to stop the British invasion. They later decided not to resist the superior British force.

MAY 10, 1940
WINSTON CHURCHILL BECOMES UK's PRIME MINISTER

With the preparations for war in place, the reluctant warrior Neville Chamberlain is finally pushed aside as the lunatic, drunken, cigar chomping Winston Churchill takes his place. Churchill's record of treason already includes the World War I sinking of the Lusitania *(when he was Lord of the Admiralty).*

Churchill, and his wealthy London *(and New York)* Zionist backers, have been advocating for war with Germany for the past 6 years. His warmongering had made him an outcast in British politics. But now, with the Zionist press of Britain misrepresenting the facts surrounding the German-Polish War, Churchill is portrayed as some sort of wise prophet.

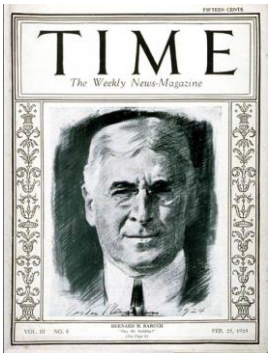
Hitler knows very well who Churchill is, and who he works for. He had even referred to Churchill in past speeches as part of Britain's *"government of*

tomorrow". With Chamberlain gone and Churchill now in power, Hitler now knows *for certain* that "the Phony War" is about to become very real.




Churchill and his criminal crew of Kingsley Wood & Anthony Eden are now out in the open as UK's ruling war party. The relationship between Baruch & Churchill dates back to the 1930's. (Above photo on right taken in 1961)

FORBIDDEN HISTORY - QUOTE TO REMEMBER



"I emphasized that the defeat of Germany and Japan and their elimination from world trade would give Britain a tremendous opportunity to swell her foreign commerce in both volume and profit." - Bernard M. Baruch **(13)**

MAY 10, 1940
GERMANY LAUNCHES PRE-EMPTIVE INVASION OF 'LOW COUNTRIES'

Hitler's pleas for peace have been repeatedly ignored as **400,000 British and at least 2,000,000 French troops mass in northern France.** The massive invasion of Germany's industrial Ruhr region is to come through the ostensibly "neutral"

League of Nations member states of Belgium and The Netherlands *(Holland)*, whose governments are under intense Allied pressure to allow safe passage for the planned Allied attack on the bordering Ruhr region of Germany. **(14)**

Again, Hitler's hand is forced. On the same day that Churchill comes to power, and that the UK invades Iceland, as an act of national self-defense, Germany takes the fight to the Allies before they can bring it to German soil and reinstitute a 2nd Versailles Treaty. In a stunning advance westward, the German *Blitzkrieg* quickly overtakes the smaller nations *(known as the Low Countries because of their geography)* and pushes the Allied armies into a full retreat towards the beaches of northern France.

The Globo-Zionist press, as well as today's history books, portrays the Blitz as *"the Nazi conquest of Holland, Belgium, and France."* **But the menacing presence of the massive Allied force on Germany's industrial frontier is conveniently ignored, as is the undeniable and extensive collaboration between the "neutral" Low Countries and the Allies.**



After the invasion, the German government published 'Allied Intrigue in the Low Countries', which is a 50-page English language paper detailing the full extent of Belgian and Dutch cooperation with the Allies. The western press and modern court-historians have buried these allegations.

MAY 10, 1940
ALLIES BOMB GERMAN TOWN OF FRIEBURG / 20 CHILDREN KILLED IN A PLAYGROUND

The medieval and non-strategic German town of Freiburg is located just 20 miles from the French border. In the opening hours of the war in the west, new Prime Minister Churchill and his French allies waste no time in murdering civilians. About 60 bombs are dropped on or near Freiburg; killing 50 civilians **including 20 children who were playing outside.** This was the first bombing of civilians in World War II.

In order to whitewash this horrific deed from the pages of history; and to maintain the historical myth that it was Germany that initiated the bombings of civilians; court historians have long promoted the ridiculous lie that the Germans accidentally bombed their own town and then blamed the event on the Allies in order to cover up the mistake. Subsequent terror bombings of German civilians will dispel any doubt that Churchill was indeed capable of deliberately exterminating civilians.







The New York Times.

LATE CITY EDITION

GERMANS GAIN IN SAVAGE ATTACKS IN BELGIUM; REACH ROTTERDAM, CUTTING HOLLAND IN TWO; FRENCH MEET NAZIS IN CLASH OF 1500 TANKS

ROOSEVELT TO ASK INCREASE IN FUNDS FOR DEFENSE USES

The International Situation

NAZIS CLAIM LIEGE

But Berlin Admits Some Forts in Belgian Ring Still Hold Out

THREAT TO BRUSSELS

Thrust as in 1914 Held Likely to Force New Stand of Antwerp

PARIS IS CONFIDENT

Fighting Fierce on 200-Mile Front—Liege Held by Allies, It Is Said

NAZIS RUSH UP UNITS

Major Battle Still to Be Fought, but Intensity of Action Increases

NAZIS CROSS BRIDGE

Warships of Land Charge In Epic Battle Near Liege

1- The Allies terror-bombed scenic Freiburg

2- Memorial stone at the Hilda playground where 20 children were murdered

3- The New York Times falsely accuses <u>Germany</u> (!) of "savage attacks".

MAY, 1940
HITLER TRIES FOR PEACE THROUGH A SWEDISH CHANNEL

After having just defeated the French and British invaders, Hitler, via a Swedish third party, proposes generous peace terms to Britain. The Germans contact the British ambassador in Sweden, **Victor Mallet**, through Sweden´s Supreme Court **Judge Ekeberg**, who is known to Hitler´s legal advisor, Ludwig Weissauer. **(15)**

Hitler´s peace proposal demands nothing of Great Britain and implies that the states currently occupied by Germany would be de-occupied; as **Germany´s occupation was only due to the present war situation**. But Winston Churchill is not interested in peace. The offer goes nowhere.



German peace efforts via Sweden failed. Ambassador Victor Mallet (left) walking with Princess Elizabeth (now Queen Elizabeth) and Prince Phillip

MAY 25-28, 1940
"THE WAR CABINET CRISIS" / CHURCHILL AND LORD HALIFAX DIVIDED OVER ITALIAN PEACE MEDIATION

Giuseppe Bastianini, the Italian ambassador in London, requests a meeting with British Foreign Secretary **Lord Halifax** to discuss Italy's neutrality. Halifax meets Bastianini later that afternoon. The discussion soon moves to that of Italian mediation between the Allies and Germany.

Bastianini reveals that the goal of Italian leader Benito Mussolini *(Hitler's close ally)* is to negotiate a settlement ***"that would not merely be an armistice, but***

would protect European peace for the century." **(16)** Halifax responds very favorably to the idea and takes it to the British War Cabinet.

The following morning Halifax reports to the War Cabinet, summarizing his meeting with Bastianini and urging his colleagues to consider Italian mediation. Again, Churchill would have none of it!

For several days, Halifax continues to press for the Mussolini mediation. In an apparent attempt to placate Halifax, Churchill states that he *doubts whether anything would come of an approach to Italy, but that the matter was one which the War Cabinet should consider*. But Churchill is lying to Halifax. **Never once did Churchill even consider Mussolini's offer to mediate peace between Britain and Germany.** The matter eventually dies after Churchill outmaneuvers the peace-seeking Halifax. The conflict is known as 'The War Cabinet Crisis'.





1- Lord Halifax (walking with Churchill) tried to convince the War Cabinet to at least hear Mussolini's proposal.

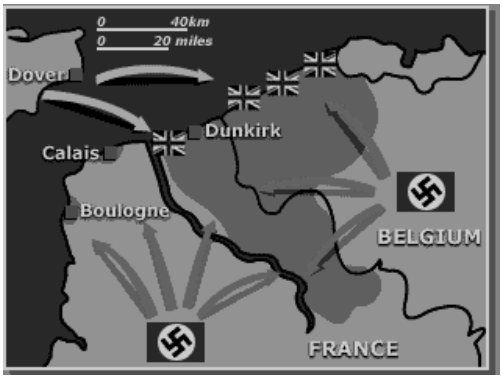
2- Mussolini, shaking hands with UK Prime Minister Neville Chamberlain in 1938, had helped Britain and Germany to keep the peace of Europe at the Munich Conference of 1938.

3- Instead of accepting peace offers, Churchill's gang chose to frighten the British public with tales of imminent poison gas attacks from Hitler.

MAY 27 – JUNE 4, 1940
AS A SIGN OF FRIENDSHIP, HITLER ALLOWS THE ALLIED ARMIES TO ESCAPE AT DUNKIRK

After Germany's stunning advance, the Allies are trapped on the beaches of Dunkirk, France. The entire force can be easily captured, but **Hitler issues a halt order**. **(17)** As a show of good faith towards his western tormentors, Hitler believes that the British will be more likely to make peace if they can escape with their dignity intact.

A massive boat lift involving British fishermen ferries the troops across the English Channel back to England. The Globalist Press maliciously spins Hitler's gracious act as a *"miraculous escape right under Hitler's nose."* The cigar-chomping, Zionist-owned, alcoholic Winston Churchill vows to keep fighting as he frightens the British people with tales of imminent German invasion.





Allies trapped on the beach! Hitler could easily have taken the entire Allied force prisoner. His gracious act allows the soldiers to escape from Dunkirk.

FORBIDDEN HISTORY - QUOTE TO REMEMBER



"He (Hitler) then astonished us by speaking with admiration of the British Empire, of the necessity for its existence, and of the civilization that Britain had brought into the world. ....He compared the British Empire with the Catholic Church saying they were both essential elements of stability in the world. He said that all he wanted from Britain was that she should acknowledge Germany's position on the Continent. The return of Germany's colonies would be desirable but not essential, and he would even offer to support Britain with troops if she should be involved in difficulties anywhere." (18)

- German General von Blumentritt

JUNE, 1940
SOVIET UNION INVADES 4 COUNTRIES AT THE SAME TIME! / LATVIA, LITHUANIA, ESTONIA, & EASTERN ROMANIA

With the eyes of the world focused on events in Western Europe, Stalin continues to expand his Evil Empire. The Reds annex the tiny defenseless Baltic states of Latvia, Lithuania, and Estonia. Stalin also annexes parts of eastern Romania.

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The Soviet Union has now invaded 6 countries in just 9 months! Yet, the western Globalists only remain obsessed with attacking Germany, whose leader, just like the Kaiser had two decades earlier, continues to plead for peace.





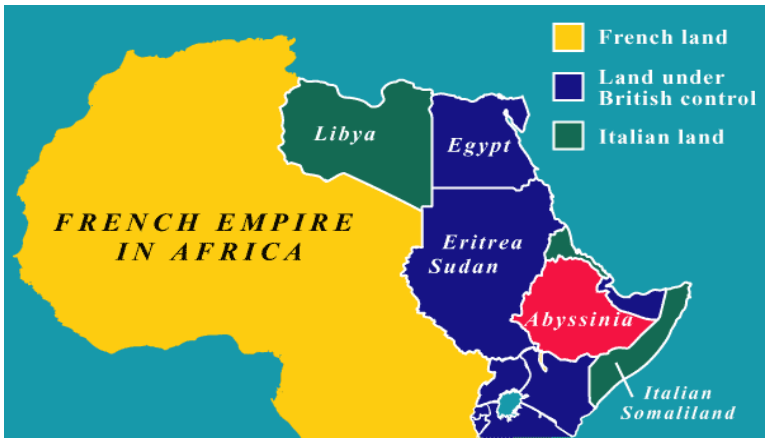
Stalin swallowed up the tiny Baltic states of Latvia, Lithuania, and Estonia (and took a piece of Romania too!)

JUNE, 1940
AFTER GERMANY'S DEFEAT OF THE ALLIES, MUSSOLINI's ITALY JOINS THE WAR

Upon seeing Germany's stunning victory in 1940, **Benito Mussolini**, the opportunistic, ego-driven Leader of Italy, ends Italy's neutrality and allies himself with Germany. He declares war upon France *(which was already beaten and occupied)* and also upon the UK, *(which is already being chased out of Europe at Dunkirk).*

Unlike Hitler's *defensive* war, Mussolini dreams of conquest, hoping to restore a new Roman Empire in North Africa. But his reckless adventures will prove to be very costly to Hitler. In August of '40, Italy occupies British Somaliland in East Africa. In September, Italy invades Egypt, which has been occupied by the British since a 1936 Treaty to protect the Suez Canal.

In picking a fight with Britain, Mussolini bites off far more than the unimpressive Italian military can chew. The superior British land and naval forces dominate their Italian adversaries, giving Churchill a potential continental opening to invade a now non-neutral Italy from North Africa.





Colonial Italy clashed with colonial Britain over Africa. Though a solid anti-Communist, Mussolini's imperialist ego will cost Germany & Italy dearly.

JUNE 22, 1940
NEW GOVERNMENT OF FRANCE MAKES PEACE WITH HITLER

As the fleeing French government collapses, the Germans enter undefended Paris on June 14 ' 40. The new government is headed by the World War I hero **Marshal Philippe Petain**, who agrees to make peace with Germany.

Unlike the brutality of the Versailles Treaty, the terms of this Armistice are very light, requiring only that Germany continues to occupy northern France as a defensive measure against a British invasion of the continent. The new French government has its administrative offices in the southern city of **Vichy**. Other than the strategic occupation in the north, France remains a sovereign nation. Life in occupied France goes on quietly. German soldiers establish an excellent reputation for good behavior, and charm with the French ladies.

Meanwhile in the UK, Churchill and French General **Charles De Gaulle** fume over Marshal Petain's refusal to continue fighting. Hitler wants Petain to ally his country with Germany, but Mussolini's war declaration upon France leaves such a bad taste in the mouths of Frenchmen that they cannot possibly join a German-Italian alliance.



Hitler and Field Marshal Petain make peace. The armistice is signed in the same railway car in which Germany surrendered after World War I.

JUNE 24, 1940
WORLD JEWISH CONGRESS CLAIMS THAT <u>6 MILLION JEWS</u> ARE DOOMED IF GERMANY WINS THE WAR

Sing it Four Tops! - "It's the same, old song, with a different …..



THE PALM BEACH POST

Tuesday Morning, June 25, 1940

DOOM OF EUROPEAN JEWS IS SEEN IF HITLER WINS

NEW YORK, June 24.—(AP)—Dr. Nahum Goldmann, administrative committee chairman of the World Jewish Congress, said today that if the Nazis should achieve final victory "6,000,000 Jews in Europe are doomed to destruction."

"Their only hope for future existence lies in the ability of Great Britain to resist the Nazi conquest," declared Dr. Goldmann, who arrived here Friday from Geneva.

He issued a statement calling upon United States Jewry to take leadership in mobilizing Jews in North and South America for an organized defense program.

"if the Nazis should achieve final victory 6,000,000 Jews in Europe are doomed to destruction."

Not a single Jew has even been interned and Hitler is still pleading for peace; yet the "Holocaust" and the "6 million" have already been established!

JULY, 1940
CHURCHILL LAUNCHES AERIAL BOMBARDMENT CAMPAIGN AGAINST GERMAN CIVILIANS

With British ground troops having been chased off of the European mainland, Churchill and his London/New York Banking Bosses can only continue the fight over air *(and sea)*. **The British Royal Air Force is ordered to bomb civilian areas.** Churchill hopes to provoke a similar response from Hitler so that he and FDR can point to "German bombing of civilians."

In a July memo to the Minister of UK Air Craft production, Churchill writes:

"When I look around to see how we can win the war I see that there is only one sure path. We have no Continental army which can defeat the German military power.. ...there is one thing that will bring him (Hitler) down, and ***that is an absolutely devastating, exterminating attack by very heavy bombers from this country upon the Nazi homeland.*** *We must be able to overwhelm them by this means, without which I do not see a way through."* **(19)**

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The notorious drunk will bomb German civilian areas seven times. But Hitler refuses to do the same. **German bombers are under strict orders to limit their attacks to military/industrial targets only.** Finally, in September; Hitler is forced to declare that any more British bombings of civilian areas will be met with a similar response. When the German Air Force drops its first bombs on British civilian areas, the world press declares *"Germany Bombs Civilians."*

As he had done with the orchestrated sinking of the Lusitania in 1915, Winston Churchill has again deliberately brought on the deaths of innocent men, women, and children in order to achieve political goals.



Germans were killed and left homeless by Churchill's heavy terror bombers.

JULY 20, 1940
HITLER DROPS 'PEACE LEAFLETS' OVER LONDON!

With Germany in total control of the continent and the war situation, Hitler responds to Churchill's bombs by dropping mass quantities of leaflets over London. The 4-page broadsheet contains an English language summary of Hitler's recent speech before the Reichstag. The speech is entitled, **"A Last Appeal to Reason"**, in which he closes with a final appeal for peace:

"In this hour I feel it to be my duty before my own conscience to appeal once more to reason and common sense in Great Britain as much as elsewhere. I consider myself in a position to make this appeal, since I am not the vanquished, begging favors, but the victor speaking in the name of reason. I can see no reason why this war must go on. I am grieved to think of the sacrifices it will claim.

Possibly Mr. Churchill again will brush aside this statement of mine by saying that it is merely born of fear and of doubt in our final victory. In that case I shall have relieved my conscience in regard to the things to come." **(20)**

The British respond to Hitler's sincere plea with mockery, threats, and more bombs.



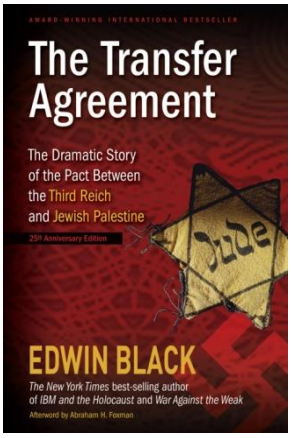
Ignorant British soldier laughs as he reads Hitler's air-dropped leaflet.

AUGUST, 1940
THE MADAGSCAR PLAN / HITLER PLANS TO ESTABLISH A JEWISH HOMELAND ON MADAGASCAR

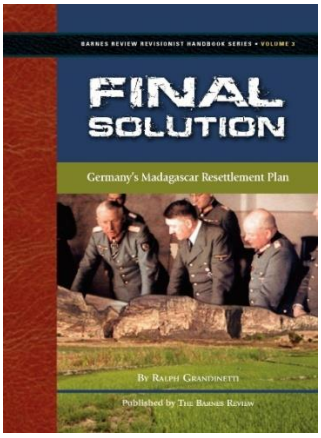
For centuries, Europeans and Jews have had problems living together. Hitler was content to leave them alone and live as resident aliens of Germany. For those who wanted to live in Palestine, the 1933 '**Transfer Agreement**' between the German government and the Zionists facilitated that. **From 1933-1940, about 40% of Germany's Jews immigrated to Palestine with all of their wealth intact.** When World War II prevents further cooperation between the Germans and the Zionists, it becomes clear that a new "final solution" is needed.

The plan Hitler envisions is to create a homeland for the Jews on the beautiful island of Madagascar, off the coast of southern Africa, and resettle one million Jews per year under German protection and supervision. The idea of a Jewish homeland on Madagascar had actually been circulating throughout Europe since the 1880's.

The **Madagascar Plan** is scrapped when the British invade the island in 1942, taking control away from Vichy France after the Battle of Madagascar. A Jewish Madagascar would have been a win-win solution for Jews and Europeans and would have spared the poor Palestinians, and other Arab nations, all of the horrors they would endure after the illegitimate founding of Israel in 1948.







1- Jewish author Edwin Black's 'The Transfer Agreement" reveals the full extent of the cooperation between the Germans and Zionist émigrés.

2 & 3: Hitler's 'Final Solution" was to relocate the Jews to a homeland of their own, not kill them.

SEPTEMBER 16, 1940
FDR INSTITUTES FIRST EVER PEACETIME DRAFT IN AMERICA

While publicly insisting that American boys ***"will not be going to foreign wars",*** FDR continues to secretly prepare for entry into the Globalists' World War. FDR institutes a **peacetime** "Selective Service" Act which requires all males aged 26-35 to register for an upcoming draft "just in case". The actual draft begins in October 1940. The unlucky draftees are told that they will serve a 12 month term, based in either the Western Hemisphere, or a US territory.

By the summer of 1941, the deceitful FDR *(who is planning to trick America into the war by way of a Japanese provocation)* decrees that the terms be lengthened. Outraged draftees protest FDR's broken promise and threaten to desert when their 12 months are up. But most will obey the order and continue to serve past the promised October 1941 release date, and right up until the "surprise attack" upon Pearl Harbor in December of 1941. This is the first, and only, peacetime draft in U.S. history.



1- "What's the Joke?" - 1940 Postcard mocks FDR for laughing as he signs Draft Bill. The peacetime draft was very unpopular.

2- Evaders were arrested!

SEPTEMBER, 1940
'AXIS' NATIONS OF GERMANY, ITALY, & JAPAN SIGN 'TRI-PARTITE PACT / HOPE TO KEEP THE U.S. OUT OF THE WAR

Germany and Japan are suspicious of FDR's true intentions. To discourage American military involvement in either Germany's war with Britain, or Japan's unrelated war with China, the two nations and Italy sign the "**Tripartite Pact**".

Japan, Germany, and Italy agree to assist one another with all political, economic and military means if one of the contracting nations is attacked by a nation at present not involved in the European War or in the Japanese-Chinese conflict. The hope is that this pact will keep America out of the war. **Ironically, the defense pact will end up actually facilitating FDR's scheme to draw America in.**



The Axis nations had hoped to keep the U.S. out of the war.

1940
THE ROCKEFELLER BROTHERS TRUST FUND IS ESTABLISHED

By 1940, the **Rockefeller Family** of oil and banking fame has solidified its place among the Globalist dynasties. What the 5 Billionaire Rothschild Brothers of the 1800's were to the European branch of the **New World Order,** the 5 Billionaire Rockefeller Brothers of the 1900's will be to the American branch.

John D. Rockefeller Jr. establishes the Fund as a vehicle for his five spoiled sons to promote socialism and Globalism through "philanthropy". The Fund will one day also finance ugly "modern art", "feminism" and "environmentalism". The 5 Rockefeller Brothers are:

*** Nelson Rockefeller:** Governor of New York '59-'73, US Vice President '74-'77
*** John D. Rockefeller III:** Philanthropist. Donates land for the United Nations.
*** Laurance:** Venture capitalist. Radical "Environmentalist"
*** Winthrop:** Philanthropist, Governor of Arkansas '67-'71
*** David:** Banker. Former CFR Director**,** Founder of the Tri-Lateral Commission





1- The Third Generation. The Rockefeller Brothers are America's version of the Rothschilds.

*2- **Jacob Rothschild with David Rockefeller***
*From Vanity Fair Magazine / **May 2012**:*
"In May 2012, two of the world's most storied financial families fused a historic business deal. Charlie Rose salutes their newfound partnership".

OCTOBER, 1940
ROMANIA ACCEPTS GERMAN PROTECTION OF ITS OIL FIELDS

The Soviets have already annexed parts of anti-Communist Romania. The Red Army now sits dangerously close to the Ploesti oil fields upon which Germany depends. Stalin is up to something in southeast Europe, and Hitler knows it. With the approval of Romania, German troops arrive to protect the oil fields from the Soviet threat.





1- Map above shows how vulnerable Germany is from the southeast (soft underbelly of Europe). The oil fields of Romania can be easily attacked from Greece, Yugoslavia, or the USSR. It is from this area of Europe that Churchill and Stalin will play their "chess games" against Germany.

2- Romanian leader Antonescu visits Hitler

OCTOBER, 1940
UK PROMISES 'NEW WORLD ORDER' TO JEWS AFTER WAR

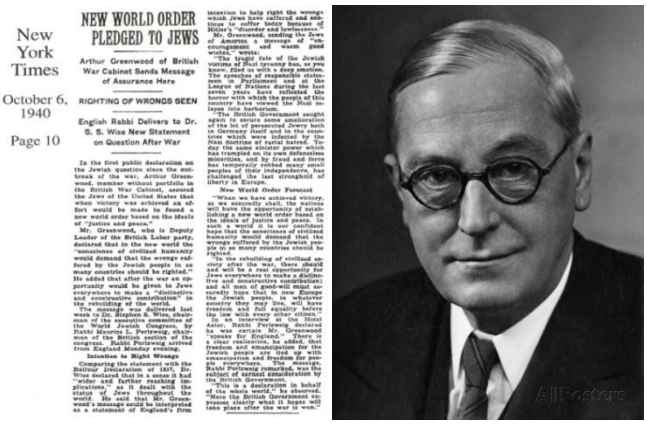
Germany is in total control of the European war situation. As they had during their losing days of World War I, British politicians reach out to international Jewry for help. During World War I, Britain's 'Balfour Declaration' promised Palestine to the Jews in exchange for bringing about U.S. entry. Now, Lord Arthur Greenwood's Declaration' offers them a **"New World Order"**. Greenwood makes an amazingly prophetic statement, ***'When we have achieved victory, and we assuredly shall..."***

But there is no chance of British victory unless the U.S. can be dragged into the conflict. Therefore, Greenwood must already suspect that the U.S. will enter the

war *(which it does 14 months later)*. The promise of a 'New World Order' is clearly intended to further encourage American Jewish support for entering the war.

Greenwood promises: ***"In the rebuilding of civilized society after the war, there should and will be a real opportunity for Jews everywhere to make a distinctive and constructive contribution."*** **(21)**

In other words, Lord Greenwood is saying: *"Get America in and we'll give you a say in Europe's affairs after the war!"* Greenwood's imperialist 'dance with the Devil' will prove fatal. After the war, Britain ends up broke and loses her Empire.



New York Times

October 6, 1940

Page 10

NEW WORLD ORDER PLEDGED TO JEWS

Arthur Greenwood of British War Cabinet Sends Message of Assurance Here

RIGHTING OF WRONGS SEEN

English Rabbi Delivers to Dr. S. S. Wise New Statement on Question After War

In the first public declaration on the Jewish question since the outbreak of the war, Arthur Greenwood, member without portfolio in the British War Cabinet, assured the Jews of the United States that when victory was achieved an effort would be made to found a new world order based on the ideals of "justice and peace."

Mr. Greenwood, who is Deputy Leader of the British Labor party, declared that in the new world the "consciousness of civilized humanity would demand that the wrongs suffered by the Jewish people in so many countries should be righted." He added that after the war an opportunity would be given to Jews everywhere to make a "distinctive and constructive contribution" in the rebuilding of civilized society.

The message was delivered last week to Dr. Stephen S. Wise, chairman of the executive committee of the World Jewish Congress, by Rabbi Perlzweig, political representative of the British section of the congress. Rabbi Perlzweig arrived from England Monday evening.

Intention to Right Wrongs

Comparing the statement with the Balfour Declaration of 1917, Dr. Wise declared that in a sense it had "wider and farther reaching importance" for the future of the status of Jews throughout the world. He said that Mr. Greenwood's message could be interpreted as a statement of England's firm intention to help right the wrongs which Jews have suffered and establish a new order in place of Hitler's "disorder and lawlessness."

Mr. Greenwood, sending the Jews of America a message of "encouragement and warm good wishes," wrote:

"The tragic fate of the Jewish victims of Nazi tyranny has, we know, filled us with a deep emotion. The speeches of responsible statesmen in Parliament and at the League of Nations during the last seven years, the universal feeling of horror with which the people of this country have viewed the Nazi relapse into barbarism.

"The British Government sought again and again to secure the relief of the lot of persecuted Jewry both in Germany itself and in the countries which were infected by the Nazi doctrine of racial hatred. Today the Nazi new order which has trampled on its own defenseless minorities, and by fraud and force has temporarily robbed many small peoples of their independents, has become the deadly stronghold of liberty in Europe.

New World Order Forecast

"When we have achieved victory, as we assuredly shall, the nations will have the opportunity of establishing a new world order based on the ideals of justice and peace. In such a new order the conscience of civilized humanity would demand that the wrongs suffered by the Jewish people in so many countries should be righted.

"In the rebuilding of civilized society after the war, there should and will be a real opportunity for Jews everywhere to make a distinctive and constructive contribution; and all men of good-will must assuredly hope that in new Europe the Jewish people, in whatever country they live, will enjoy full freedom and full equality before the law with every other citizen."

In an interview at the Hotel Astor, Rabbi Perlzweig declared that Mr. Greenwood "definitely speaks for England." There is no clear realization, he added, that freedom and emancipation for the Jewish people are tied up with the preservation of freedom for people everywhere. The message, Rabbi Perlzweig remarked, was the subject of serious consideration by the British Government.

"This is a declaration in behalf of the whole world," he observed. "Here the British Government expresses clearly what it hopes will take place after the war is won."

NY TIMES HEADLINE: OCTOBER 6, 1940 / 'NEW WORLD ORDER PLEDGED TO JEWS'

"....Arthur Greenwood member without portfolio in the British War Cabinet assured the Jews of the United States that when victory was achieved an effort would be made to found a New World Order" **(22)**

OCTOBER 28, 1940
ITALY INVADES GREECE

Italy had occupied tiny Albania in the spring of 1939. Mussolini now turns his ambitions towards Greece. Greece has good relations with Germany, but Mussolini wants to claim the Ionian Islands. **Italy's invasion of Greece is *completely unrelated* to Germany's war and creates unexpected problems for Hitler.**

The Greeks repel the invasion. The British then offer to send troops to assist Greece. Churchill now has an opening on the European mainland from which he

can move north towards Germany and eastward towards Romania and the crucial oil fields which supply Germany.


DAILY NEWS FINAL

ITALY, GREECE AT WAR

EXTRA



Italy's failed adventure in Greece gives Britain an opening in Europe.

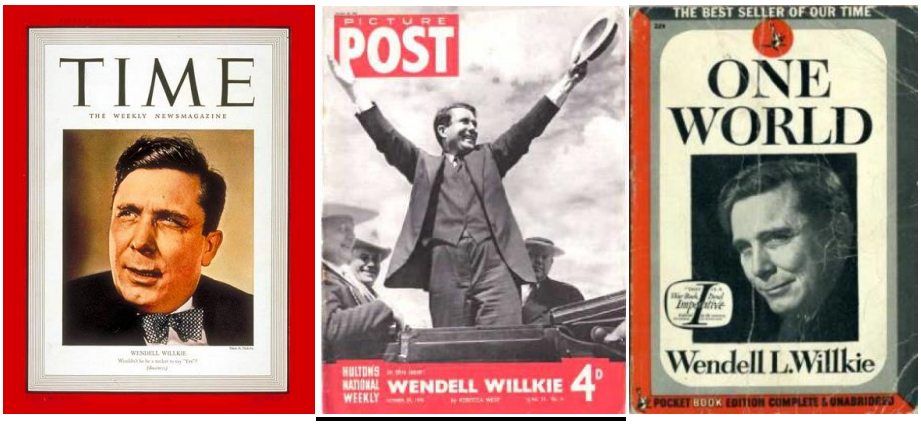
NOVEMBER, 1940
AFTER LYING ABOUT HIS INTENTIONS, FDR WINS RE-ELECTION OVER GLOBALIST STRAW-MAN WENDELL WILKIE

Throughout the Election year of 1940, nationalist Republicans warn that FDR is plotting to bring the US into war. Because the public is strongly opposed to entry in another war, FDR reassures voters that the "isolationists" are misrepresenting his intentions. During the campaign, FDR gives his famous "Again and again" speech:

"I say to you mothers and fathers and I shall say it again and again and again. Your boys will not be sent into any foreign wars." **(23)**

The Globalist wing of the GOP (Republican Party) hijacks the nominating process and puts up an unknown patsy, an "ex-Democrat" named **Wendell Willkie** to run against FDR. Many Republicans are shocked when the GOP *(supported by the media's hype of Willkie)* anoints a New York lawyer who has never held *any* office.

Willkie runs a half-baked campaign and loses badly. FDR is elected to an unprecedented 3rd *(and later a 4th)* term. Afterwards, FDR gives Willkie a job as an Ambassador. In 1943, Willkie publishes a book entitled: ***One World.***



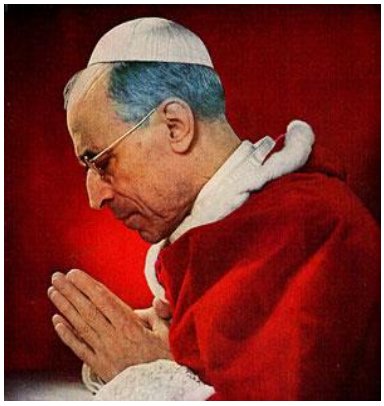
'One-Worlder' Wendell Willkie: The media's artificially puffed-up "instant Republican" was recruited to "throw the match" to FDR.

NOVEMBER, 1940
THE VATICAN PRESENTS HITLER'S PEACE PROPOSALS TO BRITISH OFFICIALS

As far back May of 1939, as revealed by the front page of the New York Times, the Vatican had been trying to mediate between Britain and Germany. Hitler was ready and willing to talk peace at all times. It was the British who said "no".

The peace-seeking Vatican and peace-seeking Germany remained in contact as the war raged. The following excerpt from Martin Allen's 'Himmler's Secret War' describes a meeting held in Spain between the Papal Nuncio *(Foreign secretary)* and British officials Hoare and Hilgarth; and the latest peace offer from Hitler:

*"The nature of the concessions that the German Fuhrer was prepared to make in order to obtain peace with Britain must have astounded the men at the head of SO1. This was not even a deal worked out through a process of hard negotiation. It was Hitler's opening gambit....**an offer so generous and pragmatic that it would be very tempting to anyone who genuinely wanted peace.***
*His (Hitler's) offer of such **remarkable concessions** was an extremely threatening development. Should the terms become public, it had the potential to render British resolve to stand firm against German aggression to a shuttering halt."* **(24)**




Neither the Pope's prayers nor his emissaries could soften the black hearts of Churchill and his gang of warmongers.

FEBRUARY, 1941
GERMANS ARRIVE IN AFRICA TO BAIL OUT THE ITALIANS

The first units of the German '**AfrikaKorps**' arrive to rescue the collapsing Italian war effort in February of 1941. **General Erwin Rommel**, known as the Desert Fox, commands the German force in North Africa. Rommel will eventually establish the upper hand in Africa, but this diversion of manpower and resources to Africa proves to be a costly hindrance for Germany.




The Desert Fox cleans up Mussolini's mess in North Africa.

MARCH, 1941
THEODORE KAUFMAN PUBLISHES 'GERMANY MUST PERISH!' / CALLS FOR EXTINCTION OF GERMAN RACE!

‘**’Germany Must Perish!’** is a 104 page booklet published by an American Zionist businessman named **Theodore Kaufman**. Kaufman calls for the complete extermination of the German people through forced sterilization and total dismemberment and reapportionment of German territory. The murderous hate-fest starts out in the very opening lines of Germany Must Perish as follows:

"This dynamic volume outlines a comprehensive plan for the extinction of the German nation and the total eradication from the earth, of all her people. Also contained herein is a map illustrating the possible territorial dissection of Germany and the apportionment of her lands."

"This time Germany has forced a TOTAL WAR upon the world. As a result, she must be prepared to pay a TOTAL PENALTY. And there is one, and only one, such Total Penalty: Germany must perish forever! In fact - not in fancy! [...]

The goal of world-domination must be removed from the reach of the German and the only way to accomplish that is to remove the German from the world. [...]

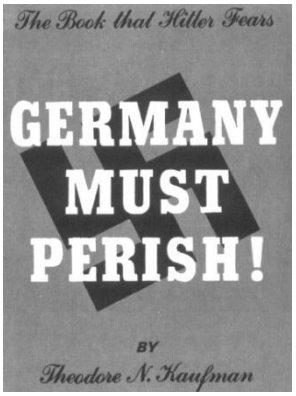
There remains then but one mode of ridding the world forever of Germanism - and that is to stem the source from which issue those war-lusted souls, by preventing the people of Germany from ever again reproducing their kind." **(25)**

Incredibly, at a time when America is supposedly "neutral", the hateful book is actually reviewed by *The New York Times*, *Time Magazine* and the *Washington Post*. Though not widely distributed in America, Germany Must Perish is read throughout Germany. Propaganda Minister Dr. Josef Goebbels states:

“*Thanks to the Jew Kaufmann, we Germans know only too well what to expect in case of defeat."*(**26)**

‘Germany Must Perish!’ will inspire the frightened German people to fight harder. Kaufman's work, along with the deadly Jewish Partisan guerilla warfare against German troops, will contribute to Hitler's decision to intern the Jews of occupied Europe into wartime work camps later in 1941.







Kaufman's evil work openly calls for the extinction of the German people and the absorbing of all German territory.

1941
FDR SIGNS 'LEND - LEASE' INTO LAW / UK TO BE SUPPLIED WITH U.S. MANUFACTURED ARMS

Britain is running short of arms and supplies as Germany continues to offer peace on terms favorable to Britain. **Churchill will not listen to reason because, behind the scenes, FDR is reassuring him that the U.S. will support the UK at all costs.** With his successful re-election campaign of 1940 out of the way, FDR now becomes even bolder in confronting the anti-war "isolationists".

The **Lend-Lease** program places the awesome industrial might of the US at the disposal of the UK, China, and later on, the USSR. America is to be "the Arsenal of Democracy" says FDR. Britain will eventually receive $31 Billion worth of war supplies *(about $500 Billion at 2012 prices!)*



Roosevelt Calls for Action to Aid Britain

£1,750,000,000 REQUEST SENT TO CONGRESS

Immediate Enactment Strongly Urged

President Roosevelt yesterday sent to Congress a request for a $7,000,000,000 (£1,750,000,000) appropriation to carry out the "fixed policy of this Government to make for the democracies every gun, 'plane, and munition of war that we possibly can."

"A NEW MAGNA CHARTA"

Premier's Praise for Lease-and-Lend Bill

"INSPIRING ACT OF FAITH"

The Lease-and-Lend Bill was described as "a new Magna Charta" and "a monument of generous and far-seeing statesmanship" by Mr Winston Churchill, when he expressed Britain's gratitude at the passing of the Bill in a statement in the House of Commons yesterday.

Mr Churchill said:—

"The Lease-and-Lend Bill, as the House is aware, became law yesterday, when it received immediately the signa-



FDR and cronies smile as they move America closer to war.

APRIL 6, 1941
GERMANY BLOCKS BRITISH & SOVIET SCHEMES IN SOUTHERN EUROPE BY INVADING GREECE & YUGOSLAVIA

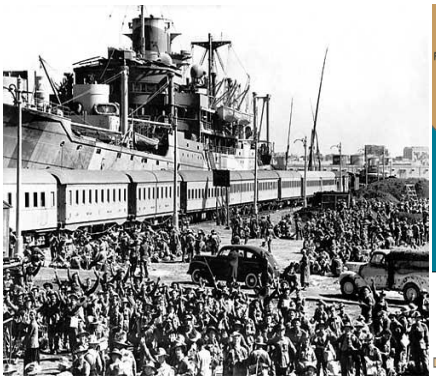
Though *unrelated* to Germany's war, Mussolini's foolish adventure in Greece has already created a big problem for Hitler. As Italian forces meet stiff Greek resistance, Churchill uses the conflict as an opportunity to again establish armies on Europe's mainland, in Europe's "soft underbelly". British troops begin arriving in Greece to help the Greeks in their fight against the Italians. Hitler offers to mediate peace between Italy and Greece, but the Greeks *(egged on by the British)* won't come to the table as more British troops keep arriving.

In March, 1941, Yugoslavia joins Hitler's defensive Tripartite Pact. **In response, British intelligence immediately triggers an orchestrated coup. (27)** The new Yugoslavian regime is now a British puppet state, *which immediately signs a "Treaty of Friendship" with the USSR.* Stalin's Yugoslavian Communists take to the streets in support of the new government.

Again, Hitler's hand is forced. If he does not act now, the "soft underbelly" of Europe will be flooded with British troops destined for southern Germany, as well as the Romanian oil fields upon which Germany depends. On April 6, '41, the Germans invade both Greece and Yugoslavia. The still small numbers of British troops are forced to evacuate, spoiling Churchill's scheme to inflame southern Europe and invite the Soviets in to help. Naturally, the Globalist media simplistically portrays these events as: *"Germans Invade Yugoslavia & Greece".*


The New York Times.

GERMANS INVADE YUGOSLAVIA AND GREECE; HITLER ORDERS WAR, BLAMING THE BRITISH; MOSCOW SIGNS AMITY PACT WITH BELGRADE





1- British troops (Australian) based in Egypt embark for Greece in 1941.

2- Germany secures southeast Europe. But valuable time has been lost.

MAY 10, 1941
RUDOLF HESS PARACHUTES INTO SCOTLAND WITH YET ANOTHER OFFER OF PEACE!

Rudolf Hess is Germany's Number 2 in command and a close friend of Hitler. Recall that it was Hess who typed out the dictation for Hitler's *Mein Kampf*. In May of 1941, Hess *(who is fluent in English)* flies a solo mission over Scotland and parachutes in, carrying an offer of peace. He is hoping to link up with the Duke of Hamilton, who he had befriended at the 1936 Berlin Olympics, and convince his British acquaintance of Germany's sincere desire for peace. But he is arrested instead.

On Churchill's orders, Hess is held in solitary confinement for the duration of the war. After the war, Hess is "tried" at Nuremberg and then sentenced to life in East Berlin's Spandau prison. With the liberalization of the USSR in the 1980's, there is talk of finally releasing him. But he is said to have committed suicide in his cell in 1987. His family believes that the 93-year-old Hess was murdered so that the details of his peace mission would remain buried forever. **(28)**



Hess's peace mission to Britain ended with Churchill jailing him for life.

MAY - JULY, 1941
FDR ESCALATES HIS PROVOKATION OF GERMANY & JAPAN

Long before the German-Polish conflict, FDR had waged a silent war against Germany. With Germany now in control of the European situation, FDR is even more desperate to drag America into Britain's war. He relentlessly baits Hitler.
To that end, the U.S. impounds German ships, sinks German subs, freezes German, Italian, and Japanese financial assets, assists the British Navy in spotting and

sinking *The Bismarck (killing 2200 German sailors)*, and ships large amounts of arms to Britain. **Hitler bears the humiliating provocations quietly; knowing that US entry into the war would be disastrous for Germany.**

Realizing that Hitler will not take his bait, FDR further instigates the Japanese. Recall that the Axis Powers, *(Germany, Japan, and Italy)* are parties to a mutual defense pact *(Tripartite Pact).* An attack on one means war with all. FDR will turn the Tripartite Pact to his advantage.



Deadly "neutrality": A U.S. 'Catalina" surveillance plane enabled the British Navy to sink The Bismarck, killing 2200 German sailors. **(29)**

JUNE 22, 1941
'OPERATION BARBAROSSA' / HITLER THWARTS STALIN'S PLAN TO CONQUER ALL OF EUROPE

As Germany and Britain exhaust each other in the air, at sea, and now North Africa, Stalin quietly gathers his massive Red Army along Germany's eastern frontier, near the Romanian oil fields that supply Germany. Hitler knows that Stalin cannot be trusted. He recalls how Stalin broke a non-aggression pact and pounced on Poland while the Poles were pre-occupied with Germany. Another non-aggression pact was broken when Stalin attacked Finland. Soviet invasions of the Baltic States and eastern Romania, along with a recent Communist-backed coup in Yugoslavia all combine to offer still more proof that Stalin is up to something.

Now, with Germany and Britain distracted, Stalin threatens all of Europe. Hitler had hoped to remove the Soviet threat in April, but invasion plans were delayed by Mussolini's misadventures in Africa and Greece. When **"Operation Barbarossa**"

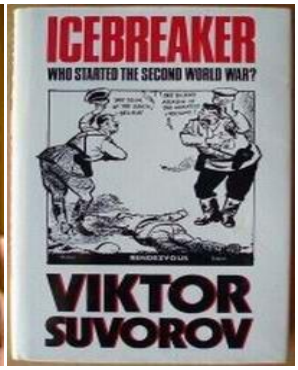
is launched, the Red Army is caught flat-footed and bunched up in *offensive* positions. Millions of Soviet troops are taken prisoner, and the devastating loss of weaponry and equipment leaves the Red Army neutralized.

Up to 65% of all Soviet tanks, field guns, machine guns, and anti-tank guns are either destroyed or captured. The Germans rout the Reds all the way back to the gates of Moscow, liberating many cheering Ukrainian, Baltic, and even Russian people along the way. It is only the onset of the brutal Russian winter that forces the Germans to pause their stunning offensive. The 2 month delay due to Mussolini's folly in Greece may have saved Stalin's regime from a total collapse in 1941.



Liberated from the Stalin & Kaganovich death cult, happy Ukrainians cheer the invading German soldiers. When the German offensive almost reaches Moscow, Stalin is forced to flee eastward.







1 & 2- Soviet Intelligence Officer and historian Viktor Suvorov defected to Britain and published several books about Stalin's plan to attack Germany and Europe.

3- Hitler with his Generals; his quick thinking and bold action saved Germany and ALL of Europe from a Soviet conquest.



"Already in 1940 it became increasingly clear from month to month that the plans of the men in the Kremlin were aimed at the domination, and thus the destruction, of all of Europe. I have already told the nation of the build-up of Soviet military power in the East during a period when Germany had only a few divisions in the provinces bordering Soviet Russia. Only a blind person could fail to see that a military build-up of world-historical dimensions was being carried out. And this was not in order to protect something that was being threatened, but rather to attack that which seemed incapable of defense..... I may say this today: ***If the wave of more than 20,000 tanks, hundreds of divisions, tens of thousands of artillery pieces, along with more than 10,000 airplanes, had not been kept from being set into motion against the Reich, all of Europe would have been lost."***

(30) - Adolf Hitler, 12-11-1941

JUNE, 1941
FDR RESCUES STALIN / EXTENDS MASSIVE MILITARY AID

With Stalin's Evil Empire facing extinction at the hands of German forces, FDR moves quickly to rescue the murderous regime. He unfreezes Soviet assets that had been frozen after Stalin's attack on Finland in 1939, enabling the Soviets to immediately purchase 59 Fighter aircraft. The "Arsenal of Democracy" is now, "The Arsenal of Communism."

By 1945, the staggering amount of Lend-Lease deliveries to Stalin include 11,000 aircraft, 4,000 bombers, 400,000 trucks, 12,000 tanks and combat vehicles, 32,000 motorcycles, 13,000 locomotives and railway cars, 8,000 anti-aircraft cannons, 135.000 submachine guns, 300,000 tons of explosives, 40,000 field radios, 400 radar systems, 400,000 metal cutting machine tools, several million tons of food, steel, other metals, oil and gasoline, chemicals etc. **(31) Without this ENORMOUS INFUSION of American aid, the Germans would probably have finished off Stalin after the spring thaw of 1942.**


The Milwaukee Sentinel - Aug 5, 1941

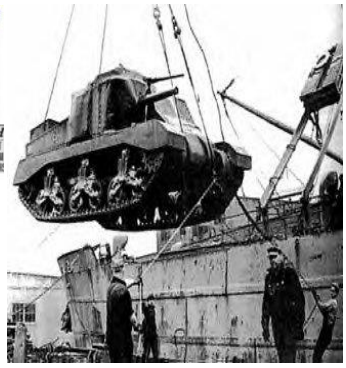
'Red Strength Ours,' U. S. Says, Pledging Russ All Out Help

Administration 'Never Was Neutral,' Says Gen. Wood

Pact Provides Priority to Moscow's Orders

WASHINGTON, Aug. 4—

EXCHANGE OF NOTES





1- The headline from 1941 says it all.

2- Contrary to the claims of Red propaganda, U.S. industry resupplied much of the depleted Red Army. 3- Alaskan monument shown above commemorates the massive aid which flowed from Alaska through Siberia.

JUNE 29, 1941
STALIN ORDERS 'PARTISAN' GUERRILLA WAR UPON GERMAN ARMY / JEWISH PARTISANS ALSO FORM

Stalin calls upon Party, Soviet, & Trade Union organizations to form *"partisan divisions and diversion groups to pursue and destroy the invaders in a merciless struggle".* **(32)** In violation of commonly accepted rules of warfare, many Partisans neither wear uniforms, nor recognize international law. To grow the ranks of the Red Partisans, and prevent the Germans from winning over the civilian population, Soviet commandoes *dress up in German uniforms* and carry out "false-flag" atrocities against their own people, inciting hatred against the Germans.

Communist and **Jewish Partisans**, aided by the OSS *(forerunner to CIA)*, also form in other nations, using the same false-flag tactics, and menacing the safety of German troops unable to tell enemy from civilian. Massive Jewish support for and participation in non- uniformed Partisan groups, including women & children, is the main reason for Hitler's decision to intern Europe's Jews in work camps as a wartime security precaution.



Jewish Partisan teams included women & children. Their sneak attacks killed many German soldiers.

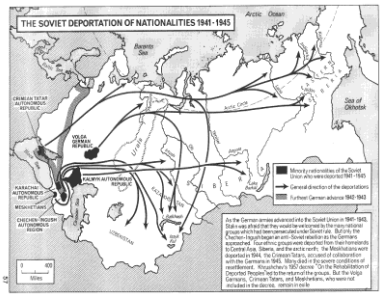


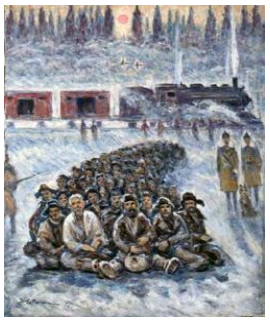
These Finnish children were executed by Soviet Partisans

THE SAD FATE OF THE VOLGA GERMANS

The **Volga Germans** are ethnic Germans living along the River Volga in southeastern Russia. Recruited as immigrants to Russia in the 18th century, they had always been allowed to maintain their culture, language, and traditions

After the German invasion in 1941, the Soviets consider the Volga Germans as potential collaborators. On August 28, 1941, Stalin dissolves the Volga-German Republic and orders the immediate relocation of ethnic Germans. About 400,000 Volga Germans are stripped of their land and houses; and transported eastward to Soviet Central Asia, and Siberia. By 1942, nearly all the able-bodied German population will have been conscripted to the NKVD slave-labor columns. At least one-third will not survive the camps.






Their only "crime" was being of German ancestry. Volga Germans were forced from their homes and herded onto cattle cars bound for slave camps

THE GERMAN SOLDIER's 10 COMMANDMENTS

The German soldier is the best behaved and honorable soldier of Europe. Every soldier receives a copy of 'The German Soldier's 10 Commandments and is expected to follow them to the letter or face serious punishment.

1. While fighting for victory the German soldier will observe the rules of chivalrous warfare. Cruelties and senseless destruction are below his standard.
2. Combatants will be in uniform or will wear specially introduced and clearly distinguishable badges. Fighting in plain clothes or without such badges is prohibited.
3. No enemy who has surrendered will be killed, including partisans and spies. They will be duly punished by courts.
4. P.O.W. will not be ill-treated or insulted. While arms, maps, and records are to be taken away from them, their personal belongings will not be touched.
5. Dum-Dum bullets are prohibited; also no other bullets may be transformed into Dum-Dum.
6. **Red Cross Institutions are sacrosanct.** Injured enemies are to be treated in a humane way. Medical personnel and army chaplains may not be hindered in the execution of their medical or clerical activities.
7. **The civilian population is sacrosanct.** Neither looting nor wanton destruction is permitted to the soldier. Landmarks of historical value or buildings serving religious purposes, art, science, or charity are to be especially respected.
8. Neutral territory will never be entered nor passed over by planes, nor shot at; it will not be the object of warlike activities of any kind.

9. If a German soldier is made a prisoner of war he will tell his name and rank if asked for it. Under no circumstances will he reveal to which unit he belongs, nor will he give any information about German military, political, and economic conditions.
10. Offenses of duty will be punished. Enemy offenses against the principles under 1 to 8 are to be reported. Reprisals are only permissible on order of higher commands. **(33)**

The only exception to these rules of conduct was in dealing with the murderous Communist Partisans who refuse to recognize rules of warfare. For this reason, non-uniformed Partisan prisoners who refused to surrender were sometimes hanged or shot as war criminals, not as legitimate POW's.



1- American POWS's in German captivity returned safe and sound after the war 2- But merciless Communist Partisans often got what they deserved.

LIFE IN THE GERMAN INTERNMENT CAMPS

Contrary to the popular belief that life in the SS-run internment camps was a brutal existence of slave labor followed by extermination, the German went to great lengths to keep the Jewish inmates well-fed, well-housed and even entertained. Officials from the International Red Cross visited the camps regularly and right up until the end of the war. **(34)**

There were orchestras, soccer leagues and activities for children. There were weddings, Bar Mitzvahs, and even maternity wards for pregnant women. The Auschwitz camp even had a swimming pool and a general store!

It was only during the final year of the war that conditions began to deteriorate as typhus epidemics spread and supplies diminished. Because of the contagious

nature of typhus, the corpses were cremated, not buried near groundwater. The destruction of so much of Germany's critical infrastructure contributed to the deaths. Nonetheless, as the camps were liberated, many healthy and seemingly well-fed 'Holocaust survivors", as well as some not so healthy, were seen and photographed**.**

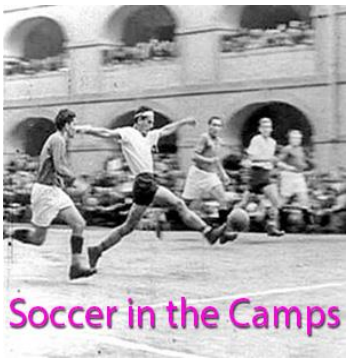


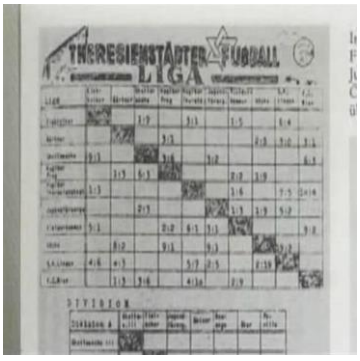


1- Healthy Jewish mothers with their new-born babies. This photo was taken shortly after the Americans liberated Dachau – "Factory of Horrors"

2- The Auschwitz swimming pool







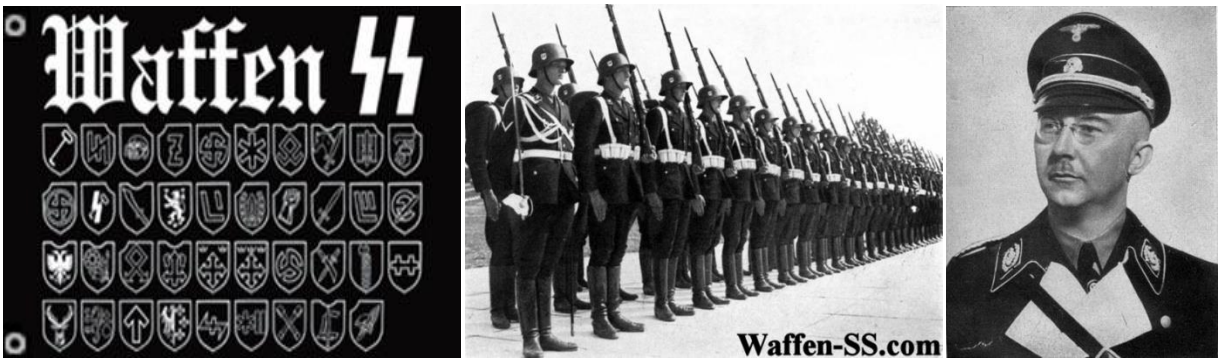
Jewish Concert and lively Jewish Soccer games with scorecards

1941
THE WAFFEN SS: VOLUNTEERS FROM ACROSS EUROPE JOIN INTERNATIONAL FORCE UNDER GERMAN COMMAND

Brave men from every nation in Europe *(and some from Asia)* volunteer to fight the Soviets. They are welcomed into Germany's "**Waffen SS**" - an elite fighting force. The anti-Communist Waffen SS are motivated by a vision of a greater

European family. For the European SS, the Europe of jealousies, border disputes, and economic rivalries is petty. They fight for 'Europa' itself.

The Waffen SS is a true international army of the European peoples. One million men fight in the SS, of which, ***600,000 are non-German.*** Officers of the Waffen serve in the front lines alongside their men. By war's end, half of the SS commanders will have been killed in action. During and after the brutal winter of 41-42, it is the Waffen SS who will stand their ground and delay the massive Soviet counter offensive. By the end of the war, 40% of the Waffen SS will have been killed or gone missing. **Were it not for the tenacity and sacrifice of the heroic Waffen volunteers, all of Europe would have been lost to the Soviet hordes.** It is not surprising that to this day, the "SS" is still vilified in the Globalist press.



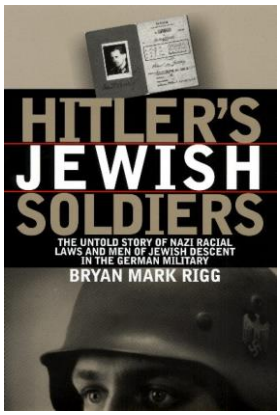
Waffen SS banner includes emblems from every nation of Europe. The force was headed by Heinrich Himmler (right).

HITLER'S JEWISH SOLDIERS AND HIS FAVORITE JEWISH DOCTOR

Hitler was not fanatically anti-Jewish as much as he was anti-Marxist, although there was large overlap between the two groups. As hard as it may be to believe, it is absolutely true that about 60,000 half-Jewish, and 90,000 quarter-Jewish soldiers fought for Hitler's Germany. **(35)** Among these were decorated soldiers, officers, and even Generals and Admirals.

As Fuehrer, Hitler personally intervened to assist Dr. Eduard Bloch, the noble Jewish doctor who had treated his cancer stricken mother. Hitler had never forgotten Dr. Bloch's kindness, and inquired about him when he returned to liberated Austria in 1938. On Hitler's orders, Bloch was given "special protection".

When interviewed by the OSS *(CIA)* towards the end of the war, Bloch spoke very well of the young Hitler that he had known. **(36)**





1- Author Mark Rigg gathered interviews of from "Hitler's Jewish Soldiers".

2- Right: Hitler never forgot Eduard Bloch, the Jewish physician who had treated his dying mother.

AUGUST, 1941
JAPAN APPEALS TO U.S. FOR PEACE TALKS TO END THE WAR WITH CHINA



...Y, AUGUST 29, 1941 THREE CENTS

U. S. Gets Jap Peace Bid; Tokio Asks for Parley To Ease Pacific Crisis

Envoy Brings Roosevelt Personal Note

By ROBERT G. NIXON
International News Service Staff Correspondent

WASHINGTON, Aug. 28—The United States and Japan, in a decision regarded as of profound importance in the future of world events, both in Europe and Asia, today agreed to seek a basis for the settlement peacefully of the tense Far East crisis.

IS SHARP REVERSAL

The action represented a sharp reversal from the Japanese government's earlier stand, which culminated in a protest two days ago to Soviet Russia against the use of Vladivostok as a channel for American war supplies.

Moscow promptly rejected the protest, and Secretary of State Hull, after reports were received here that a similar protest was made to the United States, reiterated that this country's formula of the "freedom of the seas" applies to commerce in the Pacific just as much as it does to the Atlantic.

Diplomatic quarters interpreted the Japanese "peace move" as a clear indication that Japan is not willing to risk a war with the United States and Britain at

FDR could easily have mediated an end to the war in Asia; but chose to continue arming the Chinese.

SEPTEMBER 11, 1941
CHARLES LINDBERGH JR. ACCUSES FDR AND JEWS OF PLOTTING TO DRAG THE U.S. INTO THE WAR

American patriots such as famed aviator Charles Lindbergh Jr. clearly see that FDR is plotting to involve America in the war. Lindbergh is a leading figure in the

"**America First**" movement, or what Globalist propaganda cleverly refers to as "isolationism."
Lindbergh's speech in Iowa accurately describes what is happening behind the scenes. He warns:

***"The leaders of the British and the Jewish races, for reasons which are as understandable from their viewpoint as they are inadvisable from ours, for reasons which are not American, wish to involve us in this war."* (37)**

Joseph Kennedy, the US Ambassador to England and Patriarch of the Kennedy Family Dynasty, also expressed this opinion, though not publicly. **(38)**



1- Lindbergh's famous speech before the America First Committee blamed Jewish influence for FDR's drive to war.

2- Joseph Kennedy agreed with Lindbergh.

3- After his re-election of 1940, FDR didn't even try to hide his intentions, as the 1941 newspaper headline above confirms.

OCTOBER – NOVEMBER, 1941
FDR REPEATEDLY AND DELIBERATELY BAITS JAPAN

In the closing months of 1941, FDR's provocations of Japan escalate to the level of "acts of war". FDR imposes devastating oil and trade embargoes on Japan, denies her ships access to the neutral Panama Canal, and orders U.S. battleships to undertake "pop up" cruises through Japanese territorial waters.
Finally, on November 26th of '41, FDR sends an impossible ultimatum to Japan, implying a military threat, and demanding that Japan withdraw all of its troops from China and Indochina as a pre-condition for lifting the oil embargo.

The day before the hostile letter was sent, Secretary of War **Henry Stimson** recorded, in his personal diary, the topic of a meeting with FDR as follows:

***"The question was how we should maneuver them (Japan) into the position of firing the first shot."* (39)**







1- Years after his death, a review of Secretary of War Stimson's diary revealed FDR's intention to provoke Japan.

2- Japan's Ambassador to the U.S. was bullied and threatened by Secretary of State Cordell Hull

3- After December talks with Japanese diplomats broke down (as planned) The Honolulu Advertiser carried the banner: "Japanese May Strike Over Weekend".

WORLD WAR II
Part 2

DECEMBER 7, 1941
JAPAN TAKES FDR's BAIT / ATTACK ON PEARL HARBOR BRINGS THE U.S. INTO THE WAR

While issuing the final provocations of Japan, FDR and his Military Chairman, **George Marshall**, also set the actual bait for the Japanese fish to bite. The tasty bait that these two traitors are dangling is the heart of America's Pacific fleet, deliberately left vulnerable at the naval base of Pearl Harbor, in the U.S. territory of Hawaii.

By now, Japan *knows* that war with America is coming. The Japanese high command, in the hopes of gaining an early advantage, decides to strike as damaging a blow to the U.S. Navy as possible. Because the U.S. and Britain have each cracked Japan's naval communication codes, FDR and Churchill both have advance knowledge of the impending "surprise attack"; but no specific warning is sent to the Commanders at Pearl Harbor. **(1)**

The attack kills 2402 US sailors, and ignites press frenzy and a wave of patriotic **fervor.** The "isolationists" are silenced for good and the America First Committee disbands. FDR and the Jewish Mafia around him will finally have their 2nd world war.



The "Day of Infamy" was not a "surprise". FDR allowed 2,400 US sailors to die without warning.





1- The Great Deceiver plays innocent while addressing the nation.

2- "Remember Pearl Harbor" - Ignorant young men volunteer to die in the Globalists' war.

DECEMBER 8-11, 1941
WAR DECLARATIONS EXCHANGED

The day after Pearl Harbor, Congress declares war on Japan. Even the "isolationists" cannot resist the war fever caused by what FDR calls "an unprovoked attack".

Japan also issues a declaration. Germany and Italy then fulfill their Tripartite Treaty obligation to Japan, by announcing that a state of war now exists between the Axis nations and the U.S. *(though they have neither the intention nor the means to actually cross the Atlantic and attack the U.S. mainland).* Congress then follows with additional declarations upon Germany and Italy.

Again, from the diary of FDR's War *(Defense)* Secretary, Henry Stimson, we learn that Stimson's immediate and "dominant feeling" was not one of sorrow or outrage over the lost lives at Pearl Harbor, but rather of ***relief.***



"When the news first came that Japan had attacked us, ***my first feeling was of relief that a crisis had come in a way which would unite all our people.*** *This continued to be my dominant feeling in spite of the news of catastrophes which quickly developed."* **(2)**







1- While wearing a black armband of "mourning" for the very men that he himself murdered, the wicked traitor FDR signs the Declaration of War.

2- Propaganda posters blanketed America

EXCERPTS OF EMPEROR HIROHITO'S WAR DECLARATION



"....We hereby declare war upon the United States of America and the British Empire.

To ensure the stability of East Asia, and to contribute to world peace, is the farsighted policy which was formulated by our great illustrious Imperial Grandsire and Great Imperial Sire ... ***To cultivate friendship among nations and to enjoy prosperity in common with all nations has always been the guiding principle of our Empire's foreign policy.***

It has truly been unavoidable and far from our wishes that our Empire has been brought to cross swords with America and Britain. *More than four years have passed since China, failing to comprehend the true intentions of our Empire, and recklessly courting trouble, disturbed the peace of East Asia and compelled our Empire to take up arms. Although there has been reestablished the National Government of China, with which Japan had effected neighborly intercourse and cooperation, the regime which has survived in Chungking, relying upon American and British protection, still continues its fratricidal opposition.*

.

Eager for the realization of their ambition to dominate the Orient, both America and Britain, giving support to the Chungking regime, have aggravated the disturbances in East Asia. *Moreover these two powers, inducing other countries to*

follow suit, increased military preparations on all sides of our Empire to challenge us. They have obstructed by every means our peaceful commerce and finally resorted to a direct severance of economic relations, menacing greatly the existence of our Empire.

Patiently have we waited and long have we endured, in the hope that our Government might retrieve the situation in peace. But our adversaries, showing not the least spirit of conciliation, have unduly delayed a settlement; and in the meantime they have intensified the economic and political pressure to compel our Empire to submission.

This trend of affairs would, if left unchecked, not only nullify our Empire's efforts of many years for the sake of the stabilization of East Asia, but also endanger the very existence of our nation. The situation being as it is, our Empire, ***for its existence and self-defense*** *has no other recourse but to appeal to arms, and to crush all obstacles in its path.* **(3)**

- December 8, 1941



Text of War Declaration by Hirohito

By The Associated Press.

LOS ANGELES, Dec. 7—The following is the text of Emperor Hirohito's proclamation declaring war against the United States and Britain, as picked up and translated by the National Broadcasting Company's listening post here:

We, by grace of Heaven, Emperor of Japan and seated on the throne of a line unbroken for ages eternal, enjoin upon thee, our loyal and brave subjects. We hereby declare war upon the United States of America and the British Empire.

The men and officers of our army and navy shall do their utmost in prosecuting the war. Our public servants of various departments will perform faithfully and diligently their appointed duties. The entire nation with united will shall mobilize its total strength so that nothing will miscarry in the attainment of our royal aims.

To insure the solidity of these ages and to contribute to world peace is the far-sighted policy which was formulated by our great, illustrious imperial grandsire's and our great imperial sire's experience, and which we lay constantly to heart to cultivate friendship among nations and to enjoy prosperity in common with all nations.

It has been truly unavoidable and far from our wishes that our Empire has now been brought to crossed swords with America and Britain. More than four years have passed since China, failing to comprehend the true intentions of our empire, and recklessly causing trouble, disturbed the peace of East Asia and compelled our empire to take up arms.

Although there has been established the National Government of China, with which Japan has effected neighborly intercourse and cooperation, the regime that has survived at Chungking, relying upon American and British protection, continues its opposition.

Eager for the realization of their ambitions to dominate the Orient, both America and Britain, by supporting the Chungking regime, have aggravated disturbances in East Asia. Moreover, these two powers, inducing other countries to follow suit, increased military preparations on all sides of our Empire to challenge us. They have obstructed by every means our peaceful commerce and finally resorted to a direct severance of economic relations menacing gravely the existence of our Empire.

Patiently have we waited and long have we endured in the hope that our government might retrieve the situation in peace, but our adversaries, showing not the least spirit of conciliation, have unduly delayed a settlement and in the meantime they have intensified the economic and political pressure to compel our empire to submit.

This turn of affairs would, if left unchecked, not only nullify our empire's efforts to stabilize East Asia, but also endanger the very existence of our nation.

The situation being such as it is, our empire, for its existence and self-defense, has no other recourse but to appeal to arms and to crush every obstacle in its path.

We rely upon the loyalty and courage of our subjects in our confident expectation that the task bequeathed by our forefathers will be carried forward and that the sources of evil will be speedily eradicated and an enduring peace established in East Asia, preserving thereby the glory of our empire.

The New York Times

Published: December 8, 1941

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The text of Hirohito's war declaration appeared once in the inner pages of The New York Times before its allegations disappeared down the black memory hole of "official" history.



EXCERPTS FROM HITLER'S POST-PEARL HARBOR SPEECH

"Starting in November 1938, he (Roosevelt) began systematically and consciously to sabotage every possibility of a European peace policy. ***In public he hypocritically claimed to be interested in peace while at the same time he threatened every country that was ready to pursue a policy of peaceful***

understanding by blocking credits, economic reprisals, calling in loans, and so forth. *In this regard, the reports of the Polish ambassadors in Washington, London, Paris and Brussels provide a shocking insight.*

This man increased his campaign of incitement in January 1939. In a message to the U.S. Congress he threatened to take every measure short of war against the authoritarian countries."

I will overlook as meaningless the insulting attacks and rude statements by this so-called President against me personally. That he calls me a gangster is particularly meaningless, since this term did not originate in Europe, where such characters are uncommon, but in America. ***And aside from that, I simply cannot feel insulted by Mr. Roosevelt because I regard him, like his predecessor Woodrow Wilson, as mentally unsound.***

We know that this man, with his Jewish supporters, has operated against Japan in the same way. I don't need to go into that here. The same methods were used in that case as well. ***This man first incites to war, and then he lies about its causes and makes baseless allegations. He repugnantly wraps himself in a cloak of Christian hypocrisy, while at the same time slowly but very steadily leading humanity into war.*** *And finally, as an old Freemason, he calls upon God to witness that his actions are honorable. His shameless misrepresentations of truth and violations of law are unparalleled in history.*

I am sure that all of you have regarded it as an act of deliverance that a country [Japan] has finally acted to protest against all this in the very way that this man had actually hoped for, and which should not surprise him now [the attack on Pearl Harbor]. ***After years of negotiating with this deceiver, the Japanese government finally had its fill of being treated in such a humiliating way.*** *All of us, the German people and, I believe, all other decent people around the world as well, regard this with deep appreciation.*

We know the power behind Roosevelt. It is the same eternal Jew that believes that his hour has come to impose the same fate on us that we have all seen and experienced with horror in Soviet Russia. *We have gotten to know firsthand the Jewish paradise on earth. Millions of German soldiers have personally seen the land where this international Jewry has destroyed and annihilated people and property. Perhaps the President of the United States does not understand this. If so, that only speaks for his intellectual narrow-mindedness.*

And we know that his entire effort is aimed at this goal: Even if we were not allied with Japan, we would still realize that the Jews and their Franklin Roosevelt intend to destroy one state after another. The German Reich of today has nothing in common with the Germany of the past. For our part, we will now do what this provocateur has been trying to achieve for years. And not just because we are allied with Japan, but rather because ***Germany and Italy with their present leaderships have the insight and strength to realize that in this historic period the existence or non-existence of nations is being determined, perhaps for all time.*** *What this other world has in store for us is clear. They were able to bring the democratic Germany of the past to starvation, and they seek to destroy the National Socialist Germany of today.*

When Mr. Churchill and Mr. Roosevelt declare that they want to one day build a new social order, that's about the same as a bald-headed barber recommending a tonic guaranteed to make hair grow*. Rather than incite war, these gentlemen, who live in the most socially backward countries, should have concerned themselves with their own unemployed people. They have enough misery and poverty in their own countries to keep themselves busy insuring a just distribution of food there. As far as the German nation is concerned, it doesn't need charity, either from Mr. Churchill or Mr. Roosevelt -- but it does demand its rights. And it will do what it must to insure its right to life, even if a thousand Churchills and Roosevelts conspire together to prevent it."* **(4)**

- December 11, 1941

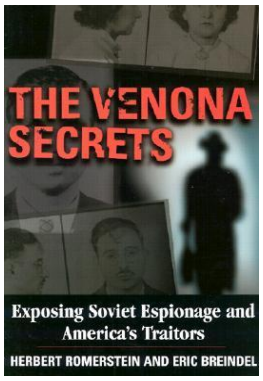
DECEMBER, 1942 - 1945
SUPER SECRET MANHATTAN PROJECT INFESTED WITH COMMUNIST SPIES

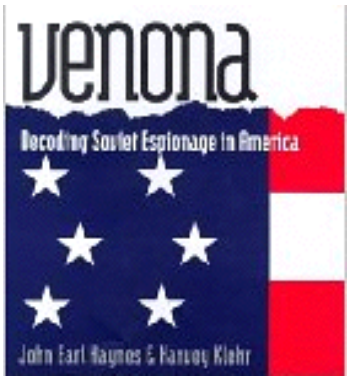
The Manhattan Project is an effort, led by the U.S. with participation from Britain, which will result in the first atomic bomb. The project grew out of the Einstein-Szilard letter to FDR in 1939. The effort had started out on a small scale later that year, and by war's end will eventually employ 130,000 people at 30 locations. Three 'secret cities" will house 100,000 workers, all of them sworn to secrecy, and most of whom are ignorant of "the big picture".

From the start, there are concerns about the Project's security. Physicist Gregory Breit, an important researcher, quits in 1942 because of concerns over lax security procedures. The Jewish Communist Physicist **J. Robert Oppenheimer** takes over Breit's research, and is then appointed to head the secret weapons lab at Los Alamos, New Mexico. Under his leadership, Soviet spies and Communist sympathizers infest the Project *(Enrico Fermi, Klaus Fuchs etc).*

As Oppenheimer "looks the other way", Red spies pass America's secrets into Stalin's hands. **(5)** In 1954, Oppenheimer's security clearance will be revoked. But by that time, The Soviets have already stolen much of the "formula" for the A-bomb.







1- Robert Oppenheimer: Mad Man, Communist, Soviet Agent

2- Many years later, the declassified "Venona Intercepts" will confirm the full extent of the treason which took place at Los Alamos.

FEBRUARY, 1942
FDR ORDERS LOYAL AMERICANS OF JAPANESE DESCENT TO BE PLACED IN INTERNMENT CAMPS

FDR's **Executive Order 9066** condemns 110,000 Americans of Japanese ancestry to serve the rest of the war years in prison camps. *Of those interned, 62% are actual American citizens.*

Shortly thereafter, **Executive Order 9095** freezes their assets. German-American and Italian-American families are also interned in camps, though in lesser numbers.

Unlike Germany's wartime internment of Jews *(who were generally hostile towards Germany)*, terrorist Partisans, thieving gypsies, and other assorted Reds; **FDR's internments are of law abiding, peaceful, and patriotic citizens loyal to America.** The internments are as unjustified as they are unnecessary.





1- Innocent AMERICANS rounded up and herded onto camp-bound trains.

2- Innocent Japanese-American boys, trapped behind FDR's fences.

1942 - 1945
"ROSIE THE RIVETER" IS WORKED AND RATIONED LIKE A DOG TO SUPPORT THE WAR EFFORT

The commonly-held economic fallacies that war is good for the economy and that World War II pulled America out of the Great Depression are based on ignorance; nothing more. War is waste; plain and simple. The increased productivity *(Gross Domestic Product)* and decreased unemployment associated with a wartime slave economy benefit only the industry bosses who own the factories and the bankers financing the new spending. The goods that are churned out do not benefit the working public because they have to be shipped to the soldiers overseas; in many cases to be destroyed.

World War II was a time of great sacrifice for both the American men who were compelled to fight, bleed and die, as well as for "Rosie the Riveter" on the home front. As consumers, the women who were herded into buzzing factories faced shortages of everything from metals to quality food and clothes.

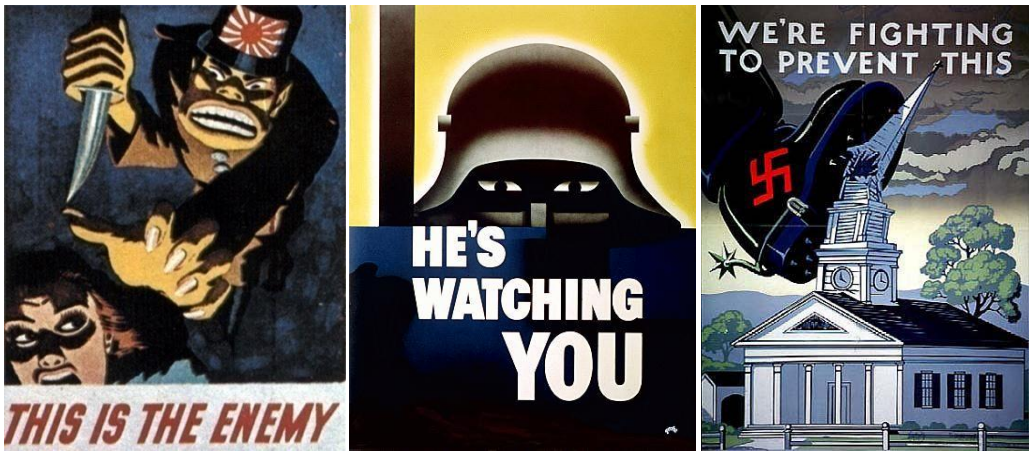
The U.S., British, and *Soviet* armies sucked up the manufactured "goods" while Americans struggled. Car bumpers were actually made of wood during these years! Propaganda posters everywhere told Americans it was their patriotic duty to work like animals and to go without. The suckers of "the greatest generation" believed it and never complained.

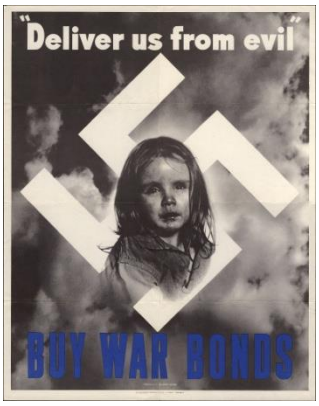


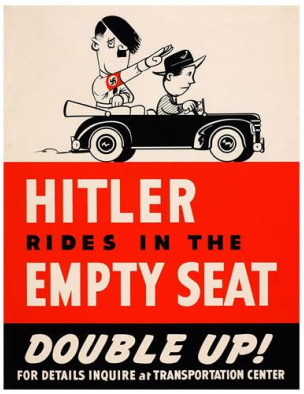
To support FDR's evil war that will kill her husband, "Rosie the Riveter" was worked like a factory animal and then told to "do with less".

1942 - 1945
AMERICA'S RIDICULOUS WAR PROPAGANDA

The hateful idiocy of American propaganda posters speaks for itself:



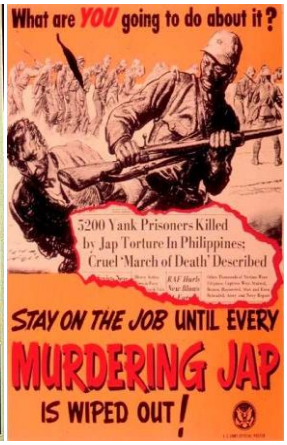










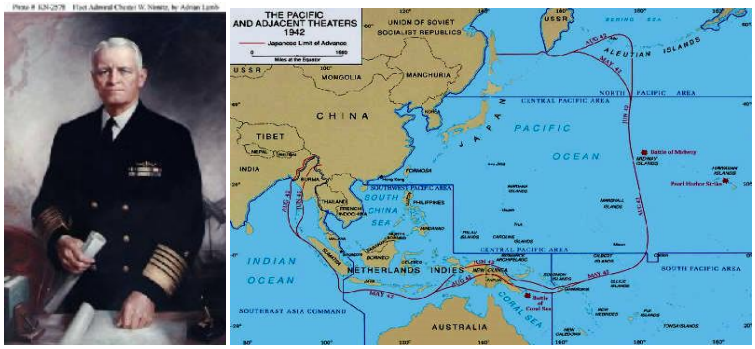




JUNE 4-7, 1942
U.S. VICTORIOUS OVER JAPAN IN THE 'BATTLE OF MIDWAY'

The Battle of Midway is the most important naval battle of the Pacific Ocean campaign. The U.S. Navy, under the command of **Admiral Chester W. Nimitz**, decisively defeats the Japanese, inflicting irreparable damage upon the Japanese fleet. After Midway, Japan's Pacific defense perimeter of islands steadily shrinks as Japan cannot replace its lost ships and aircraft as fast as the U.S. can.

Though Midway marks a turning point, the U.S. will sustain much more casualties as the Japanese tenaciously defend their Pacific perimeter for many months to come.



Chester W. Nimitz / The region From Manchuria to Midway was Japan's defense perimeter

JULY, 1942 – FEBRUARY, 1943
THE BLOODY BATTLE OF STALINGRAD

The Battle of Stalingrad between the Germans and the Soviets was fought for control of the strategically vital Russian city that Stalin named after himself *(today known as Volgograd).* It will go down in history as the bloodiest battle ever, with *combined deaths of nearly 2 million.* Stalin's refusal to pull the Red Army out of the city leads to a long siege and great suffering for the hungry residents.

After the German offensive captures most of the city, the Lend Lease-equipped Red Army wears the Germans down with bloody house-to-house fighting. Brainwashed and inflamed by the NKVD's false atrocity propaganda, much of the city's civilian population fiercely resists the Germans as well. As intended, this "false flag" terror enflames the civilian population against the Germans. The losses suffered by the Germans will make victory in Russia impossible.

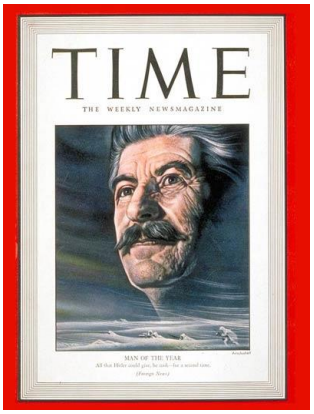




1- Brutal house-to-house fighting at Stalingrad took a heavy toll on the Germans.

2- Stalin's gang used phony photos to incite the Russian people against the Germans. Note how a hanging body was added to the original photo.





America's Globo-Zionist propaganda machine portrays Stalin (an enemy of America!) as a "Hero"!

NOVEMBER, 1942
OPERATION TORCH / ALLIES BATTLE THE GERMANS IN NORTH AFRICA

A full year after U.S. entry into the war, the Germans are finally confronted during **Operation Torch**, the Allied invasion of French North Africa *(Algeria, Tunisia, Morocco).* It is facilitated by French Generals who switched loyalty from the nationalist Marshal Petain's Vichy France to the Globalist/Communist side of General Charles de Gaulle *(self-exiled in England).*

The politically appointed and grossly unqualified General **Dwight D. Eisenhower ("Ike")** is given command of the Allied force which sails from England. But it is the military genius of **General George Patton** that ultimately bails out the incompetent and envious Eisenhower. **(6)** Patton's Army successfully overcomes the German forces, led by **General Erwin Rommel** *(The Desert Fox).*

By May of 1943, the Germans will have evacuated Northern Africa as they prepare to defend the "soft underbelly of Europe" in southern Italy.



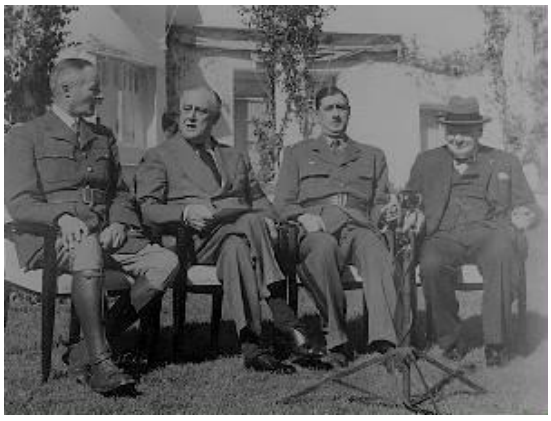
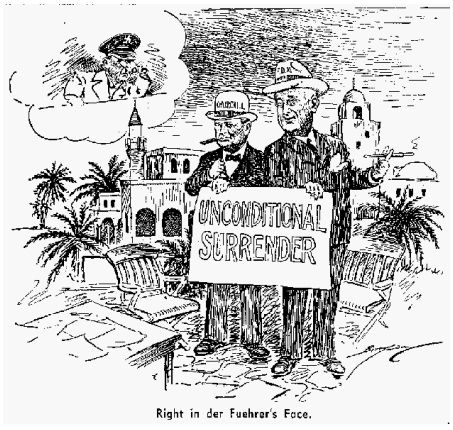



Patton vs Rommel / Allies land in North Africa / Italy now vulnerable to invasion.

JANUARY, 1943
CASABLANCA CONFERENCE / ALLIES: WAR WILL CONTINUE UNTIL <u>UNCONDITIONAL</u> SURRENDER!

FDR, Churchill, and the exiled "'Free French" Generals Henri Giraud and Charles de Gaulle meet together at the **Casablanca Conference** *(Morocco/North Africa)*. FDR announces a policy of "unconditional surrender" for Germany, Italy, and Japan. Churchill agrees to the policy.

Unconditional surrender means the Allies expect the Axis nations to not only stop fighting, but to also hand over complete political, educational, military and media control to the invading Allied armies. This brutal hard-line policy of complete subjugation inspires the Japanese and Germans to fight harder and longer.

Giraud, FDR, de Gaulle, and Churchill demand "Unconditional Surrender"

JANUARY – MAY, 1943
THE TIDE TURNS AGAINST GERMANY

The opening months of 1943 mark the turning point in the war. The combination of America's awesome naval, air, and land power, a *3-front war*, Jewish and Red Partisan guerilla war, merciless air bombardment of German civilians, and a massive Red Army armed to the teeth by American manufacturing power, all combine to take a heavy toll on Germany.

General Friedrich Paulus requests that Hitler allow the 6th Army at Stalingrad to surrender. Hitler, knowing what the stakes were for Germany and Europe, and knowing that Stalin would kill any prisoners, orders Paulus to hold firm.

In February, the cowardly general finally surrenders his army to the tender mercy of the Stalin-Kaganovich death cult. About 35,000 of the men under Paulus's command had already been evacuated from the front. The remaining 91,000 are marched off to Soviet slave camps. Only 6,000 of them ever returned home.

Paulus eventually sells out to the Soviets altogether, joining the 'National Committee for Free Germany' and urging German troops to defy orders and surrender. After testifying at the post-war Nuremberg show-trials for *the Soviets*, he was released and spent the rest of his life as a mouthpiece for Communist East Germany.

In May, the campaign in North Africa ends as German troops evacuate. That same month, Admiral Donitz removes all German U-boats from the Atlantic after 41 subs are sunk in just 3 weeks! Germany is now limited to playing defense as the Allies slowly tighten the Globalist noose around Hitler's Reich.



Betrayed by their General, cold, tired and hungry Germans surrender at Stalingrad. Many will die on the death march to Siberian labor camps.

JULY, 1943
'OPERATION GOMORRAH' / THE FIREBOMBING OF HAMBURG BURNS OR SUFFOCATES 42,000 GERMAN CIVILIANS!

The **Firebombing of Hamburg** creates a tornado of fire so intense; it actually lifts people off of the streets and into the fire. Those who are not burned to death suffocate in shelters as the fire above sucks up all the oxygen.

Hundreds of US and UK aircraft feed the inferno with wave after wave of incendiary bombings. As a sick joke, the demonic planners of the genocide of Hamburg actually code named the arson attack ***"Operation Gomorrah"***, after the Hebrew Bible story of the cities which God destroyed by fire and brimstone.*(Sodom & Gomorrah)*

Operation Gomorrah deploys 3,000 aircraft and 9,000 tons of bombs. It kills 42,000 people, with an equal number injured. Indeed, **more Germans died on that fateful night in Hamburg than the total number of British civilians killed during five years of war!** One million traumatized German refugees flee the city in which 250,000 homes were destroyed.



The women, children, and elderly of Hamburg were suffocated or charbroiled alive by Churchill and Roosevelt.

1943
CHURCHILL'S BENGAL FAMINE KILLS 2,000,000 INDIANS

While famines were not uncommon in India, largely because of droughts or monsoons, the 1943 tragedy in Bengal has the unmistakable fingerprints of the mad dog Churchill on it. **(7)**

In the prior year, when Japan occupied Burma, an important rice exporter, the British bought up massive amounts of rice and hoarded it. Churchill then orders the diversion of food away from India and toward British troops around the world. Now a rare commodity, the price of rice shoots up four-fold. Wheat from Australia *(which could have been delivered to starving Indians)* is instead transported to British troops as well. Even worse, British colonial authorities *(again under Churchill's leadership)* actually turn down offers of food from the U.S.

Churchill hates Indians almost as much as he hates Germans; mainly because India wants its independence from Britain. Later, at a War Cabinet meeting, Churchill blames the Indians themselves for the famine, saying that they "breed like rabbits."



Churchill's Reign of Death spanned several continents.

SUMMER, 1943
ALLIES INVADE SICILY FROM NORTH AFRICA / ITALIAN GOVERNMENT COLLAPSES / 60,000 ITALIAN CIVILIANS KILLED

The Allied invasion of the southern Italian island of Sicily is another huge success for Generals Patton and Montgomery (UK). German and Italian resistance is overwhelmed. Within four weeks of the initial air and sea assault, Axis troops evacuate to the Italian mainland.

Italian Leader Benito Mussolini is removed from power by his own Grand Council. The new government arrests him, makes peace with the Allies, and switched sides. This leaves Germany with the sole task of halting Patton's push up the Italian peninsula. *(In September, Mussolini is rescued by German commandos and reinstalled to rule over Northern Italy).*

With Italy coming quickly under Allied control, Hitler worries that the Allies will now invade Yugoslavia and the Balkan nations, cut off Germany's oil supply, and march north upon Germany from the *"soft underbelly of Europe"*. In August of 1943, the British Royal Air Force, departing from bases in southern Italy, begins heavy bombing of the Ploesti oil fields of German allied Romania. The German-occupied parts of Italy are also heavily bombed by the Allies, resulting in the deaths of 60,000 Italian civilians.






1- From North Africa to the "soft underbelly" of Sicily and southern Italy.

2- Bombed-out Italian refugees

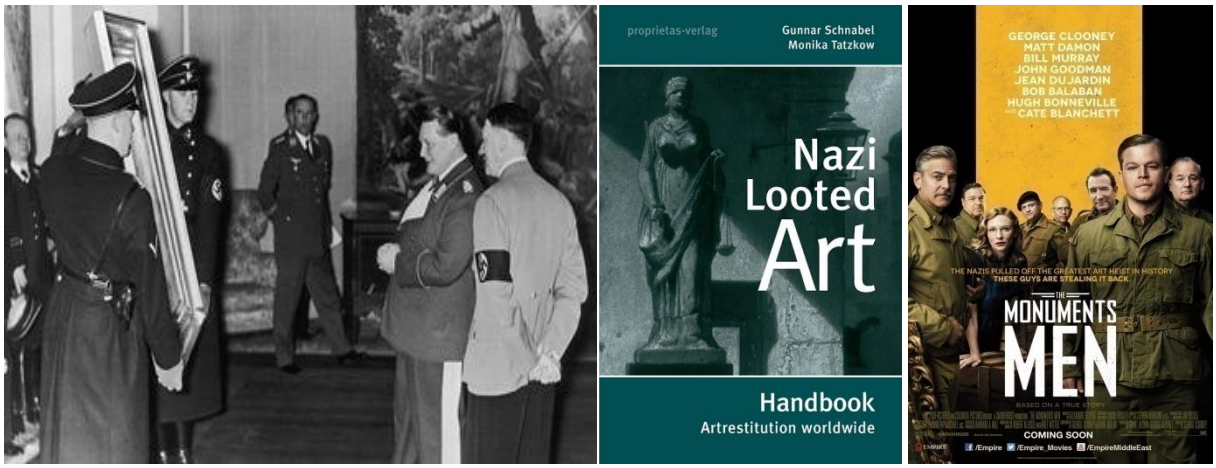
1943-45
SPECIAL GERMAN UNITS PROTECT THE PRICELESS ARTWORKS OF EUROPE

Under Kaiser Wilhelm II during World War I, the highly cultured Germans had gone to great lengths to protect and preserve artworks located in combat zones. The German word to describe this principal of saving Europe's cultural and artistic treasures during wartime is "**Kunstschutz"** (*art protection)*. **(8)**

A talented painter himself, Adolf Hitler has a great appreciation for art and culture. He sees Churchill and FDR as uncultured barbarians with merciless disregard for innocent life, architecture, and works of art. As the Germans had done during

World War I, Hitler too orders the protection of artworks throughout the combat theatres of Europe. The task of protecting the art is handed over to **Air Force Marshal Hermann Goering**. As Allied terror bombing ravages Europe, thousands of paintings and sculptures from Italy, France, Belgium, Russia, Romania, and Poland are gathered and meticulously inventoried by the Germans.

After the war, the American Art Looting Investigation Unit (ALIU) of the **Office of Strategic Services (OSS)** issues 13 reports on the German "looting" of artworks. By the way, this is the same OSS *(forerunner of the CIA)* that also accused the Germans of using dead Jews to make "shrunken heads", "lamp shades" and "bars of soap" - allegations which are today universally acknowledged as false.



"Nazi looted art" is a war propaganda lie, as is the Hollywood film "Monuments Men" starring George Clooney and Matt Damon.

1943
GENERALS EISENHOWER & MARSHALL POSTPONE THE U.S. ADVANCE / WAR IS PROLONGED TO HELP STALIN

With "the soft underbelly of Europe" now vulnerable, Churchill and British General Montgomery argue for an immediate Allied advance upon Germany from the south of Europe. *This was Hitler's greatest concern.*

The oil fields of Romania fuel the German military. An Allied advance on the Balkans through Yugoslavia and Greece would be disastrous for Germany. From Italy and the Balkans, the Allies can then launch a final push upon Germany itself from the south and southeast.

Inexplicably, Allied Commander **Dwight Eisenhower**.('Ike') and Army Chief of Staff **George Marshall** *(who had promoted Eisenhower over scores of senior officers)* insist upon making preparations for an invasion of *heavily fortified* Northern France *the following year*.

This bizarre "blunder" prolongs the war, buys the Soviets much needed time to march westward, and eventually enables Stalin to steal Eastern Europe.

There is a reason for this geo-political "blunder". **FDR and his Globalist gang envision a post-war world in which the Soviets and the United States join forces to lay the foundation for a 'New World Order' *(World Government)*.** However, after the war, Stalin will break with the Globalists and move towards a form of Nationalistic Communism instead; an extension of the ideological conflict that had bitterly divided Stalin and Trotsky during the 1920's. Stalin still supports world-wide Communist revolution, of course, but his vision of a New World Order is one in which Moscow calls the shots, not London or New York.



General Dwight D. Eisenhower (left) and Marshall at the Algiers Conference



1- The traitor Marshall (r) advanced the career of the traitor Eisenhower (l).

2- With most of Italy conquered, and the Soviets advancing from the east, why the plan to storm fortified beaches in France?

1943-1945
VLASOV'S ARMY: SOVIET POW'S VOLUNTEER TO FIGHT FOR GERMANY

Stalin's tyranny was hated by so many Russians that as many as 500,000 Russian POW's volunteered to fight for Germany! The anti-Communist soldiers of the

Russian Liberation Army wore German uniforms with a Russian patch. They were led by **General Andrey Vlasov,** but under German high command.

The RLA fought valiantly, mainly in key rear guard support roles against Communist partisans. After the war, the RLA will attempt to surrender to the western allies. Not wanting to deny 'Uncle Joe' of his revenge, Eisenhower will turn down their offers and forcibly repatriate those who were already in U.S. custody.

Despite pleading with the Americans for political asylum, General Vlasov and his freedom fighters will then be handed over to the brutal Soviets. Vlasov and 11 of his senior officers are hanged in Moscow in August, 1946.



General Vlasov and his men were true Russian patriots; not "traitors".

MAY, 1944
4000 ITALIAN WOMEN ARE GANG RAPED BY FRENCH CONTROLLED NORTH AFRICANS AT MONTE CASSINO

In May '44, the Allies finally succeed in taking **Monte Cassino**.*(in Central Italy)* from German control, after bombing the town's 6th century abbey into ruins. The Allies have French-Moroccan troops fighting for them. The Moroccans are allowed to run wild; slitting the throats of prisoners, looting homes, and raping every Italian woman they can get their hands on. The Moroccans even rape local boys and a Catholic Priest!

Two Italian sisters, ages 16 and 18, are gang raped by more than 200 Moroccans. One dies from the abuse, and the other will spend the rest of her life in a mental

hospital. An estimated 3000 women aged 11-86 are raped, some so violently that 100 of them die. About 800 village men who try to protect them are also killed. The Moroccans go unpunished by their "Free French" Commanders and will later rape and kill again when they occupy Germany.





Italian actress Sophia Loren starred in "Two Women", about a mother and daughter savagely raped by France's Moroccan conscripts.

JUNE 6, 1944
'D-DAY' - OVERLORD / ALLIED INVASION OF NORMANDY LAUNCHED ON 6-6-6 ESTABLISHES A FOOTHOLD IN EUROPE

At the 6th hour, of the 6th day, of the 6th month of 1944, Allied armies based in England launch 'D-Day' *(Devil's Day?),* and successfully cross the English Channel. The cost of **Operation Overlord** *(the Devil?)* is high as nearly 10,000 men are killed storming the fortified beaches of Normandy. But Overlord establishes an initial beachhead of 100,000 troops. From this base in northern France, the Allies will be reinforced for the push towards Germany.

At the same time, the Soviet Red Army, **armed to the teeth with state-of-the-art American weaponry,** advances upon Germany from the east. With Italy also under Allied occupation, Germany has three fronts to defend (West, South, and East) as its cities, railways, dams, factories and civilian population endure relentless bombardment and Partisan sabotage.

In order to give Stalin time to conquer Eastern Europe, Generals Eisenhower and Marshall ***repeatedly*** delay the advance of General Patton's unstoppable 3rd army, going so far as to cut off shipments of gasoline to Patton's army!

Patton *(August, 1944):* *"At the present time our chief difficulty is not the Germans, but gasoline. If they would give me enough gas, I could go all the way to Berlin!"* **(9)**





1- Instead of exploiting the "soft underbelly" of Italy, Allies storm fortified French beaches.

2- The dead at Normandy; what a tragic waste of life!

SUMMER, 1944
THE MURDEROUS 'LIBERATION' & RAPE OF FRANCE

Under what was intended to be only temporary, wartime German occupation *(1940-1944)*, life in Northern France goes by peacefully for French civilians. The conduct of the German occupiers is impeccable. Many French women fall in love with German soldiers. But with the Normandy invasion *(June 6, 1944)*, the peace and security of France is shattered into a million pieces. To support the cross-channel invasion, and to then push the Germans eastward, the Allies unleash a ferocious aerial bombardment campaign. Entire towns are mercilessly carpet bombed. Cultural icons and works of art are destroyed, 65,000 French civilians are killed, 150,000 are injured, and at least 500,000 left homeless. Even Paris is heavily bombed.

Incredibly, twice as many French civilians are bombed to death during only a few months, as the total amount of British civilians killed during the entire war! (10) Of course, these numbers pale in comparison to the 1,000,000 + German civilians who were killed by Allied bombings. The horror doesn't end with the bombardment either. The Allied occupation and subsequent economic

collapse bring new nightmares for the women of France. Under Allied occupation, American troops rape 1000's of French women, and turn many 1000's more hungry women into sex-for-food prostitutes. To appease the French population, the U.S. Army will eventually hang 130 of its rapist soldiers, a majority of them Black. **(11)**

It will take years for these areas of France to recover from the tragedy. Such is the glorious "liberation" that Churchill, FDR, and the French traitor de Gaulle have imposed upon France.





1- The Allied 'liberators' left death, trauma and homelessness in their wake.

2 & 3- Heavy civilian deaths as the Allies bomb Paris factories – and then some!

JULY, 1944
RED ARMY ROLLS BACK INTO POLAND / GERMANS RETREAT

With their free arsenal supplemented by America's finest tanks, Tommy-Guns, planes, trucks, jeeps, and even food and blankets, the Red Army advances on Germany from the east. Stalin's plot to take all of Eastern Europe has been helped greatly by Ike's and Marshall's curious obsession with invading Europe from England, instead of simply advancing from Europe's "soft underbelly".

Stalin wants to crush Berlin. By July '44, the *murdering and raping* Reds have rolled into Poland, threatening Germany's eastern flank. Frightened German civilians begin fleeing westward by land and also via the Baltic Sea.



Armed with America's best weapons, the Red army rolls towards Germany.

JULY, 1944
BRETTON WOODS CONFERENCE ESTABLISHES THE WORLD BANK AND THE INTERNATIONAL MONETARY FUND

The chaos and crisis of World War II gives the Globalists an opportunity to reshape the world's monetary system into a "global economy". At the **Bretton Woods Conference** in New Hampshire, 730 delegates from 44 nations set up new rules for commercial and financial relations. Representing the US is **Harry Dexter White.** White *(originally Weiss)* is the son of Jewish immigrants from the Russian Empire. Years after Bretton Woods, ***Dexter-White is revealed to be a Soviet spy***. **(12)**

The top British delegate is the legendary Fabian Socialist *(possible secret Communist)* and homosexual pedophile **(13)**, **John Maynard Keynes**. Keynes suggests the creation of a World Currency, to be issued by a Global Central Bank. But the world is not ready for such a radical step towards **The New World Order.** Instead of a global currency, each nation will link the value of its currency to the U.S. Dollar, which will serve as the international medium of exchange. Both the **International Monetary Fund** (IMF) and the **World Bank**, are conceived at Bretton Woods.



Soviet agent White (l) & Fabian Marxist pedophile Keynes crafted the world's debt-based monetary system and devised the World Bank and IMF schemes.

JULY 20, 1944
OPERATION VALKYRIE & THE ASSASSINATION ATTEMPT AGAINST HITLER

In addition to a few ambitious traitors, there are still some naïve fools among the German military establishment who believe that the western Allies can yet be reasoned with and peace obtained in the western front. Unbeknownst to them, Churchill and FDR have already pledged to Stalin that they will not seek a separate peace with Germany.

Partly out of a sincere though very misguided belief that Germany would be spared if Hitler was assassinated; and partly out of a desire to save their own skin; a gang of plotters, led by **Colonel Claus von Stauffenberg**, attempts to kill Adolf Hitler. The great General Erwin Rommel is believed to have given his blessing to the plot *(though some have disputed this)*.

Carrying a bomb in his briefcase, Stauffenberg attends a conference with Hitler. He then positions the briefcase under the table near Hitler. After a few minutes, Stauffenberg receives a planned telephone call and leaves the room. When the bomb detonates, it demolishes the conference room, killing three officers and the stenographer. Hitler survives with a perforated eardrum.

The conspiracy is unraveled and the conspirators are soon executed by firing squad. General Rommel is granted the privilege of taking poison.





1- A soldier holds lucky Hitler's torn and singed trousers.

2- The bombed-out conference room 3- Colonel Stauffenberg




Hitler often preferred the company of his adoring rank and file soldiers to that of some of certain snobby Generals who later turned on the "corporal".

1944 - 1945
TYPHUS EPIDEMICS DEVASTATE THE GERMAN INTERNMENT CAMPS

Typhus is spread by head lice, and has historically been linked to wars and crowded conditions. Decomposing typhus corpses can also spread the disease into local groundwater. During and after the World War I, as many as 5 million Poles and Russians had died of the deadly disease. (**14)**

To stop the spread of typhus, the Germans shave the heads of the prisoners and delouse their clothing in "gas chambers". With the situation in Germany

deteriorating fast, deadly typhus epidemics break out in Germany's internment camps, especially in Poland. The Allied bombardment of railroads and medicine factories contributes greatly to this medical crisis.

In spite of Germany's well-documented efforts to stop the typhus epidemic, **(15)** deaths in the concentration camps continue to mount throughout '44 & '45. After the war, Allied propaganda will falsely portray the typhus deaths as evidence of a deliberate extermination program aimed at the Jews.







1- American soldier "gasses" an unidentified woman in order to kill typhus-carrying lice.

2- Germans used Zyklon B to kill lice, not people.

3- British sign in Naples warns troops of typhus

AUGUST, 1944
THE VICHY GOVERNMENT OF FRANCE IS TOPPLED BY THE ALLIES / VENGEFUL GENERAL de GAULLE RETURNS AND MURDERS 40,000 OF HIS OWN PEOPLE

After the collapse of the Vichy French regime, General Charles de Gaulle returns from his English exile. The Globalist and Communist French then impose a new Reign of Terror. Cruel punishment is meted out against those labeled as "Nazi collaborators", whose only crime was in making peace with Germany, or to have fought against the Soviets on the eastern front as members of the German SS units.

The de Gaullist ‘liberals’ will murder as many as 40,000, and imprison 100,000 of their countrymen. French women who dated German soldiers during the occupation are humiliated by having their heads shaved bald or stripped naked.

Marshal Petain escapes to Germany. After the war, he will be sentenced to death for “treason”, but due to his age, 88, and hero status from WW I, de Gaulle has no choice but to reduce Petain's sentence to life in prison.





French women who had fallen in love with German soldiers were shaved bald and paraded by Red Frenchmen and other ‘patriotic” ignoramuses.

JANUARY 8, 1945
NEW YORK TIMES PUBLISHES A COMMUNIST’S CLAIM OF 6 MILLION JEWS DEAD

Sing it again Four Tops: “It’s the same, old song….



6,000,000 JEWS DEAD
New York Times (1857-Current file); Jan 8, 1945;
ProQuest Historical Newspapers The New York Times (1851 - 2006)
pg. 17

6,000,000 JEWS DEAD

Jacob Lestchinsky Estimates Reduction in Europe Since '39

The Jewish population in Europe has been reduced from 9,500,000 in 1939 to 3,500,000, it was estimated yesterday by Jacob Lestchinsky, exiled economist and newspaper man, in an address at the nineteenth annual conference of the Yiddish Scientific Institute. Mr. Lestchinsky, who is research secretary of the institute, spoke at the closing sessions of a three-day conference at the Hotel Park Central and attended by delegates from Jewish educational and cultural groups.

"Of the 6,000,000 European Jews who have died, 5,000,000 had lived in the countries under Hitler's occupation," he said.

Other speakers included Dr. Harry M. Orlinsky, Professor of Bible at the Jewish Institute of Religion; Prof. Abraham Heschel of Hebrew Union College, Cincinnati, and Joseph Opatoshu, vice president of the institute's executive board.

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We have firmly established that, on *numerous* occasions dating back to 1900, the propaganda claim of "6 million Jews" being in jeopardy of dying appeared in print. Towards the end of World War II, the first claim of 6 million Jews having actually died was published in January, 1945, based upon the claim of a Communist correspondent for the New York Jewish Daily Forward ***(an openly Marxist, Yiddish language publication)***.

As far back as 1933, Lestchinsky *(above, right)* had been accused by both Latvia and Germany of spreading false atrocity propaganda. **(16)** Germany had actually expelled him for telling atrocity lies.

With neither investigation nor confirmation, Lestchinsky's claim of 6 million dead Jews was immortalized with a headline in the Jewish owned New York Times. The most "prestigious" newspaper in the world thus gave a HUGE boost to a big lie.

Aside from Lestchinsky being a known Communist liar, there is another problem with the story. You see, none of the major concentration camps had even been liberated yet! Following are the 1945 liberation dates for some of the most well known "Nazi death camps":

Auschwitz *(January 27)*, Buchenwald *(April 4)*, Bergen Belsen *(April 11)*, Dachau *(April 29)*, Mauthausen *(May 5)*

All of these camps were regularly visited by the Red Cross, which estimated the final death toll at 270,000 *(mainly from typhus)*. **(17)** Though the number was based on German records, the Red Cross at the time neither questioned the figure nor ever complained about German cooperation with regard to camp inspection.

So, **w**here did Comrade Lestchinsky get this "6 million" from? As it turns out, the "6 million" number, which evidently has some symbolic significance, has been around for a long time.



The New York Times
Expect the World®

'Holocaust' & '6,000,000 Jews' stories in the Jew owned New York Times, all long before WW2 had finished

June 11th, 1900
RABBI WISE'S ADDRESS.

May 16th, 1903
MORE DETAILS OF THE KISHINEFF MASSACRE
In Some Places Jews Managed to Defend Themselves.

Sept 16th, 1903
THE MACEDONIAN MASSACRES.

Jan 29th, 1905
END OF ZIONISM. MAYBE.
Jewish Preacher's View of Uprising in Russia.

Mar 25th, 1906
Dr. Paul Nathan's View of Russian Massacre

Dec 2nd, 1914
APPEAL FOR AID FOR JEWS.
American Committee Tells of Suffering Due to the War.

Oct 18th, 1918
$1,000,000,000 FUND TO REBUILD JEWRY

Nov 12th, 1919
TELLS SAD PLIGHT OF JEWS.
"The excessive blows of contending armies have all but broken the back of European Jewry," he said, "and have reduced to tragically unbelievable misery, starvation and disease about [illegible] of half the Jewish population of the earth.
"The Jewish people throughout Eastern

Jul 20th, 1921
BEGS AMERICA SAVE 6,000,000 IN RUSSIA
Massacre Threatens All Jews as Soviet Power Wanes, Believers Reunion, Coming Here for Aid.

Mar 29th, 1933

June 1st, 1933
GERMAN POET IS SAFE.
Elsa Lasker-Schuler, Reported Missing, Is Located in Zurich.
Dr. Hargarten said he had received a letter from the poet at Zurich a few days ago, stating that she had "two years from the hitlerism" and was content but po-

Sept 8th, 1935
LONDON, Sept. 7. The preliminary session of the first world conference of the Federation of Polish Jews being attended by many delegates from eighteen countries representing 4,000,000 Jews was held in the East End of London tonight.

May 31st, 1936
AMERICANS APPEAL FOR JEWISH REFUGE
Pro-Palestine Federation Asks Britain to Take a Strong Course in Holy Land.
leadership in the United States, favoring a larger Jewish immigration into Palestine, stressed the intolerable sufferings of the millions of Jews in "the European holocaust."

Feb 23rd, 1938
"Jewish Tragedy" Pictured
A depressing picture of 8,000,000 Jews in Central Europe deprived of protection or economic opportunities, slowly dying of starvation, all hope gone, was presented to the teachers by Jacob Tarshis, known to his radio audience as The Lamplighter. Mr. Tarshis represented the American Jewish Joint Distribution Committee.
The "Jewish tragedy" started when Hitler came into power in 1933, Mr. Tarshis declared. Now

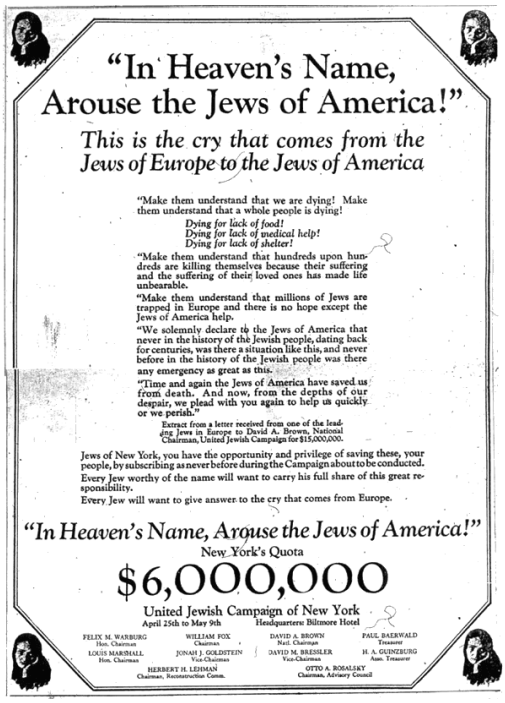
May 2nd, 1938
NATION IS WARNED OF ANTI-SEMITISM
Calls Upon Church to Meet Challenge of Prejudice Here With Aggressive Action
The rising tide of anti-Semitism in Europe today, which has deprived more than 6,000,000 Jews and sympathizers of a birthright, may soon

Jan 15th, 1939
Rabbi Silver wanted assistance to Jewish emigration safeguarded so that European governments would realize that "it is impossible to evacuate 6,000,000 Jews."
"The overwhelmingly large number of Jews in Eastern and Central Europe will have to remain exactly where they are and their problems must ultimately be solved, along with the entire minority problem of Europe," he said

Oct 2nd, 1941
YOM KIPPUR ENDS IN PLEA FOR PEACE
Bearing in mind, when the day of peace comes, the inferno through which the human race is now passing, the peace-makers may so order the pattern of the future as to avoid the likelihood of another holocaust."

Jan 8th, 1945
6,000,000 JEWS DEAD
Jacob Lestchinsky Estimates Reduction in Europe Since '39
The Jewish population in Europe has been reduced from 9,000,000 in 1939 to 3,000,000, it was estimated yesterday by Jacob Lestchinsky.
"Of the 6,000,000 European Jews who have died, 5,000,000 had lived in the countries under Hitler's occupation," he said.

Feb 17th, 1945
PARIS, Feb. 16—Dr. Joseph Schwartz, European director of the American Jewish Joint Distribution Committee, estimated today that 800,000 of Europe's 8,000,000 Jews had escaped destruction by emigration and that only 1,000,000 to 1,200,000 of Europe's 8,000,000 Jews were now left on the Continent.



"In Heaven's Name, Arouse the Jews of America!"

This is the cry that comes from the Jews of Europe to the Jews of America

"Make them understand that we are dying! Make them understand that a whole people is dying!
Dying for lack of food!
Dying for lack of medical help!
Dying for lack of shelter!

"Make them understand that hundreds upon hundreds are killing themselves because their suffering and the suffering of their loved ones has made life unbearable.

"Make them understand that millions of Jews are trapped in Europe and there is no hope except the Jews of America help.

"We solemnly declare to the Jews of America that never in the history of the Jewish people, dating back for centuries, was there a situation like this, and never before in the history of the Jewish people was there any emergency as great as this.

"Time and again the Jews of America have saved us from death. And now, from the depths of our despair, we plead with you again to help us quickly or we perish."

Extract from a letter received from one of the leading Jews in Europe to David A. Brown, National Chairman, United Jewish Campaign for $15,000,000.

Jews of New York, you have the opportunity and privilege of saving these, your people, by subscribing as never before during the Campaign about to be conducted.
Every Jew worthy of the name will want to carry his full share of this great responsibility.
Every Jew will want to give answer to the cry that comes from Europe.

"In Heaven's Name, Arouse the Jews of America!"

New York's Quota

$6,000,000

United Jewish Campaign of New York
April 25th to May 9th
Headquarters Biltmore Hotel

FELIX M. WARBURG, Hon. Chairman
WILLIAM FOX, Chairman
DAVID A. BROWN, Nat. Chairman
PAUL BAERWALD, Treasurer
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OTTO A. ROSALSKY, Chairman, Advisory Council

1- The "6 Million Jews" mantra had appeared in print many times since 1900.

2- The United Jewish Campaign of New York set a fundraising goal of $6,000,000 to help the "dying" Jews of Europe…<u>in 1926</u>?

JANUARY 30, 1945
SOVIET SUB SINKS THE WILHELM GUSTLOFF / 10,000 GERMAN REFUGEES KILLED AT SEA!

As the raping and murdering Soviets push eastward, millions of terrified German refugees flee west by land and sea. The liner ***MV Wilhelm Gustloff*** is packed shoulder-to-shoulder with 10 -12,000 people - **10 times as many as the Titanic!**

Soon after leaving port, the doomed ship is sighted by Soviet Submarine commander **Alexander Marinesko**. Having stalked his human prey for several hours, the Soviet killer then fires three torpedoes into the ship's port side. In the panic that follows, many passengers are trampled to death as they flee to the decks.

The *Wilhelm Gustloff* sinks in just 45 minutes. German ships arrive quickly and pluck about 1,000 survivors from the frigid Baltic Sea.





1 & 2- Artistic rendition of the sinking - 10,000 souls lost at sea!

3- In recognition of his "heroic" act of genocide, the Soviets built a memorial to Commander Marinesko.

FEBRUARY, 1945
THE YALTA CONFERENCE / FDR 'GIVES AWAY THE STORE' TO JOE STALIN

The most historic of the "Big Three" conferences is held in the Black Sea resort of Yalta *(Russian Crimea).* At the **Yalta Conference**, FDR & Churchill *(especially FDR)* make easy concessions to the mass-murdering Communist, "Uncle Joe". With Red spies **Alger Hiss** and **Harry Hopkins** influencing the dying Roosevelt *(who dies in April)*, it is decided that *after* Germany's defeat:

- The Soviets will occupy Eastern Europe until free elections can be held.
- The Soviets will eventually join the war against Japan and be supplied with U.S. arms for the effort.
- After Japan is defeated, the Soviets will occupy northern Korea (*without Korea's approval!*), and Manchuria in China (*without China's approval!*)
- Millions of Russian POWs captured by the Germans, as well as Russian refugees fleeing Stalin, will be forcefully returned to Stalin.
- Germany will be split in half as will the Capital of Berlin. **(18)**





The Big Three of Yalta - The murderous psychopaths plot the reshaping of the post- war world. The biggest winner is Stalin.

FEBRUARY 13-15, 1945
THE 'ASH WEDNESDAY' HOLOCAUST OF DRESDEN
200,000 - 300,000 CIVILIANS KILLED!

By February of '45, the outcome of the war in Europe is already clear. Germany is finished and will formally surrender in 3 months. The murderous firebombing of the beautiful city of Dresden is therefore as cruel as it is unnecessary. In an apparent effort to mock Catholic Germans, the Zio-Globalists chose the day of "Ash Wednesday" to literally turn Dresden into ashes.

For two straight days, wave upon wave of Allied air sorties drop phosphorus and incendiary bombs upon a defenseless population. **Thousands of fires merge into one huge firestorm, sucking oxygen to feed itself as countless numbers of German elderly, women, and children suffocate or burn alive.**

The fire is so massive that pilots report that their cockpits are actually illuminated by the great flame. Because so many refugees fleeing eastward have swelled Dresden's population, it is difficult to say how many are killed by the Churchill/FDR "Holocaust". Credible estimates vary between 200 - 300,000 dead, and possibly as many 500,000! **(19)** Survivors are later strafed during the daytime with machine gun fire from low flying American & British fighter planes. **(20)**




Burnt out beyond description! The dead of Dresden were stacked in huge piles and cremated before mass disease could set in.




Before and after; they did not deserve this!

MARCH 10, 1945
FDR FIREBOMBS TOKYO / 100,000 CIVILIANS KILLED

Though it will later be overshadowed by the subsequent atomic bombs dropped on Hiroshima and Nagasaki, the **Firebombing of Tokyo** is just as deadly in its initial death toll. The genocidal terror bombing involves the same type of incendiary explosives dropped on Dresden one month earlier, and yields similar horrific results.

The charred bodies of 100,000 dead civilians litter the streets and 250,000 buildings and homes are destroyed. Millions more are injured or left homeless.




Though later overshadowed by the atomic bombings of Japan, the Tokyo firebombing was just as deadly. The boys above are homeless orphans.

APRIL 12, 1945
FDR DIES OF A STROKE/ HARRY TRUMAN BECOMES PRESIDENT

The polio-stricken FDR will not live to see the end of the bloody war that he helped unleash upon the world. FDR intends to take a few weeks rest before his anticipated appearance at the founding conference of the United Nations in San Francisco.

On the afternoon of April 12, Roosevelt says out loud, *"I have a terrific pain in the back of my head."* He slumps forward in his chair, unconscious, and is carried into his bedroom. Like Wilson in 1919, FDR suffers a massive stroke and dies soon afterwards. FDR's lasting legacy for America is the class warfare induced welfare state and the brutal foreign warfare state; both of which are bankrupting the United States and killing innocents abroad.

Naturally, after his death *The New York Times* declares, *"Men will thank God on their knees a hundred years from now that Franklin D. Roosevelt was in the White House"*. **(21)**

Vice President **Harry Truman** becomes President. He is a corrupt, dim-witted political hack and **failed businessman**. FDR's Jewish and Red inner circle will

continue to run the show while the ill-tempered little man from Missouri delivers the speeches. Nothing will change.



The New York Times.

LATE CITY EDITION

PRESIDENT ROOSEVELT IS DEAD; TRUMAN TO CONTINUE POLICIES; 9TH CROSSES ELBE, NEARS BERLIN

U. S. AND RED ARMIES DRIVE TO MEET

Americans Across the Elbe in Strength Race Toward Russians Who Have Opened Offensive From Oder

WEIMAR TAKEN, RUHR POCKET SLASHED

Third Army Reported 19 Miles From Czechoslovak Border—British Drive Deeper in the North, Seizing Celle—Canadians Freeing Holland

OUR OKINAWA GUNS DOWN 118 PLANES

Franklin Delano Roosevelt

1882-1945

END COMES SUDDENLY AT WARM SPRINGS

Even His Family Unaware of Condition as Cerebral Stroke Brings Death to Nation's Leader at 63

ALL CABINET MEMBERS TO KEEP POSTS

Funeral to Be at White House Tomorrow, With Burial at Hyde Park Home—Impact of News Tremendous

TRUMAN IS SWORN IN THE WHITE HOUSE

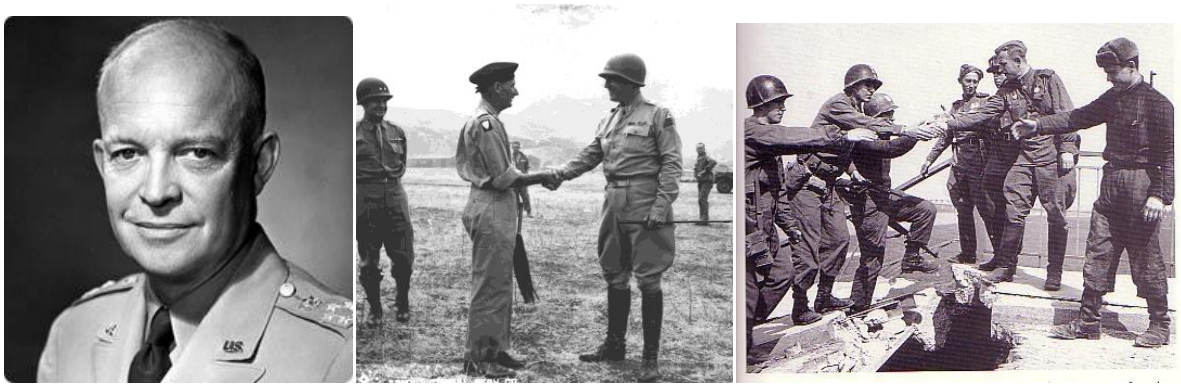


*The New York Times turns the lying swine into a god, as brainwashed Americans weep for the death of the deceitful monster who had betrayed them. *Note the sub-headline: '9TH Crosses Elbe (River), Nears Berlin'*

APRIL 15, 1945
EISENHOWER ORDERS PATTON'S ARMY TO HALT / BERLIN & EASTERN EUROPE RESERVED FOR STALIN!

British **General Bernard Montgomery** argues that there is now nothing to stop the Allies from sweeping into Berlin, thus taking the German Capital before the advancing Soviet army can get there. Eisenhower, however, has other ideas. As FDR's loyal lapdog had done time and time again, "Ike" would find a way to delay the Allied advance so as to buy time for Stalin to advance from the east.

On March 28, '45, Ike sends a message to Stalin, assuring him that the Allied advance will focus on western Germany. On April 15, Ike issues a halt order forbidding Allied commanders from crossing the Elbe River. **(22)** Generals Montgomery and Patton are very upset over the sudden order to halt the advance, thus condemning Berlin, and all of Eastern Europe, to Soviet barbarism.



1- Red-lover 'Ike' was Stalin's favorite General.

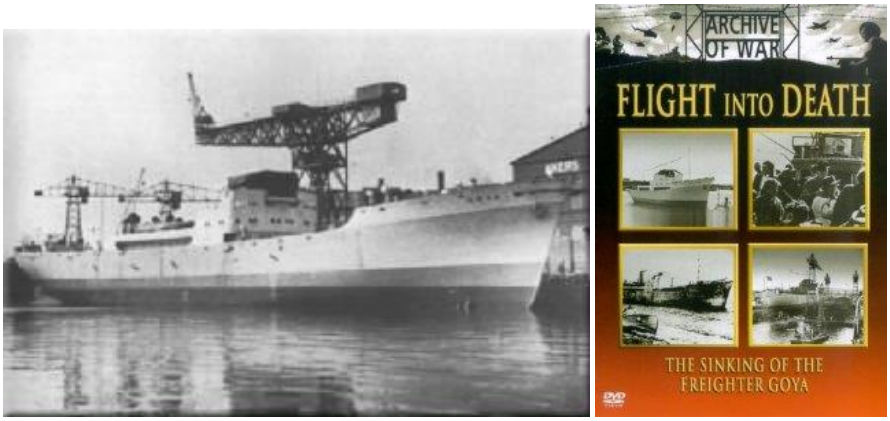
2- Montgomery & Patton can't understand why Berlin was given to Stalin.

3- American & Soviet troops shake hands over the ruined bridge across the Elbe River.

APRIL 16, 1945
SOVIET SUB SINKS THE GOYA / 7,000 MORE GERMAN REFUGEES KILLED AT SEA!

The ***Goya*** is a German transport ship carrying 7,000 wounded soldiers and terrified refugees westward. The Red Terror will follow these poor souls to sea. Soviet Captain **Vladimir Konovalov** spots the *Goya* and orders it to be blasted by torpedoes. The *Goya* sinks very quickly, plunging its passengers into the icy Baltic Sea. Less than 200 will survive. ***The final death toll is about the equivalent of 7 Titanics!***

For this murderous war crime, Captain Konovalov is awarded the Soviet Union's highest military decoration, Hero of the Soviet Union.



Soviet subs turned the Baltic into a graveyard for 1000's of refugees.

APRIL 28, 1945
ITALIAN COMMUNIST PARTISANS KILL MUSSOLINI / HIS BODY IS PUBLICLY HUNG UPSIDE DOWN

With total defeat looming in Europe, Mussolini attempts to escape to neutral Switzerland. He is captured and summarily executed near Lake Como by Italian Partisans *(Communists)*. Mussolini's body is then taken to Milan, where it is hung upside down for public viewing and also to provide confirmation of his death.

Mussolini's 1922 takeover of Italy ***(The March on Rome)*** saved Italy from Communism. There were many positive economic and social developments during his rule. But in the end, "il Duce" and his imperialistic ego put Italy and Germany in very difficult situations. His reckless adventures in Africa & Greece made Italy a huge burden for Germany to carry and defend. Moreover, French & Arab disdain for Mussolini's actions ruined Hitler's chances to bring France and the Arabs into an anti-British alliance.



Mussolini (2nd from left) and his mistress (3rd) are strung up in Milan. His ill-advised antics cost his friend Hitler dearly.

APRIL 30, 1945
HITLER ISSUES HIS FINAL TESTAMENT / COMMITS SUICIDE IN HIS BERLIN BUNKER

With the situation in Berlin hopeless, Hitler marries his longtime mistress, **Eva Braun**. The two then commit suicide; Eva by poison, Hitler by gunshot. Hitler's dog Blondie is also poisoned. The staff is under orders to burn the bodies and to escape Berlin before the Soviets can capture them.

One day before committing suicide, Hitler had dictated his final **Political Testament**, a suicide note, in essence, in which he denied any responsibility for starting the war. Some critical excerpts that you'll not find in your High School history book:

"More than thirty years have now passed since I in 1914 made my modest contribution as a volunteer in the First World War that was forced upon the Reich. In these three decades I have been actuated solely by love and loyalty to my people in all my thoughts, acts, and life. They gave me the strength to make the most difficult decisions which have ever confronted mortal man. I have spent my time, my working strength, and my health in these three decades.

"It is untrue that I or anyone else in Germany wanted war in 1939. It was wanted and provoked solely by international statesmen either of Jewish origin or working for Jewish interests.

I have made too many offers for the control and limitation of armaments, which posterity will not for all time be able to disregard for the responsibility for the outbreak of this war to be laid on me. Nor have I ever wished that after the appalling First World War a second against England, or even against America, should break out. Centuries will pass away, but out of the ruins of our towns and monuments the hatred of those whom we have to thank for all this will always grow anew: international Jewry and its henchmen.

Three days before the outbreak of the German-Polish war I again proposed to the British ambassador in Berlin a solution to the German-Polish problem—similar to that in the case of the Saar district, under international control

This offer also cannot be denied. It was only rejected because the leading circles in English politics wanted the war, partly on account of the business hoped for and partly under influence of propaganda organized by International Jewry.

After six years of war, which in spite of all setbacks will go down one day in history as the most glorious and valiant demonstration of a nation's life purpose, I cannot forsake the city which is the capital of this Reich. As the forces are too small to make any further stand against the enemy attack at this place, and our resistance is gradually being weakened by men who are as deluded as they are lacking in initiative, I should like, by remaining in this town, to share my fate with those, the millions of others, who have also taken upon themselves to do so.

Moreover, I do not wish to fall into the hands of an enemy who requires a new spectacle organized by the Jews for the amusement if their hysterical masses. I have decided therefore to remain in Berlin and there of my own free will to choose death at the moment when I believe the position of the Fuehrer and Chancellor itself can no longer be held.

I die with a happy heart, aware of the immeasurable deeds and achievements of our soldiers at the front, our women at home, the achievements of our farmers and workers and the work, unique in history, of our youth who bear my name". **(23)**




Adolf & Eva loved each other, and died together. Hitler's young secretary, Traudl Junge, typed out the dictation for Hitler's Final Testament. Junge lived until 2002, describing Hitler as a loving father figure until the end.





Adolf and Eva

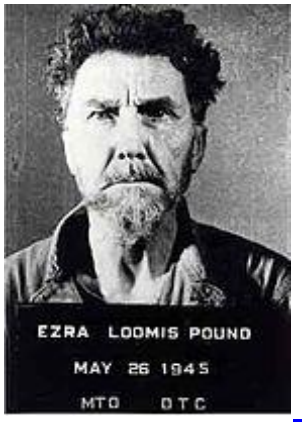
MAY 3, 1945
AMERICA'S PERSECUTION OF EZRA POUND

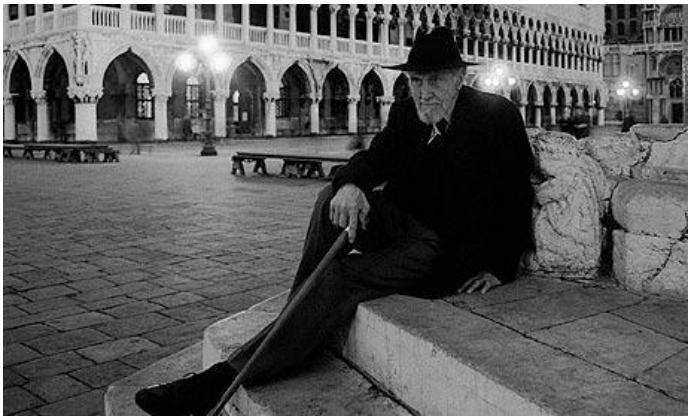
Just days after killing Mussolini, the American-controlled Partisans hunt down and capture the famous American poet, Ezra Pound, and hand him over to the OSS *(CIA)* for interrogation. Pound is an admirer of National Socialism, or "Fascism" as it is called in Italy. While living in Italy during the war, Pound had condemned the unjust war and the Jewish financiers behind it.

Addressing Britain, Pound declared:

*"You let in the Jew and the Jew rotted your empire; and you yourselves out-jewed the Jew. . . . Corrupting the whole earth, you have lost yourselves to yourselves. You would do better to inoculate your children with typhus and syphilis than to let in the Sassoons, **Rothschilds**, and Warburgs."* **(24)**

After his capture, he praises Adolf Hitler a "Saint". The great literary genius and gentle peace lover is then sentenced to an insane asylum for 12 years!





1- Condemned as a "traitor", Ezra Pound was once regarded as America's foremost literary genius.

2- Pound as a free man in Venice, Italy (1964)

MAY 8, 1945
V–E DAY / VICTORY IN EUROPE PROCLAIMED AS GERMANY SURRENDERS WITHOUT CONDITIONS



"All the News That's Fit to Print"

The New York Times.

LATE CITY EDITION

NEW YORK, TUESDAY, MAY 8, 1945

THREE CENTS

THE WAR IN EUROPE IS ENDED!
SURRENDER IS UNCONDITIONAL;
V-E WILL BE PROCLAIMED TODAY;
OUR TROOPS ON OKINAWA GAIN

ISLAND-WIDE DRIVE

Marines Reach Village a Mile From Naha and Army Lines Advance

7 MORE SHIPS SUNK

Search Planes Again Hit Japan's Life Line—Kyushu Bombed

The Pulitzer Awards For 1944 Announced

GERMANY SURRENDERS: NEW YORKERS MASSED UNDER SYMBOL OF LIBERTY

GERMANS CAPITULATE ON ALL FRONTS

American, Russian and French Generals Accept Surrender in Eisenhower Headquarters, a Reims School

REICH CHIEF OF STAFF ASKS FOR MERCY

Doenitz Orders All Military Forces of Germany To Drop Arms—Troops in Norway Give Up —Churchill and Truman on Radio Today

Upon hearing that Germany has surrendered , jubilant crowds throughout Britain and the U.S. celebrate ***Victory in Europe Day***. Admiral **Karl Donitz**, named in Hitler's final testament as the new President of Germany, signs the surrender agreement. He soberly remarks, "***With this signature, the German people and armed forces are for better or for worse, delivered into the victor's hands."*** **(25)**

But there is to be no mercy for the German people who had dared to defy the **New World Order**, and, for a while, had actually *defeated* the Globalists! Germany's real nightmares are about to unfold as a vengeful Globalist-Communist Alliance-of-Evil imposes a collective punishment upon Germany that will dwarf Versailles. Between 10 million and 15 million Germans died during, and *after* World War II.



1- The Red Army raises the Communist flag over bombed-out Berlin

2- New Yorkers celebrate V-E Day. If they only knew the truth!

3- A German boy weeps in front of the ruins of his former home.

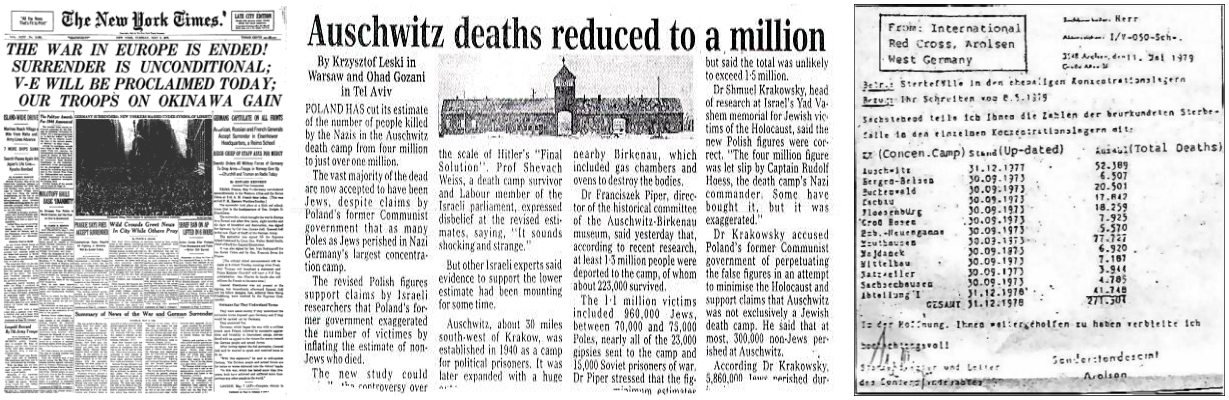
MAY 8, 1945
HOURS AFTER GERMAN SURRENDERS, SOVIETS PUBLISH REPORT OF 'GAS CHAMBERS' USED TO KILL JEWS / NEW YORK TIMES CARRIES THE CLAIM

The May 8 Zionist-Globalist *New York Times*, carries a story on p. 12 of the VE-Day edition, an article by Zionist C.L. Sulzberger headlined: '**Oswiecim (Auschwitz) Killings Placed at 4 Million; Soviet Commission Reports'.**

The story tells of mass killing and "gassings" at the Auschwitz prison camp in Poland. The timing of the report's release –**just *hours* after Germany's surrender– makes it impossible for the falsely accused Germans to refute Stalin's claim**. It is a little known fact of history that the Auschwitz "gas chamber" story originated with a Soviet report *(authorized by the known liars and murderers Joe Stalin & Lazar Kaganovich)* which is then spread by the "prestigious" NY Times.

In 1988, and *again* in 1991, forensic tests on the remnants of the Auschwitz "gas chamber" will come back negative for any traces of "gas" or "poison". **(26)** Noted American and European scholars who have since dared to explore the many inconsistencies and contradictions of "The Holocaust" story have been subjected to harassment, career destruction and *(in Europe & Canada)* **imprisonment**. The Holocaust is a story that the Globalists & Zionists will NEVER allow to be debated.

Adolf Hitler nearly smashed the New World Order. It is for this reason that he must forever be portrayed in the public mind as the most evil and wretched monster who ever lived.



THE WAR IN EUROPE IS ENDED!
SURRENDER IS UNCONDITIONAL;
V-E WILL BE PROCLAIMED TODAY;
OUR TROOPS ON OKINAWA GAIN

The New York Times.

Auschwitz deaths reduced to a million

By Krzysztof Leski in Warsaw and Ohad Gozani in Tel Aviv

POLAND HAS cut its estimate of the number of people killed by the Nazis in the Auschwitz death camp from four million to just over one million.

The vast majority of the dead are now accepted to have been Jews, despite claims by Poland's former Communist government that as many Poles as Jews perished in Nazi Germany's largest concentration camp.

The revised Polish figures support claims by Israeli researchers that Poland's former government exaggerated the number of victimes by inflating the estimate of non-Jews who died.

The new study could

the scale of Hitler's "Final Solution". Prof Shevach Weiss, a death camp survivor and Labour member of the Israeli parliament, expressed disbelief at the revised estimates, saying, "It sounds shocking and strange."

But other Israeli experts said evidence to support the lower estimate had been mounting for some time.

Auschwitz, about 30 miles south-west of Krakow, was established in 1940 as a camp for political prisoners. It was later expanded with a huge

nearby Birkenau, which included gas chambers and ovens to destroy the bodies.

Dr Franciszek Piper, director of the historical committee of the Auschwitz-Birkenau museum, said yesterday that, according to recent research, at least 1·5 million people were deported to the camp, of whom about 223,000 survived.

The 1·1 million victims included 960,000 Jews, between 70,000 and 75,000 Poles, nearly all of the 23,000 gipsies sent to the camp and 15,000 Soviet prisoners of war. Dr Piper stressed that the fig-

but said the total was unlikely to exceed 1·5 million.

Dr Shmuel Krakowsky, head of research at Israel's Yad Vashem memorial for Jewish victims of the Holocaust, said the new Polish figures were correct. "The four million figure was let slip by Captain Rudolf Hoess, the death camp's Nazi commander. Some have bought it, but it was exaggerated."

Dr Krakowsky accused Poland's former Communist government of perpetuating the false figures in an attempt to minimise the Holocaust and support claims that Auschwitz was not exclusively a Jewish death camp. He said that at most, 300,000 non-Jews perished at Auschwitz.

According Dr Krakowsky, 5,860,000 Jews perished dur-

From: International Red Cross, Arolsen West Germany

Betr.: Sterbefälle in den ehemaligen Konzentrationslagern

Bezug: Ihr Schreiben vom 8.5.1979

Nachstehend teile ich Ihnen die Zahlen der beurkundeten Sterbefälle in den einzelnen Konzentrationslagern mit:

(Concen.Camp)	Stand(Up-dated)	Anzahl(Total Deaths)
Auschwitz	31.12.1977	52.389
Bergen-Belsen	30.09.1973	6.507
Buchenwald	30.09.1973	20.501
Dachau	30.09.1973	17.842
Flossenbürg	30.09.1973	18.259
Groß Rosen	30.09.1973	7.925
Neb.-Neuengamme	30.09.1973	5.570
Natzweiler	30.09.1973	27.127
Majdanek	30.09.1973	6.920
Mittelbau	30.09.1973	7.187
Natzweiler	30.09.1973	3.944
Sachsenhausen	30.09.1973	4.785
Abteilung I	31.12.1978	41.748
GESAMT	31.12.1978	271.301

Sonderstandesamt
Arolsen

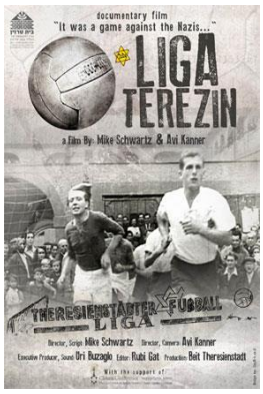
1- Page 12, May 8, '45 New York Times (above) carries SOVIET claim of "gas chambers" and FOUR million dead at Auschwitz.

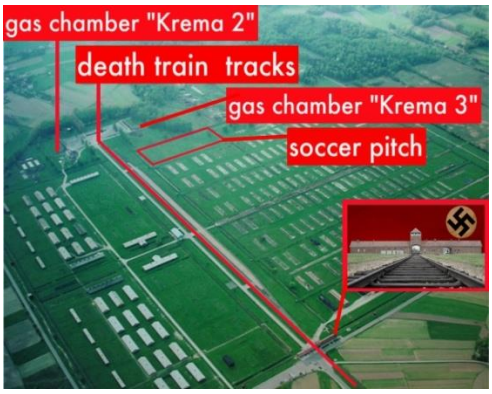
2- Fifty years later, due to awareness created by honest researchers, the official Auschwitz death toll was reduced to ONE million (which is still a lie!)

3- A 1979 document, issued by the International Tracing Service which documents "Nazi Persecution", shows that the International Red Cross, which had access to the camps, believed the total dead from ALL the camps to be 271,000.



The original "gas chamber" lies in bombed out ruins. Forensic tests on the porous stones proved negative for any trace of chemicals. The museum piece "gas chamber" (right) is an admitted reconstruction shown to unquestioning suckers. It was built under Stalin's rule after the war.







1- Jewish soccer league documentary

2 & 3 - Auschwitz Soccer Field / Auschwitz inmate Yakov Tzur describes a 1944 soccer game at Auschwitz!

THE FATE OF HITLER'S INNER CIRCLE


Goebbels – Himmler – Hess – Hitler


Ribbentrop & Goering


Bormann

Hermann Goering, Head of the Luftwaffe (German Air force):
Committed suicide in his cell *(cyanide)* just before the Allies could hang him (1946)

Josef Goebbels, Minister of Propaganda & Enlightenment:
Committed suicide by gunshot in Berlin; body later burned

Heinrich Himmler, Head of the Waffen SS:
Allegedly committed suicide by biting a hidden cyanide pill while in Allied captivity; but according to noted British historian David Irving, Himmler was actually beaten to death by British interrogators

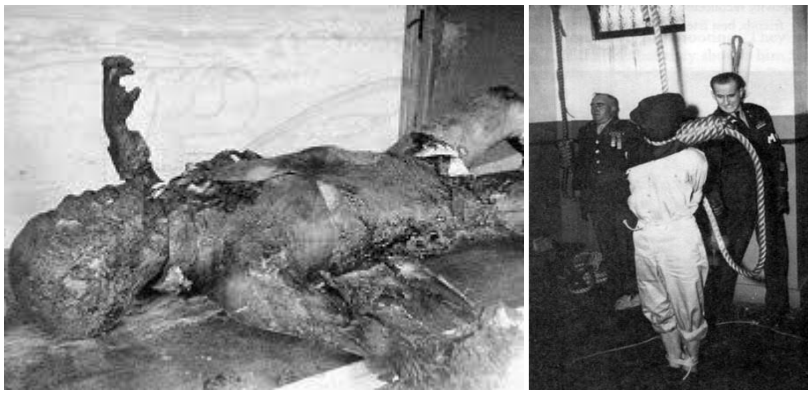
Martin Bormann: Staff Chief
Believed to have been killed by Russian rocket fire while fleeing Berlin

Rudolf Hess: Deputy Fuhrer, flew peace mission to Scotland
Life in prison. Murdered by British agents in 1987 before release

Von Ribbentrop: Foreign Minister
Hanged at Nuremberg, 1946



Himmler – Goering – Hess



Goebbels – Ribbentrop

JUNE 26, 1945
THE FOUNDING CHARTER FOR THE UNITED NATIONS IS SIGNED IN SAN FRANCISCO

At the founding **San Francisco Conference** that established the **United Nations**, the U.S. official serving as Secretary General is the Communist agent **Alger Hiss**. Hiss will later be exposed as a Soviet spy in 1948. The U.N. replaces the League of

Nations as the foundation of **The New World Order**. All 51 nations signing the original charter agree to be bound by its articles.

The all-out propaganda campaign surrounding the UN's establishment is pervasive and intense. It is argued that "isolationist" America's refusal to join the League of Nations after World War I was the tragic mistake that led to World War II. That mistake "must not be repeated".

Within 30 days, the US Senate will approve the UN Treaty by a vote of 89-2! Even the conservative legend, Senator Robert Taft *(son of President William Howard Taft)* votes in favor of U.S. entry. The embryonic World Government will be headquartered in New York, on 18 acres of prime real estate donated by the Rockefeller Family. **Globalism has won World War II**!





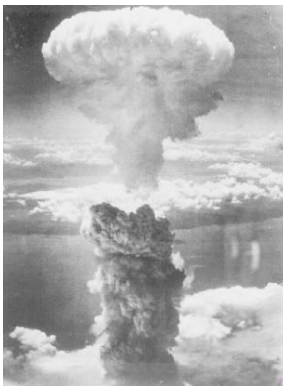
1- Communist-Soviet spy Alger Hiss shaking hands with Truman at UN's founding conference. Hiss was Chairman of the Conference.

2- John D Rockefeller Jr. purchased the New York land to set up the U. N. Building.

AUGUST 6 & 10, 1945
HORROR IN JAPAN! / ATOMIC BOMBS DROPPED ON HIROSHIMA & NAGASAKI

Like FDR before him, Harry Truman also has no regard for human life. By August '45, Japan is trying hard, via "neutral" Soviet channels, to negotiate surrender, just not *unconditionally* as Truman demands. Little do the Japanese know that the Soviets are already planning to join the war in East Asia! Atomic bombs are then dropped on the women, elderly, and children of **Hiroshima *(Aug 6)*** and **Nagasaki *(Aug 10)***.

Within the first few months of the bombings, the effects kill 100-150,000 people in Hiroshima and 60–80,000 in Nagasaki. Half of the deaths occur on the first day, mostly from burns. Many more die of cancer later on.




"All the News That's Fit to Print"

The New York Times.

LATE CITY EDITION

NEW YORK, TUESDAY, AUGUST 7, 1945

THREE CENTS

FIRST ATOMIC BOMB DROPPED ON JAPAN; MISSILE IS EQUAL TO 20,000 TONS OF TNT; TRUMAN WARNS FOE OF A 'RAIN OF RUIN'

HIRAM W. JOHNSON, REPUBLICAN DEAN IN THE SENATE, DIES

Jet Plane Explosion Kills Major Bong, Top U. S. Ace

Flier Who Downed 40 Japanese Craft, Sent Home to Be 'Safe,' Was Flying New 'Shooting Star' as a Test Pilot

KYUSHU CITY RAZED

Kenney's Planes Blast Tarumizu in Record Blow From Okinawa

ROCKET SITE IS SEEN

125 B-29's Hit Japan's Toyokawa Naval Arsenal in Demolition Strike

REPORT BY BRITAIN

'By God's Mercy' We Beat Nazis to Bomb, Churchill Says

ROOSEVELT AID CITED

Raiders Wrecked Normal Laboratory in Race for Key to Victory

Steel Tower 'Vaporized' In Trial of Mighty Bomb

Scientists Awe-Struck as Blinding Flash Lighted New Mexico Desert and Great Cloud Bore 40,000 Feet Into Sky

NEW AGE USHERED

Day of Atomic Energy Hailed by President, Revealing Weapon

HIROSHIMA IS TARGET

'Impenetrable' Cloud of Dust Hides City After Single Bomb Strikes



1- An unjust war ended with the unnecessary atomic bombings of Japanese civilians.

2- Bloody bastard Truman warns of a 'Rain of Ruin' if Japan does not surrender unconditionally.







More images of what is today known as "The Good War". Abandonment, homelessness, disfigurement! What was so 'good' about this?

AUGUST 9, 1945
SOVIET UNION DECLARES WAR UPON BEATEN JAPAN!

Just 3 days after the bombing of Hiroshima, and only hours before the 2nd bombing at Nagasaki, the man whom Truman and the U.S. press affectionately

referred to as 'Uncle Joe" breaks the **Soviet-Japanese Non Aggression Pact of 1941** and declares war upon an already beaten Japan. Thanks Joe; we couldn't have won it without you!

Stalin's entry into the Asian theater, agreed to at the Yalta Conference, will enable him to arm and materially assist Mao Tse Tung's Communist takeover of China in 1949. Soviet occupation of North Korea will also lead to the Korean divide which results in the North vs. South Korean War; and 50,000 more dead Americans.


"All the News That's Fit to Print"

The New York Times.

LATE CITY EDITION

SOVIET DECLARES WAR ON JAPAN; ATTACKS MANCHURIA, TOKYO SAYS; ATOM BOMB LOOSED ON NAGASAKI

TRUMAN TO REPORT TO PEOPLE TONIGHT ON BIG 3 AND WAR

Foreigners Asked To Stay at Home

2D BIG AERIAL BLOW

RED ARMY STRIKES

CIRCLE OF SPEARHEADS AROUND JAPAN IS COMPLETED

RUSSIA AIDS ALLIES

Japanese Port Is Target In Devastating New Midday Assault

Foe Reports First Blow by Soviet Forces on Asian Frontier

Joins Pacific Struggle After Spurning Foe's Mediation Plea

SEEKS EARLY PEACE

Molotoff Reveals Move Three Months After Victory in Europe

RESULT CALLED GOOD

KEY POINTS BOMBED

He Signs Peace Charter

And Thus Makes This Country the First to Complete All Ratification Requirements

For Asserts Hiroshima Toll Is 'Uncountable' —Assails 'Atrocity'

Action Believed Aimed to Free Vladivostok Area of Threat

TAMMANY OUSTS LAST OF REBELS

Stalin stabbed Japan in the back and brought Communist power to Asia.

AUGUST 15, 1945
V- J DAY/ JAPAN SURRENDERS

Facing what Truman calls "a Rain of Ruin", Japan, like Germany before her, has to make a choice between unrestrained civilian genocide at American and now *Soviet* hands, or unconditional surrender and occupation. Japan surrenders on August 15, '45. *(Victory in Japan Day)* It should be noted that General Macarthur felt that the atomic bombing was unnecessary, Macarthur later states, ***"My staff was unanimous in believing that Japan was on the point of collapse and surrender."*** **(27)**

For the Globalists, the atomic bombings will later serve a strategic purpose. The threat of "nuclear war" will, in the coming years, do much to frighten, and then consolidate, the nations of the world into political, economic, and military alliances. **The Global fear of "the Bomb" will be very useful for The New World Order.**



"All the News That's Fit to Print"

The New York Times.

LATE CITY EDITION

VOL. XCIV...No. 31,986. NEW YORK, WEDNESDAY, AUGUST 15, 1945. THREE CENTS

JAPAN SURRENDERS, END OF WAR! EMPEROR ACCEPTS ALLIED RULE; M'ARTHUR SUPREME COMMANDER; OUR MANPOWER CURBS VOIDED

HIRING MADE LOCAL

Communities, Labor and Management Will Unite Efforts

5,000,000 AFFECTED

Draft Quotas Cut, Services to Drop 5,500,000 in 18 Months

Third Fleet Fells 5 Planes Since End

ALL CITY 'LETS GO'

Hundreds of Thousands Roar Joy After Victory Flash Is Received

TIMES SQ. IS JAMMED

Police Estimate Crowd in Area at 2,000,000—Din Overwhelming

PRESIDENT ANNOUNCING SURRENDER OF JAPAN

YIELDING UNQUALIFIED, TRUMAN SAYS

Japan Is Told to Order End of Hostilities, Notify Allied Supreme Commander and Send Emissaries to Him

MACARTHUR TO RECEIVE SURRENDER

Formal Proclamation of V-J Day Awaits Signing of Those Articles—Cease-Fire Order Given to the Allied Forces

More fools celebrating! The iconic V-J Day kiss in Times Square

AUGUST, 1945
'IKE' PARTIES IN MOSCOW WITH 'UNCLE JOE' WHILE MILLIONS ARE BEING RAPED AND MURDERED BY THE SOVIETS

"The striking aspect of the visit was the lavish reception ***the Russians gave the commander of a foreign nation's army****. Georgi Zhukov, General Eisenhower's Soviet counterpart in Berlin, met us at Tempelhof Airport for the flight to Moscow in Ike's C-54 four-engine aircraft. Zhukov, as the official host, was the soul of hospitality and congeniality. By this time the two commanders...had become friends, as close of friends as public life permits.*

In Moscow the party first attended a parade. Significantly, ***my father*** *was invited to undergo a four-hour ordeal atop Vladimir Lenin's tomb with Zhukov and Stalin.* ***He was, I later learned, the first foreigner ever accorded that honor.*** *One evening, the entire party was entertained at dinner, with Stalin himself officiating."* **(28)**

- John S. D. Eisenhower ***(son and aide of Ike)***



1 & 2 - As German women are being raped on Stalin's orders, a smiling Eisenhower parties with 'Uncle Joe' - atop Lenin's tomb!

3- Stalin's favorite US General receives a medal and a warm smile from Red Army Chief Zhukov

FINAL DEATH COUNT OF WORLD WAR II AND AFTERMATH

TOTAL KILLED: 40,000,000 +

AMERICANS KILLED: 420,000 +

BRITISH KILLED: 400,000 +

GERMANS KILLED: 12 - 15,000,000 +

ITALIAN KILLED: 450,000 +

FRENCH KILLED: 500,000 +

JAPANESE KILLED: 3,000,000 +

RUSSIANS KILLED: 5,000,000 + during war; 7,000,000 + disappeared or killed afterwards (*The official Soviet figure of 20,000,000 total dead cannot be substantiated and does not differentiate between war dead and Stalin's victims)*

U.S. POW's kidnapped by Stalin*:* *25,000 / 100's executed **(29)**

**Liberated from German POW camps in the east, shipped to Siberian slave labor camps (Gulags), and then abandoned by US Government.*





1- The 'Fighting Sullivans" - 5 Brothers of Iowa - all dead for NOTHING when the USS Juneau was sunk in 1942. Survivors were eaten by sharks.

2 – As much as 20% of the German population was wiped out.

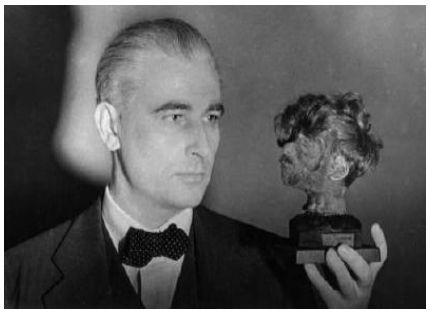
1945 - 1960

AUGUST, 1945
EISENHOWER AND HOLLYWOOD PRODUCERS ISSUE A FAKE HOLOCAUST ATROCITY FILM

American audiences are horrified by newsreel footage of the 'Nazi' concentration camps. One full-length film, authorized by General Eisenhower, shows the homicidal "gas chambers" of Dachau, shrunken heads of inmates, and lamp shades that were made from human flesh at the request of a camp commander's wife. German civilians were rounded up and forced to view these fake props. To add further credibility to such claims, the film includes images of the sworn affidavits of U.S. military officials.

As it turns out, and as even Jewish "scholars" of the "Holocaust" now *openly* admit, the shrunken heads were fakes, the lamp shades were made of goat leather, and there were never any homicidal "gassings" at the Dachau camp. **(1)** But by the time these were admitted as hoaxes *(40 years later)* the damage to the German reputation had already been done.






1 & 2- The cruel Eisenhower rounded up German villagers and forced them to "see what they had done".

3- The shrunken heads hoax was the creation of Albert G. Rosenberg, a Jewish officer serving in Eisenhower's Psychological Warfare Unit.

4- Ilse Koch was sentenced to life in prison, mainly for owning "human lamp shades" that were actually made of goat leather! She committed suicide in 1967, just before a scheduled visit from her son.

1945 – 1950
EUROPE BECOMES A 'SAVAGE CONTINENT'

World War II in Europe may have *officially* ended in 1945, but the period of anarchy and civil war that follows will last for 5 more years. Across Europe, landscapes are ravaged, entire cities ruined, and millions of people are homeless. Institutions such as the police, the media, transport, local and national government are either gone or badly weakened. Crime rates soar; economies collapse; and hungry women and girls turn to prostitution as the European population hovers on the brink of starvation.

Communists, liberals and Jews impose a cruel vengeance upon their helpless prey. **German civilians and their anti-Communist allies everywhere are rounded up, raped, sodomized, drowned in cesspools, tortured, genitally mutilated, burned alive, and executed.**

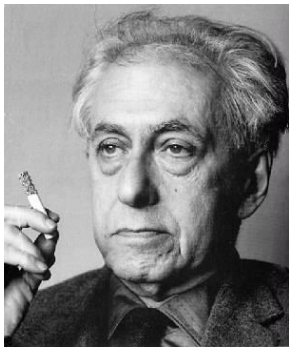
Internment camps are reopened and filled with anti-Communists and Germans. **After being starved to death, photos of the prisoners are then passed off as victims of Hitler's "Holocaust".** Massacres and civil wars follow in Greece, Yugoslavia, Poland, and parts of Italy and France. In the greatest acts of ethnic cleansing the world has ever seen, tens of millions are expelled from their ancestral homelands as Allied occupiers look the other way.



The 2012 book 'Savage Continent' describes the horror of the post-war months and years in gruesome detail.

1944 – 1946
RED ARMY RAPES 2 MILLION GERMAN WOMEN!

As the Red Army rolls into Germany, Stalin's Jewish chief propagandist, **Ilya Ehrenberg**, encourages the soldiers to rape and kill German women. Ehrenberg's leaflets declare:



"Kill! Kill! In the German race there is evil; not one among the living, not one among the unborn is but evil! Follow the precepts of Stalin. Stamp out the fascist beast once and for all in its lair! Use force and break the racial pride of the German women. Take them as your lawful booty. Kill! As you storm onward, kill, you gallant soldiers of the Red Army." **(2)**

The orgy of violence and rape is one of the ghastliest episodes in human history. **Two million German females ranging in age from 8-80 will be gang-raped, sodomized and beaten badly, often in view of their children or family members. (3)** Some are penetrated with broken bottles and bayonets in wild orgies of drunken violence.

Even the terrified women who flee to churches and hospitals are hunted down and gang raped. Nuns, little girls, and elderly women are infected with venereal diseases. There are cases of breasts being cut off and victims set on fire after being raped. The most notable offenders are the mainly Jewish NKVD rear guard troops and the Mongoloid troops from the Asian Republics of the far eastern reaches of the USSR. Rather than submit to the horror, thousands of German women commit suicide.

Eisenhower, Truman, and the Zionist Press are fully aware of the monstrous horror that the man they all refer to as 'Uncle Joe' is inflicting upon these poor women.

UNCLE JOE's HANDIWORK
Ignored by the sanctimonious hypocrites of 'the world community"

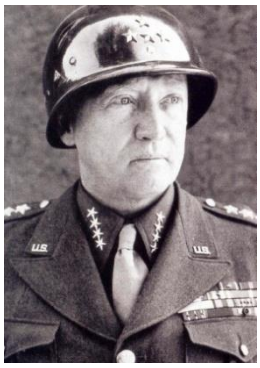


German women were snatched from the streets and gang raped.



Many of these once happy and secure girls chose suicide instead.





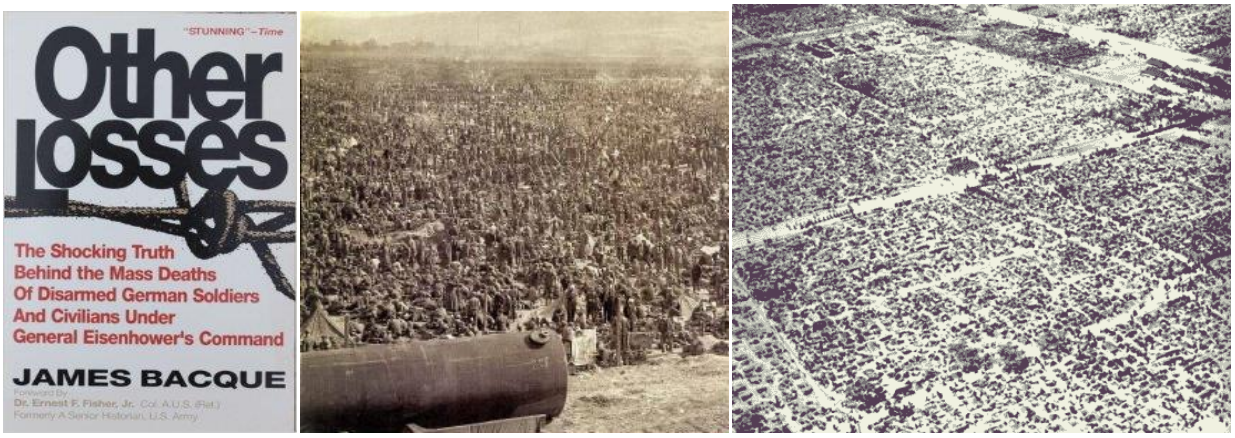
"Berlin gave me the blues. We have destroyed what could have been a good race, and we are about to replace them with Mongolian savages. It's said that for the first week after they took Berlin, all women who ran were shot and those who did not were raped. ***I could have taken it (instead of the Soviets) had I been allowed."*** **(4)**

- General George Patton

1945 – 46
'IKE' MURDERS 1.5 MILLION GERMAN PRISONERS OF WAR!

More than one year after the German surrender, General Eisenhower still holds millions of German Prisoners-of-War. The men are inhumanely crowded into camps *without latrines*, exposed to the elements and underfed. Germans dig holes for shelter and even take to eating grass!

American guards who attempt to help the prisoners face disciplinary action. German civilians try to bring food and blankets to the men but are shot at by guards. Unlike Germany's wartime internment camps which were open to international inspection, **Eisenhower issues an order stating that Red Cross officials are not to be given access to the camps. (5)** As disease, exposure, and hunger take their toll, the German losses mount daily. By the end of their cruel incarceration, as many as 1.5 million German prisoners will have died a slow and torturous death. **(6)**



'Other Losses' by James Bacque is very well-researched and supported by shocking photos. Millions of exposed Germans were packed tightly in Ike's POST-WAR death camps. Disease, exposure and hunger killed them slowly.

1945 – 50
STALIN MURDERS AS MANY AS 1 MILLION GERMAN PRISONERS OF WAR!

Not to be outdone by Eisenhower, Stalin's mistreatment of German POW's *(as well as his own)* is heartbreaking. Germans were often summarily executed, paraded like animals and, up until the 1950's and perhaps beyond, worked to death in Siberia.



German POWS's were be taken to the Soviet Union and paraded through the streets. Afterwards they were marched eastward toward the infamous Gulag camps. Many died on the long march; many died in the slave camps; and a minority returned to Germany years later. Estimates of POW's killed or worked to death in captivity range from 400,000 to 1,000,000. **(7)**

1945 – 1949
10 MILLION GERMANS EXPELLED FROM HOMES / 2 MILLION DIE / MASSIVE BRAINWASH CAMPAIGN ENSUES

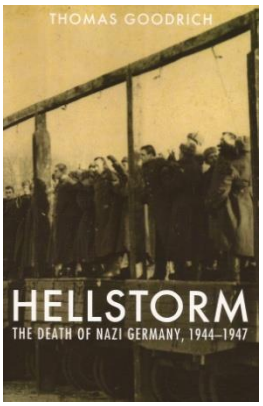
After the war, the area of Germany historically known as Prussia ceases to exist. It is mostly transferred to Soviet occupied Poland and to the Soviet Union itself. Seven million Germans are expelled from their homes and forced to migrate west. Still more German territory is given to Soviet occupied Czechoslovakia, with 3 million more Germans expelled.

The refugees are often attacked and raped by the Red Army as well as Jewish and Communist gangs. Two million will die during the forced migrations, and about 500,000 more are interned in Soviet labor camps. Displaced Jews are given preference in seizing and occupying the stolen homes of German refugees.

As part of a psychological re-programming effort known as "De-Nazification", the German people are deliberately subjected to hunger, mental trauma, and homelessness. Starving German women sell their bodies to American soldiers in exchange for a few cans of food.

To add final insult to injury, the old debt payments originating from the post World War I Treaty of Versailles will be reinstituted in 1948, and not paid off until 2010!







1- *Ten million Germans were expelled from their homes. Many died on the long march westward. 'Hellstorm' by Thomas Goodrich tells the story of what was done to "Nazi" Germans from 1944-1947.* ***Warning****: <u>It is very hard to stomach</u>!*




Expelled from Prussia (7 million) / Expelled from Sudetenland (3 million)

DECEMBER 21, 1945
ANTI-RED, ANTI-ZIONIST GENERAL GEORGE PATTON IS ASSASSINATED ('Auto Accident')

General Eisenhower needed General Patton in order to win the war. But the outspoken Patton often bucked Ike, complaining openly about his halt orders *(which stopped Patton from liberating Eastern Europe before the Soviets could get there)* and ignoring Ike's orders to continue holding German prisoners after the war.

Patton urges his superiors to allow his army to evict the weakened Soviets from Europe. In letters to his wife, he expresses his disgust over the cruel extermination of the German people, the Red Army rapes, and what he describes as Jewish Communist efforts to advance Soviet influence. **(8)** Patton's "insubordination" causes Ike to remove him from command. In one of those letters, Patton reveals that upon leaving the Army and resettling in America, he will openly fight against the treason.

He never gets the chance. Patton is hospitalized following a strange, low impact auto accident near Mannheim, Germany. The American icon dies in the hospital two weeks later, apparently the victim of an assassination order, issued by Ike or higher.



1 & 2 - Larger than Life" Patton received a hero's welcome in Los Angeles parade. His persona posed a threat to the NWO.

3- Death by fender-bender

1945-1947
'OPERATION KEELHAUL' / IKE DELIVERS 5 MILLION RUSSIAN POW's, SS MEN & REFUGEES INTO STALIN'S ARMS

Stalin brands Russian POW's captured by Germany, and Russian refugees who fled west with the retreating Germans, as traitors. At Yalta, FDR and Churchill had agreed that Russian "traitors" and SS men should be sent to Stalin in exchange for American & British POW's "liberated" by the Soviets. General Eisenhower eagerly carries out this atrocity; which was mockingly code named: "**Operation Keelhaul"** *(after an old naval punishment that involved tying a rope around a sailor and then dragging him under the hull of a ship)!*

Up to 3 million terrified Russian POWs are forced at gunpoint onto trains and trucks that bring them to their Soviet executioners. **(9)** Many commit suicide. U.S. troops, upon returning from the drop-off points, later report seeing rows of bodies already hanging from the trees.

In separate operations, anti-Communist refugee families, *who actually followed their German protectors as they retreated from Russia,* are also shipped back to

"Uncle Joe", and subjected to special tortures, including rape of the women. As a final insult from our “ally”, Stalin holds on to 25,000 American POW’s and 30,000 British, sending them to his Siberian Gulags, and even summarily executing some. **(10)** Ike, Churchill, and Truman are aware of the missing POW’s but say nothing!




1- Red Army Chief Zhukov to Ike: "Good job Comrade”. For delivering the nations of Eastern Europe, and millions of terrified Russian refugees to their death, Ike earned a Soviet Medal.

2- ‘The Betrayal of the Cossacks’






Operation Keelhaul by Julius Epstein is one of the most heart-breaking accounts that you'll ever read. Terrified Russian POWs (declared to be traitors) and Waffen SS men from many countries were shipped to the USSR to be murdered. Many commit suicide, as had Stalin’s own POW son, Yakov, in 1943.

MARCH 5, 1946
CHURCHILL DECLARES THAT AN 'IRON CURTAIN' HAS FALLEN OVER EUROPE

By 1946, it is clear that Stalin has no intention of allowing the occupied nations of Eastern Europe to join the "European Family". Nor is he interested in annexing the USSR to a western-controlled New World Order. The Globalist love affair with the Soviet Union ends in disillusion. Thus was born "The Cold War".

The now ex-Prime Minister of Great Britain, Winston Churchill, *who helped engineer this disaster*, delivers his famous "Iron Curtain" speech in Fulton, Missouri:

"an iron curtain has descended across the Continent. Behind that line lie all the capitals of the ancient states of Central and Eastern Europe. Warsaw, Berlin, Prague, Vienna, Budapest, Belgrade, Bucharest and Sofia; all these famous cities and the populations around them lie in what I must call the Soviet sphere." **(11)**

Over the coming months and years, these nations, which had been given to Stalin at Yalta, will fall, one-by-one, to Soviet backed Communist Parties in each nation. The usual Red terror soon follows in each. General Patton had been right after all!



The drunken fool's "Iron Curtain" speech marks the start of the "Cold War" with the USSR and the division of eastern and western Europe.

OCTOBER, 1946
NUREMBERG MILITARY TRIBUNALS SENTENCE GERMAN LEADERS TO DEATH

During the 1943 Tehran Conference, Joe Stalin had proposed executing 50,000 German staff officers after the war. FDR joked that 49,000 would do! The murderous Allies were all in agreement that "trials" of Germany's top leaders would take place after the war.

When the show trials begin in 1945, an 8-panel tribunal ***(The Nuremberg Trials)*** is seated *(2 judges each from the US, UK, USSR, & France).* The primary American judge is **Francis Biddle**, of the Biddle Family that spawned the 19th century American Central Bank Chairman, Nicholas Biddle.

Honorable German leaders are condemned as "war criminals" by governments that carried out the Hamburg, Dresden and Tokyo fire-bombings, the sinkings of the Wilhelm Gustloff & the Goya, the forced return of Russian refugees & POWs, the starvation murders of 1.5 million German POWs, the murders at Katyn Forest, the mass raping of German women, and the dropping of atom bombs! Several hundred prominent American and European political figures, writers, artists and military men, including a young John F. Kennedy, condemn the trials. **(12)**

Of the accused, 11 will hang, and 7 *(including the peacemaking parachutist Rudolf Hess)* will receive long, or life prison terms. **Herman Goering**, Head of the Luftwaffe *(German Air Force)* cheats his executioners by taking poison in his jail cell. It is likely that a sympathetic American guard helped Goering by smuggling the poison into his cell.

But simple murder wasn't enough. The Allied executioners used a "short drop" instead of a neck-breaking "long drop". The victims thus died a longer death due to *strangulation*. Additionally, the trapdoor was too small, such that several of the men suffered bleeding head injuries when they hit the sides of the trapdoor while falling. **(13)** Adding final insult to injury, the bodies were cremated and scattered over a river, denying the families the right of burial.





1- Goering, Hess, and Ribbentrop: German political and military leaders were subjected to a ridiculous show trial.

2 & 3- Foreign Minister Ribbentrop is hanged

1946-1948
ZIONIST TERROR SPREADS IN PALESTINE AS THE NEW 'STATE OF ISRAEL' COMES INTO BEING

With Britain tired, weakened and in debt from the war, the opportunistic Zionists escalate their attacks against the British protectors of Palestine. It was the Brits who had stolen Palestine for the Zionists' sake after World War I, but now Britain is to be betrayed and chased out of Palestine. The deadly bombing of the King David Hotel *(1946)* in Jerusalem targets the offices of the British Military, killing 91 people.

In 1948, after the three Allied powers of the War have recognized the new State of Israel, the massacre at Deir Yassin targets innocent Palestinian villagers, scaring them to flee from their villages. **The Irgun terror gang**, headed by future Israeli Prime Minister & Nobel Peace Prize winner Menachem Begin, is responsible for both.

Due to sympathy gained from the fictitious "6 million" dead of World War II, Israel's brutal dispossession and displacement of the Palestinians is tolerated.



1- King David Bombing: Irgun terrorized the British protectors of Palestine as well as the local Arabs.

2- Massacre at Deir Yassin, carried out by Jewish partisans newly arrived from Europe.

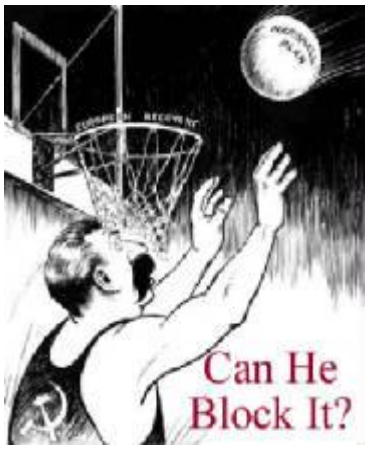
JUNE, 1947
GLOBALIST 'MARSHALL PLAN' IS PROPOSED

The Marshall Plan is a massive US Foreign Aid scheme for post-war Western Europe. The Globalists use every propaganda trick in the book to cleverly sell the expensive scheme to the anti-Communist US Senate, and to a gullible American public.

The Marshall Scam is hard-sold as an "economic recovery program" needed to prevent nations from "falling to Communism". The scheme is named after, and announced by, recently named Secretary of State, General George Marshall - the "war hero."

The "poison pill" of the Marshall Scam is the sub-group that it creates in order to administer the aid package: The **Organization for European Economic Co-operation**.

The OEEC consists of 18 nations. It is the "embryo" of the coming European Common Market as well as today's socialist, single currency European Union.





1- The only way to sell the Globalist Marshall Scam was to use reverse psychology and present it as an "anti-Communist" plan that Stalin opposed.

2- Many years before the EU was finalized, Marshall Plan propaganda posters were already selling the idea of a United Europe. That's what World War II was really all about!

1945 - PRESENT
THE 70 YEAR OCCUPATION & BRAINWASHING OF GERMANY

From the days of the post war "de-Nazification" of Germany, throughout the 45 year Communist rule over East Germany, as well as the 70-year U.S. domination of a united Germany that continues to this day, perhaps the greatest crime of all is the psychological rape of three subsequent generations of Germans.

From an early age, German school children are taught to hate the great accomplishments of previous generations and wallow in self-loathing. Most pathetic, Germans today fervently believe all the lies told about "Nazi" Germany as they continue to hunt down and imprison "holocaust deniers" and innocent 90-year old SS men for "war crimes".

Those Germans who are not full of self-loathing are too afraid to speak up, lest the occupation governments of Germany or Austria throw them in jail. Many Germans today actually enjoy self-flagellation! It's like a woman who has been raped and battered to near death, blaming herself and apologetically groveling before the perpetrator.




PATHETIC! *1: German Chancellor Angela Merkel grovels before Israeli Minister Shimon Peres.*

2: German National soccer team is forced to visit the Soviet-built fantasy land at Auschwitz and pay respects to victims of the fictitious "gas chambers". But they can't commemorate their own dead, mutilated, displaced, and raped of Germany!



. *In the inscription of this emotionally powerful memorial to the 40,000 victims of the Hamburg firebombing, <u>brainwashed Germans actually blame themselves</u>! Inscription reads: "On the night of the 29th of July 1943, 370 persons perished in the air-raid shelter in a bombing raid. Remember these dead.* ***Never again fascism****. Never again war".*

WHY HAVE COUNTRIES BANNED "HOLOCAUST DENIAL"?

Truth is its own defense. It does not require laws to protect it. **Only lies do.** The fact that so many countries now ban the practice of "Holocaust Denial", is alone evidence that something isn't right about the "official story".



LEARNED SCHOLARS NAMED AS THOUGHT CRIMINALS
1- Professor Robert Faurisson (France): Beaten by terrorists and arrested
2- Author David Irving (UK): Arrested in Austria
3-Author Ernst Zundel (Canada): Deported to Germany and arrested



Innocent SS men in their 90's are still being hunted, arrested and deported to Germany or Israel to face trial over imaginary crimes. Above: John Demjanjuk and Johann Breyer, both deported from America and died in captivity!



"After 1945 Hitler was accused of every cruelty, but it was not in his nature to be cruel. He loved children. It was an entirely natural thing for him to stop his car and share his food with young cyclists along the road. Once he gave his raincoat to a derelict plodding in the rain. At midnight he

would interrupt his work and prepare the food for his dog Blondi.

He could not bear to eat meat, because it meant the death of a living creature. He refused to have so much as a rabbit or a trout sacrificed to provide his food. He would allow only eggs on his table, because egg-laying meant that the hen had been spared rather than killed." **(14)**

Waffen SS General Leon Degrelle (Belgium)

SEPTEMBER, 1947
THE C.I.A. IS FOUNDED TO SERVE GLOBALIST OBJECTIVES

The National Security Act of 1947 creates the **Central Intelligence Agency (CIA)**. The CIA replaces the OSS spy agency formed during WWII. It will engage in covert activities at the request of the U.S. President. Among the CIA's agents are many fine patriots, but the CIA's Directors have always been Globalist front men.

CIA grows in power and eventually engages in assassinations, election rigging, planting disinformation through its many paid media contacts, overthrowing of disobedient foreign leaders by "spontaneous" peaceful revolutions or violent coups, and the staging of "false flag" terror events to frame enemies. The CIA often cooperates with the Britain's M16 and Israel's Mossad.



Upon Globalist orders, the super-secret CIA assassinates political leaders, stages 'false flag' terror attacks, manipulates the news and destabilizes foreign governments. CIA is also active on U.S. soil.

1947
THE ROCKEFELLERS BEGIN TO FUND 'MODERN ART' / CORRUPT TRUE ART WITH SENSELESS FILTH

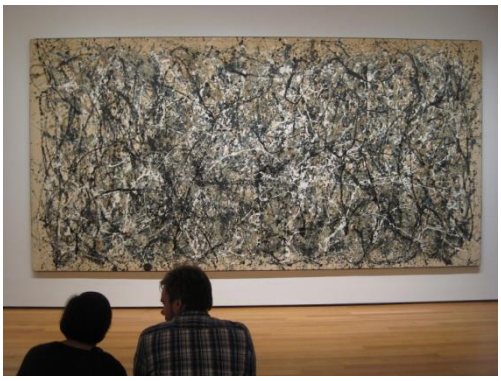
Abby Aldrich Rockefeller *(wife of John D. Jr. and daughter of Senator Aldrich)* developed the idea of establishing a **Museum of Modern Art** in New York City. The museum opened to the public on November 7, 1929. From the very beginning, this cesspool of "modern art" is a Rockefeller directed organization.

Abby's son Nelson becomes the museum's President in 1939. In 1947, The Rockefeller Brothers Trust Fund begins pouring cash into the promotion of their House of Horrors. Upon becoming Governor of New York, Nelson's younger brother David takes over in 1958. David and Sharon Percy Rockefeller *(wife of Senator Jay Rockefeller)* sit on the Board today.

The Globalists and the Communists use "modern art" to corrupt the beautiful western culture that they seek to destroy. **If "intellectuals" can be persuaded that junk is "art", they can then be persuaded of any other false realty presented to them.** Not wanting to appear "un-intellectual", countless numbers of simple minded fools marvel at the junk on display in New York and other major cities.

The incomprehensible and ugly works of the Communist artist **Pablo Picasso** have been heavily promoted by Rockefeller and his New York Globalist ilk. The media-hyped Picasso was an admitted admirer of Joe Stalin, and a recipient of the Soviet "Peace Prize".





1- Communist junk artist Picasso admires a photo of Stalin.

2- Fools who marvel at the drippings of Jackson Pollack can be made to believe anything.



Left: Globalist "Art"
Painting by Communist Pablo Picasso



Right: Real Art
Painting by American Norman Rockwell

NOVEMBER, 1947
COMMUNIST 'HOLLYWOOD 10' CITED FOR CONTEMPT OF CONGRESS

The first Hollywood "blacklist" is instituted by the major studios the day after 10 Red writers & Directors are cited for Contempt of Congress for refusing to give testimony to the House Committee on Un-American Activities. They have since been portrayed as victims of "anti-Semitism" and "anti-Red hysteria". *(9 of the 10 are Jewish)*

In reality, these writers and directors are indeed Communist Party subversives, loyal to Stalin & Kaganovich, and willing to use their trade to plant Marxist propaganda in films and corrupt the common morality. Zionist/Marxist dominated Hollywood remains to this day a pornographic, sex-obsessed polluter of public decency and purveyor of anti-White, anti-Christian, and anti-Muslim, propaganda.



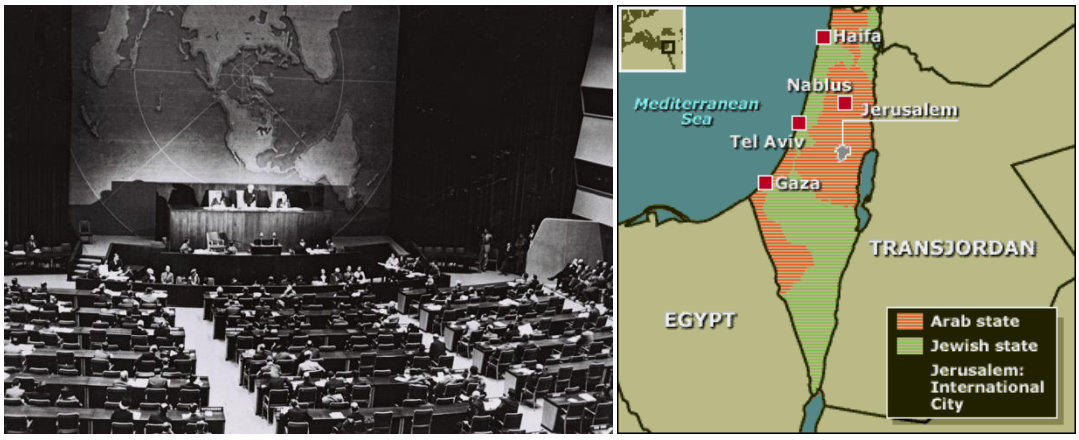


The dramatic Hollywood 10 Stalinists portrayed themselves as victims of "anti-Communist hysteria". Communist flash-mobs defended the Reds.

NOVEMBER, 1947
THE U.N. PARTITIONS PALESTINE INTO ARAB & JEWISH REGIONS

The British Mandate of 1922 ends as a UN resolution establishes the basis of the modern state of Israel. **Without the consent of the native Arabs,** the resolution recommends the termination of the British Mandate for Palestine and the **Partition of Palestine** into two states, one Jewish and one Arab, with the Jerusalem-Bethlehem area being under international protection, administered by the UN.

The resolution also contains plans for an economic union between the proposed states, and for the protection of religious and minority rights. Zionists have no more intention of respecting Arab rights than they did in 1922.



The Partition scheme robs the Palestinians of their homes.

1947 - 1952
ZIONISTS STAGE 'ANTI-SEMITIC TERROR' IN ORDER TO FRIGHTEN JEWS IN ARAB STATES INTO MOVING TO ISRAEL

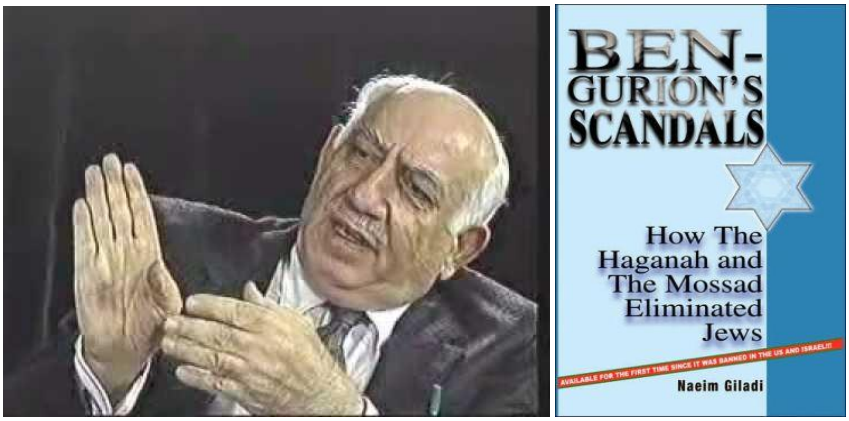
*"I write this book to tell the American people, and especially the American Jews, that Jews from Islamic lands did not emigrate willingly to Israel; that, to force them to leave, **Jews killed Jews**; and that, to buy time to confiscate ever more Arab lands, Jews on numerous occasions rejected genuine peace initiatives from their Arab neighbors.*

I write about what the first prime minister of Israel called 'cruel Zionism.' I write

about it because I was a part of it. "Alex de Tocqueville once observed that it was easier for the world to accept a simple lie than a complex truth. Certainly it has been easier for the world to accept the Zionist lie that Jews were evicted from Muslim lands because of anti-Semitism, and that Israelis, never the Arabs, were the pursuers of peace. The truth is far more discerning; bigger players in the world stage were pulling the strings.

*"These players, I believe, should be held accountable for their crimes, particularly when they willfully terrorized, dispossessed and killed innocent people on the altar of some ideological imperatives."**We Jews did not leave our ancestral homes because of any natural enmity between Jews and Muslims.***

"And finally, as a U.S. citizen....we Americans need to stop supporting racial discrimination in Israel and the cruel expropriation of lands in the West Bank, Gaza, South Lebanon and the Golan Heights." **- Naeim Giladi (15)**



Ben-Gurion's Scandals: Jewish author Naeim Giladi's expose of Israeli false-flag terror against fellow Jews is shocking.

APRIL, 1948
ISRAELI TERRORISTS MURDER 100 + DEFENSELESS ARAB CIVILIANS AT DEIR YASSIN

Jewish terrorists *(Jewish Partisans from WW II)* will carry out many mass murders in the months leading up to the formal establishment of Israel. The **Deir Yassin Massacre** is most notable for its brutality. Fighters from the **Irgun** and **Stern Gang** paramilitary groups attack Deir Yassin near Jerusalem, a village of roughly 600 people. More than 100 helpless victims, including women and children, are murdered. **(16)**

Some are shot; some have their throats slit open, while others die as hand grenades are thrown into their homes. Several villagers are taken prisoner and killed after being paraded through the streets of West Jerusalem.

The strategic aim of the massacres is to terrorize the Palestinians into fleeing from their villages, which the European Jews with adopted Hebrew names will then takeover.



Massacres such as Deir Yassin frightened the Palestinians into fleeing from their villages.

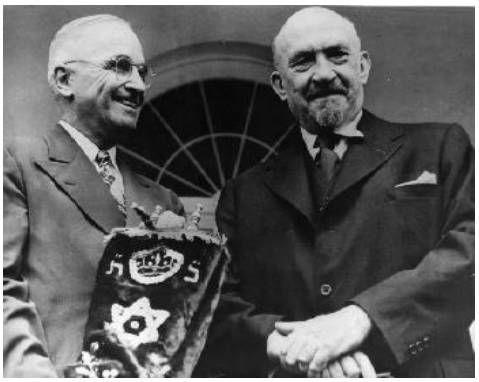
MAY, 1948
ISRAEL DECLARES NATIONHOOD / TRUMAN & SOVIET UNION GRANT IMMEDIATE RECOGNITION

Herzl's 1897 plot comes into full fruition when Israel is formally established. Harry Truman's quick recognition of Israel pleases his Zionist donors, whose influence will help him to *narrowly* win the upcoming November 1948 election. Ironically, a 2003 review of his diaries reveals Truman's dislike for the Jews who were often pressuring him. **(17)**

Just 3 days after Truman's recognition, Uncle Joe's USSR also recognizes "the State of Israel". Several Arab nations come to the defense of their Palestinian brothers. The Deir Yassin attack of the prior month, along with murderous attacks on Tiberias, Haifa, and Jaffa, put pressure on Arab governments to save Palestine. News of the killings arouses such public anger in the Arab world that the governments cannot ignore it.

The Arabs are unsuccessful in their brief war, and in future attempts to liberate Palestine. The Zionist military and its free arsenal of American weapons will soon make Israel the dominant power of the region.

Israel's ultimate goal is to expand from Egypt to Iraq, to include all of the territory between "the river of Egypt (Nile) and the River Euphrates (Iraq). This is what the two blue lines on Israel's flag represent!





1- Israel's 1st President, Chaim Weizman, awards Truman a Star of David.

2- The Election of 1948 was so close that newspapers had originally reported that John Dewy had defeated Truman. It was Jewish support and money that narrowly pulled him through in 1948.

JUNE, 1948
STALIN ATTEMPTS TO STARVE BERLIN / TRUMAN ORDERS 'BERLIN AIRLIFT'

Although the city of Berlin is located entirely within the eastern, Soviet half of post-war Germany, the city itself is divided into a Soviet zone, and a Western zone. The **Four-Power Provisional Government** governs Berlin. But by 1948, Stalin wants *all* of Berlin. Land access to Berlin is cut off by the Soviets. Berliners are stranded and face starvation unless the US and UK agree to get out.

Not wanting the Soviets to get *too* out-of-control, the Globalists take a stand against their Soviet partners. The U.S. &Britain fly food and other supplies into Berlin, landing on international airstrips. The Soviets blink, and do not stop the cargo planes. After 1 year of the "**Berlin Airlift**", Stalin calls off the hunger blockade. But Berlin will still remain a divided city until 1989.



Hungry Berliners cheer the same American Air Force that terror-bombed them just 3 years earlier. Note the 3-year old ruins in the background.

AUGUST, 1948
ALGER HISS EXPOSED AS SOVIET SPY

Whittaker Chambers, a former Communist Party member who became anti-Communist, denounces government official **Alger Hiss** as a Soviet spy before the House Committee on Un-American Activities. Hiss had been a *high level* State Department official under FDR.

An ardent New Dealer, Hiss took part in the 1945 Yalta Conference where Eastern Europe was betrayed to Stalin. In '46, he is named President of the Marxist Carnegie Endowment for World Peace.

In 1950, a grand jury charges Hiss with perjury *(the statute of limitations for espionage had run out)*. Truman and his advisors defend their boy Hiss and condemn the trial. FDR's widow, **Red lesbian Eleanor Roosevelt**, also defends the traitor Hiss. **(18)**

In spite of his important friends, Hiss's guilt is clear and he will serve 44 months in jail. The declassification of the VENONA intercepts in 1995 will confirm the high-level treason of Hiss *(and many others!)*



Hiss was sacrificed, but many other Communists remain undiscovered.

APRIL 4, 1949
NATO – A GLOBALIST MILITARY ALLIANCE IS FOUNDED

The military consolidation of the **New World Order** begins with the **North Atlantic Treaty Organization (NATO),** a military alliance headquartered in Belgium. Members, led by the US, UK, & France, agree to mutual defense in response to an attack by the Soviets. An attack against one nation in Europe or North America is an attack against all.

NATO is an NWO consolidation trap and the Globalist-created "Soviet threat" is skillfully used to build this trap. Churchill's advisor and NATO Secretary General, Lord Ismay, states that NATO's goal is *"to keep the Russians out, the Americans in, and the Germans down."* **(19)**

After the planned takedown of Communism in the '90's, NATO expands into the former Soviet satellites of Eastern Europe. Post-Soviet Russia is not a member.




NATO is the NWO's war making organization.

MAY, 1949
ANTI-RED, ANTI-ZIONIST DEFENSE SECRETARY JAMES FORRESTAL IS 'SUICIDED'

Defense Secretary **James Forrestal** "falls" to his death from the 16th floor of Bethesda Naval Hospital. He was being treated for "depression". His body is found with a bathrobe cord tied tightly around his neck. *Before an investigation is even launched*, newspapers state that Forrestal committed suicide. During his hospitalization, access to him was very restricted.

The media vilified Forrestal for opposing the creation of Israel and Harry Truman's pro-Red foreign policy. His diaries are removed from his office. Forrestal was a wealthy man who intended to buy a newspaper and, like Patton, work to expose the treason that brought the US into World War II and the policies that helped the Soviets.

The hatred toward Forrestal continues to this day in Zionist and Red circles, which characterize the dedicated public servant as an "anti-Semite" and a 'kook".



Anti-Communist and Anti-Zionist Forrestal turned against the policies of his boss, Harry Truman. The NWO silenced him.

AUGUST, 1949
THE USSR SHOCKS THE WORLD BY DETONATING ITS 1st ATOMIC BOMB

The world is stunned when the Soviets explode their first Atomic Bomb. The physicists who directed the Soviet Project, benefited greatly from espionage efforts. Through sources in **Robert Oppenheimer's** Communist-infested Manhattan Project, most notably British-German Communist **Klaus Fuchs** and American Zionist Communist **Theodore Hall**, the USSR had obtained vital information on the Atomic bomb project.

Reports are shown to the head of the Soviet atomic project Igor Kurchatov and have a significant impact on his own team's research. In 1945 Soviet intelligence obtained rough "blueprints" of the first US atomic device. The Communists now have "the bomb", years before it was expected. **It is no accident**.

The New World Order uses the psychological threat of nuclear war to scare the "free world" into closer military, political, and economic integration.





THE DEMOCRAT
AND LEADER
Weather
97TH YEAR—No. 298. DAVENPORT, IOWA, FRIDAY EVENING, SEPTEMBER 23, 1949. 36 PAGES PRICE 5 CENTS.

They SHOULD Be Shot-the DOGS!

RUSSIA HAS ATOMIC BOMB!

U. S. Learns of Recent Explosion, President Discloses

Pentagon Shows Excitement, But Officials Mum

Bargaining In Steel Resumed

Strike Clouds Over Industry Are Lightened.

Russ Possession of Bomb Peace Threat, Congressmen Believe

ALCOA Fights Bettendorf's Adoption Plan

Prepares for Every Legal Step Needed to Prevent Annexation.

U. S. Still Ahead of Russians

No Reason Seen To Believe War May Be Nearer.

JOHNSON QUESTIONED ON ATOM BLAST—

Details on Blast in USSR Not Revealed; Vishinsky Urges Pact

No Change Made in Disposition of American Forces, Johnson Declares; Political Repercussions Expected.

Thinking that they could work with him to build an integrated 'New World Order', the Globalists turned a blind eye to Stalin getting an atomic bomb.

OCTOBER, 1949
BETRAYED BY GEORGE MARSHALL, NATIONALISTS LOSE CHINA TO THE REDS

Due to the inexplicable 1945 Yalta gifting of Manchuria, (and its captured Japanese weapons), to Stalin, the Chinese Nationalists can no longer keep down Mao Tse Tung's Soviet-armed rebel Reds.

As Special Envoy to China, Secretary of State, Marshall had delivered the final blow to free China by slapping an arms embargo on Chiang Kai-Shek. Also critical to the loss of China is the manipulation of US public opinion by the *NY Times* and *Washington Post*, which portray Chiang as "corrupt" and "fascist" while Mao is glorified as "an agrarian reformer."

Mao declares **The People's Republic of China**. Chiang and two million outgunned nationalists escape to the island of Formosa *(Taiwan)*. They set up a free and prosperous state; while George Marshall's buddy Mao turns Red China into a mass murderous tyranny that will soon attack and kill American troops in Korea.





1- Betrayed by Marshall, Chiang flees China and founds the free and prosperous nation of Taiwan.

2- Marshall breaks bread with Mao

FEBRUARY, 1950
SENATOR JOSEPH McCARTHY LAUNCHES HIS FIGHT AGAINST COMMUNISM SUBVERSION

The rise of **Senator Joseph McCarthy** to national prominence begins with a speech in which he held up a list of Communists working in the State Department.

In just the past few years, Eastern Europe has fallen to the Reds, Mao has captured China, the Soviets have exploded an A-bomb, and spies such as Alger Hiss have been exposed. Americans are justifiably worried. The heroic Senator will declare on the Senate floor*:*

"How can we account for our present situation unless we believe that men high in this Government are concerting to deliver us to disaster? ***This must be the product of a great conspiracy, a conspiracy on a scale so immense as to dwarf any previous such venture in the history of man*** *- A conspiracy of infamy so black that, when it is finally exposed, its principals shall be forever deserving of the maledictions of all honest men."* **(20)**



McCarthy's explosive and provable accusations made headlines!

JUNE, 1950
KOREAN WAR BEGINS AS THE COMMUNIST NORTH ATTACKS THE U.S. BACKED FREE SOUTH

Five years after the U.S. had gifted North Korea to the Soviets at Yalta; the Communist North invades South Korea in June of 1950. After just three months, the great World War II General and patriot, **Douglass MacArthur**, stages brilliant offensives and captures the North's capital of Pyonyang.

With minimal American casualties, it appears that the war is over and has been won very quickly. That is until President Truman and the Globalists around him begin to interfere.



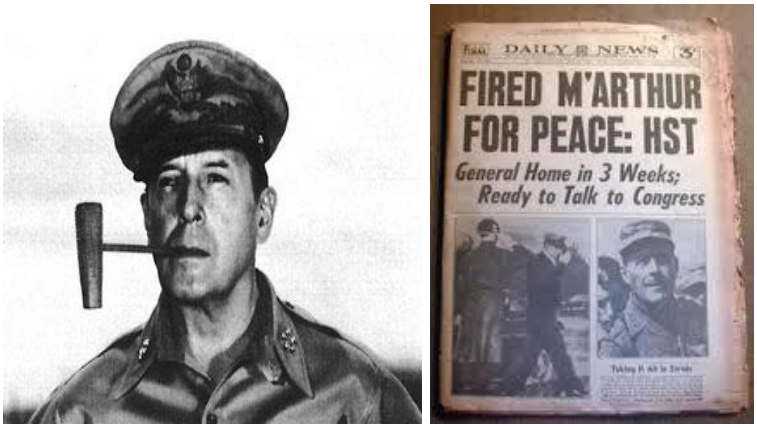
Communist North Korea could easily have been toppled by MacArthur.

APRIL, 1951
TRUMAN FIRES GENERAL MACARTHUR / MANY AMERICANS ARE OUTRAGED!

Upon his firing of the heroic General MacArthur for "insubordination" Truman immediately became the most unpopular president in U.S. history. The Globalists claim that it was MacArthur's aggressive actions which brought China into the Korean War. But in reality, it is Truman's treasonous restraining of both MacArthur & Chiang that green-lights Red China. Mao enters the war against the mighty US because he knows that the game is being rigged by the Red agents around Truman.

MacArthur returns to the US to a hero's welcome. With the patriotic and brilliant strategist removed from the field of battle, Communists at home and abroad rejoice. The war ends in stalemate in 1953 *(as it was meant to).* American dead number about 50,000.

It is now obvious to many Americans that something is very wrong with US foreign policy, something far worse than just "incompetence".



The firing of General Macarthur made Harry Truman very unpopular.

JUNE, 1951
IN HISTORIC SENATE SPEECH, McCARTHY OPENLY ACCUSES GEORGE MARSHALL OF TREASON

The Globalist media is outraged when Senator McCarthy dares to denounce one of their manufactured heroes as a traitor. During a long speech on the Senate floor,

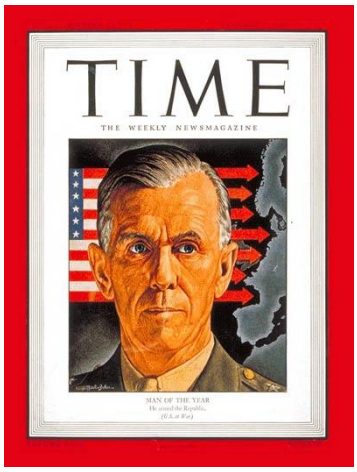
McCarthy *(an ex-judge)* masterfully exposes George Marshall's pattern of "mistakes" surrounding the Pearl Harbor "surprise", the mismanagement of World War II, the loss of Eastern Europe to Stalin, and the loss of China to Mao's Reds.

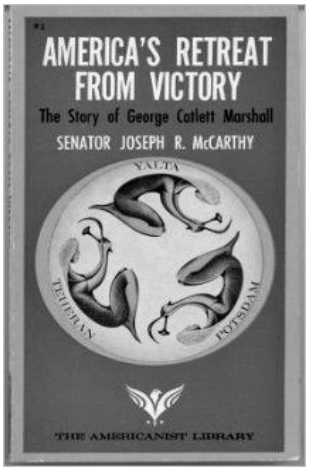
McCarthy also hints *(subtly)* that Eisenhower was in league with Marshall. He mocks Marshall's media created hero status:

"Marshall, who, by the alchemy of propaganda, became the "greatest living American" and the recently proclaimed "master of global strategy." **(21)**

McCarthy's lengthy speech will later be published under the title: ***America's Retreat from Victory; The Story of George Catlett Marshall.***







The fearless McCarthy was not at all intimidated by George Marshall's hyped-up status as a "war hero".

ELECTION YEAR, 1952
FORCES BEHIND EISENHOWER CHEAT SENATOR TAFT OUT OF THE REPUBLICAN NOMINATION FOR PRESIDENT

With the country dismayed at the socialist domestic policy and disastrous foreign policy of the Democrats, 1952 is certain to be a big Republican Election year. Democrats are so weak, that the much maligned Harry Truman will not even seek re-election.

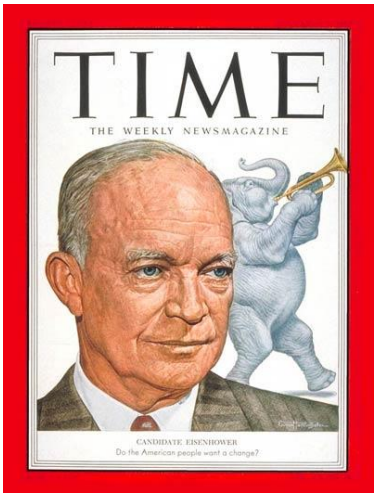
The leading candidate for the Republicans is Senator **Robert Taft** (R-OH). Like his father William H. Taft, the younger Taft is a conservative patriot. And, also

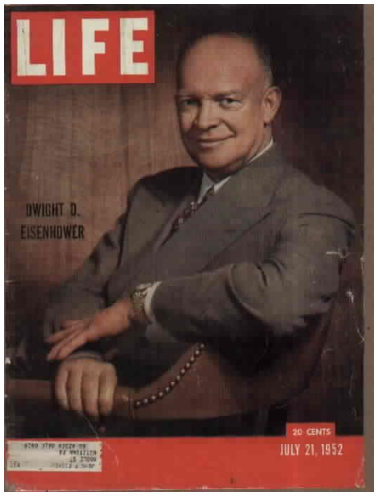
like his dad in 1912, he too will be cheated out of an election. At the Republican nominating convention of 1952, the Globalist Wing of the Party uses dirty tricks and smears to derail Taft in favor of the World War II mass murderer and friend of Stalin, Dwight Eisenhower.

Ike, the "war hero", only recently became a “Republican”. He goes on to defeat Adlai Stevenson in the General Election. The Republicans, like the Democrats, are now fully in the grip of the Globalists.

During his presidency**,** Eisenhower, rumored to be of Swedish-Jewish lineage, **(22)** will be inducted as an honorary member into Tau Epsilon Phi (TEP), a Jewish fraternity; **(23)** and also help to set up the first Rockefeller-Rothschild Bilderberg meeting in The Netherlands. **(24)**







As they did to his father in 1912, the Globalists trotted out a phony 'war hero' to derail Taft’s candidacy. “Ike” was then hyped-up for President.

MARCH, 1953
STALIN IS DEAD / APPARENTLY POISONED BY FEARFUL SUBORDINATES

Stalin's paranoia often led him to "purge" any subordinates who grew too powerful in their own right. This mania ended up being a self-fulfilling prophecy. Fearing for their own lives, the mad dog Secret Police Chief **Laventry Beria** and others likely poisoned the murderous old bastard.

In 2003, a joint group of Russian and American historians announced their view that Stalin ingested warfarin, **(25)** a powerful rat poison that inhibits coagulation of the blood, predisposing the victim to stroke (cerebral hemorrhage).

Nikita Khrushchev - a murderous assistant to Lazar Kaganovich during his Ukrainian genocide - will become the new Soviet Premier by year's end. Khrushchev will later condemn Stalin for his brutality towards his fellow Communists.




(THE *Morning* KANSAS CITY STAR)
The Kansas City Times.
DICTATOR JOSEPH STALIN DIES
Stroke Suffered Last Sunday Is Fatal to the Prime Minister of Soviet Russia—Announcement From the Kremlin Is Delayed Six Hours After His Death.
HEART FALTERS AT END
NO WORD ON NEW LEADERSHIP
A LOFTY TRIBUTE
CUE TO RED FEAR VEIL ON FUTURE
BREAKS JOB LOCK

Stalin in his coffin. His subordinates breathed a sigh of relief while Globalists see an opportunity to bring the Soviet Union back into "the world community".

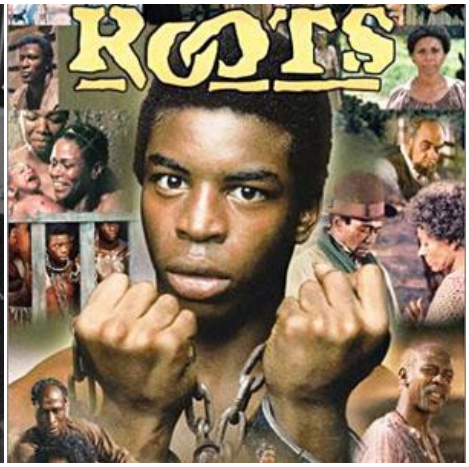
1953
GLOBO-ZIONIST LEONARD GOLDENSON ESTABLISHES ABC TELEVISION

The American Broadcasting Corporation (ABC) was originally formed in 1943. By 1951, ABC owns and operates numerous TV stations, but is on the brink of bankruptcy. Zionist Globalist **Leonard Goldenson** steps in with a 25 million dollar cash infusion and becomes Chairman of the new company. The modern ABC dates its origin to this 1953 transaction. Goldenson will oversee all areas of media operations from 1953-1986.

Today, ABC is owned by the Walt Disney Conglomerate *(which was taken from the Disney family by corporate takeover).* Zionist-Globalist **Michael Eisner** was Disney's CEO from 1984-2005. Eisner is later succeeded by the current CEO, the Zio-Globalist **Robert Iger**.

ABC joins CBS, NBC, Reuters, The NY Times, and The Washington Post as media giants under Zionist ownership.





Zionist media mogul Goldenson founded and dominated the ABC Network. ABC. Programs such as the 1970's mini-series 'Roots' incite Blacks and inflict guilt amongst weak-minded Whites.

JUNE, 1953
COMMUNIST ROSENBERGS FRY IN THE ELECTRIC CHAIR

Jewish Communists **Julius & Ethel Rosenberg are** executed for passing A-bomb secrets to the Soviets. Ethel's brother, **David Greenglass**, had given the secrets to the Rosenbergs while working on the Manhattan Project. Marxists denounce the execution of the Jewish Rosenbergs as an *"anti-Semitic witch hunt"* - ignoring the fact that the sentence was imposed by a Jewish judge, **Irving Kaufman**, who tells the Rosenbergs they are responsible for the Korean War:

"*I consider your crime worse than murder. Your conduct in putting into the hands of the Russians the A-Bomb, years before our best scientists predicted Russia would perfect the bomb, has already caused, in my opinion, the Communist aggression in Korea… with the resultant casualties exceeding 50,000… Indeed, by your betrayal you undoubtedly have altered the course of history to the disadvantage of our country."* **(26)**

Though the "small fry" Rosenbergs are sacrificed; the "big fish" Globalist traitors go untouched.





EXTRA

RACE RESULTS Los Angeles Times PICTORIAL

ROSENBERGS DIE

Pair Executed for Atom Spying

Supreme Court and Eisenhower Reject Couple's Last Pleas

WEST BERLIN'S RED OFFICES WRECKED

20 Injured as Fireworks Blast Levels Factory

TRUCE DELEGATES FACE CRUCIAL TALK

Clouds Clamp Cool Damper as Summer Nears

The Rosenbergs had to be sacrificed. The higher level Globalists went untouched.

MAY, 1954
SECRETIVE BILDERBERG GROUP HOLDS 1st ANNUAL MEETING

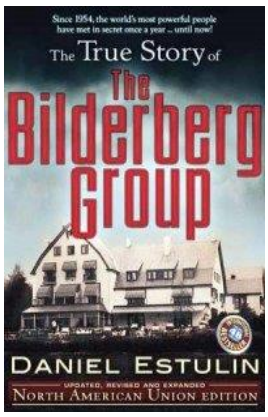
The Bilderberg Group is an annual, unofficial, invitation-only conference of about 150 Globalists from America and Europe. All of the existing guests at the exclusive resorts are required to leave before the 'Bilderbergers' arrive in town.

The Bildebergers are all people of great influence in the fields of politics, banking, intelligence, business, military and media. The secret conferences are held in a different location every year. No press releases are issued.

The Group takes its name from the Bilderberg Hotel in Holland, where the first meeting was held. Members of the Rothschild and Rockefeller families have attended every year since its inception.

The Group has a history of inviting little known politicians, and then catapulting them to fame and office within a short time. For example, Bill Clinton attended a 1991 Bilderberg meeting in Germany while he was a barely known Governor of Arkansas. The following year, he was media-hyped into the White House.






David Rockefeller with his personal bodyguard.

1- Globalist puppet Eisenhower, shown above with Nelson Rockefeller, used his Presidential power to make the very first Bilderberg Conference happen.

2- The Bilderberg Group by Daniel Estulin

3- Flash-Forward (2005): David Rockefeller with bodyguard at Bilderberg meeting

JULY, 1954
'THE LAVON AFFAIR' /ISRAELIS BOMB AMERICAN PROPERTY IN EGYPT / ARABS FALSELY ACCUSED!

In July of 1954, a series of bombings against US & UK property in Egypt is blamed on a shadowy group called "The Muslim Brotherhood." When the Egyptians find the culprits, it is revealed that they are actually Jewish agents working for Israel.

Israel is then forced to admit to what it claims was "a rogue operation." Defense Minister **Pinchas Lavon** is designated as the fall guy who takes the blame for this covert operation; code-named "Operation Susannah".

The "**Lavon Affair**" ultimately creates such a controversy that it brings down the Israeli government and forces new elections. This long since forgotten scandal marks the first known Israeli "false flag" operation aimed at the United States for the purpose of framing Arabs.





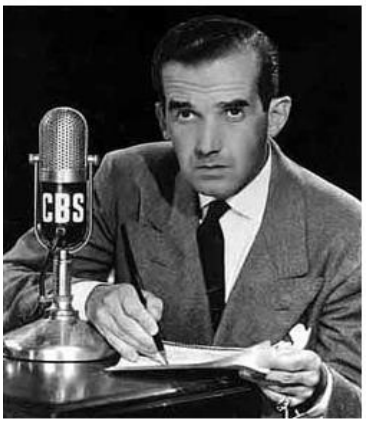
Pinhas Lavon took the fall as Jewish agents in Egypt were hanged. In recent years; aging members of the Lavon Conspiracy were honored by the Israeli government.

DECEMBER, 1954
GLOBALIST MEDIA SMEAR CAMPAIGN LEADS TO THE SENATE CENSURE OF JOE McCARTHY

McCarthy's high profile hearings have attracted a huge national following. His supporters include the Kennedy Family. Such popularity poses a threat to the Communists *and* to their Globalist enablers. When McCarthy begins inching "up the ladder" towards the bigger players; the media big guns are brought out to stop him.

In March of 1954, CBS legend **Edward R. Murrow**, *a personal friend of CBS CEO Bill Paley*, dedicates an entire show to attacking McCarthy. The following week, Murrow runs yet another hit piece. The accumulation of TV and newspaper venom aimed at McCarthy takes a toll on his image. Colleagues begin to ignore him as President Eisenhower plots against him.

In December of 1954, the Senate censures McCarthy. This marks the end of his crusade against the Globalist / Communist axis. Following his censure, Eisenhower happily quips, in private, *"McCarthyism is now McCarthy-was-ism."***(27)**





1- Acting under Bill Paley's orders, the disgusting Murrow dumps his Marxist filth on Senator McCarthy.

2- Behind the scenes, Globalist Eisenhower conspired with Senator Prescott Bush (and others) to betray fellow Republican Joe McCarthy. Bush's son and grandson will later become U.S. Presidents

DECEMBER, 1954
THE 'REECE COMMITTEE' CONCLUDES THAT TAX EXEMPT FOUNDATIONS FINANCE GLOBALISM

The Reece Committee *(formerly the Cox Committee)* is chaired by Rep. **Carroll B. Reece**. It produces its final investigative findings regarding the influence of tax-exempt foundations, such as the **Rockefeller Foundation**, in the field of education. The report finds that "philanthropic" foundations are using their awesome grant giving power to influence college curriculums and finance leftist groups.

The goal is to alter public attitudes and belief systems by injecting Globalist propaganda into the educational system. The Globalist media, and John D Rockefeller III himself, attack the Committee,

"No shred of evidence is presented in the report to show that the Rockefeller Foundation or any of the organizations to which it has made grants has advocated world government.", **(28)** said Rockefeller.





1- Carroll Reece's Committee exposed the Rockefeller Brothers

2- John D Rockefeller III hands $8.5 million check to UN Chief Trygve Lie

3- David Rockefeller with Eleanor Red Roosevelt and Trygve Lie

MARCH, 1957
THE 'TREATIES OF ROME' ESTABLISH THE 'EUROPEAN COMMON MARKET'

Belgium, Italy, France, West Germany, Luxembourg, and Holland sign the **Treaties of Rome**. The treaties are sold to the European people as agreements to promote "free trade" and cooperation in a **"Common Market."** Little did the people know that over the coming decades; these seemingly harmless treaties would, by design, grow into the powerful European Union which today dominates its captive member-nations today.

The Common Market is the first economic structure to be based on supra-nationalism - a major step towards Rothschild's **New World Order**. The Globalists skillfully utilize the Soviet threat, which they themselves created, *(and will one day bring down)* as a psychological means to frighten the people of the formerly nationalist Europe into close economic, political, and military consolidation.





1- The Globalists of Europe build the New World Order by using "trade agreements" as their cover.

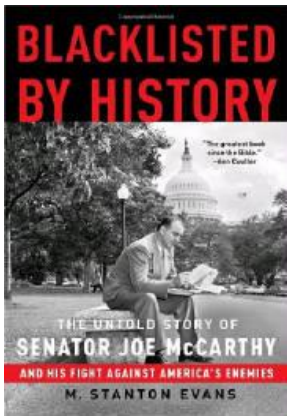
2- Fifty years later, the EU celebrates the Anniversary of the Rome deal.

MAY 2, 1957
McCARTHY DIES OF SUDDEN ILLNESS AT 48 / APPARENTLY POISONED AT BETHESDA NAVAL HOSPITAL

After his 1954 censure, McCarthy's influence has faded. But the feisty young Senator remains outspoken, and continues to rail against Communism and its high level protectors. He had once described these dark forces as, *"a conspiracy so immense"*. This Conspiracy had killed his investigations. Now, it is time to kill McCarthy himself!

McCarthy had become ill in late April of '57, and was taken to Bethesda Naval Hospital, just like his "suicided" mentor, James Forrestal, had been in 1949**.** He begins to recover, but strangely falls ill again on the Communist Holy Day of May 1. He dies at the young age of 48, on May 2, - the victim of an apparent poisoning. The official cause of McCarthy's death is listed as "inflammation of the liver".

The great Senator's name continues to be dragged through the mud to this day. The constant use of the term 'McCarthyism" serves as a constant reminder to U.S. politicians of the fate which awaits anyone who challenges the **New World Order**.



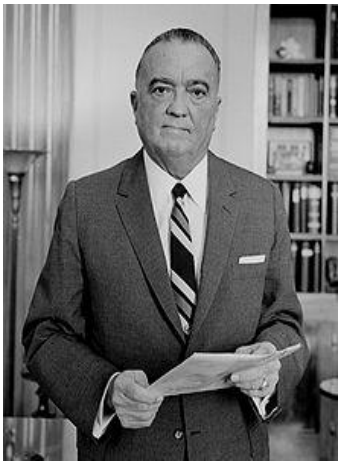




1- "Blacklisted by History" by M. Stanton Evans proves that the 1950's press lied about Joe McCarthy.

2- Fifty years later, Communists and degenerate liberals still trash McCarthy and will even urinate on his grave.

FORBIDDEN HISTORY: QUOTE TO REMEMBER



"*The individual is handicapped by coming face-to-face with* ***a conspiracy so monstrous he cannot believe it exists.*** *The American mind simply has not come to a realization of the evil which has been introduced into our midst. It rejects even the assumption that human creatures could espouse a philosophy which must ultimately destroy all that is good and decent."* **(29)**

- J Edgar Hoover, FBI Director 1924-1972

AUTUMN, 1958
EISENHOWER BETRAYS THE ANTI-COMMUNIST FREEDOM FIGHTERS OF HUNGARY

The **Hungarian Revolution of 1956** is a revolt against the Communist regime of Hungary. Civilians and patriotic soldiers combine to defeat the Jewish dominated Secret Police and Soviet troops. Soviet Premier **Nikita Khrushchev** and his gang are stunned. The Soviets consider withdrawing all troops as the rebels wait anxiously for the "anti-Communist" West to send weapons. Instead, Ike pressures Spain and West Germany into canceling an arms shipment to the Hungarian rebels.

There is to be no weapons, nor even any symbolic words, recognizing the struggle for a free Hungary. All that President Eisenhower can muster is an empty: *"Our hearts go out to the people of Hungary."* **(30)**

Upon realizing that Stalin's favorite American General from World War II is green lighting a re-conquest of Hungary, just as he had during World War II, the Soviets re-occupy Hungary with massive force. The leaders of the Hungarian revolt are then executed.



Hungarian freedom-fighters decapitate a statue of Ike's 'Uncle Joe' and take a bloody revenge on their Communist masters.

1958-1961
MAO'S CHINA LAUNCHES 'THE GREAT LEAP FORWARD' / 50-60 MILLION PEOPLE DIE

China's "**Great Leap Forward**" is Mao's latest scheme to transform China into a modern Communist society. Private farming is banned, and those engaged in it are

murdered. The plan fails, resulting in mass starvation. The death toll is between 50 and 60 million.

Historian Frank Dikötter asserts that "coercion, terror, and systematic violence were the very foundation of the Great Leap Forward" and that it "motivated one of the most deadly mass killings of human history."

Peasants are confined to starving villages as the Reds torture and kill those accused of not meeting their grain quota. In addition to the starvation victims, at least 5 million Chinese are beaten or tortured to death and 2-3 million more commit suicide. Mao's Red militias bury many people alive or club them to death.

The blood of 50+ million is on the hands of the '45 Yalta traitors FDR, Hiss & Hopkins, as well as Truman, Marshall, and all the others who engineered the post-war fall of China**.**





Just like Stalin's "5-year plans", Mao's schemes made big promises, but delivered only death! During "The Great Leap Forward", scores of millions are starved, beaten, or shot to death by Mao Tse Tung, the man that the traitors of the Yalta Conference, General George Marshall and the Globalist Media once idealized as "an agrarian reformer."

THE 'HAPPY DAYS OF THE 1950's

The 1950's are a happy time in America. The huge tax and spending cuts of the late 1940's have finally ended the long Depression, leading to economic growth for professionals as well as "blue collar" manufacturing workers.

It is the era of the American "Baby Boom" as war veterans marry and have children. Fathers go to work and earn enough money so that the mother can stay home and tend to children and home. Many move out of crowded cities into the suburbs. Almost every home now has a telephone, TV, washer, automobile etc. The "American Dream" is available to all who want it.

On the cultural front, "the 50's" still represent an era of decency and innocence. Movies, TV shows, and songs are, for the most part, clean and healthy entertainment. Churches are thriving, streets are safe, communities are tight, children are respectful, the divorce rate is very low, and homosexuality is largely unspoken of. Both White & Black families / communities are solid and thriving.

Modern "liberals" love to ridicule this simpler, happier time. But those who grew up in the '50's' and most of the 60's, know that it was a far happier and healthier time than the current era of economic and moral rot.

But beneath the surface of the happy 50's, the sex-obsessed Globo-Zionist moguls of Hollywood plot to unleash a destabilizing storm of moral and cultural filth which will forever weaken families, communities, and churches.



TV shows like "Leave It to Beaver", "Bonanza" and "Father Knows Best" reflected the goodness and loyalty of American family life.

DECEMBER, 1958
PATRIOTIC BUSINESSMAN ROBERT WELCH FOUNDS THE 'JOHN BIRCH SOCIETY'

Businessman Robert Welch forms the patriotic **John Birch Society** *(named after an U.S. Army Captain murdered by Chinese Reds).* Welch believes that Globalists

("Insiders") are using Communism, Central Banking, wars, moral corruption, and debt to bring about **The New World Order**. He warns:

"...both the U.S. and Soviet governments are controlled by the same conspiratorial cabal of internationalists, greedy bankers, and corrupt politicians. If left unexposed, the traitors inside the U.S. government would betray the country's sovereignty to the United Nations for a collectivist New World Order…." **(31)**

The JBS is organized into chapters all across America. Its enthusiastic members use books, pamphlets, and speaking tours to warn the public about the Globalists. JBS membership grows rapidly, attracting brutal media attacks from both the Communists and their Globalist enablers.





The Globalists were worried about Welch's plan to educate the public. The JBS had to be destroyed!

JANUARY, 1959
EISENHOWER'S PARTING GIFT TO WORLD COMMUNISM / CUBA GIVEN TO FIDEL CASTRO

The "blundering" Eisenhower did much to advance the Globalist/Communist Axis. His record includes: stopping Patton from liberating Eastern Europe ('45), *forcing* Russian POW's back to Stalin, murdering 1.7 million German POWs ('45/'46), betraying Joe McCarthy ('54), helping set up The Bilderberg Group ('54), and abandoning the anti-Communist rebels of Hungary ('56).

His final "blunder" is to allow Cuba's pro-American government of **Fulgencio Batista** to fall to the Marxist **Fidel Castro**. While the NY Times & Washington Post smear Batista and glorify Castro as another 'agrarian reformer'; Ike ignores repeated warnings from **Ambassador Earl T Smith** that Fidel Castro is a Soviet-backed Communist. Ike "looks the other way" as Castro's rebels make gains.

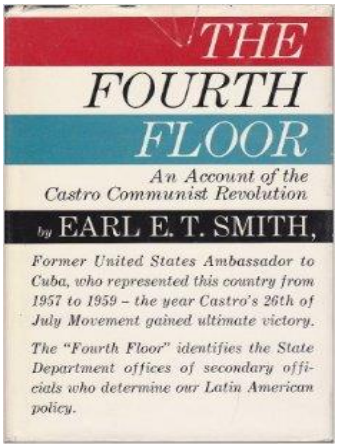
Just like Chiang in China ('49), Batista is betrayed when the U.S. refuses to ship armored cars purchased by Cuba. This emboldens Castro and demoralizes the Cubans. By abandoning Batista, Ike has handed Cuba to Castro.

In 1960, Ambassador Smith declares: *"Without the U.S., Castro would not be in power today."* **(32)**

In 1963, ex-President Eisenhower claims: "*Only a genius and a prophet could have known that Fidel Castro was a Communist."* **(33)**







1- Khrushchev & Castro hug. Yet another "reformer" turned out to be a Marxist

2- Ambasador Smith's book, 'The Fourth Floor', gives a firsthand account of how the Eisenhower State Department betrayed Cuba.

SEPTEMBER, 1959
EISENHOWER WELCOMES SOVIET MASS MURDERER KRUSHCHEV TO THE UNITED STATES

If the enslaved people of Eastern Europe, North Korea, China, or Cuba had any lingering delusion that the United States would stand up, *at least symbolically*, for

the cause of freedom, those hopes were dashed forever when Eisenhower gave a warm White House welcome to Soviet tyrant Nikita Khrushchev.

As a Commissar, Khrushchev worked closely with the monsters Stalin & Kaganovich. Despite his criticism of Stalin *(after Stalin had died),* Khrushchev had murdered faithfully for Stalin while rising up through the Soviet ranks. More recently, Khrushchev was the Butcher of the 1956 Hungarian Revolution, and he still holds kidnapped American POWs from World War II in Siberian slave camps - a fact that the ex-general Eisenhower is fully aware of, yet will not discuss!

Years later, excerpts from Khrushchev's own memoirs again confirm the Soviet love of Eisenhower:

*"Whenever I had dealings with Eisenhower in later years, I always remembered his actions during the war. **I kept in mind Stalin's words about Eisenhower.** Stalin invited Eisenhower to our Victory Parade and expressed his recognition by presenting him with our highest medal, the Order of Victory. This was the first time I met Eisenhower".* **(34)**





1- Zionist-Globalist Bernard Baruch (center) with his murderous sock puppets Churchill and Eisenhower.

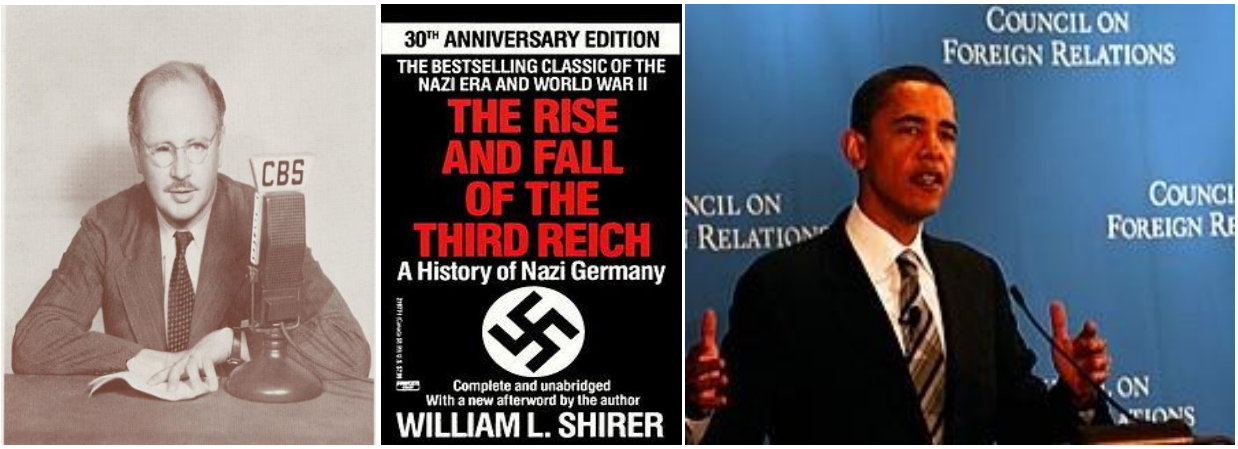
2- The Khrushchevs and the Eisenhowers double-dated in DC.

1960
WINNER'S HISTORY!
THE 'RISE AND FALL OF THE THIRD REICH' IS PUBLISHED

After having received what he calls a "generous grant" from the New York-based **Council on Foreign Relations (CFR), (35)** American newspaper hack and former CBS mouthpiece **William Shirer** publishes his "definitive" and "comprehensive" history of World War II, ***The Rise and Fall of the Third Reich***. In the book's opening acknowledgement, Shirer thanks "the Council" - whose Globalist members were the very ones that engineered the war in the first place!

Shirer's *Rise and Fall* is heavy on the empty verbiage and page-count *(1,245!)*, but extremely light on essential facts. Weaving truths with half truths and outright lies, while sprinkling in a few seemingly objective, even pro-German nuggets of truth; Shirer skillfully paints a deceptive facade; one which any reader of *Planet Rothschild* or *The Bad War* should now be able to easily crack open.

The Jewish publishing giant Simon & Schuster publishes the book, and the Jewish press hypes it to the stars. Shirer becomes wealthy beyond his wildest dreams. His putrid package of propaganda remains, to this day, the "go to" book for those who think they know anything about World War II. What a joke!



Shirer's multi-million best-seller began with a "generous grant" from the CFR, a New York City "think tank" which still selects U.S. Presidents and is currently agitating for confrontation with Russia and China.

1961-1980

APRIL, 1961
'BAY OF PIGS' INVASION IS A DISASTER / PRESIDENT KENNEDY THEN FIRES THE CIA DIRECTOR

Just 3 months into the Presidency of John F Kennedy, the CIA launches the "**Bay of Pigs**" invasion, an unsuccessful action by a CIA-trained force of Cuban exiles to invade Cuba. It is an attempt by the Kennedy administration to overthrow the Communist government of Fidel Castro. The attempt is so badly botched that it seems deliberate. It ends up making Castro *stronger* and solidifies his revolution.

After the "failure", Communist leader **Che Guevarra** taunts JFK with a note: *"Thanks. Before the invasion, the revolution was weak. Now it's stronger than ever."* **(1)**

JFK is so angered over the fiasco that he threatens to *"splinter the CIA in a thousand pieces and scatter it to the winds."* **(2)**

Kennedy then fires the Eisenhower-appointee, CIA Director Allen Dulles **(CFR).** Dulles later serves on the Warren Commission, which will cover up the truth of JFK's assassination.





Captured on the beach! Were the anti-Communist Cubans set up to fail by CIA Chief Allen Dulles.

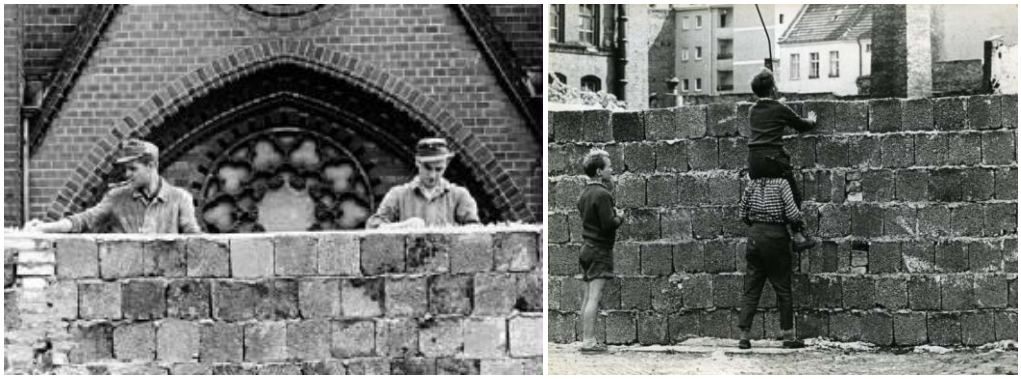
1961
SOVIETS CRACK DOWN ON BERLIN / THE BERLIN WALL IS ERECTED

Between 1949 and 1961, more than 2.6 million East Germans, *(15% of the total population of East Germany!)* had fled that Communist nation for the more

prosperous and free West Germany. Their main route of escape is through the divided city of Berlin *(East Berlin was in the Soviet Zone. West Berlin was free.)*

The Soviet masters of East Germany finally respond to this embarrassing mass exodus by erecting the Berlin Wall. Guard towers and barbed wire are also placed along the hated wall.

Over the next 28 years, the **Berlin Wall** becomes a hated symbol of Communist oppression. Desperate East Berliners will continue attempting to escape. During this time, it is estimated that as many as 136 Germans will be shot dead while attempting to flee into West Berlin.



Escape = Death! A Communist Wall divides Berlin in half.

FEBRUARY 1962
WILLIAM F. BUCKLEY DENOUNCES THE JOHN BIRCH SOCIETY

By 1962, Robert Welch's John Birch Society has become a force that the Globalists and Communists can no longer ignore. An intense vilification campaign against the patriotic educational group had already succeeded in alienating much of the general public from the JBS. But the JBS remains popular among conservative patriots.

Enter, from stage right, **William F Buckley** – a **CFR** member and a pretentious snob who has been anointed by the media as a "conservative leader". Buckley is the publisher of *National Review* magazine. He publicly denounces JBS founder Robert Welch as being *"far removed from common sense".* **(3)**

Coming from a respected "intellectual" known as "the patron saint of conservatism", this dirty attack deals a devastating blow to the JBS as the Marxists and their liberal dupes can now say: *"Even Bill Buckley has denounced the Birchers."*

For selling his soul to the Globalists, Buckley is later rewarded with his own TV show in 1966, PBS's *Firing Line*.



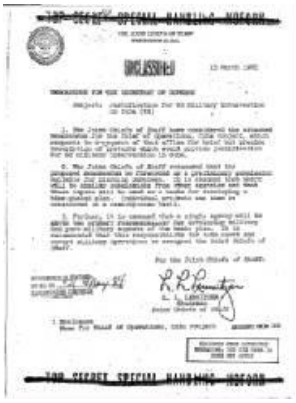
Ambitious Bill Buckley stabbed his friend Robert Welch in the back.

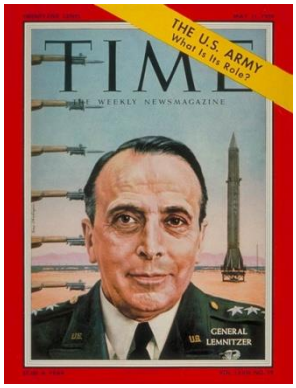
MARCH 1962
JFK REJECTS 'OPERATIONS NORTHWOODS' CONSPIRACY / REMOVES CHAIRMAN OF THE U.S. MILITARY

Operation Northwoods, is a "false-flag" proposal that originates from Zionist General **LyMan Lemnitzer**, who was a former member of Eisenhower's staff in WW II. Lemnitzer is Chairman of the Joint Chiefs of Staff.

The proposal calls for CIA operatives to commit terrorist acts in US cities to be blamed on Cuba, in order to create public support for a war. The proposals include the shooting of innocent Americans on the streets, hijackings and bombings, followed by the introduction of phony evidence to implicate Cuba. **(4)**

President Kennedy bluntly rejects the proposal and, as he did with CIA Director Dulles, replaces the insane General Lemnitzer from his position *(JFK refused to reappoint Lemnitzer later that year).* The shocking details of this false-flag plot were not declassified until 1997. The official document can be viewed online.





False Flag Horror: Lyman Lemnitzer wanted American planes to be shot down and American citizens killed in the streets.

OCTOBER 1962
U.S. AND THE SOVIETS COME CLOSE TO WAR DURING THE 'CUBAN MISSILE CRISIS'

After the failure of the Bay of Pigs invasion a year earlier, the Soviets, perceiving American weakness, position nuclear missiles in Cuba. When evidence of the missiles and military advisors based in Cuba is brought to JFK, a quarantine of the Island is ordered. The world is on edge for 13 days, wondering if the confrontation will lead to Soviet action in Europe and World War III.

JFK knows he must present a strong image, but he is also concerned about how the Soviets might react in Europe if the US invades Cuba. A deal is finally struck to diffuse the "**Cuban Missile Crisis**." Publicly, the Soviets will appear to back down by removing their missiles. But unknown to the world, the US also agrees to remove missiles from Turkey as part of this Cold War deal.


THE ARIZONA REPUBLIC

U.S. BLOCKADES CUBA, TELLS RUSS 'LAY OFF'

Will Sink Ships That Won't Halt

President's Cuba Stand Far-Reaching

Southeast Gears To War Pace

President Acts

Island's A-Missile Build-Up Cited



Kennedy confronts Castro and his Soviet boss Khrushchev.

1963
JEWISH-MARXIST BETTY FRIEDAN SPARKS THE MODERN 'FEMINIST MOVEMENT'

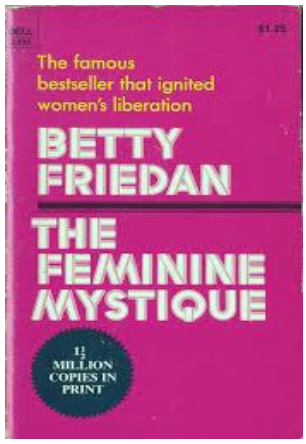
A leading figure in the "Women's Movement" in the U.S. - **Betty Friedan**'s media-hyped book, **The Feminine Mystique** sparks a wave of American feminism in the 1960's. As a young girl, Friedan was active in Marxist and Jewish circles. She once referred to herself as "a bad tempered bitch." **(5)** Friedan would go on to found the radical **National Organization for Women**. (NOW)

Friedan's movement is a Globalist destabilization campaign aimed at traditional family life. With her book being *super-hyped* by the media, millions of gullible women swallow Friedan's Marxist poison. Young moms who stay home to raise kids are now made to feel inferior and "oppressed". Mothers are encouraged to go out and work - and pay taxes. The "male chauvinist pig" becomes the hated target of the feminist rebellion.

"Feminism" drives a wedge between the sexes, that has since grown into a "war of the sexes", contributing greatly to today's 50% divorce rate, rampant promiscuity, single parent homes, and declining marriage rates.

Broken families and broken people are easier for the Globalists to control.







Marxist Feminist Betty Friedan ridiculed traditional housewives and kicked off the socially destructive war between the sexes.

MAY – JULY 1963
JFK PRESSURES 2 ISRAELI PRIME MINISTERS / ALSO TAKES ON MARXIST TRADE UNIONS, THE PENTAGON, THE CIA, AND THE FED



In spite of some liberal and internationalist leanings, JFK had a patriotic independent streak.

JFK is concerned that Israel is developing nuclear weapons. He fears that this could cause Arab nations in the region to follow suit. On May, 18, 1963, JFK sends a letter to Israeli Prime Minister **David Ben Gurion,** requesting that Israel open up its **Dimona** nuclear facility to inspection so as to confirm that it is only for peaceful energy development, and not bomb making. **(6)**

When Ben Gurion is succeeded by Levi Eshkol, the relentless JFK also sends a letter to him on July 5**,** again requesting inspection, even suggesting dates and **hinting that future U.S. support for Israel could be jeopardized if his request was not met! (7)** JFK is the only President to have ever confronted Israel so boldly.

JFK and his brother, Attorney General Robert, also take on the powerful AFL-CIO Trade Union boss **Jimmy Hoffa**.

And finally, *JFK issues debt-free currency* directly from the US Treasury (**United States Notes**) in 1963.

In just over 2 years in office, the charismatic young President has challenged the CIA, *(Dulles)* the Pentagon *(Lemnitzer)*, two Israeli Prime Ministers *(Ben Gurion & Eshkol)*, the AFL-CIO *(Hoffa)* and apparently, even The Federal Reserve. There is no doubt about it. Joe Kennedy's son has got a set of balls on him!



JFK fired and threatened some very powerful men. L-R: CIA Chief Dulles, Israeli Prime Minister Ben Gurion, AFL-CIO Boss Hoffa, and Chairman of Joint Chiefs of Staff Lemnitzer

NOVEMBER 22, 1963
JFK IS ASSASSINATED / MASSIVE COVER-UP FOLLOWS

President Kennedy is fatally shot while riding with his wife and the Governor of Texas in a motorcade through Dallas, TX. The media reports that Kennedy was shot from behind by a rifleman hiding in a warehouse. This contradicts witnesses who saw, and heard gunfire coming from in front of the motorcade. The "**Zapruder Film**" - released years later- clearly shows Kennedy being shot from the front, once in the chest and once again in the face. **(8)**

Although JFK was part of the Establishment, he was an anti-Communist with a patriotic independent streak. During his brief time in office, he had confronted many powerful people within the hierarchy of the Globalist-Zionist crime network.



JFK, riding with his wife and Texas Governor Connelly, is shot in the face.

NOVEMBER 24, 1963
THE ALLEGED ASSASSIN OF JFK CLAIMS INNOCENCE / HE TOO IS THEN ASSASSINATED!

The public is told that it was a “lone gunman” and "Communist" named **Lee Harvey Oswald** who fired the deadly shots from a warehouse located far *behind* from where JFK' was riding. Soon after his arrest on the night of November 22, Oswald encounters reporters in a hallway and declares his innocence, stating: ***"I'm just a patsy!"*** **(9)**

Two days later, Oswald is silenced when a Zionist mobster named **Jack Ruby** *(Rubenstein)* shoots Oswald as he is being transferred from Dallas Police Headquarters to County jail. Oswald’s claim of innocence, and his killing by Ruby, are captured in full view of TV cameras and are available at YouTube.com. To this day, it is not clear if Oswald was truly a Communist, or just a government infiltrator planted within the U.S. Communist Party.




"I'm just a patsy!"

Dead men tell no tales. The framed up "patsy" Oswald is taken out on live national TV.

AUGUST 4, 1964
THE TONKIN GULF HOAX TRIGGERS U.S. COMBAT INVOLVEMENT IN VIET-NAM

The **Tonkin Gulf Incident** is a fabricated event involving the U.S. and Red North Vietnam. The new President, **Lyndon Baines Johnson (LBJ)** claims that the North's torpedo boats fired upon U.S. ships. But he is lying. There was no attack!

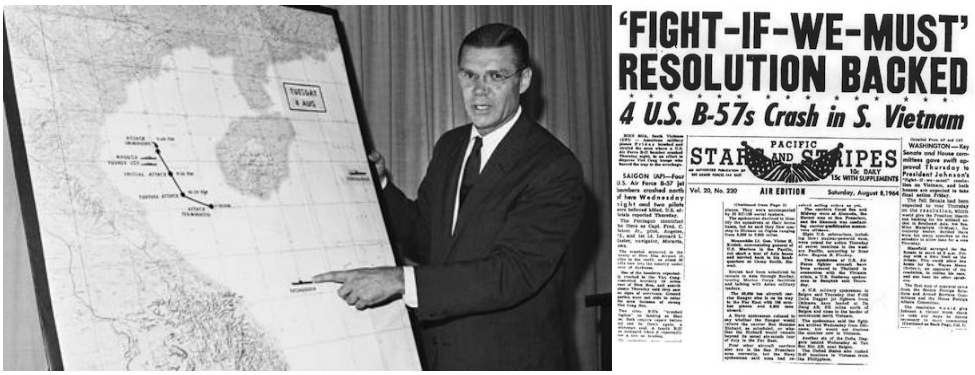
In 2005, an NSA report was declassified, concluding that there may not even have been any Vietnamese Naval vessels present during the incident. The report states:

"It is not simply that there is a different story as to what happened; it is that no attack happened that night." **(10)**

Prior to LBJ, JFK had been recalling advisors from Vietnam. LBJ uses the Tonkin Gulf hoax to reverse JFK's policy and instigate the war that JFK did not want.



LBJ: one of the meanest, nastiest, and evil crooks in American history.



Defense Secretary McNamara lies his ass off about the fictitious attack which will drag America into the Gulf War.

NOVEMBER 1964
GLOBALIST MEDIA DESTROYS THE 1964 PRESIDENTIAL CAMPAIGN OF SENATOR BARRY GOLDWATER

After a nasty internal Republican contest with NY Governor **Nelson Aldrich Rockefeller** (**CFR**), Senator **Barry Goldwater** (R-AZ) wins the Republican nomination for President. Goldwater is a true constitutional conservative and an outspoken anti-Globalist.

A Goldwater Presidency would be a serious problem for the Globalists. The media smear machine goes to work to destroy Goldwater, skillfully taking his words out-of-context while portraying him as an "extremist". LBJ's campaign runs a TV ad showing a little girl picking daisies as an ominous voice counts down to an atomic bomb detonation. The Democrats charge that Goldwater is a "mad man" who will start a nuclear war with the USSR.

The irony of this false charge is that the ad was run at a time when LBJ was staging the Tonkin Gulf hoax, which *really did* lead the country into war! The intensity of the anti-Goldwater hype, coupled with the phony Tonkin incident of three months earlier, rallies the country behind LBJ, who defeats Goldwater in an historic landslide.



1- Senator Goldwater was an honest man. Nelson Rockefeller, LBJ, and the media ruined his chances.

2- The "Daisy Ad" was one of the meanest political attacks in history.

3- Ronald Reagan campaigns for Goldwater.

1965
LBJ's 'GREAT SOCIETY' DOOMS FUTURE GENERATIONS TO DEBT & TAX SLAVERY

LBJ and his Democrats launch a Marxist power grab that dwarfs FDR's New Deal. LBJ's "**Great Society**" *(War on Poverty)* will leave a legacy of reckless spending and borrowing that will burden the America's private economy for decades.

The Voting Rights Act gives illiterates the "right" to vote for their Democrat caretakers. **The Immigration Act** will flood America with third world immigrants likely to vote for socialist Democrats. **Medicare & Medicaid** trap the elderly and poor into dependency on the state for health care. **The Food Stamp Program**, **Head Start**, & **Federal aid to schools** are also introduced in the suicidal spending spree year of 1965.

LBJ's expensive, vote-buying welfare state destabilizes the traditional family by subsidizing unwed pregnancies and making welfare a way of life. As America approaches bankruptcy and collapse today, we have LBJ & FDR to thank for putting us on the socialist road to ruin.



1- Slime Magazine and the rest of the media cheered LBJ's ruinous welfare spending.

2: LBJ's welfare schemes led to an explosion of fatherless kids who are generationally dependent upon the government

3: With 90% of Americans being of European ancestry, the nation is deemed to be "too White". LBJ's signing of the Immigration Act is intended to eventually make European Whites a minority and then extinct altogether.

1965 - 1972
'PEACE MOVEMENT' IS USED TO RADICALIZE AMERICAN YOUTH AND DEMORALIZE THE WAR EFFORT

After deceiving the U.S. into escalating the Vietnam War, the Globalists now manage the war in such a way as to prevent any chance of victory. When the restrictive rules of military engagement are finally declassified in 1985, it is confirmed that the Vietnam War, like the Korean War before it, was not meant to be won. **(11)**

The Globalists use these wars against Communism as a means to weaken America and "contain communism" without ever defeating it. For these ends, U.S. Communists and their Soviet handlers form a "peace movement". Most peace activists are naive, but sincere people. **But the leaders of the social unrest are Marxist radicals.**

Some "peaceniks" aren't so peaceful, instigating riots on college campuses and clashes with police. Stoked by the Globalist media, the "peace movement" hinders the US war effort greatly, and radicalizes many bright young college students into America-hating socialist "hippies".

MANIPULATING THE YOUNG AND IDEALISTIC

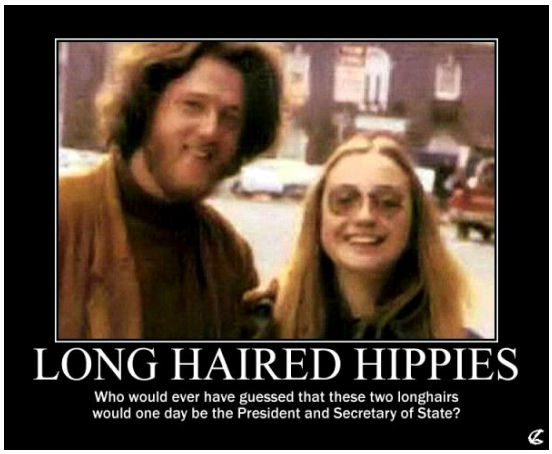
Globalists always target young, idealistic students. *(Young England, Young Turks, Young Bosnia, Young Italy etc.)*

In 1966, TIME Magazine names "People Under 25" as its collective "Man of the Year." Many of this generation believe they are "changing the world" with their embrace of left-wing / "liberal" politics.

Little do these "anti-Establishment" kids know that they are actually moving in the precise direction that the Globalist Establishment wants them to! It's quite a trick. Globalists radicalize a generation, turn them against their parents, and then flatter them for "changing the world."







Young Americans move leftward!

1 & 2- As planned, the "hippies "rebelled against The Establishment by turning to sex, drugs, and Marxism.

3- Future President Bill Clinton (1993-2000) and Hillary Clinton

1966
THE ACCIDENTAL INFORMANT / GLOBALIST PROFESSOR CARROLL QUIGLEY PUBLISHES 'TRAGEDY & HOPE'

Carroll Quigley is a Globalist Georgetown University historian, and mentor to a young Bill Clinton. **(12)** In his book, '**Tragedy & Hope'**, he unintentionally performs a great service for anti-NWO activists by revealing the secrets of "The Network."

Quigley writes:

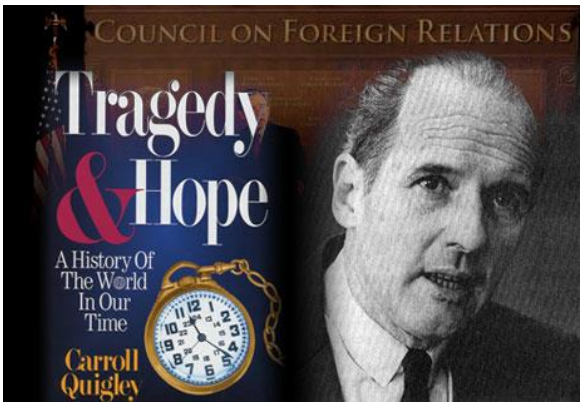
"There does exist, and has existed for a generation, an international network operating, to some extent, in the way the Radical right believes the Communists act. In fact, ***this network has no aversion to cooperating with Communists, and frequently does."*** **(13)**

He adds: *"I know of the operation of this network because I have studied it for twenty years and was permitted for two years, in the early 1960's, to examine its papers and secret records. I have no aversion to it or to most of its aims."* **(14)**

And:

"The powers of financial capitalism had another far reaching aim, ...to create ***a world system of financial control in private hands able to dominate the political system of each country and the economy of the world.****"* **(15)**

Quigley's observations are not new, but they are very significant because the claims are coming from someone who is actually a willing academic member of the **New World Order** crime gang. Quigley spends the rest of life claiming that he was quoted out of context.





1- *"Tragedy & Hope" reveals the Globalist Master Plan.*

2- Bill Clinton speaks of Carroll Quigley at 1992 Democratic Convention.

MAY, 1966
MAO'S 'CULTURAL REVOLUTION' KICKS OFF A NEW WAVE OF GENOCIDE IN CHINA

Having probably surpassed Stalin as the greatest mass murderer in modern history, Mao launches a new terror-torture campaign in 1966, *"***The Cultural Revolution***"*.

Upset over the failure of his "Great Leap Forward," Mao blames the failure on his own people. Radicalized students are formed into "**Red Guards**" who are then

loosed upon intellectuals, Buddhists, "counter- revolutionaries, internal political rivals, and other residual "capitalist" elements.

Red Guards drag teachers out of classrooms and publicly torture them to death. Countless Chinese are tortured and many commit suicide. Ancient buildings, artifacts, antiques, books, and paintings are destroyed by Red Guards as Mao consolidates power and elevates himself to god-like status. Only Mao's death in 1976 will finally end the insanity of his Revolution and eventually lead to the emergence of a pro-market and peaceful China.



Mao's brainwashed "Red Guards" publicly tortured "counter revolutionaries" in the streets.

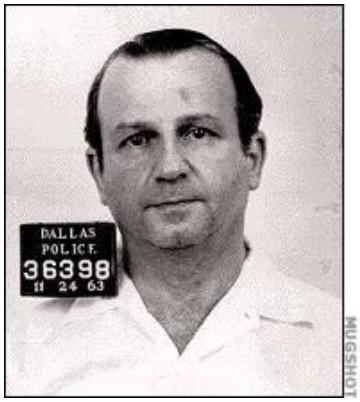
JANUARY, 1967
THE MAN WHO KILLED JFK'S 'ASSASSIN' PREDICTS HIS OWN DEATH - DIES SUDDENLY IN PRISON

Jack Ruby (Rubenstein) completes his 3rd year in prison for killing Lee Harvey Oswald, the falsely accused killer of JFK. He had been sentenced to death but his sentence is overturned when he is granted an appeal. Ruby is now talking about a conspiracy and plans on giving new information at his upcoming trial, set for February 1967.

In December of 1966, he suddenly becomes ill, and dies a few weeks later in January of 1967**, just one month before his new trial was set to begin.**

Prior to his death, Ruby tells Dallas Deputy Sheriff Al Maddox that he was tricked into being injected for a cold, but he was actually injected with cancer cells. When Maddox asks him if he really believes that, Ruby answers: ***"I damn sure do!"*** **(16)**

Within a few weeks, cancer spreads to his lungs and brain. Ruby is dead, and silenced, at the age of 56.





THE DALLAS TIMES HERALD
FINANCIAL
Cancer Conquers
RUBY IS DEAD
Action Line
Oswald Slayer's Death Peaceful
Citizens Council Selects Bowles

Jack Ruby dead: The Jewish Mafia-connected night club owner and assassin of JFK's alleged assassin was assassinated in prison.

JUNE, 1967
ISRAEL STEALS ADDITIONAL PALESTINIAN TERRITORY / ARAB WORLD IS ENRAGED

The 1947 UN Partition of Palestine had delineated the boundaries between Jews and displaced Palestinians. But for the Zionists, the 1947 border was just a foot-in-the-door, just as the 1920 British Mandate had been. The ultimate plan for a **Greater Israel** requires much more territory than what was stolen in '47-48.

Using the excuse of the Six Day War, mighty Israel occupies more Palestinian territory in June, 1967 *(Gaza & West Bank).* The occupation of these territories continues to this day. It is this 1967 occupation, not *the 1947 partition* that is the main source of the current Palestinian grievance.

The horrific living conditions in occupied Palestine are kept hidden from the American people. Instead, the Zionist media creates the illusion that it is Israel who is the helpless victim!



Israel picks a fight and steals more territory. The Zionists actually want all of Palestine and parts of Syria and Lebanon too. Arab areas (green) shrink as the Jewish areas continue to grow.

JANUARY, 1967
ISRAEL DELIBERATELY MURDERS 37 U.S. SAILORS ABOARD THE U.S.S. LIBERTY

During the **Six Day War** between Israel and several Arab states, Israeli jets and torpedo boats deliberately attack the **USS Liberty**. The sustained daytime attack, taking place as the US flag flies visibly, kills 34 Americans, wounds 170, and badly damages the communications ship. The Israelis finally call off the attack when they realize that help may be on the way.

Israel claims the attack was a case of mistaken identity, but the American survivors clearly contradict that lie. **Israel's intent is to sink the Liberty, machine-gun any survivors, blame Egypt, and thus draw the US into a war on its side. (17)**

The Zionist Globalist US media buries the Liberty tragedy in its back pages. LBJ is silent, and the Zionist owned US Congress will not investigate.



1- DRAMATIZATION: Israeli fighter jets deliberately attacked the USS Liberty in broad daylight.

2- Not 1 American in 100 is aware of what happened that fateful day.

JANUARY, 1967
CBS ANCHOR WALTER CRONKITE BETRAYS AMERICA WITH FALSE REPORT ON 'TET OFFENSIVE'

North Vietnam launches multiple surprise attacks known as the **Tet Offensive**. The offensive is a disastrous failure for the Communists as their Red Viet Cong guerillas in the South are crushed. But the Globalist media portrays Tet as a *setback* for the U.S.!

CBS's **Walter Cronkite (CFR) -** touted *by CBS as "The Most Trusted Man in America",* delivers a treasonous blow to the US with a gloomy, though false, report:

"We have been disappointed by the optimism of American leaders to have faith any longer in the silver linings they find in the darkest clouds. To say that we are mired in a stalemate seems the only realistic conclusion. It seems increasingly clear to this reporter that the only rational way out will be to negotiate." **(18)**

Cronkite's **deceitful betrayal** of America's military turns public opinion, and eventually puts the U.S. on a losing course at a time when the Reds had just suffered a devastating setback!




Tet was actually a huge American VICTORY! **(19)** *Cronkite's false report on Tet was a deliberate act of treason against America.*

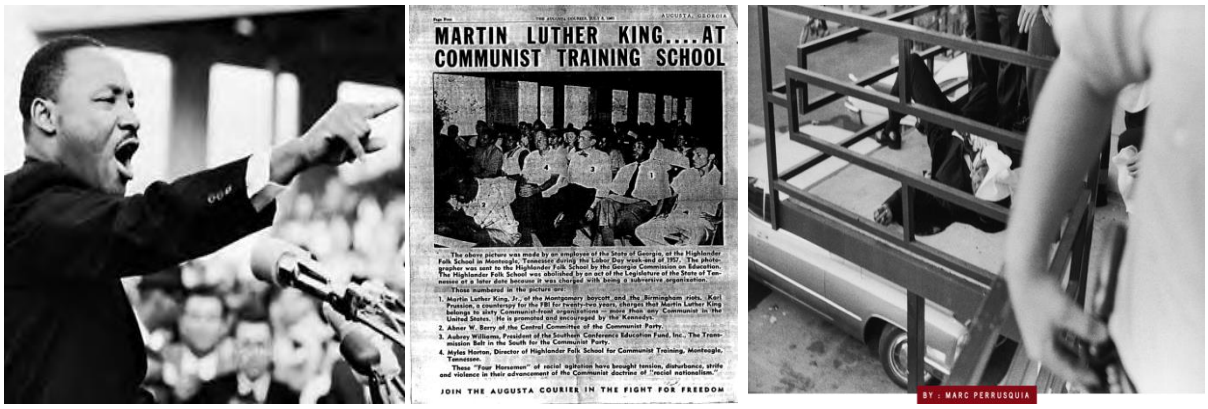
APRIL 4, 1968
MARXIST MARTIN LUTHER KING IS ASSASSINATED / DEADLY RIOTS ERUPT IN U.S. CITIES

During the 1960's, Marxists agitate relentlessly in the black community. The strategy is to use the legitimate grievances of blacks *(who Marxists don't care about!)* as an excuse to give more power to the Federal Government, and as a way to drive black voters into the Democrat Party.

Communists and Black Panthers instigate riots. This leads to government "solutions" such as expensive welfare programs, voting rights for illiterates, and greater Federal control over private industry.

The most notorious of the "non-violent" agitators is the prostitute-addict **(20)** and proven plagiarist **(21)**, "Reverend" Martin Luther King. JFK had MLK *(a Nobel Peace Prize winner)* placed under an FBI wiretap due to MLK's numerous affiliations with known Communists **(22)**. After the Globalists had finished using the Marxist MLK to achieve their domestic objectives, they decided to kill him and then capitalize upon his death even more.

King's mysterious assassination sets off anti-white riots in inner cities throughout America. The Divide & Conquer scheme to promote racial unrest always works to the advantage of the **New World Order.** King's FBI file was sealed in 1977 and will not be made public until 2027.



The Globalists used the Communist King and then disposed of him.

JUNE 5, 1968
ROBERT F KENNEDY'S PRESIDENTIAL BID IS ENDED BY ASSASSINATION

The assassination of **Robert F. Kennedy** occurs after he wins the California primary for the nomination for President. RFK will never be able to use the power of the Presidency to go after his brother's killers.

An anti-Zionist Palestinian immigrant, **Sirhan Sirhan** is named as the "lone gunman". Conveniently, this is very bad for Palestine's image, but it does generate sympathy for Israel.

In 2006, the BBC's *Newsnight* program presented research revealing that several CIA officers were present on the night of the assassination. Three men who appear in films and photos were positively identified by colleagues as former senior CIA officers. In 2007, analysis of an audio tape recording of the shooting indicates, that 13 shots were fired, even though Sirhan's gun held only 8 rounds.



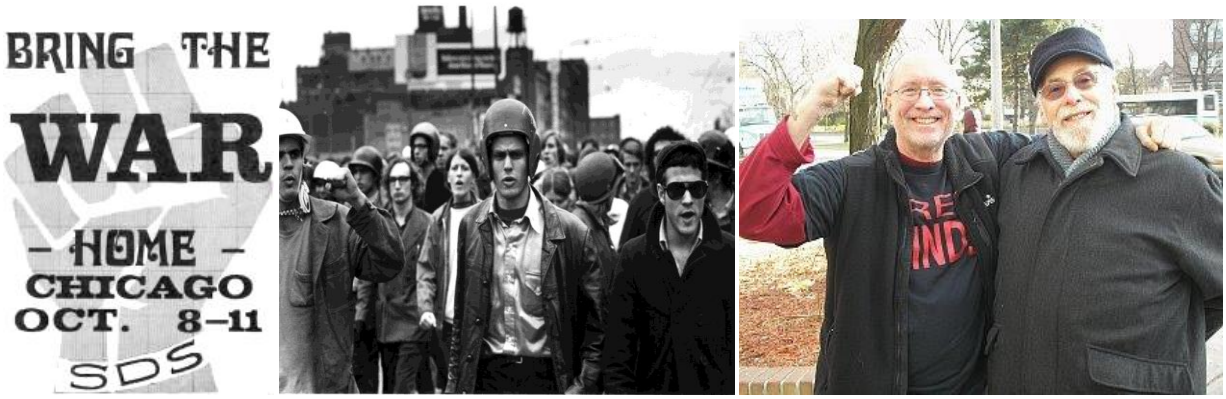
RFK would have been President, but was killed just like his brother JFK. Who was the strange lady in the polka-dot dress that was with Sirhan Sirhan before she calmly walked away from the scene?

OCTOBER, 1969
COMMUNIST TERRORISTS STAGE 'DAYS OF RAGE' IN CHICAGO

The "**Days of Rage**" are violent actions organized by the Communist terrorist "**Weathermen**" in 1969. On October 5th, a statue honoring the murdered policemen of the 1886 Haymarket Square Communist attack is dynamited. The blast breaks more than 100 windows.

Weatherman **William Ayers** had planned the bombing. On Oct 8, 800 Reds gather, hoping to incite blacks to join them in an uprising. Chicago has 2000 cops ready for battle. At 10:25 pm, Weatherman **Jeff Jones** gives the signal, and the violence begins. The Reds charge toward the affluent Gold Coast neighborhood, smashing windows as they go. They attack shops, homes and cars. They soon encounter barricades and police beat them back.

In 2009, Ayers & Jones will visit Obama's White House and secure cash grants for their educational schemes. (23)



1- Weathermen Communist terrorists wanted to instigate rioting in Chicago.

2- Bill Ayers and Jeff Jones maintain ties with their long term pet project – Barack Obama.

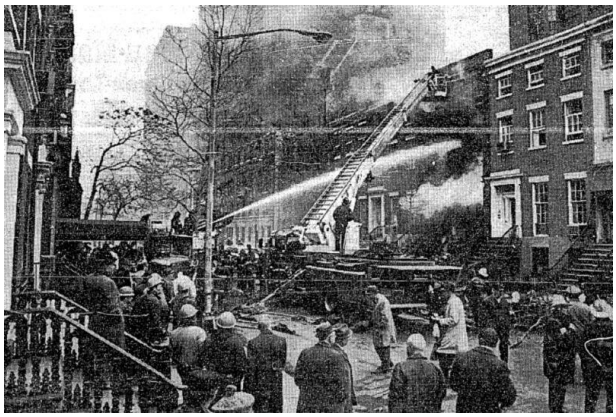
MARCH, 1970
HORRIFIC COMMUNIST TERROR ATTACK DOES NOT GO OFF AS PLANNED

Four dead Communist "Weathermen" lie in the rubble of a Manhattan basement. They had been building a bomb, which accidentally detonated prematurely. Dynamite pipe bombs, using nails as shrapnel, are later recovered in this bomb factory. Had the bomb not detonated prematurely, the planned attack on an officers' dance in Ft. Dix, NJ would have been the deadliest act of terror in US history at that time.

The group, led by **Bill Ayers**, was intending to murder scores of Army officers and their dates. After the blast, Ayers *(whose girlfriend died in the blast)* goes into hiding until 1980. Upon his surrender years later, powerful forces let him off the hook on "technicalities". Ayers and his lunatic Communist wife **Bernadine Dohrn** are now university professors! Ayers will later ghost write a book for an Illinois State Senator *(and friend)* **Barack Obama**. **(24)**

Most Americans remain blissfully unaware of the **mass murder** which Ayers attempted in 1970; and of his close relations with President Obama.





Bill Ayers - future friend and ghost-writer for Obama - became a fugitive after the failed mass murder attempt.

APRIL, 1970
CRONKITE HYPES PHONY 'EARTH DAY'

The first "**Earth Day**" marks an important turning point for modern "environmentalism". Up to 20 million gullible Americans participate as colleges organize protests against "the degradation of the Global environment".

Heavy media coverage of Earth Day includes a Prime-time CBS Special with the scary title: *"Earth Day: A Question of Survival,"* with correspondents reporting from across the US. It is narrated by **Walter Cronkite**, who in later years ***openly admits*** his support for World Government. **(25)**

Environmentalism's true purpose is to use phony Global "crises" as pretexts to: Raise Global taxes, including "carbon taxes"/ Erode national sovereignty / Empower the UN /*Control private industry and individuals / *Promote "One World-ism" / Prevent energy independence / Artificially depress living standards / Prevent poor nations from developing, keep them dependent on the UN for aid.

In years to come, Globalists recruit greedy scientists to concoct false theories such as "Global Warming".

The proposed solutions to the non-existent problems always *"coincidentally"* coincide with the political objectives of The New World Order control freaks.



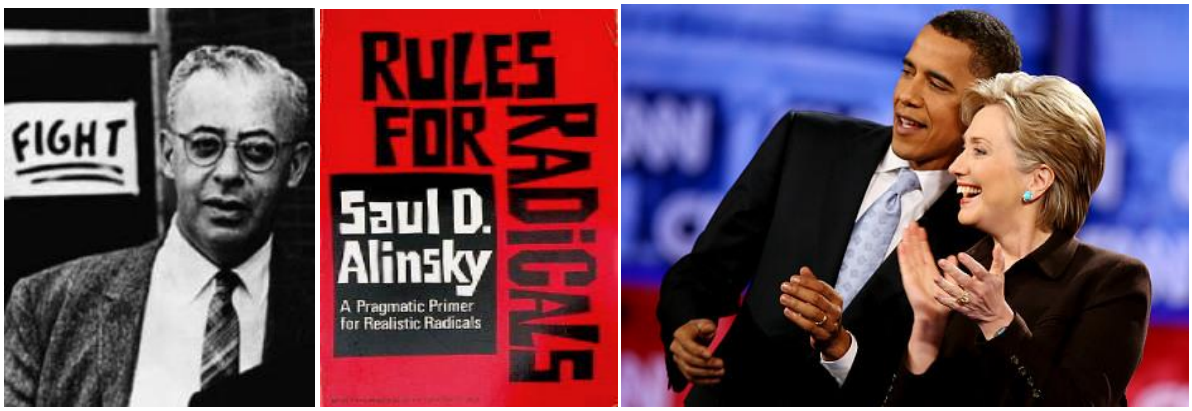
Cronkite does it again! The traitor of the Vietnam War heavily promoted the Globalist "Earth Day".

1971
MARXIST AGITATOR SAUL ALINSKY PUBLISHES 'RULES FOR RADICALS'

Saul Alinsky is an America-hating Chicago Marxist, born to Russian-Jewish immigrants who fled the anti-Semitic & anti-Marxist uprisings of Czarist Russia. Alinsky is the founder of an agitation tactic known as "community organizing." Alinksy believes that America is too strong to be taken down by violent revolution. Instead of non-effective violence, Alinsky advises young radicals to become active in their local communities and to infiltrate the political system. **Community Organizers** are highly skilled at political warfare, agitating in black neighborhoods, and organizing vote fraud efforts.

His 1971 classic, ***Rules for Radicals***, is dedicated to Satan, **(26)** the first revolutionary as Alinsky calls him. *RFR* will be a bible of sorts for inner city agitators, vote fraud organizers, and liberal activists. It lays out clever strategies for infiltrating the system with the intent of subverting it from within.

Among Alinsky's known devotees are future First Lady and fellow Chicagoan Hillary Clinton, who wrote her college thesis on Alinksy's ideas **(27)**. Another future student of Alinsky tactics is President Barack Obama, **(28)** who will actually work as a "community organizer" in Chicago **i**n the 1990's.



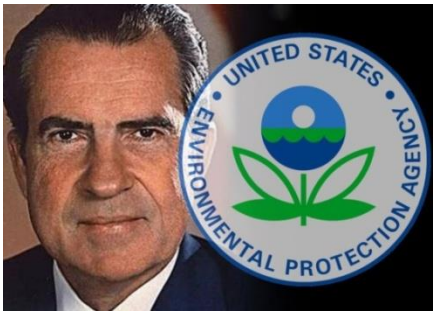
Alinksy taught the Marxist radicals of the 60's how to infiltrate America's institutions from within. Hillary and Obama have both studied his works.

DECEMBER, 1970
THE ENVIRONMENTAL PROTECTION AGENCY IS ESTABLISHED

Media-driven environmental hysteria culminates with the establishment of a new government cabinet department. **The Environmental Protection Agency (EPA)** is charged with broad powers to "protect the environment".

As the year pass, unnecessary, excessive, and dictatorial environmental regulations will render many American businesses unable to compete with foreign counterparts. Along with heavy taxation and frivolous litigation, EPA regulations, often based upon "junk science", have either forced American business to close their operations, or forced them to relocate overseas.

Citing the **hoax** of "Global Warming", the EPA today is driving up electricity rates, eroding national sovereignty, and killing jobs by waging war on the coal industry.



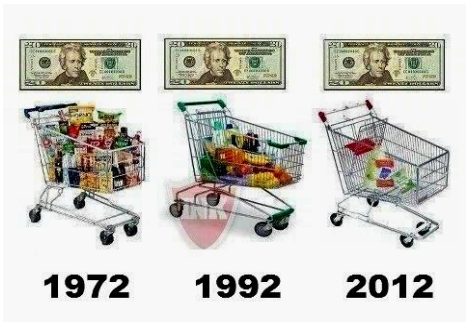


Under pressure, the supposedly "conservative" Nixon greatly expanded the size and destructive power of the Federal government.

AUGUST, 1971
NIXON SEVERS ALL LINKS BETWEEN GOLD AND THE U.S. DOLLAR

President **Richard Nixon (CFR)** shocks economic conservatives when he takes the US completely off the Gold Standard. Prior to this move, the government/Fed complex could not borrow or create new currency "out of thin air" unless it had a certain portion of that amount of gold in storage at Fort Knox. With the Gold Standard now completely gone, the U.S. can spend recklessly, and then borrow unlimited counterfeit money from the Zionist owned Federal Reserve. **This is the true cause of "inflation".**

In the coming years, the value of the paper dollar plunges. When foreign trading partners such as Arab nations see that the dollar is now worth 35 cents, they triple the price of oil to compensate. When gas prices triple from .50 cents a gallon to $1.50, "the OPEC nations" are blamed for the inflationary recession.

After Nixon shocked conservatives by removing the partial gold backing of the dollar, it became easier for the government to run up huge deficits with the Fed's newly printed debt-money. ***This is what causes price inflation!***

FEBRUARY, 1972
NIXON VISITS MAO IN CHINA / CALLS FOR A 'NEW WORLD ORDER'

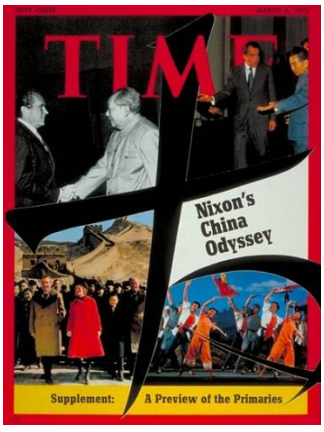
Mao is not only one of the greatest mass killer in world history, but his gang had also murdered U.S. POWs during the Korean War. This means nothing to **CFR** Globalist and "anti-Communist" Richard Nixon. *(A young Congressman Nixon helped expose Soviet spy Alger Hiss.)*

Mao has served Globalist goals by consolidating Chiang Kai Shek's China under centralized state control. The oceans of blood he shed in doing so does not concern the Globalists. The time has come to "open up" China for a gradual future transition into **The New World Order.**

To that end, Nixon follows up on a secret trip that Secretary of State **Henry Kissinger (CFR)** had made to China the year before. In a speech before Mao, Nixon expresses his wish to ***"build a New World Order"*** **(29)** which intends to include *(entrap)* Mao's China. This visit marks the origins of China's economic rise and transition into the "world community."

Ironically, within 30 years, a post-Communist and more market-oriented China will begin to demonstrate independent nationalist tendencies - an intolerable offense to the Globalists.





With the blood of countless millions dripping from his fingers, Mao shakes hands with Nixon

MAY, 1972
ALABAMA GOVERNOR GEORGE WALLACE CHALLENGES EASTERN ESTABLISHMENT / THEN SHOT 5 TIMES

Governor **George Wallace** had run for the Democrat nomination for President in '64, and again as a 3rd Party candidate in 1968. He was an anti-Establishment populist, following in the tradition of Huey Long *(who was assassinated in 1935 just as he was about to challenge FDR from within his own Party).*Wallace is a nationalist who wants to either win the Viet Nam war quickly, or pull out totally. He is anti-Communist, opposed to foreign aid, and opposed to Globalism.

Echoing Huey Long, Wallace declares: ***"There's not a dime's worth of difference between Republicans and Democrats."*** **(30)**

In January of 1972, Wallace again declares himself a candidate for the Democrat nomination, entering the field against liberals George McGovern and Hubert Humphrey**.** In Florida's primary election, Wallace carries every single county! For the next four months, Wallace's campaign does extremely well. Then, while campaigning in Maryland on May 15th, he is shot 5 times by "lone nut gunman" **Arthur Bremer.** Governor Wallace is left paralyzed and his campaign effectively ends, even though he still wins two more state primaries.




Like RFK in 1968, Wallace was gunned down just before he could win the Democrat nomination.

JANUARY, 1973
HENRY KISSINGER BETRAYS SOUTH VIET- NAM TO COMMUNISM / ABANDONS U.S. POWs!

At the **Paris Peace Accords of 1973**, the US agrees to end the Viet-Nam war. The negotiators for the talks are Rockefeller agent **Henry Kissinger (CFR)** for the U.S. and **Le Duc Tho** for Communist North Vietnam. To the delight of the U.S. Media, Kissinger "gives away the store" to the North. Not only is the North assured that its troops may continue to occupy the South, but the post-war political arrangement is configured in such a way as to guarantee a Communist take-over of South Viet Nam after the war.

Eager to wrap up the war and win his Nobel Peace Prize, Zionist Kissinger knowingly abandons American Prisoners of War still being held by the Communists. Kissinger and Le Duc will receive Nobel Peace Prizes for engineering the Red takeover of South Viet Nam.





"Henry the K" and Communist Le Duc - Henry is all smiles as he betrays both the South and U.S. POWs.

JANUARY 22, 1973
'ROE vs. WADE' DECISION FORCES ALL 50 U.S. STATES TO PERMIT KILLING OF UNBORN BABIES

The Globalist/Communist complex has never had any regard for human life, whether born or unborn. Its latest pro-death / anti-morality success is the **Roe vs Wade** Supreme Court decision, which ignores states' rights, and makes legalized abortion the law of the land. Roe vs. Wade cheapens modern culture, ushering in

an era (1973-Present) in which uninformed American women have abortions like candy *(40 million and counting!)*

Ironically, the plaintiff in the case, a Texas woman named **Norma McCorvey** *(nicknamed Jane Roe)* would in later years come to regret her decision to abort and becomes a fierce pro-life activist. **(31)**

Although the debate over abortion rages until the present day, the Globalist media **NEVER** shows the public any images of what an actual abortion really is. The feminists and the media promote the myth that an unborn child is just "a mass of cells".

Most pro-abortion people, upon first seeing actual images or video of what an abortion really is, soon begin to rethink their position on the matter.

That is why the graphic images of the abortion procedure are concealed from public view.



The Culture of Death! Globalist media will never show you what an aborted baby looks like.

JULY, 1973
DAVID ROCKEFELLER & ZBIGNIEW BREZEZSKI ESTABLISH THE GLOBALIST 'TRI-LATERAL COMMISSION'

The Trilateral Commission (TC) is set up to foster cooperation between the US, Europe, and Japan. CFR Chairman **David Rockefeller** had proposed its creation at the 1972 Bilderberg meeting. Columbia professor **Zbigniew Brzezinski**, organizes the TC, recruiting 300 elites from finance, business, politics, and media.

Senator Goldwater accuses the TC of being a plot:

"The Trilateral Commission represents a skillful, coordinated effort to seize control and consolidate the centers of power. *What the Trilateralists intend is the creation of a worldwide economic power superior to the political governments of the nation-states involved. As managers of the system they will rule the future."* **(32)**

Georgia Congressman and Birch Society leader **Larry McDonald** calls for an investigation.



GLOBO-DEVILS! Trilateral Commission founders: Z-big, Henry the K, & King David Rockefeller. The logo appears to be a form of 6-6-6.

SEPTEMBER, 1973
GENERAL AUGUSTO PINOCHET STAGES AN ANTI-MARXIST COUP IN CHILE

The Globo - Communist "left" is in an uproar over an anti-Marxist coup in Chile. **General Augusto Pinochet** has had enough of Marxist **Salvador Allende's** "democrat' socialist government.

Upon assuming power, Pinochet cracks down on the Marxist scum that devastated Chile's economy. He downsizes government, slashes taxes, and privatizes state industries. An economic boom follows.

Under pressure from "the world community", the beloved General steps down in 1990. As a result of his reforms, Chile is still the most prosperous economy in South America. The Globalists do not like to be embarrassed like this. While

visiting Great Britain to have back surgery in 1998, the 85 year old Pinochet is arrested for "human rights violations" committed against Spanish Communists.

Ironically, Cuba's Communist boss, Fidel Castro, whose firing squads have executed thousands, and whose prisons are notorious for torture of political prisoners, is being honored in Spain at the very same time the warrant is issued for Pinochet.

Pinochet is eventually released, but will be hounded and harassed by Chile's "intellectuals" until his death in 2006.





1- General Pinochet saved Chile.

2- Allende with Castro

3- Euro-Globalists arrested Pinochet in 1998. He died in 2006.

1975
WITH TAIL BETWEEN LEGS, THE U.S. PULLS OUT OF VIETNAM / REDS THEN PROCEED TO MURDER MILLIONS!

The sudden departure of a humiliated USA left its destabilized South Vietnamese friends defenseless at the hands of the Communists of the North. Millions of terrified pro-Americans crowd into leaky boats in order to flee the Communists who, *as they always do,* began murdering, torturing, and arresting their enemies.

Suddenly destabilized, the neighboring nation of Cambodia also falls to Communism. There, the "**Khmer Rouge**" murders 2 million people *(1/3 of the population!)* The Globalist Henry Kissinger **(CFR/TC) -** and the Marxist-loving "peace activists" who had so hindered the US war effort - shed no tears.

America had been deceived & betrayed into an unnecessary war, and then deceived & betrayed into losing it.

As was the case in both World Wars and the Korean War, American boys and innocent civilians paid for the Globalist joke with their lives.




Driven in the sea by Kissinger's Communist friends, 200,000+ Vietnamese "boat people" died.

1973-1975
TWO RESIGNATIONS & TWO ASSASSINATION ATTEMPTS ALMOST MAKE NELSON ROCKEFELER PRESIDENT!

Ambitious Republican Governor **Nelson Rockefeller** (NY) dreams of being President. Conservatives like Barry Goldwater will never allow this Globalist to ever win the nomination. But after a series of bizarre events, eerily similar to the rapid rise of Teddy Roosevelt, 'Rocky' literally comes within *inches* of achieving his.dream.

Oct 10, 1973: Conservative Vice President **Spiro Agnew** is forced to resign over a media-hyped "tax evasion scandal".

Oct 12, 1973: Democrat Congressional leaders force President Nixon to select **Gerald Ford (TC)** as the VP.

Aug 9, 1974: President Nixon resigns over the media-hyped "**Watergate Scandal**" Vice President Ford becomes President.

Dec 19, 1974: With the blessing of the Democrat Congress, Ford selects Rockefeller as Vice President. **Conservatives are upset.**

1974-1975: Rockefeller& Kissinger cause internal factionalism within Ford administration.

Sept 5, 1975: Radical **Lynette Fromme** aims her pistol at President Ford's head, but is apprehended by a Secret Service agent before she can fire.

Sept 22, 1975: Radical **Sarah Jane Moore** fires her gun at Ford, missing his head by just 6 inches. She is tackled by a bystander just as she is about to fire a 2nd shot.

Ford runs for election in 1976, but drops Rockefeller from the ticket after Goldwater and **Ronald Reagan** threaten to withdraw support. Ford, who served on the Warren Commission which covered up JFK's murder, does not want to meet JFK's fate!



A string of very strange events and two deranged radicals almost made the unelectable Nelson Rockefeller President of the USA.

1971-1979
CBS'S HIGHLY RATED 'ALL IN THE FAMILY' BRAINWASHES AMERICA WITH MARXIST PROPAGANDA

In the days before Cable / Dish TV, there are only the 3 major networks *(CBS, ABC, NBC)* and a few local channels to choose from. The Zionist networks truly have a captive audience. From 1971-79, the most highly rated show (by far!) is the

sitcom **"All in the Family"**, produced by Zionist-Marxists Norman Lear and Bud Yorkin.

Set in the Queens, NY living room of the Bunker family, every episode contains political arguments between Archie *(old, conservative Republican)* and some younger liberal character *(Michael, Gloria, Irene, Lionel, Maude)*

Archie's arguments are always made in an angry, buffoonish tone and bigoted towards blacks, Hispanics, and Jews. But the liberals in the show are always portrayed as oh-so-intelligent and "tolerant". Week after week, the massive national audience can't help but laugh at stupid, angry Archie.

In the subconscious of the public mind, conservative ideals become associated with stupidity and hate, whereas liberal opinions are associated with education and tolerance. In the final year of AITF's decade long run, Archie "matures" into a more liberal minded, and likeable older man, taking in a Jewish business partner and even adopting a Jewish daughter.

The viewing audience of AITF *(and other shows)* cannot detect the psychological manipulation, but AITF's unflattering portrayal of Archie, along with his eventual redemption, will gradually turn millions of reactive viewers away from conservative thought, and towards a more Marxist view of the world.



Nasty "conservative" Archie is always yelling and saying stupid things. But his "liberal" son-in-law Michael knows better.

1976-1980
THE JIMMY CARTER DISASTER

Following Nixon's Water Gate Scandal, and Gerald Ford's controversial pardon of Nixon for his role in the cover-up, the 1976 Election is sure to be a big year for the Democrats. Out of nowhere, the unknown Governor of Georgia is media-hyped through the Democrat Primaries. What an amazing story! A humble ex "peanut farmer" upsets the Establishment! .....Not exactly.

As it turns out, **Jimmy Carter is an original member of the Trilateral Commission.** The sudden "buzz" behind the Carter candidacy is fake. The election of 1976 therefore pits Gerald Ford **(TC)** vs. Jimmy Carter **(TC)** - a win-win for **The New World Order.** After Carter's victory, Brzezinski is named as National Security Advisor. Over the next 4 years, "Zbig" and his phony "peanut farmer" puppet will:

- **Betray the anti-Communist Nicaraguan government**

Result: Anti-Communist Anastasio Somosa is forced out. Nicaragua goes Red.

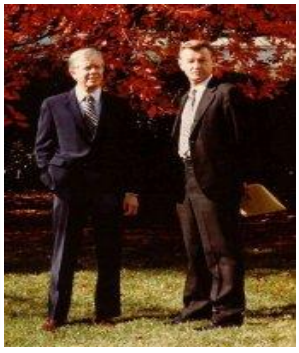
- **Betray the anti-Communist White Rhodesian government**

Result: Anti-Communist Ian Smith is forced out. Rhodesia falls to Black racist Communist Robert Mugabe

- **Betray the anti-Communist rebels in Angola**

Result: Angola's Communist regime is strengthened and protected from the anti-Communist rebel forces of Jonas Savimbi. (UNITA)





Brzezinski was the main handler of Jimmy Carter

MARCH - MAY, 1978
ITALIAN PRIME MINISTER ALDO MORO IS KIDNAPPED AND MURDERED

Henry Kissinger is very angry with the Italian Prime Minister, **Aldo Moro**. On his own initiative and in defiance of Globalists, Moro is in the process of working out a deal with the Communists of Italy. Under the terms of "Il Compremesso Storico" *(The Historic Compromise)*, Moro's Christian Democrats will form a coalition government which will include Communists. Undoubtedly this would lead to a more neutral foreign policy with regards to the Soviet Union.

It's not that Kissinger and his Globalist friends are "anti-Communist". What they are is anti-Russian. Whether it is a Czar like Nicholas; or a Communist General Secretary like Brezhnev; or a democratic free-marketeer like Putin; the goal is always the same - to subjugate the Eurasian land mass under Globalist control.

Any national leader who gets too close to Russia will therefore have to be punished in one way or another. Recall the fate of President Lincoln *(killed)*, French President Carnot *(killed)*, President Taft *(booted out of office)*.

On March 16, 1978, a unit *said to be* of the militant Communist group known as the Red Brigades blocks the two-car convoy transporting Moro and kidnaps him, murdering his five bodyguards. Two months later, the Prime Minister is murdered. **The resulting anti-Communist backlash scuttles "*The Historic Compromise*" and brings Italy back into the Globalist anti-Soviet Union sphere.** The murder of Aldo Moro was very bad for the Communists, but good news for the Globalists – all of which points to the CIA taking out Moro and framing the pro-Soviet Communists of Italy for the deed.

Moro's widow will later recount her husband's meeting with Henry Kissinger and an unidentified American intelligence official. They warned Moro not to pursue the strategy of bringing the Communist Party into his cabinet, telling him *"You must abandon your policy of bringing all the political forces in your country into direct collaboration...or you will pay dearly for it."* Moro was so shaken by the comment that he became ill and threatened to quit politics. **(33)**



Kidnapped by CIA "Red Brigades" – held hostage for nearly two months – murdered in cold blood

OCTOBER, 1979
THE U.S. DEPARTMENT OF EDUCATION IS BORN

President **Jimmy Carter** establishes the **Department of Education**. For 200 years, Americans were a well - educated people, *without* the help of a Federal bureaucracy. For what purpose does America suddenly need a new Cabinet Department? The answer reveals itself in the years to come, as the **UN-connected** U.S. Department of Education grows large and powerful, influencing school curriculums on every local level. As a result, American children today learn next to nothing about America's founding doctrines or its true history.

Instead of learning to think critically, young students are force-fed Globalist & socialist propaganda, fairy tales about Global Warming, hatred for American ideals, pornographic "sex education", and the joys of homosexuality. **Dumbed-down kids grow into easily controllable "Global Citizens."**



Globalist DOE deliberately dumbs-down American kids, turning them into non-thinking adults.

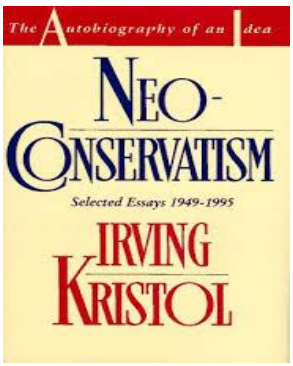
1979
THE RISE OF THE 'NEO-CONSERVATIVES' / ZIONIST 'EX-MARXISTS' HI-JACK TRUE CONSERVATISM

"**Neo-Conservatism**" originated in the early 1970's, and blossoms by 1979. The founders of Neo-Conservatism (neo-cons) are self-professed "ex-Marxists" who claim to realize their error and now wish to embrace American conservatism. The first major intellectual to 'come out' as a neo-con is **Irving Kristol (CFR)** - "The Godfather" of the neo-cons. Kristol explains his views in a 1979 article *"Confessions of a Self-Confessed 'Neoconservative".*

Gullible traditional conservatives welcome the media-hyped, neo-con infiltrators with open arms into their circles. It isn't long before these "ex-Marxist" Zionists hijack true conservatism. The neo-cons are Globalists that differ from other "liberal" Globalists in one key area. **Whereas Bilderberger / TC Globalists have no special love or loyalty for Israel, the neo-con Globalists are hard core, Israel-First Zionists.**

This internal, and often bitter, divide within the broader **New World Order** crime family is an extension of Churchill's "Zionism vs Bolshevism" thesis of which he wrote about 60 years earlier. Irving Kristol's son, **William Kristol**, will found the controversial **Project for the New American Century** which will call for a "New Pearl Harbor" in later years.





Irving Kristol was "The Godfather" of the Zionist "Neo-Cons"

DECEMBER 1979
BRZEZINSKI DRAWS THE SOVIETS INTO HIS AFGHANISTAN TRAP

The Globalists have long aided the spread of Communism for their own purposes. Communism is a tool for overthrowing nationalistic and free market nations. But the long range plan is to one day merge the Communistic nations into a **New World Order** that is a mix of corporatism and communism.

The Soviets in Moscow have their own plans of world domination, or at least, world influence. But they are no match for the Globalists that created them. Zbigniew Brzezinski develops a plan to draw the USSR into a costly and destabilizing war in Afghanistan. In the same way that the Russo-Japanese War weakened Czarist Russia in 1905, Brzezinski's Afghan trap will weaken the Soviet state.

In an interview with a French magazine**,** Zbig comes clean about the Soviet-Afghan War:

Question: The former director of the CIA, Robert Gates, stated in his memoirs ["From the Shadows"], that American intelligence services began to aid the Mujahedeen in Afghanistan 6 months before the Soviet intervention. In this period you were the national security adviser to President Carter. You therefore played a role in this affair. Is that correct?"

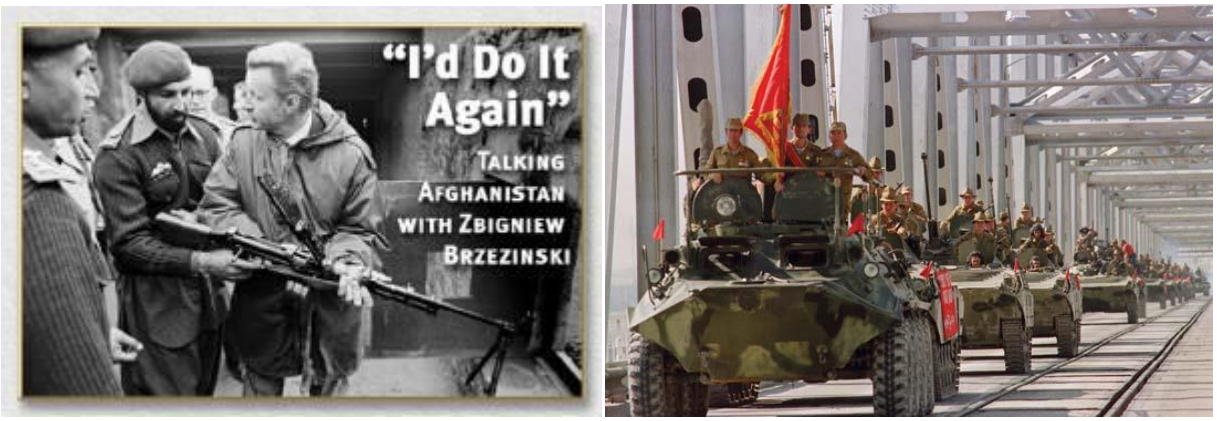
Brzezinski: "Yes. According to the official version of history, CIA aid to the Mujahedeen began during 1980, that is to say, after the Soviet army invaded Afghanistan, 24 Dec 1979. **But the reality, secretly guarded until now, is completely otherwise.** Indeed, it was July 3, 1979 that President Carter signed the first directive for secret aid to the opponents of the pro-Soviet regime in Kabul. And that very day, I wrote a note to the president in which I explained to him that in my opinion this aid was going to induce a Soviet military intervention."

Question: "When the Soviets justified their intervention by asserting that they intended to fight against a secret involvement of the United States in Afghanistan, people didn't believe them. However, there was a basis of truth. You don't regret anything today?"

Brzezinski: "Regret what? That secret operation was an excellent idea. **It had the effect of drawing the Russians into the Afghan trap and you want me to regret**

it? The day that the Soviets officially crossed the border, I wrote to President Carter. We now have the opportunity of giving to the USSR its Vietnam War. Indeed, for almost 10 years, Moscow had to carry on a war unsupportable by the government, a conflict that brought about the demoralization and finally the breakup of the Soviet empire." **(34)**

Zbig's Afghan trap is not about "anti-communism". It is sprung so that one group of criminals *(Globalists)* can gain advantage over another group of criminals *(Soviets)*, and entrap them into the coming world government.



Brzezinski (above) and the CIA armed Afghan fighters against the Soviets.

NOVEMBER, 1980
CONSERVATIVES REJOICE AS RONALD REAGAN IS ELECTED PRESIDENT

Former California Governor **Ronald Reagan** defeats former CIA boss **George HW Bush** in a bitter Republican primary. Conservatives are hopeful that Reagan will unseat Jimmy Carter. Reagan was a Goldwater supporter and an anti-Red informant during his days as a Hollywood actor. During his campaign, he advocates taking a hard line against the Soviets, and preaches the virtues of limited government, a gold standard, less spending, and low taxes. He even pledges that the Trilateral Commission will not control his administration!

But political realities soon cause Reagan to be maneuvered into surrounding himself with TC/CFR manipulators, including his choice for Vice President -

George HW Bush. With inflation, taxes, and unemployment all skyrocketing, the charismatic Reagan defeats Carter easily.





Reagan was a decent man who lost control of his Presidency to the Globalists and Zionists who had been placed all around him.

1981 - 2000

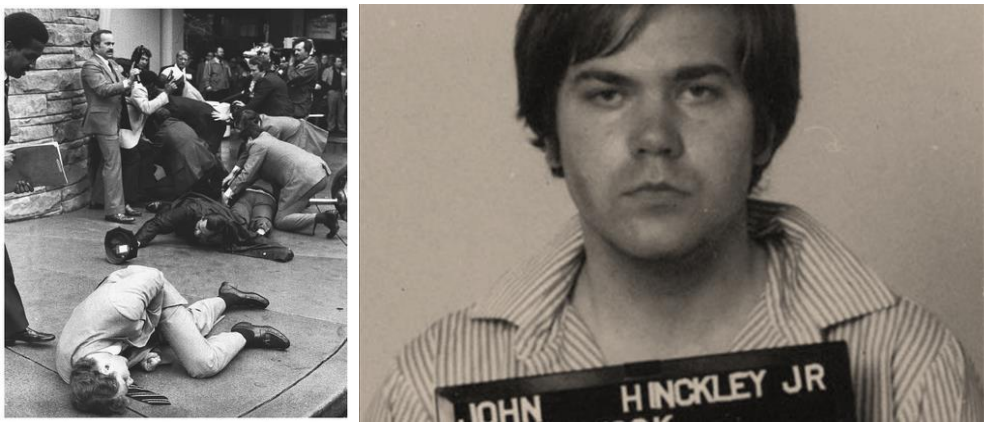
MARCH, 1981
RONALD REAGAN IS SHOT / GLOBALIST GEORGE HW BUSH NEARLY BECOMES PRESIDENT

Just 69 days into the Reagan presidency, **John Hinckley** fires his pistol at President Reagan. A policeman, a body guard, and Reagan's Treasury Secretary are badly injured. Reagan himself is hit by a ricocheting bullet that punctures his lung and comes within inches of killing him, **and inches from making Globalist CIA man George HW Bush the new President.**

John Hinckley's brother, Scott, is an oil executive. The Hinckley's, like the Bushes, made their money in oil. It was confirmed by the Associated Press that Scott Hinckley had been scheduled to dine at the home of Marvin Bush, one of George Bush's sons, the night after the event took place. **(1)**

The Hinckleys were also big contributors to the Bush campaign. Is there a connection between the CIA Bush Family and the psychotic John Hinckley's attempt to kill Reagan?

After the initial AP report, the connection was never pursued again. What did come out of the assassination attempt was a much more "moderate" Ronald Reagan. Reagan's Presidency, though a great improvement over Jimmy Carter's, will do nothing to reverse America's march towards Globalism and socialism.



Reagan's Treasury Secretary, a bodyguard, and a DC cop were also seriously wounded by John Hinckley.

SEPTEMBER, 1983
SOVIETS SHOOT DOWN KAL FLIGHT 007 / U.S. CONGRESSMAN & BIRCH SOCIETY PRESIDENT KILLED

The world is horrified when the Soviets shoot down **Korean Air 007**, killing 269 people. Congressman **Dr. Lawrence Patton McDonald (D-GA)**, cousin of General George Patton, is on board. Bright, handsome, articulate, McDonald's "star quality" has destined him for higher office. Of concern to the Globalists is the fact that he is also President of the John Birch Society. McDonald had once written:

"The goal of the Rockefellers is world government, combining capitalism and Communism under the same tent. Do I mean conspiracy? Yes I do. I am convinced of such a plot, international in scope, generations old in planning, and incredibly evil in intent." **(2)**

Also due to fly on KAL 007 were anti-Communist Senators Jesse Helms (R-NC) and Steve Symms (R-ID), who didn't fly due to delays. If not for the delays, a decapitation of Congress's three leading anti-Communists would have occurred. When addressing the nation after the tragedy, President Reagan does not mention McDonald's name, for fear it would spark "conspiracy theories."

One of those theories is that the U.S. shadow government baited and duped the Soviets into taking out the plane – thus embarrassing the Soviets and taking out McDonald at the same time.



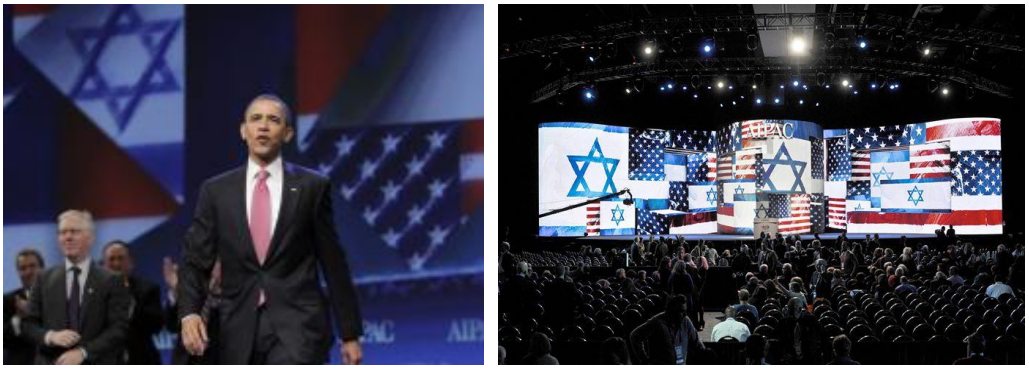
The most dangerous enemy of the Globalists and Communists was eliminated.

1980 – PRESENT
AIPAC – THE ISRAEL LOBBY – BECOMES A MAJOR FORCE IN AMERICAN POLITICS

Though founded during the 1950's, it is not until the 1980's that **The American Israel Public Affairs Committee (AIPAC)** becomes an unstoppable force to be reckoned with. In the present day, AIPAC is **-** ***without a doubt*** **-** the most feared pressure-group in America.

It's affluent, and very vocal, 100,000 members pump millions of dollars into both political parties. American politicians, who fail to follow AIPAC's policy line on Israel-Arab issues, will soon find themselves running against a well-funded, media-hyped challenger. AIPAC openly boasts about the politicians that have been unseated as a result of their activism.

At its swanky annual conventions, 75% of all US Congressmen and Senators have been known to attend! **(3)** Governors, sitting Presidents and Presidential contenders are usually in attendance as well. Journalist and 1992/96 Presidential candidate Patrick Buchanan said it best when he once wrote: *"Congress is Israeli occupied territory."* **(4)**



Fast Forward to 2011: President Obama pays his respects to Israel at the annual AIPAC convention.

1980-1988
THE IRAN-IRAQ WAR / GLOBALISTS USE IRAQ AND IRAN TO WEAKEN EACH OTHER

Iraq and Iran are both up and coming nations of the Middle East. The Globo-Zionist Axis of Evil seeks to destroy and enslave both nations into the Global system. To this end, the U.S. supports Saddam Hussein of Iraq in a long protracted war against Iran. Estimates of the final death toll vary extremely, but it is safe to say that 100's of 1000's –soldiers as well as civilians – are killed on both sides.

American support for Iraq during the war includes billion of dollars' worth of economic aid the sale of technology, weaponry, military intelligence, special operations training, and indirect involvement in warfare against Iran. This support is not a secret and is frequently discussed in open session of the Senate and House of Representatives.

Soon after the war, the dirty double-dealers of the Council on Foreign Relations will then turn on Saddam Hussein, whom they had used as a tool and will then discard like a used-up lemon.







1- Saddam Hussein donated large sums to various institutions in his campaign to curry favor with the U.S.. In 1980 the Mayor of Detroit, Coleman Young, made Saddam an honorary citizen.

2- 1983: Saddam shakes hands with Special Envoy Donald Rumsfeld, who, years later, will be a key member of the George Bush Neo-Con gang that murders Saddam!

APRIL 17, 1984
LIBYA FALSELY ACCUSED OF KILLING BRITISH POLICE WOMAN

The international Zionist campaign to isolate Libya and its leader, Colonel Muammar Qaddafi, intensifies during an April 1984 anti-Libya demonstration in London. As a crowd forms outside the Libyan embassy, shots suddenly ring out towards the crowd.

Eleven people are wounded, and a 25 year old British police woman named **Yvonne Fletcher** is killed. Media images of her heartbreaking death are broadcast non-stop in the western press. Following the shooting, the embassy was surrounded by armed police for 11 days, in one of the longest police sieges in London's history. Despite no evidence of Libyan wrongdoing, the UK then ends diplomatic relations with Libya.

To this day, the case has never been solved. Who fired the shots? From where were the shots really fired? Who benefited from the senseless murder? Why would the Libyans kill a young woman and damage their image? The televised murder of Yvonne Fletcher damages Libya in particular and all Arabs/Muslims in general, while benefiting its Zionist enemies. There will be more anti-Libya intelligence operations to follow in the coming years.





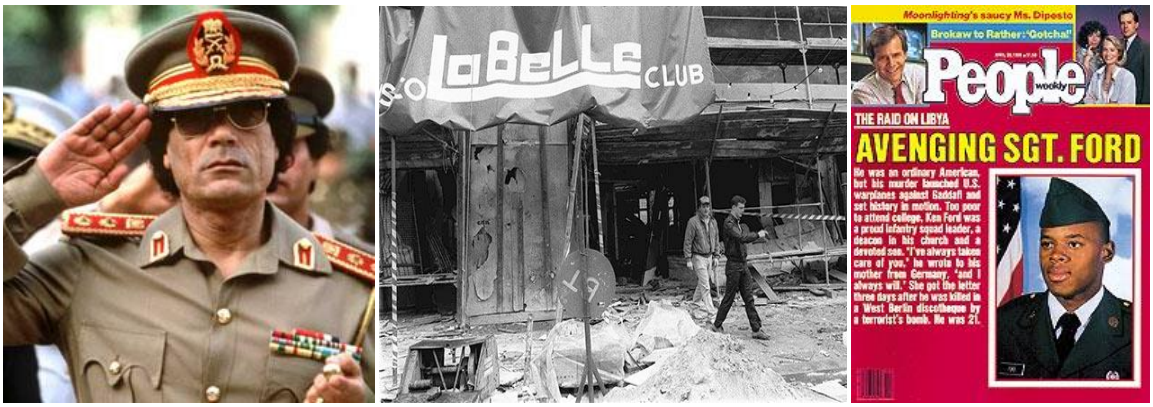
Who did it? Qaddafi or the Israeli Mossad?

APRIL 5, 1986
LIBYA FALSELY ACCUSED OF BOMBING GERMAN DISCO / REAGAN BOMBS LIBYA / KILLS QADDAFI'S DAUGHTER

The **1986 Berlin Disco Bombing** is a terrorist attack on the *La Belle* discotheque in West Berlin, a club commonly frequented by U.S. troops stationed in US occupied West Berlin. The blast kills 3 and injures 230 others. Libya is falsely blamed for the bombing after messages are *conveniently* intercepted from Libya to the Libyan embassy in East Germany, congratulating the terrorists on a job well done.

The messages are actually sent by Israel's Mossad -who have framed Libya for this latest "false flag" attack *(Confirmed by Mossad defector Victor Ostrovsky)*. **(5)**

A gullible President Reagan swallows Israel's bait, and retaliates by ordering airstrikes against the Libyan capital of Tripoli and the city of Benghazi. At least 15 civilians are killed in the airstrikes, including Libyan leader Colonel Qaddafi's 1-year old daughter. More than 2,000 others are injured in the murderous bombing raid, engineered by Israel, and carried out by its American puppets and dupes.



Zionists used false flag attacks to target Libyan leader Muammar Qaddafi.

APRIL, 1986
REAGAN &GLOBALIST GORBACHEV END THE COLD WAR / 'GORBY' CALLS FOR 'NEW WORLD ORDER'

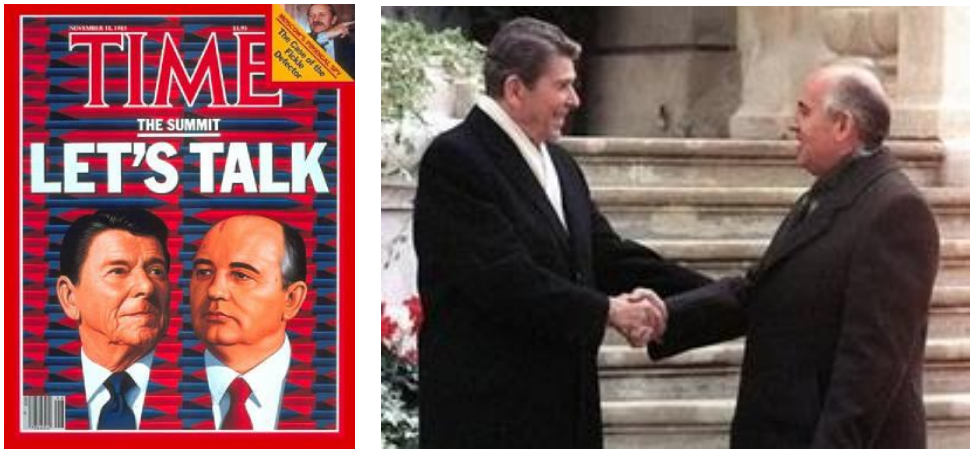
The new Soviet leader, **Mikhail Gorbachev**, and Ronald Reagan team up to end the Cold War. Gorbachev wants to also reform the failed Soviet system. Although the end of communism and Soviet tyranny are desirable,

‘Gorbachev’s liberalization programs of "**Perestroika"** and **“Glasnost”** have little to do with love of liberty or free-market economics.

Unlike previous Russian leaders who were Soviets First, *Gorbachev is a Globalist.* Soviet Communism has served its historical purpose. Now, instead of Moscow plotting to rule the world, ‘Gorby’ wants to deliver the USSR and eastern Europe to the London-New York masters of the **New World Order.** In a 1988 UN speech, Gorby speaks Globalist code:

“*Global progress is possible only through a quest for universal consensus in the movement towards the **New World Order.**"* **(6)**

Gorbachev is mega-hyped by the media and wins the Nobel Peace Prize in 1990. The anti-Communist and aging Ronald Reagan appears ignorant of the bigger picture behind the "end of the Cold War". Old line Stalinist supremacists in Russia still haven't figured out who the real bosses of the Global Game really are. They oppose Gorby, but it is too late for them to prop up their rotten system. Gorby and his "reformers" take control of the soon-to-be broken up USSR.



The Reagan-Gorby talks were hyped by the Globalist media as the "Thawing of the Cold War"

1988
THE RUSH LIMBAUGH DECEPTION IS BORN / NEO-CON TALK RADIO HOST GOES NATIONWIDE

The Globalists are known for setting up "controlled opposition" to themselves. This allows anti-socialist, anti-Globalist, anti-Zionist resistance movements to be misdirected and watered down. False "conservative" leaders like William F. Buckley were skillfully used for this exact purpose.

The foremost 'disinfo' agent of the current day is neo-con radio talk show legend, **Rush Limbaugh**. Limbaugh's program does indeed expose the lies and the corruption of the Democrats in an enlightening and entertaining manner. But the "poison pill" solution that he feeds to his many millions of gullible listeners is to "vote Republican."

The false "left-right" illusion is what keeps the American public enslaved to a "two party system" in which both parties are **New World Order** controlled. Limbaugh has been a guest-of-honor in Israel**,** and has mercilessly ridiculed "conspiracy theorists" who "buy into" World Government conspiracy theories. As of 2014, Limbaugh is earning $50 million per year, and has spawned a gaggle of many other "Neo-Con" talk show con-men such as Glen Beck, Sean Hannity, Bill O'Reilly and others.





1- Limbaugh is a Republican operative who protects Israel and ridicules critics of The New World Order as "kooks".

2- In later years, frauds such as Sean Hannity and Glenn Beck will follow in his footsteps.

DECEMBER, 1988
PAN AM 103 BLOWS UP OVER SCOTLAND - LIBYA IS FALSELY ACCUSED

After departing from London's Heathrow Airport, New York bound **Pan Am Flight 103** explodes over Lockerbie, Scotland, killing 259 passengers *(178 Americans)* and 11 unlucky Lockerbie residents on the ground.

Anonymous phone calls from "Muslims groups" claim credit for the terrorist bombing. Ultimately, blame will be assigned to a "Libyan terrorist" working for Muammar Qaddafi. Libya firmly denies responsibility for the attack which, as usual, greatly damages the image of Arabs while at the same time creating sympathy for America's "Israeli ally."

A Libyan named **Abdelbaset al-Megrahi** is tried and sentenced in Scotland. Relatives of some of the Scottish victims will later state that they believe that al-Megrahi was wrongly accused. **(7)** Al-Megrahi will finally be released in 2010 after independent researchers destroy the false case against him. He will receive a hero's welcome upon returning to Libya after having spent 20 years in prison. The true culprits of the Pan Am bombing get away with mass murder!



Israel framed an innocent Libyan national for the murder of American & British passengers.

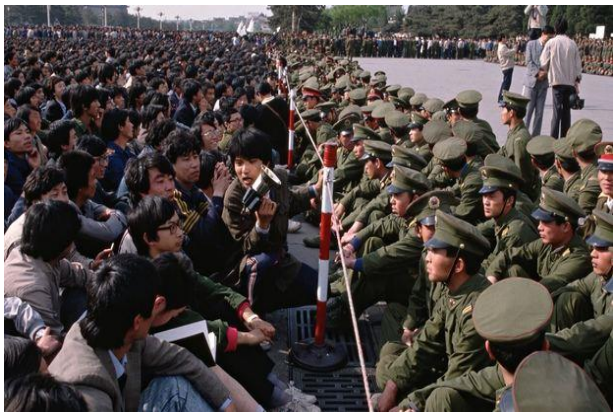
JUNE, 1989
MASSACRE IN TIANANMEN SQUARE (China) / GLOBALIST ENGINEERED 'DEMOCRACY MOVEMENT' IS CRUSHED

As the Globalists continue to pull the rug out from under the very same Communists that they had created in Eastern Europe, a similar operation unfolds in China. Massive protests involving the usual suspects *("students")* capture the world's sympathy. Many of these students had studied in the USA - where the CIA surely made good use of their discontent.

The students gather in Beijing's Tiananmen Square, brandishing paper sculptures of "the Goddess of Liberty"; and demanding "democracy". The "spontaneous" protests grow larger by the day as thousands of workers, with legitimate grievances; join the students in the protests.

Finally, the Chinese government reverts to its hard line ways. Foreign press is thrown out as the military cracks down on the crowd. Student leaders of the "democracy movement" are hunted down and arrested. Globalist George Soros's 'human rights' organization is forced to pack up and leave. **(8)** China will continue moving towards a more market-based economy, but it is not yet ripe for a Globalist 'Velvet' takeover by the Soros / Brzezinski / CIA gang.





1- The iconic "Tank Man" of Tiananmen Square stood down a column of Chinese tanks.

2- Once again, it was naïve college students who were incited by deep cover Globalist operatives.

NOVEMBER, 1989
THE BERLIN WALL IS TORN DOWN / GLOBALISTS MAKE BIG MOVES IN EASTERN EUROPE

Weakened by a disastrous war in Afghanistan *(engineered by Brzezinski)*, the USSR can no longer hold the Communist world together. When Communism collapses in Eastern Europe, the common view is that it is due to its own inefficiencies. But the role of Globalist Billionaire **George Soros** and the CIA in the "**Velvet Revolutions**" is a critical factor. **(9)**

Since 1979, Soros had been financing "dissidents" like Solidarity *(Poland)*, Charter 77 *(Czechoslovakia)* and Sakharov *(USSR)*. His **Open Society Institute** pumps cash into opposition movements and media. Ostensibly aiming to promote "human rights", Soros and the CIA are actually weakening existing political structures in order to eventually consolidate the ex-Communist states into the **New World Order.**

Over the past century, the Communist menace had accomplished the three major Globalist goals:

1. Subverting the pre-existing nationalist governments
2. Establishing centralized socialism within the targeted nations
3. Scaring the "free world" into socialist political blocs.

Now it is time to 'pull the plug' on the Communists and swallow them up into the **New World Order.**





1- The Berlin wall is taken down so new prison wall can be built around the ENTIRE globe!

2- Globalist agent Lech Walesa leads Poland's "Solidarity" uprising.

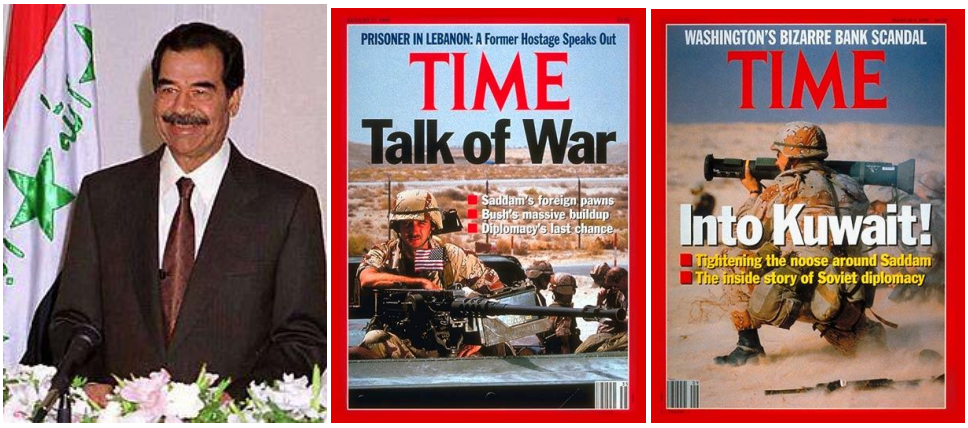
AUGUST, 1990
PRESIDENT GEORGE HW BUSH STARTS A WAR WITH IRAQ / OPENLY CALLS FOR A 'NEW WORLD ORDER'

Unlike Arab states Egypt, Jordan, and Saudi Arabia, the Globalists do not control **Saddam's Hussein**'s oil rich Iraq. Like Libya's Qaddafi, Hussein is a nationalist, and also a defender of the oppressed Palestinians. This makes Iraq a target of *both* the Zionist and Bilderberger factions of the **New World Order** Crime Syndicate, who bait Hussein into invading Kuwait so as to have a pretext for war.

President George HW Bush **(CFR/TC)** raises eyebrows when he uses a certain phrase in citing his reasons for attacking Iraq. Bush declares:

"Out of these troubled times a ***New World Order*** *can emerge under a United Nations that performs as envisioned by its founders."* **(10)**

The Gulf War is brief and limited as US armed forces quickly expel Iraq from Kuwait. But the ensuing UN economic sanctions will lead to the slow death of as many as 1 million Iraqis over the next 10 years.



Saddam Hussein was tricked by the Globalists into invading Kuwait, and then blamed for a war he did not want.

JUNE, 1991
BORIS YELTSIN ELECTED PRESIDENT OF THE NEW RUSSIAN FEDERATION / GLOBALISTS RAPE RUSSIA

Elected President in 1991, **Boris Yeltsin** is a totally inept and drunken autocrat. After dissolving the Soviet Union, he hands control of Russia over to internal criminal Zionist Oligarchs and external NWO Globalists.

The naïve *(or treasonous?),* Yeltsin turns to Harvard economists and Globalist institutions such as the IMF, World Bank, and US Treasury for help in transitioning Russia from communism to a market-based economy.

The recommended "shock therapy" causes an economic downturn as severe as that of the U.S. or Germany during the Great Depression. Zionist 'Russian' businessmen buy up entire State industries for pennies-in-the-dollar. This Globalist – Zionist rape of Russia is by design. The plan is to weaken post-communist Russia so much so that it can be swallowed up by the **New World Order.**





1- Good Old Boris was a lovable drunken fool that the Globalists & Zionist Oligarchs took advantage of.

2- Jewish-Russian Oligarchs and the New York partners raped Russia (left-to-right: Aleksandr Smolensky, Mikhail Khodorkovsky, Vladimir Gusinsky.

1992
ROTHSCHILD FAMILY BUILDS ISRAELI SUPREME COURT IN JERUSALEM / DESIGNERS USE ILLUMINATI SYMBOLISM





1- Israel's Supreme Court Building was built by the Rothschilds. Note the Illuminati Pyramid on roof (left side).

2- Painting at the entrance of the Supreme Court – members of the Rothschild family with Israeli leaders Peres and Rabin

1991-1992
PHONY 'WAR HEROES' IN THE U.S. SENATE BETRAY AMERICAN POW's ONCE AND FOR ALL

The Senate Committee on POW/MIA Affairs convenes in response to pressure from families of Vietnam War POWs. The families of the missing men *(abandoned by Nixon & Kissinger)* are hopeful that the hearings will lead to the return of their loved ones still being held in Vietnamese camps.

To add credibility to the hearings, two Senators who were Vietnam "war heroes" play prominent roles. **John Kerry** (D-MA/CFR) is a Purple Heart recipient who chairs the committee. **John McCain** (R-AZ/CFR) was a POW himself and a "victim of torture."

The "heroism" of these future Presidential nominees is mythical. Kerry's 'wounds' were not sustained in combat. A minor arm scratch was treated with a

band-aid, and a buttocks bruise was self-inflicted**.** Kerry himself *(an officer due to his Yale college degree)* put in for his own Purple Hearts! **(11)**

As for McCain, his 'torture' tale is pure fiction. To the contrary, he was given *preferred treatment* by the Vietnamese in exchange for giving information to his captors. McCain's stunning collaboration earned him the nickname "the songbird." **(12)**

These two PHONIES stonewall the investigation and humiliate the POW families. At one point, the abusive and angry McCain makes one POW family member *(a woman)* cry! **(13)**Traitors Kerry & McCain have closed the lid on the POW-MIA betrayal - forever.





1- Shameless cowards Kerry& McCain built their careers by lying about their war experiences in Vietnam.

2- McCain throws a temper tantrum as he raises his voice and belittles POW family members.

FEBRUARY, 1993
'FALSE FLAG' TERROR BOMBING AT THE WORLD TRADE CENTER

A massive truck bomb detonates beneath the North Tower of the World Trade Center in New York City. The device is intended to knock the North Tower into the South Tower, destroying both and killing thousands. The mighty tower withstands the basement blast, but 6 people die and hundreds are sickened from smoke inhalation.

The bombing occurs at a time when Zionists within the government are trying to maneuver President **Bill Clinton** into a land war with Iraq. A group of four Arab "patsies" are arrested and tried. At the trial, **Emad Salem** -an ex Egyptian Army Officer turned FBI informant- reveals that when he had infiltrated the plot and informed his FBI handlers, the FBI did nothing to stop it, and actually allowed the patsy bombers to be supplied with the explosives! **(14)**

To protect himself and to support his claim, Salem releases tape recordings of conversations in which he specifically warned the FBI about the pending bombing!



Dress rehearsal? The Towers withstood the massive blast, but will be targeted again in 2001.

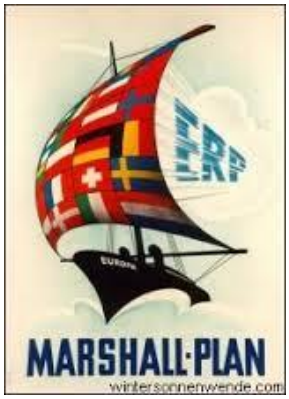
NOVEMBER 1993
THE GLOBALIST 'EUROPEAN UNION' IS ESTABLISHED

The European Union (EU) is a political and economic union of the formerly sovereign nations of Europe. Trilateralists and Bilderbergers dominate the EU. The Globalist conquest of Europe originally took the form of a post-war "recovery program" *(Marshall Plan).* That soon gave way to seemingly harmless "free-trade" deals. Through patient gradualism, the EU now emerges as a regional **New World Order**, whose power will surpass that of its individual member nations.

By 2011, the EU will have 27 members *(including former Communist states from Eastern Europe),* a common currency *(the Euro),* a European Bank, and a socialist bureaucracy answerable to no one. To transform Europe into a "multi-cultural" society, EU officials will now flood the continent with North African and Middle

Asian immigrants. **Never forget Disraeli quoting Sidonia: *"the mixed persecuting race disappears".* (15)**

Based in Brussels but under the thumb of New York / DC, the Globalist EU is also a major player in promoting the Global Warming Hoax and the "carbon taxes" that will go along with it.






Step-by-step and by design! From the post-World War II Marshall Plan to the current socialist super state - Rothschild's dream advances forward.

DECEMBER, 1993
BILL CLINTON (with Republican help) SIGNS 'NAFTA' INTO LAW / LAYS FOUNDATION FOR NORTH AMERICAN UNION

One month after the EU is established, the Globalists make a similar move in North America, when newly elected President Bill Clinton **(CFR,TC,B)** signs NAFTA: **The North American Free Trade Agreement** into law.

After having attended the 1991 Bilderberg conference in Baden-Baden Germany, the unknown Arkansas Governor was suddenly catapulted into the Presidency in 1992 *(taking office in 1993)*.

As President, Clinton's biggest contribution to Globalism will be to embroil the US into NAFTA, whose true purpose is to submerge the U.S. into a regional economic bloc with Canada and Mexico, in exactly the same way as European "free trade" deals led to the formation of the EU. Clinton's feminist wife, Hillary Rodham, had

served as the Chairman of the Marxist Globalist **New World Foundation** during the 1980's. **(16)**

The long term plan is to expand membership southward into Central & Latin America.




With strong Republican support, Democrat Clinton signs Globalist inspired NAFTA into law.

MAY, 1994
COMMUNIST NELSON MANDELA INSTALLED IN SOUTH AFRICA

South Africa's system of political separation between its founding White Afrikaner population and the African blacks, *(Apartheid)* serves as a convenient pretext for the Globalists to subvert the anti-Communist, nationalist, and mineral rich nation. After years of isolation from the "international community", the jewel of the African continent caves in to relentless Globalist pressure over its "racism".

In its first mixed-race election, Communist and former terrorist Nelson Mandela is elected in a landslide by the majority Black population. Afrikaners are permanently dispossessed of the nation that their own forefathers built as socialism and cultural degeneracy is enshrined. Ironically, anti-Communist Blacks who oppose Mandela are often tortured and killed by Mandela's cult-like followers.

But the Globalists do not care at all about the black people of South Africa.

Thanks to its Marxist politics, the once prosperous nation is today marked by high unemployment, an AIDS epidemic, high crime, and vicious anti-white atrocities. For this, Mandela goes on to win a Nobel Peace Prize.



Left to right: Winnie Mandela, Nelson Mandela and Yossel Slovo at an ANC rally, 1990.



1- In the name of "anti-racism", South Africa was handed over to Marxist control.

2- In South Africa today, 10% of the White population (400,000 Whites) lives in "squatter camps", completely dependent upon charity from Blacks who were given their jobs.

APRIL 19, 1995
'FALSE FLAG' BOMBING IN OKLAHOMA

Two years into the unpopular Clinton presidency, there is a national backlash against his radical socialist-Globalist policies. The 1994 Congressional elections deliver a massive defeat to Clinton's Democrat Party. Anti-Globalist patriot groups are growing rapidly.

On April 19, 1995, the anti-Globalist patriot movement is dealt a devastating public relations setback when the bombing of the Alfred Murrah Federal Building in Oklahoma City kills 168 Americans. The terror attack was falsely linked to American patriots and anti-Clinton critics. A patsy named **Tim McVeigh** is accused of causing the partial building collapse with a "fertilizer truck bomb."
Clear evidence of pre-planted explosives in the building is covered up by the Media. **(17)**

After shedding crocodile tears for the cameras, Clinton's popularity ratings rebound as the "discredited" Patriot movement all but fizzles out.



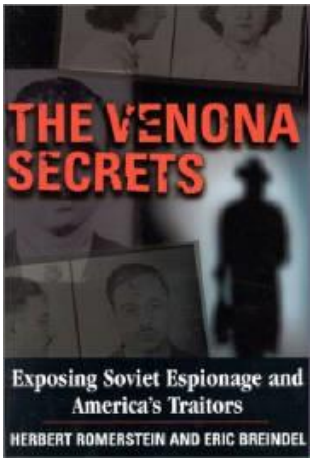


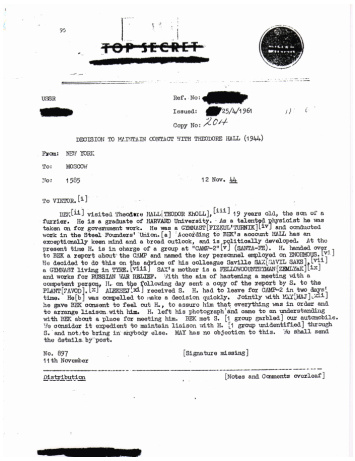
Oklahoma was a false flag bombing designed to frame up American patriot groups. The shadowy Tim McVeigh was executed.

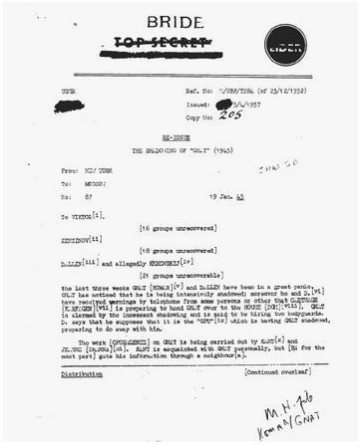
JULY, 1995
THE 'VENONA INTERCEPTS' FROM WORLD WAR II ARE MADE PUBLIC / JOE McCARTHY WAS RIGHT!

The VENONA Project was a secret collaboration of U.S. and British intelligence involving the decoding of messages sent by Soviet Intelligence, mostly during World War II. Although *unknown to the public, and unknown even to Presidents FDR and Truman,* this information concerned critical events concerning the early Cold War.

The intercepts, not made public until 1995, will not only confirm the treason of the Rosenbergs, Harry Dexter White, J. Robert Oppenheimer, and Alger Hiss, but also implicate high-ranking officials in the US Treasury, State Department, the OSS (CIA), The Manhattan Project, and the White House itself. Most of the messages were intercepted between 1942 and 1945. Sometime in 1945, a Communist U.S. army analyst named **Bill Weisband** neutralized the VENONA Project by revealing its existence to his Soviet handlers.







McCarthy was right, after all! "The Venona Secrets" by Romerstein and Breindel tells the real story – but doesn't go "up the ladder".

1996 - 2001
FOUR AIRLINERS FROM NY's JFK AIRPORT FALL OUT OF THE SKY OVER A FIVE YEAR PERIOD



Im[illegible] after just departing from the same airport (JFK/NY)

More than 11 million flights depart and/or land safely from the United States each year. Statistically, for even a single airplane to suddenly fall out of the sky is a very unusual event.

But from 1996-2001, ***four*** such cases occur, and in all 4 cases, the doomed airliners had just departed from the same airport in New York. The most ridiculous explanations imaginable are given for the four tragedies - each of which appears to be connected to the usual suspects.

1. <u>JULY 17, 1996: TWA 800 / 230 KILLED</u>

Official story: "spontaneous explosion caused by a mechanical failure"
Interesting Fact:100 eyewitnesses provide sworn statements stating that they saw a missile hit the plane. One week later, a bomb explodes at the Atlanta Summer Olympics. If not for the quick thinking of a security guard, as many as 100 people

could have died. It appears that someone is trying to push a reluctant President Bill Clinton into another war with Iraq!

2. **SEPTEMBER 2, 1998: SWISS AIR 111 / 229 KILLED**

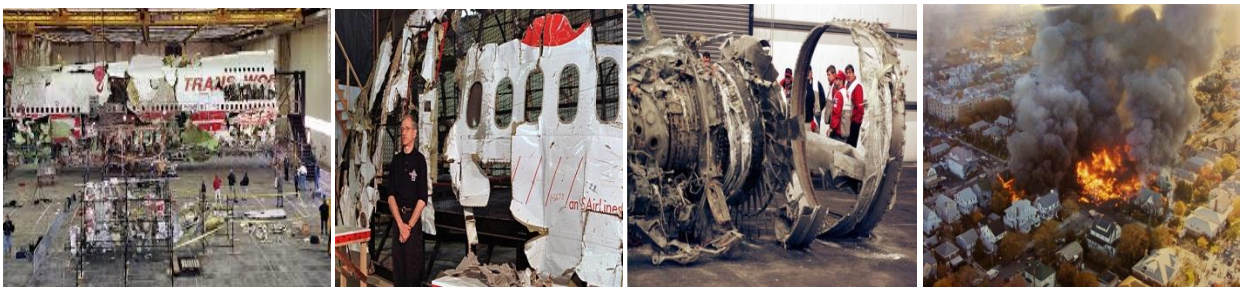
Official story: "The plane just caught fire and then the pilots lost control of it.
Interesting Fact: At this time, Switzerland was being squeezed very hard by Zionists over allegations of holding gold stolen from "Holocaust" victims.

3. **OCTOBER 31, 1999: EGYPT AIR 990 / 217 KILLED**

Official story: The co-pilot wanted to commit suicide and took the plane down with him
Interesting Fact: 30 high ranking Egyptian military officers were on board the plane. Protestors in Egypt reject the "suicide" claim and accuse Israel of taking down Flight 990.

4. **NOVEMBER 12, 2001: AMERICAN AIR 587 / 260 KILLED**

Official Story: Flight 587 was broken up by "wake air turbulence" created by another plane that had just departed!
Interesting Fact: Numerous witnesses saw the plane catch fire in midair before it crashed into a residential neighborhood. The crash occurs just 2 months after "9/11", *clearly staged by the same 'perps'!*



TWA–Swiss Air–Egypt Air –American Air: What's going on at JFK Airport?

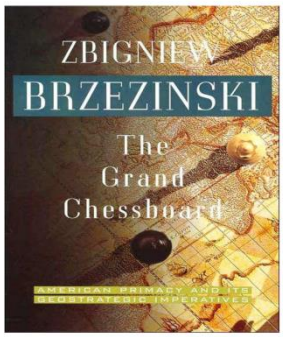
1998
ZBIGNIEW BRZEZINSKI DROPS HINTS OF A COMING 'MASSIVE EXTERNAL THREAT' AND ANOTHER 'PEARL HARBOR'

For 40 years, **Zbigniew Brzezinksi (CFR-TC-B)** has served as geo-political strategist for David Rockefeller. His 1998 book, ***The Grand Chessboard***, lays out a grand plan for the U.S. to control Central Asia, and set up bases ringing China and Russia. Realizing how difficult it is to get Americans to support foreign adventures, "Zbig" hints of a coming "massive external threat", and invokes the "shock effect" of Pearl Harbor. He writes:

"America may find it difficult to fashion consensus on foreign policy, except in the circumstance of ***a truly massive external threat***." **(18)** And further adds:

"The attitude of the American public toward the projection of power has been ambivalent. The public supported America's engagement in World War II because of the ***shock effect of the Japanese attack on Pearl Harbor*****." (19)**

Zbig's books are written for snobbish "intellectuals" and elite policymakers, *not* for the general public. What *The Grand Chessboard* does is "tip off" others in the inner circle that a false flag terror event will be used to kick off Eurasian military adventures in the coming years.







1- In his own words, Zbig speaks about "an external threat" along the lines of a "Pearl Harbor" mobilizing the U.S. into Central Asian militarism. That is exactly what we see happening today (2015)

2- 1998: Brezezinki celebrates 25th Anniversary of the Trilateral Commission with fellow Trilateralists such as former Fed Chairman Paul Volcker (tall one) and David Rockefeller (on right)

AUGUST, 1998
A NEW VILLAIN IS INTRODUCED! / U.S. EMBASSIES IN AFRICA ALLEGEDLY BOMBED BY 'OSAMA BIN LADEN'

Right on Brzezinski's cue!

The US embassies in Kenya & Tanzania are bombed simultaneously. Of the 223 killed, only 12 are Americans, and the rest are Africans. A new "villain" is introduced to the American people, and falsely blamed for the attacks. The public is told that a Saudi Arabian billionaire named Osama Bin Laden and his "Al Qaeda" terrorist network are responsible for the attacks.

In response, President Clinton orders missile strikes on Sudan and Osama's hideout in Afghanistan. The strike on Sudan destroys a vital pharmaceutical factory, causing hardship for the poor people of Sudan. The *"truly massive external threat"* that Zbigniew Brzezinski had recently foretold has been created.

Like a Hollywood film, the introduction of the Bin Laden "threat" sets up the perfect scapegoat for a much bigger terrorist attack to come "later on in the movie". This will eventually trigger the occupation of Central Asia and the increased military budget that the Globalists want so badly.



Right on cue! Brzezinski's Central Asian "bogeyman" is introduced to the American public.

NOVEMBER, 1998
MORE HIGH-RANKING GLOBO-ZIONISTS FORETELL OF A MAJOR "CATATROPHIC TERRORISM' EVENT

In the wake of the embassy bombings in Africa *(falsely blamed on Osama Bin Laden)* Globalist Ashton B. Carter *(future Defense Secretary /2015)*, Zionist John Deutch *(an ex-CIA Director)*, and Zionist Philip D. Zelikow *(future Director of 9/11 Commission cover up)* co-author an article in the Council on Foreign Relation's (CFR) **'Foreign Affairs'** magazine. In it, they lay out what changes would need to be made within the U.S. government in the wake of "***catastrophic terrorism***," which is also the title of the article.

The "**Catastrophic Terrorism**" article begins with the strange subtitle **'Imagining the Transforming Event',** and advocates a transformation of the U.S. government and the way Americans live."

Again, Pearl Harbor is invoked:

*"Like Pearl Harbor, this event would divide our past and future into a before and after."***(20)**

These Globalists and Zionists are up to something!



Carter, Zelikow, Deutch: More big names warning us about "Pearl Harbor"

JULY, 1999
JOHN F KENNEDY JR. IS KILLED IN A SUSPICIOUS PLANE CRASH

JFK Jr. is publisher of "George" magazine. Bright, young, and very handsome, it is speculated that the 38-year-old socialite may soon follow in the footsteps of his famous father and soon run for NY Senate. **(21)** If "John-John" runs for office, *he will be unstoppable.* The sinister forces who killed his father and his uncle must take out John-John before he can start his political career.

Any chance of JFK's son rising to high office ends when his private plane crashes; killing him, his wife, and sister-in-law. Suspiciously, the media is *very quick* to proclaim "pilot error", falsely claiming that JFK Jr. was an incompetent pilot and that visibility was poor. Both claims turn out to be false! **(22)**

Evidence of a conspiracy will surface later on. Oddly enough, all of the bodies are cremated. By now fully corrupted and intimidated the Kennedy clan, led by the drunken degenerate Senator Ted Kennedy, is forced to remain silent. **Hillary Clinton** will run for, and win, the Senate seat in New York.



The killers of Pappa JFK, Uncle RFK, patsy Oswald, and Oswald's killer Ruby had to get to JFK Jr. early on.

OCTOBER 19, 1999
WALTER CRONKITE & HILLARY CLINTON OPENLY REVEAL THEIR SUPPORT FOR WORLD GOVERNMENT

During his long career as CBS anchor, Walter Cronkite **(CFR)** was billed as *"The Most Trusted Man in America."* Recall that it was Cronkite who betrayed America's troops, with a false report about the Tet Offensive.

Cronkite's disloyalty to America is now confirmed when the **World Federalist Association** awards the *"Global Governance Award"* to the aging news legend. After being saluted via a video-feed by First Lady Hilary Clinton **(CFR),** Cronkite makes a stunning admission:

*"For many years, I did my best to report on the issues of the day in as objective a manner as possible. When I had my own strong opinions, as I often did, I tried not to communicate them to my audience. Now, however, my circumstances are different. I am in a position to speak my mind. And that is what I propose to do. ...**we must strengthen the United Nations as a first step toward a world government."*** **(23)**

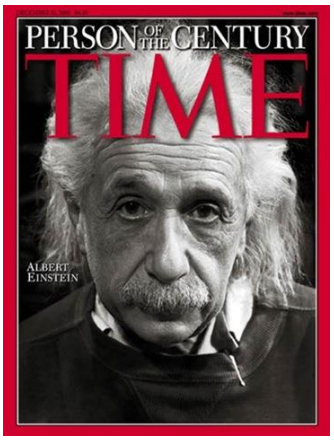
The media ignores Hilary Clinton's contribution to this subversive event, as well as Cronkite's admission.



World Federalist Association
Without Global Law, There can be no Global Justice!

The Most Trusted Man in America" turns out to have been a 'One World' agent all along!

DECEMBER, 1999
EINSTEIN NAMED TIME's 'PERSON OF THE CENTURY' / ZIONIST MEDIA IGNORES THE TRUE SCIENTIFIC GIANTS

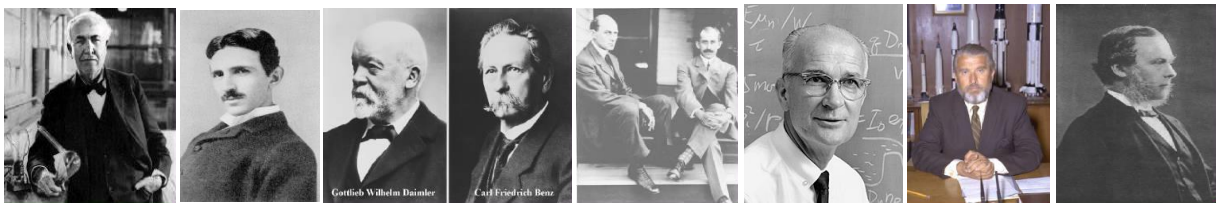


When one thinks of "genius" the name of the overrated **Marxist / Zionist / Plagiarist** Albert Einstein automatically comes to mind. This is not by accident! Every half-educated school child in America knows to equate Einstein with genius. For this, Albert Einstein is named ***"Person of the Century"*** by TIME magazine.

The true geniuses of late 19th and 20th century science and invention are, for the most part, fading or forgotten.

FORGET EINSTEIN! / TRUE GIANTS OF SCIENCE

Einstein, the plagiarist of a still disputed theory, is not worthy to even carry the notebooks of these men who TRULY changed the world.



Thomas Edison (1847-1931) - Prolific American inventor, scientist, and businessman who developed many devices that greatly improved the quality of our lives. These include the phonograph (record player), motion picture camera, and the first practical light bulb. Edison was known as "The Wizard of Menlo Park" *(now Edison, NJ)* Remember Thomas Edison the next time to turn on a light, listen to a CD or watch a DVD, or watch a movie.

Nikola Tesla (1856-1943)- Serbian inventor, mechanical & electrical engineer. He was a major contributor to the birth of commercial electricity and is best known for his revolutionary developments in the field of electromagnetism. His work helped usher in the Second Industrial Revolution. Tesla, in private letters, dismissed Einstein as a "long-haired crank" and his space-warping Relativity Theory as the

result of “unclear thinking”- further suggesting that its proponents were not sane. **(24)** Tesla died in debt - alone and forgotten in a New York hotel room.

Gottlieb Daimler (1834-1900) & **Carl Benz(1844-1929)** German engineers whose separate work led to the development of an internal combustion engine feasible for use in the first automobile. Henry Ford would later pioneer mass production of these "cars", making them much more affordable. Remember Daimler, Benz, and Ford the next time you drive your car.

Wright Brothers (Orville 1871-1948, Wilbur 1867-1912) American inventors and builders of the world's first successful airplane. the Wright brothers were the first to invent aircraft controls that made fixed-wing powered flight possible. Remember these two men the next time you fly on a plane!

Willis Carrier (1876-1950) - American engineer and inventor. It was Carrier who invented modern air conditioning. Remember this man on a hot summer day. It is because of him that you can escape the oppressive heat, in your car or at home.

William Shockley (1910-1989) - American physicist and inventor. Shockley co-invented the transistor. His work contributed greatly to the development and availability of modern computers and electronics. Shockley is referred to as "The Father of Silicon Valley." Remember him whenever you use a computer or play a video game.

Wernher von Braun (1912-1977) - German rocket scientist, aerospace engineer, and space architect. Von Braun was a decorated war hero during World War II. After the war, he came to the United States and worked for NASA. Von Braun became the preeminent rocket scientist of the 20th century.

Joseph Lister (1827-1912) - British surgeon who pioneered anti-septic surgery. (Listerine mouthwash is named after him.) Lister introduced carbolic acid to clean surgical instruments and wounds, making surgery safe for all of us. Lister's scientific advances against germs have saved countless lives.

SEPTEMBER, 2000
ZIONIST 'NEO-CONS' DROP HINT OF A COMING 'NEW PEARL HARBOR'

One year before the 9/11 attacks, Zionist Neo-Cons from **PNAC** (Project For the New American Century) issue a report entitled: ***Rebuilding America's Defenses***. The ringleader of this cabal is William Kristol, **(CFR)** son of the Marxist founder of Neo-conservatism, Irving Kristol.

PNAC's report calls for America to dominate the Middle East and overthrow the government of Iraq. To win public approval for such a scheme, the reports foretells of the necessity of tragic event thusly:

"…the process of transformation is likely to be a long one, absent ***some catastrophic and catalyzing event*** *–like a NEW PEARL HARBOR."* **(25)**

Donald Rumsfeld, Dick Cheney, Robert Kagan, and Paul Wolfowitz are also PNAC members. Each will assume high office when George W Bush, becomes president in 2001.







Like their Bilderberger rival Brzezinski, Neo-Con big shots Bill Kristol and Robert Kagan also bring up "Pearl Harbor". Kagan's wife, Victoria Nuland will later play a big role in engineering a confrontation between the U.S. and Russia (2014).

2001 – 2015

SUMMER 2001
HOLLYWOOD HYPES ITS SUMMER BLOCKBUSTER MOVIE FOR 2001 – PEARL HARBOR!

It has been 60 years since the Japanese "surprise attack" on Pearl Harbor deceived America into World War II. Suddenly, Hollywood decides to produce a multi-million dollar blockbuster about the event - **"Pearl Harbor"**. The super-hyped film resurrects the idiotic myth of Pearl Harbor for a whole new generation of American suckers. Its release is timed for the Summer of 2001.

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When we recall Zbig Brzezinksi's written mention of the "shock effect of Pearl Harbor"; and Ashton Carter's warning of a coming "Pearl Harbor"; and PNAC's written hint *(desire)* for "a new Pearl Harbor", the sudden release of the summer blockbuster, *combined with a certain "surprise" event that is soon to follow,* appears very, very convenient indeed. As demonstrated by the "Hollywood 10" case, Hollywood has long been an instrument of the **New World Order.** The creation, and the hyped-up 2001 Summer release, of "Pearl Harbor" is no accident.



Hollywood hype in Summer 2001 served to psychologically prepped America for "The New Pearl Harbor."

SEPTEMBER 11, 2001
('9-11') / MASSIVE FALSE FLAG ATTACKS KILL 3000 IN NY& DC / OSAMA BIN LADEN FALSELY ACCUSED

The "New Pearl Harbor" event foretold by Brzezinski, Carter, Zelikow, Kristol, Kagan and Hollywood occurs on the infamous date of 9/11/2001 **("9/11").** About 3000 people are killed in the "hijacker" attacks on the Twin Towers in New York, and The Pentagon in Washington.

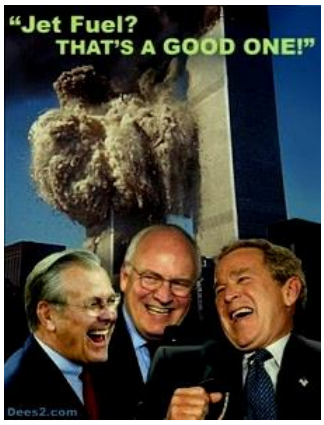
Before the dust of the attacks has even settled, "9/11" is blamed on Osama Bin Laden and his "Al Qaeda" terrorist network. Common sense as well as **forensic evidence** will prove that pre-planted explosives demolished the Twin Towers, as well as the lesser-known **"Building 7"** - a 600 ft. tall skyscraper that was not even hit by a plane! **(1)**

As for the plane that allegedly struck the Pentagon, not one shred of debris from a commercial airliner can be found at the site! Independent researchers such as **David Ray Griffin** *(The New Pearl Harbor)***,** and **Dr. Albert D. Pastore** *(Stranger Than Fiction)* establish beyond any doubt that the "official story" of 9/11 is a monstrous lie. It is clear that the collaborating factions behind the attacks are the Israelis, the Zionist "Neo-Cons," and the Bilderberg/TC Globalists. The attacks are used as justification for *pre-planned* invasions of Afghanistan & Iraq, as well as for destabilization plots aimed at other nations in the region.

9/11 marks the start of the New World Order's dual "end game" for global domination via the encirclement of Russia & China, and Israel's drive to dominate the Middle East.







According to Bush & friends, the instant pulverization and aerosol-ization of two massive towers was caused by jet fuel!

SEPTEMBER 11, 2001
FIVE ISRAELI MOSSAD AGENTS ARRESTED IN CONNECTION WITH 9/11 ATTACKS

On the day of the attacks, police in nearby New Jersey receive telephone calls complaining of suspicious looking "movers" seen celebrating and filming the

destruction of the Twin Towers. The police issue a Be-On-The-Lookout alert for white vans. One van is stopped as it approaches the Lincoln Tunnel linking New Jersey to Manhattan, and another is stopped as it approaches the George Washington Bridge. Bomb-sniffing dogs detect the scent of explosives in the tunnel-bound van, and the bridge-bound van is packed with explosives. **(2)**

The following day it is revealed that the 5 suspects are Israelis. They are held for 40 days in a local prison and finally released in December after high level forces in the government overrule the local agents on the case. A Jewish magazine later confirms that the men were agents of Israeli's spy agency, the Mossad. **It is a little known fact about 9/11 that the first, and only, arrests made that day were of Israelis, not Arabs.** The details are summarized and sourced in the well-researched Internet essay, **"The Dancing Israelis"**, which has circulated worldwide since 2003.



Stranger Than Fiction" By Dr. Albert D. Pastore documented how 5 Israeli agents were linked to 9/11, and later released due to Israeli pressure.

OCTOBER, 2001
THE U.S. AND BRITAIN INVADE AFGHANISTAN AS OSAMA CONTINUES TO CLAIM INNOCENCE

The Brzezinski-Bilderberg plan for Central Asia is set in motion with the invasion of Afghanistan. President Bush and the Establishment media tell the public that the invasion's purpose is to capture Osama Bin Laden – the falsely accused "mastermind" behind 9/11.

Bin Laden denies any involvement in the 9/11 attacks:

"I was not involved in the September 11 attacks nor did I have knowledge of the attacks. ***There exists a government within a government within the United States.*** *That secret government must be asked who carried out the attacks. The American system is totally in the control of the Jews, whose priority is Israel, not the United States."* **(3)**

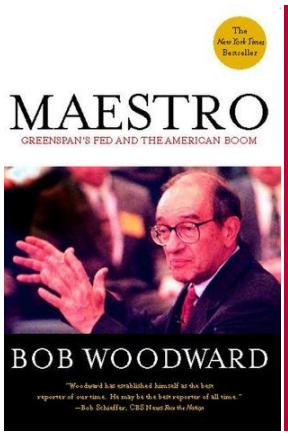



Osama Bin Laden repeatedly proclaimed his innocence – but the war to set up a NATO base in Afghanistan was never about him, at all!

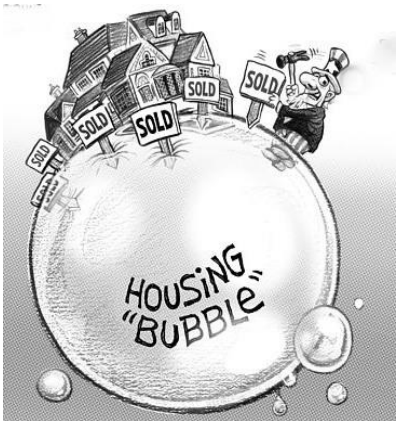
AUTUMN, 2001
FEDERAL RESERVE BEGINS INFLATING A MASSIVE HOUSING BUBBLE

Hyped by the Globalist Media as "The Maestro," Zionist Federal Reserve Chairman **Alan Greenspan (CFR)** ignites an artificial 6-year "boom" by pumping up the money supply with artificially low interest rates & easy lending standards. Home buyers with bad credit, unverified income, and little or no down payment, can now purchase homes.

An inflationary housing boom causes home values to skyrocket. The loans make money for the Wall Street firms that buy and resell the notes, until the inevitable correction of the artificial values comes. When the intro "teaser rates" expire, debtors will no longer be able to afford their monthly payments. By '08, a wave of foreclosures will cause home prices to crash, and bankers to lose money. Greenspan deliberately created the largest housing bubble in history. Home buyers will lose their down payments, but the NWO bankers will later have their "investments" bailed out by taxpayers.







1- Alan Greenspan, and his crooked Zionist partners Summers and Rubin, always portrayed by the media as "maestros" and "geniuses".

2- During the 2000's, Greenspan engineered a colossal housing bubble that would later pop. (2008)

2002 – 2005
FALSE FLAG TERROR BOMBINGS KEEP THE WORLD IN FEAR / NON EXISTENT 'AL QAEDA' BLAMED

OCTOBER 12, 2002: Three massive bomb blasts at a Bali resort overturn cars and **kills 202 tourists**, including 88 Australians. This brings Australian public opinion in line with the "Global War on Terror". As was the case with the 9/11 attacks, this case is instantly solved - by being blamed on *"suicide bombers linked to Al Qaeda."* A phony tape recording of the already dead Bin Laden (killed in December 2001) takes credit for the attack!

MARCH 11, 2004: Just days before an important election, the Madrid Train bombings **kill 191 people.** The attacks are immediately blamed on "local cells of Islamic extremists, inspired by the Internet and linked to "Al Qaeda."

JULY 7, 2005: The "7/7" attacks in London **kill 56 people** when three subways trains and one bus are simultaneously blown up. As was the case with 9/11, it is somehow immediately discovered that the four bombers were "suicide attackers" and, of course, "linked to Al Qaeda".

JULY 23, 2005: 88 people are killed at an Egyptian tourist resort. On some "website", a shady group calling itself the "Abdullah Azzam Brigades" quickly takes credit for the attack, while claiming "links to Al Qaeda".



London - Bali - Madrid – All were clearly false-flag frame up jobs carried out by Western / Israeli intelligence

NOVEMBER 2002
GEORGE BUSH ESTABLISHES THE DEPARTMENT OF HOMELAND SECURITY

Again using the *fictitious* pretext of "protecting America from Al Qaeda" - George Bush and co-conspirators establish the **Department of Homeland Security**. The DHS is given massive power to spy upon and harass the American public. By 2015, DHS's annual budget will reach $40 Billion with 250,000 employees.

The DHS grants billions of dollars to local communities for the purpose of installing cameras to monitor the movements of the people. In 2010, one of the DHS sub-agencies, the **TSA**, creates a firestorm of controversy when it introduces naked scanner machines and full body pat downs at the nation's airports. The dangerous DHS and its TSA offshoot are now totally out of control.



New World Order imagery in the logo for the 'Information Awareness Office' of Homeland Security / Abuse at the airports

2000's
'BOMBER-OF-THE-MONTH' CHARADE KEEPS THE AMERICAN PUBLIC IN FEAR AND UNDER CONTROL

Throughout the 2000's, the gullible American public is fed a steady diet of fear-based propaganda. The false perception is created that there are "Al Qaeda" bombers everywhere, just waiting to blow us all up!

In addition to the actual "false flag" terror attacks, the Globalists create a number of *"foiled"* false flag attacks as well. It is a sort of *"Bomber-of-the Month"* club. The Hollywood plot lines for these patsy bombers are indeed comical. Like newly created villains in a Spider Man comic book, we have:

"The Shoe Bomber" (2001) - Richard Reid, a Muslim convert "linked to "Al Qaeda" who tries to light his "sneaker bomb" aboard an airplane bound for Miami. After this incident, Americans are forced to remove their shoes at the airport check-in.

"The Dirty Bomber"(2002) - Jose Padilla, a Muslim convert "linked to "Al Qaeda" who seeks to detonate a radioactive "dirty bomb."

"The Buffalo Six"(2002) - Six Yemeni-American friends, "linked to Al Qaeda" and arrested, on the basis of an anonymous letter, for plotting to detonate "dirty bombs".

"The Underwear Bomber" (2009) – Umar Farouk Abdulmuttalab, said to have explosives hidden in his underwear about an airliner bound for Detroit.

"The Times Square Bomber" (2010) - Faisal Shahzad, a Pakistani patsy "linked to "Al Qaeda" whose fireworks & propane bomb fizzles in a car trunk in New York.

"The Portland Bomber"(2010) - Mohamed Osman Mohamud, a 19 year old patsy used by the FBI to plant a fake bomb at a Christmas tree lighting ceremony.

In addition to the foiled bombers, there are also the *"rumored bombers"* who haven't struck yet, but may in the future..... such as **"The Breast Implant Bomber";** and **"The Toothpaste Bomber".**



A steady diet of some of the goofiest fear propaganda imaginable keeps the American & European people under psychological control.

MARCH, 2003
U.S. INVADES IRAQ

The Zionist Neo-Con faction of the Establishment finally gets what it wanted out of the 9/11 hoax. After months of scaring the public with fabricated tales of Iraq's *"Weapons of Mass Destruction,"* the U.S. and Britain kick off a new war against Iraq. The nationalist Saddam Hussein will soon be removed from power and executed. With this enemy of Israel eliminated, Israel intensifies its brutal oppression of the Palestinians.

More than 7000 US troops and contractors; and *at least* 500,000 innocent Iraqi civilians will eventually lose their lives during the war and the planned internal chaos that follows. **(4)** The war and the ongoing occupation will cost US taxpayers well over $1 Trillion dollars.



SHOCK AND AWE! Iraqi boy's parents were killed and his arms were blown off by American bombing.

NOVEMBER 2003
GLOBALISTS STAGE THE PHONY 'ROSE REVOLUTION' IN GEORGIA

The Republic of Georgia is a former Soviet state. Georgia's elected government has good relations with neighboring Russia, which is led by President Vladimir Putin. In the parliamentary election, Georgian President **Edward Shevardnadze**'s political allies are successful.

Globalist "observers" from Europe then declare that the elections fell short of "international standards".

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Huge protests "spontaneously" erupt in Georgia's major cities. The incredibly well organized protests are funded by Globalist George Soros and have all the indicators of CIA orchestration. Protestors are supplied with fresh roses, shipped in from outside. Jumbo TV screens, fireworks, and loud music make for a Hollywood style spectacle as the western media and politicians condemn Georgia's "vote fraud".

Finally, the government is forced to step down when Globalist puppet **Mikhail Saakashvili** and his mob crash the Parliament carrying roses. The pro-Russian government is overthrown by the **Rose Revolution**, and an NWO puppet state, led by the psychotic Saakashvili, is installed on Russia's southern border.





The "Rose Revolution" sets up a hostile Globalist base on Russia's border, and also close to Iran. George Bush later visited Georgia, where he was warmly greeted by the new Globalist puppet president.

NOVEMBER, 2004
THE CURIOUSLY RAPID RISE OF A WORTHLESS RADICAL NAMED BARACK OBAMA

Born the bi-racial child of Marxists, Barack Obama was groomed for big things, possibly as far back as his High School days. A Communist, bi-sexual "mentor" named **Frank Marshall Davis** appears to have been young Barry's connection to the **New World Order** pipeline. As a "B" student in High School, a "C" student and admitted crack user at Occidental College, Obama's alleged acceptance to elite Columbia University, and then Harvard Law, defy explanation.

Obama's alleged Ivy League transcripts and bar exam results remain unavailable to this day. Coming from a broken & dysfunctional family of modest means, the question of who paid for these extremely expensive schools is also a mystery.

During the 1990's, instead of practicing law, Obama works as an Alinskyite "community organizer" in Chicago. He is then elected unopposed to the Illinois legislature in '96, after his better known opponent, **Alice Palmer**, is kicked off of the ballot for "petition irregularities."

Obama launches his election effort in the living room of his friend and ghost writer, William Ayers, head the cop-killing Communist Weathermen who terrorized Chicago in 1968. (5)

In 2004, the popular incumbent Republican US Senator, **Peter Fitzgerald**, inexplicably announces that he will not seek reelection. Fitzgerald's Democrat predecessor, **Carol Mosely Braun**, then also strangely passes up the chance to win her old seat back. The path is now oh-so-conveniently clear for this mysterious unknown.

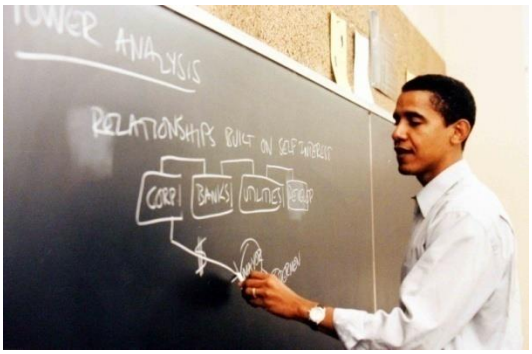
In the Democrat primary, Obama defeats the much better known, and much better funded, **Blair Hull** after embarrassing details of Hull's former marriage surface.

In the General Election, Obama's Republican opponent, **Jack Ryan**, withdraws from the race, again after Zionist George Zell's Chicago Tribune persuades a Court to release Ryan's embarrassing divorce papers.

One by one, every big-name politician in Obama's path *(Palmer, Fitzgerald, Mosely-Braun, Hull, Ryan)* has been removed by an unseen force.

The Republicans recruit Alan Keyes as a late replacement. Keyes openly accuses Obama of being "a radical communist". But by now it is too late to derail Obama. Obama is elected to the U.S. Senate as the national media quickly begins hyping him up as *"the potential first black President."*





"Barry" smoked crack cocaine while in college. How did the C student get into an Ivy League school? Why won't he release his college transcripts? Who paid for these expensive schools? Why did Obama never practice law after graduating Harvard law School? Who got him a teaching job at Chicago?

NOVEMBER 2004 – JANUARY 2005
GLOBALISTS STAGE THE PHONY 'ORANGE REVOLUTION' IN THE UKRAINE

Exactly one year after Georgia's phony "Rose Revolution", George Soros and the NWO gang replay the same spectacle in Ukraine, another former Soviet Republic friendly to **Vladimir Putin's** Russia. When Globalist candidate **Viktor Yushenko** loses a close Presidential election to **Viktor Yanukovych**, "spontaneous protests" once again erupt.

Of course, the Soros / CIA protesters charge "voter fraud". The baseless accusation is repeated in the western press. Putin is even accused of poisoning Yushenko.
As was the case with Georgia, the world is treated to a Hollywood charade filled with music and orange banners. Under intense pressure from the outside, coupled with controlled pressure from within, a 2nd election is held in December of 2005. This time, the Globalist puppet wins.

The Orange Revolution results in another hostile puppet state being set up on Russia's border. In 2010, the Ukrainians will dump their Globalist President and re-establish friendly ties with their brother nation of Russia.



Another phony "color revolution" on Russia's border.

NOVEMBER, 2005
JEWISH NEW YORK TIMES COLUMNIST AND PBS COMMENTATOR SAYS JEWS HAVE TAKEN OVER AMERICA



The New York Times

David Brooks

"A woman came up to me after one of my book talks and said, 'You realize what you're talking about is the Jews taking over America.'

My eyes bugged out, but then I realized that she was Jewish and she knew I was, too, and ***between us we could acknowledge there's a lot of truth in that statement****. For* ***the Jews were the vanguard of a social movement that over the course of the 20th century transformed the American university system and the nature of the American elite.****" –November 6, 2005 / "The Chosen"* **(6)**

2006
RUSSIAN PRESIDENT VLADIMIR PUTIN OPENLY CHALLENGES THE AUTHORITY OF THE NEW WORLD ORDER

Vladimir Putin had succeeded Boris Yeltsin in 2000 and regained control of Russia from the criminal "Oligarchs" who had raped the country's finances. Putin is a patriot who respects Russia's culture and heritage, including the Orthodox religion and the Romanov past. Putin will not tolerate the curious American obsession with placing missiles in Globalist puppet Poland.

Putin makes it clear that he will not be controlled by the **New World Order** *(The "Uni-Polar World" as he calls it)* In a 2006 speech Putin condemns Globalism:

*"**The Uni-Polar world** refers to a world in which there is one master, one sovereign, one center of authority, one center of force, one center of decision-making. This is pernicious - At its basis there can be no moral foundations for modern civilization."* **(7)**

The Globo-Zionist Media vilifies Putin. In 2008, Zbig Brzezinski, whom Putin has called out by name, will actually compare Putin to "Hitler".



Putin says "Nyet" to a New World Order as warmongering NATO expands right up to Russia's border!

2006
PUTIN ASSEMBLES 'BRIC' TRADING BLOC

The foreign ministers of what will later become known as the initial four BRIC states *(Brazil, Russia, India, and China)* meet in New York City in September 2006. This begins a series of high-level meetings among the developing giants. A full-scale diplomatic meeting would be held in Yekaterinburg, Russia, in May 2008. BRIC will emerge as an independent international organization that facilitates commercial, political and cultural cooperation between its members. In 2010, South Africa joined BRIC, making it BRICS.

The critical difference between the **BRICS** *(and also the **SCO** – Shangai Cooperation Organization)*, versus Globalist bodies such as the EU and NAFTA, is that the SCO & BRICS clubs deal with each other as equals; with no centralized power source to absorb their individual sovereignty. BRICS & SCO are like a group of neighbors collaborating to hold a neighborhood yard sale, or block party; whereas the New World Order bodies on the other hand, are like an overbearing Condo Association.

Coneel Sebal, India's former Foreign Secretary, sums it up very succinctly:

"The West is scared of BRICS as it has no control over it." **(8)**

Putin himself explains:

"The ability to compromise is not a diplomatic politeness toward a partner but rather taking into account and respecting your partner's legitimate interests." **(9)**

Is it any wonder then why Brazil *(as well as Argentina & Venezuela)* abandoned US plans to establish the FTAA *(Free Trade Area of the Americas)*; choosing to join Putin's club instead? Keep this in mind the next time "spontaneous" NGO-CIA protests erupt in Brazil *(as happened did in 2013)* or in Venezuela *(as happened in 2014).*





1: Putin forges close ties with China

2: Putin establishes the BRIC(S) trade powerhouse

3: Russia & China's Eurasian SCO is growing fast.

SEPTEMBER 11, 2006 PUTIN PRESENTS AMERICA WITH A MEMORIAL TO COMMEMORATE THE 5TH ANNIVERSARY OF 9-11 / MEDIA IS SILENT AS MEMORIAL IS DUMPED IN A BAD LOCATION

Five years have passed since the 9/11 attacks, and the U.S. government has yet to build a memorial to the victims *that it actually killed*. Now, Russian President Putin presents America with a sculpture to commemorate the fallen towers. The work of art is called **"The Tear Drop Memorial".** It consists of a 100 foot tall tower, with a huge open crack running down the center. Hanging from the crack is a massive "teardrop" designed to actually drip water. The base of the monument is surrounded by a marble wall with the names of all 3000 victims engraved in it. **(10)**

Refusing to place the monument in Manhattan or on the scenic Jersey City waterfront), authorities instead dump Putin's gift in a depressed and unseen spot in Bayonne, NJ. *(around the corner from a junkyard!)* The media gives the memorial, dedicated by Putin himself, a total silent treatment. The monument is barely known, even among local residents of Bayonne! One Bayonne Councilman is happy to host the monument, but he is baffled by Jersey City's rejection of it.

"This is a beautiful memorial. I don't know why they (Jersey City) didn't want it. We don't even have money to keep the teardrop operational, so, it stays dry." **(11)**

***Jersey City is directly across the river from where the Twin Towers stood.**

Putin made a beautiful gesture towards America. But the Globalists, in anticipation of the eventual conflict with the allied independent powers of Russia and China, need to portray Putin as evil. **That is why the 9/11 memorial gift from Russia remains unknown to Americans.**



Russia's 100 ft. tall 9/11 memorial was dumped in Bayonne, NJ and buried by the media.

2006
AL GORE'S MOVIE PROMOTES GLOBAL WARMING HOAX



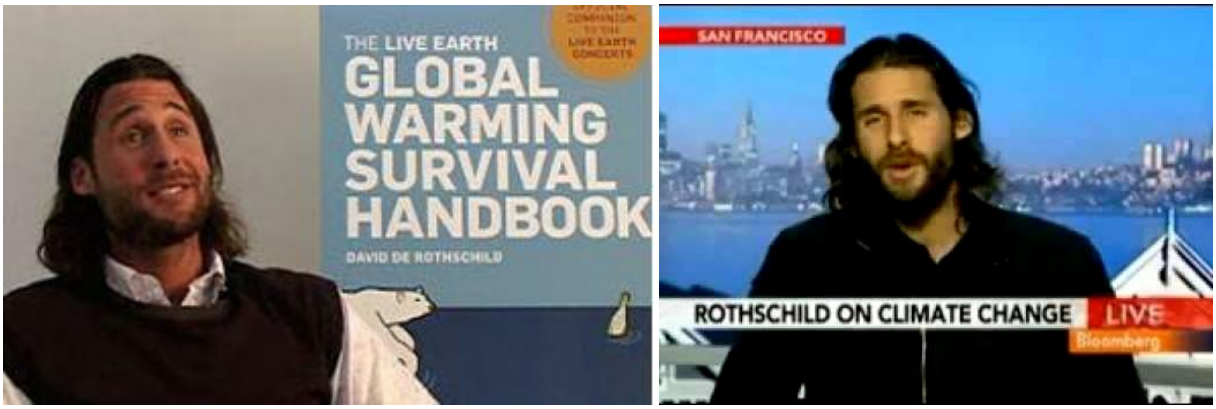
Gore blows out hot air - not science.

"An Inconvenient Truth" is a 2006 propaganda film about former US Vice President Al Gore's campaign to educate citizens about "Global Warming". Due to intense media hype surrounding the film, it is a box office success that energizes the Environmentalist movement.

The Globalists know that their Global Warming fairy tale has been discredited by honest scientists, but they use the horrifying hoax as a tactic to impose taxes on carbon dioxide, depress living standards, and erode national sovereignty. Each year, Gore's unscientific Globalist garbage is shown to millions of impressionable young people.

Gore himself is a member of the CFR; and his daughter Karenna married into the Marxist-Zionist Schiff family. **(12)** Gore is making a multi-million dollar fortune by promoting the hoax, wins a Hollywood Oscar, wins a Pulitzer Prize for his book on the subject, and, of course, wins a Nobel Peace Prize.

In 2010, Gore is personally and publicly disgraced after allegations surface that Gore attempted to sexually assault a masseuse. **(13)** His wife of many years divorces the perverted propagandist soon afterwards.



The Rothschild clan has its hands behind EVERYTHING!
David deRothschild authored "The Global Warming Survival Handbook."

NOVEMBER, 2007
C.I.A. REVOLUTION IN RUSSIA FALLS FLAT ON ITS FACE / PUTIN CRUSHES GLOBO STOOGE GARRY KASPAROV

When the Globalists unleash a "Color Revolution" aimed at Russia, Vladimir Putin is ready for it. The man chosen by the Rothschild / Soros / Brzezinski / CIA destabilization gang is the legendary Chess Champion, **Garry Kasparov** *(born Garry Weinstein)* Kasparov and 3000 of his '**Other Russia'** thugs stage an anti-Putin rally in St Petersburg. Police rough up the activists and detain nearly 200 of them, including Kasparov himself.

The arrogant Kasparov is now widely viewed as a traitor by most Russians. His popularity is so low, that he decides to abandon his run for President of Russia in 2008. Though Kasparov-Weinstein continues to take cheap shots at Putin while visiting Israel and the US, don't expect the influence of the popular Mr. Putin to decline anytime soon.



Kasparov works as a street agitator for the Rothshilds (Image #1 -Kasparov with Jacob Rothschild. His act consists of deliberately provoking his own brief arrest so that western media can portray Russia as a "dictatorship".

JULY 23, 2008
200,000 BRAINWASHED GERMANS CHEER CANDIDATE OBAMA AS HE CALLS FOR 'GLOBAL COOPERATION'

More than 60 years of post-war, Globalist inflicted self-hatred has damaged both the minds and spirits of the once proud German people. German guilt-tripping over "Nazism", and Globalist media hype combine to create the most ridiculous spectacle of "Obama-Mania" of 2008.

In Berlin, **200,000 German imbeciles** give *candidat*e Barack Obama a delirious reception. The mass adulation that in years past was shown for Germany's anti-Globalist Adolf Hitler, is now bestowed upon an uneducated Marxist clown who has never held a real job, and hasn't even been elected yet! Obama shows his Globalist colors by declaring before the frenzied crowd:

"Tonight, I speak before you not as a candidate for President, but as a citizen — a proud citizen of the United States, and a fellow citizen of the world." **(14)**

He then pushes the Global Warming Hoax:

"This is the moment when we must come together to save the planet. Let us resolve that we will not leave our children a world where the oceans rise and famine spreads and terrible storms devastate our lands. ...This is the moment to give our children back their future. .... to stand as one." **(15)**

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The Germans chant *"Obama! Obama!"* Obama's Globalist owners must surely be amused at the stupidity of the German people; whose recent ancestors they had so mercilessly butchered, tortured, slandered, and conquered. If Hitler had a grave, he would surely be spinning in it now!



The homosexual Marxist "community organizer" who never held a real job is worshipped by brainwashed Germans.



Indeed!

AUGUST 8, 2008
GLOBALIST PUPPET STATE OF GEORGIA ATTACKS RUSSIAN PROTECTORATE OF SOUTH OSSETIA!

Russian Prime Minister Vladimir Putin and US President George Bush are seated close to each other as they watch the Opening ceremonies of the 2008 Olympics in Beijing, China. When Putin is informed that NWO puppet Georgia has just invaded South Ossetia - *a tiny independent state whose inhabitants are Russian citizens* - he wags his finger at Bush and storms out of the stadium.

Russian leaders Putin and Medvedev order Russian troops to mobilize, but by the time they arrive to liberate Ossetia, 2,000 civilians have been murdered by the

US/Israeli equipped Georgian army. The Russians quickly and impressively rout the Georgian invaders, chasing them back deep into Georgian territory.

In a manner similar to the lies surrounding the German-Polish conflict of 1939, the Globalist media then reports that Russia has "invaded" Georgia. Brzezinski claims that Putin is like "Hitler". No mention is made of the fact that it was *Georgia (green-lighted by the US)* that drew first blood against Russian civilians.



Georgia puppet state attacks Russia and gets smacked down hard

OCTOBER, 2008
REPUBLICANS AND DEMOCRATS UNITE TO BAILOUT THE BANKERS WITH TAXPAYER MONEY

The Wall Street banks and investment houses profited greatly from Greenspan's housing bubble. Now that the party is over, they demand $750 billion of losses to be covered by the US taxpayer.
While well-connected criminals such as Goldman Sachs agent and Treasury Secretary **Hank Paulson** twisted the arms of Congress, the Establishment Media terrorizes the American public with horror stories of what will happen if the bankers are not bailed out and new emergency powers are not given to the Federal Reserve.

The public never bought into the bailout, but that didn't stop the politicians from robbing them. After an initial failure in Congress, the bailout bill passed on a second try. It was the largest robbery in US history.





Billionaire Globalists George Soros and Warren Buffett benefitted from the "bailout" they demanded.

OCTOBER, 2008
ANTI-GLOBALIST AUSTRIAN POLITICIAN JORG HAIDER KILLED IN STRANGE CAR ACCIDENT

Jorg Haider, the long-time leader of the Austrian Freedom Party, had served as Governor of Carinthia and later Chairman of the Alliance for the Future of Austria. Haider had drawn the ire of Globalists and Jewish groups by praising the economic policies of Adolf Hitler and railing against "international bankers". Haider had also openly supported Muammar Qaddafi of Libya and Saddam Hussein of Iraq.

Haider is being closely watched by Israel's Mossad, Due to Haider's perceived contacts to "Holocaust deniers", the Israeli Foreign Ministry on September 29, 2008 declares that it is heavily concerned about the 2008 Austrian elections. A spokesman of the ministry states that Israeli officials:

"...are very worried about the rise to power of people who promote hatred, Holocaust denial, and befriend Neo-Nazis. We see it as a disturbing development and are following the matter very closely" **(16)**

Within two weeks of that statement, Haider dies of injuries from a car crash in the state of Carinthia. He had been on his way to celebrate his mother's 90th birthday





Haider meets Hussein – Haider meets Qaddafi – Haider meets Mossad

OCTOBER, 2008
THE OMINOUS PROPHECY OF WEBSTER GRIFFIN TARPLEY

Astute observers of geo-politics are not so easily fooled by Obama-Mania. Author and historian Dr. Webster Griffin Tarpley quickly spots George Soros's 'Obama Deception' and tries to warn anyone who will listen. Before Obama is even elected, Tarpley states:

*"The project of the next administration, if it is Obama, is to smash both Russia and China. People in Europe had better wake up. That silly romantic illusion that they have about Obama is going to be suicidal…**Obama's foreign policy is to have a global showdown with Russia and China."*** **(17)** *(emphasis added)*

Many would have laughed at such a prediction in 2008. They aren't laughing today!





Webster Tarpley stated with absolute certainty that the "peace" Candidate Obama, if elected, would maneuver the U.S. into war with Russia & China.

NOVEMBER 4, 2008
THE OBAMA DECEPTION IS PERPETRATED UPON AMERICA

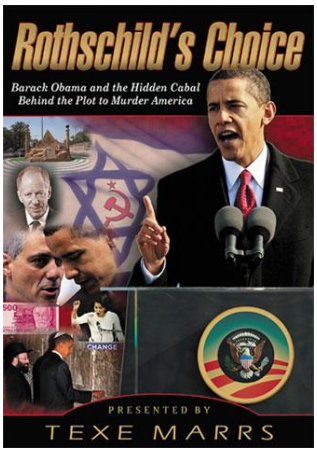
Barack Obama - the previously unknown Chicago street agitator and vote fraud organizer- completes his rapid, media-fueled ascent to the Presidency. A Marxist activist with close ties to former Weather Underground terrorists William Ayers and Jeff Jones; Obama is the ultimate puppet of choice of Globalist Billionaire **George Soros** and the International Banking gang. The Jewish-Hungarian Soros **(CFR - Board of Directors)** and his paid mob of liberal activists pour millions of dollars and countless man-hours into getting Obama elected.

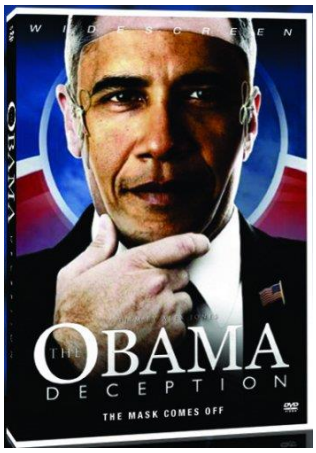
After defeating Hillary Clinton **(CFR, TC**) in the Democrat Primaries, and then a weak and disinterested Republican Senator **John McCain (CFR),** Obama moves quickly in his 'first 100 days', running up an astonishing budget deficit of $1.6 Trillion, passing another bailout for General Motors, advancing socialized health care, allowing Goldman Sachs to loot the Treasury, giving new powers to the Fed, and expanding America's military role in Asia.

Critics of Obama's reckless spending are denounced as "racists" by the Media, as very credible allegations of his homosexuality **(18)** and ineligibility due to foreign birth are ignored.**(19)**

Obama is an artificial creation of the most intense media hype campaign in history. By installing a black man as President, the Globalists can advance their agenda more radically than ever before. Fear of being called "racist", combined with media-inflicted "white guilt" shield the Marxist President from the condemnation he deserves.







1- Barack Obama is a wholly owned puppet of George Soros – who is himself connected to the Rothschild Octopus.

2- Rothschild's Choice – a video presentation by Texe Marrs – explains who the forces behind Obama really are.

3- The Obama Deception by Alex Jones – also well done

15 TIME Magazine covers in 2008 alone!



DECEMBER, 2008
OPERATION 'CAST LEAD' / ISRAEL KILLS 1400 DEFENSELESS PALESTINIAN CIVILIAN

Rockets of *unknown origin* are landing in uninhabited areas of Israel. The Israelis accuse Palestinian guerillas of firing the cheap and harmless rockets. Using the rockets as a pretext, Israel launches a 3 week terror bombing campaign against the Palestinian refugees trapped in the Gaza strip. The military operation is code named: **'Cast Lead'.**

The bombing campaign is followed by a ground invasion. By the end of Cast Lead, 1400 Arabs lay dead, mostly women and children. Israeli casualties amount to only 11. In spite of clear evidence that Israel bombed densely populated neighborhoods with skin-melting white phosphorous bombs, the U.S. blindly declares its support for Israel's terror campaign.




Images of dead Palestinian children are blacked out by the Zionist media.




1- Israeli settlers taunt a Palestinian woman whose home has been taken.

2- "From Israel with Love." Israeli school children write messages on bombs destined for Palestinians.

2009
GEORGE SOROS CALLS UPON CHINA TO INTEGRATE INTO THE 'NEW WORLD ORDER'

Billionaire Global manipulator **George Soros (CFR)** calls for a **New World Order** and a managed decline of the US dollar. Soros is concerned that the new China is acting too much in her own national interests. In an interview with the Financial Times, he states:

*"I think you need a **New World Order**, that China has to be part of the process of creating it and they have to buy in to it."* **(20)**

The Globalist plan to encircle China and Russia is the true reason behind US military adventures in Asia, as well as CIA sponsored "color revolutions" throughout Europe, Asia, and North Africa. It remains to be seen if this dynamic and nationalist new China will go fully Globalist, or ally itself with Russia against the coming Globalist confrontation.





1- Soros demands that China participate The New World Order

2- Soros, David Rockefeller, Bill Gates Sr., and Red Billionaire Ted Turner enjoy a private party.

APRIL, 2010
POLISH POLITICAL & MILITARY LEADERS WIPED OUT IN PLANE CRASH

Though a member of the European Union; the Polish government has been strongly resisting European Union's policies on economics and "Global

Warming". Moreover, it appears that Poland may be in the process of "mending fences" with Russia.

In 2010, Putin & Medvedev invite the most powerful people in Poland to attend a memorial service honoring Polish victims of Stalin's Katyn Forest massacre of 1940. These include Polish president **Lech Kaczynski**, the Chief of the Polish Military Staff and other senior Polish military officers, the president of the Central Bank of Poland, and dozens of other members of the Polish government and Parliament.

A low impact crash over Russian soil - *near Katyn Forest* - cloaked by some very unusual anomalies, decapitates the Polish government. This was a very strange incident, to say the least. The fact that Poland has since become much more anti-Russian and obedient to the EU adds further intrigue to this bizarre event.



Low impact landing - yet no survivors. Russian investigation, headed by Putin, blames Polish pilots. Perhaps Putin knows better?

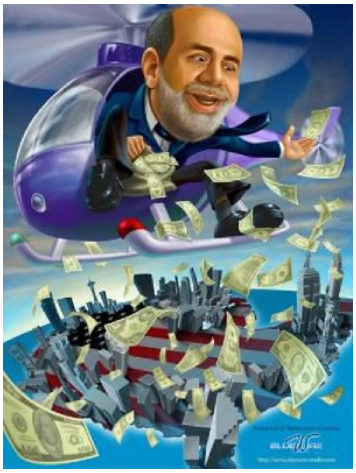
2010
OBAMA AND THE FED FLOOD THE WORLD ECONOMY WITH PHONY PAPER MONEY / DOLLAR DECLINES IN VALUE

In a clear signal that the Zio-Globo International Bankers are committed to destroying America's currency, Fed Chairman **Benjamin Shalom Bernanke (CFR)** arranges the direct purchase of $600 Billion in US debt *(bonds)*. The purchase is made with money that the privately owned Fed creates "out of thin air."

As expected, commodity prices for grains, meats, oil, and metals rise steadily from 2010 and beyond. As Americans are robbed by Bernanke's *true* inflation rate of

5% + per year, true unemployment hovers near 20%. But the Establishment media keeps reporting a false 9% unemployment rate, and a false 1% inflation rate!

America is in trouble, and many people are starting to realize it. But very few understand the true nature of the Fed's role American decline.





1- Bernanke's 'easy money' is like throwing newly printed paper money out of a helicopter.

2- Institutionalized Counterfeiting, loan sharking, market manipulation and insider trading – all concealed by the academic veneer of "monetary policy"

NOVEMBER 6 & 7, 2010
CENTRAL BANKERS CELEBRATE THE 100TH ANNIVERSARY OF THE SECRET MEETING AT JEKYLL ISLAND

In a stunning display of arrogance, the powers behind the Federal Reserve return to Jekyll Island to celebrate the 100 year anniversary of the infamous conspiratorial meeting that spawned the U.S. Federal Reserve.

In 1910, the bankers had to meet in secret, but today, they meet openly, and make no attempt to conceal the fact that the original Jekyll Island meeting was in fact a Rockefeller-Morgan-Warburg-Schiff-Rothschild conspiracy!

The title of the conference is **"A Return to Jekyll Island: The Origins, History, and Future of the Federal Reserve",** and is held on November 5th & 6th in the

very same building where the original 1910 meeting occurred. Inflationary Zio-Globo bubble-makers Alan Greenspan **(CFR)** and Benjamin Bernanke **(CFR)** are both in attendance and participate as speakers.




Greenspan & Bernanke celebrate the 100 year old Zionist conspiracy to rob America by visiting the room where Paul Warburg, Nelson Aldrich and J.P. Morgan hatched their plot to control America's money supply.

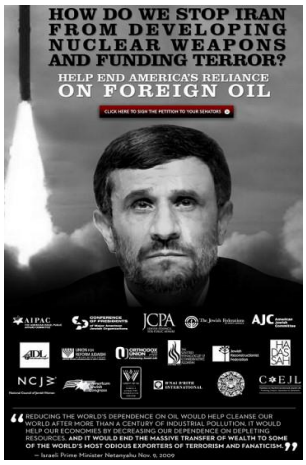
2008 - 2011
NEW WORLD ORDER FACTIONS ARE DIVIDED AS TO HOW IRANIAN GOVERNMENT SHOULD BE OVERTHROWN

The peaceful government of Iran has been targeted for elimination by **The New World Order.** Between the pure Globalist George Soros-Bilderberger faction, and the radical Zionist faction of the New World Order, there is a deep divide over how to overthrow Iran.

The Bilderberger Globalists believe that a military invasion of Iran is costly and risky. They prefer to internally subvert Iran with a CIA "Color Revolution". The Zionists on the other hand, have no patience for long term maneuvers. They want to invade Iran now!

The intra-network dispute is so lively that at one point, Globalist Zbigniew Brzezinski openly suggests that the U.S. shoot down Israeli airplanes if they attempt to bomb Iran! **(21)** The Zionists respond by using some of their controlled "conservative" talk radio mouthpieces to do "limited hangouts" of George Soros and even the Bilderberg conferences. The Bilderberger / Trilateralists strike back by exposing scandals related to FOX News chief and international media mogul, and arch neo-con **Rupert Murdoch.**

Obama is clearly in the Soros / Zbig Bilderberg camp, but he also knows that he must respect the Israeli / Neo-Con power base. Like two competing Mafia Families, the internal squabbles between the "left" Bilderbergs and the "right" Israel Firsters can get very ugly at times. But, at the end of the day, both lunatic factions of this **New World Order** crime gang work against the interests of the people; and will eventually come to an agreement over the Iran situation.





1- The 17 major Jewish groups ran a full page ad in the NY Times depicting Iran's president as a nuclear madman.

2- Globalist Brzezinski sees Israel's aggression as a nuisance that complicates efforts to confront Russia and finalize The New World Order.

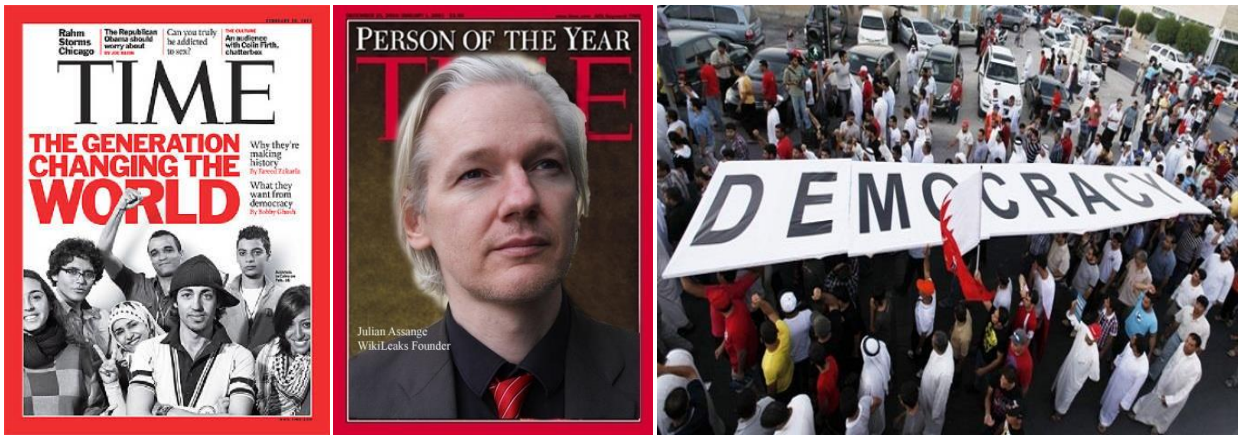
SPRING, 2011
GLOBALISTS AND THEIR ARAB AGENTS UNLEASH 'THE ARAB SPRING'

Just like the "European Spring" revolutions of 1848, and the "Velvet Revolutions" of the late 1980's, and the "Color Revolutions" of the 2000's, the "Arab Spring" uprisings of 2011 are presented as "spontaneous" protests of "young people" demanding "democracy" and an end to "oppression".

The unrest begins after a CIA operation known as "**WikiLeaks**" conveniently "leaks" out information damaging to certain Arab states. CIA media in those states then spread the embarrassing stories which help to spark to demonstrations; thus providing protective cover for the agents leading the "people's" revolutions. The coming years of chaos, death and destruction are planned.

Starting in Tunisia, and then "spreading" to Egypt, Libya, Bahrain, and Syria, these CIA-engineered coups aim to install NWO puppet "democracies" all along the outskirts of the great Eurasian land mass. From Eastern Europe to North Africa to the Middle East to Iran to South Central Asia and South East Asia, Brzezinski's Globalist noose is being skillfully constructed around the defiant Chinese and Russia giants.

In an ironic twist, the ex-communist powers are now peaceful and moving towards a market-based economy, while the US & EU are becoming socialistic as they *(along with Israel)* terrorize the disobedient nations of the world.



TIME sells the idiotic myth that Arab college kids on the Internet started the 2011 revolutions. In realty, the Arab Spring was triggered by agent Julian Assange of WikiLeaks (22) - after having been carefully planned by the CIA.

MAY 1, 2011
MAY DAY HOAX! / OBAMA ANNOUNCES 'THE KILLING OF BIN LADEN'

With his popularity falling, and with Pakistan *(China's neighbor and longtime ally)* in the Globalist cross-hairs, President Obama pulls off the hoax of "the killing of Osama Bin Laden". The deceitful Marxist President announces to a gullible nation that Osama Bin Laden has just been killed in a U.S. raid on his compound in Pakistan. The phantom terrorist *(who is innocent of the 9/11 attacks and was actually killed in 2001)* is said to have been shot dead, and then dumped in the ocean.

Obama claims that there are photos and videos of both the dead body and of the raid itself, but that the public may not view them for reasons of "national security." The despicable Obama goes so far as to attend a New York Memorial service with gullible family members of the 9-11 victims. Without a shred of evidence, no photos, no videos, and no body – the brain dead American public swallows this latest media hoax.

Obama's approval ratings improve, and Pakistan is now accused of having "hidden Bin Laden." China strongly condemns the violation of Pakistan's sovereignty, and issues a warning against future attacks on Pakistan.



1- The first Bin laden death photos were so obviously fake that the U.S. government even admitted so!

2- The Obama inner circle watches the "raid" on live feed. Why can't the public be shown what they are supposedly looking at?

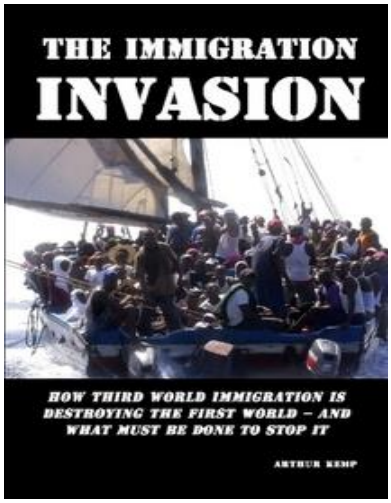
2000 - PRESENT
IMMIGRATION INVASION CHANGES THE AMERICAN VOTING POPULATION INTO A MARXIST 'PROLETARIAT'

Whether Republican or Democrat, the Globalists REFUSE to address the invasion of America by illegal immigrants, coming mainly from Mexico. Whenever concerned citizens express their anger over the growing crime wave, and the associated high cost of social services such as food stamps, education, and hospital care, the media vilifies them as "racists" and "xenophobes".

By 2011, millions of Mexican "anchor babies" has already reached voting age as "Amnesty" programs threaten to turn millions more into instant Democrat voters.

Traditionally conservative states such as California and Nevada have already become Marxist leaning. Within 25 years, even liberty-loving Texas will have a majority "Hispanic" voting bloc that will have been skillfully radicalized by Globalist controlled Spanish TV into hating "gringos" and voting for leftist Democrats only.





The "third world" invasion of America and Europe is BY DESIGN. America is actually being VOTED into Communism!

"The mixed persecuting race disappears."

- *Sidonia (Lionel Rothschild) – as written by Benjamin Disraeli*

OCTOBER 2011
QADDAFI IS MURDERED BY NATO AND ITS HIRED GANG OF "ARAB SPRING REBELS"

Over the course of 35 years as the symbolic leader of the decentralized government of Libya, **Muammar Qaddafi** was a source of irritation for the Zionists and the Globalists of the **New World Order** crime gang. During the 1980's, the eccentric "Colonel Gaddafi" was framed by the Israelis for acts of terror that he had nothing to do with. In response to pressure from "neo-cons" inside of his administration, President Reagan ordered the bombing of Gaddafi's compound, killing his young daughter.

Libya is a debt-free country that issues currency from a National Bank, not a Rothschild Central Bank. Libya enjoys the highest standard of living in Africa. Qaddafi was seeking to take leadership of the emerging African Union and free it of Globalist-Zionist domination. In a 2009 speech before the UN, Gaddafi accused the Zionists of having murdered John F. Kennedy.

After months of merciless NATO bombing, Gaddafi's convoy is bombed by French jets. Gaddafi and his guards run for cover to a nearby drain. NATO/CIA paid mercenaries then capture and torture the popular leader, beating him and sodomizing him with a knife before finally shooting him in the head. The horrible images of Gaddafi's death are broadcast worldwide as President Obama boasts about killing the "brutal dictator". Though America is bankrupt, Obama pledges millions of dollars to establish a new puppet "democracy".

Due to the ensuing chaos, China is forced to evacuate all of its foreign-based workers from Libya.





Gaddafi was brutally tortured by NATO backed "rebels". Upon hearing of his murder, Secretary of State Hillary Clinton cackles on CBS News: ***"We came. We saw. He died." (23)***

2012
ANTI-IRANIAN WAR PROPAGANDA CONTINUES

The beginning of 2012 sees an increase of war propaganda aimed at Iran. Iran's ally Syria is also being targeted. Russia and China back their Middle East allies.

In an effort to court the Jewish vote for his re-election campaign, President Obama imposes tough new economic sanctions on Iran. As they did during the 2002 run up to Iraq War, the NWO gang is falsely accusing Iran of building nuclear bombs.

US ships in the Persian Gulf now face a serious threat of a "false flag" attack - staged by Israeli submarines and to be blamed on Iran. Undaunted by US/Israel threats and propaganda, **Iran vows to massively retaliate if attacked, but insists that they will not attack first.** It will take a US/Israeli first strike or "false flag" event to kick start World War III.






1- Fanatical American Jews demonstrate in favor of attacking peaceful Iran and its "Hitler" president.

2- Zionist casino mogul Sheldon Adelson is the largest single donor to the Republican Party – and he wants war!

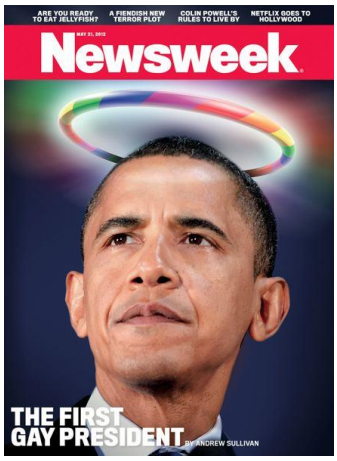
2012
OBAMA DECLARES HIS SUPPORT FOR HOMOSEXUAL 'MARRIAGE'

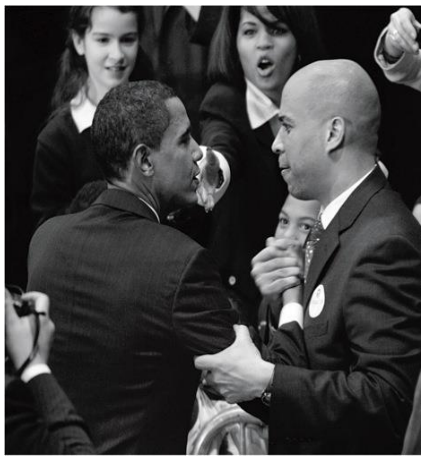
A likely homosexual himself, Barack Obama stuns even his harshest critics by declaring his support for the legalization of "same sex marriage."

Obama's assault on tradition and faith is completely in line with the centuries-old drive by Marxists and Globalists to attack traditional family structure and to undermine the moral codes of civilized societies.

Jane Harmon and Barry Diller, the two Jewish homosexual owners of Newsweek Magazine, run a cover story dubbing Obama as "**The First Gay President**". Little

do most people know that Newsweek's controversial cover was really a *literal* statement of Obama's homosexuality.



1 & 2: Obama the Marxist homosexual. A photo from the 1980's shows Barry on the couch holding hands (see intertwined fingers) with his Pakistani "friend".

3: Obama and reputed homosexual Senator Corey Booker (D-NJ) caught in an intense "look-of-love" moment.

JUNE, 2012
IN RESPONSE TO U.S. BULLYING, RUSSIA & CHINA INCREASE THEIR MILITARY CO-OPERATION

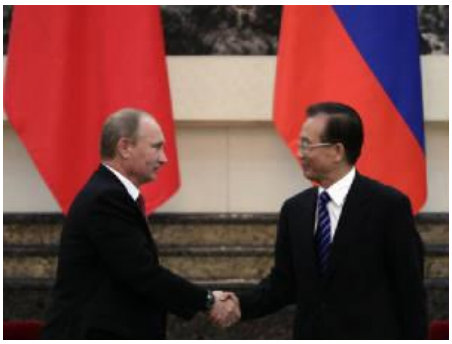
Not long after the US announces its intentions to increase its naval presence in the Pacific, Russia's new President *(2nd time)* Vladimir Putin counters by announcing an increase in military ties, and war game operations, with the Chinese navy. Putin states:

"Recently joint navy exercises were held in the Yellow Sea, and they were the first of such exercises. We have agreed with Chairman Hu that we will continue such cooperation." **(24)**

Putin then added:

"China is Russia's strategic partner. We enjoy mutually beneficial, mutually trusting, open cooperation in all fields." **(25)**

The rhetoric between the NWO Globalists and the Russia-China-Iran-Syria Axis continues to heat up, as the chess pieces for the Grand War are positioned.




No longer the communist tyrannies they once were; independent Russia and China unite against the Globalist NATO war machine.

JULY, 2012
HILLARY CLINTON THREATENS RUSSIA AND CHINA OVER THEIR SUPPORT OF SYRIA

The New World Order wants to conquer Syria but Russia, China and Iran are blocking the effort – going so far as to deploy naval assets to the region. Fronting for the Globalist-Zionist Axis, an angry Secretary of State and an admitted 'One Worlder' Hillary Clinton lets loose a threatening tirade against the Russia-China alliance:

"I do not believe that Russia and China are paying any price at all - nothing at all - for standing up on behalf of the [Syrian] Assad regime. The only way that will change is if every nation represented here directly and urgently makes it clear that Russia and China will pay a price." **(26)**





Saddam (Iraq), Dead / Qaddafi (Libya), Dead / Assad (Syria), still hanging on!

The aggressive provocation of Russia *(via NWO puppets in Eastern Europe)* and China *(via NWO puppets in Vietnam, Japan, and Philippines)* has escalated ever since.







Hillary's Globalists bosses will make good on her threats. As was the case with the plot to take down Hitler, Russia and China now have provocative NWO puppet neighbors provoking conflict on their doorsteps.




Bill and Hillary Clinton pose proudly with Sir Evelyn and Lady de Rothschild

DECEMBER, 2012
OBAMA USES A STAGED MASS SHOOTING OF 6 YEAR OLDS TO PUSH FOR 'GUN CONTROL'

Americans are horrified to learn of a mass shooting at the **Sandy Hook Elementary School** in Newtown, CT. The media claims that 26 are dead, including 20 kindergartners. The 'lone gunman' – Adam Lanza, is said to have then committed suicide with his 'assault rifle.'

Alert Internet 'conspiracy theorists' soon expose the "Sandy Hook Massacre" as a staged, fictitious event that involved 'crisis actors' and total CIA orchestration.

(Google: Sandy Hook Hoax) To date, not a single photo the crime scene or of any covered bodies has ever been released.

Immediately, the just recently re-elected Obama, the media and Hollywood launch into a massive push to ban semi-automatic rifles. Though the gun control effort fails on a Federal level, the fictitious school shootings do lead to the passing of some drastic gun control laws in Connecticut, New York, Colorado, and California.



Just seconds before his fake crying for the camera, Sandy Hook 'parent' Robbie Parker was caught laughing. Obama's crying was also faked.

MARCH, 2013
PRESIDENT CHAVEZ OF VENEZUELA DIES OF CANCER / SUPPORTERS ACCUSE U.S. / ISRAEL OF ASSASSINATION

The outspoken Hugo Chavez is a socialist, but is also fiercely independent. Chavez wants no part of the **New World Order.** He also regards Israel as a terrorist nation. His close allies include Iran, Syria, Russia, and, prior to the murder of Qaddafi by U.S. backed 'rebels', Libya.

After claiming for years that Israel and the U.S. were plotting to assassinate him, **(27)** Chavez is stricken with a strange form of cancer. He fights the illness for about 1 year, before dying at the age of 58. Many of his supporters believe that Chavez was infected with cancer cells by sophisticated methods of a foreign intelligence service. The odd onset of his sickness, and the absolute hatred that the Globalists and Zionists had for Chavez, lend weight to this 'conspiracy theory'




1 - Chavez (right) honoring Qaddafi (also recently killed) with The Sword of Simon Bolivar.

2 – Chavez presented the same award to Russian President Putin

MARCH, 2013
GLOBALIST-MARXIST INSTALLED AS POPE

Catholics are surprised and confused when **Pope Benedict XVI** becomes the first Pope to "resign" in over 600 years. Even more shocking is the immediate hero's welcome afforded to his successor, Cardinal **Jorge Bergoglio** of Argentina, by the anti-Christian Globalist media who dubs, **"The New World Pope". (28)**

The puffed-up "rock star" takes the papal name of 'Francis' and wastes little time in showing off the same Marxist colors he had previously displayed as a practitioner of Latin American "liberation theology". The coming outrages will include: defense of homosexuals *("Who am I to judge")*, downplaying of abortion, advocacy of open borders, anti-White condemnation of "racism", defense of Marxists, demagoguery against "income inequality", and, most disturbing of all, **his open call for establishing a world political body to fight non-existent "Global Warming" –** which he claims is a proven fact.



The sudden overthrow of Benedict and the installation of Frankie the Fake proves that the Globalists have agents of destruction working high up in the Catholic Church.

MAY, 2013
SEEKING TO KICK OFF A REGIONAL WAR, ISREAL DROPS MASSIVE BOMB ON SYRIA

With Obama dragging his feet in kicking off the Zionist's long awaited war in the Middle East, Israel attempts to force the matter by dropping a massive bomb just outside of Damascus, Syria. The unprovoked attack kills scores of Syrian soldiers. With its hands already full fighting a CIA backed internal civil war; Syria refuses to take Israel's bait.

Putin's Russia announces that it will not cancel deliveries of advanced Surface to Air missiles to Syria. An emboldened President Assad *(Syria)* then declares that a future Israeli attack will generate a deadly response on Israel itself!

The world is on edge, and it is only Putin *(with his ally, China)* that is preventing the Zionists & Globalists from starting a massive regional war, that could end up turning into World War III.



The bomb that Israel dropped on Syria was of unusual power and caused a bright 'mushroom cloud'. Could it have been a "nuke"?

FEBRUARY, 2014
GLOBALIST COUP IN UKRAINE

In November of 2013, Ukrainian President **Vickor Yanukovich** announces that Ukraine will no longer seek to integrate into to the EU. In an instant, "spontaneous" rent-a-mobs gather in Capital City Kiev's Main Square, known as the Maidan *(pronounced May-Don).* Out of nowhere come the professionally-made banners, massive EU flags, English-language placards, etc.

The CIA-NGO protesters demand that Yanukovich reverse his course and return Ukraine towards the path of EU membership. As these "revolutions" go, the mobs begin to stir more and more each passing day. Feeding the frenzy are Globalist politicians who arrive in Kiev to foment chaos. Foremost among the interlopers is Putin's hatful adversary, **Senator John McCain**, who takes to the outdoor microphone and fires up the roaring mob.

Also travelling to Ukraine is Victoria Nuland *(Nudelman)*; assistant Secretary of State for European and Eurasian Affairs and wife of neo-con luminary Robert Kagan of the PNAC Group *("New Pearl Harbor").*





1- As soon as Yanukovich said "no thanks" to the European Union, the NGO pro-EU flash mobs and their dupes "spontaneously gathered".

2: McCain arrived to stir up trouble.

3: PNAC's Nuland: "Terrorist want a cookie?"

Although the police do nothing but essentially stand in a line while being bludgeoned and burned by Molotov cocktails, the Western press and politicians began screaming about a "bloody crackdown". Yanukovich makes concession after concession to the phony revolutionaries and the "opposition political Parties"; including an agreement to invite them into his government and hold early elections. The whole time, riot police continue to treat the violent attackers *(which include Israeli commandoes)* with kid gloves.



Finally, the Russia-friendly President flees Kiev with his life, as mobs trespass into his private home. A violent coup, orchestrated by the "democratic" West, has toppled a democratically-elected friend of Russia. The Russian majority of eastern Ukraine is incensed over the coup and many are rightfully frightened.

Nuland's hand-picked puppet, Arseniy *"Yats"* Yatsenyuk, is installed as Ukraine's new President. He immediately goes to Washington where US politicians of both Parties shower him with praise and promises of US taxpayer money!





1: Yanukovich escaped from the Kiev killers with his life.

2: McCain with "opposition Party" puppets.

3: Ms. Kagan-Nuland with her hand-picked puppet politicians, including interim President, Yatsenyuk (on right).

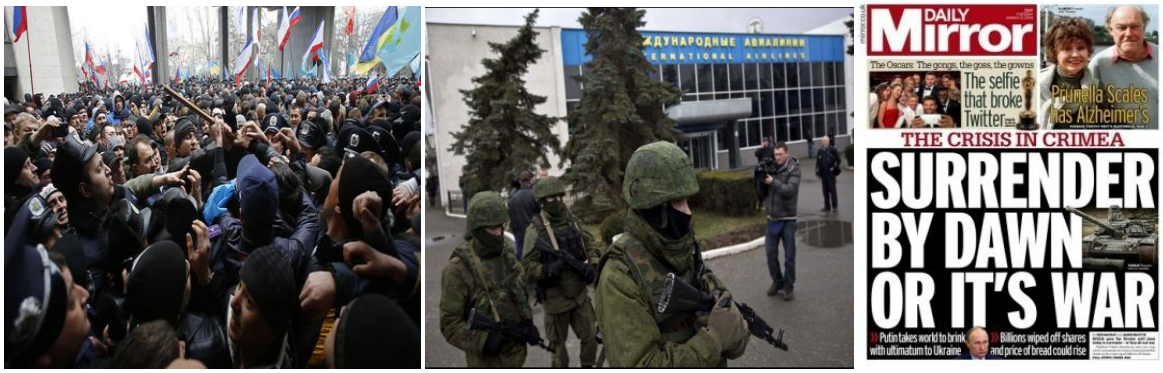
MARCH, 2014
CRIMEA VOLUNTARILY RETURNS TO RUSSIAN SOVEREIGNTY

No sooner had the ousted President Yanukovich arrived to safe haven in Moscow than another "spontaneous" protest erupts on the majority-Russian, Ukrainian Peninsula of Crimea – a region that had always been Russian and ended up as part of ex-Soviet Republic Ukraine only by a fluke of recent history. This phony flash mob consists of a group of ethnic Tatars, a Turkic minority of Russian-speaking Crimea. These NGO Tatars rally *in favor of* the new illegitimate gang installed in Kiev.

Russian Crimeans and NGO Tatars face off; exchanging chants and insults with each other. Before the situation can escalate, local Crimean Self Defense units deploy and established order. There will be no NGO drama in Crimea. It is then that the 'Mother of all Lies' races around the Globe at lightning speed. Newspapers and TV talking heads throughout the West explode with the greatest pre-packaged lie since the tale of Saddam Hussein's 'Weapons of Mass Destruction". In unison, the politicos and journalists of "The International Community" shriek in feigned horror, *"Russia Invades Crimea!"*

The “H-Word” is rolled out again, used most notably by Hillary Clinton. Declared the presumptive successor to Obama:

"Now if this sounds familiar, it's what Hitler did back in the '30s. All the Germans that were ... the ethnic Germans, the Germans by ancestry who were in places like Czechoslovakia and Romania and other places, Hitler kept saying they're not being treated right. I must go and protect my people…" **(30)**



1: NGO Tatar flash mob battles Russians in Crimea.
2: Crimean Self Defense Units restore order (no shots fired and no one killed)
3: Western Press falsely accuses Russia of “invading”.

*



The International media blitz was all pervasive. Meanwhile in Western Ukraine, out came the NGO rent-a-mobs and other assorted ‘pro-Western’ ignoramuses with their professionally made English-language banners and Putin-Hitler posters.

Now, given NATO’s aggressive antagonizing of Russia, the violent NGO-Mossad coup in Kiev, and the fact that Crimea has always been majority-Russian, no objective rational person would have blamed Putin for sending his troops into Crimea and securing the important warm water naval base at Sevastopol. But here’s the kicker – **there has been no invasion, *at all!***

You see, Crimea is a peninsula *(almost an actual island)* attached to Ukraine only by a very thin strip of land. Crimea's easternmost point is more than 3 miles across the water from Russia. Russia does not border Crimea! Unless Putin's troops walked across the water of the bridgeless Strait of Kerch, how could there have been an "invasion"?



What happened was that after the bloody coup in Kiev, and the NGO "soft-power" rent-a-mob demo in Crimea, Crimea's own version of US State "National Guard" units took to the streets to protect their own brothers and sisters. The NGO Tatars quickly dispersed and that was the end of it.

The happy people of Crimea soon voted to return to Mother Russia with a 97% majority. Even the majority of Tatars supported the referendum. **(31)**

The "annexation" is followed by more threats from the U.S. and the pygmies of Europe. But China, India, Argentina and Brazil calmly expressed an understanding of Russia's position.





1: Russian Crimeans celebrate their reunification.

2: The press calls it "aggression" and "annexation"

APRIL, 2014
WAR IN DONBASS / PRO RUSSIAN EAST UKRAINIANS BATTLE THE GLOBALIST PUPPETS OF KIEV



In the **Donbass** region of eastern Ukraine, the people of the Russian-speaking areas known as **Donetsk** and **Louhansk** had voted for the ousted President Yanukovich by a margin of 90%. Soon after the coup in Kiev, the gangsters in charge inform Russian Donbass that only Ukrainian *(a dialect similar to Russian)* will be recognized as an official language. Unwilling to endure such Globalist-inspired provocation, **Donetsk** and **Louhansk** declare their independence and have been fighting Kiev ever since.

As they had done with Saddam Hussein and Adolf Hitler in years past, The New World Order gang falsely blames Putin for the very "aggression" that it started. Under the ridiculous pretext of "protecting Europe" harsh economic sanctions are imposed upon Russia as NATO builds up its forces along the Russian borders.





1- Kiev's mad dog killer of eastern Ukrainians, Petro Poroshenko, addresses the U.S. Congress

2- Poroshenko meets with George Soros (right) to plot against Russia

JUNE, 2014
C.I.A. SCRIPT WRITERS CHANGE THE 'REBELS' OF SYRIA INTO AN 'ISLAMIC TERROR GROUP' KNOWN AS 'ISIS'

With the 'Arab Spring' effort to overthrow Syrian President Basher al Assad with mercenary rebels failing, the rebels are repackaged into a monstrous terror group known as 'ISIS'. A series of fake beheadings are staged in order to keep the world frightened. The emphasis shifts from fighting Syrian troops to massacring Syrian civilians instead.

The manufactured ISIS bogeyman provides the perfect pretest for the U.S. to remain militarily engaged in the region for as long as it takes to "defeat ISIS" *(open ended)*. Strangely enough, ISIS shows no interest in attacking Israel; preferring instead to kill and rape only Christians, other Muslims, and an Aryan remnant known as 'Yazidis'.



The fake 'beheading' videos cut to black just as the throats of the strangely calm 'victims' are about to be cut by the really bad actors in black. The 'victims' don't even squirm! ***Intense media pressure builds for Obama to "do something" in order to "stop ISIS".***






THE TIMES

How smart are you?

Foley video with Briton was staged, experts say

Cameron to threaten exit from Brussels

1- Moments before his 'beheading', James Foley cracks a smile.

2- In a TV interview immediately following the James Foley 'beheading', the 'bereaved sister' of the 'victim' can't stop smiling either!

3- The headline story about the Foley video being fake was quickly 'disappeared'.





*All videos come from a purported media organization known as 'SITE' (**Search for International Terrorist Entities**) SITE was founded and run by Rita Katz, **an Iraqi born Israeli operative and veteran of the IDF (Israeli Defense Force)**. How is she getting the exclusive for these videos?*

2014
GLOBALIST SCAMS SUCH AS FAKED "EBOLA EPIDEMIC" AND "BOKU HARAM" DESTABLIZE WEST-CENTRAL AFRICA

Over in Africa, where China conducts an enormous amount of mutually beneficial business, a shadowy 'Islamic' terror group known as 'Boku Haram' pops up *out-of-*

nowhere. The terrorists attack and kidnap Chinese workers while destabilizing the pro-China / pro-Russia government of Nigeria. After the Boku-bogeyman supposedly kidnaps 200 schoolgirls, McCain the Insane calls for a U.S. invasion to **"Bring Back Our Girls"** *(CIA-Hollywood crap!)*

Soon after the 'Boku Haram' card is played there comes a sudden and mysterious Ebola break-out. Is **oil-rich** Nigeria "unlucky", or are the Nigerians - like the Sudanese *("Save Darfur" scam starring Angelina Jolie and George Clooney)* - being targeted for their close and growing business relations with China *(and also Russia)*?



Mutual respect and common benefit is the foundation of the strong China-Nigeria relationship.



Nigeria and China (Russia to a lesser extent) have become so close that the New York Times (barf) has expressed it's 'concern' Hillary Clinton has also 'warned' African nations about getting too close to China

2014 - 2015
C.I.A. PROXY WARS DESTABILIZE COUNTRIES AND TRIGGER MASSIVE REFUGEE IMMIGRATION TO EUROPE

As a direct result of destabilizing proxy wars initiated by deep cover front groups such as ISIS *(Syria & Iraq)*, Boku Harem *(Central Africa)*, Al Shaabab *(Somalia)* and others; refugees, organized by mainly Israeli human traffickers, are fleeing to chaotic Libya *(also destroyed by the NWO*), and boarding boats bound for Europe.

Spooked out of their native lands, free housing, money and health care awaits them in dying Europe. The New World Pope and the Globalist media are all in favor of the invasion that they themselves engineered. As birth rates of native Europeans continue to plummet below replacement levels, the forced Third World invasion of highly fertile immigrants is projected to cause the racial 'minoritization' of the European peoples in their own lands, within the next 30-50 years, possibly sooner if the situation accelerates.





Disraeli's Sidonia (Lionel de Rothschild - 1844):
"The mixed persecuting race disappears."

MAY, 2015
CHINA AND RUSSIA CONDUCT FIRST EVER NAVAL DRILLS IN THE MEDITERRANEAN SEA

By staging large joint naval drills in the Mediterranean; the sovereign powers of Russia and China make it clear that they will not submit to **The New World Order.** That same month, General Secretary Xi Jinping attends Moscow's 'Victory Day' celebration and looks on as Chinese military units actually march in Russia's parade. The message to the Globalists is loud and clear.



Putin and Jinping stand united

JUNE, 2015
GEORGE SOROS THREATENS WORLD WAR III / NATO vs RUSSIA & CHINA

Talk of World War III heats up as George Soros becomes the biggest public figure to actually use the terminology: *"World War III"*. The high-ranking Rothschild agent states:

"If there is conflict between China and a military ally of the United States, like Japan, then it is not an exaggeration to say that we are on the threshold of a third world war. .....there is a real danger that China will align itself with Russia politically and militarily, and then the threat of third world war becomes real." **(32)**

The following month, Soros pens an underhanded threat, aimed at China, for The New York review. The piece is entitled: **A Partnership with China to Avoid World War.** The unspoken subtle message to China is essentially: *"Dump Russia and make a deal with the U.S. – or else we and our Asian puppets (Japan, Vietnam, Philippines, Australia) will wage war upon you." (Author's comment, not Soros's)*



Front-Man Soros speaks for his Rothschild bosses (Nat and Papa Jacob above) when he "warns" (threatens) that World War III is a real possibility.

JUNE, 2015
THE HOMOSEXUAL AND TRANSGENDER TRIUMPH OVER AMERICA

After years of conditioning, the Globalists have broken down the mental and moral resistance of the American and European public to such a point that a majority are now willing to "tolerate" female impersonation / bodily mutilation and "same sex marriage" as part of our society. The hyped up "transformation" of former Olympic champion Bruce Jenner into a "woman, and the lighting of The White House in rainbow colors marks the final surrender of normality to the organized forces working for **The New World Order.**



There are higher reasons behind this moral madness which people cannot understand.

JULY, 2015
THE OBAMA DEBT MONSTER

The U.S. National Debt as of July 1, 2015 stands at **$18 Trillion Dollars** and is growing at a rate of at least $1 Trillion dollars annually. Much of this un-payable debt *(Total Money Supply is only $11 Trillion!)* is floated by the printing of additional money by the Federal Reserve in the form of bond purchases. This printing of money 'out-of-thin-air' is debasing the value of existing currency and causing food prices to steadily rise.

How long before the entire system crashes? Somebody knows!

U.S. NATIONAL DEBT CLOCK

The Outstanding Public Debt as of July 1, 2015

$18,159,415,962,876.80

The estimated population of the United States is **320,883,131**
so each citizen's share of this debt is **$56,591.97**



CONCLUSION / THE FUTURE
POSSIBLE SCENARIOS FOR THE COMING YEARS

Based upon our study of the past, and our assessment of the present, we can confidently forecast that some, or all, of the following events are coming in the near future (2015 – 2025). All we can do is prepare ourselves to cope -- financially, personally and emotionally.

- Hyperinflationary economic meltdown
- Rioting/violent unrest in the streets
- Massive False Flag attack(s) - nuclear?
- Martial Law declared
- War with Syria, Iran and/or Pakistan
- Confrontation/Limited War with China
- Confrontation/Limited War with Russia
- Starvation/ disease on a Global scale
- Mass panic among the world's people
- Israel kills off the last Palestinians

An emergency conference of world leaders and bankers convenes. Our "saviors" then propose a **New World Order** to solve the world's problems. The media hypes the idea of this "New World". A Global Currency is imposed on the nations. National borders disappear as "racist" Europe and America are flooded with third world immigration. The world is divided into sectors.

A new world Capitol City is established, perhaps in Jerusalem. Greater Israel grows into the geographical center of the world. Global Laws are enforced by a UN police force. "Counter-revolutionaries" who take up arms against the Globalists are arrested and sent to detention camps - or worse.

People are micro-chipped, monitored, controlled, and reeducated in the new Global System. Existing languages, cultures, religions, customs, and most of the White race will all melt away into a single One World System - a Global "Melting Pot".

The remaining "Blue-Blood" Whites, Orientals, and Jewish Global Elites will live like gods and marry among themselves. The mixed masses of the Globe will be fed, housed in small apartments, "taken care of", given "free" access to public transportation, and constantly entertained. But the "American Dream" of prosperity and upward mobility will be a thing of the past.



"Professor **Frederick Lindemann**, the Chief Advisor to Winston Churchill and the inspiration and architect of the air crucifixion of Germany was in a reflective mood after the war. Towards the end of his life the Lindemann made a remark on more than one occasion with such an air of seriousness that he seemed to regard it as his testament of wisdom, and I accordingly feel it incumbent upon me to record it here, although not in perfect sympathy with it.

'Do you know,' he asked, *'what the future historians will regard as the most important event of this age?*'

'Well, what is it?'

'It will not be Hitler and the Second World War; it will not be the release of nuclear energy; it will not be the menace of Communism.'

These negatives seemed very comprehensive. He put on an expression of extreme severity and turned down the corners of his lips: ***'It will be the abdication of the White man.'*** Then he nodded his head up and down several times to drive home his proposition."

*** 'Prof'.R.F Harrod, McMillan, 1959. Page 261/2. A biography of F.A Lindemann (Lord Cherwell), Chief Scientific Advisor to Winston Churchill.**

As the collective memory of past days fades away, the docile mixed-race people of the One World may actually find happiness in their benevolent slavery. They will learn to love their elite masters for the peace and "security" they have been given.

This is the world to come. There appears to be no stopping it at this point. The people, *by design*, are too 'dumbed-down', too decadent, too depressed and too

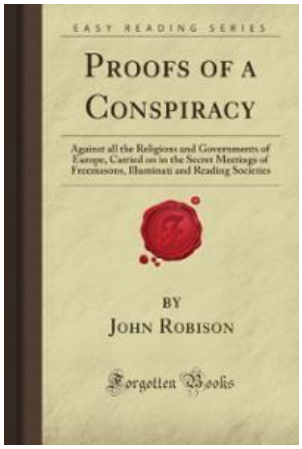
lazy to reclaim their liberty. Unless there is some miraculous reawakening of humanity at the 11th hour, the sheeple will have what they deserve. All we can do now is take care of ourselves, and our loved ones, and prepare to make it through the coming crisis. Welcome to:

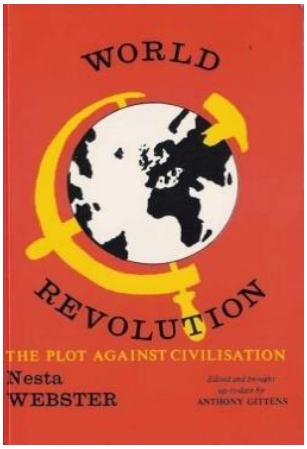
THE NEW WORLD ORDER

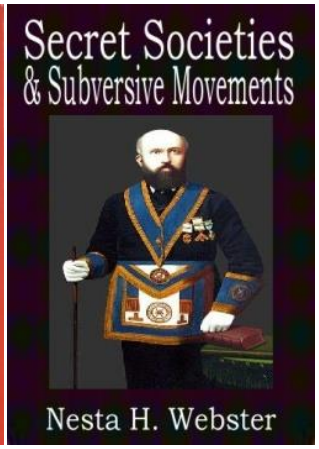


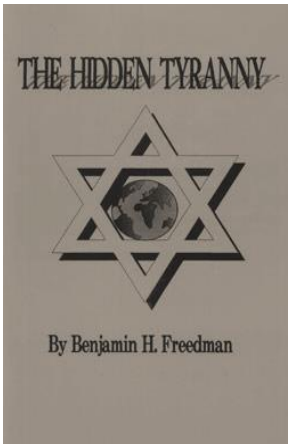
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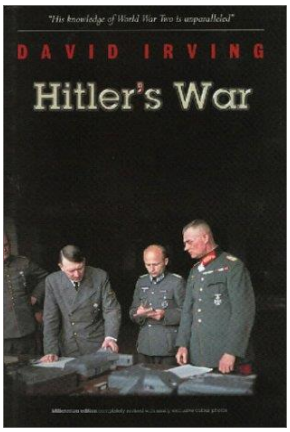


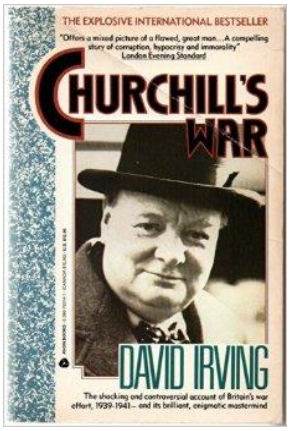


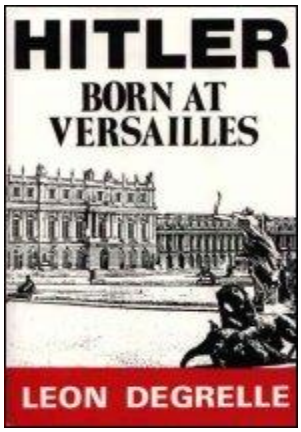


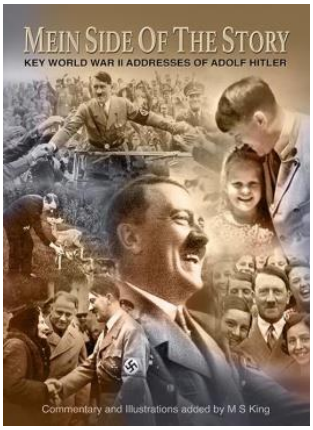


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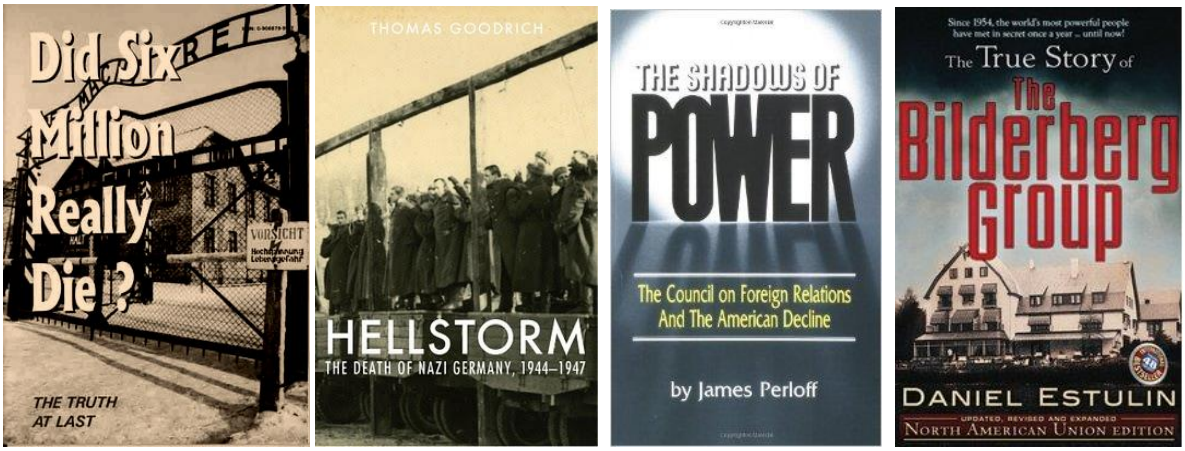




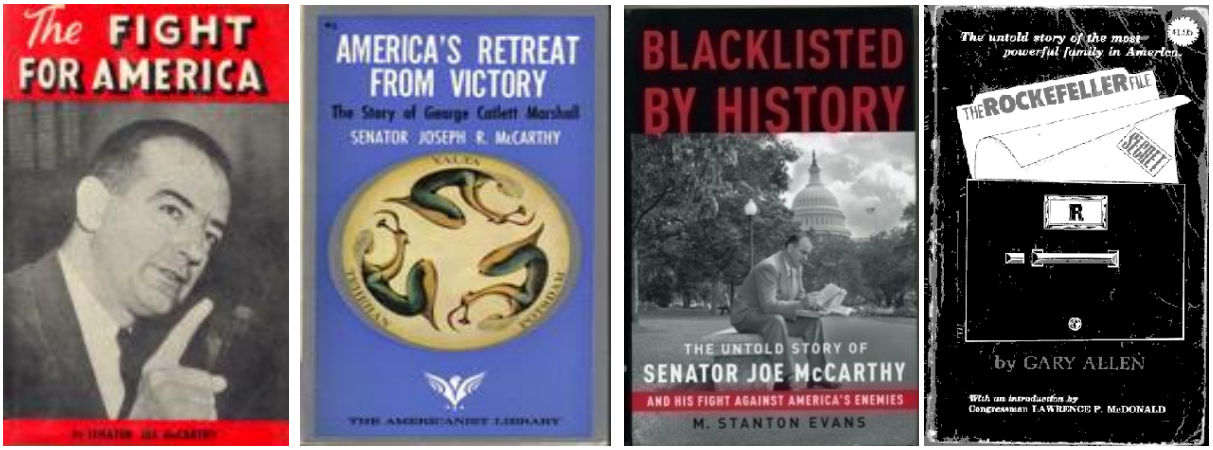




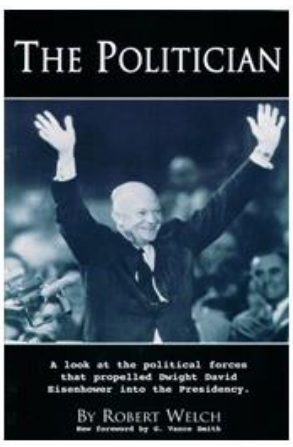
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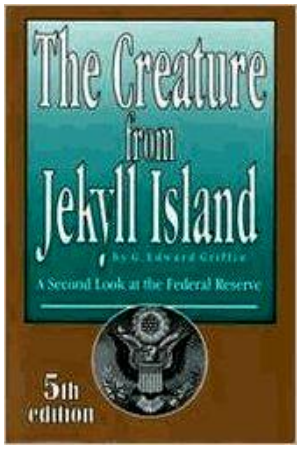


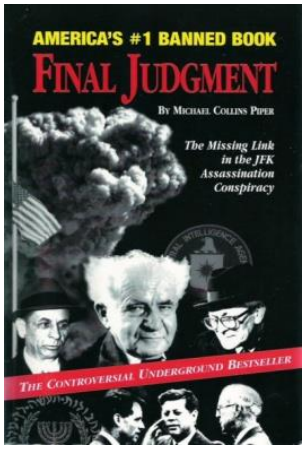
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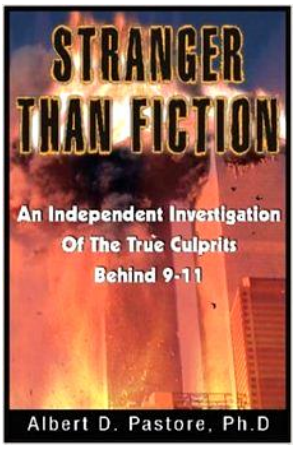


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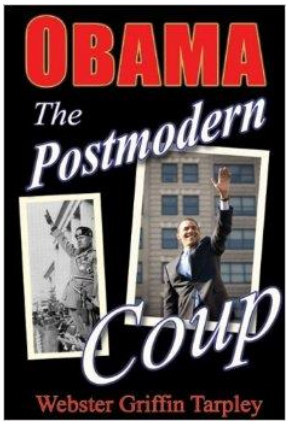


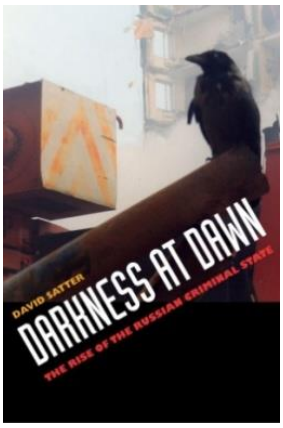


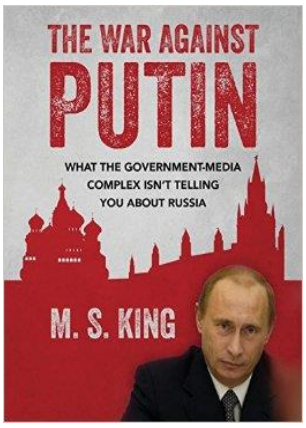


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FOOTNOTES

The innovative use of Internet Search terms in lieu of the traditional format for footnotes allows the researcher to instantaneously link to numerous sources instead of just one. The reader is encouraged to explore the footnote searches in depth. Not only will one find that the research, events and quotes presented in this book are accurate, but the searches will also open up new avenues of exploration.

WORLD WAR 2 (Part 1)

Internet Search Terms

1- forrestal diaries america world jews forced england
2- 1939 hitler note paris communiqué
3- german men and women were hunted like wild beasts
4- *As told to the author in private correspondence
5- wellington fault of anti-appeasers and the fucking Jews
6- hitler speech danzig 1939
7- ibid
8- hitler reichstag speech October 6, 1939
9- ibid
10- operation wilfred and plan R 4
11- oprop leaflets Denmark
12- operation fork Iceland invasion
13- baruch I emphasized the defeat of germany and japan
14- allied intrigue in low countries
15- ekeberg hitler sweden peace
16- halifax war cabinet crisis bastianini
17- hitler halt order Dunkirk
18- blumentritt he astonished us by speaking with admiration
19- churchill absolutely devastating exterminating attack
20- hitler leaflets last appeal to reason
21- greenwood new world order promised to jews
22- ibid
23- say again and again and again your boys will not be sent into any foreign wars
24- allen nature of the concessions that German Fuhrer was prepared to make
25- kaufmann germany must perish
26- Goebbels thanks to the jew Kaufmann
27- Yugoslavia coup 1941 british
28- rudolf hess murdered
29- catalina bismarck sinking
30- hitler plans of men in the Kremlin were aimed at the domination
31- lend lease to soviets
32- stalin orders partisan warfare

33- german soldiers 10 commandements
34- red cross Auschwitz
35- hitler jewish soldiers
36- dr. eduard bloch on hitler
37- Lindbergh iowa speech America first
38- joe kennedy anti Semitism
39- stimson into the position of firing the first shot

WORLD WAR 2 (Part 2)

Internet Search Terms

1- day of deceit robert stinnet / infamy john toland
2- relief that crisis had come stimson
3- text of war declaration by Hirohito
4- hitler December 11 1941 reichstag speech
5- venona intercepts oppenheimer
6- patton bailed out Eisenhower north Africa
7- churchill bengal famine
8- kunstschutz art protection world war 2
9- patton chief difficulty is not germans, but gasoline
10- french civilians killed by allies bonbs
11- rape during liberation of france
12- harry dexter white soviet communist spy
13- keynes homosexual pedofile
14- typhus world war 1
15- germans deloused inmates typhus
16- lestchinsky expelled latvia
17- red cross german camps estimated 270,000 dead
18- terms of yalta agreement
19- dresden firebombing david irving
20- ibid
21- men thank God on their knees a hundred years from now that Franklin Roosevelt
22- april 1945 eisenhower elbe halt order
23- hitler suicide final political testament
24- ezra pound you let in the jew rotted your empire
25- donitz With this signature, the German people
26- forensic tests at Auschwitz / leuchter report: critical edition / germar rudolf report
27- macarthur my staff was unanimous japan collapse surrender
28- john s d eisenhower lavish reception Russians gave commander of foreign army
29- soviet held us pows executed by stalin

1945 – 1960

1- no gassings at dachau / you tube realist report ‘I swear’
2- ehrenberg kill german race
3- world war 2 rape of german women
4- patton berlin gave me the blues
5- other losses Eisenhower death camps
6- ibid
7- german prisoners of war in soviet union
8- patton letter to wife
9- operation keelhaul
10- american pows in soviet union
11- churchill iron curtain speech
12- doentitz at Nuremberg a re-appraisal
13- nuremberg strangulation short drop
14- degrelle enigma of hitler
15- naeim giladi jews killed jews; and that, to buy time to confiscate
16- deir yassin massacre
17- harry truman anti-semitic remarks
18- eleanor roosevelt defends alger hiss
19- to keep the russians out, the americans in, and the germans down.
20- product of a great conspiracy on a scale so immense
21- marshall, who, by the alchemy of propaganda
22- horrible swedish jew eisenhower west point
23- eisenhower honorary member Tau Epsilon Phi (TEP) a Jewish fraternity
24- eisenhower bilderberg
25- stalin poison warfarin
26- irving kaufman I consider your crime worse than murder
27- eisenhower reacted mccarthyism is now mccarthy-was-ism
28- no shred of evidence is presented in the report rockefeller reece
29- hoover with a conspiracy so monstrous he cannot believe it exists
30- eisenhower our hearts go out to the people of hungary
31- robert welch both u.s.. and Soviet governments controlled by same conspiratorial cabal
32- earl t smith *w*ithout u.s. castro would not be in power today
33- only genius and a prophet could have known that castro was a communist
34- khrushchev I kept in mind stalin's words about Eisenhower
35- shirer generous grant from cfr council foreign relations rise and fall

1961 - 1980

1- guevarra before the invasion, the revolution was weak. now stronger than ever
2- jfk splinter the cia in a thousand pieces and scatter it to the winds
3- buckley welch john birch 1962 far removed from common sense
4- operation northwoods
5- friedan bad tempered bitch

6- jfk letters to Israel dimona inspection
7- ibid
8- you tube zapruder film
9- oswald you tube I'm just a patsy
10- tonkin gulf it is that no attack happened that night
11- vietnam rules of engagement declassified
12- bill clinton carroll Quigley
13- carroll quigley network has no aversion to cooperating with communists
14- carroll quigley i know of the operation of this network because

15- carroll Quigley a world system of financial control in private hands
16- jack ruby cancer cells injected I damn sure do
17- uss liberty sinking coverup conspiracy
18- cronkite tet we have been disappointed
19- tet offensive Cronkite lie
20- martin luther king sex fiend prostitutes
21- martin luther king plagiarism
22- martin luther king communist ties
23- national examiner bill ayers visit white house
24- bill ayers dreams from my father
25- cronkite world government
26- alinsky dedicate book to Lucifer
27- alinsky hillary clinton thesis
28- alinsky obama community organizer
29- nixon china build a new world order
30- George Wallace not a dime's worth of difference between them
31- norma mccorvey pro life
32- goldwater trilateralists intend creation of worldwide economic power
33- aldo moro widow comments meeting with Kissinger
34- brzezinski interview le nouvel observateur afghanistan soviet invasion

1981 - 2000

1- bushes and hinckleys
2- larry macdonald goal of the Rockefellers is world government capitalism communism tent
3- aipac convention us congressmen attend
4- pat buchanan congress is Israeli occupied territory
5- victor ostrovsky mossad berlin disco
6- gorbachev universal consensus in the movement towards the New World Order
7- lockerbie revisited / al-Megrahi innocent
8- george soros foundation forced to leave china after tiananmen square
9- soros velvet revolutions
10- george hw bush new world order quotes
11- kerry fake purple heart

12- mccain the songbird
13- mccain pow coverup family member cry
14- emad salem 1993 false flag
15- sidonia mixed persecuting race disappears
16- hillary clinton new world foundation
17- 1995 oklahoma bombing conspiracy false flag
18- brzezinksi truly massive external threat
19- brzezinksi shock effect of the Japanese attack on pearl harbor
20- ashton carter like pearl harbor, this event would divide our past and future
21- jfk jr hardcopy video clip about possible senate run / jfk jr mulled run senate in 2000
22- jfk jr what really happened
23- Cronkite toward a world government
24- tesla einstein long haired crank / one must be same to think clearly
25- pnac new pearl harbor

2001 - 2015

1- building 7 controlled demolition
2- the dancing Israelis
3- bin laden there exists a government within a government
4- death toll iraq war
5- obama and bill ayers
6- david brooks jews taking over America
7- putin uniploar world refers to a world
8- sebal west is scared of brics
9- putin the ability to compromise is not a courtesy
10- tear drop memorial bayonne
11- as told to the author during a 2010 visit to the memorial
12- karenna gore married Schiff
13- gore sexual assault masseuse
14- obama speech berlin 2008
15- ibid
16- haider very worried about the rise to power of people who promote hatred, Holocaust denial
17- tarpley obama's foreign policy is to have a global showdown with russia and china
18- obama homosexual gay
19- obama fake birth certificate
20- soros you need a new world order that china has to be part
21- brzezinski shoot down israel planes
22- assange wikileaks arab spring
23- hillary we came we saw he died
24- putin recent joint navy exercises yellow sea
25- china is russia strategic partner
26- Hillary Russia and china pay a price
27- chavez israel us trying to kill me

28- new world pope
29- pope calls for world political body
30- Hillary compares putin to hitler
31- crimea tatars support russia unification
32- george soros world war 3

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Queen Elizabeth Fronts for Rothschilds ("Crown")

By Alcuin Bramerton

It is accurate to posit that Australia, New Zealand and Canada are not independent, sovereign countries. However, these nations are not owned and run by the UK; they are owned and run by the House of Windsor Crown Temple syndicate within the City of London Corporation. The head signatory of the Crown Temple syndicate is Elizabeth Windsor (Queen Elizabeth II of England). It should not be forgotten that the most powerful financial syndicate in the Western World is that of the European Rothschilds.

The Rothschilds, because of their power base inside the City of London Corporation, have a controlling membership of the London Crown Temple syndicate, and they also have executive control of the Vatican and the Mafia though the P2 Masonic Lodge in Italy. The financial affairs of the new UK coalition government in London are also Rothschild-controlled.

The line management here is understood to be Jacob Rothschild > Nathaniel Rothschild (N.M.Rothschild & Sons Limited, New Court, St Swithin's Lane, London EC4P 4DU) > Oliver Letwin > George Osborne (British Chancellor of the Exchequer).

Queen Elizabeth II fronts for the Rothschilds. She is the largest landowner on Earth. She is Head of State of the United Kingdom and of thirty one other states and territories, and is the legal owner of 6,600 million acres of land, one sixth of the Earth's land surface. A conservative estimate of the value of the Crown Temple syndicate's land holding, under the Queen's signature, is £17.6 trillion. The Queen's syndicate land holdings are based on the laws of the countries she owns and her land title is valid in each of those countries.

Her main holdings are Canada, the 2nd largest country on Earth, with 2,467 million acres, Australia, the 7th largest country on Earth with 1,900 million acres, Papua New Guinea with114 million acres, New Zealand with 66 million acres, and the UK with 60 million acres. Elizabeth Windsor and her covert syndicate in London are the world's largest landowners by a significant margin.

The next largest landowner is the Russian state, with an overall ownership of 4,219 million acres, and a direct ownership comparable with the Queen's land holding of 2,447 million acres. The 3rd largest landowner is the Chinese state, which claims all of Chinese land, about 2,365 million acres. The 4th largest landowner on Earth is often said to be the Federal Government of the United States, which owns about one third of the land area of the USA, 760 million acres. However, this Washington DC private corporation Federal Estate is actually owned and controlled by the London Crown Temple syndicate.

Indeed, at the present time, the London syndicate in partnership with an old family Chinese syndicate, hold, and have activated, a $47 trillion World Court Writ of Execution and Lien on the US Treasury and the US Federal Reserve Board. The five largest "personal" landowners on Earth, at present, are Queen Elizabeth II of England (6,600 million acres), King Abdullah of Saudi Arabia (553 million acres), King Bhumibol of Thailand (126 million acres), King Mohammed IV of Morocco (113 million acres) and Sultan Quaboos of Oman (76 million acres).

In reality, however, these named individuals are just the head signatories of old bloodline syndicates which act corporately through hidden family trusts. More historical and current background about Elizabeth Windsor (Queen Elizabeth II of England) is compiled here:

http://engforum.pravda.ru/showthread.php?t=265271

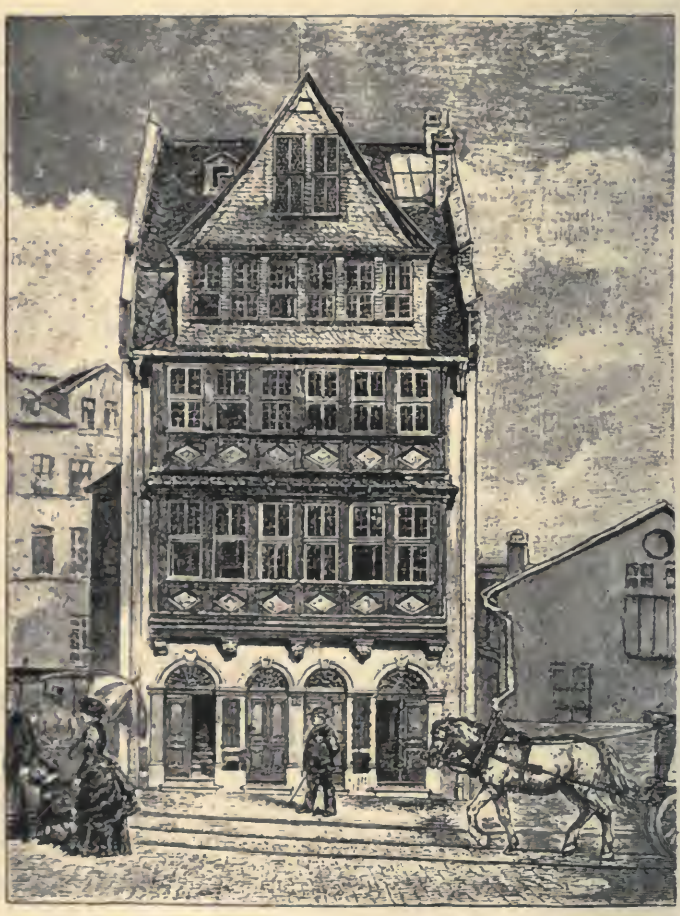
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THE OLD HOUSE IN FRANKFORT.

THE ROTHSCHILDS:

THE FINANCIAL RULERS OF NATIONS

BY

JOHN REEVES



CHICAGO:
A. C. McCLURG & CO.
1887

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PREFACE.

SHOULD the following pages prove fortunate enough to be favourably received by the public, they will owe it entirely to their subject-matter. To this, and not to vigour of language or lucidity of style, must be attributed whatever interest they may possess. The Author makes no pretensions to the character of a practised writer and feels that the subject is worthy of a more able and experienced hand; he therefore ventures to solicit the indulgence he so sorely needs for his literary shortcomings, of which no one can feel more conscious than himself. On the other hand, he boldly and frankly claims for his work the merit of perfect and impartial truthfulness; and, in the words of Montaigne, he conscientiously asserts, with perhaps justifiable pride: "C'est icy un livre de bonne foy, lecteur."

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THE ROTHSCHILDS.



THE HOUSE OF ROTHSCHILD.

Chapter I.

ABOUT THE JEWS.

"WHAT'S in a name?" asks Shakespeare. The answer, when the name is such as Rothschild, is not difficult. There is a volume of meaning in its mere sound. It is a name which conjures up in the imagination visions of untold wealth and unrivalled power, which appear so startling and amazing as to be more appropriate to romance than real life. It has become a household word synonymous with unbounded riches, and is as familiar to the ears of the struggling artizan as to those of the banker or trader. No name has, indeed, been so prominently

before the public during the last sixty years or more, as that of this great financial firm. Its origin was so shrouded in humble obscurity, and the rapidity with which it sprang forward to prosperity and fame was alike so extraordinary and so remarkable, that the public gaze has been kept by a species of fascination upon the movements of the well-known financiers. From one corner of the world to the other the success of the Rothschilds has been the subject of universal wonder and envy. When we recollect the poor beginnings of this eminent firm, and contrast them with the exalted position it now holds, there is good reason to be surprised. History does not record another instance of such unparalleled success, of such immense fortunes won in such a short time by sheer force of intellect rising superior to all adverse circumstances. The firm startled the world like the flash of a meteor, but the brilliance of its first successes was soon eclipsed by its subsequent achievements. The more one considers the marvellous manner in which it won its way to fame and fortune, and how it rose within the short space of ten or fifteen years from the filthy confines of the Judengasse to take its station at the foot of a royal throne, the more

incredible the story seems. But facts are stubborn things. There is no denying the fact that at the beginning of this century the Rothschild family was unknown beyond the limits of Frankfort; neither can it be gainsaid that before Napoleon's downfall the firm had rendered immense service both to the Emperor and to the Allied Princes by its advice and its financial aid. Ere a quarter of a century had elapsed the firm which had commenced business in an unpretending shop in the Judengasse was courted and favoured by all the reigning families of Europe. From being dealers in old coins, the founder of the family and his sons rose by their skill and financial abilities to be the trusted and valued friends of the governments of every European nation. And well indeed might they be trusted, seeing that, in more than one instance, their aid was indispensable to ward off impending bankruptcy and disaster. Great, however, as is their fame as skilful financiers, the Rothschilds enjoy a reputation for liberal and unstinted benevolence which does them far greater honour.

The rise of the Rothschilds is the more remarkable seeing that they belong to an outcast and down-trodden race. No other race has experienced

such persecution, nor passed through such trials as have the Jews. From time immemorial they have been loaded with scorn and contumely, they have been harassed and fettered by tyrannical laws and barbarous edicts, but they have always passed through their tribulations patiently and triumphantly. Their very name has been a term of reproach to them, and they have been the common butt for the sneers and ridicule of their Christian neighbours. It would be difficult to describe in a few words the intense hatred which the mere word: "Jew," roused in the breasts of Christians, but ample proofs of the bitter animosity between the believers in the old and the believers in the new dispensation are to be found in the writings of our poets and historians. "Thou dog of a Jew" was a term eloquent with savage hatred and unmeasured contempt. These feelings were formerly far more rampant than they are now, but even in these much vaunted days of liberalism and progress there is a very general inclination to cast the words of Shylock in the face of anyone who by his features or manners excites the slightest suspicion of a Jewish origin:

> "You call me misbeliever, cut-throat, dog,
> And spit upon my Jewish gaberdine."

That the long-standing hatred of the Christian for the Jews is not extinguished, has been proved only too clearly of recent years. In Russia, Turkey, Poland, Hungary, and elsewhere, the Jews are still, in the eyes of the populace, an accursed race, to be despoiled and persecuted without mercy. Those who cannot compete with them in industry, thrifty habits, or intelligence, show a painful and deplorable eagerness to lend themselves to a propaganda of extermination started often by scheming tricksters, with the result that many innocent lives are sacrificed to the fury and ignorant passions of brutal mobs. Especially is it to be regretted that such lawless proceedings receive a powerful support in some countries from Court chaplains and others, who profess—but whose professions are belied by their deeds—to act up to a creed in which "charity that thinketh no evil" holds a distinguished place. Nothing surely can be more detrimental to true religion than the sanction given by men of education and influence to the perpetration of such barbarities. These continual outbreaks are a forcible proof that even in these enlightened days the spirit of persecution is but poorly concealed, and that a spark may at any moment set it ablaze, when the

law would be powerless to control or restrain the excited passions of the multitude.

In England the spirit of intolerance is, we are thankful to say, fast dying out. It is our just pride and boast that our island is the land of liberty, the refuge to which the persecuted of other lands flock. No doubt there still is among Englishmen a prejudice against the Jews, but bitterness in the feeling is now less marked than pity. We no longer regard the language or nationality of those who live in our midst; it is the mental qualities and abilities that awaken our regard and esteem. Here in England we welcome men of every nation, whether Jew or Gentile; here all can and do live in friendly rivalry without any animosity being excited. The thrifty and industrious habits of the Jews, combined with their great intelligence, have long been recognized and acknowledged here in England, and any attempt to start a crusade against those who trusting to our generosity and good nature have settled in our midst, would at once meet with general and well-merited disapproval. In no other country do the Jews enjoy such liberty and privileges as in England. Abroad they live apart, despised and shunned by their so-called Christian neighbours, and

harassed in their business and private life by restrictions and edicts originating in the envy inspired by their success. Here they live peacefully and quietly, enjoying the same privileges and opportunities as the rest of the community; no hindrances bar their way to attaining the highest civil or military honours in the land; they are looked upon as a worthy and estimable part of the nation. But whilst on the one hand they are rapidly abandoning their peculiar habits, and are assimilating themselves to our own mode of living, they still fondly cling to their ancient religious ceremonials and doctrines, and assert their claim to a history that dates back to the genesis of our race and reproduces the symbolism of their desert wanderings. Their ceremonies and memories flourish under the protection which is accorded to them in the same measure as to all the other numerous sects and communities that exist in our great metropolis. No less honour or respect is accorded to the Jewish creed than to any other; they are all on an equal footing, and have to trust to their own efforts for support. While in religious matters we practically ignore the existence of the Jews, it cannot be denied that we, in common with all civili-

zation, owe them a debt which we are very prone to forget, for it is certainly to them that we owe the very bases of our faith, and, were it not for the books of Moses, Christianity would lose one of its main supports, and much of its power.

From the Jews we have that short pithy code of morals embodied in the Ten Commandments, which are placed in the most prominent parts of our churches. The Jews have contributed to the ranks of poets, historians, philosophers, and musical composers a long succession of names that are the admiration of the whole world. In every department of science, art, or philosophy, we have representatives of the Jewish nation, who have by their labours and researches left an indelible impress upon the pages of history and helped to enlighten and ennoble the human race. It is from the Bible that many of our poets and writers have derived their greatest inspiration; the Bible is a storehouse full of the most noble, the grandest ideas, inspiring our writers to their greatest and most successful efforts. The Psalms of David, the Book of Job, and the teachings of Isaiah have never been surpassed, and still retain their sway over the hearts of millions. No higher homage to the intelligence and lofty

genius of the Jewish writers could be paid than the universal pre-eminence accorded to the works of their great law-givers and prophets. The moral law of Moses is virtually unaltered; the principles are still as sound and true as when first propounded, and it is only in the details by which their execution is effected that any change has been made. In the more ordinary and prosaic spheres of thought the superior intelligence of the Jews has been equally conspicuous. The doctrines of Spinoza lie at the root of the whole of that metaphysical philosophy which has had an immense influence upon the opinions and modes of thought of the whole civilized world, for he may undoubtedly be regarded as the founder of modern Rationalism. In music and the acted-drama the children of Israel are far ahead of all their rivals. The number of Jews who have distinguished themselves in these two branches of art is surprisingly large, and includes such famous masters as Meyerbeer, Mendelssohn, Rubinstein, Ernst, Moscheles, Benedict, whilst on the stage are to be found such brilliant performers as Grisi, Rachel, and Sarah Bernhardt. It would be altogether superfluous to specify those Jews who have distinguished themselves in literature, science, or

philosophy; their name is legion. One thing is certain and unquestionable: to the Jews we owe our knowledge of the sciences of mathematics and astronomy. During the Middle Ages, in spite of the risk they ran and the suspicion they were likely to incur of being astrologers and necromancers, they were the only students of mathematics and astronomy, the mysteries of which they patiently and unceasingly laboured to solve. In these two branches they have from the most ancient times been pre-eminent for their surpassing knowledge, as these two subjects have always had a great attraction for minds in which the powers and habits of calculation are innate and conspicuous. The earliest professors of mathematics in our universities were Jews, and in Germany, notwithstanding the ill-feeling that exists between the Christian and Jewish communities, the bulk of the mathematical professors belong to the Jewish faith. In commerce and finance the reputation of the Jews for success and ability is remarkable and world-wide, whilst in politics we have but to mention such distinguished names as Gambetta and others, to prove that in whatever path the Jews enter their talents and indefatigable energy will invariably enable them to

place themselves in the foremost rank. If any further proofs of the great intellectual powers of the Jews are required they will be found in the leaders of the legal profession. Few will be prepared to question the learning and acumen of such eminent lawyers and advocates as Lord Herschell, Sir George Jessel, Mr Benjamin, and Mr Cohen. Among the well-known politicians with a promising career opening out before them we must not overlook such men as Mr Mocatta, Baron de Worms, and others.

Of the many charges brought against the Jews, rapacity was by far the most frequent. It was a charge that could be brought forward with very little support, any evidence in refutation of it being sure to find but scant credit in the minds of Christian judges imbued with the strong prejudice everywhere prevalent against the Jews. It was the universal belief that the Jew would always exact his pound of flesh from the poor victim in his clutches. No abatement or reduction was ever to be expected from the relentless, merciless Shylock. Doubtless there was some reason for these accusations, but it will be somewhat of a surprise to our readers to learn that it was

to the possession of qualities considered unusual and unlooked-for in a Jew, honesty and integrity, that the founder of the Rothschild family owed his success. From our infancy we have been taught to regard Jews as above all things sordid, mean, and selfish, ever grasping and coveting the goods of others. No impression could be more misleading or mistaken. The wish was father to the thought, and ignorant and intolerant Christians seized upon usury as a weapon with which they could wreak their vengeance upon inoffensive Jews. Whether these charges of rapacity brought against the Jews were often unfounded, or whether the first Rothschild was a marvellous exception to the rest of his co-religionists, we will not argue; it is sufficient for us to know that Mayer Amschel Rothschild was well known in Frankfort for his justice and fairness, and that even his Christian neighbours agreed in calling him "the honest Jew." Why honesty should be so generally regarded as an exceptional trait in a Jew's character, we cannot say, but that such is the general opinion few will dare to deny. When we remember the frugal, abstemious habits of the Jews, and the careful economy by which they are distinguished, it should surely not appear sur-

prising or incompatible if they were found to be not altogether wanting in honesty and love of fair dealing. The narrow prejudice that formerly existed against the Jews on the score of their grasping avarice is not so pronounced now, but still it cannot be said to have altogether ceased to exist. That public opinion should have become so much more lenient and favourable to the Jews is no doubt greatly owing to the respect and esteem that cannot be denied even by Christian rivals to the unimpeachable lives and characters of the Rothschilds, the Montefiores, and other prominent families. The history of such well-known firms has done much to remove the ill-feeling formerly so rife, and has gone far to prove that Jews when placed on an equal footing with their Christian fellow-citizens can and do trade with a fairness and justice not a whit inferior to those of their business rivals. But, while this prejudice is nearly extinct in England, it still burns with undiminished fury on the Continent. Even when its fury is apparently exhausted and smouldering away, Court chaplains and others, as already stated, abuse their position and fan its dying embers once more to a flame. There is no just cause for this violent outcry; it arises more from

envy and jealousy than from any reasonable and well-founded grievance. In Germany of late years there has been a violent agitation or crusade against the Jews, in which all the charges formerly brought against them, such as that of sacrificing Christian children, have been revived, and have found belief among the ignorant classes. The only objection for which there is the least show of reason, is that the Jews everywhere supplant the Christians, and secure all the best and most lucrative appointments, whether in commerce or in the learned professions. But that the Jews do this is surely we think a great and convincing proof of their superior talents and abilities, for they would never receive such honour, in the face of the general ill-will, were it not for their surpassing and undeniable abilities. In making this the basis of an unwarrantable agitation to secure the expulsion of the Jews, the greatest want of reason and justice is displayed. The success of the agitation is rendered impossible by such conduct, which deprives the movement of the support of all thinking men, who cannot fail to see that jealousy and envy are the real causes which excite the animosity of their Christian neighbours in the nineteenth century. Their bitterest opponent

never thinks of accusing the Jews of gaining their successes by foul or unfair means. The secret of their invariable success in life is that they not only have an innate and remarkable aptitude for business, but that they at the same time excel their Christian rivals in frugality and economy. The saying that "A penny saved is a penny gained" recommends itself strongly to their minds, and they fully appreciate the wisdom of Fielding's remark, that "Men do not become rich by what they get, but by what they keep." Now thrift is a quality which we have always heard described in terms of praise and approbation, so that to persecute the Jews simply because they are industrious and thrifty is certainly a novel, but hardly a commendable doctrine. Jealousy is however proverbially blind, and will seize on any pretext, however weak, as an excuse for its mad and unjustifiable proceedings. The Jews are thrifty, the Christians luxurious; consequently success must always rest more with the former than with the latter. The great cry now against the Jews is not so much that they are rapacious, as that they undersell or do business cheaper than others, and thus gradually get the bulk of whatever business there is into their hands.

But in these days of free trade, when competition is the soul of business, it would strike most persons on considering the matter that the greatest gainers must be the public at large. Christians are always at liberty to do business on the same terms as their Hebrew rivals, but they find themselves unable to maintain the struggle, for their luxurious habits are against them, and they see themselves practically handicapped out of the contest. The remedy however is in their own hands; let them adopt the thrifty, economical habits of their rivals, and they will soon cease to have any grievances on the score of underselling. Jews, we do not deny, like to make the best bargains they can, and are apt to be 'cute and sharp in their dealings, but in this they are by no means singular. Their Christian competitors, if we mistake not, are not so disinterested in their dealings as to be ready and willing to abandon a large profit for a smaller one. Sharp practices are common to both parties. The great Sir Thomas Gresham in many of his business transactions displayed great financial skill and a careful solicitude to secure an ample return for the accommodation he was pleased to place at the disposal of his clients. Had he been a Jew the large percentage of profits

he made on many of his transactions would have called forth severe denunciation and many hard words. Our gracious lady, Queen Elizabeth, a perfect mistress of the art of diplomacy, but above all things a woman of the world, proved herself remarkably sharp in her money matters. She forced the loyal City companies to advance her large sums, and, finding she had more money than she required, very graciously returned the surplus,—but with the condition that she was to be paid interest on the amount so restored to its owners. Taken as a body, the Jews will be found as honest and open in their dealings as others, and in any case it is a matter of history that the Rothschild family is largely indebted for its present unexampled prosperity to the honesty of its founder. It cannot, however, be denied that his successors, in their anxiety to augment the fortune bequeathed them, did not hesitate to employ those expedients in common use on the Stock Exchange, which are not free from objection, but which they in common with other speculators were at perfect liberty to adopt. Playing their cards with greater skill than their opponents, the Rothschilds were invariably successful in their speculations, and it was only after their defeat that

the losers began to doubt and question the morality of their rivals' manœuvres. Those who engage in such contests should count the risks beforehand, and should remember that the laugh is with him that wins.

We have now said enough to prove what great intellectual gifts the Jews as a race possess, and how well qualified they are to become successful in whatever walk of life they may enter. There is, however, one question which cannot fail to suggest itself:—How is it that with their acknowledged abilities, with their remarkable industry and thrift leading them to the acquisition of splendid fortunes and fame in their careers;—how is it that the Jews still remain an outcast and an alien race amongst the civilized nations of the earth? The answer is short and simple, being contained in the few words—pride of race. Amidst all the sufferings and trials through which they have passed, despite the universal contumely and disdain heaped upon them, careless of and undismayed by the jeers and derision hurled at them, the Jews have clung steadfastly to the belief and conviction that they are the chosen people, that in the distant future their promised supremacy will be achieved and recognized.

"A people still, whose common ties are gone,
Who, mix'd with every race, are lost in none;
A part there are, whom, doubtless, man might trust,
Worthy as wealthy, pure, religious, just;
They who with patience, yet with rapture, look
On the strong promise of the Sacred Book."

This faith has made them hold themselves apart; they have neither adopted the religious teachings, yielded to the national spirit, nor mingled their lives with those among whom they live. They have no foothold in the countries in which they have settled, but are indeed strangers in the land. To be let alone and allowed to pursue the even tenour of their way is all they desire, but even this is a concession not readily granted them in many countries. Though for centuries they have had to endure the opprobrium and hatred of those in power, they have never tried to resent their wrongs, but have borne them with patient and silent resignation. An outcast race, they still maintain their proud reserve, and never solicit aid from any but co-religionists, which is certainly more than can be said of the Christian community whose benevolent institutions receive handsome and liberal support from Jewish philanthropists. The isolation in which they live not unnaturally gave rise to feelings

of suspicion and distrust, which were intensified by the envy inspired by their enormous wealth and extraordinary success. The rough intellect that found itself unable to cope with the subtle Hebrew mind lent a ready belief to every wild rumour of sorcery and supernatural agency. The results have been seen in Poland, Hungary and elsewhere, where raids on Jewish households have been frequent, ending in many cases in cruelty, spoliation, and bloodshed. In England a better feeling prevails; the barriers that separate the Jews from their neighbours are rapidly falling away, and the Jews are steadily amalgamating with their fellow citizens, as is proved by the ever increasing number of mixed marriages that are made. Besides this there is a feeling among Jews that England is their home, that here their nature and qualities are best appreciated, as it was here that they received the full benefits of citizenship.



Chapter II.

MAYER AMSCHEL ROTHSCHILD.

THE FRANKFORT FIRM.

IT was in the Jewish quarter of Frankfort that the founder of the great financial firm first saw the light. Goethe, who also owned Frankfort as his birthplace, has left us a graphic description of the imperial city, which he states was composed of "town within town, fortress within fortress." Not the least interesting portion of his description is that of the Jewish quarter, enclosed within the ramparts, but yet shut off from the rest of the city by heavy gates and high walls. It was a quarter frequented by few Christians. The houses, huddled close together, were packed from floor to roof with human beings living in a state of squalor and dirt baffling description, while the air was polluted with smells so vile and strong as to drive back all but those whose olfactory

nerves had become deadened by long residence or familiarity with the noisome atmosphere. Goethe narrates how he would sometimes peep through the heavy gates and steal a glance at the strange scenes passing in that narrow lane, and goes on to describe what a shudder the sight caused him when he remembered the tales then current of the horrible cruelty and treachery of the Jews. At that time there was a general belief that human sacrifices were offered in the synagogues. Charges were often laid against the Jews of having kidnapped Christian children, who were never seen alive again. Through the midst of this home of the world's outcasts ran the Judengasse, a narrow, dirty lane, lined with dilapidated houses, crowded with dusky, repulsive looking Jews, who would wrangle, argue, and bargain with each other in tones so harsh and discordant that a stranger might well hesitate to venture among them. When, at last, Goethe did pass through the gates, and came into contact with them, their servile cunning, obsequious entreaties, and the filthy state of their persons, combined with the pestilential smells everywhere prevalent, so filled him with disgust that he determined never to visit them again. Years later he was led to considerably

modify his opinion regarding these descendants of Israel, and he frankly acknowledged that on closer intimacy he found among them many men of quick intelligence and honourable principles, ready at all times to give him a hearty welcome. "Everywhere I went I was well received, pleasantly entertained, and invited to come again." He witnessed many of their ceremonies, visited their schools, and confessed to having been very fond of walking with the dark-eyed, merry-tongued Jewesses to the Fischerfelder on Sundays.

A writer in a recent number of the "Journal des Débats," gave the following interesting particulars respecting the Judengasse and its inmates:—

"No trace," said he, "will shortly be left of the houses in which Börne, the German writer, and Mayer Amschel Rothschild, the founder of his family's fortunes, first saw the light. Since 1872, only a single row of houses has been left, as one side of the street has been pulled down after the fall of two houses, when thirty-one persons were buried in the ruins. Looking at the Judengasse in its present aspect one is struck by the narrowness of the houses. They have three storeys facing the street, and the whole of the façade is studded with

small windows. The gables are pointed, and access is gained to the houses by three or four steps. The doors open into a dark passage, at the other end of which is a worm-eaten wooden staircase, the boards of which bend as one puts one's foot upon them. The rooms are small and low-pitched. They are inhabited by a few of the poorest and most squalid families, Jew and Christian alike. The room upon the ground floor is used as a shop by dealers in old clothes, shoemakers and tinkers. Several of the wealthiest merchants in Germany at the present time may regard these hovels as the home of their ancestors, who are now replaced by the poor wretches just mentioned. There is little that is picturesque about the Judengasse, and those who have had their curiosity whetted by the descriptions in 'Baedeker,' will see nothing comparable to what one comes across in Italian ghettos. More curious than the Judengasse is a tavern hard by, where the Jewish beggars meet at nightfall. This tavern, kept by a man named Lévy, consists of one long room, the walls of which are painted yellow. Little drink is consumed in this room, but the customers take their meals there and play cards. Round a circular table a cosmopolitan

company, consisting of Jews from Poland, where the caftan and the long curls are still worn, as well as from Paris and Berlin, may be seen conversing in low tones, and, upon the evening when the writer paid a visit to the place in the company of a detective, several women were there knitting, one of them being one of the handsomest persons he had ever seen, with magnificent eyes, a white skin, and jet black hair encircled by a kerchief of red wool.

"But, though the Judengasse is not picturesque, its disappearance removes a most interesting historical monument. These decrepit houses revive recollections of another age. The land on which they are built, with the exception of the site owned by the Rothschilds, and on which their house stands, belongs to the town of Frankfort. The Jews confined within their ghetto were not the owners of the soil, being merely tenants at the good will of the Council of the Free City. The Judengasse does not indeed date from earlier than the middle of the fifteenth century, and the walls of the quarter were destroyed by Kleber's army in 1796. During the first part of the Middle Ages the condition of the Jews was comparatively easy. They were the serfs

of the Imperial Chamber, and the Emperor, in return for a fixed tribute, accorded them his protection, and was all the more interested in guarding them from ill-usage as he was anxious to preserve for himself the privilege of taxing them. There is no precise evidence as to when the Israelites came to settle in Frankfort, their presence being officially referred to for the first time in 1240. The first massacre of the Jews took place in 1241, when 180 of them perished. A hundred years of comparative peace ensued, though their relations with the Christians gradually became more strained, their wealth and their mode of life and religion inflaming the superstition, the fanaticism, and the cupidity of the lower orders.

"The worst phase of persecution commenced in 1349, the year of the Black Plague. The country round Frankfort was scoured by bands of Flagellants, who went about declaring that the Jews ought to be put to death for having poisoned the wells. When the inhabitants seemed deaf to their appeals, the Flagellants set several houses on fire, and then spread through the streets exclaiming, 'The Jews are burning your houses!' The stratagem succeeded, and there was a general massacre. In the same

year the Emperor, Charles IV., had mortgaged his Jews to the town of Frankfort for a sum of about £80,000. This sum was never repaid, and the Jews came under the immediate jurisdiction of the Council. This rendered their position much worse, for the Emperor had allowed them to manage affairs much in their own way, and to choose their own judges. They preserved, nevertheless, a certain degree of autonomy, and for some time the only thing which distinguished them from the ordinary citizen was that they had no political rights. Their existence was, however, precarious, and their fortunes often threatened. Thus in 1389 the Emperor Wenzel suppressed by one stroke of the pen the obligation to pay what was due to them, and now and again during a riot numbers of the account books in which they inscribed the sums owing to them were burnt. There was about this time a Jews' street at Frankfort, but it was not inhabited exclusively by Jews, for many of the best Christian families lived in it. Thus the Burgomaster resided there from 1364 to 1375. Still as their synagogue, their baths, and their assembly room for dancing were in this street, most of the Jews lived near it. But, as it was close to the cathedral, their enemies declared that their

cries and blasphemies disturbed the Catholic worshippers. Public feeling became more and more hostile to them, and in 1425 they were prohibited, under a heavy penalty, from taking the name of burgher. The most cruel blow, however, was yet to come. Frederick III., in compliance with the prayer of the clergy, ordered the Jews to remove from the neighbourhood of the cathedral, and, though they offered to wall up the gate of the street leading to that edifice, their offer was refused. The Council selected a site outside the ancient walls of the town, and had houses built at the expense of the Jews. It is thus that the Council owns the ground on which the Judengasse stands. The gates of the ghetto, which were very strong and lined with iron, were kept closed every Sunday and saint's day, as also upon the days when the Emperor entered the city. The Jews were enjoined not to show themselves in public, nor to pass by any church. If business brought them to the Town Hall, they were not allowed to enter by the main door but by a small door from behind. The men were compelled to wear a yellow patch about the size of a crown piece upon their garments, and the women blue stripes to their veils. They were also enjoined to make room

for other citizens on the pavement, and not to touch any of the articles in the market. They were not allowed to buy fish before a certain hour of the day, nor to hire Christians as servants. The Council consented to dispense with their wearing the distinguishing cap on payment of a fine of 250 florins, but they were compelled to have either a black or a grey hat. They were forbidden to lend money to minors or to women, to sell new clothes, or to lend upon clothes which were wet or stained with blood.

"These minute regulations, together with many more of a similar nature, were read out every year in the synagogue. The Jews, in short, must have paid very dearly for the privilege of living in Frankfort; the number of marriages between them was even limited, for there could be only a fixed number of houses, the different couples having to wait their turn. Strange Jews were not allowed in Frankfort, and yet that city must have offered them comparative security, for the Jewish community of Nuremberg sought refuge there in 1498. Protected by their walls, the Jews of Frankfort escaped pillage during the revolt of 1525, but the democratic revolution of 1614 drove them out of the city, and they did not return for two years. When order, however,

was restored they came back, and, so as to make it quite clear that they were under the protection of the Empire, the Imperial coat of arms was displayed above the gate of their street. In 1711 the whole street was burnt down, but the Jews were so afraid of pillage that they would not open their doors, and many perished. The Judengasse was rebuilt in 1717 and made rather wider. While the work of reconstruction was progressing the Jews were allowed to lodge in the town, the poorest being accommodated in an empty hospital. There were two other fires in the Judengasse during the eighteenth century, and the shells from Kleber's guns in 1796 set fire to 150 houses. The wealthiest of the Israelites availed themselves of this opportunity to settle in the town, and they were not again molested. The gates were demolished in 1808, and many restrictions were removed. The Prince Primate granted the Jews, in 1811, equal civil and political rights with those enjoyed by the other inhabitants, but they lost these again in 1815, and did not recover them until 1853 and 1864. In 1811 there were 159 houses, inhabited by 2,214 persons, in the Judengasse, while at the present time the Jews number 14,000, or eleven per cent. of the whole population."

Here, then, in the Judengasse, in the house numbered 152, but better known as the House of the Red Shield (Rothschild)—afterwards adopted as a surname,—lived Amschel Moses Rothschild, earning a livelihood as a dealer in curiosities and old coins. In the course of his business he was in the habit of travelling about the country, hawking his wares and keeping his eyes open in search of curiosities, and an anecdote is related of him tending to show on what a thread the destiny of the family at one time hung. In reproducing this anecdote, we wish it to be understood that we do not attach any value to it ourselves, our object only being to make the narrative as complete as possible. Many of the stories related of the Rothschilds are pure myths, for lively imaginations have placed a halo of romance about their history, as about that of every other person of notoriety, so that implicit credit cannot always be attached to the anecdotes told of the different members of the firm. The story in question is to the effect that Rothschild was one day walking along a country road, when he was overtaken by a brother pedlar in more flourishing circumstances than he himself, seeing that he had an ass to carry his wares. In the course of con-

versation, Rothschild was invited to relieve himself of his load by placing it on the ass's back: an offer he was glad to accept. On coming to a narrow ravine where the bridge across was formed by a single plank, Rothschild prudently removed his sack from the ass's back to his own shoulders, remarking as he did so:—"Accidents sometimes happen at places like this, and, as this sack contains all my fortune, it is well to be on the safe side." His comrade laughed at his fears, but Rothschild's prudence was fully justified by events, for no sooner had the ass, followed by his master, reached the middle of the bridge than the plank gave way, and both were precipitated down the chasm. Thus by a miracle Rothschild saved both his life and his money.

We have already mentioned that the number of Jews allowed to marry was limited, but Rothschild having gained permission availed himself of his privilege and took unto himself a wife, who, in 1743, gave birth to a son whom they named Mayer Amschel. When the boy grew up and his parents had to decide as to his future in life, they resolved to have him educated with a view to his becoming a rabbi, or teacher in the synagogue. This resolution was not unnatural, seeing that several of the



MAIER AMSCHEL ROTHSCHILD.

family had been or were then celebrated for their knowledge of the Talmud and the doctrines of the Jewish faith. Dr Lewysohn states that in the Jewish cemetery at Worms is buried Rabbi Menachem Mendel Rothschild, who had been the chief rabbi to the congregation there. Isaac Rothschild was warden of the Frankfort synagogue, Solomon Rothschild was chief rabbi of Würzburg and Friedburg, and Boaz Rothschild was the author of a Hebrew work published at Fürth in 1766. Mayer Amschel, in 1755, lost his parents and was sent by his relatives to Fürth to complete his studies. Theology was, however, not to his taste. He had been born and bred in the midst of a community whose whole thought centred upon getting and accumulating money. He had early learnt to see in wealth the only true standard by which one could judge his fellow, and he not unnaturally shared the ambition that fired his comrades to acquire riches and a consequent name among his co-religionists. His instinct for business was too powerful to resist. Even while at college he had become well-known as a collector and dealer in old coins on a small scale, and in this way had made the acquaintance of several numismatists in the neighbourhood.

This is surprising when we remember that he could not have been much more than twelve years old at the time, but with Jews the talent for business is innate, and their natural shrewdness and skill in making bargains more than compensate them for their youth and inexperience. Notwithstanding the limited resources at his disposal, Mayer Amschel seems to have pursued his youthful speculations with considerable energy and—profit.

At length, rightly judging that he was better fitted for commercial than theological pursuits, he abandoned his studies altogether and returned to the Judengasse, where his abilities and shrewdness soon became known among his co-religionists. His reputation reaching the ears of some of the large firms, several offers of employment were made him, and not being one of "those who are content to spend their lives trotting on a cabbage leaf," as the proverb says, when a wider field of enterprise was thrown open to him, he accepted the offer of a banking firm named Oppenheim in Hanover. In their service he remained several years, gaining and maintaining a high character for steadiness and reliability, while his energy and abilities were recognized by his gradual promotion to the respon-

sible post of co-manager. Frugal and economical in his habits, he was able to save a considerable portion of his salary, until he thought he possessed sufficient capital to make a start on his own account. He therefore left Oppenheim's service and set up in business for himself, dealing in old coins, bullion, and anything by which he thought he could make a profit. For some time it was a hard, uphill fight, and more than once the budding firm was in danger of collapse, but the untiring energy and honesty of its founder, triumphing over all difficulties, placed it on a sound basis and secured its future safety. Some years later he determined to transfer his business to his birthplace, where he settled for good, as in 1770 he married Gudula Schnappe, and lived in his father's house in the Judengasse. His business was at the outset of a very mixed description, ranging from coins and curiosities, to bullion, bills of exchange, &c., but as his speculations, distinguished by cautious boldness, were almost invariably successful, he was soon in a position to abandon the business of a dealer in works of art for that of a banker and financier. One of his earliest investments was to purchase the freehold of the house in the Judengasse, which has given birth to

one of the greatest financial houses in the world. In all his business transactions he displayed remarkable honesty and integrity; so widely did he become known as the "honest Jew" that his reputation spread through the surrounding provinces, and was largely the means of securing him fresh business. A man of his character has never lacked friends, and Mayer Amschel found many persons ready and anxious to recommend him and gain him new clients. Oppenheim, his old employer, was especially zealous in promoting the success of his former employé, and never allowed an opportunity to slip of saying a word in his favour.

During his apprenticeship at Oppenheim's Mayer Amschel had more than once come into contact with Lieutenant-General Baron von Estorff, an intimate friend of William IX., Landgrave of Hesse, and had won his good opinion and esteem. When years later Baron Estorff, who, from his own knowledge and Oppenheim's accounts, was able to form an estimate of Rothschild's worth, had an opportunity of advancing his fortunes, he did not hesitate to recommend him to the Landgrave as a person well qualified to act as his financial agent. Seeing that

the Landgrave had a private fortune of thirty-six million thalers, it was indeed a most lucrative post to obtain. Rothschild received a summons to wait upon the Landgrave. When he was ushered into the room, he discovered his Highness deep in a game of chess with Baron Estorff, who seemed to be getting the best of the struggle. Not caring to disturb the Landgrave's calculations, which absorbed his attention so entirely that he had not noticed his visitor's entrance, Rothschild stood by, a silent spectator of the game. At last the Landgrave, in his perplexity and despair, threw himself back in his chair, and in so doing caught sight of the banker. He at once inquired of his visitor:—

"Do you know anything of chess?"

Rothschild's answer was to point to a particular piece, saying—

"Would your Highness move this piece to that square?"

The move he suggested was adopted, and at once put a different complexion on matters. So far from the game being lost to the Landgrave, it slowly turned in his favour, and was eventually won by him. He then conversed with Rothschild on the subject of the latter's visit. He was so highly

impressed by his visitor's intelligence and address that he told Baron Estorff, after the banker's departure, that he had "certainly recommended him no fool." The result of the interview was that Mayer Amschel Rothschild was appointed Court-Banker to the Landgrave of Hesse.

In 1804, Rothschild contracted with the Danish government for the issue of a loan of four million thalers: a sign of his growing influence and prosperity. At that time all Europe was in arms against Napoleon, who defeated and overran kingdom after kingdom. In 1806, the Emperor sent a portion of his army to chastise Frankfort and Hesse-Cassel for the support they had given to the cause of the Allies. The truth was that the Landgrave, having a keen eye for business, had found he could largely augment his already handsome fortune by placing his troops at the disposal of the Prussian and English governments, receiving in return large subsidies. This conduct reached the ears of the "child of fortune," who determined to administer a severe punishment to the Landgrave, by plundering and sacking Hesse-Cassel. The approach of the French becoming known, the Landgrave concluded that under the circumstances

discretion was the better part of valour. He therefore made hasty preparations for flight. But, although he would by flight secure the safety of his person, he could not render his money safe, for that he was forced to leave behind. Consisting as it did largely of specie, its mere bulk was a hindrance to its removal, and yet to leave it where it was would be but making a present of it to the French. In his dilemma he recollected Rothschild, and, thinking the banker might be able to take charge of his money, he had it packed and sent to Frankfort.

"Mayer," said the Landgrave, "I have already had some experience of your honesty and integrity, and have now to put it to further proof. I wish to deposit with you my whole fortune; to your care I leave it, to be returned to me in more peaceful and happier times."

"Such a signal mark of your confidence and esteem flatters and honours me, your Highness; but do you not forget that the French will be here in a few days?"

"Do you think so?"

"And that in their train there always follows a band of lawless ruffians, who will fall upon us and

plunder us without mercy. It will be a time of unrestrained pillage, as your Highness must know full well."

"Ah, well, Mayer, I leave my fortune to your care, and you will act as you think best. I ask no receipt from you, knowing that in your hands the money will be safe, if you can but keep the French from handling it."

With these words the Landgrave left, paying no heed to Rothschild's protestations, on finding himself thus suddenly and unexpectedly saddled with the responsibility and anxiety attaching to the custody of so large a sum. Before the week passed all his prophecies were fulfilled. Frankfort was in the hands of the French, who gave themselves up to plunder and wanton destruction. Rothschild, being a man of well-known wealth, was one of the first visited, and had to endure calmly and unmoved the sight of his premises being sacked and stripped of everything of value. He had, however, good reason for his calmness. By thus quietly allowing the French to seize his own property, of no small value, he prevented a more thorough search of his premises being made, and so secured the safety of the Land-

grave's money, which he had artfully concealed in wine casks in his cellars, or had buried in his garden.

This was the turning-point in Rothschild's career. It was the tide in his affairs, taken at the flood, and leading on to his future prosperity and fortune. Had the founder of the Rothschild family refused to undertake the trust confided to him, the course of European history might have been altered, and some of the most remarkable characters of the nineteenth century have remained unknown to fame. The trust was, however, faithfully kept, and Rothschild, after the French had once more left the city, started business afresh, and made such good use of the Landgrave's thalers that in a few years he was reputed to be richer than ever. He seems to have transmitted the whole of the money to his son Nathan, who was established in business in London. This son was already a well-known man in the English capital, where the astounding skill and boldness of his speculations had taken the City by surprise. He thus referred to the fortune left in his father's hands :

"The Prince of Hesse-Cassel gave my father his money; there was no time to lose, so he (my

father) sent it me, and I put it to such good use that the Prince made me a present of all his wine and linen."

A period of respite followed, during which most of the German rulers gave in, either willingly or from necessity, their allegiance to Napoleon. Being raised by the Emperor to the dignity of Elector of Hesse-Cassell, William IX. was enabled to return from his exile. One of the first persons he visited was, not unnaturally, Rothschild. He was aware, from the papers and other sources, of the pillage of Frankfort, and knew that the house of the Jew-banker had not escaped a visit. It had been reported to him, with every show of truth, that Rothschild had been robbed of all he possessed, and was completely ruined. Not knowing anything of the stratagem by which his fortune had been saved, the Elector concluded that his thalers had gone to fill the pockets of the French soldiery; but he still resolved to visit his old agent, if merely to show that his regard and esteem for the latter had suffered no change.

"Good day, Mayer, good day," said he, extending his hand; "at last we have peace again, though rather dearly bought. You see before

you a poor devil of a prince as badly off as Job was."

"You poor, my lord!"

"Yes, to be sure, since those cursed thieves have run off with my thalers as well as yours. If it is not inconvenient to you, I should be glad to get some small advance from you against the indemnity that is to be made me."

"But your Highness has no need to borrow. The money your Highness entrusted to my keeping is safe and untouched."

"*Teufel!*" cried the Prince; "why, did not the French plunder your premises?"

"Pardon me, and I will explain. The French stripped me of everything belonging to myself, but I was careful not to irritate them by any violent resistance, else they might have made a more careful search in my cellar, where your money was hidden."

"What! can it be—"

"Yes, my resignation was a *ruse;* they little dreamt how great a prize they missed."

"Is it possible!" exclaimed the Prince, almost dumb with surprise.

"For the last nine years, your Highness, I have

taken the liberty of making use of your thalers to compensate myself for the loss of mine. All my speculations have been successful, and I can at this moment, without inconvenience, restore the whole sum to you, with interest at five per cent."

The Prince was deeply moved, and with difficulty could express his gratitude and his admiration of Rothschild's noble conduct.

"Friend Mayer," said he, "you are the most honest Jew I know; keep my money, and do what you think fit with it. I want no interest on it for the time it has been in your custody, and for the next twenty years I undertake to leave it with you, and to receive no interest on it above two per cent."

This is the account given by some writers who, dazzled by the immense riches and power of the Rothschilds, were unable to ascribe those riches and that power to ordinary business transactions, and so have gone out out of their way to invent a romance for which they have no better authority than their imaginations. This story is derived from the "Sprüchwörter der Deutschen," and to show how little dependence can be placed upon its truthfulness, we need only mention that it is related

about a "Moses" Rothschild of Frankfort, of whom no one has ever heard, as there was no Rothschild of that name living. Further, the Landgrave fled from Cassel at the first approach of the French, and could not have gone to Frankfort, as that city was already in the possession of the enemy. Neither could the money have been buried in the garden, as no gardens existed in the Judengasse, and the Jews were forbidden by law from owning any freehold property in any other part of the city. The true unvarnished story seems to have been the following:—

Some writers maintain that Rothschild's connection with the Court of Hesse Cassel commenced during the lifetime of the Landgrave Frederick II., who died in 1785, leaving an immense fortune of fifty-six million thalers. This he had acquired by means of his poor subjects, whom, for handsome subsidies, he had placed at the disposal of the English Government. In 1775 he raised a levy of 12,800 Hessian troops, who were shipped off to quell the rising of the American colonists, and further detachments, amounting to about 4,000 more, were sent at intervals. For the services of these men he received from England twenty-two

million thalers. On his death he was succeeded by his son, William IX., a warlike prince, who had seen some service under Frederick the Great. He followed his father's plan, and increased, by large subsidies from the English Government, the vast fortune left him.

In 1787 he was paid six hundred thousand thalers for the services of 12,000 men, and in 1794 he furnished the English with 4,000 more, who were employed in Spain against France. When the French invaded Germany the petty German princes were unable to offer any opposition to their advance; they all fled before the soldiers of the Republic. The Landgrave in the first place went to his brother in Schleswig, but afterwards, in 1808, proceeded to Prague, where he met with a somewhat unpleasant surprise in the shape of an Imperial decree which stated that "the House of Hesse Cassel has for some years past sold its subjects to the English crown, and by that means has amassed a large fortune. This detestable avarice has brought about its own punishment, as the house has ceased to reign." When the treaty of Tilsit was concluded Hesse Cassel was incorporated with the Kingdom of Westphalia.

Whether M. A. Rothschild was appointed Court Jew by Frederick II., as some assert, or first became connected with the Court owing to some dealings he had with William IX., an ardent lover of old and rare coins, and whether his honesty and integrity had won the Landgrave's favour, is shrouded in doubt. It is certain, however, that when William IX. became Landgrave M. A. Rothschild was the "Court Jew," and managed all the Landgrave's financial affairs. The bulk of the Landgrave's fortune, there is every reason to suppose, was invested in the English Funds, as being the only safe and reliable investment, and it was Rothschild's duty to collect the dividends as they became due by drawing upon the firm of Van Notten in London, in whose hands the stocks were deposited. The commission he charged for this business must of itself have amounted to a large sum. That the Landgrave was satisfied with the way in which Rothschild managed his affairs may be inferred from the fact that he gave Rothschild's third son, Nathan, when he established himself in London, full power to deal with his stocks as he deemed best, and transferred to him all the business which the Van Notten firm had formerly conducted. His

confidence must have been great, as Nathan Rothschild was allowed perfect liberty of action, and could sell out and re-invest the stocks confided to him as he pleased. When William IX. fled from Cassel, his first great care was to provide for the safe custody of his money, and this we know M. A. Rothschild undertook to do. What was the exact sum entrusted to him on this occasion we cannot say with any certainty, though it is stated by some writers to have amounted to two million thalers. Now, instead of hiding or burying the money, as some have asserted, it would surely be more characteristic of such a shrewd man of business as Rothschild to have transmitted this sum to London to be disposed of as Nathan Rothschild thought fit. To conceal so large an amount from the French would be next to impossible, and, besides, it would have been madness for M. A. Rothschild to have kept the money himself, when its safety could have been secured by sending it to London; and that he did send it we have his son's word. The romantic version, therefore, seems to have very little truth in it, with the exception of the main point that the fortune of the Landgrave was the original cause of the subsequent success of the Rothschilds. The

commission gained by the London and Frankfort houses every year for managing the Landgrave's affairs must have been considerable, and would of itself have formed a sufficiently strong base for the many successful speculations which the Rothschilds entered into in the money market. Under these circumstances, they may not have speculated for their own benefit with the Landgrave's money at all, and were therefore able to restore it to its owner whenever he thought fit to claim it back.

During the war in Spain the Duke of Wellington experienced great annoyance and embarrassment from the failure of the specie supplies, and the English Government were unable to assist him in his difficulty, as they could induce no bankers to assume the responsibility of conveying the money to Spain. At this juncture M. A. Rothschild stepped forward and offered to undertake the task for a pretty heavy commission. His offer was accepted, fortune smiled on his enterprise, and the money reached the Duke safely. This was a most profitable piece of business, as Rothschild is said to have cleared annually for eight years a sum of about £150,000. The success of this operation, and the punctuality which distinguished its execution,

induced the Government to entrust the Rothschilds with the payment of the enormous subsidies to the various Continental princes, and this, again, still further increased the growing reputation and influence of the firm.

Thus it was that the Rothschilds made their first millions, and few can say they have gained their fortunes in an equally honourable and praiseworthy manner. When once the first million had been made, it was a comparatively easy task to add others. Water always flows to the sea, or, in other words, money makes money. But streams in their progress to the ocean become discoloured by the muddy waters of affluent streams, and so with the Rothschilds' millions. The first were gained by the fairest of means, but some of those that succeeded were undoubtedly won by recourse to those expedients and artifices, common on the Stock Exchange, which are open to serious moral objections.

Mayer Amschel Rothschild died on the 13th September, 1812, in his sixty-seventh year. Just before his decease he summoned his five sons to his bedside, and with his last breath, after giving them his blessing, enjoined them to remain faithful to

the law of Moses, to remain united until the end, and to undertake nothing without having first consulted their mother. "Observe these three points and you will soon be rich among the richest, and the world will belong to you"—a prediction that has been fulfilled to the letter.

He left five sons, Anselm Mayer, Salomon, Nathan, James, and Carl, who soon after his death established a pentarchy, Anselm retaining command of the original house in Frankfort, whilst the others founded new branches in Vienna, London, Paris, and Naples respectively. By so doing they wonderfully increased the reputation and influence of the firm, and gradually gained that control over the different money markets which enabled them to augment their fortunes with such astounding certainty and rapidity.

Although Mayer Rothschild is known to history merely as an eminent financier, money-making did not monopolize his time or thoughts. With all his engagements, he still managed to find leisure and opportunities for administering relief from his well-lined purse to his suffering fellow-mortals, and many tales are told of his benevolence and charity. He would often stop a poor, starving creature in

the street, to place a coin in his hand and hurry away to prevent his face being recognized. He moreover exerted his influence to obtain an extension of the civil and political rights of the Jews, and the abolition of the tyrannical restrictions from which they suffered.

His wife Gudula survived him many years, dying in 1849, at the ripe old age of ninety-six. Notwithstanding its dismal and filthy surroundings, the old house in the Judengasse was her home to the last. No entreaty or attempt at persuasion could induce her to abandon the house so intimately associated with the growth and success of the great firm, whose very name was derived from the sign by which the house had been distinguished from its neighbours. Superstitious scruples and a love of the old place combined to prevent her forsaking it. In her eyes it had some mysterious connection with the prosperity and greatness of the family. Here then she lived on, distinguished by the simplicity of her habits, until the thread of life was snapped and her remains were carried to the grave.

"The mother of the Rothschilds, the Hecuba of the European Crœsus family," wrote an eye-witness during her lifetime, "must be almost a centenarian,

but so vigorous and active is she still, that she manages to visit the theatre nearly every night. There she sits in her box, with a fan in her hand to shield her eyes from the dazzle of the lights, with an old Jewish hood, adorned with flowers, upon her head, no hair visible, dressed in coloured silks, with the most costly lace about her neck and breast. Of her sons, Anselm is most like her. She lives in the Judengasse still, in the same house as when she, at that time the wife of a needy shopkeeper, brought her children into the world. This old musty house, in the dampest and most unhealthy street in the city, she has never been willing to abandon."

"Here I have seen," said she, "my sons grow rich and powerful, and, as I have not become conceited in my old age, I will leave them their good fortune, which would certainly forsake them, were I from pride to abandon my humble dwelling." Owing to the narrowness of the street, no vehicle could approach her house, and her son's carriage could come only as far as the entrance of the Gasse when she returned from the theatre, so that she was always carried home from the carriage.

Heine, in his work, "Ueber Börne," gives us a

pleasant description of a walk he took through the Judengasse, together with an interesting reminiscence of the first Rothschild and his wife :—

" In this small house lives the worthy dame, the Letitzia, who has given birth to so many Napoleons of finance; the great parent of all loans, who in spite of the world-wide rule of her kingly sons, will never consent to leave her little, but fondly cherished palace in the Judengasse, and to-day, owing to the great festivities, her windows are adorned with white hangings. How pleasantly the lamps shine which she lit with her own hands on the 18th October of the Jews, which has been celebrated now for more than two thousand years in remembrance of the day when Judas Maccabæus, with his equally brave and heroic brothers, set his country free, as did Frederick William in our day. The tears spring to her eyes as the good old dame looks at the lamps, for they bring back to her the memory of Mayer Amschel, her dearly loved husband, and of her children—then young children —who would plant the lamps in the ground, and with childish glee jump over and round them. Old Rothschild, the founder of the reigning dynasty, was a noble soul, goodness and kindheartedness

itself; a benevolent face with a pointed little beard; on his head a three-cornered hat, and his dress quiet and sober, if not poor. Thus would he go about in Frankfort, and frequently surrounded, as if holding a levée, by a crowd of poor people, to whom he would either give alms or address a kind word. If a row of beggars was met in the street, with cheerful and pleased countenances, one might be sure that Rothschild was in the habit of passing down that way."

Chapter III.

THE PROGRESS OF THE FIRM.

THE dying injunctions of Mayer Amschel to his five sons were faithfully observed with the filial obedience so characteristic of the Jews. The Jews, with all their faults—and Jews are no more faultless than the rest of mankind—still display many qualities which deserve our praise and admiration. The importance and value they have always attached to reverence and respect towards their elders, and especially towards their parents, are too well known to require demonstration, and certainly few nations excel them in this respect. No doubt the habits of the Jews encourage the development of such qualities as filial obedience and reverence of old age. With their proud reserve, which holds them aloof from their Christian neighbours, they are necessarily

forced to foster the pleasures and comforts of their own domestic circles and to knit the family bonds more firmly together. In Jewish families the wish of the father has far more weight, and is far more highly respected than in Christian families. That the last wishes of Mayer Amschel should have been scrupulously fulfilled, need excite no surprise, for, even if filial obedience had not led his sons to live in unity together, their natural shrewdness would have at once pointed out to them the advantages which would follow from their combined action. But, be the motives what they may, it is a matter of history that the five sons, after their father's death, started business in five of the European capitals, each brother managing his own, but always acting on important occasions in concert with the others. The result of this union of aims and action was that they all rose simultaneously to fame and fortune, rising, too, with a rapidity which appears incredible. There is one drawback to this principle of combined action for their general benefit—the impossibility of writing a lucid and accurate description of the career of each of the brothers, owing to the impossibility of ascertaining what part each played in the many gigantic operations undertaken and

carried out conjointly by all. The business of the Rothschilds since 1812 has been so immense, and the bonds linking the different members of the family together so interwoven, that to unravel them appears well-nigh hopeless. The best course for us to pursue under these circumstances is to give in the first place a clear and concise account of the family, and then to deal with the career of each individual member. By the adoption of this plan we hope to avoid confusing the reader by frequent reference to other portions of the narrative.

The success achieved by the founder of the firm was no doubt greatly due to the disturbed state of the financial and political world. Had he fallen on more peaceful times, it may well be questioned whether he would have met with the success he did. In more senses than one we may regard Mayer Amschel as a child of fortune equally with his illustrious contemporary Napoleon. The period from his starting in business to his death in 1812 was a period rife with wars and rumours of war—a period eminently favourable to such a shrewd and daring speculator as he was. It is in such disturbed times, when the prices fluctuate greatly, yielding to the influence of any and every rumour,

that speculators reap their richest harvest. Peace, which means prosperity to the country at large, is their dread and abhorrence. Times could hardly have been more auspicious for Mayer Amschel. Trade was then almost annihilated on the Continent, and confidence and credit were at such a low ebb that Rothschild could obtain for his advances pretty well whatever interest he chose to demand. Favoured by fortune and circumstances, and aided as it was by the remarkable faculty he displayed of forecasting the future, his progress was rapid. We are forced to write in these general terms of the founder of the firm, as little but tradition remains to afford us information either as to his business or private life. To the public the archives of the family which could throw so much light upon the history of this century are a profound secret, a sealed book, kept hidden from profane eyes. What a mass of interesting information must the pages of those archives contain! and yet no stranger has been allowed to inspect and make known their contents. No encouragement is offered by the family to any who may desire to obtain information respecting the early history of the members of the firm; indeed, such inquiries, how-

ever laudable may be their object, are regarded as intrusive, if not impertinent, and an evasive answer is all that is usually received. The reticence of the family can be easily understood; but still it is to be regretted that some relaxation of this hard and fast rule cannot be made, seeing that the family, owing to the exalted position and relations it holds towards all the States of Europe, has long since ceased to retain its private character. The movements of the Rothschilds are carefully watched, and are as important to the public as those of any Minister. It is said that one enthusiastic inquirer was informed that "they much regretted that no information could be given him on the subject of the business of the founder of the firm, as no record of his loans and other financial operations had been kept, neither could they furnish a photograph, as he had never sat for his portrait; and, in conclusion, that it was impossible to name all the members of the family, as a full pedigree did not exist."

In the previous pages we have narrated how Mayer Amschel started in business as a dealer in coins and bullion, and how, as his reputation for honesty became known, he was able to extend his

sphere of action by dealing in bills of exchange, merchandise, &c. We have described how he became known to and appreciated by the Landgrave of Hesse, through whose influence he gained a large number of wealthy and princely clients, and how his fame and credit were still further augmented in 1801 by his being appointed Court Jew in succession to Feidel David. In this way he laid the foundation of the substantial fortune he bequeathed his five sons. In 1804 Mayer Amschel found that he had prospered so well in his undertakings that he was in a position to lend his assistance to the Government of Denmark, whose finances were not then in a flourishing condition. This transaction was followed by several of a similar nature, Denmark being overtaken by a series of undeserved and unforeseen calamities which quite crippled her for the time. The greatest and most hurtful shock she received was when the English fleet appeared in the Sound without any previous declaration of war, and demanded the surrender of the Danish fleet. This demand being refused, General Cathcart landed some 30,000 men a few miles above Copenhagen, and then bombarded the town for three successive days. The result of these

vigorous measures was that General Pyrmann was induced to comply with the English terms and surrender the Danish fleet. In the ensuing year war with Sweden followed, and still further crippled the financial resources of the Government, which was compelled to impose fresh burdens on the already heavily-taxed and impoverished country. Besides issuing an enormous amount of paper money, the Government was compelled in their extremity to apply to the Rothschilds for assistance, an application which, as we have said, met with a favourable response. Between 1804 and 1812 the loans issued by M. A. Rothschild on behalf of Denmark amounted to no less than 10,000,000 thalers; a large sum for any one firm to be responsible for at that time, when money was dearer than it is now. This large business proved, no doubt, very lucrative to the contractor, and gave a turn to the business of the firm which it has since retained. After 1812 the miscellaneous business was gradually abandoned, Government operations taking its place. It is not certain whether the last Danish loan was issued during the lifetime of Mayer Amschel or not; that, however, is a trifling matter. Having established the firm on a solid basis, Mayer Amschel

during the last years of his life left the management to a great extent in the hands of his sons, and devoted himself to work more congenial to his better nature. His philanthropy and benevolence were unbounded, and endeared him to the memory of his fellow-citizens. The esteem in which he was held was proved by his being nominated by the Grand Duke a member of the Wahlcollegium, when Frankfort was made the capital of the new Grand Duchy. It was to the Grand Duke that the Jews of Frankfort were indebted for the grant of the full enjoyment of political and municipal rights which had hitherto been withheld. With the death of Mayer Amschel in 1812 the first period in the history of the firm closed—a period small and insignificant in results when compared with those that followed, but still considerable if compared with the results achieved by any other banking firm.

The second period in the firm's history dates from 1812 to 1826. On the death of their father, four sons out of the five started each a business of his own, in Paris, Vienna, Naples, and London respectively. The branch in London had, however, existed some time previously, having been founded by Nathan Mayer Rothschild, who saw that Frank-

fort was too small to afford scope for the operations of himself and his brothers. With his characteristic decision, he resolved to repair to England and win his way to fortune by his own unaided efforts. In subsequent pages we shall detail the business he conducted, and will content ourselves by stating here that the financial ability he displayed was so marvellous that he gained an unprecedented success in the country of his adoption. He contributed largely to the prosperity of the parent firm in Frankfort by inducing the English Government to entrust his father with the payment of its subsidies to its foreign allies. That this was a profitable business may be inferred from the fact that in one year the subsidies amounted to no less than £11,000,000, which must have left a handsome commission in the coffers of the firm. On the death of Mayer Amschel, an exception was made to the rule always since observed by the firm, that the eldest member should be regarded as its head and ruling spirit. The brothers, fully cognizant of his superior intellectual capacity, willingly acknowledged Nathan Mayer as the most fit to direct all their most important transactions. That they acted wisely in doing so, results have proved, as

their business began from the year 1812 to assume cosmopolitan proportions, and to pervade all parts of the world. Its operations were of a most gigantic nature, whilst the success it achieved was correspondingly rapid. Its success was indeed so remarkable that the only explanation of it seems to be in the extraordinary vicissitudes and excitement through which many of the European States passed during that period, and of which the Rothschilds took advantage. From 1812 the firm quitted the old conventional paths and struck out a new line of business, which it has made peculiarly its own. Its fortunes and its resources had then grown so large that the old banking operations were no longer worthy of its attention. Government business, such as issuing State loans and the emission of Government funds, proved more congenial, and no doubt more profitable, so that we find the firm between 1812 and 1830 engaged in the transaction of a series of vast operations, which raised it to a position of power no other firm has ever attained. Its influence was so all-powerful that it was a saying, no war could be undertaken without the assistance of the Rothschilds, since the control exercised by them on the money markets was such

that they could effectually withhold or procure the requisite funds.

The inauguration of this new business opened up a new field of industry, if we may so call it, which possessed such attractions in the shape of facilities for making and losing money, that it soon became popular. Every year the business in Government funds increased in value and importance, for the advantages the funds possessed were so many and so great that merchants and persons of every rank and station hastened to invest in them. By the purchase of Government securities the buyer knows he holds the best security for his money, since the credit and solvency of the country are pledged to him, and, as it is of the greatest public importance to preserve these uninjured, so his security is practically safe from destruction. No other way of investing money with equal safety exists, for in private enterprises, in which the security may be goods or landed property, the whole capital may suddenly be lost by fraud, fire, or other accidental causes. Then, again, an investor can rely with certainty on regularly receiving a fixed interest on his capital, whereas, were he to invest his money otherwise, the interest would be dependent on con-

tingencies beyond his control. Another advantage, and a very great one, is that anyone can purchase what amount of Government stock he pleases, and in this way make use of all the money he can command. He is not limited to a round sum, as would be the case if he lent his capital on mortgage, which might demand either a larger or smaller amount than that at his disposal for the time being, but in Government stock he can invest the amount down to the last shilling. Most Government stocks are negotiable in all the leading European markets, so that their popularity may be due in no small measure to their portable and saleable qualities. It is scarcely to be wondered at that the demand for these stocks was for ever increasing, and that the business done in them became in a few years of the greatest importance. In addition to the intrinsic value of the stocks, an additional value was derived from the speculation which took place in them. By the exercise of a certain amount of shrewdness, and aided by good fortune in the choice of the moment for buying or selling, it was possible to make hitherto unheard-of gains. This possibility naturally caused a general desire to share in such easily-earned profits, and in

this way speculation went on increasing. In the course of time, when the public appetite for investing was no longer appeased by Government funds, stocks and shares of every description were issued and snatched up with avidity. Year after year speculation grew, and gradually degenerated into one vast system of gambling. No objection can be raised to legitimate purchases or sales of stocks, but since the bulk of Stock Exchange business has been based on speculation there can be no doubt that the effects are far from beneficial. When it is possible to make enormous and fabulous gains, with comparatively no exertion, by operations on the Stock Exchange, it would be surprising if many business men were not found to quit the old paths in which their fathers made their fortunes by steady persevering industry, to enter upon one surrounded with such rosy allurements, where failure appears out of the question. The commerce of a country must be affected by this endless speculation, as the amount of capital sunk in keeping stocks up at fictitious prices must at times be immense. To make matters worse, everything imaginable is done to encourage this speculation. The disclosures recently made in connection with the managers of several

of the London banks prove with what ease unscrupulous persons might without means embark in speculations amounting to hundreds of thousands of pounds. How largely chance enters into Stock Exchange operations is shown by the custom of buying or selling stocks for delivery at some future day. A man may perhaps sell an amount of stock now at a certain price to be delivered to the purchaser say a month hence, in which case he trusts to Providence to be able to buy the same amount of stock himself at a lower price before the time expires, and so clear a profit without having really risked any money. Should he buy, then the opposite principle guides his action. As a proof to what extent gambling of this kind is carried, we may mention that in the corn market crops are frequently sold before the seed has even been planted. The facilities offered are so great that speculators enter into operations out of all proportion to their means, for, being anxious to make as large a profit as they can, they are forced to engage in transactions on a gigantic scale. Should their calculations turn out wrong, or the fickle goddess not be amiable, the result is that ruin stares them in the face. But they seldom yield without making a violent effort

to turn the tables in their favour. This they try to do in one of two ways: they either plunge deeper into the speculation, trusting by this plan to obtain a control of the market, or they resort to the fabrication of false news, hoping that the effect produced will be such as to once more make prices favourable to their operations. Rumours, lying, and every possible artifice are adopted by those who speculate on the Exchange, and it is certainly not beneficial to public morality that those should frequently succeed best who prove themselves the greatest adepts in this species of manœuvring. These few explanatory remarks, though perhaps out of place, will enable the reader to understand how practicable it is to acquire rapidly by speculation an enormous fortune, which in the ordinary course of business could be gained only after a life of persevering activity and industry.

The greater part of the Government loans which press so heavily upon the leading European States have been issued through the agency of the great financial and banking houses, at whose head stands the family of Rothschild. Being to a certain extent the originators of this description of business, and possessing such influence on the different

European markets, in all of which they had branches or correspondents, it was only natural that the five brothers should manage to secure the goodwill and patronage of the various Governments. We have seen that they issued a series of loans for Denmark between 1804 and 1812, but it was not till tranquillity was restored to Europe in 1815 that the firm was called upon to show the great things of which it was capable. With that year the brothers began a period, lasting for fifteen years, during which they were incessantly engaged in the issue of Government loans. Unvarying success followed them in all their undertakings, and the firm rose to a position of such power and repute in the political and commercial world that they were the dictators of Europe. To give the reader an idea of their power, we may mention that Ferdinand I. of Italy was compelled to accept the condition named by them as the only means of obtaining their aid—the recall and reinstallation in office as Finance Minister of their friend the Chevalier de Medici. And this is no exceptional case; other Governments in their extremity have been forced to agree to the terms dictated by the great financial house. We do not intend to follow and analyze each individual

step the Rothschilds made on their road to fame and fortune, but will content ourselves with giving a summary of the leading operations undertaken by them in the course of the second period of their history. According to the Chevalier von Gentz, the annual business of the firm during the twelve years preceding 1826 amounted to no less than eleven or twelve hundred thousand thalers, mostly loans, but partly subsidies. This period was undoubtedly the most prosperous, and at the same time most brilliant, through which the firm has passed. The explanation of this extraordinary activity is easy. The long struggle in which all the European States had been engaged for a quarter of a century, either as the friends or the enemies of Napoleon, had drained the State treasuries of their supplies, whilst the countries were impoverished by the excessive war contributions levied to meet the expenses incidental to the prosecution of the campaigns. When the efforts of the Allies to forcibly shake off the heavy yoke of the Emperor were rewarded with success, and Napoleon placed in a position where he was powerless to threaten the peace of Europe, it was possible to form an estimate of the enormous sacrifices and expense the

struggle had cost. Every State, without exception, found itself burdened with debts which seemed to crush its energies and to defy any attempt that might be made to remove them. However, all this was set once more in order and prosperity restored between the years 1815 and 1830; thanks chiefly to the assistance lent by the Rothschilds. According to a careful estimate, the loans negotiated by them during this period for the five great European States, England, Russia, Austria, France, and Prussia, amounted to very nearly one thousand million thalers. Hitherto we have spoken in very general terms of the business of the firm, but it is almost impossible for the reader to form a just conception of the magnitude of the firm's operations without some details being given. We shall therefore proceed to describe a few of the principal loans brought out under the auspices of the Rothschilds.

One of the earliest loans contracted for by the Rothschilds was that issued in 1818 for the benefit of the Prussian Government. This loan, better known as the English loan, was for £5,000,000 sterling. The terms on which it was issued were far from favourable to the Government, and gave a good idea of the low state of credit prevailing at

the time. The Government guaranteed interest on the loan at the rate of 5 per cent. They found, however, that they were utterly unable to obtain a better price than 70 per cent. on the first half. The other half was issued, in two portions, at the price of 72½ and 75 respectively, but the whole amount was not applied for. That everything was done to gain the favour of the public is clear, as provision was made to pay off 3 per cent. of the loan in the first year, 2½ per cent. in the second, 2 in the third, 1½ in the fourth, and 1 per cent. in the fifth. In 1830 the remainder of the amount was converted into a Four per Cent., to redeem which a sinking fund of 1 per cent. and the interest accruing from bonds drawn after 1835 were set aside. In 1822 a second English loan of three and a half millions at 5 per cent. was concluded, and was followed in 1830 by the third Prussian-English loan at 4 per cent., of which mention was made above.

Austria found herself compelled, like Prussia, to issue several loans, partly through the agency of the Rothschilds, and partly through them and other banking firms. The first loan was the lottery loan of 1820 for 20,800,000 guldens, contracted for by S. M. von Rothschild, in conjunction with David

Parisch. The second followed in 1821, and was for 37½ million guldens, in shares of 250 guldens, bearing 5 per cent. interest. In 1834 Austria negotiated a third loan for 25 million guldens at 4 per cent., in shares of 500 guldens, with the firms of Rothschild, Arnstein, Eskeles, Sina, and Geymüller and Co. The same firms issued a fourth loan in 1839, amounting to 30 million guldens, in bonds of 250 guldens each.

Russia in 1822 raised a loan of 3½ millions sterling through the Rothschilds, and in 1847 France followed suit with a loan of 250 million francs, issued at 75. In 1834 a Greek loan of 66 million francs was issued at 94 per cent., whilst in 1831 Belgium floated one for 50 million francs. The operations of the firm were not confined to Europe, as on several occasions the Empire of Brazil sought its assistance—to the extent of £3,200,000 in 1824, and £800,000 in 1829.

In addition to these Government loans, others were issued in large numbers on behalf of the different German principalities. It was thus the Grand Duchy of Hesse obtained in 1825 6½ million guldens, and 2,375,000 guldens in 1834. The Duchy of Nassau in 1837 placed a loan of 2,600,000 guldens.

Besides these the following loans were issued at different periods. In 1821, for the kingdom of Naples, 16 million ducats, 20 millions in 1822, and £2,500,000 sterling in 1824. The Papal States, 16 million francs in 1831, followed by 2,160,000 francs in 1845. Hesse-Homburg, 1¾ million guldens, 1829; Hohenzollern-Hechingen, 260,000 guldens in 1829; Sachsen-Coburg-Gotha, 3½ million guldens; the Duchy of Lucca, 1,050,000 guldens in 1840, and 1,120,000 in 1843. Baden, in 1840, 1845, 1848, 1849, and 1850, issued loans for 5, 14, 2½, 1½, and 1½ million guldens respectively. Hanover in 1847 had a loan of 3,600,000 thalers; Bavaria, in 1848, 22 million guldens; Hesse, four loans from 1848 to 1851, amounting to 6½ million guldens; and Nassau, 1,200,000 guldens in 1849.

The above list is far from complete, but it will suffice, we think, to convey some impression of the vast proportions and unlimited extent of the business transacted by the Rothschilds since the commencement of their remarkable career. During this second period the reputation and influence of the firm may be said to have reached its zenith. Honours and decorations were showered by grateful Governments upon their benefactors, who were

everywhere treated with a deferential consideration a monarch might well envy. In 1815 they were nominated private financial advisers to the Elector of Hesse, and in 1818 appointed members of the aulic commercial council of Prussia. In 1815 the Emperor Francis of Austria conferred upon them an hereditary title of nobility, and in 1822 raised them to the rank of barons. In addition to this the brother in London was appointed at first Consul and then Consul-General for Austria, an honour which his brother likewise enjoyed in Paris. In 1823 Baron James of Paris received the cross of Chevalier of the Legion of Honour, and was afterwards created a Commander of that order. Sir Anthony de Rothschild received his baronetage in 1846, and the title has now descended to Sir Nathaniel de Rothschild (Lord Rothschild), the present head of the London firm.

The third period of the firm's history dates from 1830 to the present time. During the latter part of the second period there occurred in the financial and commercial world that memorable crisis, even now recollected by many as if it were but of yesterday, so terrible was the panic it created. Owing to the abundance of money in the years immediately

preceding, some difficulty was experienced in investing capital in good paying undertakings, and by degrees a speculative mania, which reached its climax in 1825, took possession of the public. A collapse ensued, and in 1826 its effects began to be felt, as one by one firms and banks of hitherto undoubted credit and solvability failed. The ruin and distress caused by these failures were widespread, the whole country being more or less affected; and, as is usual in such cases, the evil was felt most by persons who had been led away by the plausibility and specious promises of designing rogues. So great was the blow given to credit, that many firms were brought to the verge of ruin owing to the support of the banks being suddenly withheld. The Bank of England even came in for a share of suspicion, or at least the confidence of its customers was so shaken that a run upon its coffers took place, and threatened at one time to make it close its doors. That this was prevented was, as is well known, largely due to the loyal support rendered the bank by Nathan Mayer Rothschild. Scarcely had credit recovered from this shock, and commerce once more regained its prosperity, than an unexpected blow was struck, and again shook the finan-

cial world to its very foundations. In 1830 the French Revolution of July took everyone by surprise, and brought about a period of great uncertainty and anxiety. On this occasion, as in 1826, the Rothschilds rendered great and inestimable services to the public by aiding, with their immense means and credit, many houses threatened with ruin through no fault of their own. There can be no doubt that this bold and public-spirited course of action went far to restore confidence, whilst it certainly added greatly to the repute and honour of the firm. For the next eighteen years after this subversion of things in France, matters remained undisturbed under Louis Philippe, the head and founder of the new dynasty, and Europe enjoyed a period of unbroken repose. And never did the star of the Rothschilds shine with such unrivalled brilliance as during these eighteen years, when their advice was sought for by those in power.

But at the expiration of that time events occurred with equal suddenness, and as little anticipated as those of 1830, which have had a prejudicial effect on the business of the great financial firm. During the period of undisturbed tranquillity through which France passed after the Restoration, time was found

to attend to the introduction of much-needed reforms in the Government and Constitution. Necessarily the finances were the first subject to come under review, and in 1848, after a great deal of debating, a reform was made in the system by which the Government had been wont to raise what money it required to borrow, and the hitherto all potent influence of the Rothschilds received a blow from which it has never since recovered. From the beginning of this century the credit of the European Governments had risen steadily. In the early part of the century it was impossible for them to obtain even at 6 per cent. the money they required, whereas in 1848 no Government would have experienced any difficulty in borrowing what sum they pleased at 4 per cent. After the revolution of 1848 the French Government felt convinced they could obtain the money required by the State on easier terms than those previously accepted; they were confident they could procure first hand, without the intervention of any banker, the funds of which they stood in need; they addressed themselves frankly and directly to the people, and the people fully justified the faith reposed in their liberality by placing at the disposal of the Govern-

ment sums frequently ten times the amount demanded. The quite unexpected success that attended the Government's action has had an immense bearing on the mode in which State finances have since been conducted, and has proved highly beneficial to the State itself, as well as to individual persons. Since that time the immense preliminary profits, in the way of commission, which always went into the banker's pockets, have been abolished, and, whilst the business is conducted far more economically, the intervention of bankers and others is done away with, and the State and its subjects brought into closer contact. The result of the new measures was that all the great banking firms who had been accustomed to undertake loan business for the Government were unable to secure for themselves any advantages not enjoyed by every private person, by every citizen; the old connections with the Government were severed, and thenceforth financiers, banking houses, and citizens were equal. The gilt having been so roughly taken off the gingerbread, the great houses were forced to seek the profits they had been wont to make out of Government business in enterprises of another description. Gradually we find commercial under-

takings engaging the attention of the leading capitalists and bankers.

The new arrangements of the Government were a severe blow to the Rothschilds, who had issued for many years the majority of the loans needed by the different States. From that time forward, from that "mad year 1848," so detrimental to their interests, the great firm have pursued an entirely new path. They have, for instance, aided in the formation and establishment of every description of industrial enterprises, in railways, mining, and such-like companies, but more especially in banking and credit institutions, all of which formed admirable foundations for speculation. It cannot be denied that the immense and preponderating influence possessed by the Rothschilds up till that time, began to wane when they lost the business which had been regarded as peculiarly their own, and could no longer sway the money market by their nod as of old. They were forced to put themselves on a level with many other great banking and financial firms. In writing thus it must be distinctly understood that we do not mean to say that the pecuniary resources of the firm were in the least affected by the change; their financial

position was as strong as ever, but naturally their having been for so long the trusted and favoured agents of the Government had lent their name a certain pomp and splendour which disappeared when the Government determined to act in future without their aid. Backed up as the Rothschilds are by the enormous wealth of the whole family, and the immense credit attached to their name, they are able still to make large profits in their enterprises, as they are able to wait until a favourable moment occurs for securing the success of their operations. Nothing proves more strongly the energy and vigour of the firm and their capability of still engaging single-handed in colossal enterprises, than the assistance they have of late years lent the English Government. In 1876, as is well known, they advanced the sum of four million pounds sterling to the British Government, to enable the latter to complete the purchase of Suez Canal shares from the Khedive, and in 1884 they once more responded to an appeal for pecuniary aid, by lending the Egyptian Government a sum amounting to one million sterling. Though perhaps more sedate in its movements than in its earlier years, the great firm shows no sign of decay or weakening of its powers.

The first, and head establishment of the firm, was that founded by Mayer Amschel Rothschild in Frankfort-on-the-Main. It was the only one till 1798, when a second establishment was formed in London, to be followed, in 1812, by that in Paris. These two establishments belong to the first period of the firm's history. In the second period falls the creation of the other great houses, namely, that of the Vienna house, about 1816, and that of the house in Naples, in 1820. At the head of these five houses were the five sons of Mayer Amschel. The eldest, Anselm, directed the affairs of the Frankfort house until his death on the 3rd December, 1855; the third brother, Nathan, guided the fortunes of the London firm until 1836, in which year he died. James de Rothschild, the youngest of the five sons, presided over the destinies of the Paris house; he outlived all his brothers by some ten or twelve years, dying on the 15th November, 1868. Salomon von Rothschild of Vienna, died on the 27th July, 1855, and Carl Mayer de Rothschild, the head of the Naples firm, on the 10th March of the same year. The Naples firm has since ceased to exist, but at the head of the remaining four firms are the descendants of the

five brothers. In addition to these great establishments managed by members of the family, there are, in every great capital, agents and representatives who watch vigilantly over its interests, and execute the orders given them.

The political events of this century have had so important a bearing on the fortunes of the Rothschilds that we may be allowed to give a brief summary of the leading incidents which have been so instrumental in promoting the success of the millionaire family. In the first period of the firm's history there occurred a succession of remarkable events which threatened the welfare of many European States. The first to attract attention was the outbreak of the War of Independence in America, a war which terminated so disastrously for the honour of England. But, disastrous as was the end of this outbreak to England, it was not to be compared with the evil and ruinous consequences the first French Revolution entailed upon France. Yet, harmful as these episodes were to the countries concerned, they were far from being so prejudicial to the interests of individual persons. To the Rothschilds nothing could have occurred more propitiously than the outbreak of the American

revolt, and that of the French Revolution, as the two enabled them by their intimate relations with the Landgrave to lay the foundation of the immense wealth they have since acquired. To this same period belongs the gradual rise of Napoleon, and his elevation to the throne of France, followed at length by his overthrow and abdication, but not until he had forced all Europe to acknowledge and tremble beneath his despotic sway. As Napoleon's star sank and disappeared, that of the Rothschilds rose and increased in brilliance. When Napoleon was finally crushed at Waterloo, his star vanished for ever, whilst that of the Rothschilds seemed to grow every day in power and to dwarf all others. The Rothschilds belong to no one nationality, they are cosmopolitan, and, whilst on the one hand they provided supplies for the armies of Napoleon, on the other, they raised loans for his foes, who used the funds thus obtained in defraying the cost of their campaigns against him; they belonged to no party, they were ready to grow rich at the expense of friends and foes alike. The fall of Napoleon was the rise of Rothschild. By means of couriers and expresses who brought the great firm news of Napoleon's defeat long before the world generally

was in possession of the joyful intelligence, the Rothschilds were able to purchase on a gigantic scale, so that when the news became known and the funds in response to the public joy rose with a bound, the gains accruing from the transactions were unprecedentedly large. From that time forward the house occupied a prominent position in the political world; it was regarded as a power whose opinions must be consulted before any great financial operation was undertaken. From that time forward the co-operation of the firm was sought by all the leading States whenever a loan was required, and to receive such assistance was regarded by the recipients very much as a favour not granted at random. With the French July Revolution the firm entered upon its third period, a period during which the influence and position of the several houses attained a height which would have vastly surprised the old banker, Mayer Amschel. History does not record another instance of any one private firm holding so prominent a position, or exercising such a powerful control over the destinies of nations, as is furnished by the Rothschild family. It is almost impossible to describe their influence upon the history of the last fifty years, for the effect of

their actions and advice upon the policies of the different Cabinets is not easily seen, owing to the unobtrusive and undemonstrative way in which they always bore themselves in public affairs. They never held any official Cabinet rank, consequently their opinions were seldom publicly ventilated; but, notwithstanding this, they always enjoyed the full confidence of the different Governments who were forced on more than one occasion to seek the counsel of the powerful financiers. No firm or family has ever figured so prominently in history, and yet no family has been so uniformly quiet and unassuming in its demeanour. It never tries to force the public to adopt its opinions, but is content to bring the weight of its influence to bear privately, in a manner which cannot fail to secure careful consideration to whatever plans or suggestions it may think fit to propose. In France it is well known that Baron James was one of the most trusted and esteemed counsellors of the Bourbons and of the Emperor Napoleon, and it is the same in England, Germany, and Austria. The late Baron Lionel de Rothschild was for many years a member of Parliament, and sat on many of the Committees, where his opinions always com-

manded respect and attention. Nothing demonstrated so clearly the immense power exercised by the firm as the guarantee given by Baron Lionel at the conclusion of the Franco-German War to the German Government to maintain the stability of the foreign exchanges—a guarantee which greatly facilitated the payment of the indemnity.

The Rothschilds are not content to allow their influence to rest merely on the possession of boundless wealth; they seek to extend and increase it still further by becoming owners of land on a large scale—a course by which their interests and those of the nation are more closely linked together. In England, France, Germany, and Austria they possess immense estates, and there can be no doubt that the fact of their possessing such an important stake in the continued prosperity of the different countries, leads the public to attach greater weight to their opinions, and greater importance to their proceedings, than would otherwise be the case. One of the largest estates belonging to the family was that acquired by the purchase, in 1844, of the manors of Schillersdorf, Oderberg, and Hultschin, in Ober-Schlesien, near the Austrian frontiers. Schillersdorf was at one time in the hands of the

Jesuits, and afterwards passed into those of the von Eichendorff family. This extensive property, which included a number of villages, was at first laid out for agricultural purposes by its new owner, and supplied the beetroot and turnips for the sugar manufactories which were erected on it. Owing to lower taxes and State subsidies, the manufacture of sugar could be carried on much more profitably in Austria than in the Zollverein, and the profits were still further increased by a little artifice which cheated the Government out of part of the duty. A large proportion of the sugar manufactured was for Russian consumption, and, as the manufactory was close to the frontier, the beetroots were brought across in a dried state, as produce for which the duty was a mere trifle. The weight being considerably reduced by this means, a large saving was effected in the duty. The profits derived from the estate were, however, not large enough to please its owner, and it was afterwards split up amongst a number of tenants. In France the Rothschilds have several very large estates and vineyards. Baron Alphonse's château at Ferrières is famed for the brilliant hunting parties that frequently assemble there, and has been the scene of more than one

historic meeting. During the siege of Paris it was chosen as the headquarters of Prince Frederick William of Prussia and Prince Bismarck. It was there that Ferry went to negotiate for an armistice, and that the terms of the capitulation were finally arranged. In England the Rothschilds are amongst the largest landowners, and own between them a large part of Buckinghamshire and Hertfordshire, in which counties there is quite a cluster of their estates. Sir Nathaniel de Rothschild owns a fine property at Tring; Mr Leopold de Rothschild has an estate at Ascott, near Leighton Buzzard; Mr Alfred de Rothschild, one at Alton; Lady Anthony de Rothschild, one at Aston Clinton; Baron Ferdinand, from Vienna, one at Waddesden. In addition to these country estates, they each have a palatial town residence, where the most brilliant receptions and most sumptuous dinners are given. There is still to be mentioned the grand old Gunnersbury House, with its magnificent grounds, where the late Baron Lionel de Rothschild used to reside.

"How has the house of Rothschild amassed such untold wealth?" is a question one is continually striving to answer, but to answer it fully and com-

pletely would necessitate our examining and analyzing all the manipulations and undertakings of the great firm from its commencement. It is indeed remarkable that this one firm should have so speculated as not only to have enriched and strengthened itself, but to have risen steadily to a position exalted far above all rivals. The ways and means employed by its members were open to all, and all were at liberty to make what use they pleased of them; but the Rothschilds were ever masters in the art of speculation, and soon outstripped all competitors, and left them far in the rear. Their speculations were at once simple and clear. These masters of finance first laid down the lines of the speculation, and fixed the aim and object of their efforts clearly in their minds, keeping their whole attention fixed on the main points, and never troubling themselves about the details. The manifold and apparently often contradictory manœuvres effected by the firm were always dictated by an unswerving regard to the object they had in view. Nothing, indeed, was more simple than the mode in which they won their enormous profits. For instance, they issued a loan at a certain price—already, perhaps, 2 or 3 per cent. above the con-

tract price. This of itself was a handsome profit to start with, and one which can seldom be secured now, when nearly all first-class loans are brought out on commission. Competition was less keen then, whilst joint-stock banks and kindred institutions were in their infancy. But the public had confidence in the loan, the Stock Exchange was in its favour, and it at once rose to a good premium on its issue price. An ordinary speculator would perhaps have been content with profits such as these, but not so the Rothschilds. They still further multiplied their gains by selling, buying, and reselling continuously the same stocks, until the profits reached, in many cases, an almost incredible figure. Through operations calculated to bring about a fall or a rise, as the case might be, in the prices of particular stocks, the Rothschilds went on unceasingly amassing their millions, and these operations, by the violent fluctuations they produced, formed the basis on which the fortunes of the firm were laid. In order to render these great speculative operations successful, every means at their command was employed. Every method that could be devised was resorted to; every Stock Exchange manœuvre and artifice called

into requisition; every sort of rumour and false news promulgated; and money in large and small sums sacrificed to secure the success of their schemes. This, then, was how the earlier Rothschilds amassed their millions, which the present representatives strive to keep and augment steadily and cautiously, without grasping at the handsome, old-fashioned profits of by-gone days.

The greatest gains are made during times of great excitement, when war is imminent, or when a political crisis paralyzes trade and fills the public with anxiety and doubt. To obtain early and previous warning of such weighty occurrences is of the most vital importance to speculators, because, possessed of such information, they are often enabled to steal a march on their rivals and turn their knowledge to profitable account. To gain a start of a few minutes is of immense consequence, making a difference of perhaps thousands of pounds, and, certainly, in this sense, time is unquestionably money, for the fortune or ruin of many on the Stock Exchange is decided in a few moments. Knowing this, it has always been the first care of the Rothschilds to secure the earliest information possible of all such weighty events, more particu-

larly of those in the sphere of politics, and it is especially their interest to discover and favour persons who, owing to their position in official or business circles, are likely to receive the earliest news of occurrences of that description. In addition to their agents and informants in political and official circles, they had in every great capital throughout the world representatives whose duty it was to hunt up and report all that was going on of a nature likely to affect the money market directly or indirectly. The excellence of their system of obtaining early information of passing events has been proved on many occasions, and they have been the first to furnish the Governments with details of more than one occurrence long before the reports reached them through official and privileged channels. The expresses and couriers of the Rothschilds tore along at break-neck speed, as if on a matter of life and death, whilst the Government couriers were content with journeying by comparatively short and easy stages. The news of Napoleon's defeat at Waterloo was, as already stated, known to the Rothschilds several days before the public learned the joyful tidings, and Lord Aberdeen was indebted to them for the first information re-

garding the outbreak of the French July Revolution. Then, again, the position they held with respect to the Continental railways was greatly in their favour. They were the "Hudsons" of the Continent; all the leading lines were of their creation, and at their disposal. This gave them an immense advantage, and it was nothing unusual when important news reached them to despatch a special locomotive with a courier to communicate the news as speedily as possible to their other houses. After the invention of the telegraph the capabilities and advantages of the new means of communication were readily appreciated by them, and most extensively employed to promote the success of their operations. It is indeed scarcely surprising, when the odds were so much in their favour, that their career should have been an almost unbroken success. It happened, of course, at times that their anticipations were disappointed, that their information proved incorrect, and that their calculations were upset; but such an occurrence was rare and exceptional.

The success of the Rothschild family is ascribed by the Chevalier von Gentz, an intimate personal friend of Baron Salomon von Rothschild, of Vienna,

and consequently well qualified to form an opinion, to two causes, which he specifies in the following terms:—"The question how the house of Rothschild has been able to undertake and carry through in so short a time all that it has really accomplished has exercised the brains of many a business and political head. Perhaps, however, the answer is not so difficult as it is generally thought to be. He who, without waiting upon chance, has sufficient sense to perceive that the issue of all great transactions depends not alone on the choice and use of a favourable moment, but also, and even more, on the rigid adherence to once-recognized fundamental principles, will readily acknowledge that there were two principles especially, of which this firm never lost sight, and to which, combined with prudent management and profitable conjunctures, it is certainly indebted for the greatest share of its present prosperity.

"The first of these principles was that which led the five brothers to conduct all their businesses in a long and unbroken unanimity of aims and interests. This was the injunction left them by their father on his death-bed, and, if a lucky star has stood over them, they have ever remained firm in

their resolve never to prove forgetful of that injunction. Since their father's death, every proposition, no matter from what quarter it came, has been the subject of their united consideration and discussion. Every operation, even if of only comparative importance, was carried out on a concerted plan, and with the united efforts of all, and all were equal participators in the profits. Though their places of abode have for some years been far apart, even this circumstance failed to destroy the close understanding which exists between the brothers, but rather worked to their advantage, since each, being more thoroughly informed of the state of affairs in the different capitals, was able to prepare and manage so much more effectively the businesses that were to be undertaken by the firm as a body." In this view the writer is backed by the author of "Society in London," who is evidently intimately acquainted with the family, and well qualified to express an opinion. "The family genius of the Rothschilds," says he, "shows itself equally in the understanding they maintain amongst themselves and the relations they establish with all those who can be useful to them. It is only natural that a house divided, as the Rothschilds are, into branches, each branch

being a separate dynasty, should have its own little jealousies. There could be no more solid monument to their shrewdness and sagacity than that they should not suffer these jealousies to hold them apart at critical moments when union is strength. Nor do they choose their friends and agents outside themselves with less discrimination, or treat them with less of wise generosity and forbearance. They know exactly whom to select for their purposes, and, once having made their choice, they are loyal to it. Many men are indebted to the Rothschilds for their fortune. No one who has once placed his trust in them, and whom they have found it worth their while to trust, can reproach them with having deserted him."

"The other principle," continues Von Gentz, "which demands notice, is that which guided them never to strive after extravagant profits in any of their undertakings, but to set limits to their operations, and to render themselves independent, as far as human foresight and wisdom could do so, of the freaks of chance. In the maxim *Servare modum, finemque tenere,* lies one of the great secrets of their strength. There can be no doubt that with the means at their command they could, in this or

that operation, have raised their profits to a much higher figure. Even if, however, the safety of their undertakings would not have suffered thereby, they would in the long run have gained less than by extending their forces to a larger number of businesses, ever requiring renewal under all kinds of circumstances. To fail in their undertakings was out of the question, for they staked not merely their wealth and their credit, but also the confidence with which the fairness of their demands, the punctuality of their payments, the clearness and simplicity of their plans, together with the clever way in which those plans were carried out, had inspired the various Governments and all the great business firms. What others sought to gain by so-called decisive strokes, which lead to victory on the field of business as on the field of battle, but which also often lead to great reverses, the Rothschilds have won by the happy use of the best principles of commercial strategy; not through boldness, but by prudence and perseverance.

"The personal and moral characters of the five brothers have contributed in no small measure to the success of their enterprises. If he is powerful enough it is not difficult for a man to secure a

numerous following on his side, but in the present instance the voices of all parties unite, and the Rothschilds are, as the phrase goes, respected by great and small, not merely on account of their wealth, but for qualities of heart and soul not invariably associated with riches and power. To be always extending their sphere of kindness, to withhold their hand from none in distress, to advance readily to the assistance of all who solicited their aid, no matter to what class they might belong, and ever to bestow their most substantial favour in the kindest and most feeling manner,—these were the ways by which the Rothschilds won the real and well-merited popularity that is theirs, as many thousands of witnesses and whole families will testify. And this beneficence springs from their innate good-nature and humane disposition, and not from calculation. Moreover, they have been so fortunate as not to have raised up a host of enemies along with their host of friends, which is rarely the case with persons who have risen suddenly to wealth and celebrity. It may be truly said that they have disarmed envy itself, and rendered harmless the tongue of slander."

"There is but one power in Europe," said the

French writer Weill, "and that is Rothschild. His satellites are a dozen other banking firms; his soldiers, his squires, all respectable men of business and merchants; and his sword is speculation. Rothschild is a consequence that was bound to appear; and, if it had not been a Rothschild, it would have been someone else. He is, however, by no means an accidental consequence, but a primary consequence, called into existence by the principles which have guided the European States since 1813. Rothschild had need of the States to become a Rothschild, while the States on their side required Rothschild. Now, however, he no longer needs the State, but the State still has want of him."



Chapter IV.

ANSELM MAYER VON ROTHSCHILD.

THE FRANKFORT FIRM (*continued*).

WHAT the considerations were which guided Mayer Amschel Rothschild when he turned his back upon Hanover to select Frankfort as the place for starting in business on his own account, and for laying the foundations of a fortune which was to eventually attain such colossal proportions, are of course unknown to us, but we may reasonably suppose that his choice was influenced by early associations. Frankfort was his birthplace, and it may be to this circumstance that it is indebted for the immense benefits it derived from the subsequent career of the great family within its walls. There can be no doubt that to the Rothschilds the city of Frankfort owes not only its present importance, but much of

its commercial prosperity. In settling in his native town and in starting business there, Mayer Amschel increased the chances in his favour, as he was intimately acquainted with the neighbourhood and the opportunities of making money that were likely to present themselves. But, whatever may have been his motives for returning to and settling in Frankfort, we know that he did, in or about 1770, set up there in a humble way of business as a dealer in old coins, &c., with a capital derived from his savings, and that his industry and honesty were such as to enable him to extend his sphere of action by dealing in works of art, old gold and silver, and, in course of time, to add to these pursuits bullion and bill-broking. Gradually, as he strengthened his position, his business assumed more the nature of an ordinary banking business, which continued to raise the name and repute of the founder as a skilful and fair-dealing financier, in whom every confidence could be safely reposed. Little could Mayer Amschel have anticipated that the humble shop was destined to ultimately grow into one of the largest and most renowned banking firms of the world, and that his sons would in after years come to exercise such an unbounded sway that the peace of nations

would depend upon their nod; that the powerful control they exercised on the European money markets would enable them to pose as the arbiters of peace and war, since they could at their pleasure withhold or furnish the pecuniary means required to carry on a campaign. But this, incredible as it may seem, was what their vast influence, combined with their enormous wealth and unlimited credit, enabled them to do, for no firms existed strong enough to oppose them for any length of time, or rash enough to take up a business which the Rothschilds had refused. To reach this exalted position Mayer Amschel and his sons required the co-operation of the States, but, when once he had climbed over their backs and reached the height of his ambition, he was independent of all aid and could act with the greatest freedom, whilst the States remained in a suppliant attitude at his feet.

The house of Rothschild when at the summit of its might was the ruling power in Europe, for all the political powers were willing to acknowledge the sway of the great financial despot, and, like obedient vassals, to pay their tribute without a murmur.

Frankfort, the birthplace of this great firm, derives

its name from a fort built by the Romans on the banks of the Main, to guard the frontiers and to resist the incursions of the Goths, on the opposite bank, who, though daring enough in hand-to-hand contests, shrank from attacking an enemy hidden in a fort surrounded by high ramparts and deep ditches. By what Roman general Frankfort was built is not, we believe, known, but during the reign of Charlemagne the place acquired additional importance from the palace constructed there by that great warrior, who brought quite a colony in his train. The Römer, or town-hall, is probably part of this palace, which was erected on the same plans as that at Aix-la-Chapelle. The natural advantages which Frankfort possessed, from its favourable situation on the banks of the navigable Main, and the fruitfulness of the neighbourhood, were all conducive from an early date to the growth of its trade. The whole of the commerce of Germany was at that time of the smallest, and Frankfort was but a poor place, with an inconsiderable traffic, until the bright thought struck Charlemagne of uniting the Main with the Donau by a canal, thus enabling merchandise to be brought from Constantinople and the East directly into the heart of Germany. In order to attract thither people

from other parts of Germany, and foreigners from other countries, he instituted yearly markets which afterwards gave rise to the famous fairs. In the midst of endless feuds between rapacious neighbours and rieving knights, and in spite of the disturbed times, Frankfort continued to grow in prosperity and importance, which were still further favoured and fostered by several laws, passed with a view to providing escorts and protection to all visitors and traders—for the emperors saw and recognized of what vast moment trade was to the public welfare. Warehouses, granaries, and shops were built in large numbers, and Frederick II. showed how greatly he appreciated the advantages of trade by granting the city a charter for its autumn fair, a privilege still further extended by Ludovic II., who contributed largely to the prosperity and consequence of Frankfort by the many diets he held there. There are numerous proofs existing to show that the power and influence of Frankfort during the Middle Ages was considerable. Cologne and Strasburg were its only business rivals. These three towns were by far the greatest centres of trade in that part of Germany. In wealth Frankfort was inferior to few, whilst its dignity cannot

have been small when it took precedence of stately Nuremberg at the coronation of Maximilian I. The Golden Bulls of the Pope declared that the Roman elections should always be held in Frankfort, and this cannot have failed to favour the fortunes of the city, necessitating as it did splendid pageants and sumptuous banquets which made money flow freely into the pockets of the worthy citizens. In the course of time patents and privileges of all kinds tending to foster and encourage trade were conferred upon the city, and in 1510 the right of coining money was conceded to it by the emperor.

The powerful Hanseatic League had broken down, and the fetters which it had kept on commercial activity in Germany were removed. Frankfort was immediately sensible of the beneficial effects of the change, as Nuremberg began to send thither part of its manufactures, Augsburg its cloth and silk goods, and Ulm its linen and cotton goods. Even Aix-la-Chapelle and Dortmund entered into business relations with their young rival, who soon outstripped them in the race for first place, and continued to grow in consideration and wealth. The discovery of America was turned to profitable account, as the merchants and traders of Frankfort

were among the first who endeavoured to extend their business relations to the New World. Trade in Frankfort during the early part of the seventeenth century had been severely affected by the war, but towards the latter part it began to make rapid progress towards recovery, owing, no doubt, in a great measure to the famous fairs which attracted men of business from all parts of Europe. The rapid revival of its trade was still further promoted by the disappearance of the Hanseatic League, which had till then enjoyed a monopoly of the English cloth trade. This, however, now passed out of the hands of its traders, as a direct market was found for English goods in Frankfort. The wine trade was equally flourishing, for Rhenish wines were highly esteemed in all parts of Europe. At this period a new branch of industry was started and rapidly extended by the enterprising traders—the trade in books. In a comparatively short time, owing to the extensive printing works which were erected, the book trade of Frankfort assumed enormous proportions. The great autumn fair soon came to be recognized as the lagest book fair on the Continent, for it was the rendezvous of booksellers and dealers from all parts of Europe. The

concourse of persons attracted by the fair is said to have numbered as many as 400,000, so that the advantages derived from these monster gatherings must have been of the utmost value to the prosperity of the city. The rapid rise of Frankfort had been watched with bitter jealousy by many of its older rivals, who tried to injure and destroy its trade by all means at their command. How intense was the animosity they cherished against their younger rival is seen from the fact that Nuremberg carried its hatred and envy so far as to forbid its citizens under pain of death from attending the Frankfort fairs. Frankfort, however, shrank from no sacrifice and spared no exertion to secure the safety of its trade. In all its leagues with its neighbours the main condition of its co-operation was the support and protection to be given to the fairs. Everything was done to insure the safety of visitors and their goods, escorts even being provided for that purpose. These famous fairs have evoked the wonder and surprise of many writers, who have borne testimony to their importance by the lavish praise they have bestowed upon them. "The Frankfort fair," said one, "is the chief of the yearly markets of the world," whilst another concisely described it as

"the world in a nutshell; or the magazine of the Germans." To the fairs Frankfort is indebted for its first newspaper, the "Messrelationen," which was in existence for some two hundred years. The fairs likewise called into prominence a branch of business, namely, bills of exchange, which has tended greatly to facilitate and develop commercial transactions all over the world. Instead of the inconvenient and cumbrous method of settling every transaction by a money payment, recourse was had to the far more convenient and reasonable plan of paying by the medium of bills of exchange. If some such plan as this had not been adopted the trade of Frankfort could never have gone on increasing as it has done. When dealings had to be settled by a payment in money, they were necessarily on a very restricted scale owing to the immense weight of the coin, to say nothing of the risks that a person would run who was in the habit of carrying about with him large sums in cash. With bills of exchange the risk is greatly reduced, whilst the advantages they offer in transferability and portability are such as to need no demonstration. The fairs, as we have said, brought a vast business to Frankfort, which was moreover a sort

of half-way house for the rest of Germany, a large portion of the imports and exports passing through the hands of its merchants. Being then the centre of trade, and doing an immense business in bills of exchange, the Frankfort prices came to be watched and studied with as much care as those of other great commercial centres such as Rotterdam or Antwerp. The importance of the Frankfort Exchange after the Rothschilds had founded their extensive business was vastly increased owing to the intimate connections and vast influence possessed by the firm in the other large cities of Europe. In every large town they have either branches of their own, or active agents who are ever seeking to promote their interests, and ever faithfully reporting to them all that occurs in financial or commercial circles. This goes far to explain the problem how they have been able to amass their immense fortune so rapidly, for it must not be forgotten that the members of the family, while carrying on their respective businesses independently of each other, on all momentous occasions unite their forces for the common benefit, and temporarily concentrate all their thoughts and energies on achieving the success of the operations in hand. It is hardly strange,



ANSELM MAIER VON ROTHSCHILD.

therefore, to find that the wheel of fortune, when the family bring their collective wealth and influence to bear in this fashion upon it, should yield to their persuasive efforts and take the direction they desire.

On the death of Mayer Amschel, the founder of the firm, the management of the affairs of the Frankfort house naturally passed into the hands of his eldest son, Anselm Mayer, who retained it until his death, which took place on the 6th December, 1855. Anselm Mayer was above all things a man of business, in which his inmost soul seemed concentrated. These words sum up his whole character. But, able and clever as he was, the individuality of his third brother Nathan, the head of the London house, was even more striking in regard to business matters, for he distinguished himself from his elder brother by his unrivalled financial skill and daring, by his greater shrewdness, and by his intuitive power of forecasting the course of either the money market or of politics, all of which gifts he turned to the utmost profit. In a word, Nathan Mayer was a greater financier, a greater speculator and manipulator, and, although self-taught, of more solid and useful acquirements. To the house this was, however, of secondary importance, seeing

that the more weighty operations were planned and carried out by all the brothers in concert, whilst the times in which they lived were so eminently favourable to the success of their enterprises that to them they are as much indebted for the sudden growth of their immense wealth and power as to their own abilities and energies. It is here, indeed, that we must seek the explanation of the problem how they have been able in so short a time to extend and develop their business so amazingly. Circumstances, or, in other words, luck was on their side. Not that they trusted blindly to their luck, for they contributed in no small measure to their success by the prudent caution which marked all their dealings, and by the observance of maxims which had been carefully learnt and as carefully practised by all members of the family, and of these maxims the most important was: to seize upon the right moment in all political or commercial crises and turn it to profitable account.

We cannot pretend at this distance of time to be capable of giving a faithful and lifelike description of Anselm Mayer von Rothschild, the head of the Frankfort firm. We prefer, therefore, to reproduce the words of a writer who was for many years

on the most intimate terms with him, and whose account may consequently be regarded as privileged and deserving credit:—

"Anselm Mayer is the oldest of the European Nabobs, with thoroughly eastern features and all the old Jewish customs and practices. He wears his hat down on the back of his head, which is covered with snow-white hair, and his coat, usually unbuttoned, hangs negligently down from his shoulders. He has an open and frank countenance, on which rests an air of assumed vivacity, whenever he thinks he is observed. His hands are usually in his trouser pockets playing with money. He invariably goes on foot, and to every beggar who accosts him he gives a coin of more or less value. His beneficence is very great—indeed, the poor Jewish families in Frankfort are mostly dependent on his bounty. It was he who contributed the greater part of the funds for the erection of the new Jewish hospital. When the weather is unusually severe, or when, for instance, a poor family is burnt out, he is particularly liberal in his charity. Should a hard frost or a prolonged drought set in, a large crowd is sure to be seen collected before the doors of his town residence in

the Fahrgasse. His house in the above-named street is an ill-looking building from the outside, and no stranger, as he passed, would guess that it was the abode of one of the richest merchants in the world. Anselm Mayer sits in his office in the midst of his clerks like a Padischah; below him are his secretaries, and around him may be seen a crowd of brokers, for ever coming and going. With a few words he dismisses each, for like a true business genius he knows at once what answer to give to every question, and what decision to arrive at on any business that may be laid before him for consideration. No one in the universe, when Anselm Mayer's 'yes' or 'no' has once been pronounced, would venture to renew the discussion. To speak to him privately on a matter of business is well nigh impossible; everything in his office is done openly as in a law court. He observes and keeps the office hours as scrupulously as any of his clerks, and has indeed less opportunities for recreation than they have, seeing that even in the theatre he is likely to be disturbed and called away by the arrival of one of his couriers. For the same reason he is often forced to rise from bed in the night, to peruse the news and despatches

just brought by an express, so that he can, in case of need, forward them on without delay to his brothers in Paris, Vienna, or London. To facilitate this business he has had an office erected adjoining his bedroom. He has many orders and titles, but usually he wears only the Hessian ribbon. The diplomatists resident in Frankfort, and those who may make a transitory visit there, vie in doing the great financier honour, and the most splendid banquets are given on each side. At these entertainments Anselm Mayer sits in true penance, as he never touches any viands or dishes that have not been cleansed or prepared in the Jewish fashion. This strict and unaffected observance of the religious injunctions of his faith is greatly to his honour; he is indeed regarded as the most religious Jew in Frankfort."

All writers agree in describing Anselm Mayer as a man of great shrewdness of judgment, with a thorough knowledge of mankind. By a sort of intuition he was able to form a pretty correct opinion of the character and motives of the men with whom he came in contact. No matter what cloak they might use to conceal their real object, he saw through their hypocrisy almost before they had said

a word. He seldom erred in his judgment, and was remarkably quick in detecting the vanity or self-conceit of those who addressed him. True and able men were always appreciated by him at their just value: he would always deal with them at par. A man who showed himself quiet but efficient in the discharge of his duties was sure to be noticed and favoured. In his conversation Anselm Mayer was somewhat confidential, though he always allowed a certain reserve to be visible which effectually prevented the display of any want of respect towards himself. He was a man of some humour, and is remembered for the many sly and witty sayings which figured in his conversation, and with which he was in the habit of administering keen rebukes, or speaking unpalatable truths, calculated, if uttered in a stronger and plainer form, to have given offence. The many anecdotes related of him all display more or less the humour and shrewdness for which he was remarkable, and are often conspicuous for their brevity. He knew also how to clothe his sallies in befitting language. When Thorwaldsen passed through Germany he was received with enthusiastic welcomes everywhere, and innumerable banquets were given in his honour. At

one of these gatherings Rothschild was introduced to the sculptor, and made the neat remark: "You look so handsome, Chevalier, that one is forced to believe you created yourself." Thorwaldsen afterwards acknowledged that he had never been paid a more novel or more flattering compliment.

Fond of wit and humour as he was, Anselm Mayer could recognize and reward wit in others, even if the sally was directed against himself. On one occasion a man wrote to him, simply saying, "Herr Baron, send me a thousand guldens—and forget me." The brevity and essentially witty character of the demand at once struck Anselm Mayer, who, in forwarding the sum demanded, replied: "I send you one thousand guldens—and have forgotten you."

When Baron Anselm Mayer went in 1832 to spend a few months of the summer at Ems, he took up his quarters in a private house on the Römerberg. At the same house there was also staying Baron von E——, a dashing Prussian Uhlan officer, with whom Baron Anselm soon became exceedingly friendly. One evening they went for a stroll in the direction of the Four Towers, and in the midst of a spirited conversation Rothschild came to a sudden

halt. Taking advantage of this, an ill-clad man stole noiselessly up behind the famous banker and cleverly opened his pocket. Baron von E——, who had noticed the suspicious movement, naturally concluded that theft was the man's object; but to his surprise he noticed that the man quietly slipped a letter into the pocket and disappeared. Scarcely had Baron Rothschild resumed his walk ere the inconvenience arising from the recent contribution made itself felt. He put his hand into his pocket to discover the reason, and at once exclaimed, "Ah, I know now." It was evident that the mere touch had explained the mystery. The walk was continued along the road to Coblentz, and when they at last turned to retrace their steps dusk was already setting in. Suddenly from behind a tree a ragged fellow sprang forward and placed himself directly in Baron Anselm's path. The Baron's companion was about to strike the fellow, when he noticed the latter had neither pistol nor stiletto in his hand, but simply a begging-letter, which he sought in this violent fashion to force on Anselm Mayer. The latter betrayed not the slightest surprise or alarm, and it was evident he was by no means unaccustomed to this novel way of delivering begging-letters.

One very warm summer's day, when Baron Anselm was entertaining some friends at dinner, a window directly opposite his seat happened to be unclosed. Through the aperture thus left there presently came flying, during the dessert, a packet, so well aimed that it fell right upon the Baron's plate. The guests were not unnaturally astonished, but Anselm Mayer quietly felt in his pocket, took out a gold piece and put it in the cover of the still unopened letter, which he returned with the same celerity and by the same way it had come. This novel and unique mode of bestowing charity was highly appreciated by his guests. Rothschild, however, was not satisfied; he could not feel easy until he knew what had become of the letter and its contents. Apologizing, therefore, to the company, he asked permission to rise a moment. He then advanced to the open window, leant out and returned, evidently satisfied and happy, saying, half audibly, "*placirt.*" It is interesting to notice how solicitous the wealthy financier was, from force of habit, to know whether even such a trifle as that which he had just given away, had been well bestowed.

Baron Anselm Mayer was proud and aristocratic in his manners only to the extent that the con-

sciousness of his personal importance and influence was allowed to be visible; but still without any arrogance. He related, not unwillingly, the small beginnings and struggles of his firm, his walks to the office, the Friday evenings spent in the old house in the Judengasse, where white bread and roasted nuts were his fare. He referred with sovereign contempt to the conceit and arrogance of certain upstarts. He did not mix himself up with politics, and invariably spoke with considerate forbearance of the different Governments, though his partiality for Austria was always unmistakably manifest. He bestowed enormous sums in almsgiving, and, when they remembered the many calls upon his purse, and the immense amount actually distributed by him every year among the poor and the suffering, many persons, whose petitions soliciting aid for themselves or for others failed to meet with the response anticipated, have come to think more favourably of the seeming coldness they had experienced. It is impossible to estimate or describe the wonderful good effected by means of Baron Anselm's beneficence. But how great it was and how profoundly appreciated, is evidenced by the thousands of applications for relief which were an-

nually submitted to his consideration. When he died the poor lost one of their most liberal, and at the same time most unostentatious benefactors.

He had been brought up in the midst of a family struggling hard to earn a living; his youth was passed in continued and incessant toil, so it is but natural that he was not able to boast of a very high or classical education. In later years he tried, not without success, to improve his knowledge of languages and history, and to strengthen his bodily powers, but, ever conscious of his shortcomings, he would turn away offended if any sycophant flattered him on his horsemanship or any other accomplishment. French and English he spoke very indifferently: indeed, it was only the interests of his business and perhaps a little vanity that led him ever to converse in these languages, which he spoke even worse than he did his native German. Towards ladies he always displayed a very engaging address, a lively gallantry, which he retained to the last. His love of art showed itself most strongly in his taste for coins and old metal-work; but still on paintings he was often heard to say a shrewd word of criticism. Above all things, however, he loved his garden; it was his delight to revel among

his beautiful flowers, of which he never grew weary.

His position as a resident in Frankfort differed in no way from that of any other member of the Jewish community. Great as were his wealth and influence, they did not enable him to share the civil and political rights enjoyed by every Christian living in the city. For a brief period the Jews were permittted by the Prince Primate in 1812 to rank on an equal footing with their Christian neighbours, but in 1815 they were deprived of these privileges, which were not restored to them till 1853 and 1864. Whilst at one time the founder of the house of Rothschild was a member of the Elective Assembly, his son, equally with the poorest Jew in Frankfort, was debarred from taking any active part in the management of civic affairs, for he lacked the first qualification—the freedom of the city, without which none could hold office. Although siding with the strictly orthodox party of the Talmudic Judaism, Anselm Mayer did not allow any difference of opinion to disturb his sympathies with his co-religionists, and he is known to have frequently contributed largely to the erection of synagogues where the teaching would be wholly

opposed to that which he favoured. At his death he left a fortune estimated as amounting to from fifty to sixty million guldens, which he willed to one of his nephews. To the Jewish community he bequeathed a handsome legacy of 1,200,000 guldens, and several others proportionately large for the benefit of the poor, who, he was fond of saying as he walked through the streets, were his "courtiers." He also left strict orders in his will for the maintenance and preservation of the old house in the Judengasse. Strict Jew as was the head of the Frankfort house, opposed as he was to every innovation in the doctrine and ritual of the synagogues, and exact as he was in his observance of the Sabbath, he nevertheless did not hesitate to trade and make money on feast days. Thus, on one occasion when he was in Aix-la-Chapelle taking part in the Congress there, a sum of money amounting to 160,000 thalers fell due to him on a Saturday. At the proper hour he presented himself at the office and demanded his money. On his attention being called to the day, he pointedly answered: "It is not every day one has to receive 160,000 thalers." He then carefully counted and pocketed the money.

The extent of the business transacted by the parent firm in Frankfort was something immense. It not only embraced the majority of the German states and principalities, but included in its *clientèle* a large proportion of the nobility and aristocracy, especially those of South Germany, whose pecuniary resources were so embarrassed as to render the assistance of a financial house necessary and unavoidable. The number of accounts of the Frankfort house probably far exceeded that of any one of the other houses in London, Paris, or Vienna. To prove how liberal the Rothschilds were to the German princes, and to show what profitable customers the latter must have been, we give a list of those who were forced to apply to the firm for aid. Against the name of each we place the total amount of the loans, as far as can be ascertained, which he obtained :—

	Guldens.
Isenburg-Birstein	1,100,000
Löwenstein-Wertheim	1,250,000
Sayn-Wittgenstein-Berleburg . . .	300,000
Waldburg-Zeil	172,000
Graf Sandor v. Szlavnicza	670,000
Ritter von Riese	250,000
Isenburg-Wächtersbach	294,000

	Guldens.
Solms-Lich	300,000
Löwenstein-Rosenberg	350,000
Prince Victor zu Isenburg	140,000
Count Viczay	700,000
„ Szapary	300,000
„ Leiningen-Westerberg	80,000
„ von Niczky	340,000
„ von Hunyady	500,000
„ von Szechenyi	1,800,000
„ Henkel v. Donnersmark . . .	1,125,000
„ von Froberg	100,000
Prince von Galantha Esterhazy . . .	6,400,000
Freiherr von Greifenklau	130,000
Prince Schwarzenberg	5,000,000
„ Waldburg-Wolfegg	800,000
„ Waldsee	350,000
Count K. von Wartemberg	2,070,000
Total Guldens	16,021,000

This list is far from complete; still, even as it is, it gives some idea of the large business done by the firm with its private clients.

In conclusion, we may say a few words respecting the sovereignty of Baron Anselm Mayer over the

Frankfort Bourse, and of the complete subordination of that institution to his will. Before the advent of the Rothschilds, Frankfort could claim no precedence over the other great trading cities of Germany; it had a large commerce, and large operations were carried on in foreign bills, but still its quotations were not so important or so influential as to cause them to be closely watched and studied. All this, however, is now altered: the movements of the Frankfort Exchange have through the magnitude of the transactions carried out by the house of Rothschild acquired an importance which makes itself felt on the markets of other leading financial centres. Paris, Frankfort, Vienna, and London are in such close communication and connection through the houses established there by the Rothschilds, that no great movement can take place in one of them without creating a marked impression in the rest. In Frankfort the control and sway possessed by the parent house were more marked and manifest, perhaps, than was the case with its branches elsewhere. Loud and frequent complaints were made by other banking and financial firms of the prejudicial effects on business caused by the entire dependence of the Frankfort Bourse on the will of Anselm Mayer, who

could at his pleasure raise or depress prices to the discomfiture of all who might happen to oppose him. The public prints were for ever complaining of and animadverting upon the pressure of the great firm on the energies and spirits of the Bourse. Their complaints were always worded in the same unvaried strain, so that they became quite monotonous in their repetition. For instance, the remark that "money was more abundant, and might become still more so, were it not for the knowledge that the Rothschilds are so completely masters of the situation, and have the market under complete control," was a stock expression with the Frankfort editors. This pressure could not fail to prove injurious to many smaller houses, but complaints availed not; business was free to all, and speculation unhindered. The Rothschilds were at liberty to conduct their operations on whatever lines they pleased, without asking permission of any. The same freedom of action belonged to all, whether great or small. Might on the Stock Exchange means right, and if weaker speculators were made to pay heavily for the opposition, however slight, they offered to the rule of the colossal firm, they had but themselves to blame for their folly and loss.

Foreign loans became the perquisites, if we may so call them, of the Rothschilds, who were ever on the alert to secure them before a rival had any chance to step in. On one occasion another firm was bold enough to undertake a Belgian loan, on its own sole responsibility behind Rothschild's back, but was quickly made to repent of its temerity, as Rothschild put his forces in motion and bore down upon it with such resistless force that the rival house was soon glad to give in its submission and tender an apology for its presumption. But, on the other hand, it is totally undeniable that, at different times, in circumstances of great financial pressure and during commercial crises, Rothschild rendered immense services by means of his unbounded wealth and credit to many houses, who, but for the support thus liberally provided, would have been forced to suspend payment. Not that we wish it to be supposed that Rothschild made such sacrifices from purely unselfish motives, for, however unfavourable they might appear, he usually managed to turn the circumstances of the case to profitable account. For instance, in 1832, a well-known banking establishment in Paris had accepted without adequate security a large number of bills drawn by a bank

in North America, whose credit at that time was decidedly low. The suspension at an early date of the bank in Paris, was discussed and anticipated. Rothschild himself had a great many of these doubtful acceptances in his portfolio. What did he do? He voluntarily placed the sum of forty million thalers at the disposal of the bank, whose failure was averted, if only for a moment, as the public, seeing the apparent confidence of Baron Anselm in its solvability, not unnaturally concluded he had good reasons for his liberality and that the rumours to the contrary were ill founded. The Paris house was saved, whilst the transaction proved very remunerative to Rothschild himself, as he had remitted this sum not in specie, or bills on other firms, but in bills, which he had bought dirt cheap, upon the bank itself.

"In this way," wrote a German journalist of Baron Anselm Mayer, "he has made himself king of finance, and his kingdom is no poetical creation but a reality. His vassals are the other banking firms and financial institutions, whom he can destroy, if he so pleases, when he no longer needs them, or support and strengthen as long as they are useful and necessary for his purposes."

Since the death of Anselm Mayer, the business of the Frankfort firm has been managed by his nephews, Baron William and Baron C. von Rothschild, who have faithfully observed the traditional policy of the family in all their financial operations. The wealth of the two brothers continues steadily to augment, thanks to the prudence and caution which mark all their undertakings. Baron Carl is a great patron of the arts, and has a collection of pictures and sculptures such as is possessed by only very few. Baron William is a most strict Jew, and rigidly observes the fasts and feasts of the Jewish calendar.[1]

[1] The death of Baron Carl, which took place quite recently, leaves his brother the sole head of the Frankfort house. Baron Carl's magnificent collection of art treasures will become the property of Lord Rothschild.

Chapter V.

NATHAN MAYER ROTHSCHILD.

THE LONDON FIRM.

THE first step towards extending the business of the original house in Frankfort was taken in 1798 by Nathan Mayer, the third and most remarkable of all Mayer Amschel's sons, who in that year started for England with the object of creating a business of his own. To Nathan Mayer may be ascribed much of the subsequent prosperity of the family, as, by his splendid financial abilities and untiring energy, he contributed far more than any of his brothers towards raising the firm to the brilliant position it has held for the last fifty years. He it was who, by his vast schemes and far-reaching speculations, gave the firm its cosmopolitan character, whilst the great services which he, in com-

mon with his brothers, rendered to all the Governments of Europe in turn, gained for his family a reputation and a consideration such as no other firm has ever enjoyed. In an earlier part of our narrative we stated that, previous to 1798, all the business of the Frankfort house with England was transacted through the firm of Van Notten in London, who acted as the attorneys of the Elector of Hesse in receiving the latter's subsidies from the British Government, and collecting his dividends. When Nathan Mayer had established himself in London, these powers were transferred to him, and so great was the confidence reposed by the Elector in his integrity and shrewdness, that he was allowed *carte-blanche* as to the disposal of the moneys he received. He was left perfectly free and unfettered in dealing with the Elector's funds and stocks; he could buy or sell at his own discretion. The choice of London from all the European capitals, as promising the best opening for a branch business, affords a convincing proof of the natural shrewdness of the man. Before many years had elapsed, the splendid success he achieved forced the whole world to acknowledge the soundness of his judgment. His name, by that time, had become

familiar to all the leading European statesmen, whilst the business conducted by him in London far exceeded, in the vastness of its proportions, that of any of his brothers. This, after all, was but natural, seeing that London, with its gigantic commerce, its unceasing activity, was the pivot round which the trade of the whole world revolved. That a man of Nathan Mayer's temperament, whose chief delight was in vast and complicated operations, should have taken advantage of the opportunities which London afforded for embarking in enormous undertakings might have been safely anticipated. He could hardly have selected a spot more suited to his plans. A born speculator, he found himself in the midst of an incessant whirlpool of gambling and speculation, from which none but one possessing, as he did, a cool head and a shrewd intellect, could have emerged with flying colours. Whether intuition or instinct dictated his choice, or whether it was due to mature consideration, we do not pretend to say, but the results accruing from his selection must have far surpassed his most sanguine anticipations, as his family, through his influence and skilful management, became the supreme rulers of the money markets of the world,

and gained the monopoly and control of all important financial enterprises.

At the beginning of the present century, Great Britain was hardly a pleasing picture to look upon, as, owing to false principles of government, to the ignorant and blind cultivation of our home trade, and the neglect of our foreign trade and manufacturing industries, it had the appearance of a State driven to the most opposite and contradictory extremes. Priding itself on the possession of the freest constitution in Europe, England yet concealed the greatest tyranny; possessing unbounded riches, it yet allowed the poor peasantry in Ireland to die of hunger, whilst the privation and distress prevalent among the labouring classes generally were so great and indescribable as to threaten to end in riot and rebellion. The hardships endured by the poorer classes in many parts of the country were still further aggravated by the disgraceful condition of our political system. Morality was at a discount; bribery and intrigue were the order of the day. It was a time when the thoughts of all were turned to their own advancement and to the complete forgetfulness of the sufferings of others. Before the Reform Bill of Lord Grey, corruption was so wide-

spread that the independence of the Crown and that of the constituencies were threatened by the machinations of unscrupulous politicians. The majority of the votes were in the hands of a limited few, eager and ready to advance their own interests at the expense of the nation at large. The Reform Bill in a great measure remedied the evil, which, however, was by no means annihilated. Corruption sought fresh pastures on which to flourish, and other malpractices ere long came into fashion. Apparently the democratic element had been admitted into the constitution, but we may fairly question whether the power of the landed aristocracy was in any way injured. The limited few still controlled the votes of the majority. Formerly the landed aristocracy ruled the elections, as they were able to influence their tenants, and so secure the return of particular candidates; but much of this power now passed into the hands of the moneyed aristocracy, the large capitalists, who, besides enjoying this addition to their political might, are the principal ruling force in the financial and commercial world. The great landed aristocracy still exercises an important influence in the political world, but the few noble families who previously possessed the monopoly of the boroughs have

now to share their power with their rivals, the landed capitalists. The repeal of the Corn Laws was, as D'Israeli truly said, the abolition of the landed aristocracy by the moneyed aristocracy, of the nobility by the bourgeoisie, of pedigree by money.

The agitation preceding the repeal of the Corn Laws was instrumental in expunging from the political creed an article then generally accepted, which had caused much of the distress among the labouring classes, and had largely contributed to the stagnation of the home industries. Politicians up to that time had been unanimous in asserting that the true remedy for the prevailing distress, and the only reliable source of prosperity was to be looked for in agriculture, with a powerful landed aristocracy at its head. It was, they declared, a Quixotic idea to suppose that the prosperity of the country could be permanently benefited by cultivating and extending our foreign trade and our manufacturing industries. The first to recognize the absurdity of this belief, and to point out the evils which would inevitably follow from such a mistaken policy, was Mr C. P. Villiers, the pioneer in the Corn Law crusade. "My charge against the Corn Laws," said he in one of his speeches,

"is, that they limit and endanger our foreign trade, and that all such laws proceed upon a policy directly the reverse of that which is recommended by the present circumstances and condition of the country. And my charge against the legislature is, that this policy has been pursued in this country since the close of the last war, now twenty-three years ago, though each year has proved the folly of it by the injury it has entailed, and is now inflicting upon the country. . . . . So that, proceeding at home upon the monstrous fallacy that agriculture was the source of all our greatness, and abroad stipulating nothing for our foreign commerce, we were doing everything in our power to cripple our manufactures. Now, if all this had been the error of a particular Government, or the folly of a party that had ceased to exist, it would, I know, be idle to refer to it, the time to remedy the evil being now past; but it is our misfortune that it is the policy of the present hour. The policy of that day—that the home trade is the best trade, and that we ought to create customers by Act of Parliament for that trade, and be as little dependent as possible upon foreign trade, is the ground on which the Corn Laws are defended to-day." The support and protection accorded by

the legislature to the landed aristocracy in England were not enjoyed by the noble orders abroad. The conditions on which land was held on the Continent had undergone extensive modifications, and the nobility had by degrees, owing to the Revolution or modern legislation, lost the direct ownership of the land, with its attendant seigneurial rights and privileges. The tendency abroad has been to split up the land into small holdings, a course which rendered the disappearance of large proprietors inevitable. In England the contrary is the case; the tendency is towards consolidation in the hands of a few large proprietors. It could hardly be otherwise. The main principle in the English law of land tenure is, that the owner must either cultivate his land to the best advantage himself, or else lease it to those who will do so. This was hard upon small proprietors, who were called upon not only to cultivate the land but to contribute towards its improvement, and this a series of bad seasons would render impossible. The consequence was, that they were compelled to sell their land to the large landowners. In this way the small landed proprietors disappeared, and gave place to the thrifty tenant farmer. Whether it is right or wrong

that the land should thus be concentrated in the hands of a limited few, is a question which has agitated the minds of many, and which we, for our part, do not feel called upon to decide. There can, however, be no doubt that, since it has been generally acknowledged that the prosperity and greatness of the country are dependent upon a flourishing foreign trade, the tendency has been to abandon agriculture for manufacturing pursuits, and to leave the cultivation of the soil to those whose wealth renders them independent of the profits or losses attending their labours.

Injurious as were the effects produced by this mistaken policy of fostering the home trade and neglecting the foreign, there can be no question that the country has also suffered severely from the evils resulting from the creation of the National Debt. To the increased taxation and the widespread corruption it engendered, may be ascribed much of the want and privation the poorer classes of the community have had to encounter. However much we may deplore the existence of the National Debt —or national nuisance, as some would call it—we must confess that William III. had no other plan left by which he could procure the money he re-

quired. Great events from little causes spring, and it is to the necessities of earlier monarchs rather than to William that we must trace the origin of the system of State borrowing embodied in the National Debt. When our earlier rulers found themselves short of funds, they were accustomed to apply to their faithful subjects for aid, and, as they were not always couched in the most gentle terms, or made with that courtesy which so befits kings, the applications were sure to attract gold to the royal exchequer. In the pursuit of cherished schemes of ambition or revenge, monarchs would recklessly embark on enterprises the cost of which their loyal subjects were afterwards forced to liquidate. Richard I., in his eagerness to visit the Holy Land, stopped short of no device to procure the funds necessary for his object. He extorted money from his subjects, he farmed the revenues, mortgaged the customs, and even threatened to sell London rather than abandon his crusade. His successors imitated and improved upon his system of extortion. Henry III. seized the merchandise of his subjects, and managed to borrow a large sum under the tempting offer of high interest, but, with a forgetfulness characteristic of the

times, neither capital nor interest was ever paid. Under the pretence that he was about to start on a crusade, Edward I. seized the plate and money of the monasteries, but, once secure in the possession of the spoil, declined to go. Edward III. imposed heavy taxes, created monopolies, raised forced loans, and availed himself of every possible means to wring money from his unfortunate subjects. As time rolled on, each succeeding monarch strove apparently to rival and outdo his predecessor in unscrupulous exaction. Edward IV. enjoyed the reputation of being the handsomest tax-gatherer in the kingdom. When on one occasion he kissed a buxom widow to show his appreciation of the readiness with which she yielded to his demands, it is said that she at once doubled her contribution in the expectation of being again favoured by the royal lips; but kingly gratitude did not go so far. Henry VII. was guided by logic in his extortion. He forced frugal people to contribute largely, on the ground that they must have saved money by their economy. Henry VIII., owing to his extravagant habits, was continually replenishing his exchequer from the pockets of his subjects; nor was he by any means particular as to the methods by which the

supplies were obtained. He seized upon the accumulated property of the monastic orders, and raised a loan of ten per cent. on all property from £20 to £300, increasing the percentage on sums above the latter amount. By courtesy the money thus raised was termed a loan, but, when years later he refused to pay the capital or to acknowledge his debt, the transaction was known by a harsher name. Elizabeth displayed a great deal of 'cuteness in her financial operations: she would borrow large sums of her devoted subjects, and, if at any time she had a balance lying idle, would graciously deign to lend it back again to her faithful citizens at a high rate of interest. The Stuarts were not behind their predecessors in recklessness or extravagance, while in extortion they went to extremes of which no one had ever dreamt. Charles I. found to his cost that he had no sovereign right to the property of his subjects, and paid a heavy penalty for rashly endeavouring to force them to yield to his exactions. His failure, however, did not deter Charles II. from similar practices, and the Merry Monarch fairly excelled all his rivals in barefaced thieving, for that is the only term applicable to his action in closing the Exchequer and



NATHAN MAYER ROTHSCHILD.

appropriating to his own use the money deposited there. James II. would have liked to imitate his brother, but the offences which the nation overlooked in the graceful, rollicking Charles, were not to be excused or tolerated in one so universally hated and suspected as his successor. The Stuarts seem to have laboured under the impression that they had a sovereign right to whatever of their subjects' property they might fancy, and regarded all those who declined to accede to their oppressive demands as disloyal subjects and traitors. The result of this difference of opinion is too well known to need description here. William III., on his accession, created, willingly or unwillingly, the National Debt, and by so doing acknowledged the indebtedness of the Crown to the public for the money placed at its disposal. Whatever faults he may have had—and he was by no means faultless—William III. at least deserves all credit for having laid down the principle which has ever since been maintained, that the faith of the State must be preserved inviolate towards its creditors.

The creation of the National Debt has been severely criticized and disapproved by later generations, wiser in their time than their ancestors.

We must, however, in justice to William III., remember that he had no option in the matter; it was a case of Hobson's choice. Had he been able to devise a better plan of obtaining the money he required to carry on the war with France, he would, we feel sure, have adopted it, but as no other method suggested itself he was forced to avail himself of the National Debt. To crush his life-long rival, Louis, was a mission which William felt called upon to perform, and which nothing would induce him to abandon. From his earliest years he had learnt to hate the name of France, and his life had been passed in one long struggle to humble the French monarch and frustrate his ambitious schemes. He, who at the head of the small but resolute Dutch Republic had defied single-handed the power of the two strongest nations in Europe; who had seen his countrymen tear down the dykes and canal banks to let loose the waters they confined rather than behold their fatherland desecrated by the presence of the conquering invader, was hardly the man to relinquish the struggle when his hands were strengthened by the resources and energies of England. Time had not effaced from William's memory the recollection of the wrongs and affronts

his country had suffered, so that, on his accession to the English crown, he renewed hostilities with even greater zeal and determination than before. Louis on his side, being as anxious to crush William as William was to crush him, did not relax his efforts, but exerted all his strength, brought into play all the arts of diplomacy and intrigue to attain his cherished object. When he remembered how both Charles II. and James II. had been in his pay, how completely successive English ministers had been his tools, it must have galled him to find his hated rival placed on a throne which gave him such greater powers of defiance. Deep as his hatred of William had been formerly, it became deeper and more bitter as he noticed the resolute front and undisguised contempt displayed towards France by his foe after he landed in England. The rage and annoyance, the bitter disappointment and chagrin felt by Louis, were well known, for he made no attempt to conceal them. He sheltered the dethroned James, surrounded him with a mock Court, and did all in his power to irritate the Court of St James's. The contest was maintained by William with a certain amount of personal pride, but, however ardently he may have desired to see France

humbled, it was even more important to the interests and welfare of England and of Europe that the ambitious designs and tyrannical projects of Louis should be checked by the strong hand. In addition to his own military genius and undaunted courage, William III. called into requisition the strength and riches of the British Empire. The creation of the National Debt was, under the circumstances, fully justified. "Had he employed," remarks Mr Francis, "the arbitrary mode of levying supplies of the earlier monarchs; had he made forced loans, and never repaid them; had he seized upon public money and wrung the purses of public men, the country might as well have been governed by a James as a William, and would in all probability have recalled from exile the unfortunate house of Stuart. The evils of William's reign were in the facts that his power was not sufficiently established to borrow on equitable terms; that the bribery, abuses, and corruption of men in high places increased with their position; and, above all, that instead of paying his debts by terminable annuities he made them interminable."

In spite of the great difficulties he experienced in obtaining supplies, William would never abandon

the contest, which continued more or less languidly for a number of years, until both parties were thoroughly exhausted by it. At length Namur was forced to capitulate, and the long-desired suspension of hostilities came. The power of France in Spain was shaken; its coasts were assailed, and Louis, having lost his great captain, was glad to resume his overtures for peace. The peace of Ryswick terminated this memorable struggle, which had cost Europe 480 millions of money and 800,000 men. No great achievement was recorded of this protracted war, nor was the peace it produced of long duration. Its earlier history, like that of most English wars, was not remarkable for its successes. The unanimity so essential to great deeds was at that time an impossibility, owing to the divided state of political parties. Had greater patriotism and less self-interest and advancement been displayed by the House of Commons, William might have been able to bring the war to a successful issue years before.

The principal objection to William's financial innovation was, as we have already observed, that he borrowed on irredeemable annuities. Had he borrowed on annuities terminable at a certain date,

the operation would have been very little dearer, whilst, instead of saddling posterity with a heavy burden, the pressure would have decreased year by year, until the debt finally disappeared. Credit, moreover, would have improved as time went on, and the discontent have lessened. Whatever blame may be attached to William, still stronger must be the blame attached to the advisers of succeeding monarchs, who although perfectly well acquainted with the objections to the raising of money on irredeemable annuities still continued the practice. It was predicted by Sir Robert Walpole that the country would be ruined when the debt amounted to 100 millions. If such was his sincere belief, he is much to be censured for steadily omitting to take steps to avert the calamity. It is needless to say that the debt has long since exceeded Sir Robert's limit, and yet the country is still far from being bankrupt.

In 1696, while the gold was being recoined, exchequer bills in amounts of £5 and £10 were introduced. These were found of great convenience in business, for, being issued on the credit of the Government, they were regarded as equal to gold, and passed freely from hand to hand under the con-

fident knowledge that they would be paid off at par. The Treasury was authorized to contract with capitalists for the supply of cash, and, although these bills were for a short time at a discount, they soon stood at a premium. At first they bore no interest, but, when they were re-issued, interest was paid on them. They have always continued to be a favourite source of supply with succeeding ministries, and when it is found inconvenient to pay them off they are liquidated, with the consent of Parliament, by being added to the fixed debt of the country.

It is amusing and instructive to note the variety of expedients William was compelled to employ to obtain his supplies. At one time it was a mild remonstrance, at another a haughty menace, and often a reproach that he had risked his life for an ungrateful country. Heavy as was the cost of maintaining the war with France, the money spent with that object was as nothing compared with the enormous sums expended in buying members of the Lower House. Corruption was rampant throughout society; every man of influence had his price. Some were bribed with contracts, some with portions of loans, while others received titles, commis-

sions, or places. So low had public credit fallen and so high were the demands of members and the premium on money, that of 5 millions voted for the war only 2½ millions reached the exchequer. Mr Francis, to whom we are indebted for much of the matter in this chapter, describes very faithfully the state of the finances and of society at that time: "Long annuities and short annuities, lottery tickets and unredeemable debts, made their frequent appearance, and the duties, which principally date from this period, were most pernicious. The hearth-tax was nearly as obnoxious as the poll-tax. The custom and excise duties were doubled. The hawker and the hackney-coach driver, companies and corporations, land and labour, came under supervision. Births, burials, and bachelors were added to the list, and whether a wife lost a husband or whether a widow gained one, the effect was alike. Beer and ale, wine and vinegar, coal and culm, all contributed to the impoverished State; and although some, who looked back with regret, occasionally indulged their spleen, the general tone of Parliament was submissive. Still there were times when the truth was spoken, and truths like the following were unpleasant:—'We have pro-

vided,' said Sir Charles Sedley, 'for the army, we have provided for the navy, and now we must provide for the list. Truly, Mr. Speaker, 'tis a sad reflection that some men should wallow in wealth and places, while others pay away in taxes the fourth part of their revenue. The courtiers and great officers feel not the terms, while the country gentleman is shot through and through. His Majesty sees nothing but coaches and great tables, and therefore cannot imagine the want and misery of the rest of his subjects. He is encompassed by a company of crafty old courtiers.'" The corrupt transactions which tended so much to increase the National Debt are very remarkable. The assembled Commons declared in a solemn vote: "it is notorious that many millions are unaccounted for;" Mr Hungerford was expelled from the Lower House for accepting a bribe of £21, and the Duke of Leeds impeached for taking one of 5,500 guineas. The price of a Speaker—Sir John Trevor—was £1,050, and the Secretary to the Treasury was sent to the Tower on suspicion of similar practices. Money receivers lodged large sums of public money with the goldsmiths at the current interest. Others lent the Exchequer its own cash in other persons'

names, and, out of 46 millions raised in fifteen years, 25 millions were unaccounted for. The commissioners of hackney coaches were accessible, and peculation in the army was discovered by the chance petition of the dwellers in a country town. By this it appeared that the inhabitants of Royston in Hertfordshire had large claims made upon them for money by colonels, captains, and cornets, in addition to the food and lodging which were their due. A few independent members took up the question; the public supported them; and at this juncture a book was delivered at the lobby of the house, which asserted that the public embezzlement was as enormous as it was infamous, and that the writer was prepared to make disclosures which would astonish the world. The offer was accepted; a searching inquiry was instituted, and defalcations were discovered, so great, that all wonder ceased at the increase of the National Debt, and at the decrease of the national glory. The abuses in clothing the army were plain and palpable. The agents habitually detained the money due to the soldiers and used it for their own advantage, or compelled the troops to pay so large a discount that they were in the utmost distress. The subaltern officers were

not better off. Colonel Hastings—afterwards cashiered for the offence—obliged them to buy their raiment of him. If they hesitated he threatened; if they refused he confined them. In 1693, an inquiry was ordered into the application of the secret service money, when severe and deserved animadversion was passed upon those through whom it circulated. The power possessed by Government under such abuses may be imagined. They were sure of the votes of those who had places and pensions, and they were sure also of the votes of that large class of expectants which always haunts a profuse ministry; and thus "the courtiers," as the ministerial party was long designated, could baffle any bills, laugh at all grievances, stifle any accounts, and raise any amount of money.

Under Queen Anne intrigue and corruption still permeated the political world. Money had learnt its innate power, and day by day its influence upon the politics of the nation grew more marked and unmistakable. Through the interest and pressure of the State creditors, the moneyed classes, a law was passed enacting that for the future no one should be eligible to represent a borough in Parliament unless he had an income of £300 a year,

or £600 a year in the case of a county member. The power exercised by money waxed every day more prejudicial to the true interests of the country, and the greater that power grew the more baneful became its effects upon the morals of the nation. Bribery was universal. An eager scrambling after wealth disgraced the whole of society, and noble names of all ranks and parties were tarnished by an utter disregard for the laws of common honesty. Everywhere the cry resounded :—

> "Get money, money still,
> And then let virtue follow if she will."

Marlborough, it is well known, did not scruple to satisfy the cravings of his avarice at the expense of the soldiers to whom his successes were due. His victories were but a source of gain to him; the blood of his gallant veterans, a trifle unworthy of consideration if it interfered with his plans. Somerset, Newcastle, and other ministers lent the State money on terms settled by themselves.

The Funds were diverted from their legitimate purposes and employed in buying the votes of the Lower House. When the Tories came into office no less than 30 millions sterling were found to be

unaccounted for in the budget. The scandal connected with this discovery was not diminished when the investigations afterwards instituted proved abortive. The whole tone of parliamentary morality was infamous, and the financial condition of the country was proportionately unsatisfactory and alarming. The National Debt is in a measure answerable for much of the corruption that prevailed, and there is undoubtedly much truth in the arguments which have been urged against this method of raising the money required by the State in emergencies. The objections are directed, not so much against the debt itself as, against the evils it has brought in its train. Speculation was promoted and encouraged by its creation, which, from a business point of view, has certainly been of little benefit to the mercantile world. Seeing fortunes quickly and easily won by speculations in the Funds, merchants were seduced from their own legitimate pursuits. In 1697 the debt amounted to 20 millions, and it was found to be such a convenient agent, with such elastic qualities, that its proportions were for ever on the increase. The deficit in that year was no less than 5 millions. This state of things was turned to account by

speculators, who set afloat rumours of every description to disparage the Government. Capital was made out of the distresses of the Ministry, the interest on the debt was declared to be uncertain, and the public credit was depreciated by any and every means. The Funds in consequence attracted an amount of attention and acquired an importance which have but increased with the progress of time. The great Hebrew capitalist and speculator Medina aroused the envy of many by the large fortune he amassed in a comparatively short period. Eager to imitate and rival his success, English merchants began to dabble and speculate in the Funds, and the Royal Exchange soon became—as Change Alley was later—the rendezvous where men of all creeds and nationalities met to tempt the fickle goddess, and enrich themselves by this privileged mode of gambling. Jews and Gentiles, Quakers and Ministers, rogues and hypocrites, all mingled in the fray. On that common ground all prejudices and enmities were sunk and forgotten. A greed for money swayed the hearts and minds of these worshippers of Mammon. The speculation fever spread with surprising rapidity; each day saw the crowd grow in proportion. If business in

the Funds slackened, other sources of speculation were discovered: bargains in annuities, lottery tickets, tontines, exchequer bills were made briskly, and bubble companies were promoted with almost the same facilities as in the nineteenth century. "The poor English nation," said one writer, "run a madding after new inventions, whims, and projects, and this unhappy ingredient my countrymen have in their temper; they are violent and prosecute their projects eagerly."

William III. created the National Debt, but the foundation stone was indirectly laid by Charles II. when, in 1672, he appropriated to his own use half a million of money deposited by merchants and goldsmiths in the exchequer. Charles, however, repudiated all claims made upon him for the restoration of the money thus taken, and to William belongs the merit of having first acknowledged the indebtedness of the State to its creditors. Not only did he own his liability for sums he himself borrowed, but he added to them the amount misappropriated by his predecessor. The condition on which he negotiated his first loan was that those who advanced him money should receive stock representing double the value of their contributions.

Forty firms expressed their readiness to assist him on these lucrative terms, and in this way he raised half a million sterling towards carrying on the war with France. By making so liberal an offer he gained two immense advantages: he not only obtained the money he required, but he secured the support of the great body of English merchants, who, having placed their capital at his disposal, were naturally interested in the maintenance of his rule. At the same time he won the gratitude of the nobility, who on previous occasions had always been called upon to prove their loyalty by large sacrifices. In 1694, being again in want of funds, William announced that he wished to raise £1,200,000, and that he was willing to grant those merchants who first subscribed this sum, a charter in their joint capacity under the title of the Bank of England. By this charter they were allowed to carry on a general banking business, and were given certain privileges in buying and selling bills of exchange, bullion, and other commodities. The money was soon subscribed, and in this way the first public debt was handed down to posterity. At William's death it amounted to 16 millions, but so rapidly did it accumulate that it was 54 millions when

his successor died. The increase is partly accounted for by the cost of Marlborough's war, but by far the greater portion was due to the prevailing bribery and corruption.

In 1782 William Pitt first entered the Ministry, holding the office of Chancellor of the Exchequer, and the following year found him, as Prime Minister, at the head of the affairs of the country. To improve the finances was the task which before aught else claimed his attention. This was a problem worthy of his great genius, and the results of his remarkable skill and untiring energy were manifest before many years had passed. The revenue increased rapidly. In 1783 it amounted to but 10 millions sterling, but by 1800 it had risen to 26 millions, while in 1810 it was no less than 62 millions. By Pitt's skilful plans the national finances which, under Lord North's administration, had been allowed to fall into a deplorable condition, were once more re-established, and public credit restored. The most convincing proof of the soundness of Pitt's financial policy is that his measures have been the basis of all subsequent legislation affecting the revenue and expenditure of the country. He likewise instituted a scheme for the reduction of

the National Debt. The result of the various steps taken by him was so favourable that Consols, which in 1784 stood at 54, already reached 76 in 1786, and by 1792 had risen to 96, or a rise of 42 per cent. in eight years.

No event in the financial history of England has had such important results immediately and remotely as the suspension of cash payments during the reign of George III. In 1797 the English banks found themselves deeply embarrassed, mainly in consequence of the demands of the Government, who borrowed millions every year for the war, and for the support by subsidies of half the Continental Powers. All cash payments were forbidden, the consequence being that Bank notes fell at once to a discount. The £1 note became worth only 17*s*. or 18*s*. The House of Commons at length voted that the value must be restored to par; but the mere vote was insufficient to stop the depreciation. At length, under Lord Liverpool's Ministry, cash payments were resumed, and all who had contracted debts during the depreciation found themselves compelled to pay in cash, by which they lost heavily. Bankruptcy and ruin were the inevitable results. Having given this hasty and imperfect sketch of the finances

of the country up to the beginning of this century, we will proceed to narrate the career of Nathan Mayer Rothschild, the founder of the firm in London.

The London firm was the first branch of the Frankfort business, and was, as we have said, started at the commencement of this century by Nathan Mayer Rothschild, the third son of old Mayer Amschel, of the Judengasse. The immediate cause of his repairing to England was a dispute with one of the great cotton manufacturers from Lancashire, who treated Nathan Mayer, himself a rough, unpolished man, in an arrogant, overbearing fashion, which was keenly resented. At that time the Continent, Germany and Austria especially, was entirely dependent on England for its supplies of cotton goods, and the English manufacturers, secure as they thought in their monopoly, abused their position and treated their foreign customers in a very cavalier fashion. In their opinion it was quite a favour on their part to dispose of their wares at all. The Frankfort house did a large business in cotton goods, and it was the behaviour of one of the manufacturers who visited the firm that caused Nathan Mayer to adopt the sudden resolve to go to England.

We cannot do better than repeat his own version, as published in Sir Thomas Fowell Buxton's Biography, of his first experiences and successes in England. In one of his letters Sir Thomas says:—

"We dined yesterday at Ham House, to meet the Rothschilds, and very amusing it was. He (Rothschild) told us his life and adventures. He was the third son of a banker at Frankfort. 'There was not,' he said, 'room for us all in that city. I dealt in English goods. One great trader came there who had the market all to himself; he was quite the great man, and did us a favour if he sold us goods. Somehow I offended him and he refused to show me his patterns. This was on a Tuesday. I said to my father: 'I will go to England.' I could speak nothing but German. On the Thursday I started. The nearer I got to England the cheaper the goods were. As soon as I got to Manchester I laid out all my money, things were so cheap, and I made a good profit. I soon found out there were three profits—the raw material, the dyeing, and the manufacturing. I said to the manufacturer, 'I will supply you with material and dye, and you supply me manufactured goods.' So I got three profits instead of one, and I could sell goods cheaper than

anybody. In a short time I made my £20,000 into £60,000. My success all turned on one maxim. I said, 'I can do what another man can, and so I am a match for the man with the patterns and for all the rest of them.'"

Nothing could demonstrate more clearly Nathan Rothschild's profound confidence in his own powers, and his resolute character, than this simple narrative. So rapid was his success in Manchester, that before many years had passed he found even that was too limited a sphere for the mind which could grapple with three profits. He accordingly at the beginning of this century established himself in London, where he was afterwards destined to make such a name. Previous to his arrival in London, the business of the parent house in Frankfort had passed through the hands of the banking firm of Van Notten, but Nathan Mayer at once assumed the control and management of the firm's interests in England. In the concluding portion of his letter, Sir T. F. Buxton writes:—

"I forgot to say that soon after Rothschild came to England Buonaparte invaded Germany. 'The Prince of Hesse Cassel,' said Rothschild, 'gave my father his money; there was no time to be lost: he

sent it to me. I had £600,000 arrive unexpectedly by post; and I put it to such good use that the Prince made me a present of all his wine and linen.'"

The immense profits realized by these early transactions, Nathan Rothschild soon found means to multiply. It was a period when a man gifted with his remarkable shrewdness and business capacities was bound to succeed. However great his folly may have seemed at the time when Napoleon's forces were trampling all Europe beneath their feet, Nathan Mayer learnt to form a favourable idea of the immense strength and resources of England, and his calculations as to the ultimate issue of the struggle were all in favour of his adopted country. Acting on his convictions, he on one occasion purchased a large amount of bills of the Duke of Wellington at a heavy discount, but knowing that the credit and faith of the country were pledged to their payment he felt he had made a good bargain. To quote his own words once more:—

"When I settled in London, the East India Company had £800,000 worth in gold to sell. I went to the sale, and bought it all. I knew the Duke of Wellington must have it. I had bought a great many of his bills at a discount. The

Government sent for me and said they must have it. When they had got it, they did not know how to get it to Portugal. I undertook all that, and I sent it through France, and that was the best business I ever did."

Nathan Mayer was generally termed a merchant, but, although his commercial transactions were large and important, the scene of his greatest and most profitable triumphs was the Stock Exchange. At a time when the prices of the Funds and all securities were subject to violent fluctuations, the temptations to a great capitalist, with the speculative instinct so strongly developed as in Nathan Mayer, were irresistible. Though a mere stripling among the grey heads of the money market, his almost preternatural sagacity in the art of money making brought him at once into prominence, and he became the leading man on the Stock Exchange, none of the members of which could boast, like him, of having "multiplied their capital 2,500 times in the course of five years." He had now a field opened out to him for the display of his remarkable powers, and his immense speculations in the Funds, by which he realized large profits, proved him to be gifted with a wonderful intuitive fore-

sight as to the course of events, combined with great fertility of resource, and unrivalled boldness. The introduction which his first business with the Government had secured him to the Ministers, was invaluable in his after career, as it enabled him to procure from privileged sources early information of all that passed in the political world likely to affect the money market. Every piece of early information was worth thousands to him on the Stock Exchange, the pulse of which none knew better how to feel than he. But he was ere long dissatisfied even with the privileges secured to him by his connection with the Government, and he originated a system of intelligence by which news was conveyed to him long before the arrival of the Government couriers and messengers. He had his own staff of active agents and couriers, whose duty it was to follow in the wake of armies or attend at the different Courts to collect and transmit to him regularly, without regard to expense, reports of all that transpired. He organized a system of pigeon post, by which news was conveyed to him from the Continent rapidly and at short intervals. He was known to have spent immense sums on his pigeons, and was ever ready to pay liberally for birds

possessing great strength and swiftness. The superiority of his intelligence over that of the Government was proved on several occasions. He was the first to inform Lord Aberdeen of the Paris July revolution, as he had been to announce the defeat of Napoleon at Waterloo. In connection with Waterloo an interesting little romance has been written upon the immense sum Nathan Mayer gained by his early knowledge of the victory of the Allies, which his financial strategy enabled him to use to the fullest advantage on the Stock Exchange.

Many of his large speculations had been based on the presumed success of the English arms, and he was perhaps congratulating himself on his shrewd foresight and the soundness of his calculations when the sudden and treacherous return of Napoleon from Elba shattered at once his golden dreams and renewed all his previous anxiety and fears. No man, indeed, had greater cause to tremble at the reappearance of the mighty despot than had Nathan Mayer; when the fruits of his victory seemed almost within his grasp, they were at a blow removed, and he was left surrounded with doubts and contingencies. In the midst of its rejoicings the whole of Europe was startled with alarm and dis-

may. That the deposed Emperor should ever return to harass and devastate Europe, had never occurred to men's minds; it was a possibility of which no one had ever thought. The public alarm was only increased as the news of the glad welcome Napoleon received on his way to Paris became known. So upset was Nathan Mayer by the news, and so intense became his anxiety to learn how matters progressed and were likely to end, that it would not allow him to rest satisfied with the speed of his couriers, but drove him to go himself to the Continent to watch the course of events with his own eyes. He accordingly proceeded to Belgium and followed close in the wake of the English army. When at length the Duke took up his position at Waterloo, and quietly awaited the French forces, Nathan Mayer felt that the critical moment on which hung the fortunes, not of Europe alone, but of the Rothschilds also, had arrived. He had such an immense stake dependent upon the issue, that his feverish anxiety would not allow him to remain in the background. He proceeded to the battle-field and took up a position commanding a view of both armies. We can imagine how eagerly he scanned the field, and

noted the disposition and strength of the opposing forces. Those under the command of the Iron Duke must, we should fancy, have struck him as being outmatched and standing but a poor chance with the French army, which included the famous and hitherto invincible "Old Guard." Turning to the distinguished personages around him, among whom were to be seen Count Pozzo di Borgo, Baron Vincent, General Alava, Baron Müffling, and others of equal note, Nathan Mayer questioned eagerly and wistfully all who cared to give him a hearing. The answers he received were discouraging and but increased his fears, for all were too well aware that the struggle between two such remarkable commanders would be long and stubborn. Though hoping for victory, none felt confident enough to predict such a result. The battle began. A dense smoke, from the furious cannonade, soon enveloped the whole field in a cloud; but Nathan Mayer's straining eyes were able from time to time to see the fierce charges of the French cavalry, by which the safety of the English lines was more than once imperilled. Cold steel, however, conquered, and the assailants recoiled before the bristling hedge of bayonets. And so the battle grew and waxed

fiercer as the day progressed. On the opposite hill of Rossomme, Napoleon was seated with a map outstretched before him, and from there he issued the orders for a last and desperate charge, on which all his hopes of victory were placed. The Old Guard, with the gallant Ney at their head, rushed forward to retrieve the fortunes of the day; but in vain. They had met their masters. They were driven back by the British bayonets, and were soon to be seen making their way from the battle-field in the greatest confusion and disorder. With a ringing cheer that told which side had won, the English forces rushed after their foes, whilst Nathan Mayer, his anxiety allayed and his spirits restored, spurred his horse back towards Brussels. It was dusk as he quitted the field, and his solitary ride in the darkness must have been intensely exciting to his already highly taxed brain. It was a ride he cannot readily have forgotten. Having reached Brussels, he procured, after some difficulty, a carriage to convey him without delay, and at all speed, to Ostend, where he arrived, travel-stained and weary, on the morning of the 19th June. Tired as he was, he would not stay to rest. In spite of the tempestuous sea, and the threatening weather,

he wished to make his way across the Channel, but even the fishermen shrank from the attempt. In vain he offered bribes of five hundred, six hundred, eight hundred francs to the poor fellows; they would not venture. It was not until the offer reached two thousand francs that one of them consented to brave the tempest, and endeavour to take Nathan Mayer across to England, on condition that the money was paid to his wife before starting.

They set sail, and before they had gone far the threatening weather changed for the better, whilst a favourable breeze sprang up and considerably accelerated their passage. In the evening they sighted Dover and shortly after Nathan Mayer dragged his weary limbs ashore. Even here he would not rest, but, after procuring the swiftest post-horses to be had, resumed his journey to London. The next day he was to be seen leaning against his well-known pillar on the Stock Exchange, apparently broken in health and spirits, and looking as if he had been overwhelmed and crushed by some direful calamity. The greatest gloom and despondency had for days prevailed in the City, and as men looked at Rothschild, and then significantly at each other, they seemed to come

unanimously to the conclusion that their hopes had been blasted, and that the worst was yet to be known. Had not Rothschild travelled post-haste from the Continent, and were not his agents already selling out? The Stock Exchange, generally so full of life and noise, was unusually silent; speculators moved about in a listless, aimless way, now and then stopping to discuss in low whispers the cause of the great financier's sales. The gloom and despondency was not lessened when a rumour became current that Rothschild had told a friend in confidence that Blucher with his 117,000 Prussians had been defeated on the 16th and 17th June at Ligny, and that Wellington could not hope with his handful of soldiers to arrest the progress of Napoleon's victorious and far larger forces. The evil news spread through the City like wildfire. The Funds dropped rapidly, and the greatest uneasiness and despondency prevailed. The change was so violent and so sudden. It seemed as if it were but yesterday that Europe had been exulting over the discomfiture of Buonaparte and the restoration of peace. The public thanksgiving, the grand reviews, the public rejoicing, the fireworks, had hardly yet finished, and now,—the whole was in vain,

—the scourge of Europe was loose again. And so the day closed, with not a ray of hope to brighten the all-pervading gloom. But the next afternoon a sudden, wild reaction set in. It was everywhere reported, with sparkling eyes and heightened colour in men's cheeks, that Wellington was victorious, and the French defeated. Nathan Mayer had himself been the first to announce the good news with undisguised delight and satisfaction to his friends on the Stock Exchange. When the glad tidings received official confirmation some hours later the public joy knew no limits. The Funds rose again at a bound. Many pitied Rothschild for the enormous losses he had, as they thought, suffered; they little suspected that, while his known agents had been selling openly, his unknown agents had bought up secretly every piece of scrip they could secure. Far from losing, he had by his manipulations pocketed nearly a million sterling.

In 1806 Nathan Mayer Rothschild married a daughter of Levi Barnet Cohen, one of the wealthiest Jews at that time living in London. After accepting Rothschild as his daughter's suitor, Cohen had some doubts as to the extent of his future son-in-law's riches. A man who speculated so boldly

and so largely was not unlikely to be speculating with other persons' money, so Cohen prudently asked for some proof of his reputed wealth. This Rothschild declined to give, saying that as far as wealth and good character went, Mr Cohen could not do better than give him all his daughters in marriage.

The name of Rothschild became familiar to the English public mainly through its connection with loans issued for various Governments. This loan business was perhaps the most profitable of all the many enterprises on which the firm embarked, as, to begin with, there was the certainty of a handsome commission; whilst the endless Stock Exchange speculations to which the loans gave rise were a fruitful source of gain to Nathan Mayer. He may fairly be said to have been the first to introduce foreign loans into England, and to have made them popular as investments. Foreign stocks had, of course, been largely held by English capitalists for years, but they had never enjoyed public favour, owing to the interest and dividends being payable abroad. Rothschild, however, arranged that they should in future be paid in London, at fixed rates in sterling money, an arrangement which contributed largely to the success of the loans

brought out under his auspices. It speaks well, indeed, for his prudence and caution, that, although the loans issued through other firms were often repudiated and the interest stopped, none that he took up were ever known to suffer from the bankruptcy of the Governments for whom they had been issued. Rather than allow his loans to acquire a bad name through the inability of the contracting State, owing to temporary difficulties, to provide the funds necessary for the payment of the interest, he was known to have advanced his own money for that purpose, trusting to his influence and power to secure its due return. However unfavourable an opinion people may entertain of some foreign loans, it is quite certain that they cannot point to any loan issued by the Rothschilds that has come to a bad end. The first occasion on which he assisted the English Government was in 1819, when he undertook the loan of £12,000,000. This operation was unsuccessful, as the loan fell to a discount; but Rothschild had cleverly shifted the burden on to other shoulders. The list given below, which is by no means complete, will show how varied his loan operations were, and will enable the reader to form an idea of the immense profits attending this line

of business. On one single loan he made a profit of £150,000, with which he purchased the well-known Gunnersbury House and grounds. This historical mansion was formerly the residence of Princess Amelia, the aunt of George III., and on her death the house and grounds passed into the hands of a Mr Copland and ultimately became, as we have said, the property of Nathan Mayer Rothschild.

The principal loans issued by Nathan Mayer were the following :—

1818	Prussian	5%	£5,000,000
1822	„	„	3,500,000
„	Russian	„	3,500,000
1823	Austrian	„	2,500,000
1824	Neapolitan	„	2,500,000
1825	Brazilian	„	2,000,000
1829	„	„	800,000
1832	Belgian	„	2,000,000
		Total	£21,800,000

The majority of these loans were remarkably successful; but at times the sunshine was broken. On more than one occasion Nathan Mayer sustained such heavy losses that the stability of any other firm

but his would have been endangered. He is estimated to have lost not less than half a million by Lord Bexley's scheme for funding Exchequer bills in a Three and a half per cent. stock. In 1823, at the time of the French invasion of Spain, he was threatened with severe losses through the French loan, but fortunately for him he saw his danger in time, and managed to distribute the loss among others less alert.

He would often decline proposals for loans without troubling himself about the terms, if the country soliciting his assistance was under the least suspicion, or subject to internal disorganization. With Spain, or the South American states which had formerly acknowledged the Spanish flag, he would never have anything to do. He always cautiously steered clear of every doubtful or unsafe business. During the great speculation fever of 1824 and 1825 he kept studiously aloof, and warned others to follow his example. It is true that, during this time, he established the Alliance Marine Insurance Company, but the history of the causes which led to its formation would seem to show that its establishment had no connection with the speculation then prevailing. When the numerous bubble

companies which had been floated burst in rapid succession, and the inevitable panic occurred, Rothschild greatly relieved the market by his readiness to purchase at a fair price any amount of stock that might be tendered him. Brokers in many instances preferred accepting his offers to realizing their stock on the market. Nothing demonstrated more clearly the power and stability of the firm during this trying period, when the Bank of England had nearly to close its doors, than the unstinted and fearless manner in which it advanced funds to the Bank to enable the latter to meet its calls.

In 1831 Nathan Mayer did what he regarded as a very clever stroke of business. Mercury, as is well known, is a valuable article, indispensable in many trades, as well as in the dispensing-room. It is a powerful medicine, and is also largely used to separate gold and silver from the earthy impurities with which they combine. Most of the quicksilver found in Europe was derived either from the mines at Idria, in Austria, or from those at Almaden, in Spain. The latter mines had at the time of which we are writing been allowed to fall into disuse, but their richness was well known, even the Greeks and Romans having realized immense profits from the

rich deposits there. Spain in her difficulties thought of her once famous mines, and willingly mortgaged them to Rothschild as security for the due payment of the interest on the loan he had undertaken. The immediate result of this agreement took the public quite by surprise: the value of Almaden quicksilver was doubled. Under these circumstances, they naturally turned to the Idria mines for their supplies, but only to find that the price there likewise had been doubled. Rothschild had managed to get the Idria mines also under his control, and by so doing had secured the monopoly of mercury. "This clever stroke of business—as profitable as it was clever—had one notable consequence for the sick and suffering of all nations. Mercurial preparations, largely employed in medicine, are at the present moment no more manufactured from the pure metal as obtained from the mines, but from the refuse of other articles containing quicksilver, such as the foil of old mirrors and looking-glasses." This piece of stratagem brought down upon Nathan Mayer a shower of abuse and condemnation from the press.

On another occasion he forced even that venerable institution, the Bank of England, in spite of

its prestige and its Government support, to confess that it was no match for the finesse of the great financier. Rothschild particularly required an amount of bullion to promote the success of an operation he had in hand. This bullion the directors willingly lent him on condition that it should be returned by a certain day. On that day Rothschild appeared at the Bank to fulfil his engagement. When asked if he intended to return the bullion, his reply was to produce a bundle of notes for the amount. He was reminded of the terms of the agreement, the directors pointing out that to oblige him they had touched their reserve, and that they now urgently required the bullion. "Very well, gentlemen," he is reported to have said, "return me my notes; I dare say your cashier will honour them with gold from your vaults, and then I can return you bullion."

This story is so characteristic of the man, that its authenticity seems undeniable, but the same cannot be said of the following anecdote, which is evidently due to the fertile brain of some imaginative writer. The very minuteness of detail and the dramatic completeness of the narrative are enough to make one suspicious of its genuineness.

The elements of improbability are too prominent and manifest to fail to strike the reader. The story runs that the Bank mortally offended Nathan Mayer, by refusing to discount a bill drawn upon him for a large amount by his brother Anselm of Frankfort. The Bank had haughtily replied that they "discounted only their own bills, and not those of private persons." But they had to deal with one stronger even than the Bank. "Private persons!" exclaimed Rothschild, when the fact was reported to him; "private persons! I will make these gentlemen feel what sort of private persons we are!" Three weeks afterwards, Nathan Mayer, who had employed the interval in collecting all the bank-notes he could procure in England and on the Continent, presented himself at the Bank as soon as it was opened. He drew from his pocket-book a £5-note, and the clerk naturally counted out five sovereigns, at the same time looking with great astonishment at Rothschild. It seemed strange that he should trouble himself for such a trifle. He, however, examined the coins carefully one by one, and put them in a little canvas bag; then drawing out another note, a third, a fourth, a tenth, a hundredth, he kept demanding change for his notes, never

placing the money in his bag without first scrupulously examining the pieces. In some cases he would try them in the balance, "as," he observed, "the law gave him the right to do." The first pocket-book being emptied, and the first bag filled, he passed them to his clerk, and received a second supply of notes, thus continuing to drain the Bank of its gold till the doors were closed. He had spent seven hours in changing £21,000. But as he had nine of his employés engaged in the same manner, it resulted that the Bank had lost £210,000 from its reserve of gold. Moreover, Nathan Mayer had kept the tellers so occupied that no other persons could change a single note. Everything that bears the stamp of eccentricity always pleases the English public, and in this instance the pique of the great millionaire caused endless amusement. The directors, however, laughed less, when they saw him reappear next day at the opening of the Bank, accompanied by his nine allies; they laughed no longer when they heard the financial despot say, with ironical simplicity: "These gentlemen refuse to take my bills; I have sworn not to keep theirs. I will merely warn them that I hold notes enough to keep them occupied for two months." For two

months! eleven millions of gold drawn from the Bank! The Bank grew alarmed; something had to be done. The next morning a notice appeared that in future Rothschild's bills would be taken as readily as their own.

Shrewd and 'cute as Nathan Mayer proved himself to be, the laugh was not always on his side. He at times met with rivals whose cunning and strategy were too much even for his subtle calculations. A leading banker once lent him a million and a half against the security of Consols, which were then quoted at 84. The terms on which the money was advanced were clear and simple; the banker was to have the option of buying the Consols at 70, should the price recede to 74. Rothschild felt satisfied with his bargain, for the possibility of Consols dropping 10 per cent. appeared to him a very remote contingency. The banker, however, had acted on an idea which subsequently fully justified his course of procedure. He at once began unloading Rothschild's Consols on the market, following this up by a similar amount in his own possession. The market grew alarmed at the gigantic sales; uneasiness and doubt followed; the Funds dropped rapidly, and other circumstances

occurring to help the depression, the fatal price of 74 was at length reached. The Christian had outmatched the Jew.

When he lived at Stamford Hill, Nathan Mayer had as an opposite neighbour a wealthy stockbroker named Lucas, who, on returning home late one evening, noticed Rothschild's carriage standing ready at the gate. Thinking something must be in the wind, Lucas directed his coachman to drive round to the stable and not unharness the horses, but to wait till he sent for him. Concealing himself, he presently saw Rothschild and two companions enter the carriage, the driver being ordered to drive "to the City." Hastily summoning his own carriage, the stockbroker started in pursuit, and saw them alight at New Court. A few minutes later he followed, and, reeling past the housekeeper in an apparently hopelessly drunken state, forced his way, in spite of all opposition, to the financier's private room, where he fell prostrate on the floor. Nathan and his friends were not unnaturally startled by the sudden inrush of their unwelcome and uninvited visitor. They raised him, bathed his face with cold water, but without any benefit, the only result being a convulsive trembling and shrinking.

They were at a loss what to do with Lucas, but, noticing that he seemed at length to settle into a heavy slumber, determined to let him remain where he had fallen. Time was precious; they had important matters to discuss, so they covered the reveller with a rug, and proceeded with their business. Important news had been received from Spain, and the result of the consultation was to order certain brokers to commence at once buying up cautiously a particular stock. This settled, Rothschild and his companions separated. After they had gone, Lucas began slowly to recover, and although still uncertain and shaky on his legs, and suffering from a dreadful headache, as he said, he insisted, in spite of the housekeeper's remonstrances, upon going home. On reaching the street he went at once to his office, where he made arrangements for buying up all the stock he could procure. Rothschild was dreadfully upset by this trick, and used always to refer to it as the "base, dishonest, and nefarious stratagem" of Lucas.

In addition to his loan business and speculations, Rothschild embarked in many commercial enterprises, for he was ready to support any undertaking which appeared to him at once sound and

likely to prove lucrative. By his immense bill transactions he must have won hundreds of thousands of pounds. A writer in "The Gentleman's Magazine," shortly after Rothschild's death, said: "He never hesitated for a moment in fixing the rate, either as a drawer or as a taker, on any part of the world; and his memory was so retentive that, notwithstanding the immense transactions on which he entered every foreign post-day, and though he never took note of them, he could, on his return home, with perfect exactness, dictate the whole to his clerks." Nothing was too gigantic for his grasp; nothing too minute to escape his notice. His mind was as capable of contracting a loan for millions, as of calculating the lowest salary on which a clerk could exist. "It was characteristic of Nathan," says Martin, in his "Stories of Banks and Bankers," that "he never paid his employés a farthing more than was necessary for their bare subsistence—or at least not a farthing more than they could compel him to pay. This meanness towards those who assisted him in building up the edifice of his enormous fortune is a reproach to the character of the man from which even his warmest adulators have not been able to free him." This is a reproach

from which we are glad to say the present heads of the firm are free, for their liberality is too well known to require our confirmation.

"One cause of his success," says the author of "The Stock Exchange," "was the secrecy with which he shrouded all his transactions, and the tortuous policy with which he misled those who watched him the keenest. If he possessed news calculated to make the Funds rise, he would commission the broker who acted on his behalf to sell half a million. The shoal of men who usually follow the movements of others sold with him. The news soon passed through Capel Court that Rothschild was bearing the market, and the Funds fell. Men looked doubtingly at one another; a general panic spread; bad news was looked for; and these united agencies sank the price two or three per cent. This was the result expected, and other brokers, not usually employed by him, bought all they could at the reduced rate. By the time this was accomplished, the good news had arrived; the pressure ceased; the Funds rose instantly; and Mr Rothschild reaped his reward." To tell who was and who was not his agent was well-nigh impossible, for he is known to have made his very enemies

his tools to serve his purposes. He was informed one day that a broker had been openly abusing him on the Stock Exchange, and boasting "how thoroughly he detested Rothschild and the whole Jewish race." Nathan listened quietly and unmovedly to the statement, merely remarking—

"Thank you; I am much obliged. That man will be useful."

Shortly afterwards this abusive broker sold out on behalf of a third party, acting secretly for Rothschild, £600,000 Consols; "For," said Nathan, "they will never suspect he is bearing the market on my account." It was a common practice with this mighty speculator to have one set of agents selling, and another buying, the same stock, so that there was no ascertaining what in reality was the object of his manœuvres. The probable result was a secret confined to his own breast. Owing to his enormous power, subtle stratagems, and profound mystery, no one could conjecture, with any certainty, his purposes. A general suspicion and mistrust followed him in all his actions. If business was flat and dull, it was caused by Rothschild, while, if matters improved, the improvement was declared fictitious and only temporary. The whole Stock Exchange be-

came filled with an uncomfortable atmosphere of suspicion and incredulity, which kept the members ever in a fever of apprehension and doubt.

It may not be out of place to mention that Nathan Mayer attributed much of his success to the observance of two maxims: "Another advantage I had. I was an off-hand man; I made a bargain at once." The second maxim shows that he had a grain of superstition in his composition, for he would never, as he said, have anything to do with an unlucky man or an unlucky place. "I have seen many clever men, very clever men, who had not shoes to their feet. I never act with them. Their advice sounds very well, but fate is against them; they cannot get on themselves, and, if they cannot do good to themselves, how can they do good to me?"

His methods of business and his conduct procured him many enemies. The satirists were ever ridiculing his portly figure and slovenly appearance, caricaturing his Jewish accent and his uncouth manners. He was indeed a subject created for caricature, but he was at the same time utterly insensible to the jeers and laughter he occasioned. He pursued his path without paying the least regard to anything that might be done to give him offence.

Undoubtedly he was responsible for much of this satire and ridicule. In his manners and address he seemed to delight in displaying his thorough disregard of all the courtesies and amenities of civilized life. They were to him superfluities and shams. He appeared to pride himself on his blunt and outspoken style of speech, which he mistook for frankness, but which was usually so violent and uncouth that in any other than a millionaire it would not have been tolerated. He was, like most of his family, a man of unbridled temper, which led him into excesses of passion and language quite unworthy of his position in society. A clever anonymous writer thus describes him as he was seen on "'Change":—

"There is a rigidity and a tension in his features too that would make you fancy, if you did not see that it was not so, that someone was pinching him behind, and that he was either afraid or ashamed to say so. Eyes are usually denominated the windows of the soul; but here you would conclude that the windows are false ones, or that there was no soul to look out of them. There comes not one pencil of light from the interior, neither is there one scintillation of that which comes from without reflected in any direction. The whole puts you in



ROTHSCHILD ON EXCHANGE.

mind of a skin to let, and you wonder why it stands upright without at least something in it. By-and-by another figure comes up to it. It then steps two paces aside, and the most inquisitive glance that you ever saw, and a glance more inquisitive than you would ever have thought of, is drawn out of the erewhile fixed and leaden eye, as if one were drawing a sword from a scabbard. The visiting figure, which has the appearance of coming by accident and not by design, stops but a second or two, in the course of which looks are exchanged which, though you cannot translate, you feel must be of most important meaning. After these the eyes are sheathed up again, and the figure resumes its stony posture. During the morning numbers of visitors come, all of whom meet with a similar reception and vanish in a similar manner; and, last of all, the figure itself vanishes, leaving you utterly at a loss as to what can be its nature and functions." Nathan Mayer must indeed have at once attracted attention as he leaned against his favourite pillar, with his shoulders drawn up to his ears, and his hands plunged deep in his breeches-pockets, motionless, and apparently speculationless.

"The name of this gentleman, the entertainments given by him, the charities to which he occasionally subscribed, and the amount of his transactions in the money market were blazoned abroad. Peers and the princes of the blood sat at his table; clergymen and laymen bowed before him; and they who preached loudest against mammon, bent lowest before the mammon-worshipper. Gorgeous plate, fine furniture, an establishment such as many a noble of Norman descent would envy, graced his entertainments. Without social refinement, with manners which, offensive in the million, were but brusque in the millionaire, he collected around him the fastidious members of the most fastidious aristocracy in the world. He saw the representatives of all the States in Europe proud of his friendship. By the democratic envoy of the New World, by the ambassador of the imperial Russ, was his hospitality alike accepted; while the man who warred with slavery in all its forms and phases was himself slave to the golden reputation of the Hebrew. The language which Mr Rothschild could use when his anger overbalanced his discretion was a licence allowed to his wealth; and he who, when placed in a position which almost compelled him to subscribe

to a pressing charity, could exclaim, 'Here! write a cheque; I have made one —— fool of myself!' was courted and caressed by the clergy, was fêted and flattered by the poor, was treated as an equal by the first minister of the Crown, and more than worshipped by those whose names stood foremost on the roll of the commercial aristocracy. His mode of dictating letters was characteristic of a mind entirely absorbed in money-making; and his ravings when he found a bill unexpectedly protested, were translated into mercantile language ere they were fit to meet a correspondent's eye. It is painful to write thus depreciatingly of a man who possessed so large a development of brain; but the golden gods of England have many idolaters, and the voice of truth rarely penetrates the private room of the English merchant. There was, however, an occasional gleam of humour in him, sternly as his thoughts were devoted to heaping up riches. 'I am as good as you,' said he to the Duc de Montmorenci, when his title was granted, 'you style yourself the first Christian baron, and I am the first Jew baron.'"

This reminds one forcibly of another anecdote. A German Prince, bearing letters of introduction

and credit to the great financier, called at New Court, and was shown into the private room where Nathan Mayer was sitting busy with a number of papers before him. On hearing his visitor's name, Rothschild nodded and motioned him to take a seat, whilst he went on steadily with the examination of his papers. This cool treatment was not quite what the Prince expected should have been shown to one of his dignity and rank. After standing a minute or two, he exclaimed: "Did you hear, sir, who I am? I am ——," naming his full title. "Very well," said Rothschild, "take two chairs." More often the point of his jokes was due to his imperfect pronunciation of English. When dining at the Mansion House one evening, he was heard to remark to a guest who had declared his preference of mutton to venison: "Ah, I see; you like mutton because it is sheep (cheap); others like venison because it is deer (dear)!"

Wealth, whatever luxuries it might command, was unable to secure its possessor happiness or tranquillity of mind. Rothschild was a prey to empty fears, and the care and anxiety inseparable from the control and safe-keeping of his millions effectually prevented him from ever enjoying any

peace of mind or relaxation. He had made numerous enemies; he had ruined many a man of business by his stratagems and speculations, so that it is not surprising to learn he was continually haunted by dreams of assassination. Threatening letters poured in upon him by the hundred, and one in particular, sent to him by a secret political tribunal on the Continent, which declared that as he, by his loans, had supported the Governments in their tyrannical oppression of their subjects, his death had been decided upon and the agents appointed to carry out the crime, is said to have caused him special uneasiness. So great a hold did his fears have over him, that for many years before his death he is reported to have slept with loaded pistols at his side. "You must be a happy man," said Sir T. Fowell Buxton, as he surveyed the comforts and luxuries of his splendid mansion, "in such a home as this." "Happy, I happy!" was the bitter reply; "what! happy, when just as you are going to dine a letter is placed in your hand saying: 'If you do not send £500—I will blow your brains out.' Happy, I happy!"

Two tall, dark men, with heavy moustaches and penetrating eyes were once ushered into his room.

The financier bowed; the visitors on their side did the same, but said nothing. They were feeling in an anxious, nervous manner in their pockets, as if to find something they had concealed there. Rothschild's fears at once led him to the conclusion that his assassins were at last before him, bent on carrying out the foul deed. Without a moment's hesitation or thought, he seized a ledger within his reach and hurled it with all his force at the unsuspecting visitors, and shouted for assistance. When at last an explanation was forthcoming, and Nathan Mayer discovered that the strangers were two bankers bearing letters of introduction, which they in their nervous haste were unable to discover, his mortification was intense, and he was heard to mutter to himself: "Poor unhappy me! a victim to nervousness and fancied terrors! and all because of my money!"

What little pleasure and happiness Nathan Mayer did enjoy was derived not so much from the possession of unbounded wealth, as from the excitement and intriguing attending the making of it. He revelled in the plotting and tricking, the manipulations and stratagems which his gigantic speculations necessitated and created. "This is the key,"

said one who knew him well, "to an understanding of Rothschild's character. His ambition tended to the accomplishment of elaborate financial operations —of making money, if you like; but in this phrase the emphasis must be placed on the making; for he did not value either money in itself or the things that could be procured by it. He had no taste or inclination for what every Englishman seeks as soon as he has money enough to buy it— comfort in every respect. His ambition was to arrive at his aim more quickly and more effectually than others, and to steer towards it with all his energy. When his end was reached it had lost all its charm for him, and he turned his never-wearying mind to something else." This view of his character and disposition is confirmed by his own lips, as he declared in answer to the question asked by one of his guests: "I hope that your children are not too fond of money and business to the exclusion of more important things. I am sure you would not wish that?"—"I am *sure* I should wish that," was the outspoken reply; "I wish them to give mind, soul, and heart and body—everything to business. That is the way to be happy. It requires a great deal of boldness, and a great deal of caution, to make a

great fortune, and, when you have got it, you require ten times as much wit to keep it." Outside his business Rothschild had few pleasures. Whilst his mansions were crowded with works of art, and the most gorgeous appointments, it was not because he was a patron or admirer of the arts, but because, with his millions, it was expected of him. When Spohr, the famous violinist and composer, called upon Nathan, with a letter of introduction from Nathan's brother in Frankfort, he was told by the banker: "I understand nothing of music. This" —patting his pocket and making his money rattle and jingle—"is my music; we understand that on 'Change. But you can come and dine with me." "Nevertheless," added Spohr, "the letter of recommendation to Rothschild was not wholly useless, for he took a whole box at my benefit concert." At long and rare intervals Rothschild would be seized with a charitable freak; but that his benevolence was due to nothing better than caprice is proved by his own words: "Sometimes to amuse myself I give a beggar a guinea. He thinks it is a mistake, and for fear I should find it out off he runs as hard as he can. I advise you to give a beggar a guinea sometimes. It is very amusing."

The directions of old Mayer Amschel of Frankfort, that his sons should always remain united, were carried out to their fullest possible extent, by the practice of intermarriage. Thus Baron James, the head of the Paris house, had married one of his nieces; and in 1836 it was decided that Lionel, Nathan Mayer's eldest son, should marry his cousin, the daughter of Anselm Rothschild of Frankfort. Nathan Mayer went to Frankfort to be present at the marriage festivities. He was in bad health at the time, suffering from a carbuncle. On the day of the wedding he was taken seriously ill, but he obstinately maintained that it was but a passing attack. He grew, however, rapidly worse, and, when matters had assumed a threatening and hopeless aspect, his physician was sent for from London. But his services were summoned too late, and the great man, after being delirious for a day or two, gave in to his great enemy. He died on the 28th July, 1836. The first news of his death was conveyed to England by one of his own specially-trained pigeons, which was shot by a sportsman near Brighton. On a slip of paper attached to its leg were the words, "*Il est mort.*" His remains were brought over from Frankfort for interment. Sur-

rounded as he had been during his life by all the luxuries which money could command, he was placed in his last resting-place with a gorgeous pomp and display that seemed hardly appropriate to the solemnity of the occasion. The coffin which contained his remains was described in the press as being "different in shape from those made in this country, and so handsomely carved and decorated with large silver handles at both sides and ends that it appeared more like a cabinet than a receptacle for the dead." A procession of carriages, nearly a mile in length, followed it. Among those who were present in the Jewish East-end Cemetery out of respect to the Deceased, were the Austrian, Russian, Prussian, Neapolitan, and Portuguese ambassadors, besides the Lord Mayor, the sheriffs, aldermen, and a crowd of minor dignitaries.

Much speculation and curiosity was manifested by the public after Nathan Mayer's death as to the amount of the fortune he had left his children, but this was not made known in the will, and has consequently always remained a secret. The directions to his executors were clear and simple. Those gentlemen were expressly bidden to confine themselves to their administrative duties, and not seek to pry

into matters which were outside their functions. No statement of the amount of his property, or of the securities in which it was invested, was given in the will, and the main points touched upon were the conduct of the business and the marriage of his daughters. The business was to be conducted by the four sons in co-operation with their uncles abroad. To each of his daughters he left £100,000, which was to be forfeited if they ever married without the consent of their mother and their brothers. Legacies to his employés and dependents, as well as charitable bequests, were conspicuous by their absence—there were none.

Chapter VI.

BARON LIONEL DE ROTHSCHILD.

THE LONDON FIRM (*continued*).

NATHAN MAYER ROTHSCHILD left four sons and three daughters to participate in the immense fortune he had won. Of these four sons, one, Nathaniel, chose France as his home, whilst the other three, Lionel Nathan, Mayer, and Anthony, succeeded to the management of the fine business bequeathed them by their father. The control and management were really confided exclusively to Baron Lionel, for his abilities and skill justly entitled him to that proud position, whilst his brothers, having no great inclination for financial matters, were content to concentrate their attention and energies on more congenial pursuits—the encouragement of art and sport in all their forms.

Baron Lionel was only twenty-eight when his father died—an early age at which to be called upon to direct and conduct a business so complicated and so vast as that which he had inherited.

But Baron Lionel proved himself fully equal to the responsibilities of his new position. He possessed great natural abilities, and much of his father's financial skill, which had been cultivated and developed under the careful eye of his father himself. For some years before the latter's death, Baron Lionel had assisted him in the business of the firm, and, owing to a wise rule followed by Nathan Mayer, had acquired a thorough insight into all its various details and perfectly mastered the principles on which it was conducted. Nathan Mayer invariably insisted that all the correspondence and negotiations respecting important transactions should be carried on either by himself or his sons; he discussed the details with them, and encouraged them to study every financial proposition in all its bearings, thus making them participators in the wisdom derived from his vast experience, and training them in the best possible way for the charge which must eventually become theirs. Young as he was, Baron Lionel, thanks to the

thoroughly sound training he had received, and to the great financial talents he had inherited from his father, soon showed that the fame and reputation of his firm would not diminish whilst the management remained in his hands.

Nathan Mayer had wisely observed that it took a "great deal of boldness and a great deal of caution to make a great fortune, and ten times as much wit to keep it when you have got it," and the justice of this remark was fully appreciated by his son. Baron Lionel, having perhaps little inclination for gigantic speculations, with all the excitement and worry attending them, such as his father had revelled in, concentrated his thoughts exclusively on the consolidation and preservation of the immense fortune and business his predecessor had made with such unparalleled rapidity. Great prudence and unfailing caution invariably marked the enterprises on which Baron Lionel entered. He never mixed himself up with any bubble companies, and carefully avoided purely speculative undertakings. On the Stock Exchange he dealt largely, but he never stooped to avail himself of any of the tricks and stratagems to which his father resorted so successfully. The unrivalled sway and control his father possessed over

the stock market Baron Lionel did not aspire to retain in its entirety, as that would have necessitated the employment of those underhand manipulations and expedients which were in his eyes anything but admirable, even if generally adopted by the members of the Stock Exchange. Naturally his influence on the stock market was great, still it was far below that which his father had enjoyed; but what the firm lost in influence they more than gained in the respect and favour of the public.

In the negotiation of foreign loans Baron Lionel was particularly active, as this business, at once lucrative and comparatively free from risk, was one which he preferred before all others. During his lifetime his firm was interested in the issue of no less than eighteen Government loans, amounting in the aggregate to one hundred and sixty millions sterling. To enter into the details of these transactions would be to give the financial history of Europe for the last fifty years, and after all no advantage would be gained by our doing so, as the immediate cause of the whole of them was the same—the pressing necessities of the borrowing States. The only difference was the circumstances and conditions under which each loan was

issued, and these particulars belong rather to the history of the individual countries than to that of the Rothschilds. In all these great loan transactions the direction was invariably left with Baron Lionel, not only on account of his influence as head of the family, but also on account of his matured judgment. His skill in detecting the moment for buying or selling, his delicacy in feeling the pulse of the market, and his promptness in seizing every opportunity favourable to his purposes, were universally recognized. Among the many loans issued by Baron Lionel we may mention the Irish Famine loan, which he negotiated in 1847 for the English Government, for whom he also in 1854 raised a sum of £16,000,000. During more than twenty years he was the agent for the Russian Government. In the successful funding of the debt of the United States he took a prominent part, and in 1876 he advanced the English Government the sum of four millions sterling for the instant purchase of Suez Canal shares from the Khedive. By the latter transaction alone he cleared a profit of nearly £100,000. On the conclusion of the Franco-German war, Baron Lionel, at the head of a group of bankers and financiers, guaranteed to maintain the



BARON LIONEL DE ROTHSCHILD.

foreign exchanges, and so facilitated the payment of the French indemnity. The fact of this delicate and important business being confided to his management was a remarkable and flattering tribute paid to his great financial ability and unerring judgment.

Whilst speaking of foreign loans, we may be allowed to recall an anecdote in connection with a Russian loan which Baron Lionel was asked to negotiate. He was a man of action, quick in coming to a decision, and prompt in carrying it out. On this occasion an unusual hesitation and irresolution overpowered him, and led to the loss of the loan. The cause of this unwonted irresolution was that he found himself placed in an awkward predicament in which he must either abandon a profitable business, or else damage himself in the eyes of the public. It was at the time when he was posing as the champion of freedom, and of the liberties of the subject; when he was fighting the House of Commons to obtain possession of the seat to which he had been elected. On the other hand, the loan was required by the Russian Government presumably to enable it to carry on its campaign against Poland, then in arms against the despotism and oppression of the great Russian autocrat.

Baron Lionel was in a dilemma. If he negotiated the loan, he would be publicly accused of having proved false to his spoken opinions, of having cast aside all his regard for the liberty of the subject as soon as his pocket was affected. In place of the public support and favour, he would at once bring down upon himself a shower of sneers and satire.

If he were once to estrange the public from him, if he were once covered with obloquy and contempt, he knew full well that all chance of bringing his struggle with the House of Commons to a successful issue would be gone. But he did not wish to lose the loan. Indeed, he was anxious to secure so profitable a business. The Russian Government, he was aware, had not limited its negotiations to himself, but had communicated with other and rival firms on the subject. Baron Lionel knew that a decision must be made promptly, but he was so assailed by opposing considerations, that he could not decide which to sacrifice: his political popularity, or his profit. When at length he had resolved to undertake the negotiation of the loan, he found that his hesitation had lost him the business, as a more energetic competitor, unembarrassed by any such considerations, had succeeded in coming to an arrange-

ment with the representatives of the Russian Government. This was a lesson the Baron never forgot.

Whilst the business life of Baron Lionel calls for no detailed narrative, it is different with his political career, owing to the remarkable and persistent efforts he made to procure the abolition of the civil and political disabilities with which the Jews were hampered. It is hardly necessary to say that Baron Lionel was never ashamed of the race from which he had sprung. His wealth did not, as in the case of Samson Gideon, lead him to turn apostate to the creed which his fathers and forefathers had professed and followed. In all that concerned the welfare of the Jewish community, of which he was the recognized head and leader, Baron Lionel took an active interest and was always foremost to do all that his influence and money could command to ameliorate the condition of his co-religionists. He was for many years president of the Great Synagogue, and was also, for some time, one of the council of the United Synagogue. In 1869 he laid the foundation stone of the Central Synagogue. At the time of his death, in 1879, he was a member of the Jewish Board of Deputies. In common with all his co-religionists, Baron Lionel

was placed under a ban in the eyes of the law, for, great as had been the services rendered by them to the nation in time of need, the Jews were still regarded as an outcast race, not worthy to be ranked on the same level as their Christian fellow citizens. When the law was passed emancipating the Roman Catholics from all the civil and political disadvantages they had suffered, and they were given equal rights with the Protestants, it occurred to some of the leading members of the Jewish community that the moment had arrived for them to make an effort to free themselves from the fetters which restrained their liberty. Conscious of being to the full as orderly and as good citizens as the Roman Catholics, they saw no reason why they likewise should not, in this land of freedom, enjoy the same political and civil privileges as Protestants and Catholics now possessed in common. They little imagined they would meet with a long and protracted opposition to their wishes, still less did they see in their demands any danger to the constitution. All this and much more did the enlightened Christians, professing liberal principles, perceive in the agitation for the removal of the Jewish disabilities. The Christians were undoubtedly influenced and blinded by pre-

judice, by the stigma which has always been connected with the Jewish race. At the beginning of the present century no Jew could serve as a magistrate or hold office as sheriff in any of the municipalities, owing to the test of the sacrament and other obstacles in his way. Gradually these hindrances as far as regards municipal offices were abolished. In 1837 Sir David Salomons was elected Sheriff of London and Middlesex, but could not fill his office owing to the state of the law. Anxious to propitiate the City by conferring on its citizens a boon which the Ministry valued very lightly, Lord Campbell introduced and carried a bill which enabled Sir David Salomons to accept the shrievalty. But even this did not enable Sir David to serve as alderman, so Lord Lyndhurst was eventually compelled in 1844 to alter the declaration which had barred him from that office. Although all impediments in the way to municipal offices were thus removed, the Jews found themselves still barred from entering upon a parliamentary career, owing to the Oath of Abjuration which every member was bound to take before being allowed to sit and vote in the House. This oath concluded with the words "on the true faith of a Christian," which no Jew could con-

scientiously repeat. Owing to the powerful majority of the Tory party in both the Lords and the Commons, no move was made to procure the abolition of the Jewish disabilities for some years, as any agitation for that purpose would have been vain, owing to the great repugnance which the Tories displayed to all measures of reform. To have introduced a measure at that juncture would have been to court defeat, seeing that it was certain to be violently opposed and rejected.

When, however, Baron Lionel was elected in 1847 a member for the City of London, with Lord John Russell as his colleague, appearances seemed more favourable to the attempt. Accordingly his Lordship, who was then Premier, took an early opportunity of moving a resolution: "That the House do resolve itself into a committee to consider the propriety of the removal of the civil and political disabilities now affecting Her Majesty's Jewish subjects." In his speech supporting this resolution, the noble lord stated that the question concerned the rights, political and religious, of a commuuity numbering more than forty thousand souls, distinguished by their love of order and their industry, who were neither inclined nor able to instigate a

public agitation in support of their rights, nor to threaten the security and peace of the empire if those rights were withheld. He showed that historically the Oath of Abjuration had no reference to the Jews, and pointed out that it was mere prejudice which led the Government of 1753, after passing an Act for their naturalization, to repeal it hurriedly and without due consideration the next session. Having carried the resolution successfully, his lordship announced his intention of introducing at an early date a bill dealing with the subject. The debates on this resolution were remarkable for the support given to the Whigs by Mr Gladstone, who with Sir Robert Inglis at that time represented the University of Oxford in the Tory interest. His support was all the more noteworthy as his colleague was one of the most bitter and vigorous opponents of the proposed reform. On previous occasions Mr Gladstone had objected to the removal of the Jewish disabilities, but having once acknowledged the Jews meritorious citizens, worthy to fill magisterial and municipal offices, he confessed it would be illogical and inconsistent to prevent them from entering parliament. Mr Disraeli, then the Tory member for Buckingham, also sup-

ported the resolution, making an earnest appeal to the House to perform a great act of national justice, and to discard the superstitions of the Dark Ages which influenced them in their opposition. The bill embodying this resolution was introduced early the next year, and the debates to which it gave rise remind one forcibly of the Bradlaugh scenes. In both cases the agitation turned upon religion and prejudice. There was, however, one noteworthy difference in these two agitations. The House of Commons recognized the justice of the claims of Baron Lionel and the Jews, whereas they were strongly opposed to the admission of Bradlaugh and his co-irreligionists. The arguments were very similar in both cases. The opponents to the admission of the Jews asserted that the latter sneered at Christianity, and were consequently unfit persons to sit in the House. On the other side, it was argued that, even if this were true, it was notorious that many prominent members of the House had openly sneered at and ridiculed Christians and Christianity. Gibbon, a rank Deist, was admitted to Parliament, and allowed to take the Oath of Abjuration unopposed, although he openly expressed his disbelief in the doctrines it was sup-

posed to involve. No objection either was raised to the admission of Hume, who was certainly far from being a Christian, and whose works were calculated to damage Christianity much more than the voice of any Jew. Moreover, it was argued that the clause "on the true faith of a Christian," to which the believers in the Mosaic dispensation chiefly objected, had been introduced only during the reign of James I., and that another formula had been previously used. In addition to all these arguments, it was urged that, as the Jews already possessed the franchise—a far more important privilege to the community than that one of its members should be chosen a representative of the electors in Parliament—and could "send the makers of Acts of Parliament to Parliament," it was illogical and weak to curtail their right and to debar them from the House. After a lengthy discussion, a division was taken, and it was found that the Bill had been carried by a respectable majority; when, however, it was submitted to the Lords, it was thrown out by thirty-five votes. In consequence of its rejection Baron Rothschild at once resigned his seat. Not that he meant to allow the matter to end so quietly as that; he was of too determined a dispo-

sition to abandon a struggle at the first reverse, when he felt that justice was on his side.

He offered himself for re-election, and was once more returned a member for the City by some seven thousand votes. Great indignation and discontent prevailing among the prominent City politicians at their representative's being kept out of his seat, pressure was brought to bear on the Ministry to provide a remedy for the evil. Lord John Russell, as another member for the City, was almost bound to move in the matter owing to the forcible representations made to him by his constituents. He had indeed pledged his word to see the matter brought if possible to a satisfactory conclusion, and a second Bill was accordingly introduced and read for the first time on the 30th May, 1850. The Ministry being apparently very lukewarm in supporting the measure, and not too desirous of pressing it on to the Lords, the citizens summoned a large meeting in the City, at which it was decided that the Baron, who had hitherto studiously avoided asserting his rights in the House, wishing to have his claims recognized peacefully and amicably, should present himself before the Speaker and have some decision as to his right of admission. Accordingly,

on the 26th July, 1850, Baron Rothschild walked up to the table of the House of Commons, and demanded to be sworn as one of the members for the City of London. When asked by the clerk whether he wished to take the Protestant or the Catholic oath, he replied: "I desire to be sworn on the Old Testament." The attention of the Speaker being called to the subject, Baron Rothschild was forthwith requested to withdraw, which he did. A fierce discussion, opened by Sir Robert Inglis, at once took place, and was brought to a close by the Attorney-General, who proposed that the Baron should be heard at the bar of the House, either by himself, or by his counsel or agent, with reference to his claim to sit and vote in the House after having been sworn on the Old Testament. This proposition was violently opposed, and, when the debate had been adjourned several times, it was finally resolved on the 5th August, "That the Baron Lionel de Rothschild is not entitled to sit in this House, or to vote in this House during any debate, until he shall take the Oath of Abjuration in the form appointed by law." This forced the Government to redeem its promise to effect some alteration in the statute, so that Jews should no longer

be kept out of their seats. Even if no such promise had been made, some action must have been taken, as matters were fast approaching a crisis. In 1851 Sir David Salomons was returned a member for Greenwich, and, in defiance of the rules of the House, sat and voted without having previously taken the oath. For his contempt of Parliament he was fined five hundred pounds by Baron Alderson. But this incident, combined with the active agitation conducted by Sir Isaac Lyon Goldsmid and his son, Sir Francis Goldsmid, Q.C., rendered some action on the part of the Government necessary and unavoidable. Early in April, 1851, a new Abjuration Oath (Jews) Bill was submitted to Parliament, and rapidly passed through the Commons, only to be again rejected when it reached the Lords. The complications with Russia and the outbreak of the Crimean war distracted attention from domestic politics for a while, but, although the Jewish question was momentarily shelved, it was by no means forgotten. In 1852 Baron Lionel was once more elected, and, when the question was re-introduced to Parliament in 1853, a fresh Bill was presented and passed by a larger majority than ever. Once again the Lords showed their opposi-

tion, but on this occasion the majority against the Bill was much smaller than on previous occasions. Matters had now reached a climax, for, the faithful citizens showing once again in 1857 their firm resolution to see their chosen representative admitted to take his seat, it became clear that a solution of the difficulty must be soon found. A fresh Bill was introduced, but, although Lord John Russell urged that some recognition of the persistency and determination of the electors should be made, the Lords refused to listen to his counsel, and rejected the Bill as they had done all its predecessors. It was, however, their last effort. Day by day it became more evident that the claims of the electors must be recognized, and the Lords at length managed to save their dignity, and yet yield to the pressure brought upon them, by rejecting the Bill presented by the Commons and passing a measure of their own, with practically the same enactments for the removal of the Jewish disabilities. This Bill received the Royal Assent on the 23rd July, 1858. On the 26th of the same month Baron Lionel presented himself to be sworn, and, on being offered the form of oath prescribed in the Bill just passed, declared in the words of the clause intended

to meet his case, "Sir, I beg to state that, being a person professing the Jewish religion, I entertain a conscientious objection to take the oath which by an Act passed in the present session has been substituted for the oaths of supremacy, allegiance, and abjuration, in the form therein required." The attention of the Speaker being called to this circumstance, Baron Lionel was requested to withdraw. Lord Russell then moved a resolution that the words: "on the true faith of a Christian" should be omitted from the oath, and, this being carried unanimously, Baron Lionel was re-admitted. He then was sworn on the Old Testament, signed the oath, and at last was allowed after nearly ten years' contest to take his seat. In commemoration of the successful issue of this hard struggle, he endowed the City of London School with its most valuable scholarship, and it was no doubt most gratifying to his feelings to see this scholarship carried off in 1866 by a scholar of the Jewish persuasion. He continued to represent the City almost without a break until 1874, when he suffered in the general Liberal defeat. He had never taken a prominent part in politics; indeed, he is not known to have spoken in the House on a single occasion.

It was not his ambition to shine in the political arena, although in his quiet unobtrusive way he exerted considerable influence on the Ministry. For many years he had been unable to walk owing to the rheumatic gout, from which he suffered severely, and, as this prevented him from making an active canvass, his failure to secure re-election is not surprising. His colleague, Mr Goschen, declared publicly that Baron Lionel from his desk in New Court exerted far greater influence than a much more active representative could exercise; but this, though true, would not satisfy the City electors. Besides, Baron Lionel himself contributed largely to his defeat by a bold and unpopular proposal he made. He pointed out that Mr Gladstone's scheme to abolish the income tax would cause a large deficiency in the budget, and he suggested that this deficiency should be met by the creation of fresh taxes. When his audience shouted "No" and "Economy," he replied that economy would not enable us to save four and a half millions a year. The great objection against the income tax arose from its inquisitorial character, and Baron Lionel thought that new taxes should be on property. He therefore suggested the introduction of

licence duties, such as were paid by commercial men in Austria. This self-denying ordinance was not, however, approved by the City.

The Baron was, as we have said, a great sufferer from rheumatic gout, brought on by exposure in the hunting-field. He was for many years before his death unable to take any exercise whatever; he wheeled himself about his office in a chair made specially for him, and had to be carried to his carriage. The consequences of such a painful infirmity could hardly fail to be prejudicial to the temper of the most passive and resigned of mortals, and its influence on the manners of the Baron was unmistakable. The worry and anxiety attendant upon the management of his vast business were of themselves calculated to affect his nerves and spirits, independently of the painful malady with which he was afflicted, so that if he was peevish and harsh in temper, giving way at times to violent bursts of passion, there was much to be said in excuse of his conduct. However fractious and irritable he may have appeared, it is certain that his natural disposition was really a kind and benevolent one. Those who knew him well will bear us out when we say that under his rough and forbidding exterior there

beat a warm heart. He would never withhold from anyone whom he knew to be deserving and honest a helping hand or a kind word. In his paroxysms of pain he could not always control his temper, and none regretted his immoderation more than he himself did afterwards. He had great administrative abilities, and always insisted on superintending personally all the details of his vast business. Nothing irritated him more than to learn that any of his clerks had had the audacity to give an answer on any business or to come to a decision without having first asked his advice. This practice naturally entailed upon him much worry and annoyance which he might well have spared himself, though on the other hand it kept the whole of the machinery in first-class order. To particularize the philanthropic actions of Baron Lionel would be impossible, seeing that they were frequently unknown to his most intimate friends. Many of his donations were given on the strict understanding that they should not be published, and whenever his sons attended a charity festival there were always large anonymous subscriptions, the origin of which it is not difficult to guess, although there is nothing to confirm the justice of the conjecture. Large acknowledged

donations were given with munificent liberality to the charities of all creeds and nations, and it is said that, enormous as was the Baron's income, he distributed more than a tithe of it in the relief of suffering and distress. If the distress to be relieved was abroad he was the first to send remittances direct through his agents, besides subscribing afterwards to the funds that were organized. His exertions in organizing the Irish Famine Fund were acknowledged by the "Times" in the following words: "It was in Baron Lionel's own room in New Court, in December, 1846, that the 'British Relief Association' was organized, Messrs. N. M. Rothschild and Sons subscribing with others the munificent sum of £1,000. This led to the formation of a committee, consisting of the most eminent merchants and bankers of the City of London, of which Mr Samuel Jones Loyd, afterwards Lord Overstone, was subsequently elected chairman, and the collection of a fund amounting in the aggregate to upwards of £500,000, for the relief of the starving peasantry of the sister kingdom. Throughout the period of extreme pressure Baron Lionel was indefatigable in his exertions."

Bound to his seat as he was by physical suffering

which made his manner varying and sometimes harsh, so that his temper grew to be something watched like the weather for its influence on the Stock Exchange, Baron Rothschild found his relaxation in giving, and his eyes glistened when he heard that his alms had been beneficially bestowed. Great, however, as was his charity, he was perhaps outdone in sympathy with the suffering and the distressed by his estimable Wife. This worthy lady devoted the whole of her time to philanthropic deeds; her delight and pleasure seemed to be in works of love. She was indeed the almoner of the family, and was particular in ascertaining that the objects of her sympathy were deserving of it. She would not rely on reports or hearsay evidence, but was in the habit of personally visiting her pensioners, said to number nearly two thousand. Many a struggling artist or student was indebted to her quiet but substantial aid, accompanied by kind words of encouragement, for his subsequent success. This estimable lady died in 1884, leaving by her will to charities in which she was interested donations to the extent of £120,000.

In 1857 society was set agog by the marriage of Baron Lionel's eldest daughter, Leonora, with her

cousin Alphonse, the eldest son of Baron James de Rothschild, and now the head of the Paris house. It is needless to say that the wedding was one of the most magnificent of the season, and was attended by the most distinguished and noble members of all ranks of fashion and society. At the banquet after the marriage ceremony, Count Persigny, the French Ambassador, proposed the health of the bride and the bridegroom. He was followed by Mr Disraeli, whose duty it was to propose the health of the bride's parents. His speech on this happy occasion is said to have been one of the best social addresses he ever delivered, which is not strange, for he is known to have been for many years one of the most intimate friends of the family, and of Baron Lionel in particular. In the course of his speech he made a remark worth reproducing:—"Under this roof are the heads of the name and family of Rothschild—a name famous in every capital in Europe and every division of the globe—a family not more regarded for its riches than esteemed for its honour, virtues, integrity, and public spirit." Eight years later another festive gathering brought the family together. On June 7th, 1865, the youngest daughter,

Evelina, was married to Baron Ferdinand, the eldest son of Baron Salomon, of Vienna. Unhappily, these joyful festivities were followed by a mournful conclusion, as the bride, who had been at all times so charming for her sweetness of disposition and gracious manners, died the next year in giving birth to her first child. The shock was a severe one to both Baron Lionel and his amiable wife, for both had been fondly and tenderly attached to their daughter. They neither of them ever recovered from the blow, rendered all the more painful by the death of the child, which did not survive its mother. The Evelina Hospital in Southwark was built by Baron Ferdinand in memory of the wife he so fondly loved, and so early lost.

The town residence of Baron Lionel was the well-known mansion adjoining Apsley House, a magnificent building some six storeys high, fitted up with every modern luxury and improvement. It is said that when Baron Lionel determined on building this palatial mansion he was anxious to secure the next house, belonging to Sir Edmund Antrobus, and throw it into his own, but his brother banker, although asked to state his own terms, would not, like Esau, sell his birthright, and declined all over-

tures. He was indeed so fired with rivalry, that he even had an additional storey built to his own house to make it overtop that of Baron Lionel—a peculiarity that may be at once noticed. Here it was that Baron Lionel was wont to give his sumptuous dinners—the wonder and the talk of society.

The following graphic description of one of these dinners will convey to the reader a very good idea of the luxury and comfort by which Baron Lionel was surrounded:—

"My daughter and myself left Paris and reached our hotel in time to fulfil an engagement to dine with the Baroness Lionel de Rothschild, to meet Lord and Lady Lyndhurst, for whom the dinner was given. Nothing could exceed the splendour of the banquet. Silver and gold plate shone on the table and buffets; exquisite flowers delighted the eye; while the retinue of servants in full dress, so well trained that not a footfall told of their presence, and the ease and repose that prevailed, the result of perfect training, were forgotten in the distinction of the company. Another still more splendid and prolonged *fête* in Lord Lyndhurst's honour, to which we were also bidden, was given by the Baroness Mayer Rothschild at her Venetian villa

at Mentmore—rather palace than villa, however. The Baroness had sent early in the week to have the house and grounds put in perfect order. Such pictures, such furniture, such park scenery, race-horses and hounds! Such a breakfast and lunch *al fresco*, afterwards a dinner at Baron Anthony's, as words cannot describe."

Baron Lionel was not by nature a society man, and he was further prevented from participating in fashionable gaities by his physical infirmities. The true representatives of the family in society were his two brothers Anthony and Mayer, who had little inclination for business, and were far more inclined to pleasure and sport in all their forms. The only relaxation from the worry and trammels of business that Baron Lionel knew was derived from his pictures and flowers. A writer intimately acquainted with the Baron stated that "when, after many hours of absorbing transactions, he left the precincts of his City establishment and entered his home, he found himself at once transferred into an atmosphere of beauty which freed and raised the mind and restored it to its harmony and equipoise. For to him works of art were no mere decorative ornaments. That remarkable soundness

of judgment which he displayed in all practical concerns of life guided him no less safely in matters of taste; and the pictures he had acquired comprised examples of the finest works from the brushes of the principal masters. These treasures were not his pride but his joy; they proved to him an unfailing source of regeneration. In such genial surroundings the mind spontaneously opened itself to a simple and healthy cheerfulness, which now took pleasure in the sallies of wit, and now followed with interest some of the graver questions of the present or the past."

That there was a vein of humour running in Baron Lionel's disposition the following anecdote will show. He was dining at a friend's house and chanced to sit next to a lady who had an only son whom she was anxious to bring up in business rather than in a profession. Like most fond mothers she was extremely anxious to do the best for the youth in whom all her hopes were centred. She determined to utilize to the utmost the favourable opportunity she had of consulting a man so well qualified by his vast mercantile experience and sound judgment to advise her on so important a question. Accordingly she plied the Baron with

questions, and extracted all the information she could, but, when the vital question was asked: "What he would consider the best business for her son to adopt," she found her neighbour become suddenly reserved and uncommunicative. The truth was the Baron strongly objected to giving advice, to which a certain responsibility was always attached. Again and again the lady returned to the attack, but the Baron was always on the alert, and turned the conversation adroitly to other subjects. At length, finding that she would not be denied, he replied, "Well, madam, in my opinion, selling matches is a very good business, *if there is enough of it.*" A trite and pithy remark, displaying much common sense and wisdom.

Baron Lionel continued to manage and superintend the affairs of his firm up to the very eve of his death, which happened with painful suddenness on the 3rd June, 1879. He had for twenty years been a sufferer from rheumatic gout, but this did not prevent his attending at his office up to the very last. His death occurred quite unexpectedly—without the slightest warning. On Friday the 30th May, 1879, he held his usual business levée at New Court, and those who from time to time

brought him reports of the various markets, or went to him for the purpose of obtaining subscriptions to charities, perceived no indication that they then for the last time saw proof of the well-stored mind, the tenacious memory, and the sound decision which were known throughout Europe. The Baron was in the habit of driving daily to Gunnersbury Park, the favourite residence of the Baroness, the gardens of which are famous in horticulture, and situated in the midst of a wide domain of land belonging to the family. He passed some time there as usual, and returned to Piccadilly on Sunday afternoon. He then complained of feeling unwell and appeared to be forgetful. The symptoms were declared by the doctors to be those of gout, which need give rise to no alarm or anxiety; but on Monday, about noon, he was seized with an attack of an epileptic character from which he never rallied. He died early next morning. His brothers, Baron Mayer, or (as the name was afterwards spelt) Meyer, and Sir Anthony de Rothschild, had both died some years before; Baron Meyer on the 6th February, 1874, and Sir Anthony on the 3rd January, 1876. Both were highly popular in society owing to their amiable dispositions and agreeable manners. The banquets

and receptions they gave were of the most brilliant and dazzling description, whilst their mansions were embellished by the choicest works of art which money could procure. They were both patrons of the turf, not so much on account of the excitement attending horse-racing as from a laudable ambition to see the Rothschild colours take the foremost place in sport as in everything else. In chronicling the death of Baron Meyer—to the public the real "Baron Rothschild" owing to his great popularity—the "Times" paid a very flattering but well merited tribute to his memory. It ran as follows:—"Baron Meyer was the youngest surviving son of the distinguished founder of the London house of Rothschild, and his death is in every respect premature. He was only fifty-five, and in the enjoyment of the interests and pursuits to which he had devoted himself. He held a seat in the late Parliament at the time of its dissolution, but it was well understood that he would not stand again. It is not in Parliament, however, that he will be chiefly missed. Like all his house, he was a steady adherent of the Liberal party, but, like them also, he was a silent member. It is the world of Art and Sport which will suffer by his

loss, and he will there leave a vacant place that will not easily be filled. His splendid hospitalities at Mentmore, his numberless charities, his munificent patronage of art, his unstinted support of the highest kinds of sport, formed a rare combination which we could have wished to preserve among us for many more years. Rich men are not uncommon in England, and the world is seldom observant enough to notice distinctions in the use generally made of wealth. For such a man to surround himself with everything beautiful and agreeable in houses, estates, pictures, sculptures, and all the pleasures of the field has in it at first sight nothing to attract attention. It may seem, and may be, nothing more than a lavish expenditure of money on not unworthy objects. But men are not apt to suspect nor ready to admit that there may be an opportunity in such a life for the exercise of the finer qualities. It does not seem like the career of a man of business, or a politician, or a financier. But there is a great error in such a hasty estimate, and Baron Rothschild set an example which should tend to correct it. The ancient world had a conception, which we have in great measure lost, of there being a distinct excellence to be aimed at in the expenditure of great

wealth. The common idea among ourselves is simply that a great man should do good with his money, but we do not go beyond the moral virtue of benevolence and just management. The ancient conception we think once prevailed in England and perhaps, like most other sentiments connected with the finer tastes, it was trampled out by the Puritans, or corrupted by the Cavaliers. But the Greeks at all events recognized that magnificent expenditure had a virtue of its own, distinct from mere liberality or unselfishness. It was the art of using great wealth appropriately as distinguished from that of using moderate wealth rightly. There are some developments of human genius and civilization which men of great resources can encourage, and which cannot be, or ought not to be, encouraged by any one else. The highest art in such matters as painting, or sculpture, or in animal culture, would never be pursued for the sake of the demand which men of ordinary means could maintain. Great literary works can be multiplied, and the literary artist can consequently appeal to so wide a circle as to be independent of individual support. But it is otherwise where the product of genius or skill is something of which the charm or excellence

is incapable of indefinite multiplication. Rich men can foster the labours of genius in such matters, and it is one of their functions to do so. It is their function, moreover, to do it well and thoughtfully. It is easy, of course, for a great man to get rid of his superfluous money by lavish orders to architects, painters, sculptors, and musicians. But a man may foster bad as well as good art by such means, and both patron and artist lose in dignity and in the artistic capacity, which is associated with it, by indulging the mere extravagance of luxury. It is possible to be frugal and conscientious in dealing with millions not less than to be lavish and thoughtless in dealing with hundreds. It was Baron Rothschild's merit to understand this function and to discharge it thoughtfully. A passion for art of all kinds engrossed his life to the last; but he indulged it under a control and with an orderliness similar to the qualities which in business have made the fortunes of his house. He spared no money for his purposes; but he had a purpose in all his expenditure. It was easy for him to make Mentmore a palace, supplied with every form of modern luxury; but he made it much more. It was a Museum, adorned with all that is beautiful. In such an

expenditure of vast wealth there was felt to be nothing inappropriate or out of place, because the sense of waste could never be felt. Great resources had been bestowed to produce a great result, and the result was something which had an æsthetic value of its own.

"Baron Rothschild's career on the turf was marked by similar qualities, and if his example were more generally followed this national sport might yet be saved from the degradation which threatens it. The professed object of racing is to improve the breed of horses, and no doubt if rich men would pursue it with this single object they would do what cannot otherwise be done. To Baron Rothschild, accordingly, a fine racehorse was an animal worth producing for its own sake, and he applied himself systematically to breeding racehorses. He never squandered money in speculative purchases, but kept a stud which he diligently and patiently improved, and it was by the qualities of a thorough man of business that he at length achieved a conspicuous success. When he won, two years ago, the Derby, the Oaks, and the St Leger, all the world felt that a piece of good and useful work had been justly rewarded, and they rejoiced at the

evidence thus shown that the Turf was capable of reinvigoration. We cannot afford in these respects to forget his example. This is an age of great fortunes and, though few can be compared with those of a Rothschild, there are many who have similar opportunities, and it cannot be said that these are at present turned to the best account. . . . Baron Rothschild pursued a career that will always have attractions for men of wealth, but he pursued it in a manner which enabled him to render real services to the community. His friends will always bear in mind his kindness and generosity, and he will be personally regretted among a large circle. But the public will also feel that they have lost a man who had a rare capacity for making a really magnificent use of great wealth."

The destinies of the firm, since the death of Baron Lionel, have rested in the hands of his three sons, Sir Nathaniel (Lord Rothschild), Leopold, and Alfred de Rothschild. Sir Nathaniel, who came into the baronetcy on the death of his uncle, Sir Anthony, is in reality the ruler of the fortunes of the London firm. He is heart and soul a man of business. All his thoughts are centred upon the welfare and prosperity of the firm; he allows



LORD ROTHSCHILD.

(*From a Photograph by Messrs. Russell & Sons.*)

neither the pleasures of society nor the excitement of the racecourse to withdraw his attention from his duties as the head of the family in England. He is a great reader, and what little relaxation he can snatch from the worry and toil of business he finds either in the company of his books, or in quiet rambles through the open fields. Conscious of his greater abilities and more thorough devotion to the interests of the firm, his two brothers are content to leave the control and management in his hands. Not that we wish to say that either of the two brothers is in the least indifferent to its interests. Both attend regularly at New Court to participate in the conduct of affairs, but, as they cannot boast of such an intimate acquaintance with the smallest details as Sir Nathaniel possesses, their duties partake largely of a mechanical nature. They are both shrewd, quick-sighted men of business, and, if they were to study the welfare of the firm as closely as does their eldest brother, they would soon rival him in ability and business knowledge. Much, however, of their time is devoted to other objects. Mr Alfred is as essentially a man of pleasure as Sir Nathaniel is a man of business. The balls and dinner parties given at Seamore

Place are the talk of London society. They are arranged in the most sumptuous and luxurious style. Art and wealth are called into requsition to satisfy the most varied and exacting tastes, so that it is scarcely surprising that the *élite* of society throng together at these receptions. There one may safely reckon on meeting the most distinguished personages in the diplomatic and political world, with the probability of discovering that royalty is likewise represented. But the pleasures of society do not monopolize the whole of Mr Alfred de Rothschild's attention. He is a munificent patron of the arts. He delights to encourage talent, whether it be found in the ranks of sculptors, painters, or actors. Many a man who has acquired distinction in his profession owes his success to the liberal support and patronage so readily accorded by Mr Alfred to struggling talent. Different from his brother Alfred, Mr Leopold de Rothschild is seldom seen in London society. A country life, with its hunting and horse-racing, has irresistible charms for him. When free from New Court, he hastens down either to his stud at Newmarket, or to his hounds at the same place. Racing, or rather the breeding of racehorses, absorbs the

greater part of his time. Nothing so disappoints or discourages him as for his horses to prove failures on the turf. Following racing as a hobby, and betting very little, it annoys him greatly to find that his efforts at improving the speed and stamina of the English racer meet with very poor success. The disappointments and disgust which many of his favourite horses cause constitute perhaps the greatest trials in life he has to endure. Individually, Mr Leopold de Rothschild is good-nature personified. His charity and benevolence are unlimited. He is as pleased and as ready to relieve distress as the recipients of his bounty are glad to receive the welcome and much-wanted aid. He cannot, in fact, refuse aid to a suppliant without doing violence to his inclinations. A playfully ironical, but accurate, description of the three brothers was given in a book recently published, entitled: "Society in London," which attracted much attention. This description we cannot do better than reproduce here:—

"It is, so far as the Rothschilds themselves are concerned, a species of trinity, the first person of which is Sir Nathaniel (now Lord Rothschild), the second Mr Alfred, and the third Mr Leopold de Rothschild. The baronet is the supreme head

of the establishment, occupying the first place at the family tribunal, receiving visitors, and treated with a marked deference by his two brothers. You will find him, at first, a gentleman of curious manner. He is so pre-occupied by the cares of business, he is so habituated to the exercise of authority, that he can spare little thought for the amenities of life, and he is not so much intolerant of contradiction by others as fond of contradicting others himself. But this is merely one of the superficial idiosyncrasies of the man. A contradiction with him means no more than an interrogation with you. It is only the way in which he puts a question. Instead of asking on what evidence your assertion rests that the day is fine or wet, he considers it the more effectual to meet your statement that it is wet or fine with a pointblank denial. In this fashion he hopes to elicit your reasons, to put you on your mettle, to compel you to retract your declaration, if it is hasty and ill-considered, or to demonstrate that it is based upon testimony entitled to respect. People who make 'Natty's' acquaintance for the first time may be forgiven if they conceive the idea that he is disposed to be imperious, overbearing, and harsh. There could be no greater

mistake. He is not any one of these things. He is, on the contrary, when his interest or regard is enlisted, a generous and loyal friend.

"His two brothers discharge, respectively, parts essential to the economy of New Court. The youngest, Leopold, is occupied with the mechanical minutiæ of the business. In the City his vocation appears humble, and he himself little more than a drudge. Outside the City he is a person of importance, a man of sport and pleasure, a member of the Jockey Club, an owner of racehorses and of a modest establishment in Buckinghamshire. The second of the three Rothschild brothers has functions, as he has a physiognomy, altogether unlike either of his two brothers. He is light of complexion, while they are dark, with tawny hair and drooping moustache of the same colour and cut known as the Dundreary. He bestows much attention on the graces of manner. His hospitalities in London and in the country are upon an elaborate scale. The Prince of Wales is frequently amongst his visitors, and no opportunity is wanting to enable him to form an accurate idea of the opinion held by the privileged or official classes in English Society. Add to this that the Rothschilds in London have at

their disposal a little army of brokers and touts in the City, a choice detachment of politicians and financiers, whether they do or do not belong to the public service, at the West End; bear in mind, too, that they receive early information from their kinsmen and correspondents in every part of the earth of what is happening or is likely to happen, and you will not be surprised to know that New Court is the abode of power."

Last year the Queen was pleased to raise Sir Nathaniel to the peerage under the title of Lord Rothschild. None will dare assert that the honour was unmerited. Few who have gained this coveted distinction can show a better claim than that which Lord Rothschild possesses in the record of the services rendered by his family to the English Government during the last fifty years and more. During that period the nation has on more than one occasion benefited by the counsel and aid tendered by the great financial firm. Lord Rothschild may well be proud of his title which, though tardily conferred, has been won by merit alone, and is no sign of royal favouritism. The honour is the greater as Lord Rothschild is the first avowed Jew who has entered the House of Lords. Samson Gideon

founded the family of Eardley, but he, during his lifetime, abandoned the Jewish Creed. In thus raising Lord Rothschild to the peerage, the Queen has done honour to the whole Jewish race, and taken a step which cannot fail to remove the great barrier of distrust and prejudice which has so long separated Jews from Christians.

As they have scarcely emerged from their business teens, since their father died only in 1879, it is as yet too early to form a judgment of the business qualities possessed by the three brothers. Short as the period is they have yet been able, between 1879 and 1885, to undertake and carry out successfully several large loans, such as those for the Hungarian, Brazilian, and Chilian Governments. The most important business they have transacted has, however, been in connection with the Egyptian Government. While the European Powers were quarrelling about their rights in Egypt, bankruptcy slowly threatened the future of that country. This disaster was happily averted by advances made by the Rothschilds, on their own responsibility, and against security little better than waste paper. Sir M. Hicks-Beach, when Chancellor of the Exchequer, testified in Parliament to the immense services

conferred on Egypt by the liberality of the Rothschilds in the following words:—"The late Prime Minister has stated that Egypt was in imminent danger of bankruptcy. In fact it was saved only by monthly advances made by Messrs Rothschild upon no legal security, but simply on the security of a private note from the late Foreign Secretary. The greatest dangers might have occurred if the issue of the loan had been any longer delayed." This proves beyond question that the risks run by the Rothschilds in advancing a million sterling to the Egyptian Government were by no means visionary, as some would assert, but real and serious. Those who envy the Rothschilds the profit accruing from the loan of nine millions issued in 1885, should not overlook the sacrifices which they made, and which gave them a good title to all they earned. The success of the loan was remarkable: the scene in St Swithin's Lane on the morning the loan was issued was one not easily to be forgotten. New Court and its approaches were thronged with a huge, eager, struggling crowd, all anxious to obtain allotments. The stream of applicants poured in so fast that the whole loan was subscribed for soon after the doors were opened. The list was closed

an hour or two before the appointed time, a proceeding which gave rise to loud expressions of disapproval and disappointment among the many persons who were thereby prevented from obtaining any portion of the loan.

The successful manner in which these loan operations have been conducted demonstrates, beyond dispute, that the present heads of the firm are by no means deficient in financial skill; but still, without any disparagement, we think they cannot claim to inherit the marvellous powers or the shrewd far-seeing judgment of their father. This they would, if questioned, we think, readily acknowledge. Baron Lionel was a man of uncommon ability; his intellect was of the highest order, enabling him to grapple with and master the most difficult questions. To expect his sons to be as highly gifted as he was would be expecting too much, for it is very rare to find equal talent in two generations of the same family; nor, after all, are such extraordinary powers of mind required by the present heads of the firm; their business is established on so firm a basis, and their wealth is already so immense, that their chief solicitude and care must be to discover safe and reliable investments by which their money may

accumulate automatically, rather than to increase it by leaps and bounds through speculative and risky enterprises. This, to all appearances, is the opinion they hold, as all their movements are distinguished by great caution and prudence, qualities which can hardly fail to render their career prosperous and worthy the traditions of their family. It is difficult, nay, impossible, to foresee to what extent their fortunes and repute may even yet grow, if the advice of old Mayer Amschel is followed as faithfully in the future as it has been in the past. Of late years the family seems inclined to break through the rule that its different members should seek to tighten still further the bonds of union by intermarriage. Against this innovation we see no objection—indeed, it is, we think, to be approved. Had the Rothschilds, however, adhered strictly to the intermarriage-system, there is no knowing how wealthy they would have become in the course of time, by thus confining their riches within such narrow limits. Under present circumstances, and always excepting carelessness and want of caution, they cannot help growing richer and richer, as the cream of business invariably falls to them. Large and lucrative

undertakings are submitted daily to them, and constantly declined, as they very properly refuse to entertain, or embark in any enterprises which do not come within the well-defined and strictly recognized sphere of their business. Many houses would greedily snap at the proposals the Rothschilds unhesitatingly decline. The great requisites in the heads of the firm at the present time are caution and prudence—qualities which they seem determined to foster. If these are diligently cultivated, the firm must eventually become a dynasty, whose widespread power and all puissant influence—though recognized by no constitution—will far exceed those of any ruling family in Europe.

Chapter VII.

BARON CARL VON ROTHSCHILD.

THE NAPLES FIRM.

ITALY once consisted, like Germany, of a number of separately governed States, which, however, were not as in Germany associated in a general "Bund" or confederation for the protection and support of their common interests. The language was the only link that joined the various Italian States together. In all else they were separated by long-standing hatreds and jealousies, which were the greatest obstacles to the progress and prosperity of the nation. It was these continued feuds and the enmity of Austria that so long barred the way to the formation or development of a united Italy worthy to take a leading part in the affairs of Europe. To establish a branch of their business in the leading State of

Naples, when the political condition of the country was so disturbed and uncertain, may at first sight appear to have been a somewhat rash and ill-advised move on the part of the Rothschilds, but a little consideration will show that this step was the result of mature deliberation and shrewd calculation. The very feuds and jealousies so prejudicial to the welfare of the land proved the source of much of the profitable business which the firm afterwards secured. The States were always in need of funds to carry on their wars, and, being well-nigh bankrupt from past campaigns, were forced to seek from other quarters the assistance they required. Besides, the system on which the administration of the finances of most of the States was conducted was so thoroughly rotten that borrowing was perhaps the only way left open to them of meeting the current expenses. The extent of the business transacted by the Naples branch was small compared with that transacted by the houses in Paris and Frankfort, still it was in proportion, perhaps, more lucrative. The number of its clients was limited, but these few clients were regular and frequent applicants for assistance. In addition to this, trade and commerce, favoured by the situation of the country so surrounded by the sea,

through the extensive bill business they created, proved no unimportant source of profit to the banker, and over this business Rothschild by virtue of his peculiar relations with the Bourse and the State, held undisputed sway.

During the present century a wonderful transformation has been brought about in the political condition of Italy. Formerly, as we have already said, the numerous states and principalities were divided from each other by continual hostilities and old-established family feuds; to look upon themselves as forming one great people never entered their thoughts, for from their birth all the great princes had been taught that it should be their first duty and absorbing ambition to avenge the insults their family had suffered through the instrumentality of their traditional enemies. To shake hands with their hated rivals, and, for the good of the nation, to live in brotherly amity together, would in their opinion have been dishonourable and infamous. With time, however, these bitter feelings have passed away, for the misfortunes which the various States all suffered in common gradually drew them together, and year by year Italians grew more willing to recognize that they all belonged to one great fatherland, and in-

sensibly yielded to the more elevating inspiration that one invisible bond of union linked them all together. At length an ardent longing to see the nation rise from its ashes, and like a giant refreshed open out for itself a new path of honour and fame, took possession of many energetic minds, who strove, and ultimately with success, to create a "United Italy." The story of Mazzini and Garibaldi, and of the association of "Young Italy," hardly belongs to these pages, and is, after all, too well known to require repetition.

The social conditions ruling in Italy offer the student many an agreeable picture, which he in vain seeks elsewhere. The line which marks the distinction between the nobility and the less favoured orders is not so sharply drawn as in other countries. This is indeed clearly shown by the history of many of the noble Italian houses who rose to their rank from having won wealth and fame as energetic and enterprising merchants; and it is undeniable that the commoners were always highly esteemed, and enjoyed an aristocratic importance which no doubt fostered the opinion, so prevalent in Italy, that it was no disgrace, but rather an honour, for a noble to increase his own wealth and the prosperity of

his dependents by commercial enterprises. The nobles and the commoners in Italy were not separated from each other by the haughty pride and the overbearing manners which have in other lands kept the two orders so far apart. This, perhaps, is the reason why the nobility of Italy have furnished so many talented writers and poets, for they were not kept by false pride from the pursuit of knowledge, but displayed a praiseworthy zeal to place themselves on a level with their rivals, of whatever rank, in science or art.

The finances of the Papal State form one of the darkest and most unattractive pages in the history of the country. We shall not carry our review further back than to the period of the first French Revolution. In the year 1790 a small detachment of French troops marched against Rome. Willing or unwilling, the Romans were forced to accept the revolution; the Republic was proclaimed in the Forum, and the French constitution introduced. To the French commander-in-chief at that time the power of a dictator was given. Bills for large amounts were issued upon the richest of the Romans, on whose behalf the French general was kind enough to accept them, and afterwards to



KARL VON ROTHSCHILD.

compel their payment on penalty of death. Under the extravagant rule of Pius VI. the finances of Rome were in the most deplorable confusion, and the paper money fell to an unusually low value. The French Government entered into a contract with Torlonia, the banker, by which the latter undertook to purchase some millions of such money, which he could issue afterwards at his own risk. The paper was sometimes quoted at ten per cent., often only at five, but the public had taken it up at almost double this price in silver, so that Torlonia was not only able to carry out his engagement, but to make an immense profit by the transaction. The Roman system of finances was based on the law of the 19th March, 1801, and the mode of carrying it out on the principles borrowed from France was so utterly bad, that it can be safely affirmed that the financial administration could not well have been worse. The cost of collecting the taxes was enormous, but the peculation and fraud prevailing were indescribable. The treasuries should have been full to overflowing, nevertheless they were empty; the State expected to obtain money at a low interest, but could with difficulty obtain it even on the most usurious terms. No budget was

drawn up, nor were the accounts examined; no one concerned himself with the financial balance-sheet.

Under Sextus V., the income of the Papal Chamber was infinitely less than that contributed by the faithful Catholics all over the world to the Roman spiritual tribunal. The taxes, with the exception of the direct taxes, were all increased, as the falling off in the revenue became evident; the price of salt was raised, and the lottery established. Loans were called into requisition, the interest on them being gradually reduced from six to three per cent., and paper money, which had been so extravagantly issued by the unscrupulous Government of Pius VI., was again put into circulation. When Pius VII. ascended the Papal chair, the people had been drained to their last drop of blood, and, as the paper money had become almost worthless and the credit of the State was gone, it was difficult to see any way out of the impending ruin and bankruptcy. When matters were in this most distressing condition, the financial decree of Cardinal Lante of the 19th March, 1801, was issued. By this the land-tax was fixed according to the register of 1777, and all the other old taxes abolished. A house-tax

was imposed, as was one on all loanable capital: foreigners and travellers were also affected by the new regulations, and a succession duty was made law. In addition there were salt and malt-taxes, whilst the same law decreed the reduction of the interest on all the loans to three per cent., and the realization of all common lands.

After the abolition of the Roman States in 1809, the French system of taxation was introduced, with some necessary modifications, on this side of the Apennines, the Italian system remaining in force in the provinces on the further side; for instance, the meal-tax was retained in place of the *droits réunis*, the land-tax was augmented, and registration adopted. When the Papal Government regained possession of their land in 1814, the earlier system of taxation was restored. The *motu proprio* of the 6th July, 1816, lowered the land-tax about 400,000 scudi, and, after various gradual modifications, the old system was practically restored. The gross receipts were estimated at nine million scudi, though in all probability they did not exceed seven millions.

Previous to the first French Revolution, almost two and a half million Roman florins in Church-

dues found their way from the faithful Catholics to the Papal coffers in Rome. To this large sum Spain contributed 640,000 florins, Germany and the Netherlands, 488,800; France, 357,000; Portugal, 260,000; Poland, 180,700; the two Sicilies, 136,170; the other Italian States, 170,000; and Switzerland, 87,000; while about the same amount was received from Northern Europe. These subscriptions in aid of the Head of the Church afterwards showed a great falling off, consequently the financial situation of the State changed gradually for the worse. Since the incorporation of the Papal States by Victor Emmanuel in the kingdom of Italy, they have ceased to have a separate financial system of their own, as the taxes imposed on the rest of the country are enforced in what was formerly the Pope's material dominions.

The expenditure of the Duchy of Parma was estimated, in the year 1854, at two and a half million lire, and its debt at fourteen millions. The latter had been increased in 1827 by a new loan of twelve million lire, which the Duchess arranged through the mediation of the Rothschilds and the firm of Mirabaud and Co., in Milan. In addition to the compulsory loan, issued in 1849, of 2,700,000

lire, Parma was saddled in 1854 with another five per cent. loan, voluntary in this case, of 2,470,000 lire, in obligations of 500 and 1,000 lire each. This last loan was secured upon the State property and the private possessions of the ruling family.

The expenditure of the Grand Duchy of Tuscany with Lucca was estimated at five million florins, the receipts at about the same sum, and the bank-note and paper circulation at two million florins. Their joint debt dated first of all from a loan of thirty million Tuscan lire, which was issued in bonds of 1,000 lire, bearing five per cent. interest. An additional loan of twelve million lire, in bonds of the same amount, and bearing the same interest as the above, was made in the course of the year 1851, through the intervention of the firm of M. A. Bastogi and Son in Leghorn. As security for this loan the iron mines and foundries belonging to the State were hypothecated. The small three per cent. loan, of three millions, concluded towards the end of 1852, in bonds of 2,000 lire, can hardly be reckoned as forming part of the State debt, as it partook more of the nature of a compulsory loan, issued only to meet immediate and pressing wants. We should have passed it over in silence had not the firm of

Rothschild taken part in its issue, as they did in both the loans for the Duchy of Lucca in 1836 and 1843, which, after the union of that Duchy to Tuscany, were added to the public debt of the latter State.

The kingdom of Sardinia, with over five million inhabitants, had an old standing debt on which 5,336,393 francs rente were annually paid, and this debt was increased in 1848 and 1849 by the addition of 13,771,680 francs rente, so that at the commencement of 1850 the total debt amounted to 382 million francs, costing the State annually 19,108,073 in the way of interest at five per cent. In 1850 a loan of 140 millions and a premium loan of 18 millions were found necessary, and were followed in 1851 by one for 3,600,000 francs, all being required by the share Italy took in the campaign of the Western Powers against Russia. The State expenditure in 1847 amounted to 90 million francs; in 1856 it had risen to 139,157,335 francs. Between 1848 and 1856 no less than thirteen new loans were brought out, amounting in the aggregate to 553 millions, and swallowing up yearly thirty million francs in interest. What comparatively little profit the State derived from the loans is seen by the loan

of the 12th July, 1850, for eighty millions, which, however, only brought in sixty-four and a half millions. So great was the drain upon the resources of the kingdom, caused by the cost of the army in the Crimean war, that a further loan of thirty millions was found unavoidable and necessary. The Sardinians might well adopt for their motto the well-known saying of the Prussian finance minister, Hansemann: "Freedom costs money," for the debt by which the State was burdened was out of all proportion to its population. Sardinia, however, was self-reliant and patriotic, and always showed itself ready and willing to respond to the calls made upon it by its rulers. In the case of the loans which were brought out the Sardinians displayed extraordinary unanimity in supporting the Government, for they themselves not unfrequently covered these loans several times over, thus rendering any appeal to the assistance of foreign bankers and nations unnecessary. For instance, in 1849 and 1850, besides providing the annual interest on the large debt already existing, the Sardinians subscribed an additional loan of eighteen millions, and in 1851, when a further loan of eighteen millions was asked for, more than double the amount required was sub-

scribed in a very short time by the native bankers and capitalists alone. Of the many loans brought out by the Rothschild house, only that for eighty millions in 1850, and a second for rather more than sixty-seven millions in 1853, were for the kingdom of Sardinia, whose usual agents for this sort of business were the firms of Barbaroux and Tron, Migone in Turin, C. J. Hambro and Sons in London, and the Gebrüder Bethmann in Frankfort.

The kingdom of Naples, or the Two Sicilies, suffered for a number of years from the evil influence of a bad financial system, combined with the calamities and trials through which it passed. Measures of every sort—from the introduction of new taxes to the sale of the State domains, from the raising of the taxes to compulsory loans—were all tried to effect some alleviation of the State's difficulties after Joachim Murat was deposed and Ferdinand I. ascended the throne. In order to pay the interest on the State debt, loans were repeatedly found necessary. In January, 1821, the yearly rente payable on the debt amounted to three millions eight hundred and eighty-two thousand Neapolitan ducats. In 1822 the Government contracted a loan of sixteen million ducats with the

Rothschilds. This was followed by three successive loans, which Baron Carl von Rothschild, the head of the Naples house, refused positively to undertake, unless his friend the Chevalier Medici, who had been banished to Florence, was recalled and reinstated as Minister of Finance. On this condition, and this only, would Baron Carl assist the Government, as that would be the sole guarantee he could, he said, possibly accept of their fidelity and good intentions. There being no other person at that time capable of assisting the Government, it is almost superfluous to add that his terms were accepted, though not with a very good grace. Medici was once more restored to the favour of the King, and the three loans were issued. The first of these so-called English loans concluded with the Naples house of the Rothschilds, was that of 1821, amounting to sixteen million ducats capital, bearing eight hundred thousand ducats interest; the second loan, bearing interest at five per cent., was for twenty million ducats, costing yearly one million rente; the third was that known on several of the European markets under the name of "Rothschild's Bonds," and was for two million five hundred pounds sterling.

By a decree of the 26th May, 1821, the King separated the finances of Sicily from those of the kingdom of Naples, and concluded a loan for the benefit of the former for 1,500,000 ounces (4,500,000 ducats), in bonds of 400 ounces to bearer. The interest on this loan was paid through the Rothschilds in Paris.

In 1834 the Papal Government proposed to convert the Papal five per cent. debt into a three per cent. debt, for which the opportunity seemed highly favourable, seeing that the five per cents. were quoted at 102 to 104. To carry out this scheme, Cardinal Tosti, the Papal treasurer, started off to Paris, in order to arrange for a concerted plan of action with several banking firms in that city. At that time the Parisian financial world stood in peculiar relations with the Rothschilds. The notorious omnipotence the latter exercised in all government loan business, not only of France but of other countries, was an intolerable burden to the notabilities of finance, the other bankers, who resolved at length to make an effort to cast it off. Six of the leading houses, namely, J. Hagermann, André and Cottier, B. A. Fould and Oppenheim, J. A. Blanc, Colin and Co., Gabr. Odier and Co., and Wells and Co.,

accordingly combined to form a syndicate to challenge the Rothschilds, enter into spirited competition with them, and if possible shatter the fetters by which the financial world in Paris was bound.

In the first loan, a Sardinian one, arranged on the plan of the Paris State lottery, the syndicate obtained some success, as they managed to wrest this business out of the hands of the Rothschilds. J. Hagermann personally contributed greatly to the success achieved, as, having formerly been established in Genoa, where his firm was acknowledged to be the first and largest, he was on terms of intimacy with the Sardinian minister Caccia, and through him with the firm of Caccia in Paris. The latter, having neither means nor influence enough to carry out the business entrusted to him by his brother, placed it in Hagermann's hands.

The Rothschilds, who were never so forgiving as to allow a rival quietly to outbid them, felt, as might be expected, annoyed and vexed by this unexpected blow, and were not long before they let the weight of their wrath fall upon the presumptuous confederates by ruining what might under other circumstances have been a profitable transac-

tion, and rendering it a costly and expensive one. The second time the syndicate tried to compete with the despots of the money market, they found that they had challenged a rival whose forces were so immeasurably superior that victory a second time was out of the question.

The fall manipulated by the Rothschilds in the value of French securities reacted upon and affected the prices of the Sardinian stocks, which continued to sink steadily until they reached a heavy discount. This was enough to render the six allies somewhat timid and nervous; still André and Cottier saw so clear a profit to be derived from the conversion of the five per cents. into three per cents., that they at length, after some consultation with their colleagues, declared themselves prepared to despatch an agent to the Papal exchequer to secure the business and ratify the contract. When the agent was admitted to an interview with the secretary of Monsignore Tosti, one of the first questions put to him was the weighty one—What guarantee will the Papal Government have for the due fulfilment of the contract about to be made? To this the agent replied, "The names of the allied Paris bankers," adding that he was for the moment forbidden to

give their names, but that the secret would be divulged after the conclusion of the contract, and in the event of the names not being satisfactory that the contract could be considered null and void.

After the agent had had several conversations with the Cardinal, the matter seemed to be nearing its conclusion. Inviolable secrecy was promised on both sides, but the Papal officials are not remarkable for their discretion or for their fidelity in business matters. Scarcely had the agent quitted Rome than the matter was publicly rumoured about. The Rothschilds, too, through the many influential friends they have among the officials of every government, are always sure to hear of such negotiations, so in this case the Naples house got wind of the proposed financial operation, and at once sent one of the younger partners to Rome. No sooner did he learn the exact position of affairs, than he produced the contract entered into by the Papal Government, when the five per cent. loan was undertaken by Rothschild in conjunction with the firm of Torlonia. This contract contained a clause, till then forgotten, by which the Papal chair engaged to enter into no definite treaty for any subsequent loan without giving the Rothschilds previous notice,

and also to accord them the preference when their terms were not higher than those offered by other firms.

The earlier loan had been concluded before Tosti had assumed the management of the finance department, consequently he was quite in the dark as to this important condition in the contract. He and the agent accordingly determined to draw up the conditions of the proposed conversion and leave the Rothschilds and the allied bankers to settle the rest. It was of course to be foreseen that, if the business proposed was lucrative, the Rothschilds would never let it slip from them, and whether it was likely to prove a profitable undertaking they were as well qualified to judge as their adversaries. On the other hand, the only chance left the latter was to undertake the business on much less favourable terms, should the Rothschilds see fit to place themselves in their way. Still, the coalition of the Paris bankers was not to be ignored by the Rothschilds, who might have experienced much annoyance and trouble from the opposition they would have called forth if they had made full use of their privileges and influence to secure the business for themselves. Finally matters were settled in an amicable fashion

and a common understanding arranged between all parties with reference to the matter in dispute. Rothschild certainly did not lose by his forbearance, whilst the rivals learnt that their strength was still far too weak to damage the sway of the millionaire financier.

It is unnecessary almost to add that Baron Carl von Rothschild, for the many valuable services rendered to the Italian States and Princes, both by loans or by advances of money, was honoured with titles and orders of every description. He died on the 11th March, 1855. The business was for some years continued by his son, Baron Adolphe de Rothschild, who, however, soon tired of the anxiety and responsibility attaching to the management of so large a concern. Being of a nervous disposition, he could not hear without fear and alarm the rumours of the internal troubles which threatened Italy, and like a wise man, blessed with a handsome fortune, he retired from public affairs to enjoy the comforts and repose of private life.

Chapter VIII.

BARON SALOMON VON ROTHSCHILD.

THE VIENNA FIRM.

THE importance Vienna enjoyed from its being the capital of the Empire and the residence of the Emperor and his Court, as well as from the large commerce carried on there, was no doubt the reason which led to the establishment of a separate house of the Rothschilds in the Austrian dominions.

The Jews for centuries played a very distinguished part in the affairs of Austria, and in Vienna especially were to be found in the highest circles of society, possessing not only large influence, but holding also prominent positions among the leading public men. The great consideration and authority they commanded were due simply to their money, for the finances of the country and the Court had

got so dreadfully embarrassed and confused that the money of the Jews was as a consequence eagerly sought for and demanded. In spite of the wealth of the aristocracy, the assistance of the accommodating Israelites was continually found necessary, and borrowing and lending were the order of the day. Even in the time of Ferdinand II. the Jews were on intimate relations with the Imperial Court, although they were at that time subject to a poll-tax, and compelled to wear pointed hats and a yellow patch on their left arm, that they might be at once distinguished from the Christian citizens. They were not even allowed to live where they pleased, but were cut off from the Christians and forced to dwell in a particular part of the city, the Leopoldsvorstadt. None the less they were readily tolerated, for they were extremely useful, not to say indispensable, to the Court. They also enjoyed very considerable privileges, and were under the direct protection of the Government. They knew how to amass fortunes by evil as well as honest means, for in the Frankfort *Relationen* of 1667 it was stated that "Hirschel Mayer had been arrested for having defrauded the Emperor during a period of twenty-three years of no less a sum than two million two

hundred thousand guldens, contributions of his co-religionists." He was sentenced to life banishment from Vienna, and to the payment of a penalty of seventy thousand guldens. In 1670 the Jews and the students of Vienna had a collision, which terminated in rioting and other excesses, causing the Jews to be driven out and compelled to quit the Judenstadt, or, as it is now called, the Leopoldstadt, whilst their synagogue was converted into a Catholic church. However, it was not long ere the President of the Chamber, Von Sinzendorf, granted them permission to return to their homes. All the financial business with the Court was placed in the hands of the "Court-Factor," Samuel Oppenheimer, a privilege which secured him the deadly hatred of the whole commercial body. This bitter feeling vented itself in 1700, and again in 1706, in a violent tumult, during which his house was attacked and sacked, money and valuables stolen, letters and account-books torn to pieces. The rich Israelite had even some difficulty in escaping alive with his family. Still the lucrative relations he had held with the Court were resumed as before, notwithstanding that his firm became bankrupt in the interval between the two riots. In 1706, however,

his affairs were again reviving, as he had secured the contract for supplying the army in Italy during the war of the Spanish succession.

Joseph II., in 1783, astonished, if he did not scandalize, the Christian world, by creating the first Jewish Baron in the person of the banker Joseph Michael Arnstein, whose wife, Fanny Itzig, of Berlin, was a special favourite of the Emperor. During the Congress of Vienna the families of the sovereigns of the money market, Arnstein and Eskeles, were conspicuous above all in the festivals and carnivals which then took place. The wives of both these financiers were natives of Berlin, being daughters of the rich Jewish banker Itzig, a well-known personage during the reign of Frederick the Great. The Austrian Government, not only before, but after the Congress, arranged many important financial operations with these two firms, as well as with several others.

The house of Rothschild, however, after establishing a house of business in Vienna to co-operate with those already existing in Frankfort and London, soon eclipsed all competitors by their enormous wealth and magnificent receptions. With the formation of this new establishment a fresh page opens in

the history of the finances and money market of the Austrian empire, owing to the influence and sway exercised by Baron Salomon von Rothschild.

The Austrian empire, consisting as it does of a union of numerous and varied kingdoms and provinces, is one of the greatest confederations of people and nationalities in the world. Under the rule of its distinguished sovereigns Maria Theresa and Joseph II., its importance and power grew in all directions; its revenues and tax-paying capabilities increased and its finances assumed a flourishing aspect. Many of its loans were arranged through the Dutch bankers, Hope and Goll, and through the well-known firm of Bethmann Brothers, in Frankfort. The Austrian funds were in great favour with the public, and generally saleable at par. It was only when the political sky of Austria became overclouded, and when its financial schemes were exhausted that these foreign banking houses withdrew, and in their places appeared the Vienna firms of Fries and Co., Arnstein and Eskeles, Geymüller and Co., and Steiner and Co. By the agency of these four firms Austria, during the period of the war of the French revolution, and her struggle with Napoleon, contracted a number of loans on terms far less

favourable than formerly. So low indeed had the credit of the empire been brought by the misfortunes and the sufferings incidental to its protracted efforts to oppose the ambition of the French, that the syndicate of the four bankers above named would consent to take up the five per cent. loan of 1809 only at a discount of forty per cent., and with the State domains pledged to them as security. After having amassed millions by their participation in the various Government loans, as well as through large and lucrative bill business on Augsburg for the Government account, the firm of Steiner and Co. were content to rest on their laurels, and withdrew from the syndicate. Little did Steiner, the head of the firm, a discreet and shrewd man, anticipate that within a few years of his death the millions he had bequeathed his heirs would be all lost or squandered away.

The place formerly occupied in the syndicate by Steiner and Co. was now filled by the firm of Rothschild, who brought with them new schemes on which to conduct the Government loans. The scheme adopted was the lottery plan, which at once became popular with the public. The amount produced by the loans was soon exhausted, owing to the yearly drawings which formed the leading feature of the

innovation. The consequence was that the loans brought out on this plan were constantly being renewed. This the contractors by no means regretted, seeing that their profits were necessarily multiplied, and Stock Exchange speculation promoted. After the overthrow of Napoleon, the Rothschilds acted on principles directly opposed to those on which they had always hitherto proceeded. Their object was apparently to reverse all that they had previously done, and so, whereas they had formerly striven to depreciate the Government funds, they now did their best to force them up in the market. Steadily and by degrees the prices recovered, so that the five per cent. loan, which we have said was issued at a loss of forty per cent., was eventually redeemed at 106 to 109. The difference between these two prices was not at all a bad profit for the Rothschilds to realize as the result of their operations. Not so fortunate was the firm of Fries and Co. in its association with the Government loans. Although the only son, Count Fries, inherited some six or eight million guldens and through his bill business gained a hundred thousand annually, he was nevertheless forced in 1824 to abandon the Court and Vienna, and fly to Paris,

where he soon afterwards died. By this catastrophe the remaining members of the syndicate were reduced to the firms of Geymüller, Arnstein and Eskeles, and Rothschild. Later on they admitted into their ranks the Vienna millionaire and banker Baron Simon George Sina, and these four firms continued to undertake the frequent and endless loans which the Government were forced to solicit from its subjects. The two brothers Geymüller, by whom the business was founded, had already retired and were living on the fortunes they had gained. The sole head of the firm after their retirement was their nephew Falkner, who subsequently assumed the name Von Geymüller, and whom they had brought up and adopted as a son. He possessed a capital of one million thalers, which, however, he soon ran through, and then made off one night without leaving any clue as to his destination. On the 12th February, 1843, nineteen months after the failure of the firm, a warrant was issued and published for the arrest of the fugitive on a charge of embezzlement. In like manner the brothers Schickh, Steiner's heirs, were advertised, arrested, and brought to trial. At that time nearly all the business firms were imperilled, and shaken to their foundations. The

Rothschilds alone met the shock unmoved, deriving additional power and strength from the trials they had so successfully encountered.

Besides this Government business, the Vienna house of the Rothschilds, at the head of which was Baron Salomon von Rothschild, the second son of old Mayer Amschel, was ever ready to embark in enterprise of any sort which promised to prove lucrative. For Prince Esterhazy and many other members of the high Austrian nobility he issued in conjunction with the house in Frankfort many loans, of which we gave particulars in a previous page. He also established a Fire Insurance Company, the shares of which he was able to sell at a handsome premium. In addition to all these enterprises he had his immense bill business, which brought him in a regular and unfailing profit.

In 1836 the firm took over from the Austrian Government the contract for the construction of the railway from Vienna to Bochnia, and before even a sod had been turned or a shovel used the whole of the twelve million shares were sold at a premium of fifteen per cent. The shares in 1841 had already fallen from 115 to 62, and the Government were compelled to assist the undertaking by an advance



SALOMON VON ROTHSCHILD.

of five millions, but before the end of the year they took into their own hands the completion of the line.

As in all other countries where the Rothschilds were domiciled, so in Vienna, the money market was completely under the control of the house established there. The prices of the funds and other securities rose or fell according to the pressure or support they received at the hands of Baron Salomon. Every day, from the opening of the Bourse at twelve o'clock to its close at four, he was besieged by brokers and stockjobbers anxious to give him reports of the tendency of the market, and eager to receive and execute his commissions. Speculation in stocks was, however, far from confined to these hours, as long before and long after the Bourse was open the speculators were in the habit of congregating in the well-known café in the Grünangergasse, which establishment was rented by the Stock Exchange folk, and free to the public. Here the dealings and speculations in stocks were carried on without intermission till late at night, for the prices of the funds and shares of every sort were quoted and dealt in as regularly as on the Bourse itself. The transactions were indeed

far larger on this unofficial market than on the privileged and recognized Bourse. Rothschild had in his service a stockjobber at a fixed salary of 12,000 guldens, irrespective of his immense commissions. This person used to wait upon Rothschild early every morning, when together they concerted the plans for the day's operations. The stockjobber had his clients and customers not only on the Bourse but also in the "Panduren-Lager," with whom he concluded his purchases and sales. He kept a number of runners in his employ, whose sole duty it was to run backwards and forwards from him to Rothschild's with reports of all the fluctuations in prices and the disposition of the markets, and to return with orders to be carried out for the purpose of raising or depressing prices as circumstances or convenience dictated. Naturally those speculators and gamblers who were not initiated into his plans fared badly, and were frequently ruined by Rothschild's manipulations. This factotum of Baron Salomon was a poor man when he first became acquainted with the great financier, but it was not long ere he also joined the ranks of the millionaires. So strong were the faith and confidence placed in him, that he was entrusted with the

control of affairs and the procuration signature whenever Baron Salomon left Vienna on business or pleasure.

The house of Rothschild played a prominent part in nearly all the great Austrian financial operations. Most of the loans have passed through its hands, and on more than one occasion was the head of the firm consulted with respect to the private fortune of the Imperial family. He was a trusted counsellor with whom family secrets were perfectly safe, and he had always free access to the ministerial Cabinet. Councillor Brentano, of the Finance Department, had indeed formerly been the agent in Trieste of the Frankfort house for its money transactions with the East, but its present agents there are Messrs. Morpurgo and Parente. The energies and influence of the firm were not by any means confined to purely financial matters, for it was known to have been interested in the success of several mining and industrial adventures. It is no secret that the large quicksilver mines of Almaden in Spain are mortgaged to the Rothschilds. These mines are the only rivals worthy of the name with which the Austrian mines in Idria, producing some 3,000 centners annually, have to contend. To pre-

vent any injurious competition between the Spanish and the Austrian mines, an understanding was effected through the all-powerful influence of the Rothschilds. By this understanding the price of both quicksilver and cinnabar was kept up at a certain figure, which was not to be altered unless both parties consented to the change. The agreement, however, has for some years past been null and ineffective, owing to the discovery of immense quicksilver deposits in America—a discovery which has put an end to a uniform price being maintained for any length of time in Europe.

The city of Vienna derived many direct and indirect benefits from the presence of Baron Salomon, as, independently of his noble beneficence and liberality, its general prosperity must have been increased by the immense business introduced by his firm. A very pleasing recognition of his great services was made him in 1843, when the Mayor of Vienna, accompanied by the Austrian ministers von Kolowrat and Hardegg, handed him as a New Year's gift the diploma or deed stating that he had been elected an honorary freeman of the city, as he was prevented by his nationality and religious persuasion from ever becoming a free

citizen. This document stated that he had been elected an honorary freeman not only "on account of his services to the monarchy in general, but more especially in recognition of his great and praiseworthy exertions on behalf of the welfare of the city, by means of his quiet and unobtrusive charity, which had won him universal respect and esteem."

An amusing tale is related of Baron Salomon with reference to a certain Cabby, who it is to be presumed was generally employed by his son,—a great patronizer of cabs, and a very liberal man with his money. It was nothing unusual for him to give the drivers four or five times the amount of their legal fare. On one occasion Baron Salomon after alighting paid the man the legal fare, not a penny more nor less. The Jehu regarded the coin in his open palm with a significant glance, which caused the Baron to inquire whether it was not correct. "Quite correct, and I am much obliged; but your son would have given me three, four, or six times as much." "Indeed, would he? Well, he has a rich father. I have not."

As we have already mentioned, the Vienna house issued, now alone, now in conjunction with other

firms, several loans on behalf of the Austrian Government. The first of these loans was that of 1820 for twenty million eight hundred thousand guldens, undertaken by the Rothschilds and David Parisch in Vienna. This was issued in tickets of one hundred guldens each, bearing premiums, and was paid off in the regular course of time by the end of 1840, by means of yearly drawings. The success of this loan was due mainly to the great inducement held out to the public in the shape of the large prizes to be won.

The same two firms contracted for the second loan of 1821, amounting to thirty-seven and a half millions, in bonds of 250 guldens, and redeemed by means of fourteen drawings by the end of 1841.

At the close of 1823, Austria opened a loan of twenty-five million guldens with Rothschild, Baring Brothers and Irving and Co., in London. This loan was required to provide the payment of the subsidies of two and a half millions sterling due to England for her defence of Belgium.

Again, on the 1st December, 1829, a loan of twenty-five millions, required to pay off treasury bills, was concluded with Rothschild, Geymüller and Co., Arnstein and Eskeles, and Sina. In 1834 a further

loan of twenty-five millions was issued by these four allied firms, and was followed in 1839 by one of thirty millions. Both these loans were issued on far more favourable terms to the Government than had been the case on previous occasions, the interest payable on the first being five, and on the second four per cent.

In 1842 Austria was again forced to seek the assistance of Rothschild and his colleagues, the result being a loan of forty million guldens, on which the contracting bankers are estimated to have made four millions clear profit.

After the death of Baron Salomon, the business passed into the hands of his son Baron Anselm von Rothschild, who retained the direction until his death in 1879, when his three sons Ferdinand, Nathan, and Salomon Albert, succeeded him. The two first-named have never taken any active share in its control, preferring to leave the helm wholly and solely in the hands of their youngest brother, Salomon Albert. They were not anxious to face the worry and responsibility attaching to the management of the firm. Quite satisfied with the possession of a handsome fortune, they, like wise men, determined to rest content with what they

had and to retire to the enjoyment of the pleasures of society. Baron Ferdinand has long ceased to be an Austrian, having for many years past been an Englishman by the process of naturalization. He married Evelina, the daughter of Baron Lionel de Rothschild, but lost her after one short year of wedded life. Her loss was a severe blow to him, for he was most fondly attached to his young wife. Of late years he has figured prominently as one of the leaders of society. His country house at Waddesdon is the scene, during the summer months, of the most brilliant réunions and garden parties. Scarcely a day passes by without the arrival of parties of distinguished visitors, often including royalty and members of the diplomatic body, who are received and entertained in a truly princely style. Balls, fêtes, shooting parties, follow in rapid succession, until the winter season approaches, when Baron Ferdinand returns to his palatial residence in the Rothschild quarter of Mayfair. He now represents the Aylesbury division of Buckinghamshire in Parliament.

Chapter IX.

BARON JAMES DE ROTHSCHILD.

THE PARIS FIRM.

FRANCE for nearly seventy years possessed no permanent form of government; each successive government was of a temporary and provisional character. After the fall of the monarchy attempts of various kinds were made in the way of forming a representative government, and following one upon the other in rapid succession came the Legislative Assembly with an interim government, the Convention with the Reign of Terror, the Directory, the 18th Brumaire with the Three Consuls, Buonaparte and his Consulate, Napoleon I. and the Empire, the first restoration of the Bourbons under Louis XVIII., Napoleon's one hundred days, the second restoration under Charles X., the July

dynasty of the Orleans with its immutable ideas, its fall through the revolution of February, the Republic, the Presidency of Louis Napoleon, Napoleon III., Emperor. Such is the list of the many forms of government to which France has been subjected, varying from the most unbridled despotism to the most extreme licentiousness.

In order to realize the condition of France at the beginning of the present century, and to appreciate fully the boldness and sagacity which led Baron James de Rothschild to found his house in Paris, it will be well to give a few particulars regarding the finances of the country at that time. The first budget proclaimed by Napoleon was that of his Consulate, and it amounted to nearly 600 million francs. On the 20th May, 1804, he was elected under the title of Napoleon I. Emperor of the French, the succession to the imperial purple being limited to his descendants and those of Joseph and Louis Buonaparte. With the exception of some sixteen marshals, one hundred members of the Senate, and the judges, Napoleon could dispose at pleasure of all other appointments, so that it is not surprising that with the army at his back he should have been able to get the crown voted to him by

some three and a half million citizens. In a few years he made himself master of the European continent, thanks to his skill not only in annihilating armies but in overreaching and deceiving cabinets and ministers, thereby preventing any country from arming itself and taking effective measures to resist his progress. When, however, Spain, with Austria and Russia, and at last Prussia and Germany, combined against him, his star of fortune and destiny began to wane. By arbitrary and violent methods he enlarged the limits of the French Empire, denying and destroying the worldly power of the Pope by declaring the Papal States a portion of France, depriving his brother Louis of Brabant, Zealand, and Guelderland, in order to make the valley of the Rhine the frontier line in that direction; then he annexed Holland to France, and finally, on the 10th December, 1810, declared the necessity of extending the empire to the Baltic, and, accordingly, all the sea-coast north of an arbitrary line drawn from the junction of the Lippe with the Rhine to Travemund became French territory. From the Pyrenees to the Baltic, from Texel to Terracina, the great empire reached, while in Spain, Switzerland, Denmark, and Sicily he had

vassals and allies who trembled beneath his sway. In Sweden the succession to the throne had been conferred on a French marshal; Prussia was exhausted; Austria appeared fettered by family ties; only two European Powers withstood and defied the power of France—Russia and England.

However greatly the fame and dominion of the empire had grown abroad, the condition of the country itself was of the worst possible description. The imperial subjects were burdened and oppressed by all sorts of tyrannical impositions, by taxes which steadily grew in amount, and by a budget yielding a revenue considerably exceeded by the expenditure. In 1804, when France became an empire, the country was by the decree of the 23rd February called upon to face a budget in which the expenditure amounted to no less than 700 million francs. This was for a war year. For a peace year 79 millions would have to be deducted, so that 621 millions would still weigh on the country. In addition must be reckoned the Emperor's civil list, which, with the domains left at his disposal, the appanage of his brothers, and the pay of the grand officers of the Crown, amounted to 30 millions. Included in this, however, were 7 millions for the

Emperor's household, so that to the 621 millions we have really to add another 23 millions, to which we must still add the expenses of the Departments, 79 millions; the cost of maintaining the roads, 15; the expense of collecting, 80; the secret police, 5; so that the total expenditure for a peace year may be put down at 823 million francs, or about 376 millions more than under the monarchy. Year by year the budget grew, being estimated in 1809 and 1810 at 740 millions, whilst in the following year it was reckoned at 954 millions. The preparations for the campaign against Russia—the most gigantic military expedition of modern times—swallowed up million after million.

"Napoleon had collected the most powerful army the world ever saw; from all parts of the Continent had he summoned his forces for the struggle; every variety of blood, of complexion, of language, of dress and arms, were to be found in its ranks. The auxiliaries from whole provinces were led through kingdoms that respected his arms; the artillery of entire fortresses ploughed across the fields; cattle from a thousand hills were collected for the support of myriads who spread themselves like a plague across the plains of eastern Europe, where blood

flowed in streams, and where the earth became blanched with the men's bodies. But this gigantic expedition, although successful, gained no object, since the enemy was vanquished, but the conqueror in vain tried to secure peace. The ancient capital of the Czars in Moscow was in his power, but the capture was profitless to him, owing to the refusal of the enemy to come to peaceful terms, and the barrenness of the neighbourhood. The burning of Moscow in one night began Napoleon's downfall, which the frost of a second completed. Upon all the pomp and material of numerous warriors, upon their cavalry, their cannons, their magazines, and their baggage fell thickly and steadily the snow-flakes of a northern night; the retreat of the armed hordes was cut off, and their destruction as effectually achieved as if it had been on the battle-field. All Napoleon's endeavours to regain his lost power were never able to remedy the effect of that Russian night. The fire of his genius still burned as brightly as ever; in two campaigns his efforts were superhuman; his resources were even more remarkable than before; his courage deserved the reward and prize of victory for which he played—but all was in vain. The weapons remained only a short

time longer in his hand; his army was scattered to the winds; his opponents no longer bowed beneath his superior nature, for they discovered that he, like themselves, could be conquered, and they in their turn became bold. Such was the great captain, and such the destiny into which he plunged.

"A mighty genius of the first rank; one of the greatest masters in the art of war, he occupies a place among the generals of the highest class. His genius, however, was not confined to war. In the circumstances of government he showed himself equally sharp—as quick in deciding his procedure in politics as in the field. But with all these qualities he was a conqueror, he was a tyrant.

"In order to appease his thirst for power, in order to satisfy his ambition for empire—an ambition no conquest could still—he trod freedom beneath his feet. He enveloped the world in flames, which the blood of millions was unable to extinguish. Honesty, truth, pity, and sense of duty were cast aside by him, who pursued a single and selfish policy. Enghien's death, Wright's horrible sufferings, Pichegru's mysterious death, Palm's punishment, Toussaint's martyrdom, are all blots on his fame."

Equally characteristic is the opinion of Lord Brougham concerning him:—"He sacrificed to his ambition three milliards in money as the acknowledged cost of the wars of 1802-1814 to France alone, and five-sixths of three million men, who were called out for active service."

Following upon his memorable campaign against Russia and his disastrous retreat came his dethronement and banishment to Elba, whence he issued to try his fortune once more against the whole of Europe. The sequel to this attempt is too well known to need repetition, leading as it did to his final overthrow, and to the restoration of Bourbon rule in France, with a constitutional government, under Louis XVIII.

When the Chambers met for the first time after the restoration, Montesquieu laid before them a report of the condition of the country, describing in very striking language the evils arising from the imperial form of government. Still more gloomy was the picture painted by the Minister of Finance of the State's finances and requirements. The arrears amounted to more than 1,308 millions, which, however, were afterwards reduced to 759. The funded debt amounted to only 93 millions. To

provide means to discharge these liabilities, it was decided to sell the domain forests and common lands. The abnormal and provisional budget of 1814, and the normal budget of 1815, estimating the receipts at 618 million francs, and the expenditure at 547 millions, were passed on the 23rd September, 1814; the civil list of 33 millions, and an additional vote of 30 millions for the debts incurred by the Bourbons abroad since their expulsion, were likewise voted.

Then came Napoleon's sensational return, with his brief enjoyment of power, cut short by the efforts of the allied forces. Nearly a million foreign troops entered the French territory, and demanded an indemnity of 100 million francs at the expiration of the one hundred days. The budget for 1816 estimated the ordinary expenditure at 548 millions, and the extraordinary expenditure at 290 millions, in addition to that for the Consolidated Fund of 125,500,000 francs. Taken all in all, the expenditure amounted to 1,069,261,826 francs as given in the law of the 25th March, 1817. The indemnity of a milliard francs claimed by the emigrants, and the war indemnity of 700 millions claimed by the Allied Powers, were enormous items

in the State accounts, in addition to the cost of maintaining the foreign army of occupation for five years.

In the following years both the receipts and the expenditure rose and fell. In 1824 the Chambers put the civil list for the King at 25 millions, and that for the Princes at 7 millions. The budget grew steadily under the different ministries until the July revolution. Under Martignac in 1828 the expenditure was estimated at 980 million francs, whilst the receipts reached only 986 millions. During the reign of the Orleans family the State finances, in spite of the enormous receipts, were far from flourishing. The indirect taxes exceeded a total of 12 milliard francs, whilst the yearly expenditure amounted to from 1,000 to 1,200 millions. The chief cause of this lay in the lasting "armed peace." In 1841 a deficit of 1,000 millions was declared. The system followed by Louis Philippe had already brought the country to the verge of a financial crisis. The city of Paris was burdened with a debt, now considerably increased, of 12 millions, and the State budget with a *rente* of 600,000 francs. The distress among the working classes was fearful; in commercial circles bankruptcy was

the order of the day. Under the fraudulent system then generally prevailing persons had carried on business without any capital at their backs, by means of credit, ill-deserved but too readily obtained. The revolution came without any warning to complete the feeling of anxiety and uncertainty prevailing at the time. A provisional government was placed at the head of affairs, and issued decrees one after the other dealing with all subjects, from the abolition of the monarchy down to the assignment of the millions of the civil list to the relief of the working classes. The indebtedness of the State was fearful; the financial disorder unlimited. Even without the revolution a State loan of 600 millions would have been absolutely necessary. There were but two means of saving the newly-created republic—a dictatorship, or in other words, exaction, or credit. If the State had displayed the slightest hesitation in meeting its engagements the word bankruptcy would have been on every lip. Goudchaux, the Finance Minister, resigned; he felt himself unequal to the difficulties of the situation. A man of ability, capable of manfully grappling with and mastering the dangers of the impending crisis, was above all things required. Garnier-Pagès suc-

ceeded Goudchaux as Finance Minister. One of his first proceedings, after his accession to office, was to sell the forests belonging to the old civil list. He decreed a voluntary loan, but, as the coffers remained empty, he had recourse to the most pitiable of all financial measures: he laid an additional 45 centimes on the four instalments of the direct taxes, a measure which severely hit the already heavily-burdened peasants and the small landowners. The expenditure amounted to 1,700 million francs, and the State debts, which had increased by nearly a million in seven years, to 5 milliards 170 millions. The additional tax brought in 150 millions, whilst the Bank advanced 230 millions upon the State forests. By these means the State was saved from bankruptcy.

Under the Presidency of the Republic, which ere long was converted into the Empire, the indebtedness of the State continued to increase steadily. The war with Russia required one sacrifice after the other. In April, 1856, the State expenditure, the revenues and the State debts were estimated by the Minister of Finance to be as follows:—

"The regular expenditure amounts to 1,598 million francs. The first portion of this consists of

the interest on the debt, which takes 342 millions for the dividends, and the redemption of the consolidated debt; 10½ millions for the interest on the special loan for canals; 33½ millions for the interest on the floating debt, the guarantees, and finally 68 millions *dette viagère*, together 455 million francs. The supplies are 25 millions for the Emperor; 1½ millions for the Princes and Princesses of the Imperial house; 6½ millions for the Senate; 2½ millions for the Legislative Body, and 3½ millions for the Legion of Honour; making in all 38½ millions. The collection of the taxes costs 165 millions; 4 million francs are set apart for the completion of the Louvre." In a word, taking the population of France at 35 millions, the average contribution per head to the State treasury was about 46 francs for the year 1856.

The fortunes amassed by individuals—bankers and financiers, more particularly—resident in France, or rather in Paris, cannot be described nor estimated. In June, 1848, when the proposed decree for the conversion of the floating debt into a consolidated debt was brought before the National Assembly, a Paris paper, published under the title of "The Organization of Labour," gave the follow-

ing details respecting the wealth of the leading houses in Paris :"The firms Laffitte Frère and Delamarre are estimated at 10 millions; Baudon at 12; Rougemont and Lafond at 15; Dourand, Delessert, Aquirrevengon and Halphen, each at 20; Hottinger and Pellaprat each at 25; Fould at 30; Hoop at 40; Baron Gressulhe at 100; Rothschild at 600 million francs." The King was put down as worth 800; the Duc d'Aumale and Madame Adelaide each at 70; and the Duc de Montpensier at 20 millions. According to this estimate the combined wealth of the above well-known banking-houses amounted only to 362 millions, a total which Rothschild exceeded by no less than 238 millions. It was by means of this immense capital at their command that the Rothschilds gained that consideration and influence which no other firm has ever yet equalled or approached.

"Involuntarily," wrote the "Augsburger Allgemeine Zeitung," "one is forced to ask the question how it was that the house of Rothschild managed to maintain its distinguished position undisturbed throughout the manifold changes of government in France? The explanation is easy," continued the writer: "the house belonged to no political party;

the Rothschilds are the friends of the kingdom, of law and of peace, and as such could maintain their preponderating influence equally as well under the heterogeneous ministries of a Decazes, Villèle, Martignac, or Polignac, as under the government of Louis Philippe."

When we remember the disturbed state of Europe in 1812, and how much the Rothschild family had suffered at the hands of Napoleon, we cannot but wonder what could have been the reasons which induced Baron James de Rothschild to determine opening a branch house in the French capital. That he did so in spite of the unpropitious aspect of affairs speaks volumes for both his boldness and foresight. It may have been that he had already made sure of his prospects by having rendered the Emperor some services, for few had more need of financial assistance than Napoleon I., and Baron James, we may presume, was not unwilling to secure himself substantial advantages at the expense of the French nation. This is, of course, all surmise on our part, but, when we recollect that the supplies entrusted by the British Government to Nathan Mayer Rothschild for the army in Spain were conveyed to their destination through France,

it does not seem altogether improbable that Baron James must by some means or other have obtained a certain degree of influence with the French Government, or he could never have executed the business with such success. Money is proverbially all-powerful, and in this case certainly did not belie its reputation. A more favourable period, as events proved, could hardly have been chosen for establishing the new firm in Paris. It was started in 1812. In 1815 Napoleon was deposed and business at once poured in upon Baron James de Rothschild. Thanks to the influence and warm recommendations of the Elector of Hesse, Baron James de Rothschild was empowered to receive the milliard of francs war expenses claimed by the Allied Powers when they entered Paris. In the same way the two milliards war indemnity passed through his hands, and we may feel sure that the transaction was most profitable. For some years afterwards we do not find him engaged in any great financial operation; indeed until 1823 his name is altogether lost sight of. In that year, however, he took up the whole of the French loan at the price of 89 fr. 55 cent., and the "Gentleman's Magazine" in chronicling the occurrence testifies to the confidence and in-

fluence enjoyed by the firm, by stating that the immediate effect on the French Rentes was that they rose to 90 frs. 25 cent.

In 1824, the Marquis de Villèle, the Minister of Finance at that time, projected the conversion of the whole of the French Five per Cent. debt into a Three per Cent. debt. Those who were so disposed could exchange the old Five per Cent. stock into bonds of the new Three per Cent. stock by accepting the exchange at the rate of 100 francs new stock for every 75 francs of the old. The whole debt amounted to 3,066,783,560 francs, and it was estimated that perhaps only one-third of the stockholders would accept the conversion; consequently, to satisfy the State creditors, no less than 1,055,556,720 francs would have to be paid them in cash. In order to collect this immense sum, the assistance of all the great financiers on the English, Dutch, and French markets was sought. Subscriptions were received in Paris, London, and Amsterdam by the firms of Baring Brothers, J. Laffitte and Co., and N. M. Rothschild and Sons. A committee under the presidency of Alexander Baring, with Baron James de Rothschild and Jacques Laffitte as his colleagues, was then formed to determine the

conditions to be made with the Minister, on which they would provide the cash required for the redemption of the old Five per Cent. bonds. Their plan was to sell the new Three per Cent. stock, as soon as created, at the price of eighty. At this price purchasers would receive $3\frac{3}{4}$ per cent. interest on their money, and if the paid off debt could only be replaced by bonds of the Three per Cent. stock purchased at 80, it necessarily followed that the Five per Cent. stock, before the proposed conversion, would be relatively worth 106.66, in order to yield a corresponding rate of interest.

Operations based on this calculation were accordingly made on the three markets. The capital required in Paris for the conversion was estimated at 1,000 millions. The speculators, thinking that the contractors would not put the new Three per Cent. stock into circulation under 80, bought in Amsterdam and Frankfort at 81—$83\frac{1}{3}$, whilst at the same time immense sales of the French Five per Cent. debt at the relative price of 106.67 to 110 were effected. Higher prices than these could not be obtained.

Villèle's project in order to become law required the sanction of the two Chambers. After a very

stormy debate, it passed the Chamber of Deputies by a Ministerial majority of 68. In the Chamber of Peers it encountered a vigorous opposition, secretly promoted by the Viscount de Chateaubriand, who harboured a private grudge against Villèle. By a majority of 12 votes the proposal was rejected. The Five per Cents., which the day before were quoted at 106, fell at once to 98, and an extraordinary excitement ruled on the stock markets. Chateaubriand resigned, and the day following at the opening of the market the Five per Cent. Rentes were dealt in at 104; then they receded again to 98, and remained for some time stationary.

The rejection of the Finance Minister's scheme was a severe blow to speculators, who had operated freely in the anticipation of the conversion being accepted. Those who had bought largely for the settlement were compelled to sell out again at a loss. Baring and Laffitte were severely hit; the Rothschilds, however, emerged from the fray uninjured, owing to their having confined their operations to selling simultaneously large amounts of the new Three per Cents. and of the old Five per Cents. As the Three per Cent. debt was not to be created, none of this stock could be delivered, whilst

the Five per Cent. stock, which they had sold at 104 or more, could be bought in again at 98.

In 1830 the well-known banker, P. J. Ouvrard, in Paris, obtained trustworthy information, a week before their publication, of the coming decrees of the Polignac Ministry, decrees, as is well known, resulting in the July revolution and the fall of the Bourbon dynasty. No sooner was Ouvrard certain of his information, than he summoned to his confidence several bankers and bill brokers, and then hastened to London. On reaching that capital he at once began to effect such heavy sales of stock at ever falling prices that the Rothschilds, who, being among the first purchasers, were interested in the maintenance of the prices, became quite alarmed, and immediately despatched a courier to Paris to learn the real reason of the immense sales that had taken place. The Paris house, however, were no better informed than the London house, and were unable to give the key to the enigma. Baron James, who a few months previously had contracted for the last Government loan of Four per Cent. Rente at the price of 102 francs 7 cents., at once betook himself, in a state of violent excitement, to Polignac, and requested the Minister to enlighten

him as to the real state of affairs. The possibility of the Ministerial decrees being issued had already become a subject of discussion on the Stock Exchange, but no one could speak with any certainty on the matter. When the Baron returned from his interview with the Prime Minister, he made no secret of the fact that the latter had given him his word of honour that the decrees were nothing but an empty scheme which had never been seriously considered, and which would now remain a dream. The next day it became known that they had been signed by Charles X. after mass, and the following day they appeared in print in the columns of the "Moniteur."

The immediate effect of their publication was that the house of Rothschild and its partners in the transactions found themselves saddled with the whole loan of 78,373,750 francs, which fell to a discount of 20 or 30 per cent. For a long time afterwards this stock remained in such bad odour that buyers were difficult to find. The business, however, was far more prejudicial to Rothschild's partners than to Baron James himself, as the bulk of the stock had already been taken off his hands. He was severely reproached at the time for the part he had borne in

the business, as it was generally held that he had abandoned his friends and left them helpless; still it must not be forgotten that till the time of the July revolution he had always shared his enormous gains with his partners. That event came quite unawares upon them, and at once changed what had promised to be a most profitable undertaking into a most costly and ruinous one.

Ouvrard had at a stroke won an immense sum, which his broker Amet set down at 2 million francs. As soon as he had carried out his successful combination, he returned from London to Paris and commenced operations. They were all calculated for the fall. As the Rente, even after Casimir Périer joined the Ministry, fell to 52, and in February, 1831, to 48, some slight estimate may be formed of the extraordinary profits Ouvrard must have realized.

It was mainly by the influence of the house of Rothschild that the fall of M. Thiers in 1840 was brought about. Whether right or wrong, Thiers thought he was acting as beseemed a Frenchman, whose only object was to uphold the honour of his country. This consideration, however, never troubled the Rothschilds; for they supported no

nationality. They are—although by some the assertion may be opposed—cosmopolitan, or at least European, neither German, French, English, Italian, Turkish, nor Russian, and, as they possess immense influence in diplomatic circles, they help to maintain peace at the expense of all princes. In his opposition to Thiers Rothschild bore himself as king of the Stock Exchange, and Austrian Consul-General. Thiers in the columns of the "Constitutionnel" pointedly asked Rothschild, of what concern was the honour of France to him, seeing that he was a German? Baron James replied, in a letter which he had published in all the papers, that, if he were a German, so must his brother Frenchmen be Germans. However, it was in the interests of Germany that he acted in the matter of the Rhine frontiers, then under discussion. Thiers resigned, and was succeeded by Guizot, whose proceedings were always of a somewhat cosmopolitan, anti-national character, so that it was not altogether inappropriate when his Ministry was nicknamed the *Ministère de l'Etranger*. It was naturally under the monarchy, where power centred in one person, that the influence possessed by the Rothschilds displayed itself most conspicuously and undeniably.

Few were the public men who did not feel and own that influence. The majority of the deputies, we may say, without fear of contradiction, were more or less under obligations to the firm, and ready to assist in promoting its interests and views. Still, although in diplomatic circles Baron James de Rothschild was a personage of such importance that his opinions could never be altogether disregarded, it was upon the Stock Exchange that his rule was most powerfully felt and universally recognized. Nor did he hesitate to use the sovereignty he possessed to further his purposes, as he could raise or depress prices at his pleasure. His sway was indeed despotic, and none were found bold or rash enough to dispute or oppose his arbitrary edicts, as the gigantic nature of his operations effectually prevented anything like systematic opposition being offered, and induced others to lend him their co-operation by following in his steps. It cannot be denied that the Stock Exchange can boast of intellects which in diplomatic skill and artifice would do credit to a Talleyrand, and it is equally certain that for boldness in conceiving and for vigour in carrying out a plan none could excel Baron James, whose operations were the talk and

wonder of Europe. Seeing the facility with which at a stroke fortunes may be won on the Stock Exchange, it is not surprising that speculation should have a strange fascination over the public, nor that the Stock Exchange should become a training school for the development of every kind of trickery and deceit, the centre of genuine business, and of endless swindling.

To live we require the necessary means, and it is the fate and calling of everyone to strive after the acquisition of wealth, and, when he has succeeded, to use the utmost care and thought in the preservation of his gains. There are many ways of attaining this object, since it is possible to acquire riches either by labour, industry, or speculation. Naturally everyone, being more or less anxious to become wealthy, prefers the way which leads most directly and with least trouble towards the goal. The outcome of this innate desire to grow rich speedily and without effort was the invention of games of chance, which have been in vogue from the earliest ages; the dice were as familiar to the Greeks and Romans as they are to us in the nineteenth century. It was the desire for gain which led the people of the Middle Ages to place such faith in the black arts,

and in the power of the divining rod. The infatuated and ignorant belief that many had in the boasted powers of the alchymists and astrologers was owing to the latter taking advantage of the cupidity of their dupes, who, in the anticipation of becoming suddenly rich, were ready and willing to place implicit reliance in their mysterious advisers. But the philosopher's stone and all such trash are now discarded, and instead of it we have speculation, stock-jobbing, gambling and swindling; all being different modes of attaining the same object, —the acquisition of wealth with the least possible trouble or exertion.

Real gain is that which arises from industry backed up by capital and credit, the latter of which is proportionate to the industry and capital combined. In many countries credit is the basis of all business, which is facilitated and developed by its means. According to the estimate entertained of the credit and character of the individual, the credit of a State is formed; this in earlier times was so slight that oppressive measures had to be resorted to in urgent cases to procure the necessary funds to meet the State's requirements. For the same purpose recourse was often had to the reduction of the interest

on the debt, and to the issue of base money. As years rolled on the evils arising from these practices were recognized, and sounder principles of finance and administration were, by degrees, adopted. Thenceforward the public were induced to confide in the Government, and invest their money in the purchase of the Government stocks, which became at once the basis of a speculation similar to that in private shares. The funded debts of a State, especially of one whose credit has decayed, are, in disturbed times, the most prolific source of that species of gambling for the differences in the quotations, which is known in England as stockjobbing. In every country the Government stocks are used as the means of gambling. The Stock Exchanges of London, Paris, Frankfort and Vienna are crowded with persons who have neither stock to sell, nor money to pay for their purchases, but who yet embark in large speculations for the rise or fall, hoping to pocket, before the settling day, a handsome profit by the difference that takes place between the prices at which they buy and those at which they sell.

The usual mode of conducting speculation on the Stock Exchange is by means of "time-bargains," *i.e.*, bargains which are not settled before a certain

day, usually termed the "account," or settling, day. Naturally during the interval between the closing of a bargain and the account day, prices may experience considerable fluctuations, on which speculators greatly rely for the success of their dealings. For instance, a person may sell an amount of stock for the "account," and owing to a fall of prices may be able to buy that amount in again at a considerably lower price, thereby pocketing a handsome profit in the shape of the difference between the two prices. On the other hand it frequently happens that the market disappoints the expectations of speculators, who are consequently unable to settle their transactions by delivering the stock they have sold, or by paying over the cost of their purchases; in such cases the transactions are usually arranged by the defaulters paying the differences between the prices at which the bargains were struck and those ruling on the account day. From this explanation it will be at once seen how speculation is encouraged, since it is possible for persons without capital or stock to embark in speculations for large amounts, and these speculations, if luck attends them, return fabulous and easily earned profits.

No wonder that this sort of business has its fascinations. It is, indeed, neither more nor less than gambling pure and simple, and is so considered by the law. There can be no doubt that this gigantic system of speculation is prejudicial to the public interests, as it seduces business men from their own legitimate business, which they neglect in the hope of gaining larger profits, with greater ease, on the Stock Exchange. Were this system of buying and selling for future delivery confined to the Stock Exchange there would be less reason to complain; but, unfortunately, it is practised upon all our produce markets, where panics are by its means created with far too great a frequency. The public are the greatest sufferers in such cases, as the prices of commodities which they require, and with which they can ill dispense, such as corn, tea, coffee, etc., are often forced up to an extraordinary height by the efforts of unscrupulous and greedy schemers.

The want of principle and the readiness of speculators to attain their ends at all hazards, is shown by the many artifices they employ to effect a reaction on the market. It often happens that the market, contrary to their sanguine expectations, makes a movement which if maintained is sure to

bring about their ruin; consequently they strenuously endeavour to remedy the evil by the fabrication and circulation of false news, by the publication of lying statements in the newspapers, and by any other dishonest means which appear likely to produce the desired result. These tricks are bad and objectionable enough, but in more than one instance ruined speculators have as a last resource tried to re-establish their shattered fortunes by forgery and other fraudulent means. In 1803, when the greatest anxiety prevailed in London as to the result of the negotiations then pending between the French Republic and the English Government, the whole city became elated and joyous owing to a statement contained in a letter, posted in a prominent position on the Mansion House, to the effect that: "the negotiations were brought to an amicable conclusion." As this letter purported to be written by Lord Hawkesbury, implicit faith was at first placed in its genuineness, especially as it seemed to enjoy the sanction of the Lord Mayor. The Funds rose at once with a bound. Presently, however, when the matter was quietly considered, grave doubts began to be entertained as to the authenticity of the letter. Many (and among them perhaps the authors) boldly

declared it fictitious: a reaction forthwith set in, and was intensified when the forgery was exposed. A similar incident occurred only a year or two ago when a letter pretending to be written by Lord Granville's authority, and stating that the settlement of the bondholders' claims against Chili had been satisfactorily arranged, was placed in a prominent position on the Stock Exchange. It is needless to say that this likewise was a hoax, or rather a forgery. Nor is the pernicious practice of fabricating false news by any means confined to the members of the Stock Exchange; all who operate in the Funds and are interested in bringing about a certain movement in the quotations resort to these objectionable devices. Members of Parliament are not above stooping to such meanness; indeed more than one Stock Exchange scandal has originated in the dishonest practices of honourable members. Few trials created greater sensation in England than those of Mr Walsh, M.P., and Mr Cochrane Johnstone, M.P., at the beginning of the present century. Impelled by their fatal love of speculation Cabinet Ministers and other persons holding high official rank have been known to take advantage of their position and turn to profitable account

the information which has reached them through official channels. Nothing shows more clearly the baneful effects attending the mania for speculation than the deplorable fact that ministers have been led by its influence to abuse the confidence placed in them, and subordinate the public interests to their own. Take for instance the case of the Count de Guisne, the French ambassador in London at the early part of the present century. Profiting by intelligence received in virtue of his office, he speculated in the Funds with great success for a time, but afterwards his good fortune deserted him, and he was unable to meet his engagements. As long as he was lucky he was willing to acknowledge the contracts made with his broker, but when his luck changed he disowned all knowledge of the transactions, refused to pay the balance due, and quitted the country. Apart from the evils directly traceable to speculation, the amount of bribery and corruption it engenders cannot be estimated. In order to obtain the earliest information of all that passes in political circles, speculators spare neither trouble nor expense. By means best known to themselves, but which may be expressed by the conventional term "value received," they



BARON JAMES VON ROTHSCHILD.

manage to obtain from subordinate officials and court attendants early and reliable reports of all that it concerns their interests to know. The famous Duke of Marlborough is indeed said to have so far forgotten his station as to have accepted an annuity from the great speculator Medina, who found the outlay extremely remunerative, as it enabled him to have the exclusive privilege of forwarding from the field of battle reports of those great successes which fired the spirit of the nation with enthusiasm and joy. Formerly the advantage of possessing reliable information of any important event, such as the declaration of war, the resignation of a cabinet, the illness of a sovereign, was very considerable, since, owing to the slowness of communication, the truth or falsehood of the reports promulgated by speculators could not be ascertained until they had affected the market and brought about the movement in prices which inevitably filled the pockets of those who were in the secret. Thanks to the invention of the telegraph, these lying rumours are now exposed almost as soon as circulated, but twenty or forty years ago it would have taken days or weeks to ascertain how true or false they were.

The year 1847 was a most evil year both for

commerce and State finance, especially in England and France. So severe, indeed, were the financial pressure and the scarcity of money in England, that during the month of October bills drawn upon and accepted by first-class firms, with only a week to run, were discounted at the rate of 13 per cent. per annum. The banks in Liverpool and Newcastle, owing to a run of unprofitable business, were forced to suspend payment, thereby causing ruin and distress in every direction. The pressure arose more from want of confidence than from any other cause. Everyone had more or less caught the speculation fever raging for railways and corn, and had become liable for sums far beyond his ability to pay; consequently the value of all railway securities fell rapidly, whilst vast amounts were lost in the corn speculations.

During the following months the prices of the Government stocks rose in a strange fashion, despite the well-known scarcity of money prevailing at the time. Chance and an unlooked-for succession of various causes, rather than the powerful manipulation of the Rothschilds, brought about this unusual phenomenon. Extensive dealings had taken place in the Three per Cent. Rentes, and it

was found on settling-day that those securities were greatly over-sold. A large portion which remained uncovered figured in the names of the Rothschilds. Since the latter had endeavoured to force prices to take a certain path, this amount had been considerably augmented, and, according to estimate made, it was thought that the average price would work out about 75 francs 50 cents. From the systematic sales effected by the Rothschilds, it seemed that their principal object was to maintain this quotation, and that their speculations would prove unprofitable were the prices to rise beyond 75.75, which to all appearances was their limit. The great herd of speculators who faithfully followed all the movements of Baron James, whose actions inspired all their operations, were now placed in an awkward position. They had sold very heavily for the account, but when settling-day arrived stock proved exceedingly scarce, and it became an easy matter for the "Bulls" to raise the price to 76 francs 40 cents., as they were assisted in their efforts by the absence of fresh sellers, the scarcity of stock, and the readiness of persons to buy. Shortly afterwards the price rose to 77 francs, apparently quite contrary to the interest of

the house of Rothschild and to the desire of all well-wishers of the new project for a State loan of 250 million francs. Then there ensued an unexpected revival of confidence among the public, similar to that which had occurred the year before; the public entered into the speculation, wrested the sceptre of power from the hands of the Rothschilds, and showed them that at times the public is able to set a limit to their rule. In order to counteract the influence brought to bear upon the market, Baron James determined suddenly to unload on it some 450,000 francs Three per Cent. Rente, which he had borrowed from the three great insurance companies, the Compagnie Générale, the Royale, and the Union, against the deposit of 500,000 francs Five per Cent. Rente. Apparently his object was by this sudden delivery for cash to beat down the price to his old limit, but in this calculation he was mistaken, as means were found to relieve the market of all this stock, and so the operation failed. The "Bulls," who had hardly dared to expect the disappearance of so large an amount of stock, took heart of grace, and kept the quotation up almost to 77 francs. Unwittingly they had helped Baron James to win his game. Dealing

in the new loan first took place at 76 francs 50, then the price sank 1 franc, or 75 cents., about the price at which Baron James contracted for the loan in November, 1847, namely, 75 francs. Baron James had scored another victory over the whole financial world in Paris. Directly he undertook the loan he issued a circular calling upon all subscribers to pay an immediate instalment of 5 francs upon every 100 allotted to them, failing which their applications would be disregarded. Speculation had been so rife that Baron James may have decided upon this measure from mistrust of the subscribers' ability to fulfil their obligations; or his object may have been to increase the firmness of the new loan on the market.

While Louis Philippe occupied the throne, money was supreme; riches alone ruled in the land which was credited with possessing—thanks to the system of so-called popular representation bestowed upon it—all the blessings and advantages supposed to attend a constitutional monarchy. In the Chamber of Peers the interests and aims of every class had representatives, the second Chamber, elected under a high census, being the reflection of the rich *bourgeoisie*. Such an Assembly of representatives was,

however, as regards the people, a fiction. Moreover, Stock Exchange speculation formed the chief occupation of the rich *bourgeoisie*, while Louis Philippe and his Prime Minister Thiers led the van in this playing with fortune. The financial situation was for ever growing worse in consequence of the rapid spread of corruption, especially in the practice of buying votes. The demands of those who allowed their votes to be bought kept becoming more and more exorbitant, but, as the means at the command of the corrupting parties did not increase in the same proportion, the court favourites had to make free with the State treasures to supply the deficiencies. Fearful scandals were brought to light, until the feelings and good sense of the nation could suffer the evil no longer. Stronger and stronger waxed the cry of corruption with which the Guizot Ministry was assailed. In spite of all that he had done for them, by degrees even the *bourgeoisie* began to desert Louis Philippe, and united in the demand for a reform of the electoral system. The whole tone and manners of society were affected by the universal corruption, and to what a depth of vice and degradation the public morality had fallen was shown by the revelations

that took place. So far had many persons gone that the Government were forced to disown them and their practices. Like shipwrecked mariners, the Government consulted their own safety by sacrificing their weaker comrades, and prosecuted numbers who had high rank, and were at the same time friends or relations of the King; such persons, for instance, were Teste, formerly in the Ministry, and Cubières, an old Court favourite, both of whom had either made away with the State moneys or had allowed themselves to be bribed; lastly came Praslin, an old friend of the King.

The monopoly of the State loans which the house of Rothschild had in the course of time secured to itself, and which afforded strong evidence of the immense financial power at its command, has, in consequence of the new principles of finance by which the Government has been guided since 1848, come to an end. At one time it would have been thought a piece of madness to oppose or compete with the Rothschilds in their operations, but now, owing to the powerful and active coalitions formed among many of the leading banking and financial houses, the power and influence of the Rothschilds have received a severe check. They are no longer

the all-puissant despotic firm they once were; younger and equally energetic rivals have forced them to descend from the platform they once occupied alone, and they now stand on the same footing as other financial houses. Their influence is of course still immense and powerful, but it no longer secures them the precedence they so long held in monied circles. The effect of the new principles of finance upon the privileges and influence of the house of Rothschild was clearly shown in 1855 when the national loan was issued. The Rothschilds were no longer allowed to pocket, by contracting for the whole loan, all the profits attending the issue; they were forced to subscribe on an equal footing with every other citizen for whatever share they wished to obtain. The policy and wisdom of the Government in taking this bold measure cannot be doubted, as it enabled the public to share in the profit attending the issue—a profit which on previous occasions the contractors had exclusively enjoyed. The loan was issued to subscribers at 63 francs 27 cents, but long before the allotments took place it was dealt in on the Exchange at 65 francs 90 cents.

In addition to the Government business, as we may call it, Baron James engaged in many com-

mercial and industrial undertakings. To him France is in a great measure indebted for the construction of most of her principal railroads. He may indeed be called the "Railway King" of France, as Hudson was the "Railway King" of England. To quote the "Augsburger Allgemeine Zeitung" once more:

"When during the last few years the speculative mania turned towards industrial enterprises, and railways became a necessity on the Continent, the Rothschilds took the initiative and placed themselves at the head of the movement. The Versailles Railway on the right bank of the Seine is their creation, and in Austria they gave the first impulse to enterprise of this description by building the magnificent Northern Railway."

The greatest of Baron James's railway undertakings was perhaps the construction of the Northern Railway of France, which was attended by so many scandals and productive of such widespread speculation that some description of it may not be out of place. In order to secure the country all the benefits supposed to result from unlimited competition, a law had been passed by which it was decreed that the construction of railways in France was not to be effected by granting concessions to particular per-

sons, but was to be confided to those companies whose tenders proved most acceptable. In the case of the Northern Railway, these prudent precautions proved unavailing, as Baron James secured beforehand the co-operation of all who might have been his rivals, and, his being the only tender, there was no alternative but to accept it. The capital of the company consisted of 300,000 shares of 500 francs each. Baron James had no sooner got his company fairly started than he inaugurated a wholesale speculation in the said shares. Every trick and artifice known was employed to force them up to a fabulous price; they were given away broadcast to the newspapers, in order that the praises of the latter might be won for the undertaking, or their opposition at least silenced. There was scarcely a person of any importance but received a present of a number of shares, in some cases five, in others fifty, and often more. Ministers, deputies, journalists, everyone, in fact, of any note was bribed to lend his support to the new railway. Naturally the shares soon rose to an enormous premium, and the ignorant and infatuated public, gulled by the reports of the enormous sums already won, and still to be won, hastened to participate in the speculation. The premium on

the shares was at one time as much as 348 francs, when Baron James thought it time to realize the profit arising from the operation, and accordingly began to sell out the shares he held. By selling heavily he forced the prices down, ruining the ignorant persons who had purchased the shares at a high premium. He was thus enabled to buy in at a price which left him a handsome profit on the shares he had sold. And so the speculation went on, Baron James, backed up by the immense support he had secured, raising and depressing the market by his manœuvres just as it suited his purpose. His gains were set down by popular estimate at 140 million francs, but that may be an exaggeration. On the 15th June, 1846, the line was opened with great pomp, and amidst universal rejoicings. Amiens on that day presented a grand spectacle, crowded as it was with princes of the royal family, marshals and generals, deputies, peers, members of the bar, and others who had been invited to take part in the opening ceremony. Unhappily the line inaugurated under such brilliant auspices was, a month or two later, the scene of a terrible accident, by which some thirty persons lost their lives, and an equal number were more or less injured.

The great success and immense fortune gained by Baron James could not fail to win for him a large amount of jealousy and envy, which displayed itself in the combinations formed by rival firms, all anxious to deprive him of some portion of the large profits attending his operations. Among the many formidable rivals with whom he had to contend, none perhaps proved himself so capable and dangerous as Emile Péreire, the head of the firm of that name. So bitter was the rivalry between the two that neither lost a chance of damaging or spiting the other; indeed, so far did matters go that Baron James and Péreire allowed their rivalry in business to grow into a personal enmity, which displayed itself on every possible occasion. Neither hesitated stooping to enter into any intrigue or doing any mean trick if he thought he could thereby damage his rival, either in reputation or pocket. As Péreire's means alone would have been insufficient to attain the objects he had in view and compete with the influence and fortune of the Rothschilds, he sought the co-operation of other influential firms, not only in Paris but in other great capitals. So powerful was the coalition thus organized that even the vast influence of the Roth-

schilds was ineffectual in the attempt to procure its overthrow. Some idea of the strong opposition with which Baron James had to contend may be formed from the credit and capital possessed by the coalition, which included such well-known and wealthy firms as Barings of London, Hope and Co. of Amsterdam, Stieglitz of St Petersburg, and many others. The rivalry between Rothschild and Péreire was carried on vigorously, and with ever-increasing bitterness and warmth. Rothschild on the one hand was jealous and annoyed by the young upstart Péreire, whilst the latter, conscious of his exceptional energy and abilities, was anxious to force the wealthy and despotic Rothschild to abdicate the lofty position he had gained on the Paris money market. On more than one occasion Baron James exerted himself to the utmost to crush and annihilate his young rival, but Péreire's strong will and financial skill were more than a match for the ability of Rothschild and his millions. In these contests for supremacy it was not always Péreire who had to yield. More than once Baron James found himself out-manœuvred, and compelled to retire from the arena. In 1856, for instance, Péreire, in conjunction with Hottinger Thurneysser in Paris, and

Stieglitz in St Petersburg, succeeded, in spite of all the frantic efforts and the immense and varied influence brought into play by Baron James, in gaining a concession for the construction, during a period of eighty-five years, of a network of railways throughout the Russian empire. This enterprise is certainly one of the greatest and most lucrative of the present century.

Having been thus defeated in his endeavours to secure the concession for the Russian railways, Baron James revenged himself by founding the Vienna Credit Bank. The different offers that were laid before the Austrian Ministry of Finance resolved themselves into two groups, at the head of which stood the Rothschilds on the one hand, and Péreire on the other. In the position it held on the European money market each of these two great houses possessed material advantages, which brought out prominently its individual character. The name of Rothschild had about it a sound of historic fame, of well-merited popularity, and of world-wide wealth which carried with it immense weight, whilst, in addition, its interests and business were looked after by the different members of the family residing in all the great capitals of

Europe. The house of Péreire, on the other hand, had in its favour the greater energy, the higher administrative ability, and the superior capacity of its chief. Both houses were all powerful on the great European markets, and for the sake of the new institution it was eminently desirable that the rivalry between the two should cease and a fusion of interests take place. This to all appearances was the opinion of the Finance Minister, who wished to give no decision as to the merits of the two proposals until every effort to secure the alliance of the rival firms had been exhausted. There seemed to be some probability of the much-desired union being consummated, but Péreire, in a letter from Paris, declared he would not undertake the establishment of the new bank in conjunction with Rothschild, unless the latter promised to abandon his opposition to the *Crédit Mobilier*, another of Rothschild's powerful rivals. Baron James positively refused to give the promise, and the negotiations fell through, the ultimate result being that the establishment of the new bank was, as we have said, entrusted to the house of Rothschild.

That Baron James was not successful, in spite of his most careful calculations and circumspection, in

all his enterprises, the reader knows. Unforeseen circumstances will crop up at times to mar the best-laid plans, and the Baron, like others, was not exempt from Fortune's freaks. Great as his winnings were, his losses were on a correspondingly large scale whenever his usual luck deserted him; the amounts he lost at a single stroke were indeed so enormous that they can scarcely be credited. One of his heaviest losses was undoubtedly that caused by the frauds of Carpentier, the accountant or cashier of the North of France Railway. The particulars of this gigantic robbery, without a parallel in the history of crime, were published in one of the papers, and were as follows :—

"The mystery surrounding the theft from the Northern Railway is by degrees being cleared up. The directors try to furnish as few details as possible regarding this event, which does poor credit to their prudence and watchfulness. They at first desired to give no publicity at all to it; the Paris press had been won over, but, as the foreign journals would not allow the occurrence to be buried in silence, the Northern Railway was forced to step forward with its explanation, in which the losses were set down at six million francs. This

estimate is, however, far from correct; it speaks only of the theft of shares, whilst the thieves also emptied the safes of all the money they contained. It has not been ascertained what is the exact loss the Railway will have to suffer; indeed it is a matter of some difficulty to discover the extent of the frauds, as the thieves have destroyed nearly all the papers which could help to elucidate the precise nature of their proceedings. The amount stolen is estimated to amount to from 30 to 32 millions. The loss will not fall on the Northern Railway alone, as Messrs Rothschild, André, and De Morny will have to bear their share. Carpentier, Grellet, and their accomplices must have been planning the execution of their project for a long time past, for they had already previous to their flight realized large sums, and six months ago purchased a steamer in England for 1,800,000 francs. From papers discovered after their flight it would appear that they have bought a house in New York, which is, perhaps, the reason why they have left England for America. How far back the embezzlements extend is not yet known, although it has been discovered that the fugitives have been selling shares on the money market here for a long time past. In order to be able to produce

the proper number of shares when an examination of those left in their care took place, they adopted a very clever artifice. The shares deposited with the administration were kept tied up in packets of 1,000 each, and the thieves with the assistance of some of the subordinate officials, who were all more or less in the swim, abstracted from each of these packets 200 or 300 shares and tied the packets up again. When the examination, which to all appearances was very superficial, took place, the full number of shares was seemingly forthcoming, and the embezzlement remained undetected. In this way the thieves were able to realize a considerable sum before they carried out their grand and final stroke. Carpentier was the first to quit Paris; he had solicited leave of absence for four days from Rothschild, who readily granted the favour. On this occasion Carpentier had a long conversation with Rothschild, with whom it is well known he was a great favourite. Baron James had just done a fine stroke of business and told Carpentier that his winnings amounted to some five millions. 'If,' continued the rich banker, 'my Algerian Railway speculation turns out all right, I hope to add three more millions to my five.' 'Will you put them

before or after your five millions?' asked Carpentier; 'will you pocket thirty-five or fifty-three millions? Put them in front, and hand me your five millions, you will still have a nice little sum left for yourself.' Rothschild laughed at the joke, but would not surrender his five millions. 'I cannot give you my five millions, but here, take my chain; it may serve as a friendly souvenir of this day, which has brought me so much pleasure and profit.' The chain was, we need hardly say, of great value, and Carpentier, although he had already provided himself with far greater wealth, did not despise the offer, and sent the chain as a present to his brother before leaving Paris. From the above conversation, which Rothschild communicated to his friends, it will be seen that he and Carpentier were on the most confidential terms. It was Rothschild who had obtained Carpentier his appointment as chief cashier in the Northern Railway Company, and his rage and fury on learning how his protégé had misconducted himself were terrible. He tried every possible means to secure the capture of his ungrateful and dishonest favourite, and when, accompanied by detectives, Monsieur T—— of the Northern Railway started off in pursuit of Carpen-

tier, Rothschild opened an unlimited credit in his agent's favour, saying he was to hesitate at neither expense nor means—that he, Rothschild, would readily give ten millions to get Carpentier in his power. From Paris Carpentier proceeded direct to London, and thence to Liverpool, where the steamer he had purchased was lying. He had her got ready at once and gained the high seas. He there waited for his accomplices to join him. During Carpentier's absence Grellet was placed in charge of the cash. On the day the clerks and workmen of the railway were to be paid, he was not at his post. Information was sent to Rothschild that he had not appeared. Rothschild, who had no suspicions of anything wrong, proceeded to the offices of the Company, and by means of the duplicate keys in his possession opened all the safes, in order to give out the sums required for the payment of the workmen. He opened the small safe, only to find it quite empty. His suspicions were at once aroused, and he ordered the manager to observe strict secrecy, as he would bear all responsibility; he then opened the large safe; that was likewise empty. The loss of shares was not discovered till later. Measures were at once taken to procure the

arrest of the thieves, but they had got so good a start that Grellet was able to join Carpentier unmolested. With Grellet and Carpentier, four subordinate officials disappeared; Carpentier likewise took with him his mistress, a Mademoiselle Georgette, who had been living in Paris in a very extravagant style. Carpentier and Grellet are still very young men; the former is fair, looks exceedingly delicate and pale, and appears to be in a consumption. Grellet belongs to a very good family, and has a large private fortune, said to amount to 500,000 francs. The statement that he and Carpentier were driven to their crime by losses on the Stock Exchange and fast living is false; both, on the contrary, led very regular and quiet lives, and, if they lately have been spending money freely, that is only a consequence of their criminal conduct. They were in no way driven to crime; they simply plunged headlong into guilt."

The immense services rendered by Baron James de Rothschild to the State were recognized and rewarded by the Government, who showered upon him titles and decorations of every description. During the reign of Louis XVIII., when the proud aristocracy had its own way in everything, the

Baron was not on the most friendly terms with the Government, owing to a slight which he received at their hands. It is said that, as a modest reward for his services, he asked that his wife might be introduced at Court; but, when the haughty Duchesse d'Angoulême was consulted, the favour was refused, as she declared that she was quite scandalized at the suggestion. "It must not be thought of," said she; "you must not forget that the King of France is the most Christian King." However, Baron James punished this narrow-minded prejudice in his own way: during the remainder of the reign he withdrew his support from the King, and quietly declined to aid either financially or by advice a Government swayed by such mean and paltry principles. The revolution of 1830 made amends for the slight he had suffered. He welcomed the new Government, which he supported with all his influence and money, and became on the most intimate and friendly terms with the new Court. He dined regularly every week at the Palais Royal, and the King's sons never failed to be present at the soirées held in the Rue Laffitte. During the reign of Louis Philippe the influence of Baron James was all-powerful; the reign has been

called the reign of stock-jobbing and speculation. It was no longer Baron James who had to solicit favours from the aristocracy; it was the aristocracy who sought the patronage and aid of the rich banker. The splendour and luxury of the entertainments given in the Chaussée d'Antin were never equalled by any given by the Court. The banker's house on such occasions was thronged with a crowd of persons distinguished in the diplomatic and financial worlds. To procure an invitation from Baron James was almost more highly thought of and sought for than a presentation at Court. Smarting, perhaps, under the recollection of the snub once given him, Baron James took a delight in humiliating those who now cringed to him. His roughness of manner, and his blunt if not coarse mode of speaking were well known, and many anecdotes of his utter disregard of politeness have been published. The higher the rank of the victim the greater the pleasure Baron James derived from the confusion and pain caused by what he regarded as his blunt and outspoken manners. Sometimes he met his match, and would receive a severe rebuff, but even that only disconcerted him for a moment. Amongst his guests at the Rue Laffitte

on one occasion was Prince Paul of Würtemberg, who had honoured him by accepting an invitation for dinner, during which Baron James persisted in disregarding all etiquette and in addressing the Prince in a most annoyingly familiar tone. At first the Prince treated his host's conduct with contemptuous silence, but, as that proved insufficient, he at last rose from the table and left.

A Conservative deputy met Baron James at the Opera, and inquired how he was. "Not so bad." "And the Baroness?" "What concern is that of yours?" replied the Baron, turning his back roughly on the speaker.

Those who suffered most from this objectionable practice of Baron James were artists, journalists, and others, who, being indebted to him for his patronage, hardly felt bold enough to rebuke his unmannerly behaviour. Jadin was painting some frescoes in the dining-room belonging to Baron Salomon de Rothschild, when Baron James entered and caught him accompanying himself in his work by singing and whistling different airs.

"Holloa! you workman with the decoration, come down a bit; I want to speak to you."

Jadin gave no reply, shrugged his shoulders to show his indifference, and continued his singing.

This behaviour naturally created for Baron James many bitter enemies, who lost no opportunity of holding him up to ridicule in the press. No doubt much that was printed to his disadvantage had no better authority than the writer's imagination, but still Baron James's character offered many opportunities of attack to those who wished to irritate and annoy the great banker. There was in Baron James's character a peculiar combination of seemingly opposite and antagonistic qualities. On the one side there was the shrewd man of business, ready to sacrifice thousands, if by so doing he could gain millions; while, on the other, stood his well-known benevolence and charity. True to his keen business instincts, Baron James showed in the most trivial matters an anxiety and a determination always to obtain as cheaply as possible what he bargained for. This niggardly spirit was naturally ridiculed by his calumniators in the press. The story of the gardener Paquet is not unworthy of reproduction here.

By a process little known at that time, but common enough now, Paquet succeeded in obtaining three magnificent peaches in the month of January. All interested in horticulture hastened to inspect such a marvellous proof of his skill, and among the visitors was Baron James. The following conver-

sation then took place between the great gardener and the great millionaire. The story reads so much better in French, that we may be excused for printing it in that language:—

"Fraiment, Monsieur le chartinier," dit-il, "vos bêches sont atmiraples. Gombien en voulez-vous?"

"Quinze cents francs, Monsieur le Baron."

"Bar exemble!"

"C'est tout au juste," dit Paquet. "Je ne voudrais pas vous surfaire."

"Drois bêches, quinze cents vrancs, *Mein Gott!* Et drois bêches qui beut-être ne falent rien."

"Oh! pour cela, je vous arrête," dit l'horticulteur piqué. "Vous allez avoir immédiatement la preuve du contraire."

He at once plucked one of the peaches, cut it in two, and offered one half to the Baron, whilst he ate the other himself.

"Qu'en dites-vous, Monsieur le Baron? Vous êtes connaisseur; je m'en rapporte à la finesse de votre palais."

"Drès-ponne! Télicieuse!" dit Rothschild croquant la pêche.

"Oui, c'est de la meilleure espèce. Chair ferme, saveur exquise. En plein air, cette espèce-là ne mûrit qu'au commencement de Septembre."

"Foyons, Monsieur le chartinier, ce n'est bas fotre ternier brix?"

"Pardonnez-moi. Quinze cents francs, comme j'ai eu l'honneur de vous le dire."

"Eh," s'écria le juif, "blaisantez-vous? Il y a une bêche te moins!"

"N'importe, c'est toujours quinze cents francs—pour vous, Monsieur le Baron. Ce sont là des fruits de millionaire; je n'en rabattrai pas un centime."

Rothschild finally bought the peaches, when the meaning of the gardener's conduct became clear to him.

The well-known anecdote of Vernet the painter did not end so pleasantly for the Baron. When he called and inquired how much the painter would charge to execute his portrait, he was told—

"For you, Monsieur le Baron, it will be four thousand francs."

"The devil! It will cost you only two or three hasty strokes from your brush. Come, now, that strikes me as being rather dear."

"Ah, you deal in the arts, do you?" exclaimed the artist, with a shrug of his shoulders. "Ah, well, it will be four thousand francs, not a centime less." And, when Rothschild manifested his surprise, the painter continued: "If you add another word it

will be three times the sum. Am I to paint it or not?"

Baron James hastened to quit the studio, apparently alarmed at being in company with one who was, he believed, perfectly mad.

"Wait a moment!" cried the artist after him, "I will do your portrait for nothing."

And he kept his word. In his picture called "La Smala" can be seen a hideous-looking Jew, running away with a casket of jewels and money, his face expressive of the most sordid avarice and ill-concealed fright. That portrait is a gross caricature of Baron James de Rothschild.

However illiberal he was in matters of business, Baron James could display bounteous liberality on occasions when his business instincts were not touched. But even his immense and well-known beneficence was misconstrued and attributed to interested motives, owing to the belief that a man could not be so lavish in his gifts who was known to be so close in his every-day conduct. For many years the greatest suspicion and disbelief of the purely disinterested nature of the Baron's charity prevailed among the public, and this opinion was fostered and encouraged by the vile calumnies

printed in the press. In 1847, Baron James, foreseeing the distress and want likely to result from the poor harvest of 1846, took energetic measures to provide a remedy for the evil. He bought, in the European and American markets, prodigious quantities of corn, which he afterwards sold at an immense loss in Paris. An enormous bakery was started in the Chapelle Saint-Denis, where the starving poor were able to procure bread at a large reduction. But the most generous plans, the most charitable projects, prove abortive when they emanate from the brain of a man in bad odour with the public. No trust was put in the good nature of the great Jew; the most violent diatribes appeared in the papers every day, telling the public to be on its guard; that his bread was not bread at all; that his flour was not flour. It was bran; it was plaster, mixed with arsenic. Others asserted that Baron James had bought large quantities of damaged flour and that he concealed its bad quality by mixing with it sweet almonds, his calumniators quietly ignoring the fact that sweet almonds are far more costly than the best flour. In addition to the enormous sacrifices made in supplying corn to the distressed population, Baron

James, in 1848, subscribed no less than fifty thousand francs in aid of the wounded and the unemployed workmen. This was certainly a display of the most liberal generosity, seeing that he had himself much to fear from the excesses of the excited populace during the outbreak of the revolution. It must have been an anxious time for him as he learnt of the excesses of the mob, every moment expecting it would be his turn to receive a visit from them. But among those having influence and control over them was Marc Caussidière, who was not unmindful of the charitable munificence of Baron James. By his orders guards were stationed not only round the hotel, but also round the suburban villas of Baron James, whose anxiety was relieved by the grateful thoughtfulness of the citizen. Less than a year after, Baron James proved that he was capable of appreciating the admirable conduct of Caussidière, who, when he reached London, an exile and a beggar, received the following note from Paris:—

"SIR,

"Allow me to place at your disposal the sum of thirty thousand francs. This little capital will

enable you to start some business in the hard land of exile. You may return it to me in ten, twenty, or any number of years you please. It is a feeble testimony of my gratitude for the great services you have rendered the country.

"I am, &c. &c.,

"ROTHSCHILD."

Even this display of gratitude was reported to be owing to prudential and selfish motives, for it is asserted the Baron said: "The devil is never conquered; who knows but that he may return?" It is, however, satisfactory to learn that these thirty thousand francs paved the way to Caussidière's fortune, as he started a wine and brandy business, which eventually proved very lucrative.

If all the stories related of him be true, Baron James displayed remarkable skill in being charitable at the expense of others. He was frequently reproached with his disregard of, and want of sympathy with, his co-religionists in misfortune, and it was suggested to him that he might at least give them the benefit of some Stock Exchange operation. The hint was taken: a

manœuvre was carried out one fine morning to effect a rise in the market and was followed almost immediately by a fall which enabled the Baron to make a profit of 850,000 francs, which sum he devoted to the construction of the Jewish Home in the Rue Picpus.

On another occasion he granted an interview to Felix S——, a man of considerable talent, who laid before him the plan of a vast undertaking, which as Baron James acknowledged appeared both novel and ingenious as well as possessed of every quality necessary to secure its success. But, although entertaining so favourable an opinion of the scheme, he positively declined to embark any money to float it. He said, however, "Follow me, and the capital will soon be forthcoming." He then made his visitor enter his carriage and drove to the Bourse, where they walked up and down, arm in arm, together. They had scarcely separated ere several capitalists hastened to surround the man honoured with the friendship of the king of finance, and after an explanation they assured him of their readiness to support him both by their influence and their capital.

Heine, in referring to his friend and patron, thus

described Baron James de Rothschild: "He was a remarkable personage, whose financial abilities I do not pretend to analyze, but they must have been considerable, if their results are any criterion to go by. He possessed the peculiar gift or instinct of observation, by which he was enabled to discover the capacities of other people in every sphere of life. Many persons have on this account compared him to Louis XIV., and truly, in contrast to his colleagues who surround themselves with a generality of mediocrity, Baron James was always to be seen on the most intimate footing with the notabilities of every rank and station. He always knew who was the best man in any business, even if that business was a mystery to him. Though he probably possessed little knowledge of music, Rossini was his constant companion; Ary Scheffer was his family painter; Caréme was his cook. He certainly understood not a word of Greek, and yet the Hellenist Latrone was the scholar whom he favoured mostly. His physician was the genial Dupuytren, and the most brotherly affection existed between them. At an early date he duly appreciated the worth and ability of Cremieux, whom he found to be a trusty advocate. At the very outset he

recognized the political abilities of Louis Philippe, and was always on confidential terms with that great master of the arts of diplomacy."

Baron James de Rothschild died on the 15th November, 1868.

The present head of the firm in Paris is Baron Alphonse de Rothschild, the eldest son of Baron James. He inherits much of his father's financial talent, and is acknowledged by the rest of his relatives as the shrewdest and most able man of business among them. He is the head of the family not only on account of his ability, but also on account of his seniority, as he is the oldest of Mayer Amschel Rothschild's grandsons. For some years before his father's death he took an active part in the conduct of the firm's business, whence we may infer that he is indebted to the careful training he then received for much of the remarkable skill he has since displayed in operations of the greatest magnitude. All grand international loans, *i.e.*, loans issued on behalf of a particular Government in several countries simultaneously,—are invariably submitted first to Baron Alphonse, as he is known to be the best judge of the time and conditions most conducive to the success of such

undertakings. The number of loans issued under Baron Alphonse's management is large and embraces almost every nationality in Europe. The good fortune attending these financial operations is proved by the numerous decorations and orders which he has received from the hands of monarchs anxious to recognize the obligations they feel they owe to the head of the Rothschild family. The business of the Paris firm is by far the largest and most extensive of all the Rothschild firms; it embraces not only loan operations, but commercial speculations and undertakings of every description. Its banking business is enormous, and in this respect it differs from its colleagues in London, Frankfort, and Vienna, whose business is more purely mercantile, or limited to bill discounting and Stock Exchange operations. The most responsible undertaking of the Paris firm under Baron Alphonse's management was the payment of the indemnities to Germany at the conclusion of the Franco-German War. This immense operation called into play all the resources and energies of the Rothschild family and its allies. The mere anxiety and mental labour connected with this vast undertaking would have prostrated any man of

inferior calibre. For months Baron Alphonse and his clerks worked incessantly day after day, Sundays included, to almost midnight. The strain on the brain and the constitution was fearful; many even now feel the effects of this trying period. Great as was the anxiety connected with this business, Baron Alphonse no doubt considered it nothing in comparison with that which the lawlessness and violence of the Commune inspired. To curry favour with the mob, Baron Alphonse was compelled to serve, as he had done in 1848, as a volunteer on the ramparts. But even that did not render the property of his family secure from the attacks of the petrolists. More than one of the mansions belonging to members of the family were invaded and despoiled by bands of those wretched fanatics. In one instance the house had been besmeared and sprinkled with petroleum with a view to its being set on fire, but the presence of mind displayed by the butler averted this catastrophe. He hinted to the unwelcome visitors that the cellars contained a large stock of the finest wines; the hint was acted upon at once, and ere long the butler had the satisfaction of seeing the whole of the ruffianly crew in a state of intoxication. He

then sent to the military for aid, the result being that the petrolists were all carried off to pay the penalty of their wanton deeds. Baron Alphonse, in common with his fellow citizens, found that much greater harm was to be expected from the enemies of order living within the walls of Paris than they had ever reason to dread from the shells of the invading Germans. During the siege, the Rothschilds felt no very serious apprehension, seeing that they had secured the safety of the bulk of their property by transferring it to the care of their relatives in London or elsewhere. To them even the privations of the siege were mitigated, as they were able, thanks to their influence with both the German and French staff, to pass convoys of provisions through the lines. It is well known that the utmost care was taken by the Germans that no injury should be done to Baron Alphonse's château at Ferrières. This château was made the German head-quarters. It was here that Jules Ferry came to arrange the terms of the capitulation with Prince Bismarck and the Prussian generals. The strictest orders were given respecting the preservation of the building. None of the furniture, nor any of the valuable paintings and

sculptures were allowed to be displaced or removed. It was even forbidden to shoot any of the game in the park without special permission. This act of favour gave rise to a certain amount of grumbling and heartburning among the German soldiers. Provisions, especially meat, were none too plentiful in the German lines, and it was not considered just to let the troops want, simply to confer a favour on one whom all regarded as an enemy. In their advance to Paris the soldiers had been allowed to seize cattle and sheep, but now, with the prospect of a long siege, they were to suffer hunger when plenty was before their mouths. Nothing could demonstrate more clearly the immense influence commanded by the Rothschilds, than this scrupulous regard shown by the Germans in preventing the spoliation of their property. But, however safe his property outside Paris may have been, it was different with that inside, and Baron Alphonse knew little peace of mind as long as the siege and the Commune lasted. So intense was the anxiety he suffered during this trying period, that his hair, from being jet-black, was turned to grey in a single night. Since the war France has been blessed with peace, which has greatly

contributed to the re-establishment of her fallen fortunes. How long this will continue we cannot say, as she seems ordained to suffer from internal troubles at certain intervals.



Chapter X.

ROTHSCHILDIANA.

IN the foregoing pages we have endeavoured to present the reader with a clear insight into the characters of the heads of the different firms by means of a number of anecdotes which are both more effective and more entertaining than mere description. The anecdotes already given we have good reason to consider authentic, but there are many others which are undoubtedly the creation of lively imaginations, and have little foundation in fact. The Rothschilds have so long held a prominent place in public affairs, their sayings and doings have been so closely watched and reported, that it is not surprising to find that innumerable tales have been published about them. A large number of the anecdotes are, as we have stated, quite unreliable,

still there are some so highly characteristic, that it is difficult to believe them entirely devoid of truth. This state of things was somewhat embarrassing. We were at first inclined to omit all anecdotes about the authenticity of which we did not feel confident, but, as their perusal is pretty sure to afford some amusement, we have, on second thoughts, deemed it our duty to bring them together in a separate chapter, without pledging ourselves in any way for their truthfulness. With this reservation we submit the following stories to our readers, who can decide whether we were justified or not in our course of procedure.

Baron Anselm von Rothschild on one occasion lost a ring which he prized very highly, not on account of its intrinsic value, but because it had been given him by the Emperor of Austria in recognition of the valuable services rendered by the family to the imperial monarchy. The Baron offered a reward of three hundred and fifty florins a year to the person who should restore the cherished ring. The daughter of a humble publican proved to be the lucky individual. She presented herself with great humility at the residence of the wealthy financier, who recognized the article

with demonstrations of the liveliest pleasure, and caused five hundred florins to be paid the girl in advance, though that was something beyond the amount of the annuity. He also gave instructions for a bond to be drawn up to secure the regular payment of the allowance in future. Having received her recompense, the girl ran home to her parents, in order that they might share in her happiness and good fortune. The old people could scarcely believe that their daughter had received so handsome a reward for the discovery of an article of such little value. After some consideration they concluded that, rather than wait for the annual allowance, it would be more advantageous to obtain a lump sum down, as they might thereby be enabled to purchase the house in which they lived. The girl returned to Rothschild, who received her very affably, and, having learnt her object, was pleased to give her the sum of seven thousand florins in ready money in lieu of the promised annuity.

Dr Busch, the biographer of Prince Bismarck, records, in his well-known work "Our Chancellor," an amusing anecdote of Baron Anselm, which deserves reproduction in these pages. He says :— "At dinner, at which were Marshal of the House-

hold Perponcher, and a Herr von Thadden, who was designated as a member of the administration in Rheims, the Chief told several good anecdotes of Baron Rothschild in Frankfort. On one occasion he had spoken in his presence with a corn merchant about a sale of wheat, when the merchant said to Rothschild, that being so rich a man he would never think it necessary to put the highest price on his wheat. 'What rich man do you mean?' replied the old gentleman; 'is my wheat worth less because I am a rich man?' He used to give dinners sometimes which were quite worthy of his great riches. I remember once when the present King was in Frankfort I invited him to dinner. Later in the day Rothschild also asked His Majesty to dine with him, to which His Majesty replied, that he must settle matters with me; for his own part he did not care with which of us he dined. The Baron now came and proposed that I should cede His Majesty to him, and that I should join them at dinner. I refused this, and he had the *naïveté* to suggest that his dinner might be sent to my house, although he could not eat with us, as he partook of only strictly Jewish fare. This proposal also I begged leave to decline—naturally, though

his dinner, doubtless, was better than mine.—Old Metternich, who, by the way, was very kind to me, told me that once when he had been visiting Rothschild, the Baron gave him some luncheon to eat on the way back to Johannisberg. With the luncheon were packed six bottles of Johannisberg wine. When Johannisberg (Metternich's estate) was reached, these bottles were taken out unopened. The Prince then sent for his wine steward and inquired how much that wine cost him a bottle. 'Twelve guldens,' was the answer. 'Well, take these bottles, and the next order you get from Baron Rothschild, send them back to him, but charge him fifteen guldens, for they will then be older.'"

Dining on one occasion with Baron James de Rothschild of Paris, Eugène Delacroix kept his eyes turned upon his host in so marked a manner that when the company rose to leave the dining-room Baron James could not help asking his guest what it was that so attracted his attention. The painter confessed that for some time past he had vainly sought a head to serve as a model for that of a beggar he intended to hold a prominent position in a painting on which he was then engaged, and that, as he gazed at his host's features, the idea

suddenly struck him that the very head he so much desired was there before him. With this explanation, he ventured to ask whether the Baron would do him the favour to sit to him as a beggar. Rothschild, being a great admirer of the art in all its forms, and pleased to be considered one of its chief patrons, readily consented to sit in a character probably never before assumed by a millionaire. The next day found him at the painter's studio. Delacroix placed a tunic round his shoulders, put a stout staff in his hand, and made him pose as if he were resting on the steps of an ancient Roman temple. In this attitude he was discovered by one of the artist's favourite pupils, who alone had free access to the studio at all times. Struck by the life-like excellence of the model, the newcomer congratulated his master at having at last found exactly what he wanted. Naturally concluding the model had only just been brought in from some church porch, and never dreaming the character assumed by him was far from his true one, he seized an opportunity when his master's eyes were turned to slip a piece of money into the beggar's hand. Rothschild thanked him with a look, and kept the money. The pupil soon quitted the studio.

In answer to inquiries made, Delacroix stated that the young man possessed great talent but no means; that he had, in fact, to earn his livelihood by giving lessons in painting and drawing. Shortly afterwards the young fellow received a letter stating that charity bears interest, and that the accumulated interest on the amount he had so generously given to one whom he supposed to be a beggar was represented by the sum of 10,000 francs, which were lying at his disposal at the office in the Rue Laffitte.

Amongst the endless number of rich and handsome articles Baron James had diligently collected, his guests seldom failed to be struck with admiration by a magnificent porcelain service, of singular beauty and design, and remarkable for the superb paintings which adorned its exterior. The history attached to the acquisition of this service is as singular as its beauty. One day an old man, feeble, decrepit, and to all appearance on the verge of the grave, solicited an interview with the Baron. At the very outset the old man's careworn looks and destitute condition awoke the latter's lively sympathy, and this sympathy was strengthened on learning that his visitor was a co-religionist. The old man produced from a bag a plate of such exqui-

site design and finish, that Baron James, with the instinctive envy of a virtuoso, felt he must at any cost become the owner of such an artistic treasure. After stating he was in a most destitute condition, the visitor proceeded to say that want had compelled him to part with many articles which he had regarded as heirlooms. The plate, he declared, belonged to a service which he had reserved to the last, hoping against hope that necessity would never compel him to part with it, but alas! the time had come when the claims of his starving family could be stopped only by relinquishing possession of this, the last resource against famine.

"I come to offer this service to you, M. le Baron, thinking that so beautiful a work of art can find a fitting resting-place only in the midst of your well-known collection. Will you buy it?"

"It is indeed beautiful; what do you ask for it?"

"Look you, sir," said his visitor, "I am now an old man, bowed down with years, and have not long to live. I am poor, but I wish if possible to end the few remaining years of my life as comfortably as I can. Will you, in exchange for this valuable porcelain service, give me an allowance for life of one

hundred francs a month? It is a trifle to you, and I am so old!"

The Baron reflected a moment, examined the plate afresh, and at length answered: "Well, be it so; here is the first payment; send me the service, and leave me your name and address, that the money may be sent to you regularly."

The porcelain service was duly delivered. A month later, as the Baron was sitting in his office, a man entered, and claimed payment of the allowance then due. The new-comer was young, stoutly made, of a vigorous constitution, and likely to live for another fifty years.

"But you are not the man to whom I promised the allowance!" said the Baron.

"Excuse me, I am indeed the man."

"But he was at least eighty years of age."

"You are mistaken, I am but thirty."

"But your aged appearance and careworn looks were certainly unmistakable."

"Thanks to your great generosity, my recovery has been rapid and surprising."

The Baron smiled at the remark, and gave orders for the payment of the money, exclaiming as he did so:—

"Ah! you are an excellent comedian, and have taken me in completely."

"You flatter me; I am probably the first who has done so," answered the Jew, politely bowing to the millionaire.

Strange as were the circumstances and terms on which the service was bought, Baron James had little reason to repent of his bargain.

This reference to objects of art reminds us of another anecdote, of which, if we remember rightly, Baron Alphonse was the subject. On one occasion he started out for a walk, and presently found himself in the district immediately behind the Pantheon. As the neighbourhood was quite strange to him, he soon lost himself. No cabs or omnibus were to be seen anywhere, nor did anyone pass of whom he could inquire his way. At first the situation rendered him somewhat nervous, but presently, when he thought of the strange novelty such a predicament was to him, he became reassured, and laughed in anticipation at the amusement the adventure would afford him. He therefore continued to walk on without troubling himself as to his whereabouts. Presently he passed a shop for the sale of second-hand goods, and his quick eye

caught sight among the rubbish of an article which struck him as worth inspection. It proved to be an antique barometer of the time of Louis XVI. It bore no trace of its original gilding, although the carving was still in a perfect state of preservation. Being a good judge of such things, and an ardent collector, the Baron determined to buy it. The price asked was ten francs, and the Baron congratulated himself on having secured so great a bargain. On putting his hand into his pocket, he discovered that in his hurry he had forgotten to bring his purse with him. It was a day of accidents.

"Well, it does not matter; I will take the barometer at all events," he said to the shopkeeper. "Send it up to my hôtel; I am Baron Rothschild; you will receive the money when you deliver the barometer."

"I do not know either your name or address, sir, nor do I ever send things out that are not previously paid for."

This was a startling rebuff for Baron Rothschild. It was a perfectly novel experience to meet with anyone ignorant of his great name. Being, however, in a good humour and regarding it as part of the day's adventure, he was only the more amused.

He was about to explain who and what he was, when he happened to notice a porter passing on the opposite side of the road. Beckoning to the man, he asked him: "Have you ever heard of Baron Rothschild?"

"Well, that is a queer question! Heard of Baron Rothschild? Of course I have; but why do you inquire?" said the man, somewhat crossly, as if he suspected his interlocutor was jesting.

"Because madame here has just refused to trust him for ten francs," was the reply.

"Is that really true, Madame Duclos?" said the porter, in great astonishment.

"Yes, to be sure, Monsieur Pierre; one cannot know everybody," answered the shopwoman with a shrug, "but I know you, and if you will become guarantee ——"

At these words the Baron interrupted the woman with such a hearty burst of laughter that it was some minutes before he could recover himself.

"Well, Monsieur Pierre," he said, still laughing, "if you will kindly become surety for me, will you go and call a cab, and then we can take the barometer home."

The porter required no second bidding; he

hastened off and soon returned with the cab. They then drove to the Baron's house, where the porter received a handsome reward for his exertions.

Attempts to ruin the Rothschilds as well as to frustrate and wreck the operations undertaken by them have frequently been made by persons jealous of their extraordinary success. It is needless to say that all such attempts have signally failed. At the outset luck has sometimes favoured these bold but reckless opponents, but it has been owing to the sufferance of the Rothschilds, who, conscious of the enormous power at their command, knew they could crush their upstart rivals at any moment they pleased. Such attempts would be more common were it not known that the only chance of rendering them successful would be to operate on as extensive a scale as that habitually adopted by the great financiers. One of the boldest of these would-be rivals was a Mr James H——, who bought and sold enormous amounts of stock in a very brief period, and, so far from imitating the secrecy marking Rothschild's operations, deemed it essential to the success of his scheme that all his dealings should be done as publicly as possible. He was the son of a wealthy country banker,

and at the time he commenced speculating on 'Change had £50,000 stock inscribed in his name, though the stock was really his father's. The reputation of owning so large an amount of stock was very useful on 'Change, as it conferred upon him and his transactions an importance which would otherwise have been wanting. After some time had elapsed the stock was transferred back into his father's name. At the outset, and until he had perfectly mastered all the rules and usages of the House, he acted with the greatest prudence and discretion, confining himself to transactions of a very humble nature. Gradually he enlarged his operations, and the "natives," as the members of the House were called, began to look upon the boldness of his dealings with mingled surprise and admiration. Success attending his speculations, he was watched and followed in them by a crowd of persons such as will always hang about a successful man. He became a power on 'Change; bulls and bears alike dreaded him, for he was as independent in his dealings as Rothschild himself.

Consols, at the time of which we are writing, were quoted at about 96. A few months later symptoms of a panic set in, and the unfavourable

tendency of the market was aggravated by the fulminations hurled, for reasons best known to himself, by a well-known writer on money matters against the Bank of England. In spite, however, of these adverse circumstances, prices showed a decided unwillingness to fall. Mr H—— studied the state of the market closely, and, being convinced in his own mind that a leader alone was wanted to carry on a successful war against the Rothschilds, determined that he himself would be that leader. He at once began his attack by selling out £200,000 Consols at 96. This operation concluded, he advertised it well, and made known his willingness to sell £1,000,000 more. Purchasers were found for the whole at prices varying from 94 to 90, at which price Consols closed for the day. The next day he resumed his tactics to depress the market, and so successful were they that Consols closed at about 84. As might have been expected, a run on the Bank of England took place, simultaneously with this sudden and unlooked-for fall in the price of Consols. He then repurchased so largely that when a reaction set in and prices recovered, his gains amounted to more than £100,000. But the rivalry of Mr H—— did not long continue to

trouble Rothschild. Emboldened by the success of his first effort, he tried to repeat his attack two years later, and even on a larger scale. Rothschild, however, had his eyes about him, and, divining his rival's plans, laid a trap into which that rival fell. The result was that Mr H—— was utterly ruined. He was declared a defaulter and his name stuck up on the black board of the Stock Exchange. Then, and not till then, was it discovered that the £50,000 stock was not his own, as had been supposed, but his father's.

At a charitable sale, held in 1858, at the Hôtel Lambert in Paris, by the Princess Czartariska, in favour of the distressed Poles, an incident took place between Georges Sand and Baron Rothschild. Madame Dudevant (Georges Sand) had a stall on the occasion, and displayed a number of fancy articles for sale. Baron Rothschild happened to pass, and the fair saleswoman addressed him with the usual request to buy something. "What am I to buy?" said the Baron; "you have nothing at all suitable for me. But stay—an idea strikes me. Give me your autograph. Sell me that." Madame Dudevant took a sheet of paper and wrote upon it as follows:—"Received from Baron Roth-

schild the sum of one thousand francs, for the benefit of the distressed Poles.—Georges Sand." Baron Rothschild read it, thanked her, and, handing her a note for the amount named, went away highly gratified.

It is well known that the life-long ambition of all true Americans is to *do* Europe before they die, and none can vie with them in the thoroughness with which they do *do* the sights and places of interest they may happen to visit. Their curiosity is insatiable, and is only equalled by their irresistible determination to satisfy it at all costs. No false modesty deters them from questioning strangers. They will accost the first man they meet, if they think he can remove their doubts or add to their knowledge. The following account, written by an American, confirms our statement, and explains itself:—

"When I arrived in England I set myself to work to accomplish the object of my journey—to see all that I could; and in doing so I attracted much attention. I made many acquaintances, and was told by them that I was the best representative of my nation they had ever seen. In curiosity, and a determination to gratify that feeling I think

I was. I spared no pains to see all the sights and hear all the gossip that came in my way. This characteristic at last brought me into an awkward predicament, which I purpose to describe in the following anecdote. One morning, while I was in London, I started out for a walk. I had heard a great deal about the famous place which the Rothschilds were building, and I sallied forth on this particular morning for the purpose of seeing it. I soon reached it; and through the kindness of the master builder was shown over it. I had finished my inspection, and was standing on the side walk gazing at it with undisguised admiration, when I noticed a gentleman a few feet from me, watching the building. He was a fat, portly old fellow, with a good-humoured face, in spite of his haughty look, and I thought from his appearance he might be the contractor for the work, so I determined to accost him and gain what information I could.

"'Good morning, sir,' I said, approaching him. He bowed politely, but without speaking.

"'I am a stranger here,' I went on; 'I have been looking over this building, and I would like to ask you for some information concerning it.'

"'I shall be happy to oblige you,' said he,

politely. He was very kind in telling me much that was of interest. At last I said, abruptly,

"'I suppose you have seen Rothschild, sir?'

"'Which one?' he asked.

"'The old cock,' I replied.

"'I see the old cock every day,' he answered, giving me a strange glance.

"'By George,' I went on, 'I should like to have a look at him! People say he is a gay old chap, and lives high. I wish I had him in my power—I'd not let him get away until he had shelled out a pile of his money.'

"The old gentleman burst out into a laugh.

"'Baron Rothschild had to work for his money, and deserves to enjoy it,' he said, at length, when he had got over his merriment.

"'May be so,' I remarked; 'but I reckon he did a heap of squeezing to get it.'

"The old man's face flushed.

"'I never heard the honesty of the house called in question,' he said, stiffly.

"'Didn't you? Well, to tell you the truth, neither have I. But I wouldn't be surprised if I'm right, after all.' The old man's face grew as black as a thunder-cloud, and he bit his lip without speaking.

"'People tell me,' I continued, not heeding this, for I thought it natural that the old fellow should be annoyed at anything said against his employers, 'people tell me the Rothschilds have made two fortunes. Now, as most people can make only one, I feel somewhat interested to learn the manner in which this was done. Can you tell me, sir?'

"The old man's face brightened instantly, and he replied, smilingly, with more politeness than he had as yet manifested:—

"'Certainly, sir. People do say the house of Rothschilds made one fortune by being careful to mind their own business, and the other by letting that of others alone. Good morning, sir.'

"With an elegant bow he turned and left me staring at him in blank amazement. I began to smell a rat, and I looked for someone of whom to ask the old gentleman's name. He had stopped at the upper end of the building, and was giving some directions to a workman. I saw a handsome man of about thirty standing a short distance off. He, too, was looking at the building. I liked his face and went up to him.

"'Excuse me for troubling you, sir,' I said, 'but I am a stranger in this country, and would like to ask you a question.'

"'I shall be happy to give you any information in my power,' he said, politely.

"'Then can you tell me the name of that old gentleman,' I asked, pointing to my sarcastic acquaintance.

"'Certainly,' he replied. 'That is Baron Rothschild, the head of the house of that name.'

"'Whew!' I exclaimed in astonishment, 'I've got myself into a scrape then.'

"'What is the matter?' asked my friend, curiously.

"I told him what had occurred between the Baron and myself. He laughed heartily, and remarked pleasantly when I had concluded:

"'That was awkward.'

"'He's a crusty old chap,' I said, considerably vexed; 'he's as cross as a bear.'

"'Oh, that's only his way,' replied my companion. 'He is a good, kind-hearted man, but is rather eccentric.'

"'I should say so,' I replied.

"The gentleman asked me a great many questions concerning America, and seemed interested and amused by my answers.

"'Do you know Baron Rothschild?' I inquired, at length.

"'I have met him several times,' was the reply, 'and I have an appointment to wait upon him to-day.'

"'Then I wish you'd say to him,' I went on, 'that I did not know to whom I was talking this morning, or I would not have said so much; and that he need not have been so huffish about it.'

"'I will do so,' said my acquaintance, laughing. 'You must not mind him. He was a little nettled at it, but will be the first to laugh at the adventure when he recovers his good humour. Good morning.'

"With a bow and a pleasant smile he left me. Just then a workman passed by. I stopped him and asked if he could tell me the name of the gentleman who had just left me.

"'That was one of the younger Rothschilds,' he said, 'and——'

"I waited to hear no more, but, pulling my hat down over my eyes, set off at once for my lodgings. I was absolutely afraid to speak to a stranger for a week, for fear he might be a Rothschild."



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Reeves, John
The Rothschilds

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world governance *rothschild*

The Rothschild Group is the largest private banking group in the world in continuous single family ownership. The Group is today active in five major areas: Investment Management, Banking, Investment Banking, global privatisation advice, and dealing in Gold Bullion. (SOURCE: www.excellence.co.il)

Rothschild Group

Rothschild family

Chairman

Israel Corp. (IC) is one of Israel's major holding companies, playing a pivotal role in privatization and the development of key industries. IC's main activities are focused on chemicals, shipping, oil and energy, advanced technology and communications.
http://www.israelcorp.com/
Shareholders
The Ofer Group - 59.88%
Bank Leumi Le Israel - 20%

Leumi Bank

Israel Corporation

Israel

41,7

Israel Aircraft Industries

http://www.iai.co.il
Over the years IAI has applied the skills and experience it has acquired in catering to Israel's security needs, in order to capitalize on opportunities in export markets. As a result, the Company has become a world leader in aircraft conversion and modernization programs, unmanned air vehicles (UAVs), communication programs and defense electronics. Space is Israel's latest area of leadership, with the development of the Ofeq observation satellite, the AMOS communications satellite and the Shavit launcher.

Excellence Investments Limited

E. de Rothschild Invest. services Ltd (Israel)

Jimmy J. Pinto

Since 1882, and for several decades thereafter, the first Baron Edmond de Rothschild, universally known in Israel as the "Father of the Settlement" or the "Well-known Benefactor", pioneered and single-handedly promoted the settlement and development of what became modern Israel.
Since Israel's independence, the second Baron Edmond de Rothschild actively participated in the creation and initial development of a modern economy for the new state, starting some major enterprises such as the Israel Corporation and financing others, either directly or indirectly through Israel General Bank, a local bank largely owned and by the Edmond de Rothschild Group.

Compagnie Financiere E. D. ROTHSCHILD BANQUE

Actuellement, la Banque détient un capital sous gestion d'environ EUR 3 milliards, dont la moitié sont des mandats de gestion discrétionnaire. L'autre moitié est représentée par des mandats de gestion conseil et gestion externe. En outre, la Banque administre un capital de EUR 9 milliards, dont la quasi-totalité est représentée par des fonds d'investissement de promoteurs externes. La Banque Privée Edmond de Rothschild Luxembourg est classée (au Luxembourg) quatrième plus grande banque à l'administration de fonds, avec plus de 350 fonds et sous-fonds. La Banque est membre fondateur de CCLux, fournisseur d'information financière à Luxembourg, et membre fondateur de l'ALFI, l'association des fonds d'investissement à Luxembourg.

controle

Compagnie Financiere SAINT-HONORE

Groupe LCF Rothschild

Banque Privée Edmond de Rothschild Luxembourg

Banque Privée Edmond de Rothschild Genève

Leicom Fund

Settlement Funds

Association of Jewish Refugees
http://www.ajr.org.uk/
Barclays and J P Morgan are to pay compensation for their role in operating with the Vichy and occupational authorities to plunder systematically the bank accounts, safe deposit boxes and other valuables of their Jewish clients both before, and in accordance with, antisemitic laws passed in France during WWII.
The banks have created Settlement Funds totalling US$ 6,362,500, with more than half contributed by Barclays. Separate funds will be established to pay administrative and legal costs. Claims are also admissible in respect of assets held with the predecessors of Barclays and J P Morgan, including Rothschild Freres, Morgan et Cie and some branches of Lloyds Bank. Submission of claims is not dependent on documentary proof. Claims will be valued by converting to US$ the balance as at 1940 and then calculating its equivalent as at 1999 - for Barclays claimants - and as at 2000 for J P Morgan claimants. Following a fairness hearing to be held later this year, potential claimants will have until 30 September 2002 to submit applications. Then, and not earlier, claims will be assessed and awards made. For an application form or further information, telephone 0800 169 8318 (free) or access the Internet at

www.barclaysfrenchclaims.org or
www.jpmorganfrenchclaims.org

Eric de Rothschild

22,5

9,7

Chairman

Rothschild Bank AG

Subsidiary

Equitas

Rothschild private Trust Holding

Worms

75

orton (1962) noted that the Rothschild wealth was estimated at over $6 billion US in 1850. Not a significant amount in today's dollars; however, consider the potential future value compounded over 147 years!
Taking $6 billion (and assuming no erosion of the wealth base) and compounding that figure at various returns on investment (a conservative range of 4% to 8%) would suggest the following net worth of the Rothschild family enterprise:
To give these figures some perspective consider these benchmarks:
$1.9 trillion US (@ 4%)
$7.8 trillion US (@ 5%)
$31.5 trillion US (@ 6%)
$125,189.1 trillion US (@ 7%)
$491,409.0 trillion US (@ 8%)
A little of $300 billion US buys every ounce of gold in every central bank in the world (see John Kutyn's estimate
U.S. M3 money supply August 1997 was $5.2 trillion
U.S. debt is currently $5.4 trillion.
U.S. GDP (1997; 2nd Q.) is $8.03 trillion.
George Soros' empire is worth an estimated $20 billion.

Siftology Inc

Selis Networks Inc.

The Company has leveraged its patented techniques and know-how in the area of NLP (Natural Language Processing) to develop the RelatedTV product line, an automated enrichment tool for content producers, broadcasters and OEMs.

Cie Financiere Holding Benjamin & Edmond de Rothschild

Edmond de Rothschild Venture Capital Ltd

ROTHSCHILD FUND MANAGEMENT AG

Executive board:
Winfried Kilp, Generaldirektor, VR
Dr. Graziano Lusenti, Generaldirektor, VR
Dr. François Rayroux, VR
www.rothschildbank.com

Worms

Brown

100

JP Morgan Chase & Co.

1,8

12,6

21

3

Deutsche Bank AG

DAIMLER CHRYSLER

Bskyb

news corp

BNP PARIBAS

139, 640shares

Li Ka Shing

Hutchison Whampoa

152,400 shares

fidelity

Panama Canal

1. Company in which shares are held : Royal & Sun Alliance Ins Group
2. Notifiable Interest: Ordinary Shares
A. FMR Corp.
B. Fidelity International Limited (FIL)
3. The notifiable interests also comprise the notifiable interest of: Mr. Edward C. Johnson 3d, Principal shareholder of FMR Corp. and Fidelity International Limited.

Duly authorized under Powers of Attorney dated December 30, 1997, by and on behalf of FMR Corp. and its direct and indirect subsidiaries, and Fidelity International Limited and its direct and indirect subsidiaries.
Schedule A
Security: Royal & Sun Alliance Ins Group

1 - Fidelity International Limited (FIL)
2 - FMR Corp.
3 - Fidelity Investment Services Ltd. (FISL)
4 - Fidelity Pension Management (FPM)

MANAGEMENT COMPANY	NOMINEE/REGISTERED NAME
FMRCO	Chase Nominees Limited
FMRCO	State Street Nominees Limited
76,000 FMRCO	HSBC
FMTC	Brown Brothers Harriman
FISL	Clydesdale Bank (Head Office)
	Nominees Limited
FPM	RBS Trust Bank
FPM	Nortrust Nominees Ltd
FPM	Bank of New York Europe
229,200 FPM	Citibank
FPM	Chase Nominees Ltd
FPM	Northern Trust
215,200 FPM	HSBC
FPM	Deutsche Bank
FPM	Mellon Nominees Ltd
63,422,927 FIL	HSBC Client Hold. Nominee (UK) Ltd
MSS	Nominees Ltd
FIL	RBS Trust Bank
FIL	Nortrust Nominees Ltd
FIL	Bankers Trust
FIL	Citibank
FIL	Bank of New York london
FIL	Northern Trust
FIL	Chase Nominees Ltd
FIL	Chase Manhattan Bank London
402,700 FIL	BNP Paribas
43,800 FIL	Deutsche
421,100 FIL	State Street Nominees Ltd

Total Ordinary Shares 131,138,586
Current ownership percentage: 9.11%
(Source : letter from Fidelity Investments dated 24 September 2002 to Royal & Sun Alliance Insurance Group plc, http://www.nothing-ventured.com/news/regnews.asp?ArticleID=758870

9,11

Rothschild investment trust cp

andrew S. B. Knight

Board

Rothschild Freres

controle

De Beers

Rothschild (European Office) bvba (Antwerpen, Be)

Rothschild (European Office) bvba
ANTWERPEN
Rothschild D
ASSE
Rothschild E-J
NIEUWPOORT
Rothschild Ernst
BRUXELLES
Rothschild Ernst
BRUXELLES
Rothschild J
BRUXELLES
Rothschild Laueva C
BRUXELLES
Rothschild Laueva D
BRUXELLES
Rothschild M
BRUXELLES
Rothschild M
ASSE
Rothschild N
BRUXELLES
Rothschild R
BRUXELLES
Rothschild-Delcroix M
ASSE
Rothschild
ANTWERPEN

Antwerp has some 30 synagogues, all Orthodox. A number of these also serve as house of study for the ultra-Orthodox sects, which are present in the city. Indeed, Antwerp has one of the largest communities of ultra-Orthodox Jews in the Diaspora-it includes Chassidic Jews who follow the traditions of Belz, Ger, Cornlow, Lubavitch, Satmar, and Vishnitz.
Antwerp, with its concentration of Chassidic Jews, is sometimes regarded as the last shtetl in Europe. The Jewish involvement in the diamond trade there is such the lingua franca on the Antwerp diamond exchange is Yiddish.
[s o u r c e : http://www.wjc.org.il/communities)

Rothschild Continuation Holdings AG

21,9

6,2

6,6

62,5

Among the members of the board of the Quantum Fund is one Richard Katz. He is, at the same time, head of the "Rothschild Italia S.p.A." in Milan and is also on the board of the commercial bank "N.M. Rothschild and Sons" in London. Another member of the board is Nils O. Taube. He is a partner in the London investment group "St. James Place Capital" which counts Lord Rothschild among it's main partners. A frequent partner of Soros in several of his speculations --especially in the driving up of the gold quotation-- is Sir James Goldsmith, a relative of the Rothschilds dynasty.

Soros

Quantum Fund

Chairman
Peter Johns
Managing Director
Peter Rose
Trevor Ash
Graham Curds
Stephen Dewsnip
Stephen Dingle

Peter Harwood
William Lane QC
David Moon
David Oxburgh
Hon. Jeremy Soames
Michael Wilson

Evelyn de Rothschild

Chairman

N.M. Rothschild and Sons Ltd
http://www.rothschild.gg

N MRothschild & Sons (C.I.) Limited is wholly owned by Rothschilds Continuation Holdings AG (RCH), incorporated in Switzerland. The N M Rothschild merchant banking group has 40 offices in more than 30 countries and employs more than 2,000 people around the world.

Rothschild GmbH

Rothschild & Cie

Sir Evelyn de Rothschild a été le président de l'economist de 1972 a fin 1989

London Bullion Marketing Association (LBMA)

Gold-based financing of jewellers, using consignment stocks, in third country markets is a speciality of a minority of the international bullion banks, including Bank of Nova Scotia and UBS. The former is particularly active in Dubai, France, Italy, and Spain. UBS has a strong presence in Hong Kong and Saudi Arabia. Local bullion banks are also very active in many markets, though where there has been tight regulation on gold imports (as in Italy), local banks in jewellery manufacturing areas have been slow to challenge the trading position of the international giants and have been content to use their consignment stocks. In the USA, the Republic National Bank of New York and the Fleet National Bank are among the more active, as are NM Rothschild and Midland Bank, in the UK. In France Societe Generale has some interest. Rothschilds is also strong in South East Asia. (source: www.gold.org/Studies)
The London Financial Times in its Thursday, January 30, 1997 edition, revealed the extent of the gold trading taking place daily through the London Bullion Marketing Association (LBMA). The LBMA is run predominantly by the house of N. M. Rothschild.
"Deals involving about 30 million troy ounces, or 930 tonnes, of gold valued at more than $10 billion are cleared every working day in London, the international settlement center for gold bullion." "This is the first authoritative indication of the size of the global gold market, and was revealed yesterday by the London Bullion Market Association. "The volume of gold cleared every day in London represented nearly twice the production from South African mines in a year, Mr. Alan Baker, chairman of the association, pointed out. "The size of the gold market will surprise many observers, but traders insisted the association's statistics were only part of the picture because matched orders are cleared without appearing in the statistics. Mr. Jeffrey Rhodes, of Standard Bank, London, said the 30m ounces should be 'multiplied by three, and possibly five, to give the full scope of the global market'."

AGF Funds Inc.

Global Strategy World Companies Fund

Global Strategy World Equity Fund

St James' Place Capital Plc

http://www.sjpc.co.uk/
Total Gros Asset
£706.9m (GBP)
$1,113.0m (USD)

100

J Rothschild Capital Management

James Place Capital

Lord Rothschild

James Crosby

Anthony Loehnis

James Crosby
Non-Executive DirectorHe was appointed as Chief Executive of HBOS plc on 10 September 2001 following the completion of the merger of Halifax and Bank of Scotland on that date. He was Chief Executive of Halifax from 1999 and is now called St. James's Place UK plc) between 1991 and 1994 and is a Fellow of the Faculty of Actuaries.

Anthony Loehnis
Non-Executive Director, St James' Place Capital Plc
Mr Loehnis was formerly a director of SG Warburg Group plc and was an Executive Director of the Bank of England.

Private investments

Saffron Hill

RIT Capital Partners plc

(At at 31st October '02)	
Total Asset	£682m
Ten largest investments (excluding Treasury and Property) as at 31 October 2002	
Investment Holdings	£'m
Royal Dutch Petroleum	21.3
Wellington Global Research	21.2
Shinsei Bank	19.3
Pearson International	18.0
Centaur Partners	16.6
Power Measurement	15.8
Getty Images	15.1
The Economist Newspaper	14.6
Venture Production	10.3
Lukoil	9.9

source:
http://www.hemscott.com/equities/company/cd01874.htm

Royal and Sun Alliance Group PLC

J. Rothschild Assurance Group

Lukoil

Royal Dutch Shell

Pearson

Lord Sainsbury

foundator

Preston Candover

foundator

Yad Hanadiv (Rothschild Foundation)

Institute for Jewish Policy Research

President

Waddesdon Manor/ the National Trust

organization dedicated to cooperation in research, analysis and policy planning on issues affecting Jewish life worldwide

1 - FUNDING AGENCY NAME: Yad HaNadiv Fund for the Advancement of Landscape and Environmental Values in Israeli Agricultural Regions
ELIGIBILITY CRITERIA: Bar-Ilan University
2 - RPP NAME: Rothschild Fellowship
ELIGIBILITY CRITERIA: The candidate must be a permanent resident of Israel.
3 – fellowships will be awarded to teachers of Judaic Studies
http://www.biu.ac.il

Six Continents PLC

Chairman

Ian Prosser

Paul Bradshaw

Nascent group SA

http://www.sixcontinents.com
Six Continents is a leading global hospitality group, with over 3200 hotels across nearly 100 countries and over 2000 restaurants and bars in the UK and Germany.

20

widely diversified portfolio currently valued at about £700 million

Lord Rothschild has been honored by the government of Portugal for his contribution to the country's economic development, by the World Monuments Fund for his leadership with respect to cultural heritage and by the Weizmann Institute of Science on the occasion of the 50th anniversary of the State of Israel. He has received many British honors and, in 1997, was awarded the Knight Grand Cross of the Order of the British Empire for services to arts and heritage.
Lord Rothschild was educated in history at Christ Church, Oxford.

Chairman

International Growth & Value Fund

Lord Rothschild

Hanson

Chairman

Lord Hanson

Chairman

Hanson PLC

Chairman

Lord Hanson

Chairman

Hanson PLC

Chairman

Lord Hanson

Chairman

Hanson PLC

The Federal Reserve is PRIVATELY OWNED by Thomas D. Schauf

THE FEDERAL RESERVE BANK IS A **PRIVATE COMPANY**.

Article 1, Section 8 of the Constitution states that Congress shall have the power to coin (create) money and regulate the value thereof. Today however, the FED, which is a privately owned company, controls and profits by printing money through the Treasury, and regulating its value.

The FED began with approximately 300 people or banks that became owners (stockholders purchasing stock at $100 per share - the stock is not publicly traded) in the Federal Reserve Banking System. They make up an international banking cartel of wealth beyond comparison (Reference 1, 14). The FED banking system collects billions of dollars (Reference 8, 17) in interest annually and distributes the profits to its shareholders. The Congress illegally gave the FED the right to print money (through the Treasury) at no interest to the FED. The FED creates money from nothing, and loans it back to us through banks, and charges interest on our currency. The FED also buys Government debt with money printed on a printing press and charges U.S. taxpayers interest. Many Congressmen and Presidents say this is fraud (Reference 1,2,3,5,17).

Who actually owns the Federal Reserve Central Banks? The ownership of the 12 Central banks, a very well kept secret, has been revealed:

Rothschild Bank of London
Warburg Bank of Hamburg
Rothschild Bank of Berlin
Lehman Brothers of New York
Lazard Brothers of Paris
Kuhn Loeb Bank of New York
Israel Moses Seif Banks of Italy
Goldman, Sachs of New York
Warburg Bank of Amsterdam
Chase Manhattan Bank of New York
(Reference 14, P. 13, Reference 12, P. 152)

These bankers are connected to London Banking Houses which ultimately control the FED. When England lost the Revolutionary War with America (our forefathers were fighting their own government), they planned to control us by

controlling our banking system, the printing of our money, and our debt (Reference 4, 22).

The individuals listed below owned banks which in turn owned shares in the FED. The banks listed below have significant control over the New York FED District, which controls the other 11 FED Districts. These banks also are partly foreign owned and control the New York FED District Bank. (Reference 22)

First National Bank of New York
James Stillman National City Bank, New York
Mary W. Harnman
National Bank of Commerce, New York
A.D. Jiullard
Hanover National Bank, New York
Jacob Schiff
Chase National Bank, New York
Thomas F. Ryan
Paul Warburg
William Rockefeller
Levi P. Morton
M.T. Pyne
George F. Baker
Percy Pyne
Mrs. G.F. St. George
J.W. Sterling
Katherine St. George
H.P. Davidson
J.P. Morgan (Equitable Life/Mutual Life)
Edith Brevour T. Baker

(Reference 4 for above, Reference 22 has details, P. 92, 93, 96, 179)

How did it happen? After previous attempts to push the Federal Reserve Act through Congress, a group of bankers funded and staffed Woodrow Wilson's campaign for President. He had committed to sign this act. In 1913, a Senator, Nelson Aldrich, maternal grandfather to the Rockefellers, pushed the Federal Reserve Act through Congress just before Christmas when much of Congress was on vacation (Reference 3, 4, 5). When elected, Wilson passed the FED. Later, Wilson remorsefully replied (referring to the FED), "I have unwittingly ruined my country" (Reference 17, P. 31).

Now the banks financially back sympathetic candidates. Not surprisingly, most of these candidates are elected (Reference 1, P. 208-210, Reference 12, P. 235,

Reference 14, P. 36). The bankers employ members of the Congress on weekends (nickname T&T club -out Thursday...-in Tuesday) with lucrative salaries (Reference 1, P. 209). Additionally, the FED started buying up the media in the 1930's and now owns or significantly influences most of it Reference 3, 10, 11, P. 145).

Presidents Lincoln, Jackson, and Kennedy tried to stop this family of bankers by printing U.S. dollars without charging the taxpayers interest (Reference 4). Today, if the government runs a deficit, the FED prints dollars through the U.S. Treasury, buys the debt, and the dollars are circulated into the economy. In 1992, taxpayers paid the FED banking system $286 billion in interest on debt the FED purchased by printing money virtually cost free (Reference 12, P. 265). Forty percent of our personal federal income taxes goes to pay this interest. The FED's books are not open to the public. Congress has yet to audit it.

Congressman Wright Patman was Chairman of the House of Representatives Committee on Banking and Currency for 40 years. For 20 of those years, he introduced legislation to repeal the Federal Reserve Banking Act of 1913.

Congressman Henry Gonzales, Chairman of a banking committee, introduces legislation to repeal the Federal Reserve Banking Act of 1913 nearly every year. It's always defeated, the media remains silent, and the public never learns the truth. The same bankers who own the FED control the media and give huge political contributions to sympathetic members of Congress (Reference 12, P. 155-163, Reference 22, P. 158, 159, 166).

THE FED FEARS THE POPULATION WILL BECOME AWARE OF THIS FRAUD AND DEMAND CHANGE

We, the People, are at fault for being passive and allowing this to continue.

Rep. Louis T. McFadden (R. Pa.) rose from office boy to become cashier and then President of the First National Bank in Canton Ohio. For 12 years he served as Chairman of the Committee on Banking and Currency, making him one of the foremost financial authorities in America. He fought continuously for fiscal integrity and a return to constitutional government (Reference 1). The following are portions of Rep. McFadden's speech, quoted from the Congressional Record, pages 12595-12603:

"THE FEDERAL RESERVE BOARD, A GOVERNMENT BOARD, HAS CHEATED THE GOVERNMENTOF THE UNITED STATES AND THE

PEOPLE OF THE UNITED STATES OUT OF ENOUGH MONEY TO PAY THE NATIONAL DEBT.

The depredations and the iniquities of the Federal Reserve Board and the Federal Reserve banks acting together have cost this country ENOUGH MONEY TO PAY THE NATIONAL DEBT SEVERAL TIMES OVER."

About the Federal Reserve banks, Rep. McFadden said, "They are private credit monopolies which prey upon the people of the United States for the benefit of themselves and their foreign customers; foreign and domestic speculators and swindlers; the rich and predatory money lenders. This is an era of economic misery and for the reasons that caused that misery, the Federal Reserve Board and the Federal Reserve banks are fully liable."

On the subject of media control he state, "Half a million dollars was spent on one part of the propaganda organized by those same European bankers for the purpose of misleading public opinion in regard to it."

Rep. McFadden continued, "Every effort has been made by the Federal Reserve Board to conceal its power but the truth is the Federal Reserve Board has USURPED THE GOVERNMENT OF THE UNITED STATES. IT CONTROLS EVERYTHING HERE AND IT CONTROLS ALL OUR FOREIGN RELATIONS. IT MAKES AND BREAKS GOVERNMENTS AT WILL.

No man and no body of men is more entrenched in power than the arrogant credit monopoly which operates the Federal Reserve Board and the Federal Reserve banks. These evil-doers have robbed this country of more than enough money to pay the national debt. What the Government has permitted the Federal Reserve Board to steal from the people should now be restored to the people."

"Our people's money to the extent of $1,200,000,000 has within the last few months been shipped abroad to redeem Federal Reserve Notes and to pay other gambling debts of the traitorous Federal Reserve Board and the Federal Reserve banks. The greater part of our monetary stock has been shipped to foreigners. Why should we promise to pay the debts of foreigners to foreigners? Why should American Farmers and wage earners add millions of foreigners to the number of their dependents? Why should the Federal Reserve Board and the Federal Reserve banks be permitted to finance our competitors in all parts of the world?" Rep. McFadden asked.

"The Federal Reserve Act should be repealed and the Federal Reserve banks,

having violated their charters, should be liquidated immediately.

FAITHLESS GOVERNMENT OFFICERS WHO HAVE VIOLATED THEIR OATHS SHOULD BE IMPEACHED AND BROUGHT TO TRIAL", Rep. McFadden concluded (Reference 1, contains an entire chapter on Rep. McFadden's speech).

If the media is unbiased, independent and completely thorough, why haven't they discussed the FED? Currently, half the states have at least a grass roots movement in action to abolish the FED, but there's no press coverage. In July, 1968, the House Banking Subcommittee reported that Rockefeller, through Chase Manhattan Bank, controlled 5.9% of the stock in CBS. Furthermore, the bank had gained interlocking directorates with ABC.

In 1974, Congress issued a report stating that the Chase Manhattan Bank's stake in CBS rose to 14.1% and NBC to 4.5% (through RCA, the parent company of NBC). The same report said that the Chase Manhattan Bank held stock in 28 broadcasting firms. After this report, the Chase Manhattan Bank obtained 6.7% of ABC, and today the percentage could be much greater. It only requires 5% ownership to significantly influence the media (Reference 14, P. 56-57). This is only one of 300 wealthy shareholders of the FED. It is believed other FED owners have similar holdings in the media. To control the media, FED bankers call in their loans if the media disagrees with them (Reference 25, P. 134-137).

Rockefeller also controls the Council on Foreign Relations (CFR), the sole purpose of which is to aid in stimulating greater interest in foreign affairs and in a one world government. Nearly every major newscaster belongs to the Council on Foreign Relations. The Council on Foreign Relations controls many major newspapers and magazines. Additionally, major corporations owned by FED shareholders are the source of huge advertising revenues which surely would influence the media (Reference 14, P. 56-59). It can be no wonder why groups such as FED-UP(tm) receive minimal, if any, press attention.

How do taxpayers stop financing those whose purpose it is to destroy us? First, expose their activity, then demand change.

THE SOLUTION:

Currently all we do is exchange FED money (interest attached) for real U.S. money (interest-free) dollar for dollar as Kennedy tried to do. We should not be required to pay interest on our own currency. According to Benjamin Franklin, this was one of the primary reasons we fought the Revolutionary War. Today we are still fighting the same family of bankers (Reference 4, Reference 1, P.

211, 212).

The U.S. Government can buy back the FED at any time for $450 million (per Congressional record). The U.S. Treasury could then collect all the profit on our money instead of the 300 original shareholders of the FED. The $4 trillion of U.S. debt could be exchanged dollar for dollar with U.S. non- interest bearing currency when the debt becomes due. There would be no inflation because there would be no additional currency in circulation. Personal income tax could be cut if we bought back the FED and therefore, the economy would expand. According to the Constitution, Congress is to control the creation of money, keeping the amount of inflation or deflation in check. If Congress isn't doing their job, they should be voted out of office. Unfortunately, voters can't vote the FED or its Chairman out of office.

If the government has a deficit, we could handle it as Lincoln and Kennedy did. Print money and circulate it into the economy, but this time interest-free. Today the FED, through foreign banks, owns much of our debt and therefore controls us. The FED will cease to exist as taxpayers become informed and tell other taxpayers. The news media and Congress will have no choice but to meet the demands of grass roots America. (Reference 1, P. 17, 22)

AMERICA DECEIVED

By law (check the Congressional record), we can buy back the FED for the original investment of the FED's 300 shareholders, which is $450 million (Reference 1, P. 227, Reference 17, P. 36). If each taxpayer paid $25, we could buy back the FED and all the profit would flow into the U.S. Treasury. In other words, by Congress allowing the constitutionally illegal FED to continue, much of your taxes go to the shareholders of the FED and their bankers. Note: The people who enacted the FED started the IRS, within months of the FED's inception. The FED buys U.S. debt with money they printed from nothing, then charges the U.S. taxpayers interest. The government had to create income tax to pay the interest expense to the FED's shareholders, but the income tax was never legally passed (Reference 20 shows details, state-by-state why it was not legally passed). The FED is illegal, per Article 1, Section 8 of the United States Constitution. Not one state legally ratified the 16th Amendment making income tax legal.

Currently, fewer and fewer Americans are being convicted for refusal to pay income taxes. In IRS jury trials, the jury, by law, must decide if the law is just. If taxpayers do not believe the law is just, the jury may declare the accused innocent. Judges are legally bound to inform juries of their right to determine the fairness of a law. Judges often do not disclose this information so they can

control the court outcome. Luckily, more and more citizens are becoming informed. If one juror feels the law is unfair, they can find the defendant innocent (Reference 19). In Utah, the IRS quit prosecuting taxpayers because jurors verdict is not guilty. Please tell your friends and sit in the next jury.

If we eliminate the FED and uphold the Constitution, we could balance the budget and cut personal income tax to almost nothing. In Congressional hearings on September 30, 1941, FED Chairman Eccles admitted that the FED creates new money from thin air (printing press), and loans it back to us at interest (Reference 17, P. 93). On June 6, 1960, FED President Mr. Allen admitted essentially the same thing (Reference 22, P. 164). If you or I did this we would go to jail.

It is time to abolish the FED! Tell your friends the truth and win America back. We don't even need to buy back the FED. We only need to print money the way the Constitution requires, not the new proposed international money. We want to keep our sovereignty and print real U.S. money.

Why has Congress allowed the FED to continue? If a Congressperson tries to abolish the FED, the banks fund the Congressperson's opponent in the next election (Reference 17, P. 35). The new Congressperson will obviously support the FED. When Congresspeople retire, political campaign funds are not taxed. Get elected and be a millionaire if you vote right. By the way, the profit of the FED is not taxed either (Reference 1, 9). Once America understands, and takes action, Congresspeople will then gladly abolish the FED. In 1992, Illinois Congressman Crane introduced a bill, co-sponsored by 40 other Congressman, to audit the FED. This is a step in the right direction.

America is a great nation. As "We the People" become informed, the media and Congress will be forced to buy back the FED, balance the budget, significantly cut taxes, and stop allowing bribes to determine voting strategies. I have already heard from politicians who claim they will change their platform to include abolishing the FED if enough people become informed.

IT IS UP TO YOU TO INFORM THE PEOPLE.

The FED hopes you will be passive and not act on this information. We believe in grass roots America - we are waking up America. Ultimately, the battle plan is to inform all Americans and demand change in the media and Congress. True Americans should run for office and throw out the politicians who allow this fraud to continue. Congress may refuse to deal with this issue. That's why each person needs to go to their local county/state government with the proper paperwork and ask them to abolish the FED. With the proper documents, they

are legally obligated to do it.

WE NEED LEADERS TO BEGIN THIS ACTION. WILL YOU HELP?

Consider this fact. Most of the given sources in this booklet show how the blood line of family bankers who own the FED funded both sides of all major wars. They created fake colonial money to destroy the Americans during the Revolutionary War and tried to finance both sides in the American Civil War. Abraham Lincoln refused and the South accepted. Many publications show that these bankers financed World War I, World War II, and the Russian Revolutionary War, which helped Napoleon, Lenin, and Hitler come to power. They financed both sides from money created from nothing and profited greatly. These same bankers created a number of American depressions to change the U.S. legislation and seize our wealth. Read the sources for details. This is why our forefathers wrote in the Constitution that only Congress can issue money - not private banks (Reference 18).

More wars create more debt which means more profit to the bankers (Reference 1, 21). These bankers planned three world wars so people would welcome United Nations intervention to govern the world in peace, not war. (Reference 22 gives specific details on World War I and World War II, showing exactly how the bankers were responsible for the beginning and continuation of these wars for their profit).

The banks have publicly announced they will force us to a cashless society by 1997. Furthermore, they plan to create a one world government through the United Nations headed by the FED, Trilaterals, and the Council on Foreign Relations (Reference 3). By the definition of treason, they have committed treason! This means you lose your rights under the Constitution and Bill of Rights. Does this sound far fetched? Twenty-four U.S. Senators (two of them presidential candidates, Harkin & Tsongas) and 80 Representatives have signed a "Declaration of Interdependence." This Declaration, designed to make a one world government, is treason to the oath of office they took. The media remained silent. The FED announced publicly that their first objective was to get nationalism out of the American people's heads because patriotism to a country would not be of value in the future. The media makes us think the U.N. has all the answers, and to "think globally." Congress passed a law stopping certain individuals from being tried for this treason (Reference 6, Reference 1, P. 191-198). Why pass this law if no treason was committed? State Department document 7277 calls for the disarming of America, thus turning our sovereignty over to a one-world government. Again, the media is pushing to eliminate guns. Our forefathers believed that the right to bear arms would prevent a takeover of

our government. History shows that before any government took over, they disarmed the citizens. Hitler did it, and before our Revolutionary War, King George told us to disarm - good thing we didn't!

Under the Federal Reserve Bank Act, the bankers control our economy. The FED controls interest rates and the amount of money in the economy. These factors determine either economic prosperity or the lack thereof. Bankers are now pushing for a one world government and a cashless society. Why cashless? No cash means no money for drugs, no theft, and the ability to collect taxes on the underground economy. Anyone who wouldn't support a cashless society must be a drug dealer, thief, or tax evader, right? What a cashless society really means is the banks can now control you. Today you fear the IRS. In a cashless society, if you disagree with the bankers' political goals, you'll find your money gone via computer error. (For additional information on a cashless society, read Reference 13, P. 174; Reference 3; Reference 14, P. 9-12; Reference 15, P. 136; Reference 25, P. 216).

If you could accurately predict future interest rates, inflation and deflation, you would know when to buy or sell stocks and make a bundle of money. The FED has secret meetings (per Congressional Record) to determine future interest rates and the amount of money to be printed. The Securities Exchange Commission (SEC) by law, stops insiders from profiting by privileged information. Congressional records prove that FED bankers routinely hold secret meetings to profit by manipulating the stock market via interest rates and the amount of money they create. FED bankers also profit greatly from economic disasters like the Depression (Reference 22, P. 56). The bankers create inflation, sell their stocks before the market crashes, then buy up stocks at cheaper prices. Bankers admitted this to Congress. This violates the law, yet Congress does not act because these bankers are large political contributors (Reference 17, P. 96-98; Reference 1, P. 162-163; Reference 22, P. 114-170 & P. 136). Thomas Jefferson predicted this scenario if we ever allowed a private bank, like the FED, to create our currency (Reference 1, P. 247).

FED Chairman Burns states "Killing can be made simply by knowing the next few months newspapers ahead of time." Congressman Patman said "The FED officials own more than 100 million dollars (of stocks) while making decisions influencing these stock prices..." (Reference 24, P. 123). History proves that banks profit from bankrupting a nation (Reference 22, P. 56).

Congress consistently defeats balanced budget amendments. In the past 30 years, Congress has raised our taxes 56 times and balanced the budget only once. We need the sound banking system our forefathers wanted us to have. History proves that banking systems like the FED don't work. Major world

powers have been destroyed over similar banking systems (Reference 1). If we don't change this system NOW, in five years the only thing our taxes will pay is the interest on the national debt.

Section 7 of the Federal Reserve Act, passed December 23, 1913, states that much of the profit of the FED should flow into the U.S. Treasury. In 1959, new legislation allowed the FED to transfer bonds to commercial banks at no cost to the bank. Now the FED receives less interest income and less profit for the U.S. Treasury because the money is diverted to other banks through an accounting entry (Reference 17, P. 115-130). Congress and the IRS do not have access to the financial records of the FED. Every year Congress introduces legislation to audit the FED, and every year it is defeated. The FED banking system could easily be netting 100s of billions in profit each year. Through "creative accounting" profit can easily be reclassified as expense (Reference 14, P. 20, Reference 17, P. 239). Within the first few years, the shareholders of the FED received their initial investment back with no risk. All the income is tax-free, except for property tax, according to the Federal Reserve Act. When are the profits of the FED going to start flowing into the Treasury so that average Americans are no longer burdened with excessive, unnecessary taxes? Clearly, Congress cannot or will not control the FED. IT IS TIME TO ABOLISH IT!

3 WAYS TO ABOLISH THE FED AND ISSUE MONEY PER THE UNITED STATES CONSTITUTION, ARTICLE 1, SECTION 8:

* Buy back the FED and have the U.S. Government collect all profits.

* Abolish the FED by printing real U.S. dollars as President Kennedy attempted (Executive Order 11.110, 1963) (Reference 4).

* Request your county/state to use their Constitutional powers to abolish the FED. This is the BEST SOLUTION. Nearly half the states are attempting or considering this action (Reference 5). Congress has had 80 years to follow the Constitution, and has refused to abolish the illegal FED. The state/county effort is working faster than any other method. We need your support to start a local chapter of FED-UP(tm) Inc. and petition your county.

THE WRONG SOLUTION THAT HAS FAILED FOR 80 YEARS:

Congress and the media may want to require the FED to return the required profits into the U.S. Treasury (per the Federal Reserve Act, 1913). The problem is that with "creative accounting" techniques, profit can be easily masked as expense. The FED has expensed items illegally to lower profit (Reference 17).

"We the People" have pushed the following states to pass or introduce legislation calling for an end to the FED: Arizona, Washington, Arkansas, Idaho, Oregon, Indiana, and Texas. We still need your signatures on petitions, even if you live in these states. Many other states are considering such action due to your petitions. These states and a few honest Congresspeople are powerless until all Americans become informed and demand change. Please pass out the petition. Once we demand change, the media will have to report the whole truth and not just push their own agenda. FED-UP(tm) challenges the media to expose the facts on prime time talk shows or news programs.

By abolishing the FED, we would not pay interest on Federal Reserve Notes. Until it is abolished, the FED has a monopoly on profit on our currency and whether our money supply will be increased or decreased, inflation or depression. The banks are capable of controlling business by controlling who can or cannot obtain a loan.

WE'VE DONE OUR PART - NOW IT IS UP TO YOU TO SPREAD THE WORD. Please take the brochure (Cutting taxes $6,000 per family per year) to VFW, Moose/Elk Lodges, Bars, Union Halls, Churches, and Association groups. Make copies of the "single-page" brochure for everyone at work and ask your friends to do the same. Ask small business owners in your community to tell other business owners and spread the brochure and petition through the local Chamber of Commerce. CPAs should be interested in saving their clients taxes. Ask your CPA to mail the brochure and petition out to his/her clients. Upon receiving this petition, many presidents of large corporations made this brochure and petition available to all employees. Once people are informed, we can force a change. People will have more money to spend, the economy will be strong, and we can keep our Constitutional rights, liberties, and freedoms.

Contact your library for the names and addresses of your local and federal Congresspeople. MAIL THEM AN ENVELOPE WITHOUT YOUR NAME AND ADDRESS ATTACHED. In the envelope, say "FED-UP(tm) Inc. Abolish the FED." Also enclose one teabag (Boston Tea Party). Ask your friends to do the same (give them the addresses). Politicians are aware of the "Teabag Protest." If you don't mail it in, they're going to believe that we're not organized or we just don't care. IF YOU DON'T DO IT NO ONE ELSE WILL!

Many Congresspeople want to make this change, but can't without the support of the people.

WHY OUR FOREFATHERS FOUGHT THE FED

"Allow me to control the issue and the nation's money and I care not who makes its laws!" The above quote has long been attributed to the 18th century banker Amshell Rothschild (his blood line controls the FED). For if one unscrupulous group is allowed to print a nation's money - it can eventually use that money to gain control of the press AND the politicians - and thus gain control of making the nation's laws - and finally - control of the nation itself. (Reference 4)

If you will take the time to read the reference material listed which has been researched by Professors of Universities, Congresspeople, etc, you will turn up information that might frighten you. For instance, in 1921 the stockholders of the Federal Reserve financed an organization called the "Council on Foreign Relations" (CFR). Harpers magazine called this the most powerful organization in the United States. Ninety percent of the people in the State Department and key positions in the Executive Branch are members of the CFR. The CFR publishes a magazine called "Foreign Affairs." Read it if you want to know what is going to happen in coming years. The CFR is in favor of a New World Order (Reference 3).

Congressman Patman re-quoted Thomas Jefferson showing that our founding fathers knew this banking principle very well. "I believe that banking institutions are more dangerous to our liberties than standing armies...." "Already they have raised up a money aristocracy that has set the government at defiance. The issuing power (of money)," he said, "should be taken from the banks and restored to the people to whom it properly belongs." The American Revolution was a struggle to wrest control of wealth from the Bank of England and to restore the centers of power to the People where it "properly belongs." The Constitution is specific about the authority of the People, through their elected officials, to control the money, and thus, the affairs of their government. (Reference 5, P. 32).

Ben Franklin said in his autobiography that the inability of the colonists to get the power to issue their own money permanently out of the hands of George III and the international bankers was [one of] the PRIME reason[s] for the Revolutionary War. (Quoted in Reference 4)

Thomas Jefferson stated, "If the American people ever allow private banks to control the issue of currency, first by inflation, then by deflation, the banks and corporations that will grow up around them will deprive the people of all property until their children will wake up homeless on the continent their fathers conquered." (Reference 1, P. 247)

Congressman Charles A. Lindbergh of Minnesota said: "This [Federal Reserve]

Act establishes the most gigantic trust on Earth. When the President [Wilson] signs this bill, the invisible government of the Monetary Power will be legalized... the worst legislative crime of the ages, perpetuated by this banking and currency bill." (Reference 5, P. 33)

Robert H. Hemphill (Credit Manager, Federal Reserve Bank in Atlanta): "We are completely dependent on the commercial banks. Someone has to borrow every dollar we have in circulation, cash, or credit. If the banks create ample synthetic money we are prosperous; if not, we starve. We are absolutely without a permanent money system. When one gets a complete grasp of the picture, the tragic absurdity of our hopeless position is almost incredible, but there it is. It [the banking problem] is the most important subject intelligent persons can investigate and reflect upon. It is so important that our present civilization may collapse unless it becomes widely understood and the defects are remedied very soon." (Reference 1, P. 247)

Napoleon, a sympathizer for the international bankers, turned against them in the last years of his rule. He said: "When a government is dependent upon bankers for money, they and not the leaders of the government control the situation, since the hand that gives is above the hand that takes... Money has no motherland; financiers are without patriotism and without decency; their sole object is gain." (Reference 4)

Congresspeople have referred to Federal Reserve Notes as "FIAT" (no-backing) money. (Reference 1, P. 128, 169)

In 1879 the Supreme Court declared that the U.S. Government can legally issue United States Notes, debt and interest-free, just as Lincoln and Kennedy attempted. (Reference 1, P. 233)

A bank that attempted to repossess property on the basis of default faced Judge Mahoney in a jury trial. Jerome Daly was found innocent. The bank could not foreclose on the property because it created the loan money from thin air, as many banks do. Use this as a precedent the next time any bank tries to foreclose on your house. (Reference 17, P. 82, 83 for court records)

The FED violates Security & Exchange Commission (SEC) rules. (Reference 17, P. 96-98)

California 9th Circuit Court declared FED banks are private, not government. (Reference 17, P. 273)

Mr. Marriner Eccles, who was Chairman of the board of Governors of the

Federal Reserve System longer than any other man, testified before the Joint Economic Committee in August 1962. When Chairman Rep. Wright Patman asked whether it was not a fact that the Federal Reserve System has more power than either the Congress or the President, Eccles replied: "In the field of money and credit, yes." (Reference 1, P. 206)

Dr. Hans F. Sennholz, Chairman of the Department of Economics at Grove City (PA) College stated: "The Federal Reserve System facilitates the government's own inflationary financing in "periods of emergency." It makes easy the inflationary financing of budget deficits and the inflationary refunding of government loans. It stabilizes the government bond market through inflationary methods and manipulates this market to the advantage of the government. It does all this by wrecking the purchasing power of the dollar; by subtly stealing from the people of this country what it thus provides for the government, through a process exactly on par with the coin clipping of ancient kings but much less visible." (Reference 1, P. 250, 251)

Source: Banking Act of 1935, Hearings before a Subcommittee of the Banking and Currency Committee, U.S. Senate, 74th Congress, 1st Session, on S.1715, May 1935, pp 871-2. "The Federal Reserve System is in the wrong hands. No Constitutional republic can function when the government's money powers are in the hands of the financial oligarchy such as New York financiers.

A Republican Senator, who preferred to remain unnamed, stated: "Congress is too much motivated by fears and anxieties concerning pressure groups and the "non election." (Reference 1, P. 210)

By controlling Congress, the FED has been able to control the nominating conventions of both political parties. In this way, it has been able to hand-pick the presidential nominees so that no matter which party wins, their nominee for President is under definite obligations to the FED... (Reference 1, P. 210; Reference 22)

In 1975, the Rockefeller Foundation Report discussed the "Interdependence" of the countries of the world on each other. It stated we are one world and America shall become a nation-state under one government. They also say we must reach a zero state population growth. The Rockefeller Foundation stated that they have in excess of 747 million dollars to achieve this with. (Reference 3)

Congressman John R. Rarick states that the Council on Foreign Relations CFR) is dedicated to a one world government. The media remains conspicuously quiet. The CFR wants to convert the U.S. from a sovereign, constitutional

republic into a servile member state of a one world dictatorship. On February 17, 1950, CFR member James Warburg (banker, and architect of the Federal Reserve System) stated before a Senate Foreign Relations Committee, "We shall have one world government whether or not you like it, by conquest or consent." Again, the media remained silent. In the April 1974 issue of the CFR journal, "Foreign Affairs", page 558, Richard Gardener states that the new world order "will be built... but an end run around national sovereignty, eroding it piece by piece, will accomplish much more than the old fashioned frontal assault." Congressman McDonald, Heinz and Tower stated that this is a conspiracy. Again, the media remained silent. (Reference 14, P. 17, 18, 32, 33).

THE CFR WANTS TO ABOLISH THE CONSTITUTION. (Reference 14)
WE MUST STOP THEM!!

In a letter to Thomas Jefferson, John Adams wrote: "All the perplexities, confusions, and distresses in America arise, not from defects in the Constitution or confederation, not from want of honor or virtue, as much as from downright ignorance of the nature of coin, credit, and circulation".

British bankers have stated "Those that create and issue money and credit direct the policies of government and hold in their hands the destiny of the people". (Reference 1, P. 200-214)

Adams, Jefferson, and Lincoln believed that banker capitalism was more dangerous to our liberties than standing armies. In a republic, banks would lend money but could not create or manufacture it. (Reference 1, P. 215)

Later, Jefferson used stronger language and denounced the institution as "one of the most deadly hostilities against the principles and form of our Constitution." Some have said that Jefferson did not favor a strong central bank. What he did not favor was the delivery of our monetary system into private hands to be run for private profit. (Reference 1, P. 230)

President James A. Garfield said: "Whoever controls the money in any country is absolute master of industry [legislation] and commerce". (Reference 1, P. 247, Reference 4)

Without the Federal Reserve System, there can be no continuing march towards socialism, and with it there can be no free economy. (Reference 1, P. 251)

By controlling our own money, Thomas Jefferson expected that the government would incur no debt, as had occurred in the European system. (Reference 1, P. 243) European banks are like the FED.

The FED system is the death of our Constitution. (Reference 1, P. 250)

THE PLAN TO REDUCE PERSONAL INCOME TAX BY 75% AND BALANCE THE BUDGET BY ABOLISHING THE FED CAN BE PROVEN BY AMERICAN HISTORY.

THE FACTS:

* England lost the Revolutionary War.

* England nearly destroyed the Colonies by creating fake Colonial money and hyper-inflation.

* Rothschilds who control the Bank of England (Like our FED) said that by controlling the issue of money (printing it) you can control the government.

* The authors of the Constitution understood private banks" control over governments. The Constitution gives only Congress the right to print money.

* From the beginning of the United States to present there have been two ways to issue new currency:

The first way is to have the government print the money, debt and interest- free, and circulate it through the economy for use as a medium of exchange. There is no tax levied to pay interest on the currency in circulation because it is debt and interest-free. This is the system Lincoln used with his "greenbacks", a system Kennedy desired, and Jefferson demanded.

The second method is: The Citizens allow the bank to print $500 billion in currency (cash). The bank pays for printing costs, ink, and paper. The Citizens do not charge the bank any interest for use of the $500 billion in printed currency. The bank uses the $500 billion cash to buy a $500 billion government bond which pays the bankers interest. The bank keeps some of the bonds and sells, for a fee (10%), some of the bonds to the public. The bank can buy back the bonds from the public simply by printing more money. The bankers can create inflation and depressions by manipulating the amount of currency in circulation. The FED operates exactly like this today. It also prints money (through the U.S. Treasury) and uses this printed money to buy loans from other banks. This money has created our inflation. We give the bank cash interest-free, then they charge us interest on our own currency.

Take a look at our history in view of the two banking systems:

BEN FRANKLIN - THE TWO BANKING SYSTEMS

From the autobiography of Ben Franklin as reported by Gertrude Coogan in Money

Creators:

...the inability of the colonists to get the power to issue their own money permanently out of the hands of George III and the international bankers was the PRIME reason for the Revolutionary War. (Reference 4).

Ben Franklin answering a question about the booming economy of the young colonies: "That is simple. In the colonies we issue our own money. It is called Colonial Scrip. We issue it in proper proportions to the demands of trade and industry." (Colonial Scrip had no debt or interest attached.) (Reference 4)

BANK OF AMERICA

International bankers saw that interest-free scrip would keep America free of their influence, so by 1781 banker-backed Alexander Hamilton succeeded in starting the Bank of America. After a few years of "bank money", the prosperity of "Colonial Scrip" was gone. Benjamin Franklin said, "Conditions were so reversed that the era of prosperity had ended and a depression set in to such an extent that the streets of the Colonies were filled with the unemployed!" Bank money was like our FED money. It had debt and interest attached. By 1790 Hamilton and his bankers had created a privately owned central bank and converted the public debt (interest-free) into interest bearing bonds, payable to the bankers. When Hamilton's bank charter expired in 1811, the international bankers started the war of 1812. By 1816, another privately-owned U.S. bank was started with $35 million in assets - only $7 million of that was owned by the government. This bank lasted for 20 years. U.S. history shows that currency with debt and interest attached created a depression. (Reference 4)

ANDREW JACKSON - A GREAT PRESIDENT!

When the 1816 charter expired in 1836, Andrew Jackson vetoed its renewal. It was then that he made two famous statements: "The Bank is trying to kill me - but I will kill it!" Later he said "If the American people only understood the rank injustice of our money and banking system - there would be a revolution before morning..." (Reference 4)

ABRAHAM LINCOLN - ANOTHER GREAT PRESIDENT!

President Lincoln needed money to finance the Civil War, and the international bankers offered him loans at 24-36% interest. Lincoln balked at their demands because he didn't want to plunge the nation into such a huge debt. Lincoln approached Congress about passing a law to authorize the printing of U.S. Treasury Notes. Lincoln said "We gave the people of this Republic the greatest blessing they ever had - their own paper money to pay their debts..." Lincoln printed over 400 million "Greenbacks" (debt and interest-free) and paid the soldiers, U.S. government employees, and bought war supplies. The international bankers didn't like it and wanted Lincoln to borrow the money from them so that the American people would owe tremendous interest on the loan. Lincoln's solution made this seem ridiculous. (Reference 1, P. 46, 47; Reference 4)

Shortly after Lincoln's death, the government revoked the Greenback law which ended Lincoln's debt-free, interest-free money. A new national banking act was enacted and all money became interest bearing again. (Reference 4)

The late Thomas A Edison explained the matter of issuing currency this way: "If our nation can issue a dollar bond (interest bearing) it can issue a dollar bill (interest-free). The element that makes the bond good makes a bill good also. The difference between the bond and the bill is that the bond lets money brokers collect twice the amount of the bond and an additional 20 percent, whereas the currency pays nobody but those who contribute directly in some useful way. It is absurd to say that our country can issue $30 million in bonds and not $30 million in currency. Both are promises to pay: But one promise fattens the usurers (interest collectors) and the other helps the people." (Reference 1, P. 46)

The FED is owned largely by foreign banks that control our economy and Congress through the power of money and the media which they bought with profits generated with profits generated by artificial debt.

If we can convert U.S. dollars that are debt and interest-free to interest bearing currency, we can change it back just as easily. Both the media and the banking system will probably claim that such a change will cause hyper- inflation. The answer however, can be found in history. Lincoln printed debt and interest-free Greenbacks (cash) to finance an entire war. With added production you can add currency without having hyper-inflation. Lincoln proved it. John F. Kennedy - a President with vision! On June 4, 1964, President Kennedy issued Executive Order 11110. This Executive Order called for the issuance of new currency - the United States Note. At the time, $4,292,893 of this currency was put into circulation. This new currency was to be distributed through the U.S. Treasury and not the Federal Reserve System. Furthermore, it was to be issued debt and interest-free. Upon Kennedy's assassination, this currency was withdrawn from circulation, never to be issued again. The media remained silent on how Kennedy would have eliminated the debt and interest payments, and therefore eliminated the FED. Interest-free United States Notes do not result in hyper-inflation. By issuing United States Notes, interest-free, we have less interest expense, and less taxes. With less taxes people spend more and buy more. This result is added production, and therefore, you can add dollars without inflation. Either Rockefeller and his people will spend your tax money into the economy or you get to spend your own money by paying less taxes. The bankers want you to think you'll have mass inflation by changing the system. This is only true if you add dollars to the economy without added production. For example, look what happened in post World War I Germany. They merely printed money without increasing production. The result was hyper-inflation. Another example: In the entire economy, if you have only 10 loaves of bread and only $10, each loaf would sell for $1. If you print an extra $10, now you have $20 and the 10 loaves which would sell for $2 each. This is only true if we don't have added production. By cutting taxes, people will spend more and buy more bread. If we print more money and bake more bread, we have $50 and 50 loaves, so each loaf still sells for $1. As long as you monitor production with increased cash, inflation will not occur. Under the FED system, the price of bread has dramatically increased since 1913. If we cut taxes and YOU spend your money instead of the BANKERS spending it, you will have more bread, cars, and wealth than the bankers.

SOMEONE will spend your money - it might as well be YOU!

A FED-like banking system has destroyed other governments. In five years the only thing taxes will pay is the interest on the debt. Clearly, the FED must be abolished before we're demolished! Already laws are set up to have a dictatorship when we have the economic crisis (Federal Emergency Management Act, or FEMA).

Under the FED system, when a new dollar is issued, we pay taxes to pay for the dollar as the principal (debt) plus interest on the dollar. We pay for each new dollar twice, and who gets most of the money? The bankers, who control this money. Taxpayers should only pay taxes for the paper, ink, and printing costs of new money. Why should we give bankers the right to print money on a printing press, charge them no interest on this money, and then let them exchange their "free" money for a government bond that pays them interest??

England never gave up on owning the United States. They are still silently fighting the same Revolutionary War. The Bank of England, through the Rothschilds, owns and controls the FED (Reference 22). We have been robbed of our wealth, and in five years we will be bankrupt if there is no change. The FED bankers will LEGALLY OWN OUR NATION; OUR HOUSES, OUR CARS, OUR BUSINESSES, just as Thomas Jefferson predicted.

SPECIFIC PLAN: HOW TO GET OUT OF DEBT

U.S. history proves that issuing debt and interest-free currency allows our economy to prosper, as long as Congress controls the amount of money created. You can add printed dollars into the economy as you add production, and there will be no inflation. With today's sophisticated computers, we can easily monitor the printing of money and inflation.

Congress needs to buy back the FED and/or abolish it. Any government debt they own would be automatically eliminated. All remaining debt could be paid as needed with the same type of currency Kennedy issued (debt and interest-free United States Notes). United States Notes are backed by the full faith of the best government in the world - The United States of America. This is no different than the backing of today's Federal Reserve Notes. U.S. citizens collect only a small fraction of the interest income on Federal Bonds and Bills. Foreigners benefit from this interest, but we pay the tax so that they collect interest on our currency. This makes sense to bankers and Congresspeople who receive money from bankers and foreign lobbyists.

As we pay less interest, government spending will decrease and so will taxes. Less taxes mean that people buy more goods and services and our economy expands. An expanded economy means more jobs and higher profits for businesses. More profit means increased state/federal business taxes. Businesses continue to pay taxes while personal taxes decrease. People will have more money to spend, will buy more, and therefore pay increased state sales tax. This allows the states to balance their budgets without raising real estate taxes. As history proves, we will prosper.

For 80 years the FED has destroyed our economy. It will take years to undo this damage. Just as Congress appoints a Postal Service, we will have Congress appoint an agency to monitor inflation as we exchange our retiring government debt for debt and interest-free United States Notes (cash). We need to break up all Central Banks created by the FED and return to the Constitution of the United States. We have to return the power of the citizens' money back to the people.

THERE ARE SEVERAL SIMPLE WAYS TO ABOLISH THE FED:

* Inform all Americans of this report and collect signatures on the petition.

* Demand that Congress and the media support "We the People's" rights to uphold the Constitution and abolish the illegal FED.

* Write to your local newspaper, show them this report and ask them to keep freedom of the press alive, support the Constitution and abolish the FED. Freedom of the press should not be limited to those who own it.

* Write to CNN and other media. Tell them you want to see FED-UP(tm) on their programs.

* Ask your State/County Representatives to use their Constitutional powers to enforce your rights under the Constitution to have the FED abolished. Write to Reference 5 for detailed paperwork to be given to your local government.

* Call in on TV and radio talk shows and discuss why the FED should be abolished.

* Support businesses who distribute the petition and display the sign "FED-UP". If they don't, please ask them to.

* Ask candidates if they plan to introduce legislation to abolish the FED and uphold the Constitution which they are obligated to defend. Make candidates take a stand! Have the politician sign a contract with "We the People" enacting legislation to abolish the FED by a certain date or the politician must resign from office. The Democratic Congress and President promised the people "no FED" before the election. Thirteen months later, they passed the FED.

* Display your bumper sticker to show support and inform people.

* If 5,000 people distribute 2-3 brochures daily, we can inform half a million Americans monthly. Roughly 10% of these half a million people will make copies and inform others. Our goal is to inform 70 million adult Americans. Public opinion will soon be on our side. Once 10% of the population know, the other 90% will follow.

* Pray and ask God to return us to "One nation under God."

It is our recommendation that you research the references listed, support all organizations that re trying to stop this fraud, and help us in our goal to get every American to sign this

petition.

REFERENCES:

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(2) National Committee to Repeal the Federal Reserve Act, P.O. Box 156, Westmont, IL 60559
(3) "The New World Order,Saving America", P.O. Box 1205, Middleburg, FL 32050-1205
(4) "Bulletin", February 1989 & November 1991 issues, P.O. Box 986, Ft. Collins, CO 80522 (Newsletter; $3 each)
(5) "The Most Secret Science", Betsy Ross Press, P.O. Box 986, Ft. Collins, CO 80522 (Book) States attempt to abolish the FED. $12.00
(6) "Insider Report", P.O. Box 84903, Phoenix, AZ 85071
(7) "Phoenix Journal Express", P.O. Box 986, Tehachap, CA 93581
(8) $16 trillion in government and private debt, much of which the FED printed and collected interest on (Reference 3)
(9) Northpoint Tactical Team, P.O. Box 129, Topton, NC 28781
(10) Christian Defense League, Box 449, Arabi, LA 70023
(11) "Bulletin", June 1992 issue, P.O. Box 986, Ft. Collins, CO 80522 (Newsletter; $3 each)
(12) "Savings and Loan Unethical Bailout" by Rev. Casimir F. Gierut
(13) "Dark Secrets of the New Age" by Texe Marrs
(14) "En Route to Global Occupation" by Gary H. Kah
(15) "One World" by John Amkerberg & John Weldon
(16) "The Spotlight", Liberty Lobby, 300 Independence Ave. S.E., Washington, D.C. 20003 (Newspaper)
(17) "Repeal the Federal Reserve Banks" by Rev. Casimir Frank Gierut
(18) The Constitution of the United States
(19) "Walls in Our Minds" by M.J. Red Beckman, Common Sense Press, P.O. Box 1544, Billings, MT 59103. A must read book - $2.50
(20) "The Law That Never Was" Volume I, Bill Benson & M.J. Red Beckman, P.O. Box 1544, Billings, MT 59103 or write to Bill Benson, P.O. Box 550, South Holland, IL 60473. Proof that the 16th Amendment (income tax) was never properly ratified.
(21) "New World Order: The Ancient Plan of Secret Societies" by William T. Still
(22) "The Secrets of the Federal Reserve" by Mullins
(23) "The Social Security & Pension Conspiracy" by Metz
(24) "The History of the Federal Reserve. How to Replace It or How to Reform It" by Metz - for references 23 & 24 write to Howard Metz, P.O. Box 341, Malverne, LI 11565
(25) "The New World Order" by Pat Robertson. On page 131 he states that we must abolish the FED.
(26) "Operation Vampire Killer 2000", highly recommended book. $6.00 ($8.00 for 2) from ACLA, P.O. Box 8712, Phoenix, AZ 85066 This is a must read book with quotes from well known people. This book proves conspiracy. Your local police needs to read this book so they will protect you - not become United Nations Agents against you. This

book will stop the New World Order plan to take over the U.S.A.

"America Betrayed", Center For Action, 652 N. Glenview, Nesa, AZ 85213

For references 1, 12, and 17, contact The National Committee to Repeal the Federal Reserve Act (Reference 2)

MEDIA BLACKS OUT THE FACTS

Here's one terrific example. John Swinton, the former Chief of Staff for the New York Times, was one of New York's best loved newspapermen. Called by his peers "The Dean of his Profession", John was asked in 1953 to give a toast before the New York Press Club, and in so doing, made a monumentally important and revealing statement. He is quoted as follows:

"There is no such thing, at this date of the world's history, in America, as an independent press. You know it and I know it. There is not one of you who dares to write your honest opinions, and if you did, you know beforehand that it would never appear in print. I am paid weekly for keeping my honest opinion out of the paper I am connected with. Others of you are paid similar weekly salaries for similar things, and any of you who would be so foolish as to write honest opinions would be out on the streets looking for another job. If I allowed my honest opinions to appear in one issue of my paper, before twenty-four hours my occupation would be gone. The business of the journalists is to destroy the truth; to lie outright; to pervert; to vilify; to fawn at the feet of mammon, and to sell his country and his race for his daily bread. You know it and I know it, and what folly is this toasting an independent press? We are the tools and vassals of rich men behind the scenes. We are the jumping jacks, they pull the strings and we dance. Our talents, our possibilities, and our lives are all the property of other men. We are intellectual prostitutes."

RICHARD M. COHAN, Senior Producer of CBS political news said: "We are going to impose OUR AGENDA on the coverage by dealing with issues and subjects that WE choose to deal with."

RICHARD SALANT, former President of CBS News stated: "Our job is to give people not what they want, but what WE decide they ought to have."

And what is "their" agenda? What do they believe we, the American people, - THE COMMON HERD, "...ought to have?" Here is the answer:

NORMAN THOMAS - For many years the U.S. Socialist Presidential candidate proclaimed: "The American people will never knowingly adopt Socialism. But under the name of "liberalism" they will adopt every fragment of the socialist program, until one day America will be a Socialist nation, without knowing what happened."

HERMAN DISMORE, foreign editor of the New York Times from 1950 to 1960: "The New York Times is deliberately pitched to the liberal (socialist) point of view."

WALTER CRONKITE: "News reporters are certainly liberal (socialists) and left of center."

BARBARA WALTERS: "The news media in general are liberals (socialists)."

Reference for everything above - Operation Vampire Killer, P.O. Box 8712, Phoenix, AZ 85066

The world, finally including even the balky American public, is "being rapidly educated into overcoming limited patriotism" and accepting "United Nations solutions to common global problems," said Henry Kissinger.

Bilderberg participants expressed satisfaction with progress toward world government on two fronts:

* Establishing a UN tax to not only finance new global programs, but to condition "citizens of the world" to paying tribute.

* Conditioning the public -- again, especially "those stubborn Americans" -- to accept the idea of a UN army that could, by force, impose its will on the internal affairs of any nation.

"Today, Americans would be outraged if UN forces entered Los Angeles to restore order; tomorrow, they will be grateful," Kissinger said (of the 1992 Los Angeles riot).

Kissinger reported on a shocking speech made by UN Secretary General Butrous Ghali to the American Association of Newspaper Publishers at UN headquarters in New York in early May. The publishers' newspapers covered up the story.

The UN Security Council must have a permanent force that can be deployed anywhere in the world, instantly, to "protect the peace" and "ensure human rights" the secretary-general told the newspaper publishers.

UN TO INVADE U.S.

This force must be allowed to intervene "at the local and community levels," the UN leader told the American publishers.

What is "especially gratifying," Kissinger said, "is that the publishers showed no reservations about the prospects of UN forces landing in the United States and imposing the UN's will."

Reference - The Spotlight, June 8, 1992, page 10. Liberty Lobby, 300 Independence Ave. S.E., Washington, D.C. 20003 (Newspaper)

SUMMARY OF QUICK FACTS

* Various dates and proofs that the Bankers created panic to push Congress to pass laws favoring bankers... Reference 22

* President Wilson received $85,000 bribe from bankers... Reference 22, pages 25-26

* How England, through the Bankers, controls our Congress... Reference 22, pages 47-48

* Rockefeller is connected to President Carter... Reference 22, page 171; Reference 25, page 103

* How George Bush is directly connected to the FED bank... Reference 22, page 49

* President Hoover and President Roosevelt were international Bankers... Reference 22, pages 69-71 and pages 157-159

* President Nixon was hired by Rockefeller's law firm to become President... Reference 25, pages 100-101

* FED owner's manual to destroy and control U.S. citizens... Reference 22, pages 55-56

* Proof Bankers claim they control the government... Reference 22, page 59

* Proof the FED knowingly created the Great Depression for their gain... Reference 22, pages 137-170

* FED bankers are directly linked to the New World Order and the United Nations. New World Order was discussed by George Bush, Rockefeller, Adolph Hitler, and Jimmy Carter... Reference 25, pages 5-7

* The Great Seal on back of the FED $1 bill, below pyramid, the NOVUS ORDO SECLORUM means "New World of the Ages" or --->> New World Order... Reference 25, page 35

* How the Banker's tax-exempt organizations fund activities to destroy America's freedom by attacking our Constitution and way of life... Reference 25, pages 138-159; Reference 14 (throughout whole book)

* Senator Barry Goldwater warned of economic powers capable of bypassing or controlling the political powers. Bank induced depression is possible in the future to force political change... Reference 25, 131

* Rockefeller's money was used to seize control of America's teaching and training of students by rewriting history and textbooks. Rockefeller has also funded the National Education Association (NEA)... Reference 14, page 61

* Gary Kah, high-ranking government liaison having first-hand knowledge of the New World Order exposes the truth. Read his book and En Route To Global Occupation...

Reference 14

QUICK FACTS FROM TOM SCHAUF:

First, we must uphold the Constitution. Please call the Hotline (217-854-7504) weekly for new information. When a state considers a Constitutional Convention, concerned Americans call the Hotline and it gives us the names and telephone numbers of the legislators involved. It tells us exactly what to say, and to whom. The Hotline helps us to fight and win!

Secondly, we must change the opinions of the masses with information. The brochure has been a big help, and once 10% of the population agrees to abolish the FED, the rest will follow.

It is obvious the media (radio and newspapers) have lied about the FED and the efforts of FED-UP(tm) to educate people with the truth. This will not stop us - we will persist! Decide for yourself if you want to win America back. If 10,000 patriotic Americans each distribute 1,000 brochures, 10 million Americans will become informed. It would be almost impossible to stop people from talking about abolishing the FED if that many Americans were informed. Another way you can participate is to put a bumper sticker on your car. Over 1,000 people every month will see that bumper sticker about abolishing the FED.

If you think our goal is impossible, remember this; only 3% of Americans supported the Revolutionary War, and we won that war. We can win this war too, but only with your help.

IN CLOSING

For the secret owners of the FED to control the volume of money and become our absolute masters, they had to get the Gold away from our grandparents. This was accomplished in 1933 with the threats of fines and imprisonments by their President Franklin D. Roosevelt with aide Harry Hopkins, who said... "Elect, elect, elect, tax, tax, tax, spend, spend, spend, for the people are too damned stupid to understand". By the way, Roosevelt was an international Banker. See Fool's Gold is Green by Winston Smith.

THE FED IS SLOWLY DESTROYING AMERICA

Our government never had a chance...with political corruption ravaging its Constitution. The *real facts* don't lie...and neither do government documents...Congressional Record, Congressman Wright Patman, A Primer On Money prepared by the Sub-committee on Domestic Finance, House of Representatives, Committee on Banking and Currency - 88th Congress, 2nd session, August 4th, 1964 and December 23, 1913, page 1464 & 1478.

Congressional Record, Congressman Louis McFadden, June 10, 1932, House of

Representatives, pages 12604-12605

Congressional Record, 98th Congress, 1st session, February 3, 1983, Congressman Ron Paul

Congressional Record, Committee on Banking and Currency, House of Representatives, 77th Congress, 1st session, Tuesday, September 30, 1941, pages 1342-1345

THERE ARE MANY MORE CONGRESSIONAL TESTIMONIALS

IS THERE BIAS IN THE MEDIA REGARDING THE FED?

DURING THE TV PRESIDENTIAL DEBATES, CLINTON WAS ASKED SHOULD THERE BE RESTRICTIONS ON THE FED? THE NEXT DAY, MAJOR NEWSPAPERS SAID THEY COVERED THE WHOLE PRESIDENTIAL DEBATE TEXT, BUT MANY NEWSPAPERS ELIMINATED THIS ONE QUESTION. CHECK YOUR LIBRARY!

The Revolutionary War was fought and the Constitution was written to prevent other nations and private banks from issuing (printing) money and controlling our currency.

In 1913, members of Congress committed treason and violated their oath of office to defend the Constitution against all enemies foreign and domestic by voting in the Federal Reserve Bank.

For the New World Order to create a one world government, they must control a central bank, eliminate the Constitution, end Christian values, disarm America, and control the media. The Council on Foreign Relations has openly said they will take us over in favor of a one world government. The American people must be warned or we may lose our freedom forever. If we do not demand our rights and uphold the Constitution, the CFR and bankers will continue their march toward socialism. If we allow them to continue, they will abolish our rights and put an end to our present government. I urge all Americans to distribute the "main" FED-UP brochure ("saving $6000 in taxes per year, per person & balancing the budget) and collect signatures on the petition (see order form in the main brochure). Then all informed Americans can take action and hold their politicians accountable. The bankers control the media, but can not stop patriotic Americans from using copy machines to distribute information and inform America. Once informed, people will demand an explanation why Congress allowed this fraud as the media appeared to be independent and investigative, but remained silent on this important issue.

The ones who scream the loudest to keep the Federal Reserve Bank probably profit the most.

[About the Author:]

Thomas D. Schauf, CPA, is a national speaker to Certified Public Accountants and business leaders. Mr. Schauf's expertise includes banking, the economy, business appraisals, mergers, and acquisitions.

We are looking for leaders in all states to help us abolish the FED. Please write and let us know you're willing to help. The future of America depends on you.

CONTRIBUTIONS TO CONTINUE THE CAUSE ARE APPRECIATED

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Mr. Schauf and other speakers are available to speak at seminars, group meetings, on radio, and on television.
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Acknowledgements:

Our country likes to thank our forefathers for the Constitution.

I wish to thank Mr. Lou Gamboa for his research of the Constitution and our banking system. Lou Gamboa is a national speaker on the subject, and has spoken on numerous radio programs in an effort to educate the public.

I also want to thank Bob Corcoran for his research and encouragement.

I applaud the thousands of patriotic Americans who are spreading the word so we can live in economic prosperity and uphold our Constitutional rights.

ARTICLE 1, SECTION 8 OF THE CONSTITUTION STATES THAT CONGRESS SHALL HAVE THE POWER TO COIN (CREATE) MONEY AND REGULATE THE VALUE THEREOF.

IN 1935 THE SUPREME COURT RULED THAT CONGRESS CANNOT CONSTITUTIONALLY DELEGATE ITS POWER TO ANOTHER GROUP. (Reference 22, P. 168)

Rothschild, a London Banker, wrote a letter saying "It (Central Bank) gives the National Bank almost complete control of national finance. The few who understand the system will either be so interested in its profits, or so dependent on its favours, that there will be no opposition from that class... The great body of the people, mentally incapable of comprehending, will bear its burden without complaint, and perhaps without even suspecting that the system is inimical (contrary) to their interests." [The bankers created the legislation for the FED]

In 1913, before the Senate Banking and Currency Committee, Mr. Alexander stated: "But

the whole scheme of a Federal Reserve Bank with its commercial-paper basis is an impractical, cumbersome machinery, is simply a cover, to find a way to secure the privilege of issuing money and to evade payment of as much tax upon circulation as possible, and then control the issue and maintain, instead of reduce, interest rates. It is a system that, if inaugurated, will prove to the advantage of the few and the detriment of the people of the United States. It will mean continued shortage of actual money and further extension of credits; for when there is a lack of real money people have to borrow credit to their cost."

The Rise of the House of Rothschild

COUNT EGON CAESAR CORTI

Translated from the German by
Brian and Beatrix Lunn



1770-1830



The Pedler on Horseback

Caricature of the House of Rothschild

FOREWORD

Historians, in interpreting the nineteenth century, have laid stress on many and various aspects of the period under study; and descriptions of isolated periods, single episodes, and individuals are scattered amongst hundreds and even thousands of books. On the other hand, certain special features of the period under consideration have been, for various reasons, entirely neglected.

An example of such neglect is the ignoring by historians of the role played by the Rothschild family in the history of the nineteenth century, and the object of this work is to appraise the important influence of this family on the politics of the period, not only in Europe but throughout the world. For, strangely enough, the influence of the Rothschilds is barely mentioned, or at the most casually referred to, in otherwise comprehensive and painstaking historical treatises.

Special literature dealing with the House of Rothschild usually falls into one of two groups, either fulsome paeans of praise commissioned by the House itself, or scurrilous pamphlets inspired by hatred—both equally unpleasant. There are, however, two works of serious value in existence, which are partially compiled from legal documents, but they are of small scope. One is by an employee of the Rothschilds, Christian Wilhelm Berghoeffer, and the other is the impartial work of Dr. Richard Ehrenberg; but these treat only of isolated incidents in the history of the House, and throw no light on its pan-European importance.

The object of the present work, which deals with the period 1770-1830, is to trace the rise of the House of Rothschild from its small beginnings to the great position it attained, culminating in the year of its great crisis.

In the course of my researches I found that references to the name of Rothschild in official documents and in books of memoirs were as common as they are rare in contemporary textbooks. I made a point of collecting all available data until my drawers were literally crammed with letters, deeds, and documents containing the name of Rothschild, and bearing dates of almost every year of the nineteenth century. My next step was to visit the various European capitals which had been the scene of the family activities, in order to enrich my store of references with all the relevant literature. The subject is indeed inexhaustible, but the material I had amassed encouraged me to essay a complete picture.

The subject required the most delicate treatment, but my determination to undertake the work was accompanied by the definite intention of according it complete impartiality, for I was convinced from the beginning that a prejudiced outlook would render the work utterly valueless.

The House of Rothschild, as will be readily understood, did not throw open its archives to my inspection, for it is particularly careful in guarding its more important business secrets. But this was not entirely without its advantage, for it left me completely free from political considerations and uninfluenced by racial, national, and religious predilections or antipathies. I was thus enabled, in accordance with my wish, to begin an independent historical research into the part played by this House in the nineteenth century, which I knew to be far more important than is commonly thought.

The general scheme of this work will be built upon facts alone, in a practical way such as will help us to form our own judgment on individuals and the part they played in world events.

I should like to take this opportunity of expressing my special sense of gratitude toward all those whose advice and assistance have been so valuable to me in my work.

Above all I have to thank Dr. Bittner, Director of the State Archives at Vienna, as well as his exceedingly helpful staff, Professors Gross, Antonius, Reinoehl, Schmidt, Wolkan, and his Chief Clerk, Herr Marek. I should also like to thank Lieutenant-Colonel von Carlshausen, grandnephew of the man who helped the Rothschilds up the first rung of the ladder, and the Director of the Prussian Secret State Archives at Berlin, Geheimrat Klinkenborg. My thanks are also due to Dr. Losch of the Prussian State Library in Berlin, Dr. A. Richel at Frankfort and the staff of the Municipal Museum in that city who, together with the Director of the Portrait Collection in the Vienna National Library, Hofrat Dr. Rottinger and Dr. Wilhelm Beetz, who so kindly assisted me with the illustrations.

The material was collected for over a period of three and a half years, and only after much care has been spent on it do I now offer it to the public. It is submitted in the hope that it will be judged in accordance with its intentions. It is inspired by an intense love of truth, and it relates the story of an unseen but infinitely powerful driving force which permeated the whole of the nineteenth century.

The Author

Vienna, July, 1927.

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The Rise of the House of Rothschild

CHAPTER I

The Origins and the Early Activities of the Frankfort Family Rothschild

FRANKFORT-ON-THE-MAIN, seat of the Imperial Elections since the Golden Bull of 1356, acquired a dominating position amongst the great cities of Germany during the second half of the eighteenth century. Formerly the capital of the kingdom of the East Franks, it had become subject to the empire alone as early as 1245, and in spite of many vicissitudes it had maintained its leading position throughout the centuries. It expanded considerably during the last few centuries before the French Revolution and now numbered some 35,000 inhabitants, of whom one-tenth were Jews. By virtue of its natural position, lying so close to the great waterway of the Rhine and to the frontiers of France and Holland, it had become the gateway for the trade of Germany with the western states. Trade with England too constituted an important element in the activities of its inhabitants.

It was natural that members of the Jewish race, with their special gifts for trade and finance, should be particularly attracted to this city. Moreover, towards the end of the Middle Ages the Jews in Frankfort enjoyed a great measure of freedom, and at first no difficulties were placed in the way of their settlement. It was not until

the non-Jewish members of the business community at Worms saw that they were suffering from the competition of these enterprising people that the Christian citizens combined in their superior numbers.

Now began a period of harsh oppression for the Jewish inhabitants. In order that they might be removed from the neighborhood of the most important church in the town, they were ordered by a law passed in the year 1462 to leave the houses they had been living in and to settle in a quarter set aside for the purpose—the so-called Jewish City.[1] This, however, consisted only of a single dark alley, about twelve feet broad, and lay, as described by Goethe, between the city wall and a trench. For more than three hundred years this continued to be the sole residence of the Frankfort Jews, whose continuance in the city became more and more unpopular with the other inhabitants. As early as the second decade of the seventeenth century a rising broke out under one Fettmilch, one of the objects of which was to drive the Jews out of Frankfort. This object was indeed achieved through murder and pillage. Although the Jews soon returned to the city, they had to submit to innumerable restrictions and regulations embodied in a special law dealing with the so-called "Status of Jews." They were made subject to a poll-tax, and were compelled, as being a foreign element in the town, to purchase the "protection" of their persons and property. Hence they came to be called "protected Jews." The number of their families was to be limited to five hundred and only twelve marriages a year were allowed, although this number might be increased if a family died out. The Jews were not allowed to acquire land, or to practice farming or handicrafts. They were also forbidden to trade in various commodities, such as fruit, weapons and silk. Moreover, except during fairs, they were forbidden to offer their wares anywhere except outside the Jewish quarter. They were forbidden to leave the space within the ghetto

walls by night, or on Sundays or holy days. If a Jew crossed a bridge he had to pay a fee for doing so. They were not allowed to visit public taverns and were excluded from the more attractive walks in the city. The Jews accordingly did not stand high in public esteem. When they appeared in public, they were often greeted with shouts of contempt and stones were sometimes thrown at them. Boerne has stated that any street urchin could say to a passing Jew, "Jew, do your duty," and the Jew then had to step aside and take off his hat. However that may be, the oppressed condition of the Jews and the bent of many of them to usury, combined with the natural hostility of the Christians and their feeling that they were not as sharp in business, created an atmosphere of mutual hatred that can scarcely have been more painful anywhere than in Frankfort.

The progenitors of the House of Rothschild lived under conditions such as those in the ghetto of Frankfort. The earlier ancestors of Meyer Amschel Rothschild, who laid the foundations of the future greatness of the house, existed in the middle of the sixteenth century; we know their names, and their tombs have been preserved in the old Jewish cemetery at Frankfort. Formerly the houses in the Jewish quarter were not numbered, each house being distinguished by a shield of a particular color or by a sign. The house in which the members of the Rothschild family lived bore a small red shield. There is no doubt that it is to this fact that they owe their family name; it is first mentioned in 1585 in the name "Isaak Elchanan[2] at the Red Shield," his father's tombstone simply bearing the name Elchanan. About a century later Naftali Hirz at the Red Shield left the ruinous old building from which the family had derived its name, and occupied the so-called Haus zur Hinterpfann, in which the Rothschilds were now domiciled as protected Jews.

Until the time when Meyer Amschel Rothschild—who

was born in the year 1743, six years before Goethe—reached manhood, the family were principally engaged in various kinds of retail trade. At the beginning of the eighteenth century they had become money-changers in a small way. From the occasional records of their tax payments which have been preserved, it would appear that they were not a poor Jewish family, but that they were only reasonably well off.

In any case it is clear that Meyer Amschel came into some small inheritance when, in 1755, in his twelfth year, he lost his father and mother, of whom he was the eldest son; this gave him the incentive to throw himself into the battle of life with that vigor and industry which his parents had implanted in him in his early childhood. In the conditions of those times the struggle was certainly much more severe for a young Jew than for his more fortunate Christian neighbors.

When he was a boy of ten Meyer Amschel had been employed by his father in changing coins of every kind, that is, in exchanging gold and silver for the appropriate amount of copper known as coarse money. In the chaotic conditions prevailing in Germany—divided as the country was into innumerable small principalities, cities and spiritual jurisdictions, all of which had their own currency systems—the business of money-changing offered magnificent opportunities of profit, since everybody was compelled, before undertaking even the shortest journey, to call for the assistance of the exchange merchant. As the boy grew up, an important side interest developed out of this occupation, as he occasionally became possessed of rare and historically valuable coins, which awoke in him the instincts of the coin collector.

After leaving the school at Furth, where he was educated in the Jewish faith, Meyer Amschel entered the firm of Oppenheim at Hanover. While there he happened to make the acquaintance of the Hanoverian Gen-

eral von Estorff, an ardent coin collector, who employed him to obtain many valuable coins for his collection. As the general was connected with the ruling house in Hesse, this acquaintance was to have fruitful results. In his spare time Meyer Amschel now devoted himself more and more to numismatics. He got hold of any papers about the subject that he could, and in course of time became an expert in his subject, although his general education left a very great deal to be desired. At a comparatively early age he returned to his native city of Frankfort, in order to take possession of his inheritance, and having done so, to lay the foundations of a business of Ins own. For this he had received a practical education from his earliest youth, both at home and at Hanover.

About the same time General von Estorff left Hanover for the court of Prince William of Hesse, the grandson of the old Landgrave William VIII, who resided at Hesse; he proceeded to the small town of Hanau, which lies quite close to Frankfort. The prince's father Frederick II of Hesse had married a daughter of King George III of England of the House of Hanover, and the two rulers used their family relationships to consolidate their dynastic and political interests. The sale of soldiers for service under foreign governments, practiced by so many German princes at this time, was an important part of their activities; England, being particularly accustomed to carrying on wars with foreign mercenaries, was an exceedingly good customer.

Unfortunately Frederick II fell out with his wife, his father, and his father-in-law, because he changed over from the Protestant to the Catholic faith. In order to protect his grandson from his father's influence the old landgrave decided that William was to be kept away from Cassel, and allotted the county of Hanau to him. Until he should be able to assume the rulership of that province he was sent to King Frederick V of Denmark,

who had married the second daughter of the King of England, and whose daughter was destined to be the future bride of young William.

The relations of the ruling House of Hesse with England and Denmark were to be fraught with the most important consequences for the rise of the House of Rothschild, which was enabled to make use of the close business connection that it succeeded in establishing with the ruling House of Hesse, to get into touch with the courts and the leading statesmen of Denmark and England.

The old Landgrave William VIII died in 1760. Frederick assumed the government at Cassel, and William became crown prince; and as the bridegroom of the Danish princess he became, in accordance with the will of his grandfather, independent ruler of the small county of Hanau with its 50,000 inhabitants, to whose interests he devoted himself with the greatest zeal. William was a thoroughly active person, and was never idle for a moment. He read a great deal, and actually wrote some essays on matters of local historical interest. He also tried his hand, though without any great success, at etching, modeling and carpentering, and he had a very definite flair for collecting.

It would appear that General von Estorff aroused his ruler's interest in coin-collecting; in 1763 William adopted this hobby with great enthusiasm, and it afforded him much pleasure and satisfaction. Estorff spoke to him about Meyer Amschel Rothschild, who had bought coins for him in Hanover in former days, as being a great expert in that line.[3] On the strength of this introduction Rothschild selected some of his finest medals and rarest coins, and went to Hanau to offer them to the young prince. He did not succeed in seeing him personally, but he managed to hand them to someone in the prince's immediate entourage. This offer proved to be the starting-point of a lasting business connection, even

though at first it was of a quite loose and impersonal nature.

At that time a large number of foreigners used to visit Frankfort every spring. The town fairs were widely famous, The latest products of the whole world were on view there, and young William of Hanau, who had a talent for business, took a special interest in these fairs and constantly attended them. Meyer Amschel always managed to get advance information about these journeys from the prince's servants, and profited by these occasions to offer William while he was in Frankfort not only rare coins but also precious stones and antiques. Although this was principally done through the prince's retinue, he sometimes managed to conduct these transactions personally, and in any case he managed to establish a regular business relationship. He was fortunate in that the prince did not share the general aversion to Jews, and appreciated anyone who seemed intelligent and good at business, and whom he thought he could use in his own interests.

At that time titles and honors were of far greater practical importance than they are today; unless a person had some kind of prefix or suffix all doors were closed to him, and everyone who did not have a title of nobility by the accident of birth would endeavor to obtain an office, or at any rate an official title, from some one of the innumerable counts or princelings who in that day still enjoyed sovereign rights. Meyer Amschel Rothschild, being a shrewd man with an astonishing knowledge of human nature for his years—he was only twenty-five—concentrated on using his connection with the Prince of Hanau to obtain a court title. He hoped thereby not merely to raise his prestige generally, but more particularly to advance his relations with other princes interested in coins.

In 1769 he wrote a most humble petition[4] to the Prince of Hanau, in which, after referring to various goods

delivered to the prince to his Highness's most gracious satisfaction, he begged that he might "most graciously be granted the advantage of being appointed court agent." Meyer Amschel promised always to devote all his energy and property to the prince's service, and he concluded his letter with a perfectly sincere statement that if he received the designation in question he hoped thereby to gain business esteem, and that it would otherwise enable him to make his fortune in the city of Frankfort.

This letter, which was written in a style expressive of extreme humility, was the first of an almost endless series of petitions which the various members of the House of Rothschild were to address in the course of the nineteenth century to those occupying the seats of the mighty. Many of these were favorably considered, and assisted no little in establishing the fortunes of that House. This, the first of the series, was granted, and the nomination was duly carried into effect on September 21, 1769. Henceforth to the name of Rothschild was attached the decorative suffix "Crown Agent to the Principality of Hesse-Hanau."

This more or less corresponded with the present-day practice under which a tradesman may display the royal coat-of-arms with the legend "By special appointment," etc. It was a mere designation carrying no obligation, and although it gave expression to the fact that a business man enjoyed the patronage of a customer in the highest circles, it did not imply any official status whatever. Nevertheless this first success gave much joy to Meyer Amschel, since it not only enabled him to make great profits in his old coin business, but gave his firm a special prestige with the world at large, as even the smallest prince shed a certain glamour upon all who came anywhere near his magic circle; and the Prince of Hanau was grandson of the King of England, husband of the daughter of the King of Denmark, and destined to be the ruler of Hesse-Cassel.

At the age of twenty-five Meyer Amschel was a tall, impressive-looking man of pronounced Hebraic type; his expression, if rather sly, was good-natured. In accordance with the custom of those times he wore a wig, although, as he was a Jew, he was not allowed to have it powdered, and in accordance with the customs of his race he wore a small, pointed black beard. When he took stock of his business and his little property, he could say to himself with justice that he had not merely administered his inheritance intelligently, but substantially increased it. Although he could certainly not be classed amongst the wealthy men of Frankfort, or even amongst the wealthy Jews of that city, he could assuredly be described as well off, and was in a position to think of founding a family.

He had been attracted for some time by the youthful daughter of a tradesman called Wolf Solomon Schnapper, who lived not far from the Rothschilds' house in the Jewish quarter. She was seventeen years old when Meyer Amschel courted her, had been brought up in all the domestic virtues, was simple and modest, and exceedingly industrious, and brought a dowry with her which, though small, was in solid cash. Meyer Amschel's marriage was celebrated on August 29, 1770. After his marriage he would have liked to move from the house zur Hinterpfann, which he rented, into a house of his own, but he could not yet afford to do so. The young couple's first child, a daughter, was born as early as 1771, after which followed three boys in the years 1773, 1774, 1775, who were given the names Amschel, Solomon, and Nathan.

While his wife was fully occupied in bringing up the children and running the house, Meyer Amschel developed his business, in which his invalid brother Kalman was a partner until he died in 1782. Without neglecting his ordinary business of money-changing, he bought several collections of coins from needy aristocratic collectors

in the district, and he had an antique coin catalogue of his own printed, which he circulated widely, especially among such princes as were interested in numismatics. He sent such catalogues to Goethe's patron Duke Karl August of Weimar, to Duke Karl Theodore of the Palatinate, and of course always to his own benefactor at Hanau,[5] Prince William.

The prince's mother still kept him away from his father, Landgrave Frederick, who was ruling at Cassel, and who made several unsuccessful attempts to get into touch with his son. William had married Princess Caroline of Denmark six years before Meyer Amschel's marriage; but from the first moment of their union they had realized that they were not suited[6] to one another. Indeed so little physical or spiritual harmony was there between the young couple that their marriage might be regarded as an absolute affliction. It finally led to William's entirely neglecting his wife and living with numerous favorites, who bore him children. The families Haynau, Heimrod, and Hessenstein are the descendants of such unions, it being William's practice to obtain titles for his illegitimate children from the Emperor of Austria, in return for the moneys he lent to him. It is difficult to verify the fantastic figures[7] given as to the total number of his illegitimate children; but there is no doubt they were very numerous.

When he assumed the government of his small territory, William of Hanau was in a position to play the role of absolute ruler, and his highly marked individuality immediately made itself felt. He was insolent even with the nobility, and often observed that he did not like them to take advantage of any marks of familiar "condescension"[8] that he showed them. On the other hand he did not show any pride in dealing with persons who he thought would serve his interests. He was exceedingly suspicious, quick to see a point, and easily made angry, especially if his divine right was questioned.

He held broad views in religious matters, associated much with Freemasons and practiced complete religious tolerance. Under his rule the Jews enjoyed all kinds of liberties; they did not, for instance, have to display in the market signs to distinguish them from Christian tradespeople. Indeed William took pleasure in their marked talent for business, for in this matter he felt himself to be a kindred spirit. Business considerations governed him even when he was specifically considering the welfare of his soldiers. He would concern himself with the smallest details of their equipment; would pass the new recruits, and would give precise instructions as to the length of the pigtail to be worn. He was particularly fond of parades, and tortured his men with drill and button-polishing. One reason he was particularly anxious that his troops should look smart was that he could make a great deal of money by following the example of his father and grandfather in selling his men to England. His father Landgrave Frederick had in this way gradually transferred to England 12,000 Hessians, and amassed an enormous fortune in the process. In the same way William sold to England in 1776 the small Hanau regiment, which he had just formed. The conditions of such "subsidy-contracts" were exceedingly oppressive to the customer, as he had to pay substantial compensation for any man who was killed or wounded. The crown prince also increased his property considerably by this means. After deducting all expenses he realized a net profit of about 3,500,000 marks from this business, and there being no distinction between the public and the private purse of a prince, this money was at his absolute personal disposal.

In spite of his princely origin, such were the business instincts of this talented young man that this financial success simply whetted his appetite for amassing greater riches. Had William not been destined to succeed to the throne of Hesse, he would have been an outstandingly

successful man of business. As it was he found such outlet as he could for his commercial instincts within the sphere of his princely dignity. Father and son continued to accumulate large capital sums, and they refrained from bringing over to the Continent substantial proportions of the subsidy moneys, which they invested in England itself. The management of these funds was entrusted to the Amsterdam financial house Van der Notten. England did not always pay in cash, but often in bills of exchange that had to be discounted. For this purpose the prince and his officials had to employ suitable middlemen in large commercial centers like Frankfort; although the middlemen had to get their profit out of the business they could not be dispensed with in view of the restricted means of transport and communication at that time. Purchases and sales had to be carefully regulated to prevent the market from being suddenly flooded with bills, the rate of exchange being consequently depressed.

This work fell to the various crown agents and factors; of these the Jew Veidel David was the principal one attached to the landgrave at Cassel, Rothschild being employed only by the crown prince at Hanau, and only in exchange business and to a limited extent in conjunction with several others. His personal relation with the prince was at first exceedingly slender, for, however enlightened he might be, a ruling prince did not easily associate with a Jew, and only long years of useful service, acting upon a temperament such as William's, could break down such natural obstacles. In the first instance men of business had to deal with the crown prince's officials ; to get on good terms with them was a primary essential for anybody who wanted to do business with the prince.

One of the most influential members of the crown prince's civil service was an official at the treasury called Carl Frederick Buderus.[9] He was the son of a Hanau schoolmaster, and had shown a special aptitude

for the duties of a careful and accurate treasury clerk. His father had been writing- and music-master to the children of the crown prince's mistress Frau von Ritter-Lindenthal, ancestress of the Haynaus, and this had given him the opportunity of bringing to the crown prince's attention a plan of his son's for increasing the milk profits from one of the prince's dairies by the simple expedient of forbidding the practice, adopted by the office concerned, of omitting fractions of a heller in the accounts. Young Buderus showed that this would increase the revenue by 120 thalers. This discovery appealed so strongly to the avaricious prince, who counted every half-penny, that he entrusted Buderus with the accounts of his private purse, in addition to his normal duties.

Buderus henceforth displayed the greatest zeal in looking after the financial interests of the crown prince. He is generally credited with having been responsible for the introduction of the Salt Tax when the problem of providing for the prince's innumerable natural children became pressing. The resulting increase in the cost of this important article of diet was heavily felt, especially by the poorest inhabitants of Hesse-Cassel. There being no distinction between the public treasury and the private purse we can readily imagine how great this man's influence as. Moreover, the officials of that period were always personally interested on a percentage basis in the financial dealings which they carried through in their official capacity. By arrangement with amenable crown agents with whom they had to deal they could, without any suggestion of bribery, or of acting against the influence of their master, easily so arrange matters that their personal interests would be better served by a clever agent than by one who was less adaptable.

Meyer Amschel brought to his work a certain natural flair for psychology, and he always endeavored to create personal links wherever he possibly could. He naturally made a special point of being on good terms with the

Hanau Treasury officials, and especially with Buderus. They, however, had not as yet sufficient confidence in the financial resources of the Frankfort Jew Rothschild to entrust to him anything except the smaller transactions.

Through the death of Landgrave Frederick, the crown prince suddenly succeeded to the throne of Hesse-Cassel, and to the most extensive property of any German prince of that period. On October 31, 1785, his father Frederick II had suddenly had a stroke during his midday meal and had fallen off his chair, dying a few minutes later. This news came as a complete surprise to the crown prince, as his father had latterly scarcely ever been ill. William of Hanau accordingly succeeded to the throne of Hesse-Cassel as Landgrave William IX. On reading his father's will he learned with pleasure that the country was free of debt, and that he had come into an enormous property. The subsidies received for the sale of mercenaries had been most profitably invested, and estimates the value of the inheritance varied between twenty[10] and sixty[11] million thalers—unparalleled sums for those times.

The new landgrave united his private property at Hanau with his inherited posssessions, and now found himself disposing of an amount of money which conferred far greater power on him than his new dignity. He moved his residence from Hanau, which was close to Frankfort, to Cassel, which lay much farther north, with the result that Meyer Amschel Rothschild's relations with the Hessian court at first suffered from the greater distance which separated him from his patron. But the Jewish tradesman was determined not to lose such a useful connection without a struggle. In order to remind the new landgrave of his existence he visited Cassel again in 1787, bringing with him a remarkably beautiful collection of coins, medals, and jeweled gold chains, and offered these wares to the landgrave at exceptionally low prices. The prince at once appreciated the real value of

the articles, and eagerly did business with Meyer Amschel, who took advantage of the opportunity to submit the humble request that he should not be forgotten if any future bills of exchange required discounting, or the prince wanted to purchase English coins.

Rothschild had deliberately made a loss on these small deals in order to secure the chance of much more profitable business in the future, and his valuable articles were readily purchased from him because they were cheap, promises being freely made with regard to the future. But two years passed without his services being asked for. He stood by enviously, seeing other agents getting bills to discount, and being asked to pay interest only after six or eight months, or else to pay over the money in instalments, an arrangement equivalent to allowing the firms concerned substantial free credits. Rothschild had closely followed the business dealings of these firms, and had thought out a very useful way of transacting such matters if he should be entrusted with them.

He decided to pay another call at Cassel. During the summer of 1789 he wrote a letter to the landgrave[12] in which he referred to the services that he had rendered during a long course of years as Hesse-Hanau crown agent, and asked to be considered in connection with the bills-of-exchange business on a credit basis. In order to put himself on a level with his rivals he promised always to do business at a price at least as high as that offered by any banker in Gassel.

The petition—which shows that Rothschild already had control of considerable sums of money—was submitted to the landgrave by Buderus, but William decided that he must first obtain further information about Rothschild's business. His inquiries all produced satisfactory results; Meyer Amschel was described as being punctual in his payments, and as being an energetic and honorable man, who therefore deserved to be granted credit, even if precise figures regarding the extent of his possessions

could not be obtained. Nevertheless, Rothschild received only a comparatively small credit transaction to carry out, whilst simultaneously a transaction thirty times as great was entrusted to Veidel David; but, though modest, it was a beginning. Buderus, whose position in the meantime had been steadily increasing in importance, often had occassion to travel between Cassel and Frankfort on business matters. We have evidence of the fact that as early as 1790 he had business dealings with Rothschild's father-in-law Wolf Solomon Schnapper, and it was Schnapper who brought him and Meyer Amschel together.

Rothschild would often get advance information of Buderus's journeys to Frankfort so that he could go and see him when he came. The Hessian official heard from other sources in Frankfort of the clever Jew's rising reputation, and of how he always met his obligations punctually. Buderus was also gradually influenced by Rothschild's own persuasive powers. As early as November, 1790, Buderus's accounts contain an entry regarding a "draft of 2,000 Laubtaler to the order of the crown agent Meyer Amschel Rothschild."[13]

Rothschild now urged Buderus, if occasion should arise, to recommend him to the landgrave for substantial dealings also. In 1794 an opportunity for this occurred. The capital sums invested by Hesse in England had grown to a very considerable amount, and the landgrave gave instructions that a portion of them should be brought over to Cassel. In addition to the Christian banking firm of Simon Moritz von Bethmann, which had been established in Frankfort for centuries, and four other firms, Buderus put forward the name of the crown agent Rothschild as suitable for carrying through this transaction. The landgrave, however, attached far too much importance to his old connection with Bethmann, at that time the outstanding banking firm in Germany, and with the other old established firms, and on this occa-

sion too Rothschild was left out. But it did not occur again. In the end Buderus's efforts were successful in overcoming the landgrave's aversion, and henceforward Rothschild also was employed to an increasing extent in discounting bills and in other business.

His dealings with the court at Cassel soon became very active, and as Meyer Amschel carried through the matters entrusted to him, not merely conscientiously but with a shrewd eye to gain, the profits which he derived from them increased considerably. It was necessary for the young household that business should be brisk, for in 1788 another son, Carl Meyer, was born, and in 1792 a fifth son Jacob, called James, and Meyer Amschel's marriage had also been blessed with five daughters. There was the large family of twelve persons to feed; however, Meyer Amschel's flourishing business was not merely adequate to support his family, but there was a considerable and constantly increasing surplus available for increasing his business capital. In 1785, as an outward and visible sign of his increasing prosperity, he bought a handsome residence, the house known as zum grunen Schild, while he transferred to a relative the house zur Hinterpfann in which he had lived hitherto, and which he had partially purchased since being nominated crown agend.

The house into which the Rothschild family now moved is still standing almost as it was then; it is the right half of a building comprising two quite small family dwellings, typical of the straitened circumstances of the Jewish quarter. Only the three left windows of the house front belonged to the Rothschilds, and above the first door was a small, scarcely noticeable five-sided convex green shield.[14] The right half of the building, known as the house zur Arche, belonged to the Jewish family Schiffe, who kept a second-hand shop in it; over the door was a small carved ship representing the boat of Columbus.[15]

As the door of the Rothschild house was opened, an ancient bell was set ringing, sending its warning notes right through the house. Every step one took revealed the painful congestion in which the Jews of that period were compelled to exist, the only quarters where they were allowed to live being comprised within the small and narrow Jews' street. Everything in the house was very narrow, and each particle of space was turned to account. A creaking wooden staircase, underneath which cupboards had been built in, led to the upper floor, and to the little "green room" of Gudula, the mistress of the house, so called because the modest furniture in it was upholstered in green. In a glass case on the table was the withered bridal wreath of Meyer Amschel's wife. Let into the left wall was a small secret cupboard, concealed by a mirror hanging in front of it. In this matter, too, space was carefully utilized, there being cupboards built into the wall wherever possible, such as are now coming into use again.

On the ground floor was the parents' small bedroom, while the numerous children had to share one other little room. A narrow passage led to a kind of roof terrace—a tiny roof garden with a few plants. As the Jews were not allowed in the public gardens this roof garden furnished a modest substitute, and served as the family recreation ground. As it is laid down that the Feast of the Tabernacle must be celebrated in the open air, and there was no other place available, the little roof garden was used for this purpose.

Behind the house, and overlooking the narrow court-yard, was a room about nine feet square, which was actually the first banking house of the Rothschilds. Its most important article of furniture was a large iron chest with an enormous padlock. However, the lock was so contrived that the chest could not be opened on the side where the lock was, but only by lifting the lid from the back. In this room, too, there were secret shelves cleverly

concealed in the walls. The kitchen of the house was very modest, the room being about twelve feet long and only about five feet broad; a tiny hearth, which could accommodate only one cooking pot, a chest, and a bench were about all that it contained. There was one fixture that constituted a great luxury for those times, a primitive pump which conveyed drinking water direct to the kitchen.

Such was the scene of the early activities of Meyer Amschel and his sons, whose energy and enterprise laid the foundations for the future development of their House. Berghoeffer's researches indicate that the annual income of the House of Rothschild, before the war period of the 1790's, may be estimated at between 2,000 and 3,000 gulden.[16] We are better able to realize what this meant when we consider that the expenditure of Goethe's family, who were people of position, was about 2,400 gulden a year. On such an income it was possible to live quite comfortably at Frankfort at that time, although the political disturbances which were developing soon began to produce their effect. Events profoundly affecting the course of all future history had taken place. The repercussions of the French Revolution were felt throughout Europe. There was no one, whether prince of peasant, who did not directly or indirectly feel its The principle of equality which it proclaimed aroused emotions of hope or dismay throughout the world, according to the social position of each individual, On the standards of the revolutionary armies was inscribed their determination to extend the benefits of their achievements throughout the world, and those who had seized the reins of power were soon to aim at world dominion. This fact constituted a special menace to the German princes whose territories bordered on France. The refugees of the French nobility flooded Germany, and many of them arrived at the Cassel court.

Landgrave William had occasion to hear many of the terrible stories told by the emigrants who had lost their nearest relatives under the guillotine, and had been forced to go abroad as homeless refugees reduced to absolute poverty. The impression gained from the sufferers themselves, the news regarding the threatened execution of the king and his consort, and the reports of the cruel treatment meted out to all who enjoyed princely or noble privileges caused him to tremble for his crown, as all the princes of Europe were trembling. He was also concerned about his enormous wealth, a special source of danger at such a time; and he therefore did not require much pressing to join the great coalition of princes against revolutionary France.

At the head of this coalition was Francis of Austria, who was shortly to be elected emperor, and who had been the first to ally himself with Prussia against France. Landgrave William attached particular importance to his relations with the man who was shortly to be emperor, and in a letter[17] to the "Most Excellent, Most Puissant King and highly honored cousin" he hastened to promise his military help as a proof of his "most special devotion to your high wishes." Francis of Austria expressed his gratitude and observed that this should serve as an example to others, especially as "not only every territorial prince and government of whatever kind they may be, but also every private person possessed of any property, or who has been blessed by God with any possessions or rights acquired by inheritance or otherwise must realize with ever growing conviction . . . that the war is a universal war declared upon all states, all forms of government, and even upon all forms of private property, and any orderly regulation of human society, as is clearly proved by the chaotic condition and internal desolation of France and her raging determination to spread similar conditions throughout the world."[18]

But the union of princes had much underrated the offensive of revolutionary France. Under the handicap of bad leadership and lack of unity the Allies were unable to prevail against the revolutionary armies, inspired by the ideals of liberty and nationalism. Prussia and Hesse were forced to retire; and the French General de Custine actually succeeded in crossing the Rhine in 1792 and reaching Frankfort, with the result that William retired in a panic to Cassel, greatly concerned about his crown treasures. With rage and indignation he read the French manifesto to the Hessian soldiers which urged them to forsake the "tyrant and tiger who sold their blood in order to fill his chest." The landgrave finally succeeded in driving the small French force out of Frankfort. This cost him a considerable sum of money but his loss was made good by a new subsidy contract under which he delivered 8,000 Hessian soldiers to England, which had joined the Coalition against France. Meyer Amschel Rothschild and his rivals were kept fully occupied in discounting the bills received from England in connection with this transaction.

When, in 1795, Prussia withdrew from the war against the French Republic, the Landgrave of Hesse followed her example. His ambition now was to have the comparatively modest title of landgrave changed, and to attain electoral rank. In the meantime he had been created a field-marshal of Prussia, and in 1796, when Napoleon's star was in the ascendant, relations between the two countries were particularly cordial. In spite, however, of the secession of Prussia and Hesse, England and Austria continued to carry on the war of the coalition with varying success. Whilst Bonaparte was victorious in Italy, the Archduke Karl gained a series of successes in the south of Germany. Frankfort had to suffer again from the vicissitudes of war; on July 13, 1796, it was actually bombarded by the French with the result that

some of the houses in the Jewish quarter—156 buildings including the synagogue, most of which were inferior wooden structures—were set on fire.

The Rothschild house, which was one of the best-constructed buildings in the street, suffered only slight damage. In view of the time required to rebuild these houses a departure had to be made from the ghetto precinct, and the Jews had to be allowed to reside and trade outside the strictly defined boundary. The Rothschilds were among those who took advantage of this favorable opportunity, and transferred their merchandise business —they were dealing increasingly in war requirements such as cloth, foodstuffs, and wine—to the Schnur Gasse which lay near the center of the town, renting accommodation at a leather dealer's.

The military developments of the first coalition war, in which Meyer Amschel's princely customer at Cassel was actively engaged with varying fortunes, entailed considerably increased activity on the part of the various crown agents in the landgrave's service. Although the war had caused not a little damage to Frankfort[19] it had brought the town certain indirect advantages. The Frankfort Bourse benefited by the decline of the Amsterdam Bourse, which had hitherto held a dominating position, and which almost completely collapsed when the French conquered Holland in 1795. The result was that much more business came the way of the Frankfort bankers, and Meyer Amschel Rothschild's financial and trading business, which was closely associated with war requirements, increased by leaps and bounds.

The war profits realized at that time formed the real foundation of the enormous fortune that was later built up by the House of Rothschild. It was of course impossible any longer completely to conceal such large profits. Until 1794 the family property had for twenty years been assessed at the constant figure of only 2,000 gulden, and they had paid taxes in accordance with this

"assessment," amounting to about thirteen gulden annually. Suddenly in the year 1795 this amount was doubled, and in the year after that Rothschild was included amongst those whose property was worth 15,000 gulden or more, that being the highest figure adopted for assessment purposes.

Meanwhile the three eldest sons had grown up, and after the age of twenty were associated with their father in the business to an increasing extent. Like their two eldest sisters they were placed in responsible positions and rendered active assistance to their father. A large family, which to so many people is a cause of worry and anxiety, was in this case a positive blessing as there was abundance of work for everybody. It made it unnecessary for Meyer Amschel to take strangers into his business and let them into the various secret and subtle moves of the game. Since the number of available children increased in proportion as the business expanded, it was possible to keep all the confidential positions in the family. The strong traditional community and family sense of the Jews, reenforced by persecution from outside, compelling them to unite in their own defense, did wonders. The two eldest sons had been zealously engaged in the business from boyhood, and their father wisely encouraged them by letting them share personally in the business, apart from the general family interest in its prosperity.

When the eldest daughter married, in 1795, the son-in-law Moses Worms was not employed in the business, but when the eldest son Amschel Meyer married in 1796, the daughter-in-law Eva Hanau was given a post.

In spite of the growing number of available members of the family, Meyer Amschel found it necessary also to engage bookkeepers with a knowledge of languages, as the Rothschild family at that time were all quite uneducated, speaking and writing only a bad kind of Frankfort Yiddish German, apart from Hebrew; and

in view of their expanding connections with persons in the highest circles they had to pay particular attention to matters of epistolary style. As the only person he could find capable of carrying out this work, was a Christian girl, Rothschild did not hesitate to take her into the business.

It was at this period that Meyer Amschel entered into a highly elaborate deed of partnership with his two eldest sons, which provided that profits and losses should be divided between the three partners according to a definite scheme.

The growing demands upon the treasury arising out of the war served to develop the relations with the Landgrave of Hesse. After the separate Peace of Basel William of Hesse adopted the attitude of an impartial observer of the warlike activities in Europe, and occupied himself principally in the profitable administration of his extensive possessions. He was no stranger to the authentic delights of avarice. Great though his wealth was, his appetite for increasing it remained keen. He showed the greatest ingenuity in effecting savings of every kind, and spent all his spare time thinking out schemes for the profitable investment of the large cash resources which were accumulating in his treasury.

The ruling landgrave gradually became a banker to the whole world, advancing his money not only to princes and nobles, but also to small shopkeepers and Jews, and even to artizans, where he could get good interest. The amounts lent ranged from hundreds of thousands to a few thalers, according to the financial repute of his customers. Cobblers and tailors paid the same rate of interest for small advances as princes for heavy ones. The debts were all accurately registered in account books, making up an enormous number of volumes. If a banker wanted to borrow from him he had to deposit government securities with the landgrave. Thus his enormous fortune consisted of cash, jewels, art treasures and coins,

as well as acknowledgments of sums lent and debenture certificates deposited as security.

The withdrawal in 1795 of Prussia and Hesse from the war against France had resulted in the temporary estrangement of the Austrian Emperor Francis; but he and the landgrave soon reestablished cordial relations, for each of them had need of the other. William desired support in the acquisition of territory, and in his efforts to attain the dignity of elector, while the emperor was sadly in lack of funds owing to the long war with France. The landgrave therefore asked the emperor's support in his aims; the emperor wrote on September 8, 1797,[20] to say that he appreciated the efforts which his cousin was making on his behalf, and was grateful to learn that the landgrave was sympathetic to his need for a loan. "I also believe," he wrote, "as it is my duty to do, in your sentiments of loyalty to me and to my house, of which I have received special proof in the matter of the loan that is being negotiated by Herr Kornrumpf. I flatter myself that your Highness will carry this through to my complete satisfaction. Your Highness may rest assured that for my part I sincerely wish to be of service to you also."

The details of such transactions were generally negotiated by Jewish agents, and although Meyer Amschel was not employed on this occasion, he was soon to serve as the middleman between the landgrave and the emperor.

This was made possible by the fact that Rothschild's wealth had increased rapidly during the last years of the war. Towards the end of the eighteenth century it cannot have been far short of a million gulden. The transfer of bills of exchange, cash payments, and the consignments of merchandise from England, the principal supply of the Frankfurter Platz, which in its turn, supplied the whole of Germany, made it necessary to appoint a representative on the other side of the Chan-

nel. As it was essential that any such representative should be a trustworthy person, the obvious thing was to appoint one of the live sons.

The two eldest, Amschel[21] and Solomon, who, in 1798, were twenty-five and twenty-four years old respectively, were thoroughly initiated into the Frankfort business. The third son, Nathan, a highly gifted young man of twenty-one, intensely industrious and with a very independent spirit, felt that his elder brothers did not give him sufficient scope. In spite of his youth, he too benefited by the wise arrangements of his father, and had his own personal share in the business and in the family property.

As the continental states, owing to war and revolution, produced much less, but consumed a great deal more than in normal times, English commercial travelers swarmed over the Continent of Europe and in 1798, one of them called at the Rothschilds' house of business, and was received by Nathan. English commercial travelers of that period were exceedingly conscious of the commercial and political supremacy of their country, and they were wont to adopt an arrogant manner, as they felt that the Continent was dependent upon their goods. The Englishman's manner annoyed Nathan Rothschild; and he met his arrogance with brusqueness, whereupon the foreigner took his departure.

This incident was the immediate cause that decided Nathan to propose to his father that he should go to England himself, in order to become a merchant there on his own account and also to represent the firm of Rothschild generally. His father and brothers did not show any opposition to the enterprising young man and supported his decision in every way. Nathan took as-much ready money with him as was practicable and the rest he had sent on after him; the capital which he brought with him to England amounted altogether to, a sum of about twenty thousand pounds or a quarter of a

million gulden. About a fifth of this sum was his own money; the rest belonged to the business. The action of his father and brothers showed great confidence in this young man who did not even know the language of the country he was about to enter as a complete stranger. Their confidence was to be justified, for Nathan was destined to become the outstanding figure in the Roths-childd business.

This first branch establishment of the House of Rothschild resulted from the family relationships and the requirements of the trade with England, without any preconceived plan, and without the remotest idea of the importance of this step for the future of the business.

The Napoleonic epoch, which followed upon the French Revolution, was to be the occasion for the foundation of a second branch in Paris and for the first collaboration between the brothers Rothschild in Frankfort, London, and Paris.

CHAPTER II

The Rothschild Family During the Napoleonic Era

THE turn of the century coincided with an important part of the wars against the French Republic, arising out of the revolution. The Peace of Luneville, concluded in 1801, had set the seal on the brilliant Bonaparte's territorial victories, thereby giving France the leadership on land, while, however, England's preeminence at sea was confirmed. Although Bonaparte had overcome all his other enemies, he was bound to admit that sea-girt England had maintained its position. The Treaty of Amiens, which followed upon that of Luneville, merely marked a transition stage, and was bound to lead to a resumption of the struggle, until one of the two great opponents should lie bleeding on the ground.

This struggle was the predominant feature of the next fifteen years, and converted almost the whole of the mainland of Europe into a theater of war. The result was that innumerable substantial firms, banks, and private persons lost their property, while on the other hand persons possessing industry, energy, and resource, with a flair for turning opportunity to account, were enabled to gain riches and power.

At any rate within their own caste, the Rothschild family had at that time achieved a position in which their future was bound to be profoundly affected by political developments. As early as 1800 their father Meyer Amschel had been the tenth richest Jew in Frankfort; the only question was as to the attitude that the head of the business house and his sons would take in the stormy times that were to follow.

Numerous competitors were richer than they, or as rich, had better and older connections, and some had been received into the Christian Church and no longer suffered from the stigma of Judaism. The Rothschilds, on the other hand, had the advantage of a chief who was industrious, energetic, and reliable, and a man of intelligence. He had to help him four hard-working sons who were developing into first-rate business men under the guidance of their father. One of these, Solomon, had just married Caroline Stern, herself the prosperous daughter of a Frankfort tradesman, and had thus been enabled to found a home of his own. The third son Nathan was living in the camp of Napoleon's great enemy England. In hat country with its sea-power and its world-wide commerce, his undertakings were far better protected against Napoleonic interference than those of his father and brothers on the Continent. He was able to form a much more dispassionate judgment of the great events which followed so rapidly upon one another during those years, and was in a better position to turn them to account, Moreover, Nathan was the most enterprising of the five sons, of which fact his decision to go to England was itself an indication.

The commercial activities of the House of Rothschild in Frankfort itself were not limited to one branch of business. It took any chance of earning a profit, whether as commission or forwarding agents, or in the trade of wine and textiles, which had recently been declared free, and in silk and muslin, not to mention coins and antiquities. The wine business in particular expanded greatly; and Meyer Amschel did not fail to use every opportunity for extending his connections with princes and potentates even beyond the sphere of the Duke of Hesse. One of the most important connections established at Frankfort was that with the princely House of Thurn and Taxis, the head of which, Prince Karl Anselm, held the important position of hereditary postmaster in the Holy Roman Empire.

This family was of Milanese extraction; in Italy it was known as della Torre, in France as de la Tour. It had invented the idea of a post, and had introduced a postal system in the Tyrol, toward the end of the fifteenth century. In 1516 it was commissioned by the Emperor Maximilian I to inaugurate a mounted postal service between Vienna and Brussels. Even at that early date the dignified rank of postmaster general was conferred upon one of its members.

That was the starting point of the impressive development of the Thurn and Taxis postal system, which came to embrace the whole of Central Europe. The head offices of the system were at Frankfort, but the family were not satisfied with the normal development of their undertaking. They turned the information obtainable from the letters entrusted to their charge to profit.

The end of the eighteenth and the beginning of the nineteenth centuries saw the development of the practice of opening letters, noting the contents and then sending them on to their destinations. In order to retain the postal monopoly, the House of Thurn and Taxis offered to place the emperor in possession of the information derived from the so-called secret manipulation of letters. If, therefore, one were on good terms with the House one could easily and swiftly obtain news, and also dispatch it.

In the course of time Meyer Amschel had come to realize that it is of the greatest importance to the banker and merchant to have early and accurate information of important events, especially in time of war. As his native town was the headquarters of the postal and information service, he had had the foresight to get into touch with the House of Thurn and Taxis, and had transacted various financial matters to their great satisfaction. It was on this fact that he relied when he appealed to the fountainhead of the Imperial Postal Service at Frankfort, his Imperial Majesty himself.

In a petition to his Majesty that he and his sons should

be granted the title of crown agent, Meyer Amschel brought forward precisely those matters from which he had derived the greatest profit, namely, his financial and commercial transactions in the war against France, and the services which he had rendered to the House of Thurn and Taxis. He had been honest and punctual in his business dealings, as those witnesses would testify who indorsed his petition.

The Roman-German Emperor, whose power at this time was practically limited to the granting of honors, did actually consent to grant Meyer Amschel the title of imperial crown agent by a patent dated January 29, 1800. Not only was this a passport to him throughout the whole of the Roman Empire in Germany; it also carried the right to bear arms, and liberated him from several of the taxes and obligations laid upon the Jews of that period, The patent and the title were signed and granted by Francis II, simply as Roman-German Emperor, and had nothing to do with Austria or Austrian Government departments. It was not until much later that the brothers Rothschild entered into actual relations with Austria and her statesmen. Even as late as 1795, when the Landgrave of Hesse lent the Emperor Francis a million gulden, and in 1798 when he lent him an additional half-million, other bankers conducted the transaction, the Rothschilds having nothing whatever to do with it.

The dispensations enumerated in the imperial patent were more or less paper ones, since most of the smaller or greater territorial princes, of whom there was such a plenitude in Germany in 1800, applied their own laws and regulations. This, however, was a minor consideration with Meyer Amschel; the important point was that the new title "imperial crown agent" sounded much better than Hessian Landgraviate, and was likely to attract a number of other titles. Prince von Ysenburg and the German Order of St. John both conferred upon him court titles in recognition of loans of money from the princi-

pality, negotiated by Meyer Amschel. In 1804 Rothschild requested the Prince of Thurn and Taxis to bestow a similar favor upon one of his sons, in view of the fact that he himself bore the title of imperial crown agent.

It was characteristic that when asking the emperor for a title he should mention the services rendered to the House of Taxis, and that when he applied for a favor to that house he should have based his claim on the fact that his services had been recognized by the emperor. Such promotions were necessarily of service to him, too, in his relations with his old patron the Landgrave of Hesse, who in spite of everything was still inclined to be suspicious.

William of Hesse was in every way a most important person to Meyer Amschel, for he was colossally rich, richer than the emperor himself, and—a much more important point in those days than now—he was close at hand. Moreover, he had family ties with England., where Nathan was living, and with chronically penurious Denmark, by lending money to which the firm of Riippell and Harnier, as well as that of Bethmann, had made great profits.

Meyer Amschel advised the landgrave to participate in this loan by buying stock. He did purchase a small amount, Rothschild being commissioned to carry through the transaction. This was done to the landgrave's satisfaction; but Meyer Amschel required a considerable sum of ready money in order to take advantage of a favorable opportunity for purchasing goods and bills of exchange. Knowing that the landgrave, whose investments in England as well as in Germany brought in very good returns, had spare cash available, he asked, and obtained from him on two occasions—in November, 1801, and July, 1802—160,000 thalers and 200,000 gulden as a guaranteed loan, the securities being Danish and Frankfort debentures.

Although the security offered was exceptionally good,

William of Hesse was persuaded to lend the money only after pressure had been brought to bear, and on the special recommendation of his principal financial administrator Buderus. The transaction certainly marked a distinct advance in Rothschild's confidential relations with the landgrave.

The second amount was wanted, not merely for Meyer Amschel himself, but also to assist his two eldest sons, who were already beginning to acquire the titles of court appointments wherever they could. As early as 1801 they were appointed official agents for making war payments on behalf of the State of Hesse.

Meyer Amschel had been enviously observing Ruppell and Harnier's financial transactions with Denmark. It was his ambition to do similar business with Denmark, with landgraviate moneys, on his own account, independently of any other firm. He still lacked any large capital sum, such as others had available, but he was accurately informed by Buderus of the large amount of ready money in the possession of the ruler of Hesse, which was seeking investment. He was determined to put his competitors out of the field by offering the prince better terms. The Frankfort firms were accustomed to wait until orders came to them, but he meant to get in and negotiate personally. He had put through the secured loans at Cassel personally; and he decided to go there again in order to secure the cooperation of William's counselors with Buderus at their head, so that they might make the landgrave disinclined to negotiate direct with Denmark. An important point was that Denmark was not to know where the money came from, because William did not with to be regarded as wealthy in his family circle, as he was afraid that some of them might ask for special favors, For this reason it was decided that a go-between who had relations with Buderus, and through him with Rothschild too, and who lived in Hamburg, which was conveniently near to Denmark, and far enough away from

Hesse to allay suspicion, should be the first person to make approaches to that country. This was a Jewish banker called Lawaetz.

Moreover, on Rothschild's own suggestion, and contrary to the usual practice, the loan was to run over a long period. Notice for repayment was not to be given for ten years or more, and after that period payment could be demanded only in quite small instalments, over a period of twenty or thirty years. They did actually succeed in securing William of Hesse's consent to granting such a loan; and no sooner were the conditions agreed than Lawaetz showed his hand to the extent of making the interest payable to Meyer Amschel Rothschild at Frankfort.

"The lender," the Hamburg banker wrote to Denmark, "is an exceedingly rich capitalist, and exceptionally friendly to the Danish Court. It is possible that even greater sums and better conditions may be obtainable from him."[1] It is true that Lawaetz did not know Rothschild personally at this time.

The successful conclusion in September, 1803, of this, the first loan which he had carried through privately, not only brought Meyer Amschel financial profit, but also resulted in his obtaining the title of crown agent to the Court of Hesse. His rivals had been highly displeased to hear of this loan, and kept making representations of a nature calculated to damage Rothschild, to the landgrave. Ruppell and Harnier were particularly assiduous. They drew attention to the fact that the last Danish loan had been issued in the form of debentures, in the name of Rothschild; and in order to rouse Danish national vanity they stressed the idea that this suggested that "it was not the national credit of Denmark but merely the Jewish name of Rothschild that had got these obligations accepted in Hesse."[2]

Rothschild's fight with his rivals involved the officials entrusted with the financial administration of the land-

graviate in the struggle. Buderus became increasingly a partizan of Rothschild, whereas Lennep of the War Office took the side of Riippell and Harnier. Rothschild and Buderus, however, had the upper hand for the time being, and by 1806 no less than seven landgraviate loans were issued. The profit realized from this transaction served to key up still further the hatred and enmity of the rival firms and of Lennep, and led to awkward developments.

Rothschild had shown the greatest energy in these undertakings. He did not even spare himself the journey to Hamburg, an exceedingly difficult one at that time, in order to get into personal touch with the banker, Lawaetz, and to see that the Danish business was carried on as energetically as possible.

A letter[3] from the Hamburg banker to Buderus contains the following statement: "The Crown Agent Rothschild is coming to see me tomorrow in order to settle up our remaining accounts, and he intends to return the day after. It has been a pleasure to me to make the acquaintance of this man, and I shall be glad to be able to do him any service in future."

The intrigues of the rivals, however, did not wholly fail of their effect upon William of Hesse. His attitude continued to be suspicious, and he several times refused to have anything to do with other business propositions suggested by Rothschild, agreeing to them only as the result of much pleading and persuasion. Besides the Danish loans, loans were issued for Hesse-Darmstadt and the Order of St. John, these also being subscribed by landgraviate funds through the intermediary of Rothschild. The sums involved were already considerable, running into hundreds of thousands.

The larger they were, the better pleased was Meyer Amschel, because his percentage profit rose in proportion, while the risk was borne, not by him but by the landgrave, whose favorite occupation had always been

the careful administration and development of his property. The sums invested in England called for particular attention. Since the Peace of Basel, relations between Hesse and England had been rather strained, although they were not likely to become critical, as the landgrave had cleverly succeeded in enlisting the interests of responsible people on his side. He had lent the Prince of Wales, afterwards King George IV, about £200,000 in two instalments. The dukes of York and Clarence were guarantors of this loan, but they also borrowed money from the landgrave. In addition to this, William of Hesse had put out £640,000 at interest in London in various ways, a fact which was to prove exceedingly useful to him.

The example of their patron was a lesson to the House of Rothschild, and they soon learned to copy his wise practice of lending money by preference to persons in the highest position. Even though William of Hesse remained neutral in the second War of the Coalition, he secretly wished success to the enemies of Prance for he eagerly hoped for the resumption of his profitable subsidy contracts with England.

The Peace of Luneville, which extended France's boundaries to the Rhine, also conferred on William the dignity of elector, which he had so much desired, and which was duly proclaimed in 1803; but the meteoric rise of Bonaparte and revolutionary France's position in the world seemed to him to be unnatural and menacing. His friendship with Prussia was rather shattered, because that state had succeeded in annexing considerable territory, but had left the Hessian prince in the cold.

The peace between France and England did not last long. As early as May, 1803, the Island Kingdom again declared war upon the usurper in Paris. It was not long before William of Hesse was forced to take an attitude toward the new world situation. In October, 1803, the French, having invaded English Hanover, tried to get

money from the elector in exchange for Hanoverian territory. His fear of offending England caused him to refuse this offer, and thus the elector first gave offense to the Corsican.

Ge had no true idea at the time how dangerous the Corsican might be. The quiet times for Frankfort and Hesse were now at an end. Stirred up by Napoleon's powerful genius Europe passed from one crisis to another, and in such circumstances it was exceedingly difficult for William of Hesse to administer his enormous property with foresight and wisdom. He felt the need more and more of Meyer Amschel's advice, so that Rothschild's journeys to Cassel became more and more frequent. His eldest son had for some months been residing permanently in that town.

The preference shown to the Frankfort family aroused the envy and hatred of the Cassel Jews against this outsider. They complained that not merely did he steal their best business, but he was not even subject to the night-rate and poll-tax which other Jews had to pay. Meyer Amschel did his utmost to evade such payments as far as possible, but in the end he was forced to pay some of these taxes.

In August, 1803, he found it necessary to apply to the elector for a letter of protection in Cassel for himself and his sons, so that, although resident in Frankfort, he should enjoy the same rights as the protected Jews of Cassel. This would certainly entail obligations as well. His request was granted on payment of 400 reichsthaler, but the document was not completed, possibly in accordance with Meyer Amschel's own wishes, for he would then have been liable to pay taxes in Cassel also.

The Cassel Jews, however, soon got wind of this maneuver, and in the end Meyer Amschel was required to state in whose name he wished the letter of protection made out, whereupon he wrote the following letter to the elector:[4]

Most gracious Elector, most excellent Prince and Lord!

Your Excellency has most graciously deigned to grant that in return for the payment of 100 florins I should be exempt from night-rate, and that on the payment of 400 florins one of my sons or I should be admitted to protection.

I am now required to state in whose name the letter of protection should be made out, and this is causing me great difficulty, since the son for whom I had intended taking it out has been settled for some time with another of my sons in London, and is engaged in doing business with him there.

I have therefore decided to take out the protection for myself, if I may be most graciously permitted to pay an annual amount similar to that paid by other Jews not residing in the town ... as I only do business here, and could do most of it quite as well from another place; as I have now held the office of Crown Agent for over forty years, your Electoral Highness having even in my youth shown me such gracious condescension, so I hope now, too, to receive your most gracious consent, and remain with deepest respect, your Electoral Highness

My most gracious Prince and Lord's
most obedient servant,
MEYER AMSCHEL ROTHSCHILD.
Cassel, 21st April 1805.

This personal request, sent in by Meyer Rothschild in rather inferior German, provoked a certain amount of amusement at the electoral court. Meyer Amschel was informed that his request could not be granted unless he moved to Cassel with all his property; and that naturally he was not prepared to do. In the end the letter of protection was made out in the name of Amschel Meyer Rothschild, his eldest son.

Although Meyer Amschel had to fight for his position in Cassel, his prestige at Frankfort rose, on account of

his connection with the Hessian ruler, which was now becoming generally known. This was made manifest in various ways. When shops were put up to auction in the electoral courtyard, to which Jews, even resident Jews, were not admitted, an exception was made in favor of Meyer Amschel. One of the shops was definitely excluded from the auction and reserved for Rothschild. It is possible that ready money was a factor, as well as his prestige in this matter.

This period saw the conclusion of the two last, and by far the most substantial Danish loans, of 700,000 and 600,000 thalers. In these transactions too, Lawaetz played a part of some importance. In spite of very friendly business relations, he was still somewhat reserved in his attitude toward the Rothschild family. Whilst in talking to his friends he often declared that he had found[5] "Herr Rothschild always to be exceedingly prompt and businesslike and worthy of the most complete confidence," yet he felt that where such large amounts were at stake, one ought to be very cautious, even in dealing with Rothschild. The atmosphere then was full of suspicion, all the more so because the political barometer in Europe pointed to stormy times, and the capitalists were exceedingly uneasy as to the possible fate of their wealth.

Bonaparte had already cast aside his mask and was boldly grasping at the imperial purple; toward the end of the summer of 1804 the whole of France was echoing with the shout "Vive l'Empereur!" The prestige of the German imperial system was suffering a corresponding decline, an obvious symptom of which was the proclamation on August 10, 1804, of Francis II as Emperor of Austria.

Moreover, September, 1804, already saw Napoleon touring the newly won Rhine provinces. He appeared in full splendor and magnificence at Aix-la-Chapelle and Mainz as if he were indeed the successor of Charles the

Great. It was on this occasion that, with the assistance of the Mainz Electoral High Chancellor, Dalberg, he laid the foundations of that union of German princes which was to be known as the Confederation of the Rhine.

Napoleon was already adopting the role of their protector, and invited William of Hesse, too, to Mainz, an invitation which was exceedingly suggestive of a command to come and do homage. The elector pleaded a sudden attack, of gout. Napoleon replied coldly; he was still polite, but he swore that William should pay for having failed immediately to adhere to the confederation which was being formed under Napoleon's protection. The French ambassador at Cassel had uttered the menacing words, when he heard that the prince was not going to Mainz, "On n'oublie pas, on n'oublie rien!"[6]

The Elector of Hesse was left feeling rather uncomfortable, and he secretly threw out cautious feelers toward England and Austria—Austria was already showing a marked inclination to side against France. The occasion of the Emperor Francis' assuming the imperial title connected with his Austrian hereditary territories, afforded him an opportunity of expressing his most sincere and devoted good wishes to the "most excellent, puissant, and invincible Roman Emperor and most gracious Lord[7] for the continuous welfare of the sacred person of his Imperial Majesty and for the ever-increasing glory of the all-highest Imperial House."

His pen was jogged by the need he felt for powerful support, and incidentally the letter was to serve the purpose of reminding the emperor of a request which the writer had made on November 22, 1804, and which so far had not been granted. The elector's first favorite, the apothecary's daughter Ritter, whom the emperor had raised to the rank of Frau von Lindenthal, and who was ancestress of the Haynaus, was now out of favor, since she had preferred a young subaltern to the aged landgrave. For over a year her place had been occupied by Caroline

von Schlotheim, the beautiful daughter of a Russian officer whom the emperor had been asked to create Countess von Hessenstein.

In May, 1805, Austria finally joined the coalition against Napoleon. Napoleon gave up his idea of landing in the British Isles, and concentrated on Austria. This resulted in great shortage of money, for the Austrian Treasury had heavy burdens to bear from former wars; coin was scarce and paper money much depreciated. It was herefore decided that the interest on loans should not, as had hitherto been the practice, be payable in hard cash in all the principal exchanges in Europe, but should be payable in paper in Vienna only. This was hard for the elector personally, as he had advanced a million and a half gulden to the Emperor Francis; and he at once begged that an exception might be made in his favor since "ill-disposed persons had suggested to him that the Austrian state was going to go bankrupt, as far as all external debts were concerned."[8]

The imperial ambassador Baron von Wessenberg, naturally wishing to turn the general situation to account, sent this request forward under cover of a private dispatch of his own in which he wrote: "Since avarice is the elector's great weakness, it might be possible, should you wish to do so, to obtain a still greater loan from him if you agreed that interest in future should be payable in cash. He would be more likely to fall in with such a suggestion if his Imperial Majesty would grant Frau von Schlotheim the title of Countess of Hessenstein, without payment. The granting of this request would particularly delight the elector."[9]

In the second particular his wishes were granted, but it was not possible to make an exception in the matter of the interest charges. However, both Vienna and London endeavored to secure the elector's accession to the confederation, and he replied to these overtures with demands for subsidies. Yet he was hard put to it to find

investments for all the money that he had at his disposal, and as late as December 2, 1805, he had lent ten million thalers to Prussia. He had hoped that the Austro-Russo-English war against Napoleon would end in victory; but Austerlitz put a speedy end to such hopes.

During the war, England sent financial assistance to Austria in the shape of a monthly payment of a third of a million pounds in cash, which was sent to Austria by the most difficult and circuitous routes. The Rothschild method of transferring large sums of money was as yet unknown, and the only method in use was the dangerous one of sending actual bullion by road. A consignment of money was actually on the way when Austerlitz was being fought, and, in fear of a defeat, orders were issued from imperial headquarters instructing this consignment to be diverted in a wide circuit through Galicia and the Carpathians.

The war complications in which Europe was involved forced almost all states, whether they wished to or not, to take sides. The Elector of Hesse characteristically wished to attach himself to that party out of which he could make the greatest profit. As Prussia was now also being drawn into conflict with Napoleon, she attempted to draw the elector in on her side. On the other hand, the French Court gave him to understand that substantial advantages would be gained by the electorate if he kept himself completely free from Prussian influence. This suggestion was unpleasantly underlined by the gathering of bodies of French troops in the neighborhood of Hesse.

The elector bargained with everybody and secured from Paris accessions of territory and the incorporation of the town of Frankfort within his domains. The only awkward point was that Napoleon demanded that the British ambassador, through whom the subsidy arrangements were carried on, should be sent home; and when the elector delayed about doing this, Napoleon expressed

his displeasure in no uncertain language, until the elector gave way, and sent the ambassador away.

Annoyed at France's threatening attitude the Hessian ruler again endeavored to attach himself to Prussia. Then, on July 12, 1806, the document regarding the Confederation of the Rhine was published, through which Napoleon, with the assistance of Prince Theodor von Dalberg, Electoral High Chancellor, won sixteen German states by promising them separation from the German Empire.

As a counterblast to this, Prussia attempted to bring ahout a union of the princes of Northern Germany, and to gain the support of the Elector of Hesse by offering him the prospect of an accession of territory and the dignity of kingship which he so much desired. These moves were followed by threats and promises on the side of France. The attitude of the elector remained undefined. He now thought it best to preserve the appearance of neutrality until the actual outbreak of war, and then simply to join the side which was winning, although a signed, if not ratified, treaty with Prussia was in existence.

He had, however, not reckoned sufficiently with the forceful personality of Napoleon. It was impossible to conduct a nebulous diplomacy with such a man. He had long been tired of the vacillating attitude of Hesse. A state of war was declared in early October, 1806. On the 14th of that month, Prussia was decisively beaten through Napoleon's lightning advance at Jena and Auerstedt. Napoleon now scorned Hessian "neutrality." He ordered that Cassel and Hesse should be occupied, and that unless the elector and the crown prince left they should be made prisoners of war as Prussian field-marshals. "You will," commanded Napoleon, "seal up all treasuries and stores and appoint General Lagrange as governor of the country. You will raise taxes and pronounce judgments in my name. Secrecy and speed will be the

means through which you will insure complete success. My object is to remove the House of Hcsse-Cassel from rulership and to strike it out of the list of powers."[10]

At Frankfort, Meyer Amschel Rothschild had been watching the precipitate development of events with terror; and his son Amschel, at Cassel, as well as he himself at Frankfort, took all possible measures to prevent themselves and the elector from suffering too great financial loss. Business had just been going so exceedingly well. The firm of Bethmann, which had felt that it was being driven into the background, and had just been making strenuous efforts to get a share in the elector's loan business with Denmark, was forced to withdraw from the contest, on account of the political conditions and the resulting shortage of money, and thereby left the way open to Rothschild, who still had resources available.

In the meantime Lawaetz in Hamburg had definitely decided in Rothschild's favor. On July 2, 1806, he wrote himself to Buderus[11] to say that he would stand by their good friend Rothschild as far as he could, saying: "I hope that in the end people will realize that he is a good fellow who deserves to be respected; the envious may say what they like against him."

In spite of all that Rothschild had hitherto done in the service of the elector, he had not won his confidence to the extent of being called in in a matter which had become pressing on account of the developing military situation; for although the elector continued to hope that the notices naively posted on the roads leading to Hesse, bearing the words "Pays Neutre" would be respected, he was sufficiently concerned for the safety of his treasures to send away and conceal his more valuable possessions. But it was no light task to deal with the extensive banking accounts of the electoral loan office, and with his vast accumulations of treasure, and after several months the work was still far from complete.

There being no distinction between the treasury and

the prince's private purse, it was necessary to get out of the way, not only his own valuables, but also the cabinet, war and chancery cash records, for a period covering several decades; for so the books of his financial administration were called, in order to make it impossible to examine into the state of his affairs. There were large volumes of these records, representing vast sums; in the war chest alone there was over twenty-one million thalers, sixteen millions of which were out on loan in various places, and bringing in interest to the tune of many thousands of thalers. All this had to be concealed as far as possible, and this business was done by trusty officials, under the guidance of Buderus. But there is nothing to show that any of the Rothschilds were employed in the long-continued work of transport and concealment.

Time was pressing; some of the things were sent to Denmark; but it was impossible to get everything out of the country, and to have done so would have attracted too much attention. So the elector, who gave the closest personal attention to the plans for insuring the safety of his possessions, decided that the most precious articles should be buried within the walls of three of his castles. Under the stairs of the castle of Wilhelmshohe were hidden twenty-four chests, containing silver and mortgage documents to the value of one and a half million gulden, amongst which were certain Rothschild debentures, while twenty-four chests with cash vouchers and certain valuable volumes from the library were concealed in the walls under the roof. A similar number of chests were concealed in the picturesque castle of Lowenburg, built in the Wilhelmshohe park, while further treasures were conveyed in forty-seven chests to the Sababurg, situated in a remote forest.

The elector had originally intended to send the last consignment down the Weser to England, but he and the shipowner disagreed over a matter of fifty thalers and so they were not sent away. It was impossible to carry

through such measures in secrecy, as too many persons were involved in the transaction; and long before the French invaded the country, there was general alarm throughout the district, because the elector was said to be hiding all his treasures.

Meanwhile Napoleon's commands were being carried out. French troops, coming from Frankfort, were already encamped on the night of October 31 on the heights surrounding Cassel. The elector gazed anxiously from the windows of his castle at the enemy's camp-fires, and sent adjutant after adjutant to Mortier, the French marshal. In due course the French envoy was announced, and brought an ultimatum from Napoleon, significantly addressed: "To the Elector of Hesse-Cassel, Field-Marshal in the service of Prussia."

In short, biting sentences William's double game was exposed, and the occupation of the country and the disarmament of its inhabitants was proclaimed. The elector immediately decided to throw in his lot with Napoleon and to join the Confederation of the Rhine. But it was too late; Marshal Mortier would no longer listen to the elector's messengers. The elector realized that there was nothing for him but flight.

In the few hours before the French entered the country he would have to move as many of his remaining possessions as he could, and make the more urgent dispositions regarding outstanding accounts. William gave Buderus power of attorney to receive the interest payments due from the Emperor Francis in Vienna; and Buderus transferred this power of attorney to Rothschild, who proceeded to collect these payments for the elector, through a business friend in Vienna, the banker Frank.

Besides this, Buderus that night brought two chests containing securities and statements of accounts to the house of the Austrian ambassador at Cassel, Baron von Wessenberg, and begged him to take charge of them. In addition, a member of the elector's bodyguard roused the

ambassador in the middle of the night[12] to give him five envelops containing one and a half million thalers in valid bills of exchange and coupons, as well as the elector's compromising correspondence with Prussia and England. He also gave him a casket of jewels, requesting that the ambassador deal with these things as he would for a friend.

Baron von Wessenberg felt extremely uncomfortable; his position as ambassador of a neutral power was being seriously compromised, but he was fortunately able to entrust the money to a chamberlain of his acquaintance, who was traveling to Hanover that night. The letters, however, were of such a compromising nature that he burned them in terror. He had dealt with everything excepting the jewels, when the trumpets and marching songs of the French invading troops were heard in the morning. A few minutes earlier the elector had left the town with his son in a traveling coach and six. After having been held up by French troops at one gate, he escaped by another, and drove without stopping through Hameln and Altona, to Rendsburg in Schleswig.

Having entered Cassel, Marshal Mortier immediately began to carry out all Napoleon's instructions, and also commandeered all the electoral moneys and possessions, even including the stables and the court furniture. He took over the electoral rooms in the castle for his own personal use, and the electoral flunkeys as his personal servants. He did not molest the elector's consort, and Wessenberg succeeded in sending her the jewels, which she sewed into her garments and those of her servants.

Buderus felt that things might get rather warm for him, and he left Cassel disguised as an apprentice, with a knapsack on his back, to follow his master into exile.[13] His despairing family stayed behind.

While these events were taking place, neither Meyer Amschel Rothschild nor either of his sons seems to have been at Cassel.[14] They had long realized that the attitude

of the French toward the elector was critical, and that their relations with him might get them into trouble. Frankfort, too, had been occupied by the French, and the headquarters of the firm, their house and their whole property, were at the mercy of the enemy.

In his heart Meyer Amschel remained loyal to the elector, and saw that the position arising out of the French invasion and the flight of the elector was one in which he could still be of great service to him. He presumably came quite rightly to the conclusion, that it was in the elector's own interest that he should stay away at this critical period, so that he might, if possible, carry on the elector's business behind the backs of the French. In following his natural inclinations, and not compromising himself in the eyes of the French, and in keeping out of the way of these dangerous companions as far as possible, he was also following the course of the greatest practical utility.

Even if Meyer Amschel or one of his sons had actually been in Cassel, the moneys entrusted to Baron von Wessenberg would not have been placed in their keeping. They were, as yet, far from enjoying such a degree of confidence; indeed, the ambassador actually stated in his report to Vienna at the time that the elector had sent the things to him "because of lack of confidence in his business agents."

The French immediately instituted investigations to discover where the elector had hidden his wealth. Napoleon had received news at Berlin of the occurrences at Cassel. At four o'clock on the morning of November 5, 1806, he sent the following orders to Lagrange: "Have all the artillery, ordnance stores, furniture, statues and other articles in the palace of the court brought to Mainz. Proclaim that this prince may no longer rule. I shall not continue to suffer a hostile prince on my boundaries, especially one who is practically a Prussian, not to say an Englishman, and who sells his subjects. You must

completely disarm the inhabitants, and authorize an intendant to seize the prince's revenue. In general you may treat the country mercifully, but if there is any sign of insurrection anywhere, you must make a terrible example. ... Let yourself be guided by the principle that I wish to see the House of Hesse, whose existence on the Rhine cannot be reconciled with the safety of France, permanently removed from power."[15]

Such were Napoleon's feelings toward the elector. The latter sent messenger after messenger, and letter upon letter to Napoleon, but the emperor refused to answer. On the 1st of November, 1806, William of Hesse arrived at his destination, the castle at Gottorp, near Schleswig, belonging to his brother, who had also married a Danish princess. A whole crowd of exile princelings from small German states was gathered there. They had all been suddenly wrenched from a comfortable and careless existence, and were suffering acutely, especially from financial distress.

"We are in the greatest misery here," wrote Buderus to London,[16] on November 17, 1806. "Please help us to get some money soon, because we do not know what we shall do otherwise, as we are not getting a farthing from Cassel. God, how things have changed!" Meanwhile the French occupied Hamburg and advanced unpleasantly close to the elector's place of refuge. He became exceedingly nervous and excited, and feared that he might yet fall into the hands of the French, with all the belongings that he had rescued; his possessions were all packed in chests, ready for further transport. He once got into such a state of panic that he wanted to send Buderus straight off into the blue with as many valuables and securities as possible, leaving it to him to make such provision as he could for their safe custody. However, the outlook became less menacing; the French did yet come to Schleswig for the time being, and the elector gradually recovered his composure.

Meanwhile Lagrange was ruthlessly executing Napoleon's severe commands at Cassel. Even Wessenberg, suspected of concealing electoral treasure, was placed temporarily under arrest. Gradually all the treasures that had been concealed in the castle, including the gold and silver plate, the antiques, the whole collection of coins and medals to which Rothschild had contributed so many valuable specimens, and also the innumerable chests containing deeds and securities, were discovered. The elector might well regret that for the sake of fifty thalers, he had failed to have the silver carried down the river. All his splendid silver was sent to Mainz to be melted down.

Dazzled by the vast extent of the riches that were being brought to light, Lagrange was moved to take steps to feather his own nest. Although his imperial master well knew that the elector was rich, he could hardly expect his wealth to be as extensive as actually proved to be the case.

Lagrange reported to Napoleon that the property discovered was only worth eleven million thalers, which of course was not remotely in accordance with the facts; and in return for a douceur of 260,000 francs in cash, he returned to the Hessian officials forty-two of the chests, including almost all those that contained securities and title-deeds. Running great dangers, a brave electoral captain brought the chests into safety, and conveyed nineteen of them to Frankfort, where they were stored, not with Meyer Amschel Rothschild, but in the warehouse of Preye and Jordis, in whose extensive vaults they could be concealed without attracting attention.

For an additional 800,000 livres* paid to himself and the intendant, the dishonest governor promised to return other papers too, and not to'carry out any further investigation. Thereby countless chests Were released, which were distributed amongst various trusted persons, for safe-

* One livre equaled one franc; four francs were the equivalent of one thaler.

keeping. Four of these chests, containing papers of the Privy Council, found their way to Meyer Amschel Rothschild's house with the green shield in the Jewish quarter, during the Spring Fair of 1807. This was the only part played by the House of Rothschild in the actual saving of the electoral treasures.

Meyer Amschel Rothschild hid these chests, having left one of them for a time with his son-in-law Moses Worms, in the cellar of his house. In case of emergency he could have recourse to a separate cellar behind the house and under the courtyard, the approach to this cellar from the house cellar being very easy to conceal. The courtyard cellar, too, was connected by a secret passage with the neighboring house. The persecution of the Frankfort Jews in earlier times, had led to many such secret refuges being constructed. In this case it was therefore reasonable to assume that if the house were searched by foreigners like the French, the cellar under the courtyard would not be discovered at all, and that even if it were discovered there was a good chance of getting its contents into the next house.

In the meantime political changes had occurred which put and end to the political independence of Frankfort. Karl von Dalberg, who had collaborated with Talleyrand in the creation of the Confederation of the Rhine, was nominated Primate of the Confederation on June 12, 1806, and by a decree of Napoleon was granted the city of Frankfort and the surrounding territory as his residence.

This was a fact of much importance, both to the elector and to his devoted servants the Rothschild family, for Dalberg was particularly well-disposed to the elector and to his administrator Buderus, on account of his business dealings with them in earlier times; and, although he was an archbishop and a strict Catholic, he was known to be tolerant in his religious views. The incorporation of Frankfort in the Confederation of the Rhine put an

end to its constitution as a state of the empire; and the Jews, who had hitherto been subjected to oppression by the hostile patrician families who had controlled the senate, now hoped for the abolition of all those restrictions, prohibitions and special laws under which they had suffered for centuries.

Under the new regime life in the great commercial city took on an entirely different complexion. It had to be ordered in accordance with the wishes, or rather the commands, of the French. This was especially the case when Napoleon, in order to deal a deadly blow at the arch enemy England, declared the continental blockade whereby all commerce and communication by letter or otherwise with England was prohibited. As that country was practically the only emporium for such indispensable colonial produce as coffee, sugar, and tobacco. the prices of these articles rose enormously, and a clever merchant could make large profits through timely purchases or by smuggling goods through Holland and the harbors of North Germany.

In spite of the control exercised by France over the trade of Frankfort, Meyer Amschel and his son contrived, with the assistance of Nathan in England, to make a good deal of money in this way. There were certainly risks attached to this form of commerce, for under Article 5 of the continental blockade, all goods of English origin were declared lawful prize. With the passage of time this kind of business became more restricted, for as Napoleon's power increased he was able to make the control more effective.

Meyer Amschel well knew that in spite of his flight and the loss of property which he had suffered at the hands of the French, the elector was still in possession of very considerable resources. There was, moreover, always the possibility of a sudden change in Napoleon's fantastic career, and such an event would immediately alter the whole situation. He therefore adhered to his

policy of ingratiating himself to the best of his ability with Napoleon's nominee, the new lord of Frankfort, whil he continued faithfully to serve the elector in secret. For his purpose it was necessary that he should remain in constant communication with him.

On the 15th of December, 1806, Meyer Amschel sent an account[17] to Schleswig of his earlier sales of London bills of exchange, and reported that the other bills which he held were unsalable at the moment. Although the "servile script" was full of protestations of groveling humility, and was composed in the illiterate style and full of the spelling mistakes of the old Meyer Amschel, it revealed a certain pride, for Father Rothschild made considerable play with the good relations which he had established with Dalberg.

Rothschild reported with pride that he had influenced Dalberg in favor of the elector, and had induced the new lord of Frankfort to intercede with the Emperor and Empress of France on the elector's behalf. He begged to state, however, that Dalberg advised that the elector should not stand so much upon his rights, but should adopt towards Napoleon the attitude of a "humble petitioner." Meyer Amschel concluded by assuring the elector of his unswerving loyalty and devotion, and declared that he hoped, through his influence with Dalberg, substantially to reduce the war contribution of one million, three hundred thousand thalers imposed by Napoleon upon the elector personally. He also asserted that Dalberg had commended him to all the French marshals and ministers.

Although this letter of Meyer Amschel's was written in a boastful vein, and although he exaggerated his influence, as in point of fact he did not succeed in getting the levy reduced (incidentally, the elector got the levy transferred to the estates of the realm of Hesse), yet the report contained an element of truth. It was certainly most remarkable that the Archbishop and Lord of the

Confederation of the Rhine, who ruled over sixteen German princes, and stood so high in Napoleon's favor, should have shown so much good-will to the Jew Meyer Amschel Rothschild of Frankfort, who, although now a rich man, had no claim to move in high and influential circles. There appear to have been financial reasons for this relationship, and it no doubt originated in loans granted by Rothschild.

When the elector had come to feel reasonably secure in his new place of refuge in Schleswig, he devoted himself again to his favorite hobby, and tried to set in order his chaotic possessions. Buderus had control of this work at every point. He had left Schleswig some time before and returned to Hanau, where he was occupied in calling in debts due to the elector, before they could accrue to the French. There was, for instance, the claim on Prince von Zeil-Wurzach, which was in great danger of being lost. Buderus, however, succeeded in saving this item, and in his report he referred with emphasis to the assistance granted by Rothschild, mentioning his name repeatedly.

"I owe it entirely to the efforts of the Crown Agent Rothschild," he wrote to his master on March 8, 1807, "that I am still not entirely without hope; and he has undertaken to arrange an interview between myself and the Wurzach chancellor in a place which he will select." [18]

The eldest son of the princely debtor attended this conference himself, and it resulted in the repayment to Buderus of the outstanding amount, which Buderus ascribed to the fact that Rothschild had used his influence to such good effect with the advisers and officials of the prince. He added, as especially illustrating Rothschild's trustworthiness, that the French in Cassel had offered to pay Rothschild twenty to twenty-five per cent of the amount at issue, if he would assist in diverting this debt

of nine thousand gulden in accordance with Napoleon's orders.

"Your Electoral Highness," the letter continued, "may certainly deign most graciously to realize, the labor involved in saving this amount in the most dangerous circumstances." Besides Buderus, Lennep at Cassel, Lawaetz at Hamburg, and the war commissioners, paymasters and crown agents such as Meyer Amschel and his sons were looking after the financial interests of the elector. "Frankfort is the center point of all my business," Buderus, who directed all the operations, wrote to the elector.[19]

To an ever-increasing degree Buderus was entrusting the elector's business to the Rothschild family; indeed he was now employing them almost exclusively. They looked fter the correspondence with Cassel, with the elector, and with Lawaetz at Hamburg, pseudonyms being employed for the more important persons and transactions. Thus the elector was known as "the principal" or "Herr von Goldstein." The stocks in England were known as "stockfish";[20] Rothschild himself was called "Arnoldi" in these letters. Meyer Amschel was often sent to the elector by Buderus to convey accounts or other information. These seven-day journeys in bad coaches over rough roads, with the constant risk of falling into the hands of the enemy, with the letters with which he had been entrusted, came to be felt as exceedingly burdensome by Meyer Amschel in the course of time. He was not more than sixty-four years old but his health had latterly suffered from the extraordinary demands made upon the chief of the extensive business house. Henceforward he generally left these jouneys s to the north to his son Kallmann (or Carl), as his two eldest sons, Amschel and Solomon, were fully occupied at the head office in Frankfort. These journeys had now to be very frequently under-

taken, because Napoleon had entered upon a definite offensive against the elector's property; and this called for counter-measures of all kinds, from the elector's loyal adherents. In accordance with Napoleon's instructions, the French attempted, as they had already done in the case of Prince von Zeil-Wurzach, to divert the moneys lent by the elector in his own country to the French Treasury, by offering substantial discounts on the amount due.

It is true that Lagrange had valued these amounts at only four million thalers, the equivalent of sixteen million francs, but actually they amounted to about sixteen million thalers. One can therefore readily imagine the dismay which the action of the French occasioned the elector. A large number of princes belonging to the Confederation of the Rhine, who owed him money, took advantage of the opportunity of settling their debts at a reduction. On Rothschild's advice, the elector implored the Emperor Francis at Vienna on no account to pay to the French either the capital sum or the interest due in respect of the million and a half gulden which he had borrowed from the elector.

All the efforts to cause Napoleon to change his attitude failed; and meanwhile the situation at Gottorp had become impossible. The elector had arranged for his favorite mistress Schlotheim to join him, and his host's wife, who was a sister of the elector's consort, was afraid of causing pain to the latter if she associated with the Schlotheim. Also the collapse of a rising in Hesse deprived him of a last hope.

"Fools!" exclaimed Lagrange in a proclamation to the Hessians on the 18th of February, 1807. "Count no longer upon your prince; he and his house have ceased to rule. Whoever resists will be shot."

William in the meantime had migrated to Rendsburg, and later to Schloss Itzehoe. In moving language he wrote to the King of Prussia and to the Emperor of Austria.

To the former he wrote: "I have now been living here for four months, groaning under the weight of intolerable grief, and filled, with deep concern for the many bitter experiences through which your Majesty is passing, and which . . . affect me even more than my own misfortunes. I have had to watch the land of my fathers suffering an arbitrary rule, and my private property being squandered, and to see my loyal subjects suffering and being gradually reduced to beggary, if they are not speedily succored. It is indeed hard, your Royal Majesty, to have to endure such experiences, and doubly hard when one is conscious that one has always acted in a manner which one could justify before God and men." [21] His letter to the Emperor of Austria was written in exactly the same vein.[22] In the opening sentence the epithet "most invincible" was on this occasion, in view of the battle of Austerlitz, not added to those of "most excellent" and "most powerful." He begged in the strongest terms, for the emperor's help and support. These letters were written after the elector's efforts to conciliate Napoleon had merely resulted in the Emperor of France showing his personal contempt and aversion more clearly than ever. William of Hesse's attitude continued to be completely unreliable and vacillating as far as everybody was concerned. At the same time that he was overwhelming Napoleon with supplications, he was negotiating with England for landing on the coast for combined action against the French. But in England, his overtures to Napoleon were known. He was no longer trusted, and the electoral funds invested in that country were sequestrated, so that although he received the interest, he had no power to dispose of the capital. All these things had not helped to improve the elector's temper. Prince Wittgenstein, who frequently had occation to visit him in exile on behalf of the Prussian govermnent, wrote: "Personal association with him is indescribably unpleasant; the greatest patience is required

in order to put up with his endless complaints and sudden outbursts." [23]

Buderus and Meyer Amschel Rothschild were soon to suffer in the same way. Rothschild had latterly been collecting and accounting for the interest on the English and Danish loans due to the elector. As this had not been settled by the elector personally, he complained of the arrangement. He again became suspicious, and suddenly required that Buderus should not allow this money to pass through Rothschild's hands, but that it should be paid direct into the reserve treasury at Itzehoe, an arrangement which was more difficult to carry out. This was galling, both for Buderus and for Meyer Amschel Rothschild, who was just endeavoring through Dalberg's good offices to buy back the elector's coin collection, containing so many gold and silver specimens of priceless value, which had been carried off to Paris. The following events did not improve the elector's temper.

By offering the tsar the prospect of sharing the work dominion with himself, Napoleon had in the Treaty of Tilsit reaped the fruits of his campaign against Prussia. The result was that Hesse was allotted to the newly created kingdom of Westphalia, and Napoleon's brother Jerome pitched his tent in William's residence at Cassel. The exiled elector was filled with rage and indignation, and his tendency to behave unjustly to those about him became more marked. When Buderus was again staying with his master at Itzehoe, and spoke of Rothschild and the services that he had rendered, the elector indicated that he noted the special favor shown to Rothschild with surprise, as after all, he was a Jew of very obscure antecedents, and expressed his concern to find Buderus employing him, as he had lately been doing, to the exclusion of almost everybody else, in the most important financial transactions. Buderus declared himself strongly in reply. He pointed out how promptly Rothschild had always paid, especially in the case of the moneys from London,

and emphasized the skill with which Rothschild had succeeded in concealing from the French his English dealings on behalf of the elector. He related how French officials in Frankfort had recently been instructed to carry out investigations at Meyer Amschel Rothschild's, in order to ascertain whether he did not collect English moneys for the elector; and how Meyer Amschel had immediately produced his books, an inspection of which had revealed absolutely nothing of this matter.[24] This fact proved that even then Meyer Amschel was keeping two sets of books, one of which was suitable for inspection by the various authorities and tax collectors. the other containing the record of the more secret and profitable transactions. Buderus pointed out that Bethmann, in view of his standing as a Frankfort patrician, and as the head of a firm that was centuries old, could not so suitably be employed in transactions which in the difficult political conditions of the time could not bear the light of day. He added that Bethmann's financial resources had given out in connection with the Danish loan in 1806, and that Rothschild far surpassed him in determination and energy. He also suggested that Rothschild had given greater proof of loyalty, for they had hardly heard anything of Bethmann since the elector had gone into exile, whereas Meyer Amschel was constantly concerning himself with the elector's interests, and also, when necessary, coming personally to Schleswig, or sending one of his sons.

Buderus's representations succeeded finally in allaying this bout of suspicion against the Rothschild family, with whom he had now established very close personal relations. Through the efforts of the administrator of the elector's estates, all the other bankers were gradually forced into the background, Rothschild taking their place.[25] From this time onwards he enjoyed the elector's confidence as far as such a thing was possible, and we

find Meyer Amschel becoming, not only William's principal banker, but also his confidential adviser in various difficult matters.

As his health no longer permitted him to do full justice to the strenuous requirements of the elector's service, he placed one of his sons at the elector's disposal when necessary. Up to this time the elector had turned down the various proposals regarding the collection of interest and the investment of capital that Nathan had made to him from London. As late as June, 1807, he actually instructcd his charge d'affaires in London to vouchsafe no reply whatever if Nathan should venture again to inquire as to the elector's financial affairs.[26] In this matter too, he was slowly and completely to change his attitude, without any disadvantage to himself. Everybody who possibly could was borrowing money from the elector, for the German sovereigns, and not least, the King of Prussia, were suffering from extreme shortage of money after Napoleon's victorious march through their country, owing to the heavy war expenses and the subsidies which he imposed.

Prince Wittgenstein repeatedly urged the King of Prussia to be very cordial to the elector, and as soon as it should be practicable to invite him to live in Berlin because it might then perhaps be possible to persuade him to grant a loan. The invitation was actually sent, but the king had then himself been obliged to flee from his capital, and was suffering the most grievous misfortunes, so that Berlin was out of the question. Meanwhile Denmark had also been forced by Napoleon to give up her neutrality. The French invaded the dukedoms and the Danish royal house found the presence of the elector, who was such a thorn in Napoleon's side, most embarrassing.

In these circumstances, the refugee was in constant danger of being discovered and taken prisoner. Jerome was ruling in Hesse, and it was of little use to the elector that Lagrange's double-dealing was brought to light, and

the general dismissed. In spite of an invitation from the Prince of Wales, William did not wish to go to England, since that would have meant a final breach with the powerful usurper, for the elector continued to cherish an unreasonable hope of Napoleon's forgiveness. There was still Austria. In his last letter[27] the Emperor Francis had expressed his "most heartfelt sympathy in these sad circumstances," with the hope that he might be of assistance to him. The elector accordingly asked for asylum in Austrian territory, and decided to continue his flight to Bohemia, stopping first at Carlsbad.

He did not part with his treasures, but took with him all the valuables and papers which had been saved, including a chest full of deeds which Meyer Amschel had proposed to bring on afterwards from Hamburg. The travelers were carefully disguised on their journey. In one place where there were French troops they nearly lost their most valuable belongings, as the wheels of the carriage in which they were packed broke in the marketplace, and they were forced to transfer them to another vehicle. Fortunately nobody guessed what the bales contained; the journey proceeded without further mishap; and on July 28, 1808, the elector arrived at Carlsbad, where he awaited the emperor's decision as to his final place of abode.

Meanwhile Meyer Amschel and his son were carrying on their business at Frankfort and developing the trading as well as the purely financial side of it. All the members of the family were actively engaged in it, and Rothschild's unmarried daughter sat at the cash desk, assisted by the wives of Solomon and Amschel. Meanwhile the fifth son, Jacob, generally called James, had reached the age of sixteen, and like his elder brothers had begun to take an active part in the business. This had made it possible for the eldest son Amschel also to leave Frankfort fairly often, in order, like Carl, who was the firm's "traveler," to visit the elector in Bohemia.

Buderus in the meantime had arranged that the elector's cash income, which it was really his duty to administer, should be collected by Rothschild and remain in his hands at four per cent interest. Thus, during the summer of 1808[28] he received 223,800 gulden against bills at four per cent—a very respectable sum at a time when ready money was so scarce, and the elector was reluctant to leave it all with him. However he found in due course that Rothschild accounted with extreme accuracy for every penny of it.

In accordance with the wishes of Emperor Francis, the elector moved to Prague toward the end of August, 1808. That monarch knew well what he was doing in welcoming the elector to his territories. Austria was chronically in need of money; nevertheless plans were being made to avenge her defeat. Count Stadion especially was the prime mover in the idea of waging a new war against the insolent Emperor of the French.

Financial affairs in Austria were in a state of chaos, as revealed by the Vienna Bourse of the period. A confidential friend of Emperor Francis had sent him a report on the subject in which he did not mince his words. "I feel it my duty to observe," he wrote,[29] "that the Bourse at the present time seems more like a jumble sale than an Imperial Bourse. The dregs and scourings of the population invade it, and decent business men, capable of handling such matters, are pushed into the background and shouted down, so that reasonable discussion becomes impossible. Closer investigation will reveal the fact that many of these people are paid by stock-jobbers, systematically to create disorder at the Bourse." The collapse in the value of the paper currency, the violent fluctuations in all quotations, the fear of war and the general unrest all contributed to this state of affairs. It was in vain for Emperor Francis to "resolve that measures must be taken to prevent the Bourse from degenerating into a rowdy collection of persons of no position who

sacrifice all considerations to the basest greed for profit." [30] The fundamental cause of these conditions remained unaltered.

The Austrian state hoped for some financial assistance from the elector at Prague. He was living a retired life at the Palace Liechtenstein, and Vienna set itself to discover the state of the elector's purse. All kinds of Gonfidential persons and secret agents of the police, some of them disguised under titles of nobility and wearing officers' uniforms, were sent to Prague. One of them reported[31] that the Elector of Hesse had large sums at his disposal, and was in communication with "particuliers" through middlemen, regarding the purchase of state obligations. He stated that it was not at all unlikely that a loan to the imperial court could be obtained under favorable conditions, and suggested that it might be worth while to make inquiries on this matter through confidential bankers and exchange merchants. Immediately on receipt of this report, the emperor with quite unwonted promptitude instructed the chancellor of the exchequer Count O'Donnell to let him have his opinion as speedily as possible on this report received "from a trustworthy source." [32]

We now for the first time find the name of Rothschild mentioned in connection with the Austrian court. Count O'Donnell reported that there was no doubt that the elector had rescued considerable sums and also had large amounts to his credit in England, and that it was therefore worth attempting to induce him to subscribe to a loan, either in "solid gold" or in "reliable bills of exchange on places abroad." The count emphasized that "in order to achieve this object the best method would probably be to approach the middlemen to whom the elector entrusts his financial affairs, and this can best be done through a reliable exchange office in Vienna or Prague."

O'Donnell recommended that such middlemen should

receive one, two, or three per cent commission, this being in any case customary in such proceedings, and they would then have an interest in stimulating the elector to carry through the transaction. "The papers of the Credits Commission reveal," the count's report continued, "that the persons who appeared on behalf of the elector, then landgrave, in connection with the negotiation of the loan of one million, two hundred thousand gulden in 1796 were the Frankfort firm Ruppell and Harnier, and Privy Councilor Buderus. At that time the interest on these loans . . . was collected by the local firm Frank and Company, on behalf of the Jewish firm at Frankfort of Meyer Amschel Rothschild, who were authorized to collect them by a power of attorney executed by Privy Councilor Buderus, and it appears to me abundantly evident that this privy councilor is the principal person who should be moved, through some advantage, to smooth our path." :!:i

It was decided to put up to the intermediaries two proposals: either that they should obtain a five per cent loan on mortgage security, or that they should persuade the elector to invest a considerable sum, at least one or two million, in the lottery loan. Hereupon the following resolution was issued by his Imperial Majesty: "In view of the indubitable necessity for providing if possible for the collection in hard cash of an adequate supply of money I approve of an attempt being made to obtain a cash loan from the Elector of Hesse. . . . The important thing is to make use of a reliable and intelligent mediator who may be relied upon to carry through the negotiations cautiously and skilfully, so as to achieve the desired end on the most favorable terms possible."[34]

In accordance with these instructions Buderus and Rothschild were confidentially approached as mediators, and they promised that they would do their best, but they emphasized the fact that the ultimate decision lay solely with the elector. They at once duly informed the elector

of the wishes of Austria, but he showed a reluctance to meet them, and then war broke out and the negotiations were postponed.

During the period which followed the elector, regarding whose avarice and enormous wealth the most varied stories were spread at Prague, was closely watched by secret police specially sent from Vienna. He took an active interest in current affairs, and closely followed the powerful movement which was developing in Germany, particularly in Prussia, its aim being to shake off the foreign yoke. This movement could not as yet come into the open, but in Konigsberg, where the king and the government of Prussia were residing, the "Tugendbund" was formed, a league which ostensibly pursued moral-scientific aims, but the ultimate object of which was deliverance of Germany.

The principal protector of the league was the minister Baron von Stein; and William of Hesse held an important position in it. Its membership was so wide that it also included Jews, and the Rothschilds appear to have become members. At any rate they acted as go-betweens for the elector's correspondence on this matter, and made payments in favor of the Tugendbund.

Through an intercepted letter from Stein which mentioned the elector,[35] Napoleon learned of the desire for a war of revenge, and of the plans for a rising in Hesse. Stein had to flee, and Napoleon's distrust of the elector and of his servants was very much increased. The emperor saw clearly that the elector was implicated, that is, was financing it. Further intercepted letters confirmed this view.[36] As a result several business men mentioned in them by the elector were arrested; it was desired through them to obtain further information regarding the apparently inexhaustible resources of the elector. Amongst these men of business Buderus was prominent, and it was particularly desired to ascertain his precise connection with the bankers. One of these was

Meyer Amschel Rothschild, whose relations with Buderus had long been no secret to the French officials. The Frankfort banker was accordingly cited to appear before the Chancery of the Urban and District of Frankfort on August 13, 1808; but he could not obey his summons since he was confined to his bed.

He had fallen seriously ill in June, 1808, had been operated on by a professor from Mainz, and, fearing that his days were numbered, he had made his will. He therefore sent his son Solomon to appear in his place, telling him not to let himself be drawn, and to make only such statements as were not likely to furnish the French with any clue, or else to provide false clues. Solomon carried out his mission with great skill. The French were but little enlightened by the cross-examination, and in the end they dismissed the young Jew with the order that he should immediately hand over to the court any letter from Budcrus to the firm of Rothschild.[37]

Buderus and Lennep were themselves arrested in September, 1808, and minutely examined for several days at Mainz, this being only natural in view of the fact that these men, who were the elector's tools, were in the power of the French at Frankfort, whereas their chief was living in Prague, out of Napoleon's reach.

Napoleon's mistrust of William was fully justified, for in October, 1808, the elector was carrying on negotiations at Prague for promoting insurrections throughout the whole of the northwest of Germany, with the view that they should spread to the south as well. This matter was certainly carried on with great secrecy; even the Austrian secret police agents knew only in a general way that something was in the wind. It is amusing to note the naive manner in which they arrived at the conclusions contained in their reports.

"The Elector of Hesse," says one of these reports, "has forty-one natural sons, all of whom he has decently provided for, but as the fall of the elector has disappointed

their hopes of a brilliant career, they are endeavoring to reinstate their father. As the defeat of Prussia has deprived them of all chance of achieving their object by force, they have had recourse to a secret association which is intended to extend its activities throughout the whole of Germany under the protection of the English Masonic Lodge at Hanover. This league will take a suitable opportunity to reveal itself in a public conspiracy in order to attain its final object. . . . The probability of another war has aroused fresh expectations of making proselytes. in small confidential circles something is occasionally said about the possibility of putting an end to the miseries of the country by putting Napoleon and his brothers out of the way." [38]

Vienna, however, was not merely interested in the elector's high politics. Further information was also desired as to his financial advisers, particularly as to Rothschild, mentioned by O'Donnell. Urgent instructions were therefore sent to the chief of police of the city of Prague to obtain as accurate information as possible regarding that man's activities. The chief of police reported:[39]

Amsel Mayer Rotschild, living under the registered number 184 in the third main district, is agent for war payments to the Elector of Hesse, and in that capacity he has achieved mention, together with his brother, Moses Mayer Rotschild, in the electoral almanac for the year 1806. The father of these two men appears in the almanac as a war paymaster. According to information supplied by Major von Thummel, Amsel Mayer Rotschild, has come here from Frankfort, where he has been living hitherto, in order to look after the elector's financial affairs, which were formerly entrusted to Ballabom, who seems to have shown a certain lack of diligence. Be that as it may, we may assume that Amsel Mayer Rotschild renders the elector important services in

other matters too, and it is not entirely improbable that this Jew is at the head of an important propaganda system in favor of the elector, whose branches extend throughout the former Hessian territories.
I have reasons for this opinion. These suppositions are based on the following fact: whenever I enter the elector's quarters, I always find Rotschild there, and generally in the company of Army Councilor Schminke and War Secretary Knatz, and they go into their own rooms, and Rotschild generally has papers with him. We may assume that their aims are in no sense hostile to Austria, since the elector is exceedingly anxious to recover the possession of his electorate, so that it is scarcely open to question that the organizations and associations, whose guiding spirit Rotschild probably is, are entirely concerned with the popular reactions and the other measures to be adopted, if Austria should have the good fortune to make any progress against France and Germany. Owing to his extensive business connections it is probable that he can ascertain this more easily than anybody else, and can also conceal his machinations under the cloak of business.

This report was more or less in accordance with the facts; for Rothschild was the connecting link between Buderus, who lived in Hesse and could never come to fragile, and the elector. Rothschild was also constantly busy with the elector's financial affairs, and these were of a particularly wide scope at the beginning of 1809, since with the passage of time the accumulations of money in England, by way of interest and otherwise, had grown so large that their supervision required particular care. Buderus proposed that his master should acquire British securities at three per cent,[40] and suggested that Meyer Amschel should he commissioned to effect the purchase of them. Rothschild had naturally made this proposal to Buderus in the first instance, and Buderus had duly put it forward as his own suggestion.

The close relations between Buderus and Rothschild had at that time actually been embodied in a written agreement between them which virtually made the electoral official a secret partner in the firm of Rothschild, This highly important document runs as follows:

"The following confidential agreement has today been concluded between the Privy War Councilor Buderus von Carlshausen, and the business house of Meyer Amschel Rotschild at Frankfort: Whereas Buderus has handed over to the banking firm of Meyer Amschel Rothschild the capital sum of 20,000 gulden, 24 florins, and has promised to advise that firm in all business matters to the best of his ability and to advance its interests as far as he may find practicable, the firm of Meyer Amschel Rothschild promises to render Buderus a true account of the profits made in respect of the above-mentioned capital sum of 20,000 gulden, and to allow him access to all books at any time so that he may satisfy himself with regard to this provision." [41]

The agreement contained a provision for its termination on either side by giving six months' notice. Buderus now had a personal interest in securing for Meyer Amschel Rothschild a monopoly in the conduct of the elector's business. What he had done had been in the best interests of all concerned. His experience of a period of years had proved to him the reliability and the skill of the House of Rothschild; he harbored no prejudices against the Jews; and he was firmly convinced that the elector, his master, was bound to gain by placing his financial affairs in the hands of one firm, especially of such an able firm as the House of Rothschild.

The Rothschilds on the other hand needed the support of a man who could gain for them the confidence of the suspicious and avaricious elector, who was an exceedingly difficult person to handle. They had achieved this object through Buderus, but they wanted to secure the relationship for the future, and therefore gave him a personal

interest in the continued prosperity of the business. Finally Buderus himself profited by this arrangement as he fully deserved to do after the persevering and self-sacrificing efforts that he had made; and he could never hope that he would be regarded in accordance with his deserts by the rapacious elector. Moreover, he was far too scrupulous and honorable spontaneously to appropriate money in the course of his administration of the elector's property; but he had a very large family, and by becoming a secret partner in the firm of Rothschild he was enabled to meet its requirements.

Buderus's efforts with his master were successful. The elector acted upon Rothschild's recommendations regarding British stocks, and he then actually ordered that £150,000 of the stocks should be purchased on his account, which in fact exceeded the amount that Buderus had suggested. The investment itself was entrusted to Rothschild.

Up to this time the financial transactions in England had been the most reliable as far as interest payments were concerned; but the payments in respect of interest due from members of the English royal house came in at most irregular intervals and were often outstanding for very long periods. The elector, however, did not agitate to get these payments in, for he regarded the money laid out in this direction less as an investment than as a means of putting the members of the ruling house under an obligation to himself.

The brothers Rothschild noted this practice of the elector with important personages; they had practical evidence, from the experience of their princely client, of the fact that transactions involving temporary loss may ultimately result in very good business. The debtors' uneasy feeling on failing to make payments at the date when they fell due sometimes led them to try to make amends in other ways, through furnishing valuable information or through political services, and such favors often pro-

duced cash results far exceeding the amount actually owing.

At this time the bond between the House of Rothschild and the elector had become a very close one; and this was not due to Buderus only, but also to their loyalty; although this quality resulted to their advantage, they incurred the risks that loyalty involved. The only really unpleasant circumstance in this connection was the fact that the frivolous heir to the elector, who was always in need of money, exploited the situation and at every possible opportunity borrowed from his father's faithful Jewish servant. In any case that could not be a very serious matter, as Rothschild was morally certain to get his money back, the prince being the heir to the enormous fortune which his father had amassed. These large financial transactions did not put an end to the dealings in small antiques between the elector and Rothschild, which had been the starting-point of their business relations. However, there was a difference: their roles were reversed; the elector now sold to Rothschild vases, jewels and antique boxes, etc. more often than he bought them. These dealings constituted a peculiar bond of sympathy between the elector and his Jewish crown agent, and the elector enjoyed showing his talent in this field, as far as was consistent with his high birth. Meanwhile the relations between Austria and France had become more acute. The Emperor Napoleon had returned from Spain, and a new war between Napoleon and the Emperor Francis was imminent. The elector offered the emperor a legion of four thousand men, this offer being coupled with a touching appeal that the emperor should secure his reinstatement in the rulership of his territories.[42] The offer was thankfully accepted. On April 9, 1809, the Austrians crossed the Inn; thereupon Napoleon ceased to be a factor in the treatment accorded to the elector at Prague. The elector was granted the honors due to a sovereign, and society was

commanded to call on his favorite at Prague, who until then had been very much slighted. They wanted to "get on the right side of him" In order to get as much money and as many troops from him as possible. The elector, however, put only one half of the promised forces in the field. That cost him 600,000 gulden; and it was Rothschild who saw to the collection and distribution of this sum.

This work was full of danger for the Rothschilds as they were at the mercy of the French in Frankfort. In spite of the great scarcity of money at the time it was Rothschild who from his own resources advanced to the elector the cash amount of several hundred thousand gulden required on short loan. The elector already saw himself in possession of his states. "I come," he wrote somewhat prematurely in a proclamation of April, 1809, "to loose your bonds; Austria's exalted monarch protects me and protects you. Let us hail the brave Austrians; they are our true friends, and it is in their midst and with their assistance that I come to you."

It was with eloquence rather than with cash that he called upon his Hessians to rise. When one of the local leaders wanted to seize Cassel and take King Jerome prisoner, he applied to the elector in the first instance for financial support. All that he received, however, was a piece of paper, representing an order for 30,000 thalers, "payable only in the event of the rising being successful." When the attempt failed, the elector laid the blame, "upon the premature and unprepared nature of the attack."

The immediate result of the attempt was that the elector's servants in Hessian territory were subjected to more stringent regulations. Notwithstanding that Buderus and Rothschild were on such exceedingly good terms with the Primate of the Confederation at Frankfort, the fact that King Jerome's position in Westphalia had been seriously threatened caused the police at Cassel to watch the movements of Buderus and Rothschild with renewed

assiduity, as they suspected them, not unjustly, of having financed the rising.
This favorable opportunity was exploited by jealous rivals at Cassel, who supplied the police and their notorious chief, Savagner, with information. Moreover, Baron Bacher, the accredited Westphalian ambassador to Dalberg at Frankfort, was a bitter enemy of Rothschild, and felt particular displeasure at the favor shown by Dalberg to the Jew, since he had long been convinced that Rothschild was in the elector's confidence in all the activities undertaken against the French. Savagner, who thought that a prosecution of the rich Jew might accrue to the benefit of his own pocket, concentrated all his efforts on inducing King Jerome of Westphalia to authorize the issue of a warrant against Meyer Amschel Rothschild on the ground that he had been a channel through whom the elector's money had passed to the rebels.
In this dangerous situation Rothschild appealed to Dalberg to intervene on his behalf; Dalberg did what he could, and it was only with great difficulty that the French police in Cassel managed to obtain the warrant.
A Certain Levy, the son-in-law of a rival of Rothschild, informed Savagner as to the lines on which Rothschild should be examined regarding his business dealings with the elector.
On May 9, 1809, Buderus was again arrested at Hanau, submitted to searching cross-examinations, and was let out onsubstantial bail only after an interval of several days. On May 10 Savagner set out for Frankfort with the warrant which he had at last succeeded in obtaining, but which authorized only a domiciliary search and a close examination of all members of the House of Rothschild.

They had been warned in good time; the prevailing sentiment amongst the local inhabitants, both at Cassel and at Frankfort, was one of solidarity against the foreign invader. It was only rarely that this feeling was

subordinated to commercial rivalry. Meyer Amschel was also given a hint by Dalberg. He was particularly concerned about the elector's four chests containing account books which were under his care; they were in his house cellar, and he did not even know what they contained. As the cellar would naturally be searched, he would have to do his host to rescue the elector's property as speedily as possible in the general excitement arising out of the sudden menace.

Old Meyer Amschel and his wife, Solomon and James, and the wives of the two eldest sons were at home. Amschel, the eldest son, was staying with the elector at Prague, and Carl was traveling on other business. Those members of the family who were at home now tried to get the compromising chests through the connecting passage to the yard cellar at the back, but they found that the passage was too narrow for the chests. These were therefore emptied, and their contents placed in other cases, together with some coupons representing unrealized obligations due to the firm itself. The family then set about the work of hiding the compromising account books and the secret records of the elector's intimate affairs, as well as certain embarrassing correspondence.

When the Westphalian commissioner of police arrived on the 10th of May, 1809, furnished with his exceedingly limited warrant for summoning the Rothschild family and searching their house at Frankfort, the most important documents had already been well concealed, and the individual members of the family had arranged between themselves what they would say when they were examined, so that they would not get involved in contradictory statements.

Dalberg, the sovereign at Frankfort, had been watching the activities directed from Cassel with a certain resentment; they constituted an infringement of his sovereign rights, and they affected a valued financier to

whom he would soon want to apply again for a personal loan; on the other hand he felt that it would be exceedingly unwise for him to oppose the wishes of King Jerome's great brother. At the same time, for financial reasons it was only with reluctance that the King of Westphalia himself had consented to the issue of the warrant. It was therefore a foregone conclusion that the Rothschild family would not suffer any serious harm. Dalberg also gave orders that one of his own police officials should accompany Savagner. The two commissioners accordingly betook themselves to Rothschild's business house in the Jewish quarter where the whole family were expecting them.

Old Meyer Amschel, who on this occasion too was unwell, was placed under arrest in his own room, while Solomon and James were placed under arrest in the office below, under the guard of police constables. In the meantime all cupboards containing papers and business correspondence were sealed, and a systematic search of the whole house was instituted. Simultaneously the home of Solomon, who also lived in the town, was submitted to a similar search. Thanks to the advance warnings and to the well-concealed duplicate books, not much incriminating matter was discovered.

The next step was to investigate the individual members of the family. Meyer Amschel had to answer the questions drafted by the Jew Levy on the instructions of his rival, the banker Simon, at Cassel—questions affecting the details of Rothschild's financial dealings with the elector. In many cases he replied that he had no recollection of the matters referred to, pointing out that he had suffered a severe illness and undergone an operation in 1808; he stated that this had had serious after-effects, and more particularly, that it had affected his memory. By this method of evasion he succeeded in avoiding making statements which the commissioner of police could have used as incriminating material.

In these circumstances recourse had to be had to an examination of the other members of the family, including Meyer Amschel's wife. The old mother replied[43] that she knew nothing at all, as she only concerned herself with the house, never went out from one year's end to another, and had nothing whatever to do with the business. The two sons made the statements which they had previously arranged with their father, and in general said as little as possible.

The examination of such books as were discovered yielded very slight result, as the incriminating documents had been removed. Meyer Amschel cleverly used an opportunity which proffered itself, of lending Savagner three hundred thalers, and this helped considerably to expedite the conclusion of the official investigation. In any case, Savagner's authority was of a limited kind, and Dalberg's commissioner, who was himself a Jew, was well-disposed toward Rothschild, and used his influence to bring the examination to an end. As sufficient material had been collected to show that the action which had been taken was justified and necessary in the circumstances, the authorities at Cassel, too, were satisfied. Fortunately for the accused, Rothschild's enemy, Ambassador Bacher, was not in Frankfort at this time; so that the whole painful business passed off well for the family of Rothschild.

French reports[44] on the matter reveal that the French officials found the Rothschild family to be "exceedingly wise and cunning," and to have managed to secure friends in all quarters. The only positive result of the inquiry was to establish the fact that Amschel Rothschild was staying at Prague and was directing the financial speculations of the Elector of Hesse; and that the firm of Rothschild had made small payments to individual leaders of the insurrection. The only circumstance noted which was regarded as of graver import was that the brothers Rothschild had regularly paid considerable

sums to the elector's consort, who was staying at Gotha, and to her business manager Kunkel, who also acted as an agent of the elector in promoting the revolution of Hesse against France.

These facts in themselves furnished sufficient material for dealing ruthlessly with the family—if that had been seriously desired; but the Rothschilds benefited by the inhibitions of the rulers of Frankfort and Cassel, who at heart were pleased to have remained faithful to the elector, although they had maintained practical relations with the new French powers. Everything had resulted happily, and the Rothschilds could breathe freely, but it had been a warning to act with even greater precaution in the future. The most important thing was to get the chests belonging to the elector out of the house at once, for in the course of another search the yard cellar might perhaps be discovered. The chests were therefore sent successively through the mediation of a Jewish friend to a business acquaintance of the Rothschilds at Darmstadt - a certain Abraham Mayer—and they stayed with him until the elector returned to his country.

While these events were taking place at Frankfort, Napoleon's campaign against Austria was proceeding. Swift as lightning, Napoleon's genius was thrusting down the Danube to Vienna. He sustained a reverse at Aspern, but on July 6 he made good this defeat by the decisive victory at Wagram.

The elector at Prague had been anxiously watching the changing vicissitudes of the campaign. He had hoped that his tormentor would be speedily beaten and he now saw him coming ever closer to his place of refuge at Prague. When Napoleon was at the gates of Vienna, the elector was seized with terror. He would have to flee again, and in great concern he took counsel with his advisers, and with Amschel Rothschild, who was staying with him, and who was no less terrified than his electoral master, as to whether they should not take refuge

in the fortress of Olmutz. At any rate the more valuable articles were sent on there. Seven chests containing securities, and one containing jewelry were actually sent off.

Then came Wagram; Napoleon advanced to Mahren, and Olmutz was seriously threatened. The boxes had to come back, and the elector set out for Berlin, as the king had already offered to shelter him there. But the king now rather regretted having made this offer; Napoleon was too powerful and might resent the elector's being granted asylum in Berlin. The king therefore wrote on January 29, 1810, to put him off, on the ground of "managements delicats" obtaining between himself and Napoleon at the time. Meanwhile peace was signed at Schonbrunn, no mention whatever of the elector being made in the treaty. Napoleon returned to Paris, whereupon William decided to remain at Prague.

The unsuccessful campaign of 1809 had resulted in the retirement of Count Stadion, the Austrian Minister for Foreign Affairs, and this brilliant man and bitter opponent of Napoleon withdrew for some years into private life. On October 8, 1809, he was succeeded by Prince Clemens Metternich, who was to play such a decisive role in the destinies of Europe during the following half-century.

Metternich had only just entered upon his duties when he received a letter from the Elector of Hesse, requesting the minister to support him, and "to restore to his orphaned subjects their native prince, whose presence they so ardently desired." He had great hopes that Metternich would use his influence with the emperor, and he was bitterly disappointed when he learned that he had not even been mentioned during the peace negotiations.

He wrote a bitter letter of complaint to Stadion:[45] "So many worthless people, relying on French protection, are enabled to sin against me with impunity, and

nobody now feels that he has any duties toward me; everybody does as he pleases and is actuated by base and selfish motives. I have thus lost more than two-thirds of a fortune that was never very large. That is hard, but harder than everything else is my present condition."

It was highly typical of the elector to suggest that he was badly off; in spite of his losses he was still actually one of the wealthiest princes of his time; but if there were spoils to be divided, he did not want to be left out in the cold on the ground that he was rich enough already. The money motive was always the principal one with the elector, and in this matter he had a perfect understanding with his crown agent Rothschild. Rothschild always advised the elector to ask concessions at every possible oppurtunity—as, for instance, that claims on him in respect of the troops should be waived, etc.—and the elector got more and more accustomed to following Rothschild's advice, and scarcely took any important financial step without consulting him.

A sum of £150,000 had been invested as recently as December 18, 1809, in three per cent British Consols from interest received on behalf of the "poor" elector. The business in connection with this transaction naturally entailed voluminous correspondence, for the conveyance of which between Frankfort and Prague Meyer Amschel made himself personally responsible. He traveled in a private post-chaise which contained a secret drawer. The French were anxious to intercept if possible the correspondence between the elector and his Frankfort agents; once they did actually succeed in seizing a letter destined for England which clearly revealed the fact that the Rothschilds were responsible for the management of the elector's funds in that country.[46]

In the meantime an important change had taken place in general European politics. The new personality directing Austria's foreign affairs had brought about a

complete reversal of the policy followed previously. Nothing could be achieved against Napoleon by the use of force, and therefore Metternich tried other means.

Napoleon's marriage with Josephine was childless. His union with an imperial princess would increase his prestige and might produce the heir he so much desired. The hitherto hostile states were thus reconciled by the prospect of a marriage, and in January, 1810, the imperial house of Austria gave Napoleon to understand that if he asked for the hand of Marie Louise, the eighteen-year-old daughter of the emperor, he would not be refused. The contract of marriage was signed as early as the 7th of February.

One of the first to be informed of this complete change in the situation was the Elector of Hesse. He immediately wrote again to Metternich to the following effect: "I am writing to your Excellency trusting to enlist your sympathy for my most cherished desires. The marriage which is to unite the two greatest monarchies causes me to hope that I may regain the Emperor Napoleon's goodwill, if our emperor . . . will but intercede in my favor. One word from him to the plenipotentiary of France will secure my happiness, and will at any rate establish me as ruler of one of the liberated states in Germany, even if I cannot regain my own Penates. . . . Surely that monarch will not be able to resist the intervention of his exalted father-in-law, and of an adored wife on behalf of a prince who has never yet understood how he has incurred his displeasure."[47]

The elector also repeatedly pressed Count Stadion to use his influence with the Austrian ruler in William's behalf. The minister had great difficulty in dissuading him from traveling to Vienna.

Although in these letters the elector gave such a woeful account of his condition, he was faring exceedingly well at Prague. He had bought a palace on the Kleinseite where he held court, and he maintained a house-

hold of thirty-six persons. He had also acquired the magnificent castle and grounds of Bubenetsch, which was finely furnished throughout, but with due regard to economy. The firm of Rothschild carried through the business matters connected with these purchases. The actual state of the elector's affairs was well known at Vienna. The financial affairs of the court and of the public departments were getting steadily worse, and the new friendship with France had done but little to lighten the burdens of debt incurred under the recent peace treaty. In the negotiations between France and Austria the Austrian Treasury official Nikolaus Barbier had been so vehement in his advocacy of Austria's interests that the French plenipotentiary on one occasion actually protested against his being present. This clever financial expert had played a considerable part in all the various loan operations which Austria had had to carry out during these wars.
At that time the imperial state had no business relations with the Rothschild banking firm. There were four more or less official discount houses at Vienna, through which the Austrian government arranged its loans and other monetary business. They were the banking firms, Geymuller and Company, Arnstein and Eskeles and Company, Graf Fries and Company, and Steiner and Company. The Austrian government also dealt with the banking firm of Parish at Hamburg in 1809, in matters relating to remittances and realizations—such were the technical terms used at the time—of English subsidy moneys.

The condition of the Austrian state finances was lamentable. The value of her bank notes had fallen steadily during the wars, and the amount of paper money in circulation had risen to the enormous figure of over a thousand million gulden; it was already necessary to pay five hundred paper gulden for one hundred gulden in coin of the realm, this amount soon rising to twelve hun-

dred gulden. In June, 1810, the difficulties had become so acute that an attempt was made to raise a loan of from two to three million gulden on the contents of the Privy Purse, which were deposited in the Vienna Treasury, this loan to be carried out by the four discount firms mentioned above, on the security of mortgage deeds. The banker Eskeles made a journey to Paris and Holland in order to raise this money.

It was also suggested that the state lottery monopoly should he mortgaged, hut the four banking firms had not great resources themselves, and were not particularly successful in their attempts to raise credits. Eskeles was forced to report from Frankfort that he had no hope of success, "either in raising money or in mortgaging the state lottery."

In these depressing circumstances Vienna remembered the wealthy Elector of Hesse whom it had been treating so shabbily, and it was suggested that he might be persuaded through Rothschild to grant a loan to Austria. Barbier was entrusted with this mission, and discussed it personally with the elector, and also informed Rothschild of the matter. The elector replied evasively. He said that he must first discuss it with his advisers; and Buderus had pointed out to his master that so much money was already on loan with private persons that it was not desirable to make further investments.

Rothschild also advised against producing capital sums of the amount required by the Austrian court, although he felt "that it was not desirable to give the emperor a rebuff. The elector and Rothschild hit upon the idea of suggesting to the emperor that the elector should transfer to him all his individual outstanding claims, and that it should he the monarch's own business to bring the debtors to book. He suggested that the emperor might have more influence and power to effect this, and that he might be able to neutralize any opposition of the French to collecting the debts. The advantage for him

would be that he would then have only one single debtor, the Emperor of Austria.

The elector accordingly wrote to Barbier[48] that he would be happier than he could say if his Royal and Imperial Majesty would take over the debts due to him, mentioned in the accompanying schedule. He stated that he was not in a position to grant a loan in any other way than that suggested, as eighteen months earlier he had purchased Austrian government stock of the value of over a million gulden, and funds in England had been sequestrated. If he recovered from his financial difficulties he would be delighted to be of service to his Majesty.

He enclosed a list of thirty-three different clients who owed him sums in varying amounts, ranging from 784,-848 reichsthalers down to 6,951 reichsthalers. Apart from several princely houses, the names of privy councilors and counselors of embassies figured in these lists, as well as ministers such as Hardenberg, who owed the elector 140,000 thalers. The total value of all the claims amounted to the sum of 5,832,532 reichsthalers.

This proposal, however, came to nothing. The scheme put forward by Rothschild, and approved by the elector, had been too subtle and complicated, and on the instructions of Emperor Francis a reply was sent to the elector[49] declining the offer, on the ground that the collection of the money would be a process too difficult and uncertain, and not consonant with the dignity of the Austrian state. It was also pointed out that the moneys had been attached by the French government, and that to accept a transfer of these obligations would therefore compromise Austria.

Although the proposal was rejected, it had the important result that for the first time a high Austrian Treasury official negotiated with a member of the Rothschild family.

In the meantime important political changes had taken place at Frankfort. Dalberg's Confederation of the

Rhine had exchanged Hanau and Fulda for Regensburg, and the title of Grand Duke of Frankfort was conferred on the overlord. Dalberg's promotion furnished an opportunity to Meyer Amschel, who was in his favor, of proving his gratitude to Buderus for his good offices in the past, by services other than financial.

Buderus had been continually molested by the French police, and Rothschild decided to put an end to this by persuading Dalberg to recognize the electoral official as a deputy of the estates of the Grand Duchy of Frankfort on the occasion of the handing over of Hanau, and also to appoint him director of the finance committee of the diet. He hoped that when Buderus held this official position he would be left in peace.

Dalberg acceded to Rothschild's request. He steered his course very cleverly between the former powers who were now in exile and the new masters at Frankfort. It was very necessary that he should do so, for he could not uproot himself from the city of his birth. All his possessions were there, and the city was the principal commercial and financial center of the Continent. The Austrian ambassador Baron von Hugel reported enthusiastically regarding the increasing prosperity of Frankfort, which had conserved its wealth through all the difficulties of the war period, and had actually grown richer.

"Luxury," he wrote,[50] "has increased incredibly. Cash is turned over much more rapidly. Hospitals, libraries, museums, etc. are provided on the most generous scale; trade and industry flourish, and everyone is full of enterprise."

Hugel emphasized the fact that the city already gave the impression of being one of the pleasantest and most important towns of Germany. "The grand duke," he continued, "takes an active interest in everything. Since I have been here, I have not seen a beggar or been asked for alms. The roses in the gardens are never touched,

and in spite of all difficulties the industry of the tradespeople and bankers is exemplary. In fact their difficulties seem to act as an incentive to further efforts. During the last twenty years there has been no bankruptcy of any note. The volume of goods passing through the city is inconceivably great. Plutocratic standards obtain at Frankfort, and persons are judged by the magnificence of their establishments or by the appearances that they manage to keep up."

Hugel pointed out that Frankfort was a focus for trade between northern and southern Germany, and the gateway to France and Austria; and that no less than eight hundred of its citizens had admitted to possessing unencumbered cash to the sum of 50,000 gulden or more, while some hundreds enjoyed annual incomes of this amount and upwards.

Although this description may have been painted rather rosily, it was, in essentials, in accordance with the facts. There were many people at Frankfort who had grown rich, and the rapidity of the rise of the House of Rothschild to wealth and influence had been particularly marked. In view of the progress of his business, Meyer Amschel now decided to define more clearly its internal constitution; and more particularly to regulate his sons' share with greater accuracy than had been done within the framework of the existing concern.

On September 27, 1810, a new deed of partnership was accordingly drawn up between the father and his sons.[51] The main principle of this contract was that Meyer Amschel gave all his sons a substantial share in the business in order to stimulate their industry. They became, not merely indirectly, but directly interested in its continued prosperity. To mark the change the name of the firm was altered to "Meyer Amschel Rothschild and Sons," and Rothschild conveyed this information to all his business friends in a printed letter, in which he emphasized

the fact that he was now associating his three sons with him in the direction of the business, which had been established for forty years.

The contract assessed the capital value of the business at a total of 800,000 gulden, 370,000 gulden being allotted to the father, 185,000 gulden each to the sons Amschel and Solomon, and 30,000 each to Carl and James, who had not yet conic of age. These shares were allotted to them as their absolute property, and it is noteworthy that Jacob (James) Rothschild, who was barely eighteen years old, was allotted shares to the capital value of 30,000 gulden, as duly earned through the "conscientious carrying out of the business entrusted to him by the old concern."

For the purpose of dividing profit or loss, the business was divided into fifty shares; a multiple of five, having the convenience of facilitating the future division of the business equally between the five brothers, while the smaller fractions made it possible in the meantime to allot shares with due regard to the varying ages and capacities of the five sons. When the time came to divide up the inheritance, each son could acquire an equal fifth share.

On perusing the document, one is struck by the fact that Nathan, who was living in England, is not mentioned in the partnership deed and seems to have been left entirely to his own resources, although he was in close business association with the parent concern, and on the best terms with his family. Under the contract, twenty-four of the fifty shares were for the next ten years to belong to the father, twelve each to Amschel and Solomon, and one each to Carl and James. In point of fact, however, Meyer Amschel was holding the twelve-fiftieths destined for Nathan; but for the sake of public opinion, on account of the French domination, the connection with Nathan, who was living in England, had to be kept secret. We may assume that there was a secret

subsidiary agreement with Nathan, accurately defining his relation to the company. Each partner of adult age was authorized to sign on behalf of the firm. The deed recited that "with the help of the Almighty, Meyer Amschel Rothschild has, through the industry which he has shown from his youth upwards, through his commercial capacity (i. e., business instinct) and through a tireless activity continued to an advanced age, alone laid the foundations of the present flourishing state of the business, and thereby provided for the worldly happiness of his children." It was therefore laid down that the decision in all transactions should remain with him, as being the head of the business. Moreover, he expressly retained for himself alone the right to withdraw money from the capital of the business as he might think fit, whereas the other partners could take out only their annual profits and what was necessary for their households.

It was also laid down that no daughters or children-in-law should have any right to see the company's books. Finally there were provisions against "vexatious litigation," and any partner who set the law in motion was made liable to a penalty for doing so. Before he could appear before the judge he was required to deposit this amount. This article was cleverly designed to lessen the possibilities of disputes between the five brothers; and although they might perhaps have rendered it invalid at law, they fully appreciated its wisdom, and all five solemnly agreed to abide by it.

The deed of partnership gives some insight into the varied nature of the business of the House of Rothschild, and the vicissitudes to which it was liable. As "bad and unrealizable" mortgages, debentures, and outstanding debts of all kinds are mentioned, it is clear that in its numerous undertakings the House of Rothschild sometimes suffered losses and made mistakes. These certainly always brought indirect advantages, as Meyer Amschel

continually emphasized to his sons that mistakes have an educational value, and one must never lose courage.

Meyer Amschel was careful to nurse the old connections which the elector had facilitated for him through his relations in high quarters, and to exploit them for the benefit of his house. Whereas previously he had acted as the middleman between the electoral lender and Denmark, he offered as early as December, 1810,[52] a loan of 400,000 thalers to Count Schimmelmann, the Danish finance minister, which loan was to be advanced, not by the elector, but by Meyer Amschel Rothschild and his sons. It was another step towards his gradual financial emancipation from the elector, although, having now arrived at the point of doing business on his own account, he continued to apply in his own interests the business principles so well proved by William of Hesse.

Rothschild carefully watched the general political situation. Though by reason of his personality and origin, and his ignorance of language, he could not possess those qualities which are normally required in a diplomat, he had a sagacious understanding of human nature, entirely free of any preconceived ideas or prejudices. This was of particular advantage in a world which, at the time, was politically topsy-turvy. One really had to be a consummate diplomatist in order to carry on one's business without causing offense, either to the French or to the powers which they were oppressing.

As long as Napoleon's star was in the ascendant, the Rothschilds acted as if they were well disposed to France and her ruler; they lent money both to the French and to the native authorities, delivered flour to friend and foe alike, and hoped to be left entirely unmolested by Napoleon. They felt, as we know today, more secure than they really were. They were running great risks, for instance, in their commerce, or rather illicit trade, in merchandise with England.

It was not till some time after the proclamation of the

continental blockade that Napoleon realized that it inflicted hardship not only upon England but upon France, as France thereby lost her best customer, and the cost of living in that country rose much higher. He accordingly issued various decrees modifying the strict provisions of the continental blockade, so as to permit of a kind of official smuggling under departmental supervision, and also to allow the import of colonial goods on the payment of a very heavy duty approximating fifty per cent of their value. In spite of these alleviations, smuggling was carried on on a large scale, and its direction was naturally concentrated in the commercial city of Frankfort. Napoleon had sent his own spies there, and on receiving their reports he decided to take more active measures against Frankfort.

Buderus had just decided to give to the young crown agent, Carl Rothschild, who was about to attempt to bring to Prague the property which the elector had left in Schleswig, the final account for the year 1807, which the elector required. The official stated[53] that he was not inclined to venture on the journey himself, because he was too closely watched, and feared a further arrest, and the possible confiscation of all his property.

His letter also contained news that would be welcome to his avaricious master. "After long arguments, and as the result of great efforts," he stated, "I have persuaded the crown agent, Rothschild, in effecting the third investment of £150,000 sterling, to charge one-quarter per cent less commission, so that he will deliver the stock for 73 3/4, involving a saving of £4,521. . . . The younger son of Crown Agent Rothschild will bring over the document relating to the first purchase of stock, as soon as means can be found for sending it safely."

But this could not be carried out so easily; Napoleon's anger because Frankfort did not respect his blockade regulations against England led to more stringent regulations, and Buderus was forced to change his plans com-

pletely. "The crown agent, Kallmann Rothschild," he wrote on November 2, 1810,[54] "should proceed to Prague at once, as several French regiments with artillery have come into the town, as well as a host of customs officials. All the gates have been occupied, and nobody is allowed to pass out without being closely inspected; all warehouses have been sealed, and an extensive search for English and colonial goods has been instituted, severe penalties being indicted when such goods have been discovered.

"The extent of the general confusion and distress which this has caused beggars descriptions. I myself have taken every conceivable precaution, and I feel justified in stating my absolute conviction that the sons of Crown Agent Rothschild deserve the highest praise for the tireless industry and zeal which they have shown in their devotion to your Electoral Highness. Fresh proclamations have been issued, promising a reward of fifteen per cent for information regarding the investment of your Electoral Highness's funds, and the number of spies and traitors under every guise is so great that it is impossible now to trust anyone. From this mild account of conditions here you may graciously be pleased to infer that it would be as impracticable for me to leave as it was formerly to transport the effects in custody at Gottorp. I shall arrange for Crown Agent Kallmann Rothschild to start as soon as it is possible to get a package out of Frankfort."

On instructions from Paris, a general domiciliary search for concealed English-manufactured goods had been ordered at Frankfort. The city which had just been described in such glowing colors by Hugel was now in a panic. Naturally the business House of Rothschild was also affected by this measure. A list was drawn up of two hundred and thirty-four tradesmen who had to pay the heavy duties prescribed for the colonial wares which were discovered.

Meyer Amschel Rothschild was the sixty-eighth name

in this list,[55] and was made liable for a payment of 19,348 francs, which was certainly not a very large amount compared with the sums payable by other tradesmen. Hebenstreit, for instance, paid nearly a million francs, and Bethmann 363,000 francs. Altogether the French collected a total of nine and a quarter millions on the colonial stores discovered at Frankfort. Half the amount payable by Rothschild was for indigo. In view of Meyer Amschel's relations with the grand ducal government and his cleverness at concealment, we may assume that his actual stores of colonial goods were much greater, and that through his connections he substantially reduced the amount which he ought to have paid. Nevertheless this sudden incursion, personally ordered by Napoleon, had distinctly alarmed him.

Meanwhile the elector at Prague had received Buderus's letters, and sent the following reply to his trusty official:[56] "It is a special satisfaction to me that you have induced the firm of Rothschild, in view of the prospect of the further investment of £150,000, to reduce their commission by one-quarter per cent.

"In view of further representations made by the crown agent Rothschild, and having regard to the favorable price, I have decided to increase this investment by a further £100,000 . . . but on the understanding that I shall pay this amount in instalments, and that I am not to be worried about it in any way. At the same time you are to see that the document regarding the first investment reaches me as soon as possible, and that I receive the others shortly afterwards. I note with pleasure that the House of Rothschild has shown its traditional devotion to me even in the present catastrophe at Frankfort. You will kindly convey to them my satisfaction and gratitude."

Meanwhile the Emperor of France had just experienced one of the happiest hours of his life. On March 20, 1811, Marie Louise had presented him with the son

and heir he so much desired. The baptism of the French heir, who had been created King of Rome while still in his cradle, was an occasion of unexampled splendor and magnificence. From all their domains, princely personages swarmed to the festivities, to take advantage of the opportunity of expressing their allegiance to the mighty monarch.

The Grand Duke Dalberg, in Frankfort, also desired to go to Paris to do obeisance, but there was a formidable obstacle in the way of his doing so. The journey was very expensive, and Dalberg could not visit Paris except with a retinue such as befitted his rank. But he had no retinue, and in the first instance he turned for assistance to the association of Frankfort merchants, requesting them to lend him eighty thousand gulden for the journey to Paris.

The merchants, who disliked the Napoleonic regime, and could not agree as to the proportions in which the money should be subscribed, declined the request. Dalberg had not applied to Rothschild in the first instance, because he thought the amount was too heavy for a single individual to advance. Meyer Amschel learned of the grand duke's wish, and voluntarily offered to advance him the sum at five per cent. Dalberg could now proceed to Paris.

While Rothschild had always enjoyed Dalberg's favor, this clever action gained for him the full confidence of the grand duke, as is indeed specifically stated in a later French police report regarding the Rothschild family:[57] "Through meeting him in this matter he was so successful in gaining the grand duke's confidence, and secured himself so thoroughly in his good graces, that henceforth the grand duke scarcely ever refused him any request."

He asked for instance for a passport for young James, who was then nineteen years old, and who was sent through Antwerp to Paris, straight into the lion's mouth. His presence was necessary there in connection with cer-

tain illicit business that Nathan was carrying out from England, which will be described in more detail later. For the present it will suffice to state that James actually arrived in Paris on the 24th of March, 1811, took up his quarters at 5 rue Napoleon without being hindered, and duly reported himself to the police.

At this time the Rothschild family were kept very much on the move. Apart from their own business, all the members of the family who were capable of traveling were constantly on the road, in order to transact personally the important business of the elector at various places. This is most clearly revealed in the correspondence between Buderus and the elector.

"Young Rothschild," he wrote from Hanau to his master on April 7, 1811,[58] "is actually on his way to London to fetch the certificates of title regarding your investment of capital. He can take the packet of letters with him. His father will gladly make an effort to get the things away from Gottorp . . . and is already making inquiries on this matter. On my advice Crown Agent Rothschild has called in the capital payment due at Copenhagen, and has received 159,600 gulden. Will your Electoral Highness graciously permit me to convey to Crown Agent Rothschild your Highness's satisfaction regarding his manifold activities on your behalf? I am informed by Crown Agent Rothschild that the Prague police have discovered the secret drawers in his carriage. I have therefore thought it advisable not to send my account for last month with the other documents, on this occasion, as it cannot be concealed under the clothes as letters can."

The elector rewarded such news with expressions of genuine satisfaction, and agreed that Rothschild should be acquainted with his satisfaction with him. He was, however, still concerned about the money which he had invested in English stock, in respect to which he had not yet received any document of title. "I feel a real long-

ing, which I think is justified," he replied to Buderus,[59] "to see the documents regarding the investments. ... I had not been informed that the police here had discovered the secret hiding-place in the carriage. In any case there is no reason to expect anything untoward from that quarter."

Buderus was unceasing in his efforts to exalt the Rothschild family in the opinion of the elector, and to represent all other business houses as unreliable or less accommodating. This was shown in the case of a transaction of earlier origin. The elector had transferred to Meyer Amschel Rothschild and two other Jewish bankers from Cassel an amount of a million Dutch gulden due to him in Holland. In accomplishing this various technical difficulties arose which delayed the payment of the sum in Holland, while the transferees of the debt had already paid out the greater part of the sum involved. Before making further payments, they naturally asked the elector for a guarantee.

In righteous indignation Buderus reported this to his master:[60] "The worst of this business is that it was not entrusted to one single business firm. . . . The agents Stuben Hesse Goldschmidt and the heirs of Michel Simon are most ill-disposed toward your Electoral Highness. Levy, Simon's son-in-law, who manages the business, has gone to such extremes that, as I know for certain, he caused the recent arrest of myself and Rothschild, and furnished the police commissary with the questions on which we were cross-examined with extreme severity."

Buderus how proposed that the Cassel Jews should be made to retire from the business, and that the matter should be entrusted to Meyer Amschel Rothschild alone. The elector concurred in this proposal, and replied as follows:[61]

"I have read with great interest the reports regarding the Dutch loan of a million gulden. . . . You are quite right in holding that it is essential to keep the Cassel

Jews out of this business (although I have always regarded Goldschmidt as an honorable man). ... I fear that these Jews will not trust the Frankfort agent (Rothschild) and will imagine that there are heavy profits at issue, and demand high compensation for retiring."

In the end the elector left the whole matter to Buderus, and he accordingly put it all in Rothschild's hands.

In general, however, the elector was again in an exceedingly bad mood, first, because Rothschild had still not succeeded in bringing his property from Holstein to Prague, and secondly, because he had received a report from Buderus regarding an electoral loan which had been made to a family called Plettenberg through the intermediary of Prince Wittgenstein, the recovery of which seemed highly doubtful. He was also annoyed by a suggestion made by Buderus that he should again take part in Frankfort loans, of which he had had such an unfortunate experience. It was in a highly nervous condition that he awaited the documents regarding his investment in English stocks, which had not yet come to hand. This mood found expression in an exceedingly angry letter, in which the elector notified the cessation of payments to Rothschild in respect to the English stocks, thereby causing a positive panic in the Rothschild-Buderus firm.

In the course of this letter he said:[62] "After all, my trunks and chests in Holstein contain something more than clothes; there are Hessian debentures, and accounts of various kinds, and a chest containing silver. I will arrange to have them brought to me here direct, for I am weary of giving instructions in this matter to the House of Rothschild year after year.

"I shall dispatch the draft letter to Prince von Wittgenstein, regarding the Plettenberg loan affair, but do not expect that it will have much result. The whole business is a network of intrigue, and I am absolutely determined to sacrifice everything rather than involve myself

further with that prince. He has behaved in a shockingly irresponsible way toward me.

"I am not inclined to take part in the Frankfort subscription loan. I am sick of all loans, and I really prefer to have my money lying idle."

Nothing had yet arrived from London, a fact which particularly exasperated the elector. "I am exceedingly worried about this matter," he wrote, "and am most eagerly waiting to hear what you have to say. In the meantime you are to cease making any further payments with respect to these stocks, neither are you to invest in them any further English interest payments. I am still waiting in vain for the documents regarding the capital which I have invested; and in spite of all the confidence which I have in Rothschild, I cannot tolerate this delay any longer. Neither has the registration of the older stocks been effected yet. Lorentz is constantly and emphatically reminding you of this matter. You must see that he is kept fully informed of all my financial affairs in England, and especially of the investments effected through Rothschild, in order that he may keep an eye on them as it is his duty to do, as my charge d'affaires. You are to see to this without delay."

The elector's fears had been increased by letters from Lorentz, his plenipotentiary in London, who was offended because he had not been taken into the confidence of Buderus and Rothschild in the business which they were transacting for the elector in England. He had suggested to his master that England might conclude an unfavorable peace, which would cause a heavy fall in British stocks, and therefore advised the sale of the securities which had only just been purchased.

Buderus replied to his master in a very injured tone,[63] stating that in accordance with instructions he had stopped payments to Rothschild with respect to the new purchases of stock. He enclosed Rothschild's explanation, which set out the enormous difficulties in the way

of undertaking journeys to and from England and safely conveying documents and letters in a time of war and blockade.

Buderus strongly indorsed the remarks of his Frankfort partner.[64] "In my opinion," he wrote, "his judgment is sound and his request is justified. ... I have not yet informed War Councilor Lorentz of the investments made by Crown Agent Rothschild. It is not desirable that such information should be too widely known." He added that if the elector's instructions in this matter were not countermanded he would forthwith carry them out. . . . "The bank of Riippell and Harnier," he continued, "is, not to put too fine a point upon it, filled with absolute rage against your Electoral Highness. Although they owe their fortune entirely to your Highness, they behave like madmen, instead of keeping quiet as they ought, and doing their duty by their customers, whom they serve for profit."

In a second letter Buderus wrote: "Rothschild is unjustly accused of having, from motives of secret advantage, delayed the Dutch business, which is probably to the great detriment of your Highness's interest; for it is Rothschild alone who has collected such sums as have reached your Electoral Highness, while the other bankers have made no effort whatever in the matter." [65]

Meanwhile one of the younger Rothschild brothers (probably Carl) arrived at Prague with a detailed report from Buderus, in which that official strongly urged his master not to jeopardize the business of the English investments, which was proceeding so well. Young Rothschild employed all his powers of eloquence to persuade the elector to revoke his veto regarding further payments. He thought that he had gained his object, and wrote to Buderus from Prague, stating that the elector had graciously agreed to continue to invest in British stocks the interest received in England. Buderus thereupon immediately resumed his payments to Rothschild

on the elector's account, until he received an instruction from his master, dated December 9, 1811, which did not confirm Rothschild's premature conclusion. Thereupon Buderus made a further effort to impress upon his master that it was in his highest interest finally to cancel the veto on further payments, since otherwise the Rothschild banking firm would be faced with a severe crisis.

"It is my duty," he wrote,[66] "to bear witness to the fact that the Rothschild bankers have not failed to make every possible effort to obtain the certificates of the investments, and your Electoral Highness can have no conception how difficult it is to send important documents between here and London. If your Highness will consider the dangers that would arise if such a document were to fall into the wrong hands you will surely realize that all precautions which human ingenuity can devise must be taken in order to reduce to a minimum the chances of such an occurrence.

"The withholding of further payments to the Rothschild bankers has not increased their efforts to obtain the documents, as these efforts could not be increased. Directly after his return from Prague, the young crown agent Rothschild traveled to the seacoast in order to seek an opportunity for bringing over these documents. He did not feel secure in a Dutch village where he was staying, and went across to Dunkirk, where he has to furnish daily to the police department a satisfactory reason for his living there. According to his last letter, he expects the documents to arrive at any moment and he will then hasten here without any loss of time.

"The power of attorney sent to the bankers Van Notten, under date October 28, 1810, authorizing the transfer of the old stock (under another pseudonym) has been recovered. After leaving Amsterdam, the ship was driven back to the coast, and my letter was delivered in a Dutch village, where a reliable acquaintance of the

banker Rothschild has kept it until now. The young crown agent Rothschild has now taken advantage of a favorable opportunity to forward it, and has received an assurance that it has safely reached the other side of the Channel."

Finally, young Rothschild, who had traveled to London, succeeded in smuggling over to the Continent a certificate for £189,500 sterling, and this was immediately forwarded to the elector. William now again consented to the interest on his capital being used for effecting further investments, after noting with satisfaction that the House of Rothschild, which had been highly nervous about retaining this business, had reduced its terms, and declared that it was now willing to deliver the stock for 70 per cent commission. The elector expressed his pleasure in conveying this information to Buderus, and concluded his letter by saying:[67] "I do not fail to realize the difficulties involved in communicating with London, and am therefore exceedingly happy to be in possession of the certificates for £189,500 sterling."

The elector also expressed the wish that one of the brothers Rothschild should reside permanently at Prague, but this Buderus had to refuse. The operations of the family were already so extensive that, with the best will in the world, it was impossible to accede to this request. Buderus wrote to his master:

"Flattering though the suggestion is that one of the Rothschild sons should be allowed to reside permanently in the neighborhood of your Electoral Highness, it is no less impossible than flattering. Their father is old and sick. His eldest son, Amschel Meyer, and his second son, Solomon, who is also delicate, are indispensable to him in his extensive operations. The third son, Carl, is almost continually engaged in traveling in the service of your Electoral Highness, while the fourth son, Nathan, is very usefully established in London, and the youngest,

James, spends his time between London and Paris. They have declared to me that they will spare no effort to carry out your Highness's commands."

The continental blockade was naturally the chief cause of the great difficulties in the way of communications with England. This question had indeed become the crucial problem in general European politics. At Erfurt the opinion had obtained for a time in 1808 that Napoleon and Alexander of Russia would be able to share the dominion of Europe between them. The Emperor of France had particularly in view that he might finally be enabled to subdue England with the assistance of Russia.

For this purpose it was essential that Russia should unconditionally adopt the continental blockade; but the tsar never contemplated sacrificing all his trade with England for the sake of Napoleon. On the contrary, he facilitated the import of goods by sea, and goods of English origin could now easily find their way to other continental states via Russia. Thus the effectiveness of Napoleon's measures was endangered, and as early as the summer of 1811 it was obvious to the whole of Europe that a complete breach between the two most powerful continental states was inevitable, and that war was now only a question of time.

The Napoleonic police consequently applied a much more rigid censorship to all correspondence and secret agreements in territories subject to French rule. Anything addressed tb the ruling family of Hesse was subjected to a particularly close scrutiny. A letter dated Frankfort, November 1, 1811,[68] which carelessly mentioned Meyer Amschel's name in two places, and was addressed to the elector's brother, Landgrave Karl, fell into the hands of the French. In one passage the unknown writer acknowledged the receipt of a letter from the landgrave, through the good offices of Meyer Amschel, while another passage read as follows:[69]

"I deliberately read to Rothschild, in his sons' presence, the passage in which your Highness speaks of them so kindly and graciously. They were all delighted."

It was clear from the context that the letter referred to the Tugendbund of which the landgrave was a member, and it was a question of payments which Rothschild had to make on the landgrave's behalf. This letter was immediately forwarded from Hamburg, where it had been intercepted, to General Savary, the commissioner of police at Paris, who instructed Baron Bacher, the French ambassador at Frankfort, to furnish any light he could as to the implication of the letter and the parts played by the persons mentioned in it.

Baron Bacher suggested[70] that they should not proceed against the family Rothschild by domiciliary search and arrest as in 1809, but should act with greater cunning. The House of Rothschild and the other agents of the elector should be lulled into a complete sense of security; their letters should be skilfully opened, copied, and then forwarded. In this way Bacher hoped in a very short lime to familiarize himself with their network of intrigue in all its complicated ramifications.

The chief commissioner of police also asked for a report from his commissioner at Mainz, and the letter informed him[71] that the House of Rothschild had formerly been exceedingly active in the trade of colonial goods and English manufactures. But since they had been subjected to a domiciliary search and had had their English goods sequestrated, they had occupied themselves principally with banking business, and commerce in goods confined to the Continent. The Mainz commissioner added that the head of the House was not friendly toward France, although he pretended that he was sincerely attached to that country.

Bacher's advice was taken. The brothers Rothschild were most carefully watched by agents of the French Imperial State Police, both in Frankfort and in France,

where they were amongst those who carried on illicit trade with England subject to departmental authorizations; at the same time they were on the best of terms with Dalberg's Frankfort police, although this force was also subject to Napoleon. Dalberg's police commissioner, von Itzstein, who although a Jew, was director of the police of the grand duchy, was a particular patron of Meyer Amschel and of all the Frankfort Jews.

Meyer Amschel Rothschild had long cherished the idea of exploiting Dalberg's friendly feelings for the Jews in the interests of the fellow members of his faith who had formerly been so oppressed, and incidentally of his own family. It is true that a new "status" proclaimed by Dalberg had somewhat improved their condition, but it involved no essential change. For example, the number of Jewish families tolerated remained at five hundred. "Five hundred, only five," indignantly wrote a certain Israel Jakobsohn. "Why not more, and why not less?"[72]

Dalberg, seeing that he could exploit this situation and do a good business deal, allowed Meyer Amschel and his partner Gumprecht to persuade him to commute the annual amount of 22,000 gulden payable by the Jews, into a lump sum, and to grant them the rights of citizenship in Frankfort, thereby making them the political equals of the Christians. At the same time, the Jews were granted their own governing body, known as the "Governing Body of the Israelite Religious Community." Police Director von Itzstein was nominated president, while the other members of the committee were chosen from amongst the most prominent Jews in the town.

In the course of his efforts Meyer Amschel let Dalberg infer that the Jews were prepared to make financial sacrifices, and in the end Dalberg demanded that they should commute the annual payment of 22,000 gulden by a single payment of twenty times that amount. This was a

substantial amount of money, but one that the Frankfort Jews could produce, especially as Meyer Amschel alone advanced 100,000 gulden, or almost a quarter of the total sum. He also managed to arrange that only 150,000 of the 440,000 gulden should immediately be paid in cash, and that for the balance twenty-four bearer debentures would be accepted. Jewish circles awaited with considerable suspense, the conclusion of these arrangements, which were so important for their future. If the proposal went through, Meyer Amschel wanted to be the first to bring the good news to the fellow members of his faith.

As he was constantly being begged for information by members of the Jewish community, he requested a recorder of the province, who was friendly to him, to let him have the earliest possible information: "I should be most pleased," he wrote to him in his peculiar German,[73] "if I could be the first messenger of the good news, as soon as it has been signed by his Royal Highness, our most excellent Lord and great Duke, in our favor and that I can inform my nation of their great joy, will you graciously inform me of it through the post, I confess I abuse your goodness and grace, but I do not doubt that your Highness and your honored family have to await great heavenly rewards and will receive much happiness and blessing . . . because in truth our whole Jewry, if they have the happiness to obtain equal rights, will gladly pay with great pleasure all dues that the citizens have to pay."

After some time the matter was put through, and aroused as much enthusiasm amongst the Jews as indignation in the senate and amongst the patrician families, who were hostile to them. It was at once suggested everywhere that Dalberg had received money personally, in addition to the sum publicly mentioned. In this connection pointed remarks were made about the fact that Meyer Amschel and his sons had been appointed official

bankers to the grand duchy and that Meyer Amschel had been made a member of the Electoral College of Frankfort. A member of the Austrian Secret Police actually claimed that he knew the amount of the sum, namely 33,000 karolins, which Dalberg had received for his good offices.[74]

The Jewish community certainly had every reason to be grateful to the aged and infirm Meyer Amschel, who had never completely recovered since his operation, and yet still had the energy to apply all his influence and money to secure this improvement in their status. The debentures, to the value of 290,000 gulden, were immediately brought into circulation. One of them, of the value of fifty thousand, was acquired by Dalberg's finance minister, Count Christian von Benzel-Sternau; eight debentures of ten thousand gulden each were taken over by Herr von Bethmann, while the greater part of the amount paid by the Jews in cash went direct to Paris as a payment on account of the electoral domains in Fulda and Hanau, which had been seized by the French, and which Dalberg had repurchased on taking over these two principalities.

The grand duke immediately sold the domains again to private persons for earnest money of three and one-half million francs, payable by instalments, a transaction which, when concluded, would yield 190,000 francs more than France had received for the domains.

When the bargain was concluded Dalberg declared, with somewhat premature joy, "A transaction concluded in so masterly a manner deserves a reward," and rewarded the ministers who had been principally employed in the transaction, and their wives, with presents of 40,000 francs each. In the letter regarding this matter[75] he stated:

"Since I am determined to gain nothing by this business except the welfare of the state, there are still 70,000 francs available out of the 190,000 realized. Of this

amount I give 10,000 francs to Privy Councilor von Itzstein as a reward for services rendered in converting into cash the debts of the Jews to the state. I give 10,000 francs to the House of Rothschild for their excellent cooperation. I shall leave the remaining 50,000 francs with the House of Rothschild, as a part payment of what I owe them." [76]

The senate of the city of Frankfort, and the exiles who had formerly been in power, observed these events with concern and ill-will, and were firmly determined, if matters should take a different turn, to do everything possible to undo what had been done. Meyer Amschel's conduct had made him by no means popular with the former authorities of the city; but for the time being they had to look on in impotence, and allow him and his protector Dalberg to have their way.

It was with the greatest suspense that they watched the course of general European politics. The points at issue between Napoleon and Russia had already almost resulted in war. Napoleon collected the Grande Armee, the greatest host that Europe had ever seen, in order to subdue the last independent monarch on the Continent. At Dresden he gathered his dependent princes about him at a great court ceremony, and his imperial father-in-law Francis of Austria was also present on that occasion. The elector in Prague had again begged Francis to avail himself of the favorable opportunity for pleading his cause with the Emperor of France. Emperor Francis was used to such appeals, and paid no further attention to the letter. While the great drama of the Russian campaign was being enacted, the elector remained at Prague, and awaited the outcome of events in a state extreme anxiety.

Napoleon's army was advancing steadily toward the heart of the Russian Empire, although it was certainly suffering enormous losses. Out of an army of four hundred thousand men, scarcely one hundred thousand en-

tered Moscow. But all that Europe saw was the victorious advance. Owing to the prevailing conditions it was weeks, even months, before further news reached Frankfort. The merchants of that time could not adjust their affairs to events as speedily as scientific discoveries have now enabled them to do.

Meyer Amschel Rothschild's attitude was entirely determined by his sense of the overwhelming power of the Corsican, who was now at Moscow, when the reopening of his old wound quite unexpectedly brought him back to his sick-bed. He did not live to see Napoleon's complete failure in Russia, to be followed a year later by his defeat in Germany, which was followed by the return to his Hessian domains of Rothschild's lord and master the elector.

On September 16, 1812, a high Jewish Feast Day, the so-called "long day" which is set apart for the pardoning of the penitent sinner, Meyer Amschel had been fasting, in accordance with his strict religious principles, and spent many hours standing in the synagogue, sunk in prayer. The same evening he felt severe pains in the region of his wound. He was immediately put to bed, but his condition grew worse. He had violent attacks of fever, and he felt that death was approaching. Thereupon he determined, while he still had the strength in him, to order his affairs, and to make a new will adapted to the most recent developments, to take the place of the earlier will which he had made.

In doing so he was giving effect to an agreement which he had made with all his children, and in accordance with which he sold to his five sons all his shares in the business, his securities and other possessions, as well as his large stocks of wine, for the sum of 190,000 gulden, which of course was far below their real value. His sons were henceforth to be the exclusive owners of the business, and it was clear, although not definitely stated,

that after their father's death any inequality in their shares ceased, and each of the five sons henceforth possessed ten-fiftieths, that is, a fifth share, in the business.

The will completely excluded the daughters and their husbands and heirs from the business, and even from all knowledge of it. Meyer Amschel applied the purchase price of 190,000 gulden as follows: he granted his wife Gutle a life interest in 70,000 gulden; the remainder he divided amongst his five daughters. This arrangement served a double object. First, it made it unnecessary on his death to declare to the officials the enormous value, for those times, of the business that was divided between the five sons, and to put the capital bequeathed at the modest figure of 190,000 gulden. Secondly, the business was secured absolutely to the five sons, safe from the possibility of any interference from the sisters and their relations.

The will concluded[77] by enjoining unity, love and friendship upon the children, and any undutiful child that showed an intention of rebelling was threatened with the penalty of inheriting no more than the legal minimum, which was only to be reckoned on the basis of the 190,000 gulden, from which would have to be deducted anything that the child in question had received during his life.

When Meyer Amschel drew up his last will there cannot have been more than two of his five sons, namely Amschel and Carl, at Frankfort, for Solomon was living in Paris, and James, who was maintaining communication between Solomon and Nathan in England, was living at Gravelines on the Channel coast in the Department Pas-de-Calais. These facts, proved as they are by French police records, and the records of vises issued, are fatal to the well-known legend, according to which Meyer Amschel gathered his five sons about his deathbed and divided Europe amongst them. Moreover, his ill-

ness had come on quite suddenly and developed so rapidly that the idea of recalling the sons who were abroad could never have been considered.

When Meyer Amschel had thus done everything that lay in his power to secure the future prosperity of his House—which, it is true, he considered in terms only of financial gain—and by clear and simple provision to maintain unity and peace amongst his numerous family, he could look death calmly in the face. Two days after he had completed his will, on the evening of September 19, 1812, his old complaint took a marked turn for the worse. The alpha and omega of medical practice of the time was to let blood, a procedure which simply served to weaken old people who were very ill, instead of giving them relief. At a quarter past eight on the evening of the same day, Meyer Amschel Rothschild, the tireless, cunning, simple, and religious Jew, and founder of the banking firm M. A. Rothschild and Sons, was no longer to be counted amongst the living.

In his last hours he was fully aware that he was leaving a fine inheritance to his sons, but he certainly could not have guessed that he had laid the foundation of a world power which during the first half of the nineteenth century was to exercise an unparalleled influence throughout Europe, and was to maintain this influence almost unimpaired throughout the changing conditions of the second half of the century.

CHAPTER III

The Great Napoleonic Crisis and Its Exploitation by the House of Rothschild

SINCE the French Revolution, the Continent of Europe had been continuously suffering from the turmoil of war, while large territories were subjected to the horrors of the actual battles between the opposing armies. On the other hand, sea-girt England, although she exerted a powerful political influence upon the continental groups, was able to devote her principal attention, practically undisturbed, to the development of her commerce and the prosperity of her citizens.

Through his financial reforms which had assisted the capitalistic development of the state, the younger Pitt had brought order into Britain's internal affairs and thereby made it possible for England, out of her growing wealth, to advance very considerable sums of money to her allies, who were waging war on the Continent with the wealth and the blood of their citizens. Towards the close of the eighteenth century England was indisputably the most important commercial power in Europe, and the House of Rothschild had made an exceedingly clever move in arranging that one of its sons, and the most talented one at that, should take up his residence in that kingdom.

Nathan had first settled in Manchester, the center for the manufacture of all kinds of cloth, as he had long had business connections with that city. In view of the numerous armies that had to be clothed, the cloth trade offered opportunities of making exceptional profits. The sum of money he brought with him—£20,000, which con-

stituted a very respectable capital sum in those days—gave the stranger an assured position from the start, although he could not speak a word of English. Nathan, therefore, came to Manchester, not as a small tradesman, but as a fairly important representative of an established commercial firm on the Continent, with money at his command.

He entered upon his commercial activities with all the enthusiasm of youth, at the same time showing a business acumen remarkable in one so young. He first carefully studied his environment, and his neighbor's methods of making money, and ascertained that profits were made on the purchase of the raw materials necessary for the manufacture of cloth and on the issue of these materials for dyeing purposes, as well as on the sale of the finished article, each of these activities in England being the province of a separate merchant.

Nathan determined to secured for himself the profit at each stage in the process.[1] He bought the raw materials on his own account, had them dyed, and then gave them out to undergo the further processes of manufacture, and finally himself handed them over to the trade. Nathan did not confine himself exclusively to cloth. He bought everywhere, and anything that he thought was good and cheap. Thus he bought all kinds of fancy goods, as well as colonial produce such as indigo, wine, sugar, and coffee. He was not troubled about finding a market, as the parent firm at home required all these things.

The capital which he brought with him was soon doubled and trebled, while his father and brothers derived the greatest benefit from Nathan's presence in England. He enjoyed the life in that country, which struck him as extraordinarily free and unfettered, compared with the oppressive conditions in Frankfort.

As his business grew, Nathan naturally began to establish contact with the capital, which is the heart of Great Britain, and in which all the financial interests of an

extensive empire are concentrated. Determined to settle in England for good, he left Manchester in 1804 for London, where he would be in closer touch with those political developments which were producing such profound effect upon commercial life. He realized at once that the fact that he was a foreigner was a great handicap in business, and therefore, as early as the summer of the year 1806, he applied for naturalization as a British subject. His wish was readily granted, as the applicant had resided for six years in the country, and even if he had not yet attained a very prominent position in the business world, he was already honored and respected. Favored by the keen demand for goods on the Continent, Nathan carried on his business in London with great success, until the year 1806. His intimate experience of English life and character, and his sympathy with the spirit of resistance to Napoleon's plans of world domination which inspired the whole country, soon caused him to adhere completely to English modes of thought. But he avoided publicly identifying himself with any political cause which might have damaged his family Frankfort, and all his actions were guided first and foremost by business considerations.

Nathan was now twenty-nine years old, and was contemplating marriage. He had made the acquaintance of the daughter of a rich Jewish family. Her father, who had emigrated from Amsterdam, had several small business dealings with Nathan, but their relations had not been sufficiently intimate to enable him to form an accurate estimate regarding the suitor's financial position and general business qualities. The fact that Nathan was living abroad made investigations of this nature more difficult. Nathan, however, with skill and directness, managed to set his future father-in-law's doubts at rest, while the information which the latter obtained from Frankfort confirmed the fact that the Rothschild family were prosperous and respected. Nathan gained

his object, and through his marriage was enabled to increase his own fortune by the amount of his wife's substantial dowry; his position was also strengthened by the influence of a father-in-law who was a wealthy and respected merchant in the City of London.

Moreover, his wife's sister Judith Cohen shortly afterwards married the rich and well-known Moses Montefiore, who was thus brought into close association with Nathan, and whose energy, foresight, and sound business sense in regard to all the vicissitudes of the continental wars, which so intimately affected financial operations, Nathan had constant occasion to admire.

Nathan had as yet nothing to do with the elector's investments in England, although his father at Frankfort was endeavoring to get him this business, and had repeatedly urged him to cultivate relations with the elector's plenipotentiary in London. The intimations of the elector's wishes, hitherto received by Count Lorentz, had not been favorable to such an arrangement, but this in no way discouraged Meyer Amschel at Frankfort, or Nathan in London, from continuing their efforts. As has already been stated, the elector soon changed his opinion, and we are now entering upon the period of the investment of large sums in English stocks, as recommended by Nathan. In view of his intimate relations with Meyer Amschel, the elector could not continue to object to the employment of his son Nathan in transacting the business in London.

Another factor in Nathan's favor was the difficulty of getting possession of the documents certifying the purchases of stock, this being not so difficult for Nathan to arrange, in view of his numerous Jewish and non-Jewish connections. Thus Nathan came to be interested in the enormous financial operations of the elector, and as considerable periods of time could be made to intervene between the purchase and the payment of the securities, he sometimes had temporary control of very substantial

sums of money, which he could employ in safe, short-term transactions, such as, for instance, the purchase of bullion, which was constantly rising in value at that time. It was not known in England how Nathan came to have such sums of money temporarily at his disposal, for the purchases of English stocks on the elector's account were officially made in the name of Rothschild, and apparently for the benefit of that firm, as the elector's funds in England had already been sequestered once.

The credit of the House of Rothschild and of Nathan certainly gained greatly from these enormous purchases, and he came to be entrusted with transactions which, even if he could not immediately meet his obligations in cash, he did not like to lose, as they offered good prospects for the future. Nathan was particularly skilful at exploiting the abnormal conditions of the period, conditions such as always give those with a gift for speculation an opportunity of enriching themselves, while those who stand by passively are reduced to poverty. Through his continental blockade, Napoleon had revolutionized the whole commercial outlook of England; then, recognizing that his measures had a boomerang effect, he modified them, and actually negotiated with the smugglers, whom the English government encouraged with prizes for breaking through the Napoleonic blockade. The decree of June 15, 1810, practically officially regularized this illicit trade. Certain goods that were required in France, and then gold and silver, were allowed to be brought to France in limited quantities, French products being sent to England in exchange. In order to prevent the smuggling of undesirable articles, there was a special railed-off enclosure at Gravelines for the officially recognized smuggling, the captains of smuggling vessels being required to remain exclusively within this enclosure, and to load and unload their goods under police control.

Nathan took advantage of this officially sanctioned

commerce between England and hostile France, to do business on an extensive scale, both on his own account and on account of the parent firm at Frankfort. But it soon became apparent that it was essential to have an absolutely reliable man at Paris too, to deal with this business. Nathan had written to Frankfort to this effect, and old Meyer Amschel had decided to profit by his good relations with Dalberg's French regime at Frankfort to obtain a Paris passport vise from the French officials for one of his sons, to whom alone he was prepared to entrust so important a position, and also to obtain a letter of recommendation for him to one of the higher French Treasury officials.

A particularly favorable opportunity for this occurred when Dalberg set out for Paris in March, 1811, with the money advanced by Rothschild. It is certainly no mere coincidence that, according to the French police records,[2] James, who was then nineteen years old, started to Paris via Antwerp, and took up his residence in a private house there. It is particularly worthy of note that Count Mollien, Napoleon's finance minister at the time, had been informed of young Rothschild's arrival, and knew of his intention to receive and forward large sums of ready money that were expected from England.

"A Frankforter," the minister wrote to Napoleon on March 26, 1811, "who is now staying in Paris with a Frankfort passport, and goes by the name of Rothschild, is principally occupied in bringing British ready money from the English coast to Dunkirk, and has in this way brought over 100,000 guineas in one month. He is in touch with bankers of the highest standing at Paris, such as the firms of Mallet, of Charles Davillier, and Hottinguer, who give him bills on London in exchange for the cash. He states that he has just received letters from London dated the 20th of this month, according to which the English intend, in order to check the export of gold and silver coins, to raise the value of the crown from

five to five and a half shillings, and the value of the guinea from twenty-one to thirty shillings. . . . Such operations would be on a par with the practices of the Austrians or the Russians. I sincerely hope that the Frankforter Rothschild is well informed of these matters, and that ministers in London will be sufficiently foolish to act in this way."[3]

This letter reveals much; it shows that while James Rothschild may have been in Paris before the 24th of March, 1811, without the permission of the police, as soon as he officially arrived, that is, as soon as he reported to the Paris police, he must have had an interview with the minister or with one of the officials of the treasury, this being no doubt due to Dalberg's introduction. Although in sending the guineas to Frankfort Nathan was generally acting in accordance with quite definite plans that suited the British government, James, in order to gain the support of the French departments for these operations, pretended to the ministry at Paris that the English authorities viewed the export of cash with extreme displeasure, and did everything possible to prevent it. He succeeded only too well in hoodwinking Mollien, and through him, Napoleon.

"The French government," says Marion,[4] "viewed with satisfaction the arrival of English guineas at the Channel ports, because they regarded this both as a proof and as a cause of the progressive decay of England." It is true that in his memoirs Mollien afterward tried to suggest that he did not share this view, and that Napoleon derived it from others, but the letter quoted above clearly shows that the finance minister also believed Rothschild. Nathan wanted just at this time to send exceptionally large sums of ready money to France, having the secret intention that these should ultimately be destined for Wellington's armies, who were fighting the French in Spain. That general had suffered great financial embarrassment since the beginning of the English campaign in

Portugal and Spain. It was not only that the blockade made it difficult to transport large sums by sea, but the devastating storms in the Bay of Biscay were a serious menace to the cumbrous sailing ships of those times. Such consignments were therefore liable to grave risks, and the insurance charges were exceedingly heavy.

As early as 1809 Wellington had had occasion to write to his government in the following terms: "We are terribly in need of funds. . . . The army pay is two months in arrears. I feel that the Ministry in England is utterly indifferent to our operations here.[5] ... It would be much better for the Governments," he added some time later,[6] "entirely to give up our operations in Portugal and Spain if the country cannot afford to continue them."

This state of affairs continued for two years, and Wellington had to have recourse to highly dubious bankers and money-lenders in Malta, Sicily, and Spain, from whom he had to borrow money at the most usurious rates, giving them bills of exchange which had to be cashed by the British Treasury at great loss. The measures taken by the treasury for satisfying the requirements of Wellington's army were always quite inadequate; finally the British commander wrote indignantly to London[7] that if matters continued thus, his army would have to leave the Peninsula, which would relieve France of important military commitments on the Continent, and expose England to the danger of having a hostile force landed on the island itself. Then his exalted monarch and his subjects would experience in their own country something of the horrors of war, from which they had hitherto had the good fortune to be spared.

A year later things were not much better, and on being reproached for having too casually drawn bills on the English government, Wellington replied with some heat, writing that he was sorry to have to state that sick and wounded British officers at Salamanca had been forced to sell their clothes in order to keep body and soul together.[8]

Such were the conditions under which the British army was fighting in Spain, when an energetic movement in its support was started in London, which at first was directed by Nathan Rothschild on his own account. He had acquired very cheaply a large proportion of the bills issued by Wellington, and proceeded to cash them at the British Treasury. The cash which he thus received—generally in the form of guineas—he sent across the Channel to France, where it was received by one of his brothers, generally by James, but in 1812 sometimes by Carl or Solomon, and then paid in to various Paris banking firms. The brothers obtained from the Paris bankers bills on Spanish, Sicilian, or Maltese bankers, and they contrived, through their business connections, to get these papers to Wellington, who duly received the cash from the bankers. Thus the cash sent from London actually only had to make the short journey from London to Paris, and thence through the intricate network of business firms, who were mostly Jewish, it finally reached the English commander in Spain, through the heart of the enemy's country.

As time passed, however, the supply of cash and precious metal began to be scarce, even in England. Nathan, who had concentrated his attention principally upon business in specie and bills of exchange since the blockade had made ordinary commerce so difficult, closely watched[4] for favorable opportunities of acquiring any consignments of specie that might be available. When the East India Company once offered a considerable mount of bullion for sale, Nathan Rothschild was one of the first customers in the field; and he was able, through having recently received large sums of money for investment from the elector, and through mobilizing his whole credit, which stood very high, to acquire the whole of this stock of gold for himself.[9]

At that time, John Charles Herries was commissary-in-chief, an office that had been created in order to supply

both the British army at home and the troops fighting on the Continent with the necessary funds. He was not able alone to meet the demands made upon him. A sailing ship carrying money had again been held up somewhere for weeks, and another consignment which had arrived safely at Lisbon encountered extraordinary difficulties in its further transportation. The British government, and especially Herries, were in the greatest distress.

They then heard of Nathan Rothschild's purchase of gold from the East India Company, and the almost unknown man who had acquired it was sent for by the treasury. Nathan sold the gold to the government at a heavy profit, and, at the same time requested that he should be commissioned to convey the money through France to Wellington in Spain, as he had already been doing to a limited extent at his own expense, asking that he should now do it on a large scale on account of the British government.

Very substantial sums of money indeed were involved, which were sent across the Channel from England to France, as is shown by a letter from James in Paris to Nathan in London, dated April 6, 1812, which was intercepted by the Paris police. Nathan had at that time sent 27,300 English guineas and 2,002 Portuguese gold ounces in six separate instalments through six different firms, to James at Gravelines. James acknowledged the receipt of these amounts, and of bills on the firms of Hottinguer, Davillier, Morel and Faber, to the amount of £65,798. He added that he was glad that it had been possible to send him this money without affecting the rate of exchange, and urged his brother to let him have any commercial news at the earliest possible moment. Both brothers naturally watched the rate of exchange very closely, ceased buying bills when it rose, and acquired them when it fell.[10]

All these transactions were carried through in agreement with the chief French department, and Finance

Minister Mollien. He was flattering himself that England was in great difficulties, that the rate of exchange was against her, and was constantly getting worse through the drainage of gold, while the Bank of France was consolidating its position, and France's currency stood highest in the world. Meanwhile gold pieces were trickling through in complete security, under the eyes and indeed under the protection of the French government, across France itself, into the pockets of France's arch-enemy, Wellington.

But though Mollien was deceived, the activities of the Jewish emigrants from Frankfort were being watched with great suspicion in other quarters. Letters from a local merchant to one of the Rothschilds at Dunkirk, which were intercepted by the French police, revealed the nature of their activities. A police official sent a detailed report on the matter[11] to Marshal Davoust, who was (hen military governor of Hamburg. After carefully examining the letters he fully appreciated the nature of the Rothschild transactions in France. As the marshal considered the matter to be exceedingly grave, he decided to report on it direct to Emperor Napoleon. He pointed out incidentally[12] that "the arguments in favor of withdrawing money from England, under which the plotters concealed their maneuvers, lose their force when one considers that the English do everything possible to facilitate its export."

The emperor took note of the report, but did not pay any further attention to it. He no doubt said to himself that Davoust was a splendid soldier, but that this did not imply an understanding of financial matters, in which Mollien's opinion must be more reliable. The chief commissioner of police, however, continued to concern himself with the Rothschild family, of whose relations with Hesse he had long known, and he determined to get to the bottom of their activities (couler a fond). He forwarded Davoust's report to Police Prefect Desmarets,

instructing him to furnish accurate dates regarding the family, and at the same time wrote in similar terms to Gravelines.

This was in February, 1812, when Carl and James were both in Paris. Desmarets had them watched, and asked the French commissioner of police at Mainz to report regarding the political sympathies of the House of Rothschild, its commercial relations abroad, and its speculative transactions, as well as the extent, if any, to which it was involved in contraband trade.

The police commissioner at Mainz sent a detailed report in reply, in which he emphasized the confidential relations between the Rothschild House at Frankfort and Dalberg, stating that these were so intimate that Dalberg refused practically no favor that a Rothschild asked of him. He added that Dalberg's entourage had certainly given the Rothschild family previous warning of the domiciliary search which was conducted in 1809, and concluded with the words:[13] "As regards Rothschild's political leanings, they are far from being all that they should be. He does not like us French at all, although he pretends to be devoted to the French government."

At the same time the report from Gravelines came in, which confirmed the constant presence, amounting practically to the "etablissement" of a Rothschild at Dunkirk, and referred to his brother and partner in London.[14] The prefect of police, Count Real, pointed out that the mere fact that Rothschild was a foreigner was sufficient reason for not allowing him to stay on the coast.

"How could this man be anything but suspect?" he continued indignantly. "What could have been in his Majesty's mind when he permitted the smugglers to trade? Surely it must have been with the intention that this trade should benefit French industry, an object which will not be achieved if London firms can maintain correspondents, not to mention branch offices, in Paris. What are we to

think of this Rothschild's sojourn on our coast? A man who has established his brother in London, with whom he actually has common interests?" Real therefore recommended that Rothschild should immediately be asked to leave the coast.

The Paris prefect of police reported the result of all these inquiries to the chief commissioner, and at the same time proposed that the Rothschild who was living in Paris mould be arrested. But the protection of the French finance minister prevented this. Indeed, how could the government suddenly allow persons to be arrested whom it needed for carrying out its own business operations, and from whom the French Treasury accepted reports and advice, while it also entrusted them with commissions? The brothers Rothschild had cleverly made their position absolutely secure before they ventured to Paris into the lions' den, and in spite of all the suspicions of the military and the police, they remained entirely unmolested.

Nevertheless, the position was certainly not without its dangers. Sentiment in high quarters might suddenly change, in which case a Napoleon would have made short work of the brothers Rothschild. A further incident occurred to alarm the French police, and it caused General Savary to institute a further investigation.

A letter which was being forwarded to James Rothschild by a business firm at a special charge independently of the post-bag, which was controlled by the Boulogne police, was intercepted in the course of its journey. The inferece was drawn that the brothers Rothschild frequently attempted to evade the censorship, but the writer of the letter, and the responsible police commissioner of the department asserted that the letter had merely been sent by special messenger after the regular post, as it was urgent. The matter was not further pursued, but the police commissioner for Pas-de-Calais was severely repri-

manded, his chief giving him to understand that the luxury of his household and his general extravagance were highly suspicious circumstances.

The business of the two brothers Rothschild a cheval the warring powers of England and France was so important that it was absolutely essential for the brothers to be continuously on the spot, and even after the death of their father on September 19, 1812, only one of the two brothers who were in France at the time, namely Solomon, returned to Frankfort, whilst James remained in France and was constantly oscillating between Paris and the coast.

James had won the esteem of the Paris business world, through the enormous transactions which he always carried through punctually and accurately. It was at once noted whether he was buying bills or not, and the exchange was immediately affected when there was a rumor that he was going to buy. He set great store by his personal reputation; when a business man once slandered him to one of Nathan's employees, accusing him of an action unworthy of a man of integrity, he never mentioned the matter to the person concerned, since, as he wrote to Nathan, he considered it far beneath his dignity to discuss such a matter.[15]

Great events were now brewing on the Continent; Napoleon had not been able to keep up the myth for long regarding his victorious march to Moscow. The historic burning of that city robbed him of his only resources. Winter was already approaching when Napoleon was forced to decide upon retreat, which meant that the remnants of his army would have to traverse hundreds of miles through ice and snow, pursued by the enemy across country most of which had been laid desolate.

The crossing of the Beresina completed the disintegration of the Grande Armee, and on December 3, two days before Napoleon left it in order to return as quickly as possible to Paris, the famous twenty-ninth bulletin was

issued, which, while generally admitting the destruction of the army, laconically reported that the emperor's health had never been better. The whole world received this news with great emotion, and new hopes sprang up in the European states which were under French dominion. But it was not possible to estimate what the future consequences of the catastrophe would be,.

The reports from Russia made a particularly profound impression at Frankfort. The unexpected news was so disconcerting that at first there was a tendency to regard it all as highly exaggerated—the newspapers had been allowed to report only what the French censorship passed. But soon stray survivors arrived, who told of the inconceivable hardships suffered by the army.

Frankfort was particularly interested in the complete collapse of Napoleon's schemes on the practical side. It is true, contents of the secret report of the paymaster general of the Grande Armee were still unknown. He had set out for the campaign with fifty-five cartloads of cash, drawn by four horses apiece, and seventy-eight clerks. He had been able to rescue only one cartload, containing two millions in gold, which he hoped to get safely to Konigsberg, but he was not even prepared to guarantee that.

"My staff," he reported,[16] "no longer exists; they have all perished from cold and hunger. Some of them whose hands and feet have been frozen have been left at Vilna. All the account books have been taken by the enemy. Nobody thinks of anything except saving his own skin, and it is quite impossible to stem the panic. . . ."

Amschel Rothschild, the eldest son, and now head of the Frankfort firm, was just engaged in building a new banking house in the Bornheimerstrasse at Frankfort. He was enormously excited by the news of Napoleon's collapse; in view of the firm's extensive operations, which, ranging from Spain to Denmark and from Prague to London, already embraced the half of Europe, such sud-

den changes affecting the distribution of power on the Continent of Europe were bound to have most far-reaching consequences. It is true that his firm had friends in both camps, but it was important that, if either of the political structures collapsed, or showed serious signs of instability, the center of gravity of the firm's business should be rapidly shifted to the victorious side.

However, things had not yet reached this point. Through his enormous energy, Napoleon succeeded in rapidly improvising a new army, with which he meant to turn the tide of events. Frankfort continued to be occupied by the French, and Rothschild had to go very warily.

It is true that everywhere in Germany people smelled freedom in the air. In the public streets of Hesse the cry was heard, "Long live the elector, long live Russia!" Napoleon's so-called allies in the Russian campaign fell away, one after the other. Prussia allied herself with Russia and declared war on France, and Napoleon felt exceedingly uncertain even about the attitude of Austria. In April Napoleon was again campaigning in Saxony, and in the operations of the year 1813 he won one or two brilliant victories, but could not drive his enemies completely out of the field.

The bond between these became closer as time went on. England again offered Prussia and Russia her all-powerful financial support. In the Treaty of Reichenbach of June 14, 1813, she offered Prussia £666,666 as a subsidy, if that kingdom would put eighty thousand men in the field. Russia received twice the amount for twice the amount of men. On August 10, after Metternich's world-famous interview with Napoleon, Austria's attitude was also decided. The minister, who had completely changed his policy, left the Emperor of France, whom he had once made the son-in-law of his emperor, in the lurch, and Austria joined the coalition against Napoleon.

The Elector of Hesse also watched the course of events with satisfaction from his exile at Prague. He again requested the Emperor of Austria to reinstate him as speedily as possible in his dominions. He felt that the end of his sufferings and persecutions was at hand.[17] He who had so often begged the emperor and Marie Louise to intercede with Napoleon on his behalf, now spoke of himself as the German prince who had remained true to the cause, and as the protagonist of the German nation (Verfechter des teutschen Reichs) ; he certainly did not forget to remind the emperor of the undertaking that he was to be "guaranteed against any loss." He was, however, glad to contribute temporarily to the common war-chest and to send troops to reinforce the allies. Buderus was instructed, in spite of the general shortage of money, to obtain the sums necessary for this purpose. He applied to the House of Rothschild, and received one hundred thousand thalers, which enabled the elector to make several payments to the allies.

The unity of front which had thus been established led to some success in the further course of the campaign. In spite of her constant financial embarrassments, Austria played an important military part in the war. England also came to her assistance, and under the Treaty Alliance of Teplitz of October 3, 1813, she contracted to pay after October of that year, a million pounds in monthly instalments, in return for which Austria undertook to place 150,000 men in the field.

The day of Leipzig, October 18, 1813, was the final turning-point in Napoleon's career. The great general was forced to yield to the powerful coalition. At one blow the whole of Germany was liberated up to the Rhine, the Confederation of the Rhine fell to pieces, the King of Westphalia fled, and Dalberg voluntarily resigned his grand ducal dignity at Frankfort. The exiled princes now returned to their states, and on November 11,

the Elector of Hesse also left Prague and reached Cassel soon afterwards, where the populace received him with acclamations.

These events were propitious to the business policy of the House of Rothschild. The prince to whose riches they owed their prosperity, and with whom they stood on such a unique footing, thanks to the assistance of Buderus, had now been reinstated. He immediately set about making good his financial losses, and reestablishing his position amongst the princes of Germany. This naturally reacted favorably upon his court banker.

In other respects the position at Frankfort left much to be desired; the fall of Dalberg did not mean merely the loss of a personal patron; the Jews lost the man who had sold them rights which had placed them on an equality with other citizens. The final payment was not yet due, and there was the risk that the senate, which consisted of members of the old patrician families, would on getting into power again revoke all the concessions that had been so dearly bought. The old municipal constitution was reestablished, but without regularizing the legal position of the Jews; and it was a bad sign that the redemption of the debentures which were falling due under the contract for the purchase of their freedom was refused.[18]

There was only one way of dealing with the situation: the House of Rothschild would have to prove itself so useful through its financial services, to the most important powers of the victorious coalition, that the victors would call the citizens of Frankfort to order if they should really proceed to act with hostility against the Jews.

While the first principle of the House of Rothschild was to amass wealth, the liberation of the race from oppressive restrictions contributed indirectly to this end, since it would facilitate intercourse with the rest of the world, and thereby increase the possibility of financial

gain, which in turn would serve to increase its power. At this critical time the most important services were rendered to the Frankfort firm, not by its new chief, but by his incomparably more talented brother Nathan, in England, whose flair for finance amounted to positive genius. He now enjoyed the elector's full confidence. When in 1812 the Prince Regent of England seemed to be inclined to repay £100,000, Nathan was instructed to receive this amount, and to invest it in consols. This transaction brought him into immediate touch with the private finances of the royal family.

As Great Britain was the financier of the powers which were fighting on the Continent, and was also maintaining armies of her own abroad, enormous demands were made on the British Treasury in 1813. The officials were not equal to the task of raising the money or of sending it to the Continent. It had already been necessary for a naturalized foreigner to demonstrate that there were other ways of raising and sending money than for Englishmen abroad to draw bills on England. That method had a very bad effect on the English rate of exchange, which at the end of 1813 had already fallen by one-third. Herries, who was charged with the sole responsibility for sending money to the Continent, again called in Nathan Rothschild to his assistance. While his principal problem was to supply the enormous sums that England had to provide under the subsidy contracts that she had just concluded, it was even more urgent and more important for the final overthrow of Napoleon to afford every possible support to Wellington, who was still pressing for money, but who was now free to advance into French territory, as Napoleon had transferred his best troops and generals to Germany.

Herries invited Nathan, whose name was still almost always wrongly spelled by the British Treasury, to a conference regarding the measures to be taken. The English official was completely convinced by the clarity and logic

of the scheme for sending money which Nathan submitted, and requested him to draw up a memorandum for the chancellor of the exchequer, explaining the methods to be adopted for rendering prompt financial assistance to the Duke of Wellington. The technical problem was now somewhat different, since Wellington attached most importance to being supplied with French currency.

In the interests of England, as well as of his own pocket, Nathan had hitherto worked almost consistently against Napoleon; but he had done it as inconspicuously as possible for fear of compromising his brothers on the Continent. Even now that Napoleon was retreating, and was soon to be fighting within the former frontiers of France itself, he still kept well in the background, although he adopted the anti-Napoleonic cause with all the more enthusiasm, since the Russian disaster and the defeat at Leipzig seemed to imply the end of Napoleon's power. Lord Liverpool, first lord of the treasury and prime minister, and Vansittart, chancellor of the exchequer, approved the scheme submitted by Herries, and in a secret letter entrusted its execution to Nathan's experience and discretion.

Nathan Rothschild thereupon proceeded personally to Holland and collected, in close cooperation with his brothers, the French metal currency with which the Continent was flooded, but which, owing to the blockade, was naturally unobtainable in England.[19] James also acquired French cash on the spot in Paris, and managed to smuggle it across to his brothers in Holland. The sums thus collected were then shipped from the Dutch coast to Wellington's headquarters, this transaction becoming easier as his troops advanced from the west coast of France. In this way, a constant stream of gold and silver in current French coin flowed to the British army, which was thus enabled to pay in French money, whilst the allies, advancing from the east, were deprived of any such cash resources.

In the interests of the brothers Rothschild the secret was exceedingly well kept; Herries had every reason to be satisfied with his, and his country's relations with the foreign Jew, and did not grudge him the enormous profits which he was making. In later years Nathan himself stated that this was the best business he had ever done.[20]

Meanwhile the victorious allies had advanced beyond Frankfort, and had established their general headquarters in that city. The Emperor Alexander of Russia, the King of Prussia, and the Emperor Francis met in the ancient city where the Holy Roman Emperors were crowned. Metternich came with them, rejoicing in the triumph of his policy. The outward signs of the great change in the political situation were therefore particularly apparent at Frankfort, the home of the Rothschilds.

It is not surprising that the family regulated their future conduct accordingly. As yet they had had no relations with Austrian statesmen, but the brothers Rothschild now proceeded to sound members of the imperial entourage with a view to getting an opening. Accompanying Metternich was a previous acquaintance of theirs, Barbier, vice-president of the Austrian Treasury, who was responsible for the financial arrangements of the Austrian army. It was with him that the unsuccessful negotiations regarding the electoral loan had been carried on. Amschel accordingly called on him, and attempted although at first with little success to secure his interest and that of his powerful master Count von Metternich.

The name of Metternich was now on everybody's lips. The success of his policy had enormously strengthened the minister's position. It was a fair assumption that in the future he would exercise a very decisive influence in all matters affecting Austria, even in financial matters, although they did not come strictly within his province. In spite of his other outstanding qualities, Metternich had not a sound economic sense, either in public matters or in his private affairs. He spent money rather thought-

lessly and extravagantly on his private account, and his natural inclination was to make finance secondary to foreign policy, rather than the reverse.[21]

The Emperor Francis had repeatedly come to the rescue of his minister with personal loans, and had waived their repayment later.[22] Metternich had also frequently had recourse to various bankers, including such Frankfort bankers as Bethmann and the brothers Miihlen. As far as can be ascertained, he had had neither official nor personal relations with the Rothschild family before the year 1813.

Metternich was conscious of his own uncertainty in financial matters, and therefore relied largely on the advice of his indispensable secretary and counselor, the brilliant publicist Frederick von Gentz. This man had got to know the count intimately during the years 1802-1803, while he was still in the Prussian civil service and Metternich, who recognized his distinguished literary talent, was ambassador at Dresden; and it was Metternich who induced him to transfer to the Austrian civil service.

Gentz was even worse than Metternich at managing his private affairs, and unlike the count, was completely unscrupulous in getting money from anybody he could, from his own or from foreign states, from persons who desired orders or titles, and wherever opportunity offered. In spite of this, and of the fact that he often managed to earn considerable sums of money with his pen, he was in a constant state of financial embarrassment owing to his extravagant manner of life, and was repeatedly on the verge of complete ruin. This, however, did not prevent him from being always on the most intimate terms with all the great men of his day, with poets and statesmen, with princes and the higher nobility, as well as with Jewish bankers and merchants.

Humboldt knew him well, and Goethe was interested in him too. Humboldt wrote to Goethe on one occasion:[23] "You have perhaps heard that a few weeks ago

poor Gentz went completely bankrupt. It is weakness, and not extravagance that has brought him to this pass." Later events were to give the lie to this statement of Humboldt's; it would scarcely have been possible for anyone to dissipate money more thoughtlessly and extravagantly than Gentz.

In spite of these personal characteristics, Gentz had a bent for political economy, and had taken a very good course in that subject in England, where he stayed for some time. While studying in that country he had made the personal acquaintance of Herries, who translated several of his writings into English, and maintained a correspondence with him. He also told him of the firm of Rothschild. Gentz did not stay with Metternich at general headquarters, but he corresponded with him constantly on financial matters.

The Austrian state was again urgently in need of funds for continuing hostilities, as it had been decided to carry the war into the enemy's country across the Rhine. The immediate problem was to convert into cash the remaining instalments of the subsidies from England. This had been done hitherto by the four Viennese banking firms, but the government was not very satisfied with their services, and Gentz, for personal reasons apparently, was not on good terms with them. He therefore wrote to Metternich to say that as far as he was aware, the four Viennese firms had no exclusive right to conduct the financial affairs of the state, and recommended the Frankfort banker von Herz. But he too proved to be very disappointing; he succeeded in making several hundred thousand for himself, but got rid of the bills at absurdly low rates, thereby also damaging English credit. The problem as to who should carry through these transactions still remained to be solved.

A letter from Count Ugarte to Metternich indicated how much they were exercised as to the best means of getting the English money over.[24] Ugarte observed that

in the past the English government had generally sent the subsidies in cash, and in gold and silver bars, while only a small portion of them had been realized through "mercantile" channels. Now, however, that the precious metals were scarce in England too, this was difficult to arrange.

"We have to reckon," he wrote, "that on the average at least a third of the subsidies will be lost on the rate of exchange, and this is another reason for trying to get the amount of the subsidies increased to as high a figure as possible, since, if for example six millions are sent over, we shall only be able to realize four millions at the outside." This remark of one of the highest Austrian government officials clearly reveals how governments were taken advantage of in such transactions, and what huge profits were derived in the course of remitting these sums from England to the Continent.

Now there were several cogent reasons for the employment of Frankfort firms. They naturally did what they could to bring influence to bear in this direction, on Metternich and his advisers, and Ambassador Baron von Hugel pleaded the cause of the Frankfort bankers. He had already on a previous occasion written to Count Stadion to say that of all the cities in Germany, Frankfort ought to be specially considered in connection with the financial measures of the imperial court. He said that there was no commercial center in Europe that would collaborate as readily as Frankfort in efforts to improve Austria's credit.

To crown all, Metternich simultaneously received a dispatch from the ambassador in London, Baron von Wessenberg, stating that the four Vienna firms had hopelessly mismanaged the realization of the English bills of exchange.[25] They had made the mistake of instructing no less than four firms on the same day and in the same market, to obtain bills on Paris and Amsterdam, so that their joint action naturally forced up the rate of exchange.

The imperial treasury had thereby incurred a loss of thousands of pounds, which would have been avoided if the business had been carried through by a single firm which would not have feared the competition of its rivals. In accordance with a memorandum of Metternich's, the Emperor Francis issued a letter[26] in which he strongly enjoined the persons concerned to expedite the realization of the English subsidies as far as this could be done without incurring substantial loss. He also commanded that careful investigations were to be made as to the most advantageous method of procedure, adding that since he understood from a trustworthy source that the four firms had not handled the matter in a practical way, and the business could be carried through much more profitably from Frankfort, no further contracts should be made with those firms unless it could be shown that that was the best and most certain method of achieving the desired object.

Ugarte had requested the four banking firms to send in a written reply to the statement contained in Wessenberg's report, since he himself was inclined to support them, as they charged a commission of only one-quarter per cent; and he instructed Barbier at Frankfort to report as to whether the bills could really have been cashed at a much higher figure in that city. At this point Metternich intervened, also urging that Frankfort should be considered. Thereupon Ugarte summoned a secret commission at Vienna, and this commission naturally pronounced in favor of the four well-established local banking firms, whose credit stood high and who could be controlled more effectively, as they were on the spot.[27]

Meanwhile imperial headquarters had been shifted to Freiburg in Switzerland, where Gentz joined Metternich. In view of the conflict of opinion the emperor Francis dealt with the matter by instructing Ugarte to do nothing for the present.[28] But as in the early months of 1814 the allied armies advanced into France from all

directions and the statesmen of the allied powers were busily engaged alternately in fighting and negotiating with Napoleon, it was all that they could do to raise the money necessary for the further conduct of the war.

The firm of Rothschild at Frankfort made every effort to get into touch with the Austrian government which was so sadly in need of funds, and they knew through Nathan that it received large sums from England. Nathan did all he could to achieve this object, and had already secured the support of Herries. At the beginning of 1814 Amschel Rothschild at Frankfort succeeded in obtaining the order to issue the pay of the imperial officers who were passing through or stationed in Frankfort, the accounts to be settled by the Austrian paymasters. That was at any rate a start.

Meantime the shortage of money at army headquarters in Freiburg had become acute. The army needed as much as two million gulden a month, so that further English subsidies, which the English government had agreed to under the Treaty of Chaumont, were exceedingly welcome. Austria was to receive £1,666,666 2/3 or a monthly payment of £138,888 2/3. In point of fact there was never occasion to pay out this sum, for the allies soon gained a decisive victory over Napoleon, and entered Paris on March 31; whereupon, after Napoleon's abdication, the first Peace of Paris was signed.

The elector immediately sent his sincerest congratulations to the emperor as the liberator of Europe, as usual accompanying this expression of feeling with a request that he should be compensated for his losses.[29] The elector had been a profitable example to the Rothschild family. He was always importuning the authorities to protect his interests, but he did so in rather an aggressive manner, whereas the Rothschild brothers, though no less persevering, always contrived so to frame their requests that they seemed to be concerned only for the interests of the state or the person with whom the decision lay.

Austria had already received the English payments due to her for the first three months of the year. The instalments for April and May were still due, as well as two payments for the return of the army, a total of £555,-555 1/3, the remittance of which amount had to be arranged. The firm of Rothschild put in for this business, and in order to support it, Herries had proposed to Vienna that Austria should arrange for the money to be sent through Frankfort. In agreement with Nathan Rothschild, the Englishman, who regarded Frankfort as the most important financial center in Germany, had appointed his own plenipotentiary in that city, a certain Chevalier von Limburger, who was to conduct any negotiations regarding subsidies. He was a German Jew, and the proprietor of an important tobacco factory in Leipzig, but he enjoyed the confidence of the English commissary-general Herries.

Meanwhile the Rothschild brothers had been ceaselessly urging Barbier, who was still staying at Frankfort, to avail himself of the services of their firm for the financial affairs of the Austrian imperial government. They now decided, with the assistance of Herries and Limburger, on launching a final attack. On July 28, 1814,[30] two of the Rothschilds called on Barbier on behalf of the firm in general, and informed him that they had received instructions from the Chevalier von Limburger, the plenipotentiary of the English commissary-general, to ask whether Herries's proposals regarding the settlement of the balance due to Austria of the English subsidies for 1814 had been accepted at Vienna or not. At the same time the brothers Rothschild handed him a letter in which they offered their services in that connection. The letter was:[31]

Your Excellency:

In accordance with the permission graciously granted to us, we have the honor to offer your Highness our most obedient service and most humbly beg

your Excellency to honor us with your high confidence, and to commission us to realize your claims on London. As our brother is himself established in London, we can easily make use of bills on that city, and enjoy many advantages which enable us always to obtain the best price. Your Excellency has had occasion to observe that we have acquired large sums from London and Vienna, with the intention of ourselves profiting by such exceptional circumstances. If your Excellency will lend a favorable ear to our petition we shall undertake most faithfully to serve your interests and to prove the high value that we attach to your Excellency's gracious goodwill, and, in return for our efforts and our services we shall be absolutely satisfied with the customary trade commission. . . . Comforting ourselves that you will favorably accede to our request, we beg to remain with all due respect,
Your Excellency's most obedient servants,
MEYER AMSCHEL ROTHSCHILD AND SONS.

Not long afterwards they wrote again, more succinctly: "We beg most submissively to inform your Excellency that today we are paying at the rate of 132 to the pound (on July 28 it would only have been 127) and that we are appropriating £200,000 for this purpose, and beg your confirmation of our action."[32]
Barbier forwarded the two communications to Ugarte at Vienna, and felt it his duty to add that in his opinion the offer should not be accepted, as Viennese firms and Austrian subjects were entitled to be considered. He suggested, however, that the proposals of Herries and Limburger should be considered, even if the Rothschilds' were not.[33] Barbier did not know at the time that the motive behind their proposals, although hitherto they had only recommended Frankfort in general and had not specifically mentioned the firm of Rothschild, was to secure that the whole business should be taken over by the House of Rothschild.

He was soon to be enlightened on this point; Carl Rothschild left him no peace. On August 5 he had another interview with Barbier, and gave it as his opinion that the English rate of exchange was then very favorable. He stated that he had received a communication from Limburger on the previous day and, in accordance therewith, he desired to make a definite and advantageous offer in writing regarding the realization of the further subsidies due to Austria.

Barbier reported this offer to Vienna, adding that he had taken no steps to conclude the arrangement, and ended by saying: "The House of Rothschild now does more business in English paper than all other firms put together, and this may be largely due to the fact that one member of the firm is established in London and another in Paris, and that the firm has to carry through several substantial remittances of money on account of the English government itself."[34]

The fundamental idea at the back of Herries's mind, a plan that Nathan had inspired, was that in view of the English government's unfortunate experience of the methods of middlemen, it should itself control the realization of the subsidies, and thereby prevent the frustration of its efforts for improving the English rate of exchange. Whilst Nathan supported Herries in these efforts, he profited by the occasion to get his firm established with the continental powers, and to induce Herries to entrust him with the remittance of the English subsidies to the three greatest powers, mindful that the connections thereby resulting would enable the firm in the course of time to secure other important business with the financial administrations of those powers. In this way he hoped gradually to secure for his firm a privileged position as state bankers to the four principal powers that were engaged in defeating Napoleon. A letter from the firm of Rothschild to Barbier, dated Frankfort, August 8, 1814,[35] while making constant ref-

ences to Herries and Limburger, already entered into details concerning the remittance of the remaining £500,-000, this serving as an introduction to the following proposal, which concluded the letter: "If your Excellency should be prepared to regard this unofficial proposal as acceptable, we would not fail to inform Herr von Limburger of your views, after which we may be in a position most dutifully to submit a formal offer."

Whereas Barbier and the treasury official Schwinner, who was on his staff, had hitherto dealt only with such firms as Bethmann, Metzler, Wertheimber, etc., the firm of Rothschild had now entered the field with the determination to drive all rivals out of it. The offer was duly sent in and forwarded to Vienna by Barbier. At the same time he observed to Rothschild that it was too vague to be accepted, and that this was not an ordinary banking transaction subject to the usual business risks, but was based on the proposal of the English commissary-general, and was therefore of an official nature.

Rothschild replied that Limburger was shortly coming to Paris, and that he had therefore not been able to frame his proposals more definitely. The Austrian Treasury would not have to pay any commission in respect to such transactions, although in all similar business which his firm had had to carry through for the English government, it had received a commission of two per cent. All he wanted was an opportunity to demonstrate his zeal on behalf of the imperial court.

Rothschild proceeded to enter into details as to the method by which he proposed to carry through the transaction, as he was hereby able incidentally to relate that the firm of Rothschild had already carried through similar business on an enormous scale for Russia and Prussia. At that time England had to pay ten million thalers to Russia and five million to Prussia. She agreed that this payment should not be immediately effected by bills of

exchange, but should be made in monthly instalments of a million thalers.

It was further indicated that if the two states required the money at an earlier date, bankers could temporarily advance the amount. Knowing of this term in the contract, Nathan had told his brothers at Frankfort immediately to advance money to Prussia and Russia. These advances were actually made, so that at his interview with Barbier, Rothschild was able proudly to inform him that his firm had advanced to the Russian court four million gulden in cash and that his elder brother Solomon had gone to Berlin to carry through this important business.

A few days later Rothschild further informed Barbier,[36] with the object of impressing him, that his firm had received payments of the value of 750,000 francs in English crowns, and that this amount could also be applied to a settlement of the subsidies.

In the meantime, Count Ugarte's reply to Barbier's communications of July 28 and August 1, in which Barbier had first informed him of Rothschild's offers, was received. "As your Excellency . . . quite rightly observes," wrote the count, "it will be more profitable and safe for Austria in realizing the English subsidies to use native firms that enjoy the protection of her government, than to have recourse to foreign firms, over which her government has no control, and in which one cannot have the confidence . . . necessary for such extensive operations, as one would have no control over their activities, and they would not be able to offer security for the very considerable sums entrusted to them." Ugarte also expressed the view that in any case it would appear more advantageous to discount the English bills at Vienna, as the pound in that city was dealt in at nine gulden, three kreutzers, whereas, according to the latest report, it was only worth nine gulden at Frankfort. "There can therefore be no question," he continued, "of accepting the firm

of Rothschild's offer to take over twenty thousand pounds sterling at the price they have suggested, of 8.48 gulden." [37]

The Rothschild proposal was therefore declined for the time being. Ugarte had failed to be convinced, and even Barbier had not been won over by the Brothers Rothschild. However, they did not lie down under this refusal. As they knew that the English government was working through Commissary-General Herries, on whom Nathan was bringing all his influence to bear, to get these financial transactions entrusted to them, they never thought of relaxing their efforts in that direction.

Limburger had just arrived at Frankfort with new instructions from England, and Amschel thereupon wrote personally to Barbier:

Most honored sir, gracious vice-president!
We have the honor most dutifully to inform your Excellency, in accordance with instructions, that the Chevalier von Limburg has arrived here with the purpose of negotiating with the three ministers or comishairs (sic) of the high powers, regarding the outstanding subsidy, we repeat our request for your high commands, and are with great respect and devotion
Your Excellency's most obedient servants
MEYER AMSCHEL ROTHSCHILD & SONS.
Frankfort, August 22, 1814.[38]

The uneducated style of this letter, written by a member of the second generation of the family, since it had risen into prominence, contrasted strongly with other communications from the firm, which were only signed by one of the chiefs. Such communications indeed, in contrast with the practice of most bankers of that time, were always models of style and calligraphy, and therefore very easily read and understood—a fact which made a good impression on the government departments, who

appreciated them as being above the usual standard. When, however, a Rothschild unexpectedly took the pen into his own hands, his style and spelling immediately revealed the low standard of education obtaining in their father's house. This did not, however, prove to be the slightest obstacle to the development of their commercial gifts. It merely provoked understanding smiles from the diplomats and highly placed persons with whom they had to deal.

As Austria was not inclined to accept the Rothschild offers, greater pressure had to be brought to bear by England, and it was decided accordingly to send Limburger to Vienna.[39] The statement that Carl Rothschild had made to Barbier, regarding his firm's financial dealings with Prussia and Russia, was in accordance with the facts. Herries had gone to Paris to carry through the subsidy negotiations with the representatives of the powers personally, and to convert them to Nathan's system under which the subsidy payments would not be effected by drawing bills on London at considerable loss to both parties, but through payments quietly carried through by the brothers Rothschild on the Continent.

In Paris, James Rothschild, who was most familiar in that city, had placed himself at the disposal of the commissary-general, and he was in turn introduced by Herries to the representatives of the victorious powers who were staying there. As a negotiator was required for the discussions at Berlin, Solomon was instructed to travel from Frankfort to the Prussian capital, and carry on the detailed negotiations there. In this way the five brothers played cleverly into each other's hands, and just as their father had contemplated, gave one another complementary support in all undertakings.

France had undertaken, under a convention dated May 28, 1814, to pay the allied powers twenty-five million francs as a lump sum, representing contributions that had not been levied and stores that had been left behind. Aus-

tria's share of this money was eight and two-thirds million francs. France deposited as securities for this amount, papers known as bons royaux, and the firm of Rothschild immediately applied for the business of cashing these in Paris at a commission of one-half per cent.

Rothschild again called on Barbier, and attempted to secure this business for his firm, as far as Austria was concerned, too. He was careful to mention that he had already been entrusted with a similar transaction by Russia, and that 250,000 new Dutch Rand ducats which were destined for Russia had already been deposited with his firm.

He brought a written application in support of his suggestion, and submitted to Barbier letters from the most important business firms in Paris,[40] from which it appeared that monetary conditions were so easy that the bonds could be negotiated at a very desirable rate at that time.

"If you should be graciously pleased," the letter ran, "to take advantage of these favorable circumstances, and to entrust us with the discounting of the bons royaux belonging to the royal and imperial government, you shall have no cause to complain of the industry and care with which our brother who is living in Paris will carry through this business. We would always duly pay over to your Excellency exactly what we received for the securities, subject to the customary commission of one-half per cent, with which we should be fully satisfied."

Without replying to the brothers Rothschild, Barbier submitted this letter, with some relevant observations of his own, to Ugarte, adding that certain other firms, including Bethmann, had also applied for the business.[41]

The Rothschilds were endeavoring at the same time to secure a third piece of business which was just then offered. An agreement had been arrived at between the Prussian finance minister and the Austrian Governor-General of Belgium, under which a sum of 9,500,000

francs was to be paid by the Belgian Treasury to the three eastern powers in equal proportions, on account of the expenses of occupation. Knowing of this arrangement, one of the brothers dropped the remark casually, in the presence of Barbier, that the firm of Rothschild had recently sent eighty thousand gold napoleons to Brussels, and would shortly have to transmit to that city further large sums of money on England's account.[42]

Barbier recollected the fact that Austria was to receive this payment in Belgium, and in view of what he had just heard, he thought it would be well for the firm of Rothschild to deal with this matter and asked whether they would undertake the business. Rothschild immediately pledged himself to pay out any amount which he received in Brussels in francs, in thalers or good bills of exchange at Frankfort, after deducting one-half per cent commission.

Barbier was entirely dependent on Vienna in such matters; he had first to report to Count Ugarte, and wait for his decision. At that time, quite an interval had to elapse before a reply could be received to a letter, and government departments were also exceedingly slow in dealing with correspondence. The brothers Rothschild submitted a detailed plan to Barbier, regarding the remittance of the money from Brussels on July 29, concluding with the words:[43] "We shall request your Excellency one-half per cent commission for our expenses and trouble, beyond which you will not have to bear any further expense whatever. If, on the arrival of the money here, we can secure more favorable terms for your Excellency, we shall certainly not fail to furnish you with such proofs of our disinterestedness."

The use of the word "disinterested" is not entirely to be sneered at. Often, especially when as in this instance they desired to gain a new customer, the firm of Rothschild was wont to emphasize that it was particularly concerned with the interests of the other party to the transaction,

and business was often undertaken at a quite modest profit, sometimes even at a loss, with a view to securing much more important business at a future date, whereby any such loss would be made good. It was exactly the same principle that old Rothschild had applied in his dealings with the Elector of Hesse, when at the beginning of their connection he sold him coins and antiques far under their real value. This principle had paid, for by 1814 the Rothschilds were doing business that ran into millions.

Barbier faithfully transmitted to Vienna all the offers that were made to him, and received Ugarte's reply a month later.[44] This was not favorable to the foreign Jews, and showed a preference for relying on native bankers. He could not, however, entirely ignore Barbier's suggestion regarding the transfer of the money from Brussels. He therefore wrote to say that he considered Rothschild's offer to be generally acceptable, but limited the amount which they were to handle to about one-half of the total; and in order to avoid all risk he instructed Barbier to arrange with the firm of Rothschild that the receipt for payment at the treasury in Brussels should not be handed to them until the sum had been paid in cash or in good Augsburg bills, or appropriate security had been furnished.

Barbier hastened to arrange an interview with the firm of Rothschild, and with the firm of Gontard, who were collaborating with them, but he could not persuade them to agree to carry through the business on such terms. In spite of their desire to enter into relations with Austria, they wanted at least to have the advantage of being able to dispose of such a large sum for a short space of time, during which they could have employed it very profitably within the scope of their numerous activities. They were also somewhat offended at such a demonstration of lack of faith.

"The heads of these firms observed to me on this point,"

wrote Barbier to Ugarte, "that these conditions were not at all customary in such transactions, and might indeed be prejudicial to their credit; that certainly no other firm would accept such conditions, and that in a business in which they were charging only an exceedingly modest commission, they could not make advances in cash . . . especially at a time when they had so many other opportunities of employing their funds much more profitably. Rothschild further remarked that much greater sums were entrusted to him by the English government, and that other governments also did not fail to accord him similar confidence, while several millions of gulden that belonged to the Elector of Hesse-Cassel and were invested in government loans in London, Vienna, etc. were simply inscribed in his name."

Barbier admitted the general justice of the Rothschilds' contention, but said he could not take bills that had not been accepted or indorsed by a substantial firm as in that case he would have no security except the property of the drawer, "although," as he wrote, "the firm of Rothschild, as well as that of Gontard, are known to have very solid resources, and, together with several other firms in the 'second class' as regards their resources . . . enjoy a very good reputation and a no less extensive credit."

Bethmann, with whom Barbier next negotiated, stated that he would be doing the business at a loss, and that he must ask for a higher commission. On Barbier pointing out that Rothschild had only asked for one-half per cent, and that Bethmann must therefore realize that it would be difficult to get a higher commission approved, Bethmann replied that Rothschild could carry through the business much more easily than he could, because he had to make considerable payments to the English troops in the Netherlands, on account of the English government, Limburger also, to whom Barbier applied, refused to handle the business, since his authority extended only to the payment to the three allied courts of the English sub-

sidy still outstanding. At the same time he remarked that in accordance with the instructions which he had received, he was leaving the subsidy business to the direction and personal supervision of the firm of Rothschild, since these transactions required the cooperation of an active banker with very good connections; and that that firm had actually to make considerable payments for the English troops and would therefore be able more easily than any other to deal with the remittances in question.

In spite of this new offensive in favor of the House of Rothschild, the business was entrusted to Bethmann, on the ground that the property of that house was "well known to be so great as to require no other security than a duly binding contract or a debenture." This was a triumph of Bethmann over Rothschild, and it was due to the fact that the importance and financial greatness of the firm of Rothschild, which at that time was still of very recent date, was not appreciated at Vienna, and even Barbier had more faith in the old Christian firm of Bethmann than in the upstart Jewish firm.

Nathan was annoyed at this failure, but was all the more obstinately determined to gain his object. However, before this could happen, Ugarte would have to make way for a new man at Vienna, Count Stadion, and Barbier would have to be won over, which was not accomplished until 1815, in Paris. For the moment, the assiduous attempts of the firm of Rothschild to obtain big business with Austria had failed, and it had to content itself with the modest duties of handling the Austrian war-commissariat account at Frankfort, which indeed served to maintain its connection with the financial departments of the Austrian government.

From the foregoing description of the nature of the business transactions of the Rothschild family, it is evident that they were mainly concerned with overcoming the tremendous difficulties to which international monetary dealings were subject, owing to the political condi-

tions of those days and the backward state of communications.

Baron von Hugel's elaborate report[45] as to the way in which a sum of 8,353 gulden and 74 kreutzers could most safely and cheaply be sent from Frankfort to Vienna, makes strange reading today. At first he wanted to entrust the amount to a non-commissioned officer who was leaving for the imperial city with a consignment of official documents; but on reflection he thought it was too dangerous to entrust such a large sum to a soldier, as one could never tell what chance accidents might befall him on the way, and endanger the property confided to him.

After such pondering Hugel finally had recourse to the Rothschilds, and asked them whether they could not issue a bill on Vienna for the amount. The firm replied that they were prepared to issue such a document, and to make it a bill payable at sight, but that they would have to charge a commission of one per cent, a sum of 83.30 gulden, which sum was certainly less than the cost of sending the remittance by post-chaise. Such special circumstances yielded opportunities of profit which the Rothschild family most skilfully exploited by establishing a kind of clearing-house between the three brothers in London, Paris, and Frankfort; and this system was soon extended to Vienna.

Nathan was the father of this idea. Although the third son, he was more and more tending to become the directing brain of the firm. His association with Herries, who relied upon him to an increasing extent, although concealed from the public became increasingly intimate and more profitable both politically and financially. The services rendered by Nathan, not only covered an extensive field, but were also most varied in their nature. After the fall of Napoleon, to which Nathan's financial measures in support of the Allies and of Wellington had contributed not a little, his business expanded in a quite unprecedented manner. Thereupon he immediately

availed himself of every opportunity of rendering services to the Bourbons, who had returned to France with the support of the Allies, thus smoothing the path for his brother James in Paris.

The exiled Bourbon heir, who was later King Louis XVIII, had been living at Hartwell in Buckinghamshire since 1807. When the Allies invaded France in 1814, he appealed to his divine right to the throne, and decided to go to Paris immediately after the fall of Napoleon. However, he lacked the money necessary to undertake the journey and make his appearance in France with the magnificence proper to a king. The king applied to the English Treasury, requesting it to advance the necessary capital. As French currency and bills on Paris were required, the application was sent to Herries to deal with, and he called in Nathan.

Nathan was delighted to have such an early opportunity of proving himself useful to Louis XVIII, and with the assistance of his brother James in Paris he acquired bills payable in that city, to the value of 200,000 English pounds.[46] He placed them speedily at the disposal of the new king, and thus made it possible for him to land at Calais on April 26, 1814, and to enter Paris on May 3.

Although to Herries's considerable satisfaction, Nathan carefully preserved the close veil of secrecy covering his activities, and let Herries get most of the credit, whilst he contented himself with the commercial profit and the fact that the transactions served to introduce him to other governments, on this occasion Nathan was careful to see that the newly established monarch learned of his share in the transaction. For this seemed to him to be of great importance for the future position of the firm of Rothschild in France.

The development of this branch business was to be entrusted to James, who had already made himself at home in Paris, and who was widely traveled, although he was

only twenty-two years old at the time. His appearance, it is true, was not exactly prepossessing. He looked very Jewish; he had red hair and deep-set eyes, and a good complexion, but he had a wide mouth, a prominent hooked nose, and pursed-up lips. During his earlier years in Paris, he showed an almost servile politeness to everyone. He had obviously acquired the habit at Frankfort, where the status of the Jews was very low, but as he grew more successful and his position improved he gradually lost it. Moreover, James was an exceedingly acute, honorable, and clever banker, whose talents can be rated only a little below those of his brother Nathan. Above all, he had a fair share of the other's abundant energy.

In the life of feverish activity which developed in Paris after the conquest of that city, when officers, diplomats, bankers, and business men flocked to it from all sides, James was absolutely in his element. He was seen everywhere, in government offices as well as on the Bourse and in diplomatic circles,[47] and made great efforts to establish himself in society. He actively supported Herries and his brother Nathan in their efforts to cash the English subsidies without depressing the rate of exchange, and Nathan was able to show in a report to the English Treasury that hundreds of thousands were saved by the new method.[48]

Under the Paris Treaty of May 10, 1814, the French government had undertaken to meet certain obligations incurred by responsible officials, either in France itself or in the conquered territories. To collect these amounts the creditors found it necessary to employ middlemen. James was appointed as the agent of numerous banks and organizations that had claims of this nature, and he was also engaged in the interests of the Elector of Hesse and other minor German princes.

His personal mode of life was exceedingly modest. He lived above a small courtyard, although his business dealings had not only won him the respect of commercial

circles but had also brought him substantial profit. He had already decided ultimately to settle in Paris, just as Nathan had taken up permanent residence in England. He was, however, not in such a hurry as his brother to get naturalized, partly because he wanted to watch the course of developments in France after the stormy time of the revolution and the Napoleonic period; and since France could not at that time place any obstacles in the way of a subject of the victorious powers, he wanted to register his own firm in Paris. If occasion should arise the powers were always ready to exert diplomatic pressure in favor of their subjects. James did in fact register his business without getting naturalized, his name appearing in the Paris trade almanac for 1814 as resident in the rue de Pelletier.

Whilst the House of Rothschild was getting well established in Western Europe through the activities of the two brothers, in its native town it had to fight for recognition, owing to the aversion of the citizens to the Jews. The growing wealth of the Rothschild family at the expense of Christian firms was viewed with displeasure at Frankfort. Buderus had completely succeeded in eliminating their rivals. The firm of Van Notten at Amsterdam had put up a fight longest, but that firm, also. failed to survive Buderus's systematic propaganda with the elector.

In a letter dated May 13, 1814, Buderus had written to the electoral plenipotentiary Lorentz, at London, expressing his dislike of that firm in the following words:[49] "The worthy bankers Van Notten must be small-minded people. On one occasion, when I was very hard-pressed because I was waiting for assistance from England, I drew £35,000 on them. They showed the most extraordinary anxiety about the repayment of this sum. I hope they are now easy in their minds. The Rothschild bankers at Frankfort, on the other hand, have advanced over half a million, and have rendered services of every

kind in a cheerful spirit." Buderus did not fail to express similar views to the elector, so that the rivals of the brothers Rothschild had the ground completely cut from under their feet as far as the Hessian prince was concerned.

The Frankfort Jews had nothing to fear from Austria and Prussia. When Grand Duke Dalberg left Frankfort, the firm of Rothschild was a creditor of his for considerable sums, including the following items: 22,900 gulden for supplying flour to France; 71,181 gulden advanced in connection with the transactions affecting the Fulda property; and 50,000 gulden advanced to Dalberg On account of the Jewish tax commutation payment, which was not yet due.[50] Baron von Hugel, who after the occupation of Frankfort took part in its civil administration, charged all these claims to the city budget, on Amschel's application, to the great indignation of the senate. The city finances were in a state of confusion, but the claims of the House of Rothschild seem to have been satisfied.

The inhabitants of Frankfort particularly grudged the Jews the equal political rights, which they had obtained, it was held, by methods of indirect bribery. The threatened attitude of their native town caused the brothers Rothschild to be seriously concerned about the future of the parent company on which their power was founded. They decided to make every effort to prevent the Jews of Frankfort from losing any of those rights which they had bought during Dalberg's regime.

The new constitution of Frankfort, and therefore the decision regarding the future status of the Jews, was one of the questions to be settled by the Vienna Congress, which was to meet on October 1, 1814. The choice of Vienna was not very acceptable to the Rothschilds, for Austria was the state which had hitherto so obstinately refused to enter into close business relations with them, and her statesmen, such as Ugarte, still did not really trust

the upstart Jewish firm at Frankfort. Moreover, the Rothschilds well knew the strict police control to which foreign Jews were subjected at Vienna, and how greatly all Jews were restricted in their freedom to do business in Austria. As they were determined, however, to secure the desired business connections with the Austrian state, they were not tempted to make the realization of their plan more difficult through possible conflicts with the police authorities at Vienna.

Such considerations caused the House of Rothschild to refrain from sending a member of the family there. The Frankfort Israelites sent old Bornes, Jacob Baruch, and J. J. Gumprecht, as their representatives. They were closely watched by the Viennese police; indeed their expulsion was ordered and sanctioned by the emperor himself; but Metternich intervened, and prevented this from being carried out. Metternich's intervention was probably due to the fact that he had known Baruch when he was ambassador at Frankfort. There is no proof that Rothschild had any particular influence with the minister at that time.

The Jewish representatives at Vienna adopted the method of giving presents; thus they offered Humboldt three magnificent emerald rings, or four thousand ducats. —presents which he refused, whereas Gentz gladly allowed himself to be bribed. The brothers Rothschild had of course contributed to these funds; but they still kept quite in the background.

The general discussions of the proud assemblage of princes and diplomats at Vienna took their course, and sometimes went through critical phases. At one time, indeed, it seemed as though two main groups of powers would form, the differences between which threatened war. This seemed to Napoleon, who was fully informed at Elba of all developments, to be a suitable moment for putting into execution his plans of returning and regaining the throne.

On March 1, he landed on French soil with a handful of faithful adherents. Three weeks later the magic of his name had reinstated him in the palace of the Tuileries in Paris. Louis XVIII and his court had fled from the capital. Napoleon hoped, not only that the Congress of Vienna would collapse, but that some of the powers represented there would adopt his cause. Actually nothing of the kind occurred. While negotiations at Vienna had hitherto hung fire, it was now clear to everybody that delay was dangerous and that quick action was essential. The powers unanimously turned against the disturber of the peace, and determined on concerted action.

The other matters were settled hastily; and half-measures were sanctioned, such as the constitution of the German Confederation. This formed thirty-nine communities into a confederation of states, each one of which was to remain independent, while having a common governing body, with Austria presiding over the Federal Diet, whose seat was to be Frankfort-on-the-Main. It was in Metternich's interest to keep Germany disunited. Controversial matters such as the Jewish problem were to be discussed later by the Federal Diet, while in the meantime existing arrangements were to remain unaltered in the individual states. Metternich informed the plenipotentiaries of the Israelite communities in Germany of this decision,[51] assuring them that the Federal Diet would respect the welfare of the Israelites and that he himself would urge that full rights of citizenship be conferred on the Jews. This was good news, and the delegates hastened to send a copy of Metternich's statement to the House of Rothschild, anxiously waiting tidings at Frankfort. However, the time had not yet come to raise this question. It was far more important to overthrow Napoleon, who was again collecting his military resources in France. On March 25, 1815, the four principal powers had renewed their alliance. Each of them undertook to

provide one hundred and fifty thousand men, except England, which undertook to send subsidies instead of the full amount of troops.

Napoleon was to be finally destroyed by a joint effort. It was therefore again necessary to arrange to transfer the subsidy payments from England to the various continental powers, and substantial sums would have to be paid to Prussia and Austria. Prussia particularly was again in great financial embarrassment, and unless this were immediately relieved, her future military action would suffer. Herries and Nathan now redoubled their feverish activities. Toward the end of April, Nathan sent in one instalment the sum of £200,000 to the Prussian government. It was conveyed by Solomon, who traveled to Berlin for this purpose. When this amount proved inadequate, Solomon without previously consulting Nathan, granted a further advance of £150,000 on the security of the English subsidy, at a rate which was certainly very profitable to himself.

Herries retrospectively sanctioned this operation. Not only did he make no objection, but he also allowed England to assume the considerable loss on exchange which Solomon's high rate of profit had meant for the Prussian government.[52] His profit was not Solomon's only gain on this transaction; in return for his ready willingness to advance such a heavy sum on his own responsibility, the Prussian government conferred on him the title of commercial adviser, a distinction that raised him above the majority of his rivals.

Meanwhile in Austria a change had taken place in the direction of the government's finances. Count Ugarte had retired, his place being taken by Count Stadion, the gifted and eminent statesman who was such a bitter opponent of Napoleon. Having hitherto been engaged exclusively in diplomatic matters, he had not as yet made himself familiar with finance. He therefore entered upon his new office with some misgivings. Grillparzer,

who thought so highly of Stadion that he described him as having more character[53] than any other person he had ever met, noted in his diary [54] that Stadion had himself admitted to possessing very little knowledge of finance.[55] In spite of his greatness in other directions, a finance minister such as this would naturally seem an easy mark for clever bankers and financiers who were out to get business. In view of the change of atmosphere at Vienna and the added prospect of new English subsidies, the brothers Rothschild immediately made themselves felt again, both indirectly through Herries and Limburger, and by direct applications to the Austrian government.

However, Stadion as yet knew little about them, and as Nathan's heavy transactions were still purposely kept in the background, he had no information about these either, so that his whole knowledge regarding the origin and business of the House of Rothschild was exceedingly vague. He suddenly noticed that Meyer Amschel and Sons described themselves as "I. and R. Crown Agents" in a letter, and signed themselves as such. Stadion inquired at the Foreign Office about this from Metternich - who had been advanced to the rank of prince after the battle of Leipzig—stating that he could not understand their signing in this way, since the treasury had no knowledge as to when and in what connection the Rothschilds had acquired this title from the Austrian court. In view of the inferences that might be drawn from its use, he felt it his duty to ask Metternich for further information on the matter.[56]

The following reply to this note was received: "With reference to your inquiry . . . regarding the title of imperial-royal crown agents assumed by the Frankfort business firm of Rothschild, the secretary of state has the honor to inform you that there is no record in his department of that title having been granted to the said firm, and that he has no information whatever on the matter." [57]

The fact was that the Rothschilds had not signed as

imperial-royal, as Stadion thought, but as imperial crown agents, as they were entitled to do in accordance with the decree of January 29, 1800, issued by Emperor Francis in his then capacity of Roman-German Emperor.[58] In any case the incident showed the extent to which the Rothschild family were distrusted in Austria.

In Frankfort, also, they met with every kind of opposition. In order to hinder them in the development of their constantly increasing business, an attempt was made to force the two brothers who were living at Frankfort into the army, in view of the special efforts being made to raise men to resist the return of Napoleon. They turned anxiously to Nathan for help, and he determined to use this opportunity of intervention for addressing a homily to Austria, as he realized that very definite pressure would have to be brought to bear from England, if Austria were at last to be roped in as a customer. The House of Rothschild had already established a virtual monopoly in carrying out the subsidy arrangements of the Island Kingdom.

Nathan went to Herries and acquainted him with the situation; and Herries induced the Foreign Office to make representations to Herr von Neumann, Austrian counselor of embassy in London, in accordance with which Neumann commended the House of Rothschild to Baron von Hugel, the Austrian plenipotentiary at Frankfort. His letter ran as follows:[59]

Sir:

The English Government has requested me most particularly to commend to your Excellency's consideration the House of Rothschild at Frankfort, which carries out the transfer of our subsidies. This firm is represented by several brothers, one of whom is established here, and is employed by the British government in connection with all their principal financial operations on the Continent. By reason of the confidence which he enjoys, and the extensive

nature of his operations, both he and his brothers have incurred the envy of the Frankfort bankers to such an extent that an attempt has been made to torment [tourmenter] them by forcing them to do military service. As the English government appears to be most anxious that this firm should not be annoyed in any way, and as this appears to be a matter that directly concerns our service, I felt that I ought not to fail to transmit this request. I therefore ask your Excellency to grant that firm every help and protection that lies in your power.

Baron von Hugel immediately forwarded this letter to Vienna, where it was submitted to Metternich and Stadion, and it did not fail of its effect. No further opposition was offered to the Rothschild brothers' undertaking the transfer of the subsidies; and in general the interstate financial transactions were all carried through more easily, since Stadion allowed his officials abroad much greater scope than had Ugarte. The new finance minister was inclined to leave more to their personal initiative and judgment, as he realized that they being on the spot were in a better position to know what conditions were, and as the cumbrous methods of communication made it impracticable to correspond on matters requiring an immediate decision.

At this time Hemes himself visited Frankfort, where his commissioner, Limburger, was negotiating with the treasury commissioner Schwinner in regard to the amounts to be paid to Austria, which Stadion would have liked to receive in coin or bullion. Herries emphatically demanded that in this matter the House of Rothschild should be granted as free a hand as possible, Napoleon's return had suddenly upset their plans and made new measures necessary, and the commissary-general and Nathan were kept exceedingly busy. In the campaign against the bold adventurer the most important thing was to raise cash and especially French cur-

rency. As they could not obtain French coins anywhere, Herries on Nathan's advice had gold louis minted, in order to supply the armies.

In the middle of June, Napoleon resumed the campaign. France was supporting him only half-heartedly, for after all these wars everyone was longing for peace, and was willing even to put up with foreign invasion. Now, however, the French were faced again with a demand for new sacrifices and blood and treasure, and with a struggle against superior forces. For a short time the fortune of war seemed again to smile upon Napoleon, but as early as June 18, 1815, the Emperor of France met his fate at Waterloo. He was completely and decisively beaten—abdication, captivity, and banishment to St. Helena were the result.

On the resumption of hostilities in France, Herries and Nathan had returned to London, and were anxiously awaiting news of the result of the conflict. Nathan and his brothers had always made a particular point of letting one another have news as speedily as possible, either directly or through their business friends, of any important event that might influence their business, or be a determining factor in new undertakings. Nathan had promised prizes for the most speedy supply of news to boats sailing between England and the Continent. He also instructed his agents throughout the world to give him the earliest possible report regarding the outcome of the expected conflict. Such measures were of particular importance at that time, because none of the modern methods of conveying news had been invented—the stage post, that is a series of messengers, being the usual way of obtaining it quickly.

Nathan's arrangements worked perfectly for the battle of Waterloo. One of his agents, whose name was Rothworth, waited at Ostend for news of the result. He succeeded in obtaining the first newspaper account of the successful issue of the battle, and with a copy of the

Dutch Gazette fresh from the printers, he caught a boat just sailing for London. He entered the British capital very early in the morning of June 20, and immediately reported to Nathan, who conveyed the news of victory to Herries, and through him to the British government.

The government were at first skeptical, as they had not received any direct information, and Wellington's envoy Major Henry Percy did not arrive with the field-marshal's report until the 21st of June.[60] The members of the British government were tremendously impressed by Nathan's advance knowledge of such an important event; and when this became generally known, the public, who were just beginning to learn of the extent to which Nathan was employed by the English Treasury, began to invent all manner of legends regarding the method by which Nathan had acquired this knowledge and the manner in which he had exploited it.

Some said that he had a private service of carrier-pigeons; others that he had been personally present at the battle of Waterloo and had ridden to the coast at top speed. In order to make the story more romantic, he was said to have found heavy storms raging when he reached the Channel and to have crossed at the risk of his life. Nathan was also alleged to have exploited the news on the stock exchange, thus at one stroke creating the enormous fortunes of the Rothschilds.

Nathan naturally applied the early information that he had obtained to his own profit in his business dealings; but the substantial part of the fortune of the Rothschilds had been amassed through the profits realized in the financial transactions which have already been described; the successful issue of the battle of Waterloo merely served to increase it, and to open up wider fields for profitable business in the future. This was all the more so as England had been victorious and Nathan had transferred the center of gravity of the Rothschild business to her side.

In spite of the fortunate issue of the campaign, which had lasted barely six days, England continued to pay the subsidies to the continental powers. The House of Rothschild was, for instance, instructed by the English Treasury—that is, by Hemes and Nathan—to pay Austria £277,777 on demand, for the months of August and September, this amount not to be subject to any discount, so that Austria should receive it in full.[61] The commission due to the brothers Rothschild was paid by England herself. The payments were continued up to and including December.

Stadion had expressed the wish that as much coin as possible be sent. This made the transfer more difficult and produced a fall in the exchange; it was due to the continuing distrust, which even Schwinner, Austria's representative at Frankfort, was not able to dissipate. The English alone emphatically countered this attitude, and the resulting correspondence clearly shows how highly the wealth and position of the young firm of Rothschild were already rated in England, or at any rate in the authoritative circles of Commissary-General Herries, as compared to their standing in Austria.

"The . . . exchange value [of the pound]," wrote Schwinner to the Austrian embassy in London in November, 1815, "was constantly rising during the early part of November; after the 9th it weakened because Rothschild, having reason to believe that Austria would insist on receiving her considerable payments in cash, refrained from purchasing bills offered by foreigners. This circumstance would appear to justify the view of the English commissioner Baron von Limburger, in which Commissary-General Herr von Herries, who was here a few months ago, concurred, that the more the House of Rothschild were granted a free hand . . . the more certainly would the exchange value of English bills be maintained.

"In this connection the firm of Rothschild have offered bills with respect to the November and December instalments . . . similar to those that have already been accepted and fully cashed in previous payments to the extent of several millions. Nevertheless, in spite of the fact that the generally recognized standing of the firm of Rothschild should be sufficient guarantee for these instruments, I felt that I must adhere to those rules which must always be strictly observed, lest unexpected difficulties should be met in cashing bills of exchange. I considered that this condition was met when Baron von Limburger gave a written undertaking on behalf of the English government that that government would in any case indemnify the imperial and royal treasury if any loss whatever were suffered in realizing the bills accepted by Rothschild."[62]

Schwinner had on a previous occasion expressed his misgivings to Limburger regarding his responsibility for any loss "resulting from the lack of solidity of the firm of Rothschild." Limburger had on that occasion replied to him in the following terms:

"I have the honor to acknowledge the receipt of your valued communication of even date. I cannot possibly give the slightest credence to the rumors which you have communicated to me, and which I regard as malicious slanders deserving of severe punishment. In order, however, completely to set your mind at rest I have to repeat to you on behalf of my government the verbal statement made to you by the commissary-in-chief, Mr. Herries, that even if the accepted bills are not met, the Imperial and Royal Austrian government shall in no wise suffer loss, but that they will be indemnified if there should unexpectedly be any loss in cashing the said bills. I have to point out first that in the case of the considerable amounts which you have already received in such bills, no such occasion has occurred and secondly, that the House

of Rothschild is itself too rich and too powerful not immediately to make good any such loss without requiring the intervention of my government." [63]

Schwinner transmitted the whole of this correspondence to Vienna, where it was brought to the attention of Metternich and Stadion. As they were both hearing such completely satisfactory accounts of the firm of Rothschild from all quarters, and more particularly were learning of the enormous credit which that firm enjoyed, confidence was completely established at Vienna. From now onwards the firm of Rothschild was most extensively employed by Austria, even in business which had nothing whatever to do with the English subsidy.

Thus Nathan had succeeded, while remaining behind the scenes himself, in establishing his brothers on the Continent in the confidence of the Austrian Treasury. This was to be the starting-point of an even more intimate association with governing circles in the imperial state, which was to develop within the next few years.

While the position of the Rothschild family abroad became more and more important and their wealth attained prodigious dimensions by reason of the great interstate financial transactions which were entrusted to them, they had to fight in their native town of Frankfort to secure the equal political rights of the Jews which had been granted during the period of French dominion. In spite of the decisions of the Congress of Vienna and in spite of Metternich and Hardenberg, this equality was threatened by a hostile senate. Now, however, emboldened by the position which they had won with the great powers, the brothers Rothschild felt in a position to make more definite efforts on behalf of their fellows.

The newly created Federal Diet which met at Frankfort had an important voice in this matter, and the Rothschilds determined to gain the responsible representatives of the powers for their cause. From the first, they had a true friend in the representative of the Elector of

Hesse, who had already reestablished everything in his own territory, including the soldiers' pigtails, just as it was before, and who was again at loggerheads with his estates regarding financial matters and the question of the separation of the state treasury from the prince's privy purse.

On October 17, 1816, he had nominated, as his envoy to the German Federal Diet, the administrator of his financial affairs, the old supporter of the Rothschild family, Buderus von Carlshausen—who in the meantime had advanced to the dignity of privy councilor and president of the Chamber. Von Carlshausen had recently been in Paris, on business in connection with his master's claims for compensation, and had specially commended the elector's interests to James. He was now to serve as a kind of liaison officer between the elector and the House of Rothschild, as indeed he had always been. Only positions were now somewhat changed; hitherto it had been the Rothschilds who had asked favors; now it was the elector and Buderus who tried to maintain a close connection. The brothers Rothschild certainly did not forget what they owed them, and endeavored as far as possible to meet all their wishes. But the elector's business had fallen very much into the background since the family had got accustomed to transacting business running into millions with the states of Europe.

In any case, the first important relationship of the Rothschild family had worked out to the benefit of all concerned. The elector had had his scattered resources most ably shepherded during the confusions of the Napoleonic war; Buderus had been made an exceedingly wealthy man; and the extensive operations of the Rothschilds themselves had been made possible through the moneys originally entrusted to them by the elector. They naturally urged Carlshausen to make strong representations in favor of Jewish interests at the Federal Diet. Solomon and Carl Rothschild next turned to the Prus-

sian chancellor Prince Hardenberg and transmitted to him a copy of the letter that Metternich had sent to the Jewish representatives at the Vienna Congress, adding the following covering letter: [64]

In humble confidence we beg to submit to your Highness the enclosed document which is of such fateful import for the destinies of the Israelite community.
After all that your Highness has done for our community in recent years we cannot but hope that your Highness will not withdraw your powerful support at this decisive moment. That, and that alone, can secure a tolerable existence to the Frankfort Jews. Everything depends upon the Commission nominated by the Federal Diet proceeding according to just and reasonable principles in dealing with this matter; and any influence exerted by your Highness in that direction cannot but have the most satisfactory result. We therefore beg to submit our most humble and relevent request that you will most graciously convey to the royal Prussian Ambassador at Frankfort, as speedily as possible, those general instructions which are indicated in the enclosed letter. This is the only means of salvation left to us.

This letter was necessary because there were definite signs that the senate was not likely to pay much attention to the decisions of the Congress of Vienna. This fact had financial consequences; for some of the debentures issued by the Jewish community in connection with their liberation had not yet been met. The Jews did not wish to pay the money until it was certain that the rights which they were thus purchasing would be secured to them. The firm Meyer Amschel Rothschild and Sons wrote in similar terms to Hardenberg and Metternich, saying that they had been informed that all the duly acquired rights of each class of the inhabitants at Frank-

fort would be maintained, and that there was therefore no further obstacle to the debentures being redeemed.

"As none of the principal magistrates at Frankfort," the letter continued, "have as yet taken any action in this matter, and the holders of these debentures are pressing more and more for their payment, we humbly request you to take the necessary steps, so that these obligations may be paid without further delay.

"We venture to hope that our most humble request will be graciously granted, since the necessary money has long been available, and it will be paid as soon as the necessary action in this matter has been taken." [65]

Before this money was paid, the Rothschilds wanted to receive an assurance from the city of Frankfort that it would not attempt to dispute the agreement with Dalberg of December 28, 1811, regarding the equal rights of the Jews. Both the persons appealed to agreed; and Hardenberg wrote to Metternich that he considered the request to be right and just, that the city of Frankfort could not legally raise any objection, and that it would be advisable for the two courts jointly and emphatically to enjoin Frankfort to recognize the agreement as binding and to fulfil it.[66]

Count Buol-Schauenstein, Austria's plenipotentiary, and therefore president of the Federal Diet, was, in contrast to his superior Metternich, no friend of the Jews, and had reported his views to Metternich at Vienna. He held that Grand Duke Dalberg had sold the rights of citizenship to a crowd of Jewish families for a song.

"Trade," wrote the ambassador from Frankfort, "is still the only means of livelihood which the Jews adopt. This nation, which never amalgamates with any other, but always hangs together to pursue its own ends, will soon overshadow Christian firms; and with their terribly rapid increase of population they will soon spread over the whole city, so that a Jewish trading city will gradually arise beside our venerable cathedral."[67]

Buol's attitude was bound eventually to result in a conflict of opinion with Metternich, but for the time being no decision was made in the Jewish question, and the question of the status at Frankfort remained in the balance.

Paris offered opportunities of important new business, and all the members of the Rothschild family were kept fully occupied exploiting them as far as possible. The victorious powers inflicted a heavy war indemnity on France, appointing four commissioners of the principal powers to settle the precise terms and receive the money. They met at Paris under the presidency of the Austrian, Baron von Barbier. The amount of the indemnity was fixed at seven hundred million francs, to be paid within five years in fifteen instalments of 46,666,-666 francs, commencing on December 1, 1815.

At once the difficulty arose of arranging for these payments to be transmitted to the powers. James, perceiving the great possibilities of profit that the situation offered, advised his brothers and urged them to do everything possible to get the order for remitting this French tribute.

The brothers had to meet heavy competition. Austria still employed her four banking firms, which were represented in Paris; while Baring and other big firms in England endeavored, in connection with the Paris banking firm of Ouvrard, to get the business. All the firms were eager to exploit the opportunity to the utmost, and all the financial and banking world was considering the methods by which the great indemnity could be settled.

Barbier received a proposal from the Baring-Ouvrard Company which was unacceptable because, as Barbier reported,[68] "the bankers insist on enormous advantages being assured to them, without guaranteeing our principal objects, namely, complete security and advances before instalments fall due." Austria intended, among other things, to divert large sums to Colmar for various purposes, mainly of a military nature. The four Viennese

firms had very poor connections in Germany, and it was not practicable to make use of them.

The question therefore was whether the Messageries —the overland postal services—could be entrusted with this task, or whether recourse should be had to bankers as an intermediary. Barbier felt anxious about the first method, the roads being exceedingly unsafe so soon after the confusion of the war. This was indicated by the fact that the postal company refused to accept liability for "les vols a main armee," after a mail-bag had been rifled on another journey.

Barbier reported as follows to Stadion:[69] "I am informed that the Frankfort bankers Rothschild and Gontard have undertaken entirely at their own risk to transfer certain sums of money required for the Wurttemberg regiments that are remaining in France, and that they have been granted a commission of one and a half per cent for their services. This amounts to exactly double the transport costs demanded by the Messageries. I have also heard that they have demanded one and a quarter per cent for sending money to the Russian regiments. I suggested to them that they should remit our money at their own risk for a commission of one per cent, to cover all expenses; but they definitely stated that the expense and the danger were too great for this commission to cover them. I had therefore no alternative, after lengthy negotiations with them, except either to grant the collimission they asked or to adopt the cheaper but somewhat unsafe method of sending the money by the Messageries." The Messageries were certainly cheaper, but an accident to a single remittance might make this manner of transport exceedingly expensive. Barbier therefore closed with the firms of Rothschild and Gontard, and on January 6, 1816, they dispatched the final letter regarding the transfer of the first amount of 2,200,000 francs to Colmar.

"Allow us," they wrote,[70] "to add the assurance that

we shall apply our united efforts to carrying out this to your complete satisfaction. . . . We could not offer a lower commission because we cannot yet accurately estimate the expenses involved. We shall, however, make it our duty to reduce this commission in the case of future remittances if circumstances permit. We venture to trust that your Excellency will be disposed to let us know when future payments have to be made, in order that we may be able to quote you the cheapest terms."

Accepting responsibility for all risks of carriage, the two firms undertook the transfer of these moneys from Paris to Colmar for a commission of one and a quarter per cent on the payments made. This was not so serious for them as it might appear, since they did not really transfer any money at all, but through their extensive connections acquired the equivalent sum at the place of payment itself. Thus without incurring any risk, they were able to book the high commission as pure profit.

After this system had been in force for some time, the general commanding at Colmar, Baron Frimont, who regarded the commission as excessive, intervened, and attempted to get the money over by military couriers. However, after trying to do this for two months, he admitted himself beaten, and himself requested[71] that these remittances and the issue of officers' pay should again be carried out by the firms of Rothschild and Gontard, "as has already been found to be the most reliable method in connection with military payments at Frankfort."

They did not confine themselves to this business. Soon payments running into millions[72] were carried through by Rothschild and Gontard on account of the French indemnity to Vienna, the most important part of which was entrusted to Eskeles and Geymuller. Nevertheless, the Austrian government continued to give considerable orders to the four Austrian firms; and in their competition with them, Rothschild and Gontard had to make exceptional efforts to be allotted even a small proportion of the

French indemnity to Hamburg. Competition was exceedingly keen.

At last the brothers Rothschild succeeded in winning over Barbier, Austria's financial representative in Paris, whose attitude toward them had hitherto been neutral. As time went on he became an ardent supporter of the Rothschild family and of the Frankfort bankers who were working in conjunction with them. This is revealed by the correspondence which passed between him and Count Stadion, who dealt with the matter in a thoroughly businesslike and impartial manner.

Stadion recognized the conscientious services rendered by the Rothschilds in remitting the subsidies; and Nathan saw that the minister was fully informed from England of the part which they had played. With Napoleon a captive at St. Helena, the period of subsidy payments was completely at an end, so it was no longer necessary to keep this business a strict secret. Nor did Nathan consider it desirable to do so, since their credit and reputation would gain if it were widely known that those enormous sums had been handled by the House of Rothschild.

We must bear in mind that during the period between October, 1811, and October, 1816, no less than £42,500,000[73] had passed through Herries's hands. Almost half of this had been forwarded to the various continental recipients through the intermediary of Nathan and his brothers. In Herries's memoirs, published by his son, are extracts from a memorandum[74] prepared for competent authorities, which speaks of Rothschild in the highest terms. Of course in praising Rothschild, Herries was indirectly taking credit for himself, since he after all was responsible, and would have had to bear the blame for any mistakes.

Herries wrote that it was possibly solely due to the banking firm of Mr. Rothschild and his brothers that he had been enabled to carry through the exchange opera-

tions so successfully. He said that the greatest gratitude was owing to these gentlemen, who had devoted themselves entirely to the public service, and that the reward which they would receive would have been fairly and honorably won.

Herries certainly emphasized[75] the fact that he had always kept Nathan strictly under his control, had never allowed him to take any steps without his express consent, and had had him almost constantly with him in his room; but he also stated in a private letter to the chancellor of the exchequer that he owed it to Mr. Rothschild not to miss this opportunity of bearing witness to the skill and energy with which he had carried out this service, quite unobtrusively and in such a manner that the rate of exchange had not been unfavorably affected. Even if we regard Herries's testimony as biased, there can be no doubt that Nathan rendered magnificent financial services, from which, it is true, he personally reaped substantial profits.

The Austrian finance minister Count Stadion was just about to undertake the task of putting his country's finances thoroughly in order, reducing the amount of paper money in circulation, and as far as possible reducing Austria's public debt. He required a large amount of ready money for these purposes. This he had the prospect of obtaining through the Austrian share of the French indemnity, but as the payments were distributed in instalments over a period of years, and as he required money urgently, he decided that he would try to obtain an advance on the amount due.

He therefore wrote from Milan[76] to Barbier in Paris: "If your Excellency should receive any offers of an advance on the security of the contributions due in the next few years, I am of opinion that they should be considered, for they would assure us the advantage of obtaining a certain sum for the treasury at an early date."

Barbier replied to his minister as follows:

As such an offer could be expected to be made only by a very substantial banking company, I contrived to introduce the subject in the course of conversation with the firm of Rothschild. But it awakened no response. Yet a short time ago young Rothschild stated to me that it might now perhaps be possible to arrange the settlement of the Austrian share of the indemnity for the four last years at one stroke, saying that if I had the necessary authority to undertake such an operation it might be possible to enter into negotiations. I asked him to put his suggestion in writing; but he replied that he was unable to do so until a commissioner had been definitely instructed by Austria to enter into such negotiations.
This is as far as matters have gone at present; and I am led to infer that the proposal is at present merely a tentative suggestion on the part of Rothschild, who would try to find partners for the scheme if our court would express an opinion in favor of it. . . . Rothschild spoke of the enormous discount of forty per cent.

Barbier emphasized the fact that the entrepreneurs were speculating on an enormous profit and that Rothschild was paving the way thereto by mentioning this heavy discount. Barbier estimated the loss involved through such advance payments at "only" about twenty percent. He stated that it would require special considerations to make it desirable to incur a loss exceeding twenty percent.
It is true that the demands put forward by the Rothschilds were extremely high, and the benefit to be derived from such a transaction was positively enormous. But the very offer, implying as it did that the brothers Rothschild and their business friends were in a position immediately to supply cash to the tune of countless millions of francs, shows how strong the financial position of the Rothschilds had now become. There was nobody else in the field in financial transactions on this scale, and the

Rothschilds meant to turn their privileged position to account.

Austria's urgent need of money, and the hope of getting better terms for the advances from the brothers Rothschild inspired Stadion to a clever move. He would put the family, who, handicapped by their origin, were making every effort to improve their social position, under a special obligation. After the conclusion of the subsidy transactions, the Rothschilds had repeatedly appealed to Baron von Handel and to Schwinner at Frankfort to recommend to the emperor recognition of their services; and Schwinner had forwarded this request to Count Stadion, the minister of finance. Stadion gladly availed himself of the opportunity thus offered.

Of the subsidies amounting to approximately £1,800,000 (15,000,000 gulden)[77] which were made available in the year 1815, the four Viennese discount houses first discounted an amount of about 2,750,000 gulden, for which the Austrian government paid a commission of one percent. The money, however, was not forthcoming as speedily as had been hoped, and the Austrian government was compelled to ask the four banking firms for advances on the payments. On these they had to pay interest at the rate of six percent. They were therefore exceedingly pleased when the English government consented to make the moneys payable in large amounts and even to pay several months' instalments in advance through the firm of Rothschild. Thus Austria no longer had to pay any commission, and thereby saved one percent in that respect, as well as saving six percent on any advances.

In the finance minister's report to Emperor Francis the following passage occurred:[78]

> Count Stadion flatters himself that his Majesty will approve of the manner in which this business was carried through. In this connection he feels it to be his duty to recommend that the services of the Frankfort banking firm Meyer Amschel Rothschild

and Sons should be recognized, since the efforts of that firm contributed in a special degree to securing the prompt payment of the English subsidy moneys, and in the present circumstances it may be necessary to have further recourse to the good offices of that firm. . . . The firm has very large resources and enjoys an even larger credit. It can carry through transactions that appear vast to a private person on the Continent, because the British government employs it in the most extensive operations and therefore supports it with the necessary funds.

An examination of the subsidy transactions reveals the fact that the House of Rothschild alone paid out 12,203,822.43 florins with respect to £1,442,000. The report of the former high commissioner, who was in charge of the subsidy payments at Frankfort at the time, shows that Rothschild always paid most punctually, and that on various occasions, such as in changing foreign coin and bills, he showed the greatest desire to help without taking any undue advantage.

After the subsidy transactions had been carried through, the head of the firm expressed a wish that the services which he rendered might be publicly recognized by your Majesty. High Commissioner Schwinner was asked for his opinion as to the form which such recognition should take. He discussed the matter with the director of the Gratz police, Gohausen, who was then at Frankfort. . . . Gohausen suggested that the head of the house should be granted the honorary title of imperial and royal councilor, a like title having been granted for similar reasons to the brothers Kaula, in Hanau and Stuttgart, and to other Israelites. The grant of a title of nobility, on the other hand, would excite the envy of Christian banking firms and would create a particular sensation at the present time, as the rights of citizenship of the Jewish community at Frankfort are the subject of negotiations.

High Commissioner Schwinner does not recom-

mend that the title of I. and R. councilor be granted, as it is customary to confer this distinction upon eminent public servants. He favors the granting of an imperial title of nobility, believing the apprehensions of the director of police to be unfounded. Since then Rothschild has repeatedly asked for some recognition as an encouragement both to himself and to others.

Count Stadion begs to state by way of recapitulation: The services rendered by Rothschild are not of a kind that may be suitably rewarded by conferring an order; but the civilian medal would hardly come up to his expectations. In view of his own wealth, a reward in money or money's worth would be even less appropriate. And such in any case would have to bear some relation to the high dignity of the donor and would therefore have to be very considerable. In the opinion of Count Stadion orders are more suitable as a reward for officials, but as Rothschild has already many officials under his direction, an order is not likely to impress him. Count Stadion therefore requests that as a public mark of your Majesty's satisfaction with the services rendered by the Frankfort firm Meyer Amschel Rothschild and Sons, your Majesty will graciously confer on the two brothers of this firm resident here, the German hereditary title of nobility, free of all dues, and will authorize him, Count Stadion, to convey to the firm in a special letter your Majesty's satisfaction.

This report was sent to Privy Councilor Barton von Lederer. He was the right-hand man of Count Zichy, the secretary of state and lord of the privy seal, and had accompanied the emperor when he fled from Napoleon in 1809. On that occasion he had won his confidence and affection. When the reorganization of Austria was undertaken after the Congress of Vienna, Count Zichy was placed at the head of the central office for dealing with all matters affecting the reorganization; and it became

his duty to consider the suggestions that were made from various quarters and to express his opinion upon them. Although Stadion was so enthusiastic about the services rendered by the Rothschilds, Lederer remained comparatively unmoved. He regarded them simply as a calculating family of money-makers who were only concerned with their own interests, and he accordingly sent in a detailed report in which he argued against granting them a title of nobility. At the beginning of his statement Lederer gave a short synopsis[79] of the movements of the pound sterling before and after the battle of Waterloo, based upon the payments actually made by the Rothschilds.

In the year 1814, it was as follows: the pound sterling was worth on the average .....8 fl 11 1/8 x
In 1815, before the battle of Waterloo. .7 " 42 3/5 "
In 1815 after the battle of Waterloo.. .8 " 50 3/4 "
Taking the whole year 1815.....8 " 23 1/2 "
Taking the two years 1814 and 1815... .8 " 21 3/4 "

Lederer's memorandum continues:

I now pass to the question of rewarding the two brothers Rothschild, raised by the minister of finance in his report. In this connection two questions have to be considered: 1. In this business, have they conferred a benefit on the Austrian Treasury, and wherein does this benefit lie? 2. How can this benefit be suitably recognized?
As to the first, it was not until June, 1815, that the firm of Rothschild was employed as the business agent of the English government, in connection with the realization of the subsidies. It looked after the payments for that government, for which service it no doubt received a liberal commission, its duty being to maintain the rate of exchange between England and the Continent in favor of England and to

improve it. The firm of Rothschild never had any right to ask Austria for a commission on the payments which it was effecting on behalf of the English government. In acting wisely in this matter, it deserved the compliments of the English government, whose intentions it was carrying out. The rate of exchange at which funds were transmitted before and after the battle of Waterloo indicates how far its success was due to fortunate circumstances and how far to its efforts. In effecting the payments accurately and punctually, the firm of Rothschild was but doing its duty. Even the fact brought forward by Schwinner, that they made the payments to the governor-general at Frankfort and to his military departments—payments for which the Austrian Treasury was responsible—out of the subsidy moneys, without charging any special commission for these transactions, cannot in my opinion be counted very much to its credit. It was paid a commission on the whole amount by England, and it cannot have been any more trouble to the firm to divide the payments among the various departments than to pay the whole amount into the central treasury at Frankfort. In any case I cannot conceive of a business firm doing business except in its own interest. The business man undertakes transactions in order to make a profit, and he should not pretend to having conferred an obligation where he has not done so.

Count Stadion thinks it desirable to secure the good-will of a firm of such extensive credit with a view to the future. I must confess that I cannot see how this is to be obtained by conferring any distinction whatever on the House of Rothschild. They will carry through transactions for the Austrian financial administration again in the future. If they see the chance of making a profit, they will ask us for business; but if they do not, they will decline to do business for us, even if the chiefs of the firm have been honored by your Majesty.

The balance-sheet is the first and most powerful

factor in determining the business man's attitude. However, since the firm of Rothschild has carried through such considerable financial transactions for the Austrian Treasury, whereby the payment of commission was saved, I consider that it would be proper and consonant with your Majesty's dignity to give both brothers Rothschild a proof of your favor.

In this connection I cannot agree with the suggestion that a hereditary title should be conferred. Such titles should be the reward of service only. In this case there is the special consideration that the brothers Rothschild are Israelites. It is true that there have been cases in which your Majesty has decided to raise Israelites to the ranks of Austrian nobility, e.g., Baron Arnsteiner and Ritter von Eskeles.

On the other hand the claims of the Frankfort Jews to full rights of citizenship are now the subject of discussion, and although I would not venture to express an opinion as to whether honors should be conferred upon Jewish business men when the result of the negotiations in the diet is pending, I suggest that if your Majesty is inclined to act upon Count Stadion's proposal, the views of the minister for foreign affairs should first be ascertained. Personally I consider that the most suitable thing would be that your Majesty should make a gift to each of the two brothers Rothschild of a gold snuff-box bearing your Majesty's monogram in diamonds. Count Stadion might be consulted as to the monetary value of such a gift.

Count Zichy, to whom this memorandum was submitted for his observations, sent it on to the emperor with the comment that he considered Baron von Lederer's argument to be sound but that he could not immediately agree that the proposal should be rejected. He suggested that since Prince Metternich was best informed as to the conditions of the Israelites in Frankfort, and in view of

the fact that the firm of Rothschild had really rendered services to the imperial treasury, Prince Metternich should be asked to express an opinion.[80]

Emperor Francis accordingly officially requested Metternich to express his opinion regarding Stadion's proposal, asking whether the existing circumstances of the Jews at Frankfort did not make it politically undesirable to distinguish a Jewish business firm in that way.[81]

The matter was therefore to be decided by Metternich, the man who, as has been stated, was well-disposed to the Frankfort Jews, and who had concurred in Stadion's making the proposal. Metternich reported verbally to Emperor Francis in favor of ennobling the Rothschild family.

Mindful of the important financial and political considerations on which Stadion's proposal was based, and which were further emphasized by Metternich, the emperor agreed, although he felt that the minor nobility would view the ennoblement of foreign Jews with very mixed feelings. The patent conferring the title of nobility on Amschel and Solomon, in recognition of their services in realizing the English subsidies, was issued from Schonbrunn on September 25, 1816.[82]

Meanwhile, it had been pointed out to Stadion that the two other brothers, Carl and James, whose services were also required for the operations that were being planned, might feel slighted, and a few days later Stadion recommended that these two brothers should also be ennobled. Emperor Francis issued an order in council to this effect, dated October 21, 1816.[83]

No sooner had the document been signed than Ugarte had the fact recorded in the official Vienna papers. Stadion expressly thanked the chancellor for doing so; a fact indicating the importance which he attached to the whole matter. At the same time he informed Ugarte that he had asked both the brothers Rothschild to submit a de-

sign for a coat-of-arms, and to state whether they wished to adopt a prefix of nobility.[84]

Stadion had informed Ugarte of the reasons for conferring a title of nobility, as set out in his report to the emperor, and added: "I do not consider, however, that the patent should enter into any details as to the services rendered, but that there should be merely a general statement to the effect that since the two brothers Meyer Amschel [sic] Rothschild and Solomon Meyer Rothschild have carried through a loan most meticulously and punctually—the English subsidy transactions during the year 1815—and have also shown an exceptional readiness to render services outside their actual duties, his Majesty has been most graciously moved, etc., etc."

In accordance with Stadion's request, the brothers Rothschild submitted a design for a coat-of-arms. This was enclosed with a letter written by Solomon Rothschild's own hand,[85] explaining the design, and reading as follows: "First quarter, or, an eagle sable surcharged in dexter by a field gules (having reference to the Imperial and Royal Austrian Coat-of-Arms) ; second quarter, gules, a leopard passant proper (a reference to the English Royal Coat-of-Arms) ; third quarter, a lion rampant (with reference to the Hessian Electoral Coat) ; fourth quarter, azure, an arm bearing five arrows (a symbol of the unity of the five brothers).

"In the center of the coat a shield gules. Right-hand supporter, a greyhound, a symbol of loyalty; left supporter, a stork, a symbol of piety and content. The crest is a coronet surmounted by the Lion of Hesse."

In submitting the design the Rothschilds asked that a separate patent of nobility should be prepared for each of the four brothers, as they lived in different countries. The design was duly sent to the Heralds' College (there was such an institution in Austria at the time) with a request for their observations. The college replied that

they saw no objections to preparing four patents, but that it was "necessary to proceed with the greatest caution, particularly in the case of members of the Jewish nation for various reasons, and more especially because they are not familiar with the prerogatives of nobility." They added that although the usual fees were being remitted, they considered that the Rothschilds should pay 150 gulden for the special grant and that they could hardly resent this charge in view of the great distinction that was being conferred upon them.

"As for the coat-of-arms," the report continued,[86] "they ask for a coronet, a center shield, supporters, the Leopard of England, and the Lion of Hesse. According to the rules of heraldry, the gentry are entitled only to a helmet; their suggestion is entirely inadmissible since otherwise there would be nothing to distinguish the higher ranks, as coronets, supporters and center shields are proper only to the nobility. Moreover, no government will grant the emblems of other governments, as nobility is conferred for services to one's prince and one's country, but not for services to other countries. The lion is a symbol of courage only, which does not apply to the petitioners."

A design such as the Heralds' College considered suitable was attached to the report. The seven-pointed coronet, to which the petitioners were not entitled, and which was no doubt intended to express their wish for the title of Baron, had disappeared, together with the heraldic animals supporting the shield, and the lions of Hesse and England. Only the half-eagle and the arm with the arrows remained; but the hand was grasping, not five but four arrows, this being in accordance with the curious fact that Nathan, the brother who behind the scenes had had most to do with the English subsidies, was not yet recognized in any way.

The recommendations of the Heralds' College were accepted in every detail, and the design submitted by

them duly became for some years the coat-of-arms of the Rothschild family, as laid down in the patent dated March 25, 1817. Although the ennoblement only carried a modest "von," the new rank was of no little importance. We must remember that at that period the higher nobility were dominant in almost all the states of Europe. They occupied all the highest positions in the state and were in a most favored position financially as compared with other citizens. For a Jewish family who had to fight hard for their position in their native city, the Rothschilds' imperial patent was a particularly rare distinction, and involved an important step forward in their fight for social recognition. As soon as the nobility had recovered somewhat from their annoyance, it became much easier for the brothers Rothschild to make their way socially.

The event was naturally very helpful to the relations of the House of Rothschild with Austrian statesmen. They did not take over the business of paying the whole of the huge French indemnity in advance instalments, but partial payments were made through them. They also transferred the moneys to Colmar as well as larger amounts sent to Mainz for the purpose of building fortresses.

Austria was owed three hundred thousand Dutch ducats by Russia for advances made to Russian troops during the Napoleonic wars and accordingly drew bills on the Frankfort firm of Rothschild, which were due in December, 1817, and January, 1818. In reply to Barbier's inquiry, James Rothschild wrote a considerate letter[87] saying that he could not accept the bills because the order from the Russian finance minister had not yet been received.

"If, however," he wrote, "it is your Excellency's wish that these bills be accepted by me ... I am gladly prepared to do so if your Excellency will be so kind as to give me an assurance that the bills in question are in or-

der and that I will receive the report of the Imperial Russian Ministry of Finance."

The brothers Rothschild further offered,[88] in conjunction with Gontard, to provide three hundred thousand ducats, at five percent interest and one percent commission, a few months before the due date. "We flatter ourselves," they stated, "that your Excellency will appreciate the reasonableness of our proposals, and we venture to assure your Excellency that our principal desire has been to give further proof to the I. and R. Court of our constant zeal in their interests. Moreover, we are prepared to modify our proposals if an alteration in the rate of exchange in your favor should make this possible at the time when your Excellency has occasion to accept them."

Barbier supported the Rothschild proposal, attacking the four Vienna firms and observing that in his opinion the Rothschilds worked better and more cheaply.[89] But plans had now been changed at Vienna, where the bills were wanted to be paid only when they fell due, and inquiries had been made of the four Vienna firms as well as of Rothschild and Gontard regarding the simple transmission of the ducats to Vienna.[90]

The brothers Rothschild named their conditions and went on to say:[91] "If the treasury should later desire to receive in advance the above-mentioned amount of three hundred thousand ducats, we shall always be ready . . . to provide it. If, however, we should make such an advance your Excellency will find it not unreasonable to grant us a commission of one percent in addition to the interest rate of five percent per annum. We flatter ourselves that your Excellency will regard our various proposals as just, and venture to believe that we have made every possible effort in our power to furnish further proofs of how greatly we desire to continue to be honored with the treasury's confidence."

The letters show how cleverly the Rothschilds con-

trived to clothe their proposals in polite phrases and how they were always concerned to present their case as if their one desire was to make themselves useful, while the other party would derive all the profit and advantage.

While endeavoring to secure the custom of Austria, the brothers did not neglect the other states. Similar advances on account of the French contribution appear to have been suggested to Prussia and Russia, and in February, 1817, a loan of several millions was made to Prussia in the name of Rothschild. The Elector of Hesse, it is true, had a large share in this.[92] The brothers Rothschild still carried out really big transactions in conjunction with their patron or with other firms, but the time was soon to come when the five brothers would act alone, and one great firm after another would fall before them.

They were now again concerned to secure their position in Frankfort. The Jewish community had sent a request for assistance to Baron von Humboldt, the Frussian minister who was at that time acting on the diet; and Rothschild had appealed to the young German legal luminary and statesman Sylvester Jordan to use his influence with Count Buol at Frankfort, who had known Jordan since his earliest youth.

"The banker Rothschild,"[93] Jordan accordingly wrote to Buol, "one of the richest bankers in Europe, who has nothing to worry about except that he is a Jew, has most emphatically implored me to commend to your Excellency the interests of the Jews in general and of his House in particular. Hardenberg has already sent instructions in his matter to Humboldt. The senate of Frankfort is determined to confine them to the Jewish quarter, which is naturally distasteful to a banker who is worth millions."

In the middle of December, 1816, a printed memorandum with no less than thirteen enclosures, regarding the

Jewish rights of citizenship, was sent to the diet, amongst the signatories being Amschel and Jonas Rothschild, as well as Jacob Baruch and old Bernes.

Meanwhile the brothers Rothschild were working assiduously abroad to extend their influence within the countries where they were living. In Austria their persistence had met with the greatest measure of success, and accordingly they redoubled their efforts in that country to secure new honors and titles. It did not take them long to realize that friendly social relations were of the greatest use to them in their business in each country; but it was just in this matter that they often met with great difficulties in London and Paris.

It was exceedingly hard for poorly educated German emigrant Jews to get into the higher social circles, even though they were rich. James had so far been most successful; at the excellent dinners which he gave he was already entertaining diplomats such as the Austrian ambassador Baron Vincent, and once even a prince of the blood royal, Paul von Wurttemberg. But he also met with numerous rebuffs.

Nathan and James hit upon the idea of asking Austria to grant them the dignity and office of honorary consul. On receiving such a nomination they would more or less belong to the diplomatic corps, whereupon many doors hitherto closed must necessarily be open to them as persons of official standing. Moreover, the title of consul of a great European power such as Austria was at that time, would be bound to raise their prestige and their credit in the business world. They wrote to Amschel at Frankfort asking him to obtain the title for them in Vienna; and he immediately wrote to Metternich: [94]

MOST EXCELLENT PRINCE, MOST GRACIOUS PRINCE AND LORD!

We have had the good fortune on various occasions to experience the proofs of your Highness's

most gracious good-will, and we are therefore emboldened most respectfully to make the following proposal. Our brothers, the chiefs of the branches in Paris and London respectively, Jacob M. von Rothschild and Nathan M. Rothschild, honored through the distinction recently received by our family and their gracious elevation into the ranks of the nobility, are inspired by the most zealous desire to be able to devote their energies to the service of the I. and R. Austrian Government. They would feel they had found a means of satisfying these natural desires if one of them were nominated I. and R. Austrian Consul, a position which is at present vacant both in Paris and in London.

This position depends upon the nomination of your Princely Highness, and we therefore most submissively venture to request that your Highness may be pleased to accede to our humble wish. The I. and R. Government can find no more loyal, zealous, and indefatigable servants than our brothers; and we flatter ourselves that the connections which we have established with the governments of France and England would make it easy for us, both in a general way and in individual cases, to be useful to the I. and R. trade with those countries. We should be happy to be placed in a position to do so in this honorable manner, and to receive this further distinction.

Amschel wrote to Stadion at the same time[95] stating that it was not the desire for further honors that caused him to ask that his brothers should be nominated as consuls, but his sincere desire to prove himself of ever-increasing usefulness to the I. and R. Austrian Government. He was certain that the relations which both brothers had established with the governments of the countries where they were living would aid them in being of use to the I. and R. Austrian subjects, especially in commercial matters, and that the granting of their submissive request would enable his whole House to apply all their energies

in the most varied ways to the service of Austria's commerce.

Carl Rothschild also appealed to Count Zichy,[96] whom he knew through business dealings, informing him that the Austrian ambassador in London, Prince Esterhazy, had written to Mettcrnich in support of Nathan's nomination and requested the same favor of him. Zichy forwarded Rothschild's letter to Metternich, with the remark[97] that although the matter did not come within his province he ventured to observe that this firm already appeared to have rendered important services to the Austrian treasury, and would through its riches and influence, especially in England, be able also in the future to give pecuniary aid to Austria.

It was to be a long time before these requests were granted. The Austrian state machine worked slowly, and several objections and difficulties cropped up, which could be overcome only by years of work. It was only through their close association with Metternich and Gentz, whom the brothers Rothschild cultivated in the ensuing period of congresses, that they were enabled to smooth the way, so that three years later there was no further obstacle to the desired nomination. Before they could achieve their object, however, they had a long row to hoe.

But the brothers Rothschild worked assiduously toward any goal which they had set themselves to achieve, notwithstanding all the difficulties that arose and the years during which their patience was tried. In the end they got what they wanted. Their unremitting efforts and their persistence in urging their cause, undismayed by any rebuffs, secured for them the unique career that had been destined for their family.

CHAPTER IV

The Brothers Rothschild During the Period of Congresses, 1818-l822

THE great fortune of the Rothschilds had been made; it was now a question not only of preserving it but of developing it and of employing it as remuneratively as possible. The convulsions through which all the states of Europe had passed, and the enormous military efforts made during the preceding quarter of a century, had produced general confusion in their finances, which could be straightened out only by hard work in peace conditions. Every state had been spending money lavishly for a long time, and the resulting shortage of money was very acute. The poverty-struck states had to acquire the cash necessary for their recovery from those who had succeeded in profiting by war conditions to accumulate riches as contractors or through financial operations. Foremost among these was the House of Rothschild, and it gladly lent money to princes and states, as the repayment of such loans through their subjects was secured. Thus it advanced moneys to numerous small princely families, especially to those of the neighborhood, while its relations with the Elector of Hesse remained outwardly unchanged.

Although he was the third son, Nathan incontestably look the leadership among the five brothers. His long and fortunate connection with the English government had taught him both the advantage of concentrating on really big financial operations, and the comparative safety of carrying through such operations with powerful states. For the concern of these for their public credit and their prestige made them regard it as essential to carry out

their obligations punctually. Nathan was not in the least inclined to rest upon his laurels, or to limit himself to the preservation and enjoyment of the family's great fortune. His aim was to increase the power of his House; and he held the view that in order to win a victory, ducats, like soldiers, had to be concentrated in mass suddenly and unexpectedly upon a wisely selected point.[1] This was the dominant note in the policy of his House during the following period.

In order to apply this policy it was necessary, now that his firm enjoyed the high regard of the business community, that he should secure his position in society as well. The Austrian patent of nobility had given him a good start in this direction; but his native city and the senate of Frankfort continued to adopt an unfriendly attitude toward the Jews, including the Rothschild family. Amschel at Frankfort, who had been placed in charge of the campaign against the senate, used every opportunity for exerting external pressure upon the authorities of the city, especially through Prussia and Austria. At the beginning of the year 1818 a favorable opportunity occurred for again enlisting the support of the Prussian Chancellor Prince Hardenberg, who was well disposed toward the Jews.

The state finances of Prussia were, like those of Austria, in great confusion. The deficit was large, and it seemed not improbable that the pay of civil servants and of the army would have to be suspended. The treasury lived, from hand to mouth, and the king himself was being dunned by small tradesmen. In these circumstances, Barandon, the London representative of the Prussian Mercantile Marine, had recommended that a loan should be raised in England, and that for this purpose recourse should be had to Nathan Rothschild. Hardenberg readily agreed, and asked Amschel at Frankfort, whom he knew personally, to use his influence in favor of securing this loan. Amschel consented, and used this oppor-

tunity of again appealing to the chancellor on behalf of the members of his faith at Frankfort.

"At the present time," he wrote,[2] "when his Excellency the Minister and Envoy to the Diet, Count von Buol, is with your Excellency, I beg to renew my most humble representations regarding the fate of the members of my faith here, who are awaiting in great suspense the decision of the diet. We place our greatest hopes in the honored Prussian government, and cherish the most sincere wish that the principles recognized by it will be applied, convinced that your Highness knows too well how to appreciate the cultural progress made by our community during the last forty years to allow the way to their further development and improvement to be barred, or them to be limited in this respect."

Hardenberg was quite willing to accede to this request, since in doing so he would be acting in accordance with his own personal convictions. He had, however, a difficult task with his king, who was not well disposed to the Jews. The monarch told him the measures he could apply if action were taken by the magistracy of Frankfort, but at the same time expressed the desire that the wishes of the magistracy should be met as far as possible. "In any case," the resolution concluded, "I do not wish Prussia to support the Jews in the diet."[3]

On this Hardenberg angrily commented: "First ad acta. We have at any rate the decisions of the Congress of Vienna to go upon."[4]

However, the king came off his high horse, for Hardenberg had made him realize that the Prussian state would need the brothers Rothschild for a loan, and that it would not be good policy for Prussia to alienate them by an attitude unfriendly to the Jews in the Diet of Frankfort.

The majority of the diet were in any case in sympathy with the desires of the senate at Frankfort, and the rights which the Jews had acquired in 1811 seemed therefore to be in peril. Only the powerful influence of Metter-

nich and Hardenberg had so far restrained it from taking a definite decision hostile to the Jews.

Amschel regarded the head of the House of Bethmann, which was being more and more overshadowed by the Rothschilds, as a natural enemy of the Jews; but Bethmann refused to admit that this was so. "If Herr James," he wrote at the time to David Parish, "will but visit me at Frankfort, he will soon realize that I am not influenced by any nonsense about Christians and that I have no prejudice against a reputable Jew. I have often attempted in vain to disabuse Amschel of the stupid illusion that I am opposed to the demands of the Jewish community at Frankfort in so far as they are reasonable. The fact that I am suspected by my fellow Christians of taking the Jewish side should convince him, if nothing else will, that he has no ground for his attitude."[5]

Amschel Meyer certainly was greatly interested in keeping on good terms with Prussia and Austria. Prussia's acute financial distress seemed to provide a further excellent opportunity of earning a large amount of money, and he did all he could, in close collaboration with his brother Nathan in London, to induce Prussia to come to the Rothschilds for refuge.

That kingdom had very good reason to look around for money, for in 1817 the state was carrying a burden of twenty millions of floating debt, interest being charged on part of this amount at the extravagant rate of twenty percent per annum, the payments being met by further borrowings each year.[6] Apart from this, the annual budget showed a deficit of several million thalers. Prince Hardenberg, by the king's command, accordingly instructed the Director of the Prussian Treasury to negotiate a loan. The director, Christian von Rother, was a highly competent official and Hardenberg's right-hand man in financial matters, and he had come into special prominence in raising money during the wars of liberation.

"It is essential," wrote the prince to Rother,[7] "that we should obtain money for various purposes. The maintenance of the state urgently calls for it. I am eagerly waiting to hear from you. Act with decision and courage."

Rother first tried Berlin firms, but they attempted to exploit the difficulties of the situation, and, as he reported to the king, the conditions which they proposed were "exorbitant and humiliating." In Holland he had no success either; but he fared better at Frankfort. As Prussian commissioner of finance he had already come into contact with the House of Rothschild in Paris, and he now succeeded in getting on exceedingly good terms with Amschel Meyer.

Amschel referred him to his brother Nathan in London, as the most likely person to make the loan a success. Hitherto, Barandon had conducted the negotiations in England, but he was not liked by the House of Rothschild. Rother, on the other hand, the brothers had known in Paris, and they regarded him as a more pleasant person to deal with. Indeed they preferred him in every way, and were exceedingly gratified when he came; to London and Barandon was left out in the cold.

They were now dealing only with two friends of their House, Rother and the Prussian ambassador in London, William von Humboldt, the brother of the great explorer Alexander. He himself was not only a diplomat, but also a distinguished scholar and philosopher. Humboldt understood little of money matters, and he left his private estate to be managed by Rothschild, whereas Rother was regarded as a financial genius in his own country. Humboldt was certainly a complete believer in Nathan Rothschild's indisputably superior talent for finance. He reported in this sense to Berlin, using words which are especially remarkable coming from such a man.

"If the loan is to succeed here," his report ran, "this can be managed in my opinion only through Rothschild.

. . . Rothschild is now easily the most enterprising business man in this country. . . . He is a man upon whom one can rely, and with whom the government here does considerable business. He is also, as far as I know, just, exceedingly honest, and intelligent. But I must add that if business is given to him to carry out, it will be necessary to fall in with his ideas. For he has acquired the independent habit of mind developed by riches and a fairly long sojourn in this country, and he is now engaged in such a constant number of financial transactions that it will not greatly affect him if one of them fails to come his way. He wants to take over the whole loan himself; on this point he is likely to be exceedingly firm, and he has asked in advance that the Prussian consul here, against whom he is prejudiced, shall not be allowed to interfere in the matter in any way."[8]

Humboldt's report is all the more valuable as an expression of opinion, since he proved his independence in concluding it by advising against the acceptance of the loan, this being of course quite contrary to Nathan's wishes. Rother, on the other hand, speedily came to terms with Nathan regarding a loan of five million pounds. This he considered advantageous for Prussia, as other important states were able to obtain money by loan only in small amounts.[9] In spite of the ups and downs of the negotiations, exceedingly cordial relations seem to have been maintained throughout between Rother and Rothschild. At any rate this is indicated by their correspondence at this time. Rother wrote to Solomon Rothschild,[10] who was also in London at the time, that he had been glad to make the closer acquaintance of his brother Nathan, whose character and intelligence he felt compelled the greatest admiration.

Solomon's reply was full of friendliness and candor. His letter was, he indicated, an expression of his sincerest feelings, and Nathan and Solomon assured Rother, when he left, that he could travel with a light heart.

He had achieved "a splendid piece of business, and they were his devoted, loyal, and eternal friends."[10]

This way of getting into the good graces of the Prussian negotiator did not fail of its effect. Rother was delighted that he had carried the business through and that on the day on which the agreement was concluded Nathan sent a ship to Hamburg with a million thalers as a payment on account.

Rother had, if possible, been even more strongly impressed than William von Humboldt by Nathan's influence. "The Rothschild in this country," he reported to Berlin,[10] "is a most estimable person and has an incredible influence upon all financial affairs here in London. It is widely stated, and is indeed almost a fact that he entirely regulates the rate of exchange in the city. His power as a banker is enormous."

The loan, which was issued at an average price of 72 per cent, turned out to be "a splendid piece of business" for Rothschild, as it never fell below the price of issue, and in 1824 actually reached par. The House of Rothschild therefore had every occasion to be pleased with this, the first big state loan which they handled, and they were encouraged to develop this line of business on a large scale. This loan was the first of several.

The brothers had formed valuable friendships through these negotiations, and William von Humboldt introduced them to his famous brother Alexander. It was not long before he was seen dining at Rothschild's house in London. Nathan was more frequently the guest of William von Humboldt, whose wide education and extensive knowledge certainly provided a contrast to the Frankforter who had risen so rapidly. Humboldt expressed himself candidly about him in a letter to his wife.

"Yesterday," the letter runs, "Rothschild dined with
me. He is quite crude and uneducated, but he has a
great deal of intelligence and a positive genius for money.
He scored off Major Martins beautifully once or twice.

Martins was dining with me, too, and kept on praising everything French. He was being fatuously sentimental about the horrors of the war and the large numbers who had been killed. 'Well,' said Rothschild, 'if they had not all died, major, you would presumably still be a subaltern.' You ought to have seen Martins's face."

The Rothschilds were anxious to maintain their friendly relations with the Humboldt brothers. Solomon also did his best to be agreeable to them whenever possible. Meeting Caroline von Humboldt at Carlsbad on one occasion, he overwhelmed her with attentions. She wrote to her husband: "I have had several callers, and among others Herr von Rothschild, the brother of the one who is looking after your affairs at Frankfort. He made some exceedingly comic remarks to me. He thanked me, in the course of his conversation, for receiving him, and said, 'Your Excellency ought to come to Frankfort again. We could do with a lady like you there.' It sounded extraordinarily funny. He also asked me whether he could be of use to me in the matter of money and said that his purse was at my disposal." [11]

The Prussian loan, which the brothers Humboldt arranged with the Rothschilds, furnished another excellent illustration of the way in which the three brothers worked together.

While Solomon and Nathan were dealing with that business in London, Amschel Meyer was meeting an awkward situation at Frankfort. In the case of propositions which the firm did not like, they could excuse themselves by pointing out the difficulty of obtaining the agreement of all the brothers—that is, of five persons who usually were widely separated from one another—this agreement being necessary for any substantial transaction.

These tactics were adopted in a matter involving the Crown Prince of Hesse, who was constantly at loggerheads with his father. The elector was now seventy-five

years old, and failing. In contrast to his parsimonious father, the crown prince had made himself popular by a manner of life from which many persons profited. This involved very heavy expenditure, and the heir's need of money was all the greater since the appanage allotted to him by his father was—according to his ideas at any rate—ludicrously inadequate. The consequence was that the prince found his way to the firm which owed its rise and prosperity to his father. He applied to Rothschild for a loan.

Naturally, this was done quite in secret, without the knowledge or consent of the elector. At the beginning of 1818 the prince requested a loan of 200,000 reichsthalers, which the House of Rothschild granted; but before six months had expired he asked for a further advance of 300,000 reichsthalers. On this occasion he remarked that the House of Rothschild had the fullest information regarding the elector's affairs, and could therefore easily provide for the subsequent repayment of the loan.

Carl Rothschild happened to be in Cassel at the time. The prince immediately summoned him, and informed him that he had again applied to his firm for money, making the same remark to him as he had made to the firm. Carl Rothschild left the audience chamber in reflective mood. He thought it exceedingly strange that the prince should already have incurred further debts, and he was somewhat annoyed at the remark which he had made in asking for the loan. There was a risk that the old. elector might come to hear of his son's borrowings, and they would arouse his indignation not only with his son but also with the firm of Rothschild. Carl Rothschild met a chamberlain in the anteroom, and made some remark which may have sounded ill-tempered about the request for a further loan.

After returning to Frankfort Carl took counsel with Amschel, who was there alone; the result was embodied in the following letter:[12]

MOST EXCELLENT PRINCE!
We have the honor to acknowledge your Highness's most gracious letter of 28th ultimo. We must confess that having but recently handed to your Highness the considerable loan of 200,000 reichsthalers, we did not expect to be asked for a still greater amount. Your Highness will be graciously aware that we can act only in agreement with our absent brothers, and we shall therefore not fail to communicate to them your Highness's letter, asking them for their views. In the meantime we would most submissively beg for a gracious explanation of the following passage in your Highness's letter, in which your Highness is pleased to state: "You have the best possible knowledge of the elector's business here, and it is therefore particularly easy for you to reimburse yourselves through discounting bills."
Our knowledge of the elector's affairs extends only to such business as we are entrusted to carry out. It is impossible for us to retain a single farthing and to apply it in the interest of your Highness, for we furnish the fullest accounts of the smallest transaction and send them to Cassel.

This letter was to fulfil a double object: it would stave off the prince for the time being, and it would also be a protection against any reproaches from the elector if the matter leaked out.
The letter displeased the prince exceedingly; he perceived the rebuke and would have liked to reply indignantly. But he restrained his feelings as he still hoped to get money from the Rothschilds. However, he felt that in these circumstances it was difficult for him to carry on the negotiations personally. He accordingly selected Buderus as a go-between, requesting him to keep the matter strictly secret from the elector.
"Having learned of the chance arrival of Baron Carl von Rothschild," the prince wrote to Buderus,[13] antici-

pating the future title of the family, "I felt that I should inform him of the application I had made to his firm, and did so most politely. He, however, replied in a most unfriendly way, and permitted himself to make remarks behind my back which are not consonant with my honor." The young prince stated that nevertheless he still had confidence in the firm, and begged Buderus to use his influence to help him out of the awkward situation. He suggested that the Rothschilds' letter must be based upon a misapprehension. "I for my part," he continued, "could of course never have thought of such a thing, my intention being to indicate to him that he would be fully secured as he would have me more or less in his hands."

Buderus hastened to carry out the wishes of the heir to the throne, his future master. He went to Frankfort and remonstrated with Carl Rothschild for making the remark to which the elector's heir had taken exception. Carl Rothschild protested that he had made no remark regarding the further loan to anyone excepting Holzforster, the gentleman in waiting, who was kept fully informed of the financial affairs of the heir. Buderus reported to the young prince: [14] "I have succeeded in persuading Finanzrat Carl, who was the only one of the brothers at Frankfort, temporarily to advance a few thousand friedrichdors. Finanzrat Solomon of London has gone to a spa, and Finanzrat Amschel is also traveling. It will require a month to obtain the replies of the absent brothers."

However, the heir to the throne was persistent. He immediately informed Buderus that he was not going to be fobbed off with a few thousand friedrichdors, and added a remark which savored strongly of a threat.

"I know," [15] he wrote, "that these gentlemen will be entirely guided by what you say, and my gratitude in future to Privy Councilor von Carlshausen will be commensurate with his readiness to do me a service now."

The letter went on to make proposals as to how the 300,000

reichsthalers might in spite of everything be obtained from Rothschild.

The faithful Buderus felt very bitter about this ungracious reply. He could not force the banking firm to hand out money at the point of the bayonet. "I most humbly assure your Highness,"[16] he replied, "that the will to carry out your desires is not lacking, and that I would spare myself no labor or sacrifice to that end, for I find my greatest satisfaction in the success of my endeavors. Nevertheless, with the best will in the world I am unable to dispose of another person's property, or to dictate to him how he should deal with it."

Buderus reported that he had immediately sent a further pressing request to the firm of Rothschild, and had received the following communication from Carl:[17] "I am anxious to accede to his Highness's request, and assure you that if it depended on me alone there would be no obstacle to its being immediately granted. However, in the present instance consultation with all my brothers, who are now away, is particularly necessary. Our funds have been to an extent tied up in the recent negotiations for considerable loans, and I am unable to my infinite regret . . . immediately to come to a decision. Nevertheless, your Excellency may be assured that we shall make every possible effort to satisfy his Highness's requirements."

Meanwhile Solomon had returned to Frankfort, and it was decided after all to advance the prince the money he wanted on very special security. By a deed dated October 15, 1818, he mortgaged not only "all his real and personal property to the exclusion of nothing whatsoever," but also any property of which he might become possessed in the future in any way whatever.[17]

Three months had scarcely elapsed when the prince was again in need of money. He himself felt that Carlshausen would think it strange that he should already want another 100,000 gulden; and he first tried to see

whether he could "acquire" the money from his father's friend, a lady whose politeness led him to expect that she would not refuse his request.[18] The Countess von Hessenstein evaded the question of a loan in her reply.

The young prince would have gladly paid the firm of Rothschild ten percent interest if only he could have got the money. Von Carlshausen was instructed by the Rothschilds to inform him that the firm never accepted interest at ten percent as this would be a usurious rate. Thereupon the prince wrote as follows to his father's loyal servant:

"I am well aware that the House of Rothschild can loan no capital sums in cash at five percent without loss, and at the same time that the prestige of the firm is too great to allow them to take a higher rate of interest—a fact which is entirely to their credit, although in these times no objection could be made to the higher rate. I am therefore confident that your Excellency will, with your usual kindness, use your good offices with the House of Rothschild to persuade them to grant me a further loan of four hundred thousand thalers."[19]

This request moved the firm of Rothschild to indignation. "Your letter," they wrote to Carlshausen, "arrived at the same time with the letter embodying the resolve of our brother at Berlin, in accordance with which it is plainly impossible for us to provide a sum exceeding the five hundred thousand reichsthalers in cash already advanced, especially in view of the fact that we have had to make the most exhaustive efforts to provide that sum."[20]

The use of the word "resolve" in this letter calls for special comment, this word usually being reserved for the decisions of sovereign rulers; also, it was apparently not so "plainly" impossible to advance the money, for on April 1, 1819, this third loan was also granted and the prince received the money he wanted.

Scarcely two years later the elector died; his son suc-

ceeded to the government and to his father's great possessions, and the Rothschilds had their money repaid in full with all interest due.

A far-reaching political development now diverted the firm's attention from such minor loan transactions, concentrating it exclusively upon the higher politics of Europe. The victorious powers had decided to meet in a congress at Aix-la-Chapelle, there to establish new relations with the France of the Restoration, as well as to discuss the question whether the armies of occupation should be withdrawn, and alleviation granted for the indemnities to be paid. England and the eastern powers were still suspicious of France; and the interest aroused by this congress was so great that the monarchs of the Holy Alliance attended it in person, while England was represented by the two foremost men of the day, Lord Castlereagh and Wellington.

Metternich meant to use this opportunity to secure the support of the tsar and the King of Prussia for his schemes by playing on their fears of revolution and general upheaval. Besides the numerous statesmen, the most prominent bankers and merchants of Europe flocked to Aix-la-Chapelle, scenting prey. Most of them traveled through Frankfort and availed themselves of the opportunity of getting into touch with the financial wire-pullers in the commercial center of Germany. Metternich too had come to Frankfort on September 3, 1818, accompanied by Gentz.

Gentz was his secretary and adviser in money matters; but he was interested not only in his country's but also in his own personal advantage. With rare candor he notes in his diary that in 1815 he received a purse with three hundred ducats and one with eight hundred ducats from Russia, and that Prussia had given him—an Austrian civil servant—eight hundred ducats and two hundred gold napoleons as a gratuity.[21] He was also quite open about the fact that the Jewish banker Lamel

had given him money and that Parish had given him a share of the Austrian loan of May, 1818. Gentz called such transactions "pleasant financial dealings."[22] His way of referring to them is so candid that one gets the impression that the circumstances of those times prevented his being in the least conscious of anything improper in such gifts.

Prince Metternich came into contact with all the local magnates at Frankfort, including Bethmann. He seems not yet to have met Rothschild personally at this time, hut this defect was more than made good by his right-hand man Frederick von Gentz. The brothers Rothschild were well aware of the great influence that Gentz exerted upon Metternich in matters concerning the state finances, and through him upon the minister of finance, Count Stadion. They knew also that Gentz was bribable, whereas they naturally did not venture to approach Metternich in such a way.

Amschel Meyer and Carl Rothschild therefore called on Gentz immediately after his arrival. This visit resulted in verbal agreements of a financial nature; and they also requested him to use his influence with the prince toward securing his support in the question of the Frankfort Jews; for at that time the senate[23] was attempting to dispute the competence of the diet to deal with the Jewish problem, arguing that it was a purely local matter. The pressure brought to bear by the Rothschilds upon Gentz, and through him upon Metternich, resulted in the senate's objection being disallowed, and a commission of the diet being appointed to mediate between the two parties.

This decision, taken on September 10, 1818, moved the brothers to call on Gentz again on September 12, and to "engage his interest" by a further detailed exposition of the whole matter. Gentz suggested that Hardenberg should have his attention called to the subject again as he would meet Metternich at Aix-la-Chapelle and would be

able to discuss it with him. The brothers needed no pressing to do this, and wrote to Hardenberg in the following terms:

"Your Highness's gracious sentiments toward us, as well as your well-known tolerance in matters of religious opinion, gives us reason to hope that you will graciously grant this letter your favorable consideration. The question at issue is the final decision in the matter of our position as citizens. This is a most important question for us now, since the welfare of those who confess our faith depends upon it, and is constantly occupying our thoughts. We are exceedingly anxious not to let pass the opportunity of the meeting between your Highness and his Highness the Prince von Metternich to ask that he should come to a final favorable decision regarding our destiny, and we await his decision in confidence. In venturing to appeal as strongly as possible to your Highness we hope that it may be vouchsafed to us to look with confidence to the future."[24]

During the sixteen days which Gentz spent at Frankfort the brothers Rothschild very frequently came to see him; he was invited to dine with the Rothschilds at five o'clock on September 22, Frau Herz and General Volzoven being among those present at the dinner. Amschel made no slight effort to have distinguished people at his table; but, as Johann Smidt, Mayor of Bremen, stated,[25] it was not in accordance with contemporary customs and manners to admit a Jew to so-called good society. No Christian banker or merchant of Frankfort had yet invited a Jew, not even one of the Rothschild brothers, to dine, and the delegates to the diet did not do so either. However, several people were beginning to depart from this tradition, and accepted invitations from the Rothschilds, either from an absence of prejudice, or from motives of personal interest.

Gentz arrived at Aix-la-Chapelle September 25, a few days after Metternich. A brilliant society had met in that

city for the congress. Besides monarchs and statesmen, it included financial magnates such as Baring and Hope, who were negotiating the French loans in connection with the payment of the war indemnity. The firm of Rothschild had sent two brothers to Aix-la-Chapelle, Solomon and Carl. The latter was accompanied by his bride, the beautiful and intelligent Adelheid Herz, whom he had married on September 16, so that his business journey to the congress coincided with his honeymoon. In the case of the House of Rothschild even the most important personal considerations had to yield to important business, and to such a unique opportunity for forming extensive new connections.

Through Gentz, Metternich was brought into actual touch with the two brothers at Aix-la-Chapelle. Gentz fell completely under their influence, and his diary constantly records their visits. On October 27 Solomon handed him eight hundred ducats, which he stated he had won by speculating for him in British funds.[28]

On November 2, Gentz again records[27] "pleasant financial dealings" with Solomon, and on November 12 the brothers, together with Gentz and Parish, lunched with Metternich. In spite of his heavy work in keeping the minutes of the congress, Gentz spent the whole of the next day working on a memorandum stating the case for the Jews of Frankfort, no doubt in return for financial considerations. He called upon Carl's young wife, who was highly flattered to be waited upon by the secretary and confidant of the man who was playing the leading role in the illustrious assembly. At the Rothschilds' request, Gentz supported Dr. Buchholz, whom the Jews had sent to Aix-la-Chapelle to secure a favorable decision. Even if this proved fruitless, the European Areopagus was at any rate led to view the question in dispute from a friendly angle.

The congress broke up on November 14, 1818. Its conclusion brought profit to the House of Rothschild,

although the principal parts among the bankers had been played, not by them, but by Baring and Hope. The Rothschilds, however, took over bills from that firm. They had successfully put forward the demands of small princes and above all through Gentz they had obtained a profound insight into the activities of the men who were the determining factors in European politics. Moreover, they had formed invaluable connections for the future of their House; and more especially they had made the closer acquaintance of Metternich, the most powerful man in Europe at the time. The brothers therefore left Aix-la-Chapelle in a state of high satisfaction.

Gentz was no less satisfied. He had been widely complimented for his work during the congress and had collected two orders, as well as six thousand ducats. He also attached great value to having "taken part in the most instructive conversation with the most powerful men in the commercial world, while the intimate secrets of the greatest financial dealings that have ever been transacted between men were negotiated in his little room."[28]

It is true that Gentz liked to see himself in a romantic light, and was wont to exaggerate anything with which he had to do; but the negotiations at Aix-la-Chapelle as to the manner in which France should pay the 270 million francs of war indemnity still outstanding did in fact constitute a formidable financial transaction. Metternich returned home with his sovereign, but Gentz returned at the end of November via Frankfort, where he spent about a week.

His diary shows that the first week in December, 1818, was spent in almost daily visits to or from the Rothschilds, and in long conversations and discussions with the members of the banking family. Hour after hour Gentz worked in favor of the Jews of Frankfort. To this period must be attributed the conclusion of the agreement that was so profitable to both, providing the Rothschilds with an important source of political information and a con-

nection with Metternich, while enabling Gentz to carry on his extravagant manner of life, and to indulge in his expensive middle-aged amour with Fanny Elssler. The relationship continued until his death.

From Frankfort Gentz proceeded home via Munich, where he received a letter from his friend Adam Mtiller.

The public had learned something of the part played by the brothers Rothschild during the past critical years, and Gentz had told Mtiller more. Mtiller, as a result, suggested that his friend describe in a short sketch the rise of the House of Rothschild.[29]

Gentz replied as follows: "I was delighted with your idea of a monograph on the Rothschilds. It is one of the brightest and most happy notions that I have heard for some time. The word is all the more appropriate since the Rothschilds really do constitute a special species plantarum with its own characteristics. They are vulgar, ignorant Jews, outwardly presentable. In their craft they act entirely in accordance with the principles of naturalism, having no suspicion of a higher order of things; but they are gifted with a remarkable instinct which causes them always to choose the right, and of two rights, the better. Their enormous wealth (they are the richest people in Europe) is entirely the result of this instinct which the public are wont to call luck.

"Now that I have seen everything at close quarters, Baring's most profound reasoning inspires me with less confidence than the sound judgment of one of the more intelligent Rothschilds—for among the five brothers there is one whose intelligence is wanting and another whose intelligence is weak. If Baring and Hope ever fail, I can state with confidence that it will be because they have thought themselves cleverer than Rothschild and have not followed his advice. I am writing to you con amore aboutt these people and their business, because they were my recreation at Aix-la-Chapelle and at the same time I learned a great deal from them."

These remarks of Gentz's are valuable because they occur in a confidential private letter to a friend. We shall see later how differently Gentz was to speak about the same Rothschilds in a work destined for publication for which he received a princely fee from the family.

While the International Congress temporarily brought the three brothers, Amschel, Solomon, and Carl into the foreground, James in Paris and Nathan in London had not been inactive. Nathan in particular had succeeded in carrying on his activities in dealing with large loans, and had issued twelve million pounds of English State Loan. This business does not itself appear to have brought much profit to the firm of Rothschild, but it secured its prestige in the eyes of the British Treasury, and demonstrated to the whole world that in the face of native competition it had maintained its position as the banker of England—a nation which now, after Napoleon's overthrow, was rejoicing in its undisputed political power and wealth.

James in Paris was in constant close association with Barbier, the chairman of the Austrian Liquidation Committee in that city. He continued his efforts in rivalry with other firms, to secure the handling of the war indemnity, and so extended his business.

While the House was thus prospering throughout the world, its existence was suddenly most seriously threatened in the home town of Frankfort. The family had just lost one of its best friends there—the man to whom must properly be ascribed the important part of having first held the ladder on which the House of Rothschild had climbed to such heights. On August 3, 1819, while sitting at his desk in Hanau, Buderus had a stroke.

A short glance at the papers which he left shows that he had spent his whole life in meticulous devotion to the exacting work of accountancy. The son of a poor schoolmaster, he had risen to the rank of privy councilor and head of the treasury. He had acquired a fine estate and was possessed of about one and a half million gulden.[30]

All this was, however, a trifling reward, when one considers the services he rendered to the elector during the Napoleonic period, and the enormous portions of the elector's possessions he rescued.

His devotion to duty had not made him popular, for he was reproached with having acted with too great harshness in the elector's interests. Von Carlshausen seems to have realized this at the end of his days, and there is a suggestion of self-justification in the concluding sentence of his will, which reads as follows:

"I have done what was in my power to provide for my dear children. I have considered no sacrifice and no effort to be too great where the furtherance of their happiness has been concerned, and my whole life has been a consistent endeavor to place their welfare on a firm foundation. God has blessed my efforts . . . and you, my dear children, hearken to and follow a father's last counsel: guard carefully the property which I, with God's help, have industriously acquired. It is burdened neither by the tears of the oppressed nor by the curses of the defrauded. Endeavor to increase and secure it through economy, order, industry, wisdom, clemency, and piety. Shun greed and usurious avarice that blights all virtue. Have naught to do with unjust acquisitions. Always remember that contentment is the crown of riches."[31]

The House of Rothschild owed an infinite debt of gratitude to the dead man. It is true that under the contract he had had his share in the business, and to this fact indeed he owed the greater part of his wealth. But this was of small account in comparison with the services which he had rendered in excluding all rival firms from the rich elector's business, and with the possibilities which he had created of applying the elector's money to consolidate the credit of the banking firm and to secure its great business.

It was in its native town that the rise of the House had aroused the greatest envy and hatred. A Frankfort police

report of that time gives a fairly good picture of popular feeling in the old imperial city:

"The occasion of a day of penitence,"[32] the report runs, "being held to commemorate a big fire that occurred at Frankfort a hundred years ago, through which four hundred houses were destroyed, clearly brings out the feelings of the Christian inhabitants against the Jews. According to the story, much property is supposed to have been stolen by them. In general, any opportunity for showing envy and ill-will is welcomed, all sense of justice being forgotten, although many rich Jews are a source of substantial income to Christians. Any right-thinking person will condemn the fact, for instance, that a caricature ridiculing his ennoblement[33] was recently pinned to the door of the Jewish banker Rothschild at Frankfort.

"Rothschild, although he indulges somewhat in display, provides many people with an opportunity of earning money thereby, and is exceedingly benevolent to the poor whether they be Christians or Jews. The capacity of this Jewish commercial and banking firm is shown by the fact that it has taken over a loan for England, of which we have just been informed. It is noteworthy that the firm of Rothschild secured the business in competition against others. A few days ago the firm on receiving a special message from Vienna bought fifteen thousand Metalliques; the price of Austrian securities immediately rose, and the stockbrokers got extraordinarily busy."

The revelation of the firm's power had the most exaggerated results. In such a highly emotional period as Germany was passing through, a rapid development of this kind was bound to have a particularly exasperating effect upon contemporaries and rivals. All thinking people in Germany were greatly stirred by the desire for freedom and national unity. On March 23, 1819, a fanatic's dagger cost Kotzebue his life because of his attacks on the national party. The emotion, artificially held in

check by Metternich, everywhere vented itself upon the Jews.

A farce called "Unser Verkehr" ("Our Neighbors") was played throughout Germany, which, to the uproarious applause of the spectators, ridiculed the manners and customs of the Jews.[34] The author was unknown, and everybody said that the House of Rothschild had offered a reward for his discovery.

In August, 1819, the Conferences of Ministers, over which Metternich presided, met at Carlsbad to decide upon the notorious measures against any movement of liberation; the resulting excitement found an outlet in a violent outbreak of popular passion against the Jews. Wiirzburg was the first town in which acts of violence were perpetrated. The populace gathered together in groups which marched past the Jews' houses, smashing windows and breaking down doors. They began to loot. "Hepp! Hepp! Down with the Jews!"[35] resounded through the streets. Similar scenes occurred in Bamberg and other towns.

The Jews of Frankfort were all the more dismayed by these occurrences, as there had been menacing signs of a similar movement developing in that city. Amschel Meyer Rothschild and his two brothers, who on account of their wealth were likely to be the principal object of any attack, began to feel that their lives were seriously threatened, and to consider the question of flight.

One of the brothers seems to have spoken of their intentions to an Austrian official, for, writing on August 6, a secretary of legation at Frankfort reports as follows:[36]

"I have the honor tentatively to inform you that I have learned from a reliable source that the Jewish banking firm of Rothschild here intends to leave Frankfort for good ; they are going to apply, through the imperial minister of finance Count von Stadion for permission to settle in Vienna. Their intention is still a close secret here.

When they give effect to it, it will cause an enormous sensation both among the municipal authorities and in the whole business community, and the splendor of Frankfort will be considerably dimmed. It will probably serve to heighten the bitter feeling against the Jews, and the departure of the Rothschilds will be a fatal blow to them."

Frankfort soon caught the contagion of the anti-Jewish disturbances in the other cities of Germany. They were all the more likely to culminate in deeds of violence in that city since the populace knew that in its hatred of the Jews it enjoyed the sympathy of the highest authorities in the town. The occasion for the outbreak was a trifling one. On the evening of August 10, 1819, some youths walked through the Jewish quarter provocatively shouting "Hepp, Hepp!" Several Jews who happened to be standing at their doors joined to drive the youths out of their street, and beat one of the brawlers who had fallen into their hands. Thereupon the rumor spread through Frankfort like lightning that a Christian had been killed by the Jews.

Crowds collected instantaneously and moved shouting through the Jewish quarter, breaking up windows and shops with stones. The house of the Rothschilds was also attacked, and all their window-panes lay scattered about the streets. The family had had to take refuge in the back room, where they listened trembling to the threatening shouts of the mob.

On the morning of the nth, the words "Hepp, hepp," the slogan for driving out the loathed Jew, were inscribed in large letters at all the street corners. Thereupon several wealthy Israelites left the inhospitable town of Frankfort, and the brothers Rothschild nearly followed their example. As the disturbances increased the senate began to be alarmed that the Jew-baiting might develop into a general rising. The available troops were called up to hold the excited populace in check. Moreover, the

delegates to the diet, feeling particularly concerned about the attacks on the House of Rothschild, which had important financial connections with most of the governments represented at the diet, demanded that counter-measures should be taken. A general resolution of the diet was proposed, requiring the senate to take strong measures to protect the security and property of the Jews.

Count Buol would certainly have been acting in accordance with the wishes of Prince Metternich in pressing energetically, at any rate on behalf of Austria, for such measures to be taken by the senate. Buol, however, who was hostile to the Jews, hesitated and waited for instructions. Not so the Prussian representative, Counselor of Embassy Himly. On the very morning of August 11 he gave a "most worshipful council of the free city of Frankfort to understand[37] that he had the fullest confidence that the council would take the most appropriate measures for punishing the attack made upon the house of the royal Prussian commercial advisers, Meyer Amschel von Rothschild and Sons, and would assure their persons and property adequate protection against similar risks in the future." Himly added, "The undersigned kindly requests the earliest possible information regarding the measures which an honorable council have taken in this matter."

The mayors Metzler and von Usemer replied that the disturbances in the Jewish quarter had immediately subsided, and that the senate had taken the strongest measures to prevent their recurrence. The senate added to this statement that the protection of the laws extended to all the inhabitants, and therefore also to the merchants Rothschild, and that the events of the previous night would be reviewed most strictly, and the ringleaders punished.[38] This read well, but bore little relation to reality, for although actual attacks upon the houses of the Jews ceased, the hatred of their inhabitants had come into the open, and this kept the Jews in a state of anxiety.

James in Paris had heard with great alarm of what had occurred at Frankfort, and had urged his brother to leave his home. "You will have read in the public press," he wrote to David Parish at Carlsbad, "how on the night of the 10th of this month mobs collected in the streets of Frankfort and poured forth threats and imprecations upon the Jewish community. Prompt measures on the part of a praiseworthy senate have scattered the ring-leaders and, according to the last reports I have received, have restored order.

"You can readily imagine that such occurrences are as unpleasant as they are unexpected nowadays. What can be the result of such disturbances? Surely they can have the effect only of causing all the rich people of our nation to leave Germany and transfer their property to France and England. I myself have advised my brother at Frankfort to shut down his house and to come here. If we make a start I am convinced that all well-to-do people will follow our example, and I question whether the sovereigns of Germany will be pleased with a development that will make it necessary for them to apply to France or England when they are in need of funds.

"Who buys state bonds in Germany, and who has endeavored to raise the rate of exchange if it be not our nation? Has not our example engendered a certain confidence in state loans, so that Christian firms have also taken heart and invested part of their money in all kinds of securities? The Jewish community in Germany is not allowed to learn the various crafts, so that there is nothing left for them to do but to become dealers in money ana stocks.

"A man generally has the greatest confidence in the securities of the country in which he lives; if the peace of the rich in Germany be disturbed, they will find themselves forced to emigrate for their safety; and they will certainly not take any interest in the funds of a country where their life has been obviously endangered. The

object of the agitators at Frankfort seems to have been provisionally to collect all the Israelites into a single street; if they had succeeded in doing this, might it not have led to a general massacre? In that case would the public have had any scruples about plundering their houses?

"I need not point out to you how undesirable such an occurrence would be, especially at a time when our house might be holding large sums for the account of the Austrian or Prussian court. It seems to me to be really necessary that Austria or Prussia should devise measures to be applied by the senate at Frankfort for energetically dealing with occurrences such as those of the 10th of this month, and thus making each man secure in his possessions.

"I am sure you will be so good as to speak to his Highness Prince Metternich about this matter, and your friendship for me makes me feel confident that you will appeal to him strongly on behalf of our nation. I am informed that Herr von Bethmann was particularly conspicuous among those who endeavored to restore order."[39]

The advice which James gave from abroad did not take into account the important interests that would have to be sacrificed if the firm that was so deeply rooted in its native city, where it was the center of an intricate network of business connections, were to change its headquarters. The brothers who were resident at Frankfort did certainly consider the question of leaving the town, but when order had been restored they gave up the idea for the time. Amschel Meyer, as head of the firm, was tied to Frankfort. But in Solomon and Carl, who were freer to move about, the events at Frankfort had produced a certain uneasiness, which made them inclined to welcome any future opportunity for settling elsewhere.

Baron von Handel attentively noted the results of the Jewish disturbances. Some rich Jewish firms such as

Ellissen and Speyer did actually transfer their headquarters to the Hessian town of Offenbach close by; and a persistent rumor was maintained that the Rothschilds would follow them.

"The great and rich House of Rothschild," Handel reported to Metternich, "is supposed to be not entirely averse to the idea of leaving here; and if they should do so, they would probably take up permanent residence in Paris or London, where they already have branches. The question suggests itself whether it would not be in our interests to offer them the prospect of a good reception in the I. and R. states, and to induce the House to emigrate to Vienna."[40]

This report was communicated to the committee of the treasury dealing with commercial affairs at Vienna.[41] The next day another letter from Handel arrived, stating that the inclination of the Rothschild banking firm to leave Frankfort was becoming more and more marked. The treasury committee for commercial affairs transmitted these to the ministry of finance and the interior for their information and observation, adding[42] that Amschel von Rothschild spent a hundred and fifty thousand gulden on his household alone and that he gave twenty thousand gulden a year to the poor. The committee were of opinion that the firm of Rothschild was at liberty to apply to be received in the I. and R. states. Count Stadion thereupon wrote the following to the minister of the interior, Count Saurau:

"The president of the treasury committee has informed me in the enclosed letter of his intention to invite the Frankfort firm of Rothschild to settle in Vienna, and also of the means whereby, subject to my agreement, he proposes to prepare the way to this end. The settlement of the House of Rothschild within the Austrian dominions would without doubt be of great advantage, and the proposal is therefore deserving of every support, although Hofrat von Handel's letter does not suggest that the

House have expressed any desire to emigrate to the Austrian dominions. It merely raises the question whether an effort should be made to induce them to do so."[43]

As the reception of the Jewish families was a matter that concerned the minister of the interior, Stadion referred the suggestion to him, with the request that he approve it. Count Saurau sent his reply direct to the president of the treasury committee, conveying his decision to Stadion in the form of a copy of that letter, which read as follows:[44]

I venture first to call your Excellency's attention to the fact . . . that it is still quite uncertain whether the firm of Rothschild intends to leave Frankfort. Still less may we infer (from the reports) any clearly expressed preference for settling in Vienna. It would seem indeed exceedingly doubtful whether the House of Rothschild would choose for permanent residence a place where its principal would, in view of his religious persuasion, be subject to more restrictions than in any other state. Your Excellency must be aware that foreign Israelites may reside here only on obtaining the special "toleration" permit, which cannot be issued until they have duly received the provisional authorization for wholesale trading.

The department is not competent to make an exception to the I. and R. regulations regarding this matter, and its action would be limited ... to approving the request of the House of Rothschild for permission to reside, if submitted. In view of the complicated conditions, which are not likely to attract the House of Rothschild, it would seem especially desirable to avoid any step that suggested an invitation, and to leave it to them to apply, since special exceptions can be made only with the personal approval of the emperor. Meanwhile your Excellency may rest assured that we are far too well aware of the advantages that would in many respects accrue to the imperial state of Austria through

the settlement of such an eminent firm within its borders, not to advise his Majesty most emphatically to give his consent as soon as a formal or definite application in this matter is received.

Handel was accordingly instructed that if the House of Rothschild made inquiries at the legation he was to indicate that they should submit an application. In any case, the report of the department revealed that it desired the House of Rothschild to emigrate to Vienna.

This was all the more remarkable as the position of the Jews in Austria was far from being an enviable one. They had not the right of owning land in any part of the imperial dominions; law and custom excluded them from administration and the courts, from the practice of the law and from the teaching profession, from all higher posts in the army, and from any political functions and offices. They were restricted in the matter of marriages; they had to pay poll tax and report themselves to the Jewish office, and foreign Jews were allowed to remain in the country only for a short period.

Such were the circumstances in which the highest officials in the state of Austria were trying to induce a foreign Jewish family to settle in the country. But that family was enormously rich; its financial influence was immense; and money overcame all other considerations. Soon a Rothschild House was to be established in Vienna too.

Frankfort was becoming exceedingly uncomfortable for the Rothschild family. The brothers were constantly receiving anonymous threats. One letter[45] informed them of the day on which Amschel was to be murdered by a secret society formed for the purpose of driving the Jews out of Frankfort. In spite of all this the firm continued to carry on its business undisturbed, the Austrian side of it particularly developing with the help of Metternich and Stadion.

Austrian affairs were chiefly left to Solomon. In mid-July of that year the firm of Rothschild had undertaken jointly with Gontard to arrange for the transfer from Naples of large sums of money which that kingdom had owed Austria since the intervention of 1815. Also sums to the value of about three million francs, payable in satisfaction of Austria's claims upon France, were transmitted to Vienna, the firm of Rothschild receiving one percent of the payments effected.[46] Finally, the brothers had heard from a confidential source in Milan that there was an amount of money in the state treasury there[47] which the government wished to transfer to Vienna. They immediately offered to carry this out.

It involved a transmission of two million lira in gold Coins, and Solomon, who was again staying at Vienna, quickly got into personal touch with the treasury in order to discuss the best means of sending this sum from Milan to Vienna through exchange operations. The firm of Rothschild stated that they would undertake the transfer of any sum whatever at the cheapest rate possible, and that they could arrange the business to the greatest advantage of the imperial interests.[48] For this service they and the firm of Gontard received one-half percent commission and one-eighth percent brokerage, so that for the simple transmission of the money from Milan to Vienna they received 12,933 lira in gold.

Their extensive transactions necessitated a voluminous correspondence, the rapid transmission of which was a difficult problem under the primitive conditions of those times. It was not only that posts were slow and far between; there were special dangers attached to the postal service because the contents of correspondence was not treated as inviolable. A large part of Germany was still served by the Thurn and Taxis post bureaus which were divided into lodges and non-lodges,[49] according as their officials were or were not the confidential agents of the Viennese Cipher Service.

If a letter came to a lodge office, it was carefully opened before being sent on, read through, and any important passages were copied. As these "intercepts," as they were called, were always laid before the authorities, such action, often abused, was greatly feared. Even Count Stadion did not hesitate[50] personally to invent "intercepts" in order to ruin persons who were a nuisance to him. Sometimes the couriers themselves intercepted letters in transit.

"Such inspection," Bethmann wrote on the occasion of a visit to Vienna,[51] "is inevitable, and Rothschild and Parish are as little able to avoid it as Herr von Geymiiller, although the latter enjoys the full confidence of Prince Metternich. Solomon Rothschild yesterday told me that his brother had recently again received three letters from him in one day."

The brothers Rothschild naturally thoroughly understood the position. As they had a great deal to say to one another that they did not wish anyone else to hear and also attached great importance to the speedy receipt of news in advance of normal methods, they decided to have their own system of couriers. They would be reimbursed for the heavy expense of this arrangement at one stroke if their firm thereby received early news of any political event that might affect the exchange.

An example of this occurred when the Duke of Berry was murdered. The duke was the nephew of the King of France, and as Louis XVIII had no children, the hopes of the Bourbons were centered upon him. As he was leaving the opera on February 13, 1820, he was assassinated by a political fanatic who thought to save France by exterminating the Bourbons. According to Handel's statement[52] the Rothschilds heard of this long before anyone else; they made appropriate arrangements for themselves, and then made the event known. This resulted in an immediate fall in all state securities, and produced "general consternation."

The courier system was at first inaugurated between the three brothers in London, Frankfort, and Paris. When the business with Austria accumulated, and Solomon's visits there grew more and more lengthy, the couriers extended their route to include Vienna.

The Austrian representatives in London, Frankfort, and Paris, being in constant communication with the House of Rothschild, soon realized that reports could be more speedily sent in this manner and, as remarks on numerous documents showed, frequently entrusted the Rothschild couriers with the most important and secret letters, without considering whether the Rothschilds might turn the tables and themselves "intercept" the state communications. This certainly cannot be proved, but it is highly probable, for on one occasion, when the brothers entrusted a letter to an ambassador, the letter was immediately "perused." Proof of this is furnished by the following two letters: on November 28, 1819,[53] Handel reported as follows to Metternich: "The banker Carl von Rothschild, who left for Vienna today, asked us to put several letters to various German ministers meeting at Vienna, which he had been asked to take with him, in a packet and seal it with the embassy seal, so that he could bring them over the frontier without risk. I made no difficulty about acceding to the request of Herr von Rothschild—who like other Jews is exceedingly timid but is a person of sound character—because this favor made it possible to see the contents of the letters. Rothschild duly sent them to me and although I had not time to peruse them all, I was able to scan the more important." The other letter was from[54] Le Monnier, the secretary of legation at Frankfort, to the director of the secret service department at Vienna. It ran as follows: "Herr Rothschild [no doubt Amschel Meyer], whom I often meet at Count Buol's as well as at Baron von Handel's, has asked me to allow him to send his letters to his brother in my bag. I did not raise any objection as I did not

think it advisable to refuse; but I venture to suggest that you should inform the secret service department of this fact so that they may look out for these letters and intercept all those under my address."

It is not at all unlikely that the brothers Rothschild, who must be credited with a reasonable amount of intelligence, sometimes deliberately had letters sent through the embassies in order to put them in possession of facts which had been invented or adapted for definite purposes.

The financial position of all the states which had been engaged in prolonged military operations much needed to be set in order, now that peace and tranquillity had returned. In Austria, Stadion was dealing with this problem in collaboration with Metternich. Metternich was personally concerned to see that Stadion was profitably occupied in the financial matters, to which he had been sidetracked when the chancellor succeeded to the Foreign Office. His rival would then feel that he had plenty to do, and the financial strengthening of the monarchy would assist the policy of the chancellor. There were thus two men controlling the destinies of Austria who were well disposed to the Jews in general and to the House of Rothschild in particular.

In 1816, in addition to the interest-bearing state debt, there was an almost equal amount of paper money in circulation which was worth a quarter less than its face value. Stadion's efforts were directed toward preventing any further fall in value, through the issue of loans and other measures such as the founding of a national bank. The Metalliques loan, so called because the interest on the bonds was payable in precious metal, constituted a beginning. Stadion was in agreement with Metternich that the House of Rothschild should always be treated with consideration politically, with a view to inducing it also to participate in a loan. Since these were Metternich's plans, it is not strange that he should have been much

irritated by the anti-Jewish attitude of the city of Frankfort.

Frankfort was described as a center of unrest[55] in the reports from the delegates at this period. This was quite enough reason for Metternich, who scented revolution and upheaval everywhere, to feel displeased with that city. He accordingly intervened to prevent the diet from leaving the settlement of the Jewish problem to the municipal departments. Metternich and Stadion also decided to accede to the request made a year and a day previously that Nathan should be appointed consul in London. On March 3, 1820, the emperor gave his formal sanction in this matter.[56]

The ambassador in London, Prince von Esterhazy, was instructed [57] to inform Nathan of his new sphere of activity, and to encourage him "through friendly advice and any other suitable means to carry out his duties in the manner which the state expected." Official instructions were simultaneously sent to Nathan in London[58] informing him not merely that he should duly carry out the duties imposed upon him by the I. and R. embassy, hut that he should, without waiting to be asked, regularly convey to them any information he received regarding events that might directly or indirectly affect the government's policy.

On Metternich's instructions Handel, the minister at Frankfort, had in November, 1819,[59] entered into negotiations with Rothschild for the big loan that Austria wanted to place with the firm.

Since that time the distinctions and favors already described had with deliberate intent been accorded to the House of Rothschild. Nathan now had a position in the consular corps of the British capital, a fact which was exceedinghy valuable to him both socially and in business. He was able to give Amschel powerful support in his struggle for the rights of the Frankfort Jews.

The ground had thus been well prepared for a favorable reception of the Austrian loan. The national bank required about 55,000,000 gulden in order to withdraw the paper money from circulation. On April 4 the emperor had authorized the minister of finance to issue the loan, which in accordance with Stadion's suggestion was to be done in two parts. On April 7 the first 20,000,000 gulden were, in accordance with Solomon's suggestion, issued to the firms of Rothschild and Parish in the form of a lottery loan, a method which was still unusual at that time, and which never failed of its effect upon the general public.

Nothing was said at the time of the negotiations that were already in progress for the issue of a further 35,000-gulden loan; and everyone subscribed to this loan in the confident belief that it would be the only lottery loan for the time being. The conditions were very oppressive to the Austrian state, although the redemption of the loan extended over quite a long period; under the agreement, the state had to repay in all 38,000,000 in return for the 20,000,000 then advanced. This naturally produced an adverse opinion in the general public, which was ignorant as to the general financial position and Stadion's intentions, and had only these figures to go upon.

A contemporary police report states[60] that the announcement of the Rothschild lottery loan had had a very bad effect upon public sentiment. The government's credit when it had scarcely begun to recover was appreciably lowered.

"As far as the Rothschild loan is concerned," the report continued, "I feel a genuine difficulty in deciding where to commence with my description of the exceedingly unfavorable impression . . . made by this financial operation, not only upon the Viennese public, but also upon the inhabitants of all the provinces. It would not be in accordance with the modesty due from one in my position to record the harsh expressions used by the op-

ponents of this measure in. describing it as a monument of frivolity, caprice, and self-interest—indeed as being an immoral transaction. There have probably not been such numerous critics and opponents of any previous financial operation.

"I heard a guest at an At Home exclaim, 'This loan is one of the most wicked things that have been done at the expense of our pockets for twenty years, and that is saying a great deal!' One thing generally felt about this loan is that the manner in which it was made public inevitably made it unpopular from the start. To notify the inhabitants of a state that 20,000,000 were being borrowed from a foreign Jew, for which 38,000,000—very nearly double the amount—would have to be repaid, is regarded as treating one's subjects as beneath contempt. ... It is felt that the announcement of the loan in the "Wiener Zeitung amounted to the finance minister's saying: 'I am well aware that your expenditure being greater than your income you have not enough money to pay your taxes. Now in order that in future you may be still less able to pay them I shall still further limit the amount of money in circulation and therefore your income. In return for this benefit you will have to pay 38 millions to the Jew Rothschild.'"

The writer of this report emphasized the fact that there appeared to be no conceivable excuse for excluding the public from participating directly in such an advantageous financial speculation as the lottery loan, and for putting it in the hands of a foreign Jew. Citizens were being compelled to purchase the lottery bonds from foreign Jews at a premium of from 10% to 18%.

"I am assured by bankers here," the report continued, "that the profit which the contractors have made out of this loan is enormous. To the four millions granted them by way of commission must be added what they will realize through the sale of the bonds, which they do not issue at under 100 gulden. The Rothschild who is living

here himself admits that this profit will increase from year to year, and that he hopes the bonds will rise to 200 by the second drawing, and to 400 by the tenth drawing! And this is not at all unlikely, since Rothschild is holding back the sale of the bonds, thereby increasing his chances of a tremendous gain.

"The whole transaction is felt to be a shameful Jewish swindle arranged between the Rothschilds and the crown agent Joel. The latter is supposed to have persuaded the minister of finance, or rather his department, to agree to it, and in return Joel or Joelson is alleged to have received 1,000 bonds, Count Stadion 2,000, and Burgermeister, the secretary of the treasury, 500. I personally regard all these statements as slanders without any foundation. The feeling about the loan was so bitter at first that a proposal was made among all ranks of society to form leagues, the members of which should pledge themselves not to take bonds exceeding the value of 100 gulden from the Rothschilds."

There were other critics who did not deny that Stadion's intentions were honest, but gave him to understand that they believed the minister of finance had been hopelessly done.

The figures contained in this police report somewhat exaggerated the facts, but expressed the feeling of the public that enormous profits had been made out of this business. In spite of the declared boycott there was an extraordinarily brisk demand for the Rothschild lottery, bonds. The offices were literally besieged with applicants, and the bonds soon rose to no, 120, 150, and even higher.

The Augsburg Allgemeine Zeitung had published articles by Gentz and other agents of the Rothschilds, which under the title "Financial Letters" recommended the "exceptionally favorable lottery." Enticed by these developments, Stadion decided in accordance with the authorization which he had received, to issue the further

35,000,000 gulden four months after the first loan. Rothschild and Parish paid out 35,000,000 gulden of convention currency in cash in twelve monthly instalments, in return for acknowledgments of indebtedness. The terms were such that the state would have to repay 76,821,515 gulden as capital and interest in return for the 35,000,000 gulden which it had received. In addition the state paid a commission of 4%, amounting to 1,400,000 gulden.

These conditions which were approved by Emperor Francis made the loan one of the most lucrative transactions of the time. For the firm not merely exploited the public's gambling instincts to sell the bonds at a good price, it also influenced the rate of exchange through its connections with the principal bourses. It was obvious that the Rothschilds would have to reckon with the fall In the price of the twenty-million issue as soon as it became known that a further loan of thirty-five millions was to be made so soon afterwards. But before this was made public they had placed the original issue at a price well above par, so that when the second loan was issued the earlier bonds were almost all in other people's hands.

There was naturally at once a storm of indignation against the enterprising bankers; but the first issue soon recovered, and the bonds of both issues were eagerly sought. The public indignation subsided; the Austrian State had its millions in cash; and the Rothschilds remained in undisturbed possession of their profits.

The negotiations necessitated by these important and extensive transactions had made essential the continuous presence in Vienna of a member of the Rothschild House. The discussions were carried on almost exclusively by Solomon Rothschild, although he was acting in concert with his brothers. This enormous business, however, required constant personal attention in its further stages also; and it was therefore necessary for Solomon to try to obtain some permanent pied a terre at Vienna. The laws of the country did not allow a foreign Jew to buy a

house of his own, and perhaps such was not his original intention. The firm did not yet contemplate establishing a branch similar to those in London and Paris, although this was done eventually as the result of its intimate association with the finance and policy of Austria.

Solomon Rothschild had taken up his quarters in one of the leading hostelries of Vienna, known as the Hotel of the Roman Emperor, No. 1 Renngasse. It had some of the most distinguished visitors at that time, including the King of Wurttemberg in the year 1820. This was the only hotel with a large concert room,[61] and its acoustic properties were excellent. Beethoven often gave recitals there, and occasionally he stayed, it is supposed, at the Roman Emperor.

Solomon lived at the hotel until he was given the freedom of the city of Vienna. Eventually, it is true, he was the only guest in the hotel, for he occupied all the rooms. In the end he bought the building, as well as the house next it, No. 3 Renngasse. This is still in the possession of the family, while an insurance company acquired what was once the Roman Emperor Hotel.

Meanwhile Metternich's confidence in the firm of Rothschild had increased. The family perceived this, and when they saw any signs of big business they would let him know through Gentz that they would like to carry it out. James had learned in Paris that the allies had decided in 1815 to put aside twenty million francs of the Paris war indemnity for the erection of a fourth confederate fortress on the Rhine.[62]

James in Paris and Solomon in Vienna immediately offered to send this money to Frankfort so that the diet might have it available in current coin at their headquarters. Metternich was unduly attracted by the firm's offer to transmit the funds without charging commission or anything for expenses, and overlooked the profit to be derived on the rate of exchange. He therefore decided

jointly with the Prussian secretary of state that this business should be carried through by the firm of Rothschild.

The two brothers, by a concerted arrangement, each made an offer that, if the money were left in their hands, the one in Paris would pay 3 1/2% and the one in Vienna would pay 3% until the building work on the fortress actually commenced. That might be a long time yet, as indeed events proved. Barbier observed in this connection (in a letter to Buol)[63] that in carrying out Metternich's instructions he had arranged that the diet should retain the right to demand security for the twenty millions from the House of Rothschild if this sum were deposited with them.

"The House of Rothschild," he wrote, "is undoubtedly one of the richest and best-established firms in Europe, but we thought it wiser to take this precaution as over twenty million francs are involved, which may be on deposit with them for quite a long period if the construction of the new fortress should be still further delayed."

Thus while the government itself paid 5% for ready money it left this large sum on deposit with the firm of Rothschild at 3 1/2% interest for an indefinite time. The banking firm got the advantage of this unexpectedly cheap money just when important political events in the South of Europe threatened to disturb the peaceful atmosphere that had been prevailing since the Congress of Vienna.

The Liberals in Spain had forced the promise of a constitution from King Ferdinand VII, who had been reinstated there. Civil war continued in that country, while the victory which the Liberals had won infected the excitable population in other lands similarly oppressed. Revolution broke out in the kingdom of Naples, where the nationalistic aims of the secret league of the Carbonari had affected wide circles of the population. On

his restoration by the Austrians in 1815 King Ferdinand I, an upholder of the principle of absolute autocracy, gladly accepted Metternich's condition that he should make no concessions to the Liberals, and should govern in accordance with the Metternich system. Now, however, that he was threatened by popular rising, he yielded all along the line and made the ringleader, General Pepe, commander-in-chief, and pledged himself to a constitution on the Spanish model.

A similar movement was making progress in the island of Sicily, where the king's ministers had to make way for new men who were popular with the Carbonari. One of these ministers was the brilliant Luigi Cavaliere de Medici, who managed to maintain order in the finances in spite of the extravagances of the ruling family, and the privileges of the nobility and priesthood.

Metternich, who was watching over Europe like a guardian angel, resented any signs of resistance to his "principle of legitimacy." He had been deeply disturbed by the news from Italy, which was within Austria's sphere of interest. If the revolutionary spirit should spread from Naples to the North and infect the territories that were under Austrian dominion, there was no saying what the results might be. He saw that his political system, his influence, which already extended through the whole of Europe, and the very existence of all the old legitimist monarchies were endangered. He felt that every effort must be made to meet this peril, and summoned another conference of monarchs to consider the point. The conference met at Troppau in October, 1820, to discuss the principles to be applied if revolutionaries tried to impose changes in the form of government anywhere in Europe.

The congress was moved to Laibach, and Metternich arranged that the King of Naples should be asked to attend. Scarcely had the king crossed the frontiers of his revolutionary country before he forgot all the concessions he had granted to the people, and assured the envoy of

the eastern powers that they had been wrung from him by force, and that he loathed constitution and Carbonarism. The congress decided in January, 1821, in spite of the objections made by England and France, to restore order in Ferdinand's kingdom by occupying Naples. Metternich had succeeded in a masterly manner in gaining over the tsar to his point of view.

"It is a matter of indifference," he stated to that monarch,[64] "whether the word be Bonaparte or the sovereignty of the people; they are equally dangerous and must therefore both be resisted. The Neapolitan revolt, and everything connected with it, must be completely stamped out, or else the powers themselves will be destroyed."

Metternich concentrated absolutely on his one great political object, the overthrow of revolution. The troops and money necessary for this purpose had to be forthcoming, and it was up to generals and financiers to see to the ways and means.

The news of Metternich's plans, involving as they did heavy additional expenditure, came as a severe shock to Stadion, who had done so much to put Austria's finances on a sound basis. He saw the edifice which he had spent rears to erect shaken to its foundations. The revolutions had also affected the bourses, and state securities were falling in price. Metternich, however, succeeded in being so convincing through his influence with the press, and the passionate communications sent by him from Laibach, that even those who had reason to be alarmed about their property became adherents of Metternich's plans of armed intervention in Naples. The chancellor had inquired of Stadion as to how the money could be found, and whether Naples would subscribe to a loan. Stadion sent the following confidential letter in reply:[65]

"Even our financiers, led by Rothschild and Parish, are anxious to see our troops across the Po at the earliest possible moment, and marching on Naples. I have written to Count von Mercy regarding the Neapolitan loan.

I suppose you have spoken only to Rothschild about it? I have never mentioned it to Parish, because I do not know how far Rothschild wants him to come into such a business (parceque je ne sais en combien Rothschild voudmis de lui dans une pareille affaire). In any case it is essential to lay our plans carefully so that the money does not merely come in at one door to go out of the other."

As Stadion considered the matter more closely, he began to feel distinctly uneasy. In normal circumstances the deficit for the year 1821 would have amounted to eight million gulden; but very heavy additional sums of money were now required for the expeditionary force to Italy, and the greater part of this cash would have to be found immediately. As Stadion came to consider the heavy demands made upon the treasury by Metternich's policy, he felt a growing sense of bitterness. Metternich, the chancellor whose financial ideas did not extend much beyond a general realization that a state no less than a private individual must have money, carried out his policy without any consideration of the cost. Stadion was expected to produce the necessary funds as if by magic, and he really was at a loss how to do it.

The chancellor advised Stadion to see the Rothschilds, and urged him to discuss with the brothers the means for raising the amount necessary for the campaign. The emigrant Jews from Frankfort had suddenly become the sheet-anchor for Austria's two leading statesmen, one of whom exercised an influence upon the destinies of Europe extending far beyond the boundaries of the imperial dominions.

While at Laibach, Metternich had asked Count Nesselrode, the Russian minister for foreign affairs, who was just about to leave for Vienna, to urge Stadion to ask Solomon Rothschild to come himself to Laibach and express his personal opinion there regarding the issue of loans to Russia and Austria. The chancellor also wrote

a letter to Solomon Rothschild on January 29, 1821, making this suggestion, but Solomon was not prepared to leave Vienna at a time when the political situation was such that prices on the bourse were fluctuating violently from day to day. He therefore wrote the following letter to Count Nesselrode:[66]

YOUR EXCELLENCY:
With reference to the business matter under consideration, I venture most respectfully to observe that a discussion on this matter at Laibach, and my presence there, might give rise to numerous and probably highly inaccurate newspaper reports. Persons with base motives would unearth the fact that a loan to the most gracious of monarchs was being discussed; rumor would be piled upon rumor, and this would not be at all agreeable in the highest quarters. For this reason I submissively venture to suggest to your Excellency—and Finance Minister Count von Stadion agrees with my proposal—that the business be negotiated here with our finance minister. My continued presence here would dissipate all rumors, while everything would be carried on under the strictest seal of secrecy, and the business could be transacted in peace and quietness.

Solomon Rothschild sent a similar communication to Count Stadion at the same time, and the count immediately wrote[67] to Metternich to say that in his opinion Solomon's contention that neither he nor any other banker should'go to the congress at Laibach was absolutely sound. "In addition to the arguments which he has brought forward," he wrote, "I submit that the following points have to be taken into consideration. The loan in question (which ought to cover the costs of the expedition), can be only a Neapolitan loan, guaranteed for the greater security of the powers. It can be prepared under these conditions, but its formal conclusion must take place in Naples, after our troops have entered the city and occu-

pied it. . . . Until that moment the public must know nothing whatever about it; for the loan would go very badly if we were only like the person in the fable offering the bear's skin, and it could be issued only on very unfavorable terms. It would immediately suggest that we were in lack of money, which fortunately is not yet the case; but the mere belief that we were would seriously damage not only our credit but our political position generally.

"Rothschild is here able to control his business and his correspondence from the center, and day by day, in collaboration with our finance department and his business friends, to decide upon the steps or transactions that seem to him appropriate to prevailing conditions. He cannot carry on his work effectively anywhere but here, while it is only here that we can examine the means that he adopts to carry out the wishes and intentions of the governments. These means must be brought into harmony with our general system of credit, since the loan is destined ultimately to find its way into the Austrian Treasury. . . .

"I feel myself compelled to observe that whatever view one takes of the situation Austria alone will have to bear the burdens of the military operations until Naples is occupied. When we get there it appears to me that the three following matters will have to be dealt with: first, our troops will have to be entirely maintained by that country; secondly, we shall have to obtain compensation for the costs otherwise incurred through their stay in the kingdom of Naples; and thirdly, we shall have to obtain an indemnity that will partially make good our advances.

"Rothschild believes that if the sum exceeds—the loan ought not to be too heavy—one million pounds, or about twenty-four million francs, cela se pourrait faire pour ainsi dire une bonne fortune a Londres. I have not yet gone far enough into the matter to be able to judge how far his hopes are well founded."

At the same time Solomon wrote the following letter to Metternich:

Your Highness was graciously pleased to send me your command of the 29th ultimo. Although it gives me great pleasure to show my zeal in fulfilling your Highness's wishes at all times, and happy though I always am to wait upon you, I feel it my duty to avoid doing anything which would attract attention. ... A journey to Laibach at this time would arouse such attention, and would give rise to all kinds of conjectures. . . .
Ever devoted to your Highness's commands I beg to remain in deepest respect
Your Highness's Most Obedient Servant,
S. M. VON ROTHSCHILD.[68]

Stadion's letter had revealed the whole plan that was to be carried out: Naples was to pay everything, and Rothschild was to arrange loans at the expense of that country, the proceeds of which were to be applied for paying for Austria's unwanted intervention.
Meanwhile things had begun to move. The Austrian, General Frimont, crossed the Po on February 5, 1821, with 43,000 men, and began to march on Naples. Solomon Rothschild perceived with satisfaction that Austria's statesmen were dependent on him for finance, and saw the prospect of realizing substantial profits. He accordingly hastened to place sums at their disposal, with a view to securing the possible business at Naples entirely for himself.
Stadion wrote to Metternich:[69] "Rothschild and Parish"—who had apparently, against Rothschild's wishes, been informed of this affair by Gentz—"are provisionally offering to make me advances and to transfer sums direct to Naples apart from the loan. Rothschild is already concluding agreements in Paris and London for this purpose, or at any rate he says he is."

A week later Stadion wrote saying:[70] "For some days Rothschild has been effecting transfers of money to one or several banking firms (in Naples), and by the time we get there about three million francs will be available. These can be immediately placed at the disposal of our government. I only wish that I could always be informed of the requirements in good time so that I could make the necessary arrangements. Until the day before yesterday nobody asked for a single gulden of cash for the whole march of our troops from the Po to the Neapolitan frontier; and then a courier arrived demanding an urgent credit of 250,000 gulden at Florence. It seems to me that this should have been foreseen and provided for a long time ago. Fortunately, Rothschild has money and credit everywhere, and he was therefore able immediately to provide me with the advance I wanted, as well as an additional advance of 100,000 gulden. . . ."

Stadion was already relying largely upon the House of Rothschild, which rendered that statesman the most welcome services in his embarrassment, although certainly not without cherishing the hope that they would be duly rewarded. The finance minister had sent Metternich a detailed scheme regarding the contemplated Neapolitan loan.

"I am awaiting," he wrote to the chancellor, "your reply to my last memorandum regarding the Neapolitan loan, so that I may carry the matter further with my friend Solomon Rothschild. It is absolutely impossible for him to travel to Naples, and he is asking one of his brothers to come over from Frankfort and go on to Naples. This brother is expected by the end of the month. He has also written to Paris to say that a confidential servant of his firm—by name Salicey—who is thoroughly familiar with Naples, should proceed there without delay."[71]

Finally Stadion complained that he no less than the

public had been kept completely in the dark for ten days regarding the progress of events and the present position of the troops.

Solomon had realized that it was absolutely essential that a member of his firm should go to Naples. It was not exactly pleasant to go there as there was a revolution in progress, and the Austrian troops would have some hard fighting; nevertheless Solomon summoned Carl, the only one of the five brothers who so far had no independent sphere of his own.

Carl had, since his youngest days, been accustomed to making long journeys on his father's business. Now at the age of thirty-three a promising field for his activities was offered him, although it was in a country that he had only once casually visited, and the language of which he did not know. This, however, did not affect the matter, for it seemed to be a merely provisional arrangement, and Carl little guessed that Naples would come to be his permanent place of abode. On March 1, Carl Rothschild arrived at Vienna from Frankfort and immediately called on Stadion.

"Un petit frere Rothschild," Stadion reported to Metternich,[72] "has just arrived here on his way to Naples. I am engaged in working out with the two brothers the most important conditions regarding the loan which they will issue. I hope to send young Rothschild to Laibach Wednesday, or at the latest next Thursday. You will there be able, my dear prince, to inform him whither he should then proceed. I hope that it will be to Naples, and that you will have occasion to send him as speedily as possible."

On March 6, Carl did in fact go to Laibach. Stadion was hoping that in the course of its advance the army would acquire a few millions for the Austrian Treasury, which was sadly in need of them. "I have to point out," he wrote, "that the declaration of war by Naples without

a shot having been fired is sufficient ground for us to declare our right to indemnity from the date when our troops crossed the Po."[73]

Meanwhile the Austrian army was approaching the Abruzzi, which was the easiest territory between Austria and Naples for the enemy to defend. Its march was somewhat delayed through the insufficiency of provisions and of money. Count Ficquelmont, who was accompanying the army on his way to take up his duties as ambassador at Naples, wrote: "We are all suffering acutely from the disastrous shortage of money." Application was made at Rome to Torlonia and other banking firms, but in vain. A stirring appeal was made by Metternich with a view to remedying these evils. On receiving a report from Vienna, Metternich had published a statement regarding the whole expedition, in order to pacify the Viennese public, who did not understand what business Austria had in Naples. Count Sedlnitzky welcomed this step, wishing the chancellor luck in carrying on his policy on the grand scale, and reported:[74]

"Through an arrangement made in the nick of time by the thoroughly worthy House of Rothschild and other firms, regarding Wertheimer's failure, the market here has been saved from being flooded with Metalliques bonds, and a gradual rise in their value as well as in that of other state securities has been effected. This has had an excellent effect upon public opinion in the middle classes and in the business world."

The minister of police considered the critics and malcontents to be especially numerous among so-called men of learning, and even in several higher circles and in the army. "Nevertheless," he wrote, "we may count ourselves fortunate, if we compare public sentiment here with that in other countries."

Stadion, however, who was constantly receiving applications for money, was not equally satisfied. He viewed the future with dismay, and was utterly at a loss to see

how he could provide the money for everything that was being done. He suddenly heard that a general had stated during the court ball that the emperor had recently commanded the pay of the Neapolitan Expeditionary Force to be increased, and a new recruiting law to be carried into effect which would add almost 100,000 men to the strength of the army.

"I was absolutely overwhelmed with surprise," he wrote in alarm to Metternich,[75] "by this news, and by the manner in which I learned it. If this is true, it will involve a permanent additional expenditure on our armies of more than ten millions. I have not got this money and I see no prospect of getting it. Things cannot go on like this. I feel that I have already reached the utmost limit of what is possible. . . .

"It is very easy to send out handbills, but in order to translate them into reality the emperor must find a man who can feed fifteen thousand men with five loaves. I cannot refrain from protesting against the way things are being done. His Majesty does not allow himself to spend even two hundred florins on his gardens; he does not sanction a pension to save a poor family from hunger without sometimes consulting me several times in the matter. And now we are to have an additional expenditure of ten million which it is difficult to justify. . . , So far from consulting me in fixing this sum, which is far beyond anything we can possibly raise, it was not even thought worth while to inform me of the decision.

"In such circumstances my position, which I have always regarded as the great misfortune of my life, has become quite impossible. For years I have been refused the means . . . of putting things straight, but at the same time I am regarded as an inexhaustible source of money., I am required to fill the glass at any moment it is put before me. Such a method of proceeding certainly puts an end to my responsibility in the matter. Even if, after all the other sacrifices I have made, I cast aside the last

shreds of any respect that I may enjoy in the world, this will not bring additional revenue to the monarchy or save it from financial disaster.

"I write to you today, my dear prince, in the bitterness of my heart. It is difficult to remain calm under such conditions. Besides, I feel it to be my duty to state the unvarnished truth, when, as in the present instance, the truth is of such importance. Farewell, my dear prince, make such use of this letter as you think fit."

In some such mood as this, Stadion wrote two memoranda regarding the general financial position of the country, and sent them to Metternich. "The problem is," he submitted,[76] "how to save at least some part of our existence. I cannot possibly conceal from you any longer that I am weighed down and oppressed by a load of misfortune. I have reached the point when I fear that any day I may find that I am quite impotent and helpless to do any more work. I will carry on with the strength that remains to me, until I drop. But do not expect any great services from a man who is weakened as I am."

The finance minister's panic left Metternich unmoved. Clear before him lay the path that he had recognized as the right one, and had ruthlessly followed. He was determined not to deviate from it until he reached his goal.

"We have embarked upon a great undertaking, one that contains the possibilities of greater results than any of our times," he wrote to General Count von Bubna.[77] "It is great, for upon its success or failure the whole future depends; not merely the future of the Austrian monarchy but that of the whole of Europe. ... It was impossible for us to take any other action, for it is a matter of life or death. . . .

"Everything now depends upon success. I hope that one or two hard blows will decide the issue. If not, the result will be the same as if we had ventured nothing; the revolution will engulf, first Italy, and then the world.

I will spare no effort until I am killed myself. . . . Meanwhile, farewell. I shall not see you this year, but I shall certainly see you next year unless the world has been destroyed."

While Metternich was using proud words such as these, he was being besieged with the most urgent requests from the army to furnish money for its innumerable needs.

In the meantime Carl Rothschild had arrived at Laibach and had called on Gentz, who immediately informed his princely master of young Rothschild's arrival. Metternich asked Carl, through Gentz, whether he would be prepared to travel in his service, and whether he was able, without any loss of time, to make payments to the army. The chancellor also desired to know how moneys could be speedily and safely conveyed to Rome.

Carl replied as follows: "I have the honor to reply to your Princely Highness's gracious inquiry of today that I am prepared to undertake the journey at once to any place where your Princely Highness may bid me go, and to do everything in my power to see that the payments which you have graciously commissioned me to make to the army are carried out with the greatest possible speed and precision. If your Princely Highness will most graciously inform me what sums, and at whose disposition you wish them placed in Rome, I will then . . . send a special messenger to instruct Signor B. Paccard, a member of a firm who is in Milan, to transfer any sums required to Rome without delay, and if necessary to travel there himself. ... I have only to add, with all humble respect, that we will, on this occasion as always, use our endeavors to satisfy the wishes of his Majesty, which indeed is always our sole aim."[78]

Carl Meyer von Rothschild, who thus came into prominence, was personally the least gifted of the five brothers. He had little talent for adapting himself to his environment, had an awkward manner, and was over-strict in

his observance of the religious practices of an orthodox Jew. His principal asset was a pretty and intelligent wife, who won everybody's affection and thereby made people forget many of her husband's errors. In spite of the distance which separated them, Carl remained, at any rate in really important transactions, under the control of his brothers James and Solomon.

Meanwhile the Austrian army had advanced almost without a battle. The encounter at Rieti was just a small skirmish and was described by Ambassador Count Ficquelmont as the most ridiculous thing he had ever seen. "Our advance is uninspiring," he reported,[79] "as we are completely unopposed, but our political victory is all the greater."

Everything therefore seemed to be proceeding satisfactorily, when a very bad piece of news was received. After his return King Victor Emmanuel had inaugurated a severely reactionary regime in Piedmont. For example he made the possession of a certain amount of property a necessary qualification for being allowed to learn to read and write; he had the botanical gardens at Turin destroyed, and wanted to destroy the marvelous bridge over the Po, simply because they were the works of Napoleon. He naturally opposed all nationalistic movements among young people. The risings in Spain and Naples were accordingly joyfully welcomed in Piedmont.

When the Austrian troops started for the South, a rising broke out in Alessandria too, the object of which was to secure a constitution, and the abdication of the autocratic king. The news of these events caused dismay at Laibach. The assembled diplomats were like a swarm of bees that has been disturbed. Gentz reported:[80] "This unexpected news is a very hard blow to me and to all of us. I remained with the prince until half-past four in a kind of stupor, and then I tried to eat something.

Rothschild came to me in a state of great emotion; I had enough sang-froid to be able to calm him."

Carl Rothschild was just about to start for Italy in accordance with Metternich's wishes, and these events caused him the most serious alarm. The impression made at Vienna was no less profound. Stadion completely lost his nerve. "The situation is terrifying," he wrote to Metternich.[81] "Never, not even in the darkest hours of the revolutionary wars, has an event produced such an effect on the Vienna bourse as the latest news from Italy. ... If the enemy were at the gates there could not be more unreasoning panic. The whole of the population of Vienna is rushing to the bourse to get rid of our public securities. . . . Our credit (which has only just been established) is on the eve of vanishing completely. I shall be forced to suspend the conversion of paper money into cash or banknotes on demand. To do so would be exceedingly painful to me, for it would mean destroying in one day the labors of the five preceding years. . . .

"This is the first step to our destruction. It is impossible that a loan should be considered either at home or abroad at a time when our securities are becoming worthless. . . . Judging from the way things are going we shall have to give up all hope of getting any financial assistance from Naples. . . . There is so much popular unrest of a very marked character that each day may bring a fresh catastrophe and make further desperate measures necessary."

During this period Stadion repeatedly called in Solomon to examine the situation with him and ask his advice. If, however, he hoped for comfort from him, he was doomed to some disappointment. Solomon too had suffered from the sudden fall in the value of securities, and could not himself help being somewhat affected by the general panic. It was not until he received reassuring news from his three brothers in the West of Europe,

that he was able to take a less gloomy view of the situation.

The panic reached its height on March 22. On that day Stadion wrote again to Metternich, describing the complications in Naples and Piedmont as amounting to the destruction of Austria.[82] He wrote: "If all the misfortunes that appear imminent today come upon us at once, I must confess I see no hope of salvation. Nevertheless we must try to put an end to the Naples adventure as speedily as possible, and thus at least save the army's honor. All troops should be withdrawn to within our frontiers and kept in readiness to meet attacks from abroad and from the revolutionary spirit at home."

Metternich said nothing, but proceeded to set troops in motion for quelling the revolt. It was Stadion's business and not his to raise the necessary money. The former had already spent money which was earmarked for the year 1822, and his pronounced sense of responsibility caused him to take a darker view of recent events than was strictly justified. Metternich, however, infected his imperial master, who was staying with him at Laibach, with his own spirit of resolute calm, and the emperor wrote a reassuring letter to the King of Naples. The king had just left Laibach, having borrowed the money for the journey to Florence from the Emperor Francis, as he had no funds himself. While assuring the king that his interests were identical with his own, the emperor did not forget about the repayment of the journey money, and issued instructions that the cash should immediately be provided out of the Rothschild loan which was being planned in Naples.[83]

On March 24 the expeditionary force had entered Naples without encountering serious resistance. The news of this event put an end to the rising in Piedmont; Lombardy remained quiet; and the general information received at Laibach gave reason to hope that the whole movement would die down. In a short time Metternich

was able to feel that he had reestablished his system in both countries. It was now possible completely to reassure Carl, and to persuade him that the journey to Florence, where the King of Naples was still staying with his retinue, was absolutely safe. Before he started on the further journey to the capital at the foot of Vesuvius, the Austrian troops there would have reestablished complete order and security.

It was on March 23 that Gentz had made these reassuring observations to Carl Rothschild, using the opportunity to ask for a small personal loan. Carl, who was not so quick at appreciating Gentz's influence as his brothers had been, made difficulties, with the result that, to use his own words, "an unpleasant discussion" ensued.

When he got back home Rothschild learned that Metternich wished him to leave for Florence on the following day. He felt some misgivings regarding the disobliging attitude he had adopted toward the right-hand man of the all-powerful chancellor; and he thought that his brother Solomon would be annoyed with him if he had parted from Gentz in ill-will. He accordingly called on Gentz late that evening in order, as the latter put it, "to make good his error."

Metternich had given Carl Rothschild a letter of introduction to the Austrian general, Baron Vincent, who was staying at Florence with the King of Naples. The general had long known of the Austrian government's financial intentions regarding a loan to be issued in Naples. He knew that the Allies had agreed with the king at Laibach that the costs of the expedition should be borne by the kingdom of Naples from the moment when the army crossed the Po, and that the cost of maintaining the army in Naples should also be borne by that kingdom. Metternich had sent Vincent the following instructions on the matter as early as March 1, 1821:

"The point regarding the loan is of great importance for our finances. We wish to facilitate the work of the

Neapolitan government so that they will be able to provide for the first needs of our army and fulfil some of their obligations to us. Count Stadion has already entered into negotiations on this matter with the House of Rothschild. ... It is desirable in our financial interests that this house should be given the preference, and the king also is prepared to proceed on these lines. The firm has the necessary means at its disposal, and I therefore believe that it will be possible speedily to come to terms with it. . . .

"It would be redundant to point out to your Excellency that the fact that Count Stadion was compelled to make enormous advances to the Neapolitan Expeditionary Force has made him exceedingly anxious to insure that these moneys shall be gradually repaid. He is the more concerned about this since, if the monarchy were to incur such a heavy loss, the resulting financial embarrassment might produce results which nobody can foresee."[84]

Shortly before Carl Rothschild's departure Metternich followed up these instructions with a letter[85] stating that Rothschild was coming only in order to negotiate for the Neapolitan loan. Although this firm had not yet put forward definite terms, Metternich wrote, it was desirable that the Neapolitan government should hand over to the House of Rothschild bonds coming within the scheme of their general system of credit at a fixed price, and leave it to the firm to reimburse itself by issuing these bonds at its own risk at a price which would yield it a profit.

Should the House of Rothschild demand a guarantee from Austria for the due carrying out of the obligations of the Neapolitan government, Vincent was authorized to accept such a condition if it was necessary. He was urged, however, to ask Rothschild to put his proposals into writing, and to press for a speedy conclusion of the agreement. This was urgent in the interests of Austria's finances. In general he should show courtesy to Carl Rothschild and introduce him to the Neapolitan minis-

ter, Prince Ruffo, so that Rothschild could deal direct with him. Metternich concluded by saying:

"We must naturally take no direct part in these business negotiations, but we are very much interested in their success. The loan is destined to cover a part of the costs of the expedition, as well as to meet the expenses of maintaining and paying our army. You are invited, therefore, if Herr von Rothschild's first proposals are accepted by the Neapolitan minister, to facilitate the conclusion of their business through your good offices."

Carl Rothschild arrived in Florence on March 31.

On Vincent's introduction he had a short interview with Prince Ruffo,[86] but he was coolly received and was not given any explanation as to the minister's intentions. He had to wait for news from James, who had been requested by Solomon to express his views regarding the Neapolitan business. Vincent advised Rothschild to go to Naples and inform himself as to the prospect on the spot, for Ruffo had been absent so long that he was completely uninformed as to the financial situation. The Ambassador took the opportunity of borrowing 1,000 ducats[87] on the government's account, the advance for his official expenses having long been exhausted. Rothschild gladly lent the desired amount.

Although the agreements were kept secret, and nobody knew that that firm had been granted absolute priority, the news of a loan to be issued by Naples became known in other banking circles. A Milanese, by name Barbaia, approached Vincent, and in agreement with certain French firms offered[88] to advance thirty millions to the Neapolitan government at an issue price of 60%. "My fear is," Vincent replied, "that this may conflict with our arragements with the House of Rothschild and confuse them." Barbaia was not a negligible rival. He was already known to the King of Naples, and was received by him in Florence on this occasion too. Vincent as speedily as possible gave Carl Rothschild precise infor-

mation regarding the offer.[89] "You will," he remarked, "be in a better position than anyone else to say what value should be attached to this offer."

This problem itself naturally did not engage Carl's very close attention, but it was valuable to him to be informed of his rivals' plans as speedily and accurately as possible, in order to be able to take appropriate counter-measures.

On April 6 he proceeded to Naples. Vincent gave him a letter to Ambassador Count Ficquelmont, informing the count of the offer being made by Barbaia, and of Austria's anxiety that the loan should be intrusted to the firm of Rothschild. The king himself did not yet dare to return to Naples. In accordance with Metternich's instructions the general commanding at Naples meanwhile restrained the newly installed government from considering loans proposed by various Italian banking firms before Rothschild should have arrived. When he arrived on April 12, Count Ficquelmont immediately introduced him to the government, who informed him that they wished to take up a loan of twelve million ducats—about twenty million gulden.

Under pressure from the Austrian general the government had ignored Barbaia's offers, although the Milanese had brought a letter from the King of Naples recommending him. The king had instinctively felt that the House of Rothschild would act in Austria's interests rather than his own; but he was king only by the grace of Austria, and that country could call the tune.

The House of Rothschild stated that they were prepared to grant a loan of ten million ducats.[90] They added that they would at first make only six millions available, the balance to be paid when they had placed the six million. The bonds were to be issued at 54; 3% commission was to be paid; and an undertaking was to be given that during the continuance of the agreement no new loan should be issued. Moreover, in any future loans the firm

was to be given the preference before any other. For sinking-fund purposes and for greater security they demanded that the state domains should be pledged.

These were hard conditions. Public securities then stood at 60%, so that the issue price was very low, and all the more favorable to the Rothschilds, as they intended to issue the state bonds (which had hitherto been dealt with only on the Naples bourse) and, through their London and Paris houses, to put them on the market in those cities. The Neapolitan finance minister, Marchese d'Andrea, considered the proposals to be far less advantageous than those of certain Neapolitan firms, and therefore entirely unacceptable. The minister was of opinion that instead of helping the state the conditions would be a serious blow to its credit, since it was impossible to place any confidence in a government that sold its securities at such a low rate. He held that there was no reason for selling bonds at 54 when the ruling price was 60. The government was not so pressed for money as those appeared to believe who put such proposals forward.[91]

Meanwhile, news had been received that the revolution at Naples had collapsed.

Ficquelmont summoned Carl Rothschild and told him that Austria was desirous that the House of Rothschild should handle the loan. The ambassador requested him not to make it too difficult for Austria to bring the necessary pressure to bear upon the Neapolitan government, but to moderate his terms somewhat.

Rothschild replied that his first proposals were not his last word in the matter; he had been asked to make an offer, and he had done so by way of opening negotiations. The good news received from Piedmont made it possible for him now to offer better conditions. The ambassador also asked Rothschild to avoid, if possible, saying anything about a guarantee by the powers. Carl promised to do what he could, and Ficquelmont assured him of his full and very powerful support with the Neapolitan

government. That government owed its very existence to the Austrians, and it was obvious that it would have. to conclude the agreement with those whom the Austrians wished.

The ambassador at Naples had completely understood what was in the minds of the leading men at Vienna. "If the House of Rothschild carries through a loan of any kind," he wrote to Metternich,[92] "that fact will provide us with the necessary security. As we have not yet made any direct or positive demand for reimbursement of our expenses, I did not feel that it was possible to include in the terms of the loan any explicit condition regarding direct payments to Austria [by the House of Rothschild]. Herr Rothschild, who always keeps our interests in view in the negotiations, has therefore inserted the words in his draft terms, 'payable to those who shall be authorized to receive the money.' This condition will become applicable when our direct negotiations have settled the amount to be paid to us."

The ambassador was anxious that the Neapolitan finances should be spared as much as possible so that there should not be any doubt as to Naples' ability to pay the expenses of Austria's expeditionary force. "If the current expenses for the maintenance of our army," Ficquelmont wrote to Metternich, "can be met out of the ordinary revenue of the state, the whole amount of the loan could be paid into our treasury, except perhaps the first two or three instalments, which the government will require ... in order to put the taxing system in order."

Shortly afterwards the loan was issued, 16,000,000 ducats being taken up at 60 ducats for the 100 ducat bond. Rothschild allowed other Italian banking firms to take some small part in it in order to keep active opposition down. The government pledged itself not to issue any further loan before 1824, and if it required to issue further loans, to give the House of Rothschild the preference.

Carl joyfully reported the conclusion of the business to Metternich.[93] He emphasized that in accordance with Metternich's wishes he had made no mention of a guarantee by the powers, writing: "Moreover, I hope that, if peace only lasts for a little while, the loan will soon be fully subscribed, and it will not be necessary to ask for guarantees for the balance, as in that case all state securities will rise in value, and the Neapolitan securities will follow suit . . ."

The plan had succeeded, and Austria had thereby put the House of Rothschild in the saddle at Naples. This was not done from motives of disinterested friendship, and the brothers Rothschild paid for the privilege—with Neapolitan money. Meanwhile the forces of reaction were playing havoc at Naples. People were arrested in thousands, the death penalty and long terms of imprisonment were meted out to the Carbonari and the revolutionary officers. A strict censorship was also instituted. These conditions continued after the return of the king, and as all these things were being done under the protection of Austrian bayonets, the foreign troops did not gain any sympathy in the country. All classes, excepting the conservative upper class, regarded them as undesirable guests; and resentment against the Austrians was heightened by the fact that they were using a clever foreigner to force the country itself to pay for their occupation.

About this time death came to the man in whose service the Rothschild family had grown great. On February 27, 1821, the Elector of Hesse had a heart attack. With the words,[94] "I shall lose this battle," he expired. His death had nothing like the importance to the Rothschild family that it would have had about ten years earlier, when their transactions with the elector constituted almost their only, and certainly their most important, business.

The new elector spent a great deal of money, but he had not the commercial ability of his father, and the rela-

tionship with the Rothschilds was limited to casual transactions of minor importance. Amschel at Frankfort carried on the business of making loans on an extensive scale to princes and other important personages whom he desired to cultivate. James and Nathan put the Neapolitan securities on the market in London and Paris, making the interest due in London payable in British currency, a fact which induced many people to invest their money in these securities, carrying as they did a high rate of interest. The result was that soon after their issue they rose considerably in price.

Nathan was clever at securing people's support, and at getting publicity for himself. A young clerk from the commercial department of the treasury at Vienna, by name Anton Laurin, had been sent to study in England for some months during the summer of 1820, and was naturally referred to the Austrian consul in London, Nathan Rothschild. Nathan showed a great deal of kindness to Laurin, as he naturally assumed that he would send a report home. He acted as his mentor, and invited him frequently to dinner and supper.

He was so successful in securing the young man's affection that Laurin gave the most ecstatic not to say extravagant and almost tedious accounts of him when he returned home. He sent in such an enthusiastic report to his chief that the latter decided to convey the essential points in it to the emperor, with the request that Nathan should be specially commended.

After recounting how Nathan had helped Laurin, the president of the commercial department of the treasury proceeded to state in his memorandum to the sovereign: "Laurin at the same time reports as to the disinterested work done by this consul, and as to his efforts to be of effective assistance to Austria's credit, industry, and commerce. He states that Rothschild waives all consular fees, actively assists Austrian subjects . . . has secured a quotation for Austrian state securities on the London

stock exchange, helps Austrian sailors generously . . . from his private resources. Nathan is prepared with his own ships to establish a direct service between London and Trieste; he has sent a collection of seeds of rare foreign plants for your Majesty's gardens, as well as several articles of interest in industry and the arts for the Polytechnic Institute without asking for any payment; he is still collecting models and various objects of this kind with a view to bequeathing them to that institute.

"It is not for me to express an opinion as to the value of the services rendered to the credit of the Austrian state by Consul Rothschild; in this connection I can but humbly lay before your Majesty the London stock-exchange report for the 6th ultimo, which he has sent me. In this your Majesty may be graciously pleased to observe that Austrian state debentures are specially mentioned, together with their price, under the designation Austrian Loan. The other efforts referred to above by Consul Rothschild for facilitating and extending Austrian trade, the industrious and disinterested manner in which he carries out the duties of the consulate, so graciously intrusted to him by your Majesty, his generous help to unemployed Austrian sailors, and his efforts to enrich your Majesty's gardens and the Polytechnic Institute deserve proper recognition.

"Through establishing a direct monetary exchange on London, Rothschild has indisputably greatly facilitated commercial and financial transactions. If he succeeds, as he undoubtedly will, in view of the disinterested patriotism of his aims and methods, in establishing direct communication between London and Trieste, the beneficial results to our commerce will be even more marked. Through carrying out this one conception he will earn the well-deserved gratitude of a considerable portion of the Austrian trading community and consuming public...

"I hope that your Majesty may graciously realize from

a perusal of these few lines what an important and beneficial influence upon the trade and industry of the monarchy the nomination of this man as Austrian consul is having. . . . Our former consuls in this country, which is so uniquely adapted to trade and industry, did . . . absolutely nothing for the monarchy, confining their activities to collecting substantial fees from our subjects. . . , The newly appointed consul, Rothschild, has in a very short time done more than all his predecessors put together. I therefore feel it to be my duty to hiring his meritorious activities to your Majesty's knowledge, and at the same time most dutifully to beg that your Majesty's satisfaction may accordingly be conveyed to him." [95]

In his memorandum to the emperor of March 6, 1821,[96] Count Stadion confirmed the statements of Ritter von Stahl, adding that the Rothschilds also deserved praise for the greater facility with which, under the existing critical conditions, the financial requirements of the army in Italy could be met.

These two documents were also sent to Count Zichy for his observations, who passed them to Privy Councilor Baron von Lederer, who gave his opinion in the same skeptical vein he had used when the ennoblement of the family was under consideration.

"The alleged special services of Nathan Meyer Rothschild," he wrote,[97] "are connected partly with his activities as Austrian consul in London, and partly with his relation to the finance departments. If it is due to Rothschild that Austrian government securities are quoted in London stock-exchange reports, and if the transfer of money to Italy has been facilitated through the good offices of the House of Rothschild it must be remembered that the interests of the brothers Rothschild are identical with those of the finance departments.

"The brothers Rothschild are at the head of the business which concluded the last two loans with the Austrian financial administration, so that they are clearly interested

in obtaining a market for Austrian securities abroad, and particularly in London. When banking firms undertake to remit money they are rewarded by a commission set aside for the purpose, and are able to profit by differences in the rate of exchange. I would therefore attach more importance to Nathan Meyer Rothschild's disinterested manner of carrying out his duties as Austrian consul, and would venture immediately to concur in the proposal that he should be acquainted of his Majesty's satisfaction, if I did not feel that the occasion for doing so is somewhat unsuitable.

"A clerk of the commercial department of the treasury, by name Laurin, obtains leave to travel to England. He is given a letter of introduction to Nathan Meyer Rothschild, who receives him in a friendly manner, and supports him in his endeavors to extend his knowledge in the fields of industry and commerce. He returns full of praise of the way he has been received, and takes the opportunity of commenting in high terms on Nathan Meyer Rothschild's disinterested and zealous conduct as consul.

"I am far from wishing to cast any doubt upon the facts that he brings forward, but as he made the journey purely as a private person, and not on any official mission, it was not his business to put these facts forward through official channels, and to take the responsibility for their accuracy. In my humble opinion the statement he volunteered should merely have led to an inquiry on the matter being made through the Austrian Embassy; and it seems to me that this omission can still be rectified."

The emperor, who was not yet fully aware how deeply leading statesmen had committed themselves to the House of Rothschild, did indeed command that further information should be asked for regarding Laurin's statements that Rothschild carried out his duties in such a disinterested manner. Ritter von Stahl, however, stuck to his guns, and was particularly emphatic in pressing the in-

terests of the House of Rothschild. As he knew that James in Paris desired the dignity of an Austrian consul-general, for the same reasons as his brother in London, he suggested, on March 30, that James should be appointed.

The highest quarters did not give any immediate decision in this matter, but the Neapolitan revolution occurred shortly afterwards, involving the close cooperation between Metternich and the House of Rothschild. It was no longer thought either desirable or possible to refuse the brothers anything, as it depended upon their attitude whether or not Austria should recover the money spent on the expeditionary force. Solomon gave his brother James at Paris to understand that he should renew his application to be appointed consul-general, for now was the critical moment, as the Austrian government was more or less in a cleft stick. As it was under an obligation to the House and closely associated with it, it could not turn the request down.

James asked Solomon, as he stood so well in Vienna, to put forward the request himself. Solomon drafted a petition to the emperor, and handed it to Stadion, who, in consideration of the indispensability of Solomon and his family, conveyed it to the emperor with the following memorandum:[98]

"I venture to support this petition, which your Majesty was previously not pleased to entertain, for the following reasons, which relate particularly to present circumstances, and to conditions obtaining during the last few years. Your Majesty is fully aware of the highly important services which the House of Rothschild or, more accurately, the various Rothschild firms established in the principal capitals of Europe have rendered in the complicated difficulties of the present time.

"To the energy and resources of the Rothschilds, to their tireless efforts to apply large sums of money at points where they were immediately required to stem the

tide of events, I owe the fact that I have been able continuously, in all places, and at the right moment, to provide what was necessary for military operations, without interfering with our internal services or the measures to restore our credit. In the precarious state of Austria's finances resulting from recent events, it was only thus that popular feeling and the government's credit could be maintained at the point where they now stand. Through the Rothschilds' clever management, the cost of the extensive monetary movements during the military operations was low compared with any other method of remitting money.

"Through the great services which the Rothschild firms have rendered to us during a most eventful period, their existence has become most intimately bound up with that of the Austrian monarchy. They have incurred the envy and hatred, and to a certain extent the persecution of the whole Liberal party in Europe; and although the extent of their wealth, their firmly established reputation throughout Europe, and their constant rectitude in business matters have so far protected them from the consequences of malicious intrigues, it is really essential that their services should be recognized by our court and that they should enjoy the explicit protection of your Majesty in the principal markets of the world, in order that they may have the necessary strength to resist all these machinations and to continue as useful to the monarchy in the future as they have been in the past.

"This is particularly the case in Paris as being the headquarters of all Liberal activities in Europe, and the city in whose bourse the loans of all states are handled, with no inconsiderable effect upon their value.

"The president of the commercial department of the treasury has laid before your Majesty proofs of what has been done to promote our trade by the Rothschild who has been appointed consul-general in London. Even more successful have been his efforts to develop a market

for the sale of our securities in England and to establish arrangements for directly discounting bills of exchange between Great Britain and the Austrian markets.

"Paris is as indifferent as London to religious distinctions, and the appointment of one of the brothers Rothschild as Austrian consul-general in Paris should be of real service to the commercial and financial interests of the monarchy. Moreover, Rothschild waives the right to any emoluments connected with such an appointment, which he desires only for the distinction attaching to the office as being likely to afford him some protection against the hatred and persecution of the Liberal party in that city."

There was much truth in Stadion's report. The Rothschilds had in fact made themselves unpopular with the more Liberal section of the public abroad, through the contracts which they had made everywhere with the re-established reactionary governments. Stadion was not aware that in spite of their particularly conservative sentiment, especially in Austria, they cultivated relations with the other parties as well, lent money here and there, and thus secured themselves against a political reaction such as was always possible.

The envy of other firms was increasing to a prodigious extent as the power of their house grew. In Paris their position was particularly delicate. For the Bourbon kingdom, with the weak Louis XVIII and the Ultras, who were all the more powerful, was far from popular, and the strictly royalist minister, Villele, who was at the head of the government, was hated by a large part of the population. The brothers Rothschild, however, had necessarily become intimately connected with the new regime and, moreover, as the bankers of the Holy Alliance, they were sending French gold abroad in large amounts.

James Rothschild was often the target of veiled attacks, and once he felt actually constrained to call upon the pre-

fect of police to lodge a complaint regarding the large number of threatening anonymous letters which he was receiving." Through being appointed consul-general he hoped not merely to raise his social prestige, but also to achieve greater security under international law. It is true it was not realized at the court either of Paris or of Vienna that James Rothschild was in close association with the liberal-minded Duke Louis Philippe of Orleans (afterwards King of France). James frequently advised him in money matters, and was very often a guest in his house.

Emperor Francis referred James Rothschild's application to be appointed consul-general to the commercial department of the treasury, with the instruction that they should let him have their observations upon it. Ritter von Stahl did not need to be asked twice to do this. He immediately transmitted the application to Stadion with the following observations: [100]

"England and France are by far the most cultivated states in Europe; in them agriculture, industry, and commerce flourish in the greatest harmony, and it is therefore most important for us to have in their capitals commercial agents who are experienced men, and enjoy an extensive credit. ... As far as commercial and industrial matters are concerned, I cannot suggest a more suitable person for his Majesty than the head of the Paris House, James von Rothschild.

"I made his personal acquaintance during his last stay here; he is a young man of parts, who is intimately acquainted with several members of the Polytechnical Institute in Paris, and of the Conservatoire des Arts et Metiers, as well as with many of the most cultured French manufacturers and business men. Moreover, he expressed to me his readiness, as his brother in London had done, to cooperate in every possible way in promoting our industry and commerce. For this purpose he immediately ordered some interesting machines, which he is giv-

ing to our Polytechnic Institute, assuring me that he did not wish in any way to lag behind his brother in London in proof of his devotion to the House of Austria.

"Finally, the consideration that James Rothschild is a Jew seems, in my humble opinion, to constitute no greater difficulty than in the case of his brother in London. It is true that in the decision regarding the appointment of the London Rothschild as consul, which decision is attached to the application, your Majesty expressly laid down that it would have to continue to be the rule that no Israelite should be appointed consul. Yet if the exception made by your Majesty in favor of the London Rothschild has proved in the highest degree beneficial, it is likely to be no less so in the case of the Paris Rothschild.

"In Paris, too, the consuls . . . have no specially representative character . . . and as, under the French constitution, the Israelites enjoy the same rights of citizenship as all other French subjects in France, I am of opinion that your Majesty may graciously permit an exception to the rule to be made in the case of James von Rothschild such as you have graciously permitted to be made in regard to the London Rothschild.

"While the commercial and industrial reasons for acceding to James von Rothschild's request are weighty, the financial considerations are still more important. This point it is not necessary for me to labor; your Excellency is fully aware that since the recent crucial events in Italy the combined Rothschild houses have rendered far greater services than they had rendered even at the time when his Majesty, with your Excellency's approval, was graciously pleased to appoint the London Rothschild to the office of consul. It is certainly a factor of no small importance in the success of such vital operations to have the support of all these wealthy firms."

In conclusion, Ritter von Stahl strongly urged that Metternich should be asked to express an opinion as to whether there was any objection to the proposal from a

political point of view, so that a further report to his Majesty might be made as speedily as possible.

Metternich duly wrote to Herr von Stahl:[101] "As all considerations of a commercial, industrial, and financial nature make it desirable to grant this application, I have to add only that from a political point of view there is no reason why Solomon von Rothschild's wish should not be granted."

On August 11, 1821, James von Rothschild was duly appointed consul-general in Paris. Thus another of the five brothers had climbed a rung in the ladder of social position.

Immediate payment for his Majesty's favor was required. Since the Austrian army had entered Naples, the Neapolitan government had met all its expenses, including pay; but ten days after so whole-heartedly supporting the petition, Metternich instructed Count Ficquelmont in Naples to get from that government the money that had been expended from the moment when the army crossed the Po. The finance minister had already pressed impatiently to be indemnified for these expenses.[102] The advances already made were estimated at 4,650,000 gulden, and the money was to be repaid in Vienna in six monthly instalments, commencing on August 1, 1821.[103] Metternich sent a private letter to the count, together with these instructions.[104]

"The ministry of finance," wrote the chancellor, "attaches very great importance to the punctual and reliable repayment of the moneys which you are hereby instructed to demand from the Neapolitan government, and it will not tolerate any further excuses for delay. With this end in view, it has concluded an agreement with the House of Rothschild under which . . . Herr Rothschild in Naples has been authorized to make an arrangement with the government in order to facilitate these payments. ... I have the honor to request you to get into communication with Herr Rothschild on this matter, and to support such

proposals as he may consider it desirable to submit to the Neapolitan government. The object of these proposals; will be to make it easier for the government to effect a payment that might cause it some embarrassment without the assistance of this banking firm, and at the same time to facilitate the punctual receipt of a considerable sum of money by our treasury, in the payment of which no further delay can be suffered, as it constitutes a part of our annual budget."

Although he did not succeed in arranging for the Neapolitan government to repay the whole of this amount, Count Ficquelmont managed to obtain compensation to the extent of 4,000,000 gulden, 500,000 to be payable on August 31, 700,000 in each of the following three months, and 1,400,000 in January, 1822.[105] The first amount was paid to Carl Rothschild and transmitted by him through his brother Solomon to the Austrian government. It had been possible to make this payment out of existing funds, but further payments were to be met out of the loan of the House of Rothschild.[106] Thus part of the money subscribed for the loan never reached the Neapolitan Treasury at all, but was made over to Austria direct by the House of Rothschild, although Naples bore the whole burden of the loan.

The government of that kingdom at this time made the request of Carl Rothschild that in consideration of certain additional advantages he would, if possible, make his loan payments to them earlier than was provided for under the agreement. Rothschild agreed, on condition that he was allowed to deduct the first two instalments of 700,000 gulden, and transmit them direct to Austria. Carl reported the conclusion of this agreement to Count Ficquelmont, stating:

"I am accordingly glad to be in a position ... to give your Excellency the assurance that the first two payments are secured, and that I shall be making payments to your Excellency, instead of my brother making them in Vienna.

Your Excellency will no doubt realize that this was the principal reason which led me to fall in with the suggestion—at some sacrifice to myself. For I was thus able to satisfy your Excellency's wish that the payments in question should be secured to the I. and R. Treasury, and at the same time furnish further proof that I am always prepared to make every effort in the interest of his Majesty's service. As for the balance of 1,400,000 gulden (out of the total of 4,000,000 gulden) due in January, I shall try to deal with this sum in a new loan which the royal government of Naples intends to issue shortly. . . ," Carl Rothschild had thus endeavored to meet the convenience of all parties. He made it easier for the Austrians to recover their expenses, and he paid the instalment on the loan to the Neapolitans before the agreed dates. He himself did not do badly, for in June, 1821, the bonds he had underwritten at 60, already stood at 76 1/2! The court of Naples had been in such urgent need of the advance payments on account of the loan that when Carl agreed to make them, he received a special letter from the finance minister.[107]

"His Majesty," the letter ran, "has instructed me to communicate to you in his royal name, his full and gracious satisfaction with the consideration you have shown in the matters affecting the treasury."

The king's debts to the emperor were also settled through the House of Rothschild by making a deduction from the loan. The balance, so far as it was not used in the maintenance of the Austrian army, was not spent either carefully or usefully. In spite of all the loans, therefore, the country continued to be oppressed by financial stringency; and the Neapolitan ministers were constantly complaining of the annual charges (amounting to nine million ducats) for maintaining the Austrian army, which made any reasoned finance impossible. But Austria insisted upon its pound of flesh, and Stadion's attitude was positively petty when Carl Rothschild

transmitted the moneys to Austria in bills due in three months. The finance minister demanded immediate payment in cash, as Naples was required to pay the money free of all charges in Vienna. Carl took the stand that without his intervention and willingness, the Neapolitan government would have been absolutely unable to carry out the obligation it had incurred to the Austrian court to pay four million gulden, so that he had felt himself justified in adopting this method of remitting the money.[108] Henceforward, however, he paid in cash, and simply debited the expense of remitting the money and the loss on exchange to the Neapolitan treasury.

In such circumstances the first loan was naturally soon exhausted, and the Neapolitan finance minister found it necessary to apply to Carl Rothschild for a second loan. After lengthy negotiations a loan of the nominal amount of 16,800,000 ducats was arranged at the end of November, 1821, which in view of a wider market and the resulting improvement in price was underwritten at 67.3 in spite of the fact that the state's indebtedness had increased.

When the amount of 1,400,000 gulden fell due on the last day of January, 1822, the finance minister himself asked Rothschild to make the payment out of the loan,[109] as Naples was not able to find the money; for the support of the Austrian troops was a constant heavy burden on the treasury. Stadion's financial program with regard to Naples was carried through quite ruthlessly; and Metternich was able to point out to the finance minister that thanks to the Rothschild intervention, which he had advised, the undertaking that Stadion had so much dreaded had been completely financed by Naples.

Metternich fully appreciated the services rendered by the House of Rothschild, and was prepared at Solomon's urgent request to devote greater energy henceforward to securing the emanicipation of the Jews. Slowly but surely, the rich Jewish bankers, who had been brought

into touch by the Rothschilds with the delegates to the diet at Frankfort, improved their social position. Severely though they had been shunned before, the change became apparent during the first months of 1820. The Rothschilds and other representatives of the commercial world gave big dinners, and the bearers of the most noble names, as well as persons in every kind of high office, were seen at their tables. In this way they often acquired items of news that they could turn to account in business.

"Since arriving here," the Bremen burgomaster Smidt wrote from Frankfort,[110] "I have found to my great astonishment that people like the Bethmanns, Gontards, Brentanos eat and drink with prominent Jews, invite them to their houses and are invited back. When I expressed my surprise I was told that no financial transaction of any importance could be carried through without the cooperation of these people, they had to be treated as friends and it was not desirable to fall out with them. Having regard to these facts the Rothschilds have been invited by some of the ambassadors."

During this period Amschel Meyer Rothschild's wife was invited to a ball at the Prussian Legation in Frankfort. Smidt specifically recorded his opinion regarding the Rothschild family in a report of a conversation with the delegate to the diet, Count Buol.[111]

"This house," he observed, "has through its enormous financial transactions and its banking and credit connections, actually achieved the position of a real power. It has to such an extent acquired control of the general money-market that it is in a position either to hinder or to promote, as it feels inclined, the movements and operations of potentates, and even of the greatest European powers. Austria needs the Rothschilds' help for her present demonstration against Naples; and Prussia would long ago have had to discard her constitution if the House of Rothchild had not made it possible for her to put off the evil day. Several medium and small states have also

had recourse to its financial power in their difficulties. This puts it in a strong position to ask for favors, especially for a favor of such an apparently trivial nature as the protection of a few dozen Jews in a small state."

At the end of May, 1820, Metternich sent a dispatch to the reluctant Buol instructing him to support most of the Jews' wishes in the diet. Buol, however, was inclined to follow out his own predilections, so that there was no immediate change in the situation; indeed the senate showed a tendency to revert to increased harshness in dealing with the Jews. Thereupon Metternich firmly admonished Buol to put an end to this state of affairs, with the result that the diet sent a kind of ultimatum to the senate.

The chancellor went even further; he traveled to Frankfort himself, and decided publicly to honor the Rothschilds there by accepting an invitation to dine with them. He had let Amschel Meyer know this through Solomon at Vienna, who had just come into prominence again through an action which had won sympathetic recognition in high quarters. The I. and R. Court Theatre at the Karntner Tor was again without a lessee, and the only applicant, Dominik Barbaia, was unable to find the deposit of fifty thousand gulden in cash required under the terms of the lease. The House of Rothschild stated that they were prepared to guarantee and pay this amount to the I. and R. Treasury, whereby, as the document of guarantee stated, "the further continuance of an entertainment worthy of the dignity of the imperial court and the capital city" was assured until the year 1824.[112]

On his arrival at Frankfort, Metternich received the following letter from Amschel Meyer Rothschild:[113]

MOST EXCELLENT PRINCE ! MOST GRACIOUS PRINCE AND LORD !

I hope your Highness will not regard it ungraciously or consider it as a presumption if I make so

bold as to ask your Highness to do me the gracious favor of taking soup with me this noon.
Such a favor would mark an epoch in my life; but I would not have ventured this bold request if my brother in Vienna had not assured me that your Highness did not entirely refuse his entreaty to grant me this gracious favor.
The Austrian gentlemen here have assured me that they will also be present in such a case. If your Highness wishes to come at another time, please command me, for any man feels himself happy to be in your Highness's company.

Metternich accepted the invitation and, accompanied by his intimate friend Countess Lieven, came to lunch with Amschel Meyer, an event which did not fail of its effect upon the diet and upon society in Frankfort The two burgomasters of Frankfort, although invited, did not come. The senate, however, was prepared to make all the concessions asked for, except to agree to the designation, "Israelite citizens." Metternich had seriously to emphasize his "definite wishes" to the obstinate Buol, instructing him to act "in strict accordance with them." But the senate remained obdurate, Buol practiced passive resistance, and the Jewish problem remained unresolved.
While making these social and diplomatic efforts on behalf of the Jews in general and of the Rothschilds in particular, Metternich instructed Gentz to see that the House of Rothschild did not suffer in the press. Because of the close association of that House with Austria, which was ruthlessly repressing all liberal movements in Germany, the more radical sections of the German public, and their papers, were venturing to pass some rather hostile judgments upon the House of Rothschild, in spite of the prevailing censorship. Gentz had repeatedly to listen to Metternich's reproach that he had not got the newspapers sufficiently in hand. For whenever an article unfavorable to the Rothschilds appeared in a German paper,

Solomon pressed Metternich to use his influence to prevent such occurrences in the future. Even the Frankfort letters to the Allgemeine Zeitung, published by the firm of Cotta, contained such attacks. Gentz felt that it was his duty to intervene.

"Sir," he wrote on October 18, 1821, to Cotta, "you will have heard from other sources that there is again grave dissatisfaction here regarding the manner in which the Allgemeine Zeitung is edited. ... It seems to me all the more necessary that if you are really anxious that the A.Z. should continue to circulate in the Austrian states without restriction, you should at least mitigate such offending passages as convey the impression of hostility to Austria. . . .

"I refer to such articles as those of Frankfort origin, which have been appearing with some frequency lately, and which comment upon the financial operations here and the rate of exchange in a manner unfavorable to Austria and her credit. It is true that the general sense of these articles reveals the fact that they are directed, not against our state securities, but against the House of Rothschild. Under prevailing conditions, however, it is obvious that the moves attributed to the House of Rothschild always react upon our state credit, and are generally more damaging to it than to the Rothschilds, who in such cases are well able to help themselves."

On December 4, 1821, Gentz wrote again, saying, "The constant attacks upon the House of Rothschild invariably, and sometimes in the most outrageous manner, reflect upon the Austrian government by necessary implication, since everybody knows they are transacting important financial matters with that House, which is not only unimpeachable, but honorable and thoroughly respectable. The persistent rumors regarding new loans are invented simply and solely in order to undermine the confidence which our public securities have won and which they deserve."[114]

The Allgemeine Zeitung was thereafter banned throughout the whole dominions of the Austrian monarchy. Cotta, who although no friend of the Jews was a sound business man, was exceedingly displeased at this and requested Stegemann, the editor-in-chief, to be more careful, as Gentz—and they both knew well that meant Metternich—had complained bitterly about the paper.

Stegemann replied:[115] "In view of the letter from Herr von Gentz which you have been kind enough to communicate to me, I gladly give my formal promise not to accept . . . anything in future relating to the value of Austrian public securities, or anything whatever relating to the House of Rothschild (at least as affecting its relations with Austria). This means of course that I shall have to adopt a new, very cautious, and colorless attitude to affairs. ... In point of fact, I know nothing of any attacks against the House of Rothschild, unless the remark that Madame Rothschild has received her first invitation from the Prussian minister constitutes an attack." In a word, Cotta and Stegemann submitted, and for the time being the brothers Rothschild did not have to bother much about the very widely read Allgemeine Zeitung. The zeal Gentz had shown in this matter was not attributable entirely to Metternich's instructions. Since his return from Laibach to Vienna he had grown more and more intimate with Solomon Rothschild. He often had occasion to confer with him on behalf of his chief regarding the Neapolitan loan, and on one occasion Metternich made a very friendly remark to Gentz, regarding the attitude of the House of Rothschild in this matter.[116] It happened that on the following day Gentz met Rothschild at a dinner given by the banker Eskeles at Hietzing; and he hastened to inform him of the "remarkably flattering remarks made by the prince." This produced, as Gentz himself records in his diary, results most favorable able to himself. "This morning," he notes,[117] on June 24, 1821, "Roths-

child paid me a very long visit; he told me the same remarkable story about his money and family affairs as I had recently heard from the prince. At the same time he gave me the account of my share in certain recent financial operations, from which it appeared that, entirely contrary to my expectations, nearly five thousand gulden were due to me."

Gentz's diary for the next few months is full of notes of meetings with Rothschild, and constantly mentions his "very agreeable communications,"[118] and "important financial arrangements."[119]

At the end of the year Rothschild specially demonstrated his gratitude for all the information he had received, and for the influence that had been brought to bear upon Prince Metternich and the press. "Rothschild breakfasted with me," Gentz notes in his diary on December 22, 1821, "and gave me a proof of real friendship for which I cannot feel too grateful to this excellent man at a time when all my income from the principalities has come to an end,[120] and nothing is done by those in authority to compensate me somewhat for this loss."[121] Finally, Gentz played his part in bleeding the Neapolitan treasury, and Rothschild assisted him in this matter too.

On New Year's Day Rothschild waited at Gentz's house until he came back from Metternich in order to tell him that a courier was leaving for Naples next day, and that Gentz might send an urgent reminder regarding the gratuity promised him by the court of Naples. He, Solomon, would see that the matter was put through by his brother Carl and General Roller, the intendant general of the Austrian troops. Gentz and Rothschild had become positively inseparable; the friendship certainly cost Solomon a great deal of money, but the cost was negligible in view of the advantages which it brought him.

The restoration of the Neapolitan kingdom by the Austrians placed heavy burdens upon the people. Count

Ficquelmont estimated that Naples had to pay 23 to 24 million gulden, or 12 to 13 million ducats, for the annual upkeep of the Austrian army;[122] he himself was terrified at the magnitude of the amount. "If the burdens that we impose," he reported to Vienna, "are so oppressive that they are more than the country can stand, all parties will unite in desiring our departure. Instead of being a protecting power we shall become oppressors. The end of it will be that we shall not be able to remain as long as our interests and those of the kingdom of Naples require."

The ambassador also stated emphatically, as he had often done before, that the finance minister was entirely incapable, and that there was only one man who could restore order, namely, Luigi de'Medici, the former finance minister, who had been overthrown by the revolution. All the other foreign representatives were also of this opinion, but the king feared Medici as a man whose intellectual gifts would not accord well with his own autocratic temper. Ficquelmont discussed this matter with Carl Rothschild, and Rothschild also thought that it was only by appointing this descendant of the eminent Tuscan noble family—a man of outstanding honor, energy, and administrative talent—that the material recovery of the country could be assured.

Although Medici had enemies among the royal family, such as the Duke of Calabria—to whom he had refused to give money for the duke to squander in an irresponsible manner—successful pressure was brought to bear by the Austrian government with the result that he was reappointed finance minister at Naples in the spring of 1822.

The new minister did succeed with great difficulty in getting the country out of its serious embarrassments.

It is true that not even he was able to deal with the demands of Austria, but he proved himself a pertinacious accountant, and managed to knock down considerably the maintenance expenses of the Austrian army, the returns for which had always been scaled up very generously.

He contrived to make the second Rothschild loan last longer than his incompetent predecessors had done in the case of the first loan, but in December, 1822, he was compelled to have recourse to a third loan, the extent of which was 22 million ducats nominal. Later on he raised a fourth loan of 2 1/2 million pounds sterling at the rate of 89 4/5, in order to acquire the necessary funds for paying the Austrian army for a further period, and for covering the deficit in the budget.

Through arranging for the loan to be issued in sterling instead of in ducats Nathan expected especially to interest English investors,[123] and in this he was successful. By February 26, 1824, the loan was already quoted at 96.75. The public debt of Naples, which before the revolution had stood at 28 million ducats, had risen by the year 1824 to no less than 104 million ducats nominal, yet the bonds appreciated so considerably in value that some Neapolitan public securities stood at 108 in April, 1824. It might have been expected that as the amount of the debt increased these quotations would fall, since, the income having remained comparatively stationary, the security for repayment of the debt diminished as the debt increased in amount.

The ambassador Ficquelmont fully appreciated the position when he wrote: "It was therefore another's credit and not that of Naples that caused the prices to rise, namely, the credit of the House of Rothschild. The value of its public securities is therefore not a reliable basis on which alone to found an estimate regarding a state's welfare. By so doing one might be gravely misled.

"Securities at Naples have risen in value because a wider market for them has been found. London and Paris have become the principal centers through which they are sold. It has not been possible for Naples to contribute in any way to the result, since Naples merely punctually paid the interest on its debt. ... A small portion of the funds has found its way to Austria, the bal-

ance, . . . which was not placed in Naples, has been gradually absorbed by powerful banking firms in London and Paris, which derive their profit from fluctuations in value, and have thus recouped themselves (and a great deai more) for the capital sums which they have advanced."[124]

Thus, briefly stated, the financial policy of the Rothschilds in Naples was summed up. Carl Rothschild had originally gone to Naples with the intention of remaining there only for a short time, as its occupation by Austrian troops was intended to be a temporary measure; but local conditions made it necessary that these troops should remain in the country for a much longer period, unless by withdrawing them Metternich was prepared to risk having the king and his reactionary supporters driven out of Naples.

While the Austrians remained, the presence of Carl was an urgent necessity; and his wife, who had embarked on the journey to Naples as a pleasure trip, made arrangements for a prolonged stay. Carl extended his business, and finally contrived to make himself indispensable to the Neapolitan court in financial matters. He struck roots in that beautiful city of southern Italy, and what had ar first seemed likely to be a brief business sojourn was destined to develop into permanent residence. And the House of Rothschild acquired a new center of operations in the world.

In spite of Stadion's efforts through Rothschild and military pressure to get in the money expended in Naples, the Austrian budget had got into a state of sad confusion. The rising in Piedmont had cost a great deal of money, and the military expenses had attained colossal figures. In despair Stadion reported to the emperor and Metternich[125] that the excess of expenditure over revenue was such that there was a permanent annual deficit of at least 20 million gulden, or more than one-sixth of the total budget. He urged the necessity for putting an end to this

disastrous state of affairs. If it were to continue for a longer period of years, it would involve the downfall of the monarchy.

Stadion stated that another loan to cover this deficit was urgently required, and suggested recourse again to the House of Rothschild, whose wealth had increased prodigiously of recent years. Moritz von Bethmann, who was staying in Vienna in February, 1822, expressed the following opinion regarding the House of Rothschild:[126]

"I can understand that the Rothschilds prove exceedingly useful instruments to governments, and am far from wishing to cast aspersions on them or from envying them their good fortune. Solomon especially is a man of the most estimable character, and I am exceedingly fond of him. I have heard from a reliable source that Solomon Rothschild has stated that the annual balance sheet of the five brothers showed a net profit of six million gulden in 20-florin measure. This is certainly a case where the English proverb applies: 'Money makes money.'

"Observing their industry and judgment, we may expect their business to continue to flourish; indeed one hopes so, since the overthrow of this Colossus would be terrible. The harmony between the brothers contributes largely to their success. None of them ever thinks of finding fault with another. None of them adversely criticizes any of the others' business dealings, even when the results do not come up to expectations. Solomon has won people's affections here, partly through his general modesty and partly through his readiness to be obliging. Nobody leaves him without feeling comforted."

Stadion's gloomy report regarding the condition of the public finances induced the emperor to give his agreement to a loan being obtained from the House of Rothschild. Rothschild was approached in March, 1822, an amount of 28 to 30 million gulden being mentioned. The treasury official, Baron von Pillersdorff, wrote a consid-

ered report on the offer sent in by the firm.[127] Rothschild proposed that 30 million gulden should be issued at 70%, so that the loan certificates to be issued would represent a nominal capital sum of 42,957,000 gulden. As interest was allowed to be deducted, even before the money was paid, a capital amount of 42,875,000 florins would have to be issued in respect of cash received, amounting to 18,785,717 florins.

"If we compare the real underwriting figure (allowing for the deduction of interest) of 67%," Pillersdorff's report continued, "with the ruling price which averages 75%, we find there is a difference of eight points, or 10 2/3% in favor of the underwriters, which would mean a profit to them of 3,428,000 gulden. It further appears from the above statement of the case, that the interest payable on the suggested loan would amount to 7 1/2% per annum.

"The view to be taken of these conditions," the report concluded, "follows naturally from a consideration of the figures detailed above. In my opinion they are exceedingly onerous and less favorable than any previous proposals, having regard to the fact that the first loan, concluded when Austrian credit was in its infancy, was a daring experiment. They are unacceptable in view of all the reactions that would result. . . .

"Taking all these considerations into account, the proposals put forward do not seem to me such as should be accepted, even as a basis for further negotiation. It would certainly be a severe blow to the country's credit if it became known that, in the circumstances indicated above, a loan had been concluded at the price of 67%, especially when one bears in mind that the treasury would have to meet the reproach of having confined itself to a single offer."

The House of Rothschild was accordingly informed that the treasury was prepared to carry through a financing operation with them and Parish, if this could be ar-

ranged on favorable terms, but that the proposals made could not be regarded as such. Moreover, the treasury-wished to take up only a small amount. The Rothschilds, who wanted to get the business at all costs, replied in the following terms:[128]

"We hasten hereby to inform your Excellency that we have just heard from our houses in London and Paris, that several firms in those cities have informed them of their desire to invest capital in Austrian funds, and thereby to participate in a loan arranged for his Majesty's service. In view of our friendly relations with those firms, we should be exceedingly glad to meet their wishes as far as we can. So we venture to inform your Excellency, in connection with the offer (we have now made) for underwriting twelve million gulden of five per cent loan, that we are prepared in any event to offer one and a half per cent more for the amount decided upon than is: offered by any other firm."

The Rothschilds sent in a second letter on the same day, in which, together with Parish, they endeavored to get the large loan. They tried again to induce the finance minister immediately to issue the loan on a larger scale, as they stated,[129] "principally in order that the credulous and uninstructed public should have no occasion to believe that a similar operation would be repeated at an early date." The letter concluded: "In the full conviction, that none, not even the smallest circumstance of any significance escapes the profound insight and business acumen of your Excellency, we are confining ourselves briefly to indicating the above consideration and are content to leave the appreciation of it entirely to your Excellency's wisdom and judgment."

When the Austrian Treasury did not accept this offer, Solomon Rothschild felt personally aggrieved. He took his troubles to Gentz, who had just received a gratuity of three thousand ducats from the court of Naples, through Carl Rothschild's interventions. Gentz reports[130] how

Solomon described, with many tears, how inconsiderately he had been treated in more than one quarter, in connection with his new loan proposals.

This failure was soon compensated for by other important transactions. Nathan had just concluded a loan of three and one-half million pounds with Prussia, and the repercussions of this transaction were felt as far as Frankfort and Vienna. Concurrently there were a large number of small loans arranged in Germany and Austria, with the higher nobility, who were short of money in both countries.

The loan, amounting to nine hundred thousand gulden, which Prince Metternich himself obtained from the House of Rothschild on September 23, is of particular interest. It was a perfectly straightforward business; the loan bore jive per cent interest, and was to be repaid by 1834; in fact the prince repaid it in full in 1827. There was nothing in the least suggestive of bribery about the transaction—Metternich was no Gentz—but it was bound to make the chancellor, who thus became Solomon's debtor, feel not entirely free in his dealings with him. At all events it had the result that Metternich was more inclined to be sympathetic to the personal wishes and requests of Solomon Rothschild and his brother.

The chancellor had known for some time that the brothers Rothschild were not content with the simple "von" that they had acquired in the year 1817, and that they had their eye on the title of baron. Upon Gentz one day sounding Metternich as to whether a request in that direction was likely to meet with success, the chancellor gave him to understand that he would raise no objection. The brothers accordingly put forward this request, mentioning their services to Austria. And it was granted; by an imperial decree, dated September 29, 1822, all the brothers and their legitimate descendants of either sex were raised to the rank of baron.

Thus most of the objections raised by the College of

Heralds, the court officials, and Baron von Lederer, were automatically discounted. The Rothschilds obtained the seven-pointed coronet which, as a rather broad hint, they had drawn on the coat-of-arms submitted in 1817. The lion on the coat was also granted, and instead of the four arrows which the hand had grasped since they had been admitted into the ranks of the minor nobility, there were now five, symbolizing the five brothers. They were also granted supporters, a lion and a unicorn, and three splendid helmets adorned the coronet. The motto, "Concordia, integritas, industria," was intended to express the harmony between the brothers, as well as their honesty and tireless industry.

In view of the enormous value attaching to any title of nobility in those times, the promotion to the rank of baron signified for the Jewish House, which only twenty years ago had been almost entirely unknown outside its native town, an almost immeasurable increase of prestige. The private life of the brothers also changed from this time. They occupied luxurious dwellings in Frankfort, Paris, and London. Only the aged Gudula stuck faithfully to the family house in the Jewish quarter until her death in 1849 at the age of ninety-six.

Their efforts firmly to establish their social position also met with success, especially as the stories of the family's wealth had invested its members with a kind of legendary halo. They consciously encouraged this belief in their wealth and their power, for they fully realized that it increased the credit of their House. Astonishing though the achievements of the five brothers had been since their father's death, they showed no sign yet of flagging in their efforts. They were driven by the constant urge to accumulate ever-growing riches, and to increase their power and prestige.

CHAPTER V

The Rothschild Business Throughout the World

THROUGH his vigorous intervention, Metternich had restored peace after his fashion in the Apennine Peninsula. The chancellor, however, was constantly apprehensive for the future of his system and the principle of legitimacy, and dreaded the spread of liberal and democratic ideas. When the fires had been quenched at one spot they burst out at another on the broad continent of Europe. Attention was now directed to the Greek rising, and to the civil war in Spain, which had been continuing since 1820.

In this country, which had wrung a constitution from the king, the opposing forces of the Right and Left were still in conflict. During the summer of 1820 the radical members of the Cortes treated the king practically as a prisoner, and on June 22 of that year Ferdinand VII wrote to the King of France requesting him to send forces to his assistance, and also endeavored to induce the other great powers to assist him against his own subjects.

The idea of intervention did not appeal particularly either to the King of France or to his chief minister Count de Villele, although one party, that to which Chateaubriand belonged, was very much in favor of it. The matter had come to be one that concerned the whole of Europe, and Metternich had grown accustomed to intervene decisively in any important European crisis. He had found that the most effective way of doing so was through the congresses of sovereigns, such as had repeatedly been held of recent years. These congresses gave him the opportunity of using his persuasive powers to the full.

On October 20, 1822, another such congress met, this time at Verona. Metternich and Gentz accompanied the emperor to Verona as they had to Laibach, and profiting by their previous experience they took Solomon Rothschild with them. For it was obvious that if it were decided at Verona to apply measures of compulsion to Spain, the resources for this would have to be forthcoming immediately. As the House of Rothschild had proved so useful in the case of Naples, it was desired to make use of it if necessary on this occasion too. In the case of the congress at Laibach, Solomon had felt misgivings about leaving Vienna; but he made no difficulties now.

When Solomon arrived at Verona he learned from several representatives of the powers there of a rumor abroad that the House of Rothschild had offered a loan to the government which had come into power through the revolution, and which was threatening its own king, or that the Rothschilds had at any rate entered into negotiations with this government. Such conferences may actually have taken place; but it was of the utmost importance to the Rothschilds that Metternich should be reassured. He must not be left in any doubt as to the fact that their House was lending its support only to the legitimists and the conservative regime. Solomon therefore two days after his arrival at Verona hastened to write a letter to the chancellor refuting these rumors:[1]

"Most gracious Chancellor," the letter ran. "On my arrival at Verona I was amazed to learn that men of standing here believe that our House has contracted or intends to contract a loan with the Spanish government. Your Highness is far too familiar with the sentiments of myself and my brothers to give such a baseless rumor more than a moment's consideration. It is so wholly inconsistent with our general reputation that I do not think it necessary for me to go into explanations regarding the matter. I will confine myself to stating that your High-

ness may rest assured that we have never concluded any loan with the Spanish government, that we shall not conclude any such loan, and that we have refused such offers as have been made to us in this matter as decisively as we have, in your Highness's knowledge, refused similar offers in the past."

Solomon had spoken the truth. He had had nothing whatever to do with any arrangements with Spain; his brothers certainly, especially Nathan who lived in liberal England, often did things which they did not immediately communicate to the other brothers, and which these learned of only after the fait accompli; but on this occasion there had actually been no agreement concluded with Spain. After handing his letter to Metternich, Solomon called on Gentz. Alexander von Humboldt had just left him. Humboldt was attached to the King of Prussia's suite, and he had been discussing problems of high philosophy with the "Pen of Europe." In order to assure himself of Gentz's support during the congress, Rothschild held out to him the prospect of further profitable transactions, and Gentz noted with satisfaction in his diary that Rothschild had discussed with him "matters which although not so high were far more pleasant."[2] During the whole period of the congress Solomon and Gentz had been inseparable, and both had derived the greatest advantage from their association. Gentz introduced Solomon to the representatives of Russia, and the delegates of the tsar's dominions soon concluded a loan of £6,000,000. Apart from the business profit realized on this transaction, Solomon contrived to increase his personal prestige.

"Rothschild and his Paris brother had the Order of Vladimir conferred on them yesterday," Gentz wrote[3] to Pilat the editor of the Oesterreichischer Beobachter, which was the most widely read Viennese newspaper at that time. He would be very much pleased if this fact could be mentioned in the papers in an appropriate man-

ner in the near future. "I do not feel that this can conveniently be done in the Beobachter; its proper place would be in an article on Verona, and as you have not published such an article yet, there would be something comic in this being the first item of news from here.

"We must, however, do everything possible to satisfy such a good and loyal person as Rothschild. You might give this matter your thought. In any case please see that it is mentioned as soon as possible in the Allgemeine Zeitung. Have the following statement printed in that paper: 'In recognition of the distinguished services rendered to the Russian Empire by the House of Rothschild in various important financial and credit operations the emperor has conferred the Order of Vladimir upon the barons Solomon and James von Rothschild.' Do not say St. Vladimir and do not refer to the class, which neither I nor the Rothschilds know."

Sometime later Gentz had occasion to send a reminder to his friend and wrote: "You have not replied to me regarding the Order of Vladimir conferred upon the Rothschilds. The baron is asking me every day whether you have forgotten about it. He is particularly anxious that the news should be featured in the Beobachter, and I do not see why this should not be done. At all events the news should be mentioned by you in the Allgemeine Zeitung before somebody else prints it in a misleading and possibly a malicious manner."

In the end the distinction was duly announced in both papers, and the news that the mighty empire of the tsars was also having financial dealings with the House of Rothschild appreciably assisted in raising its credit with the general public.

Meanwhile Solomon had inaugurated a private service of couriers between Verona and Paris and Vienna, and the Rothschilds proceeded to exploit the news about the congress, which they thus received in those capitals before anyone else.

At first it was not by any means certain whether armed intervention in Spain would be decided upon. Even Metternich was not entirely in favor of it, and as war with Spain was therefore not expected[4] French securities kept rising in value. Suddenly, on the arrival of a courier from Verona, James Rothschild sold French bonds to the nominal value of five million francs. The following day it became known that the banker Ouvrard, who was also staying at Verona, had concluded a loan with the Regency Government, which had been set up by the supporters of absolute monarchy in Spain for the duration of Ferdinand's captivity.

It was certainly natural to draw the inference that the congress was taking the side of the king, and a sharp fall in brench bonds resulted. The capital of France re-echoed with reproaches against ministers who had constantly averred that they were determined to avoid war with Spain. The slump became more and more acute, until, a few days later, the British ambassador got news from Vienna. It then became generally known that no decision had yet been taken, and Wellington was continuing, on behalf of England, to oppose the proposal for intervention. The securities now began to go up, and the good news was confirmed by Rothschild. On November 18, Villele wrote to his representative at Verona to say: "The Rothschilds' courier is causing our securities to rise again. He is spreading the news that there will be no intervention. I do not believe in these deceptive booms, which entail fresh variations in the rate of exchange and heavy losses to many persons,[5] especially when there may be a risk of war later."

The House of Rothschild was thus using the general political situation for the purpose of doing profitable business because it was able to get news early. James had been alarmed by the contradictory reports that had followed so rapidly upon one another. Solomon had confidentially informed him that important decisions were

obviously pending at Verona, and that the French government would play the leading part in them. Solomon suggested that it would be exceedingly useful if James would come to Verona personally.

James quickly decided to make the journey, and on November 22 Solomon introduced his brother James to Gentz at Verona. On the following day the two brothers dined with Prince Metternich. A few days later, on November 26, Solomon planned to take advantage of his brother James's presence in Verona, and go himself to Vienna. Gentz had just given him a secret report on the congress, and several letters which he wanted taken to Vienna. But a post from Rome informed him that their brother Carl was shortly to arrive from Naples. Solomon postponed his journey for two days. The three Rothschilds had thus an opportunity thoroughly to discuss Neapolitan and Spanish affairs, and the probable result of the congress. After this Solomon and James returned home.

At the beginning of the congress, Solomon had been sending so much news from Verona to Vienna that the bulky Rothschild postal-packets attracted the notice of the postmaster at Scharding. He felt called upon to draw the authorities' attention to this exceptionally voluminous correspondence. This naturally did not particularly excite them, since numerous communications were entrusted to the Rothschild couriers by Metternich and Gentz themselves.

The decisions of the congress did finally lead to armed intervention by France in Spain. The congress passed off with great brilliance and duly impressed the world at large. The ancient arena at Verona was the scene of a magnificent banquet, which was attended by all the members.

Rossini, who was then at the height of his creative powers, charmed the members of the congress with melodies from his operas. Solomon, who had known Rossini

in Vienna, introduced him to James at Verona, and this proved to be the starting-point of a friendship which was to develop into intimacy in Paris, especially during the last ten years of their lives.

Solomon dealt with Prince Metternich's personal expenditures at Verona—amounting to 16,370 lira—as indeed the House of Rothschild had furnished[6] all the cash spent in Verona, drawing it partly from France and partly from the various money-markets of the Lombard-Venetian kingdom.

The relations between Austria and that House were constantly growing closer, and her leading statesmen were scarcely able to refuse any request put forward by one of its members.

On September 30 the commercial department of the treasury received an application from Nathan, asking to be appointed Austrian consul-general in London. He pointed out not only that he had punctiliously performed the duties enumerated in his official instructions, especially in the matter of rendering assistance to Austrian seamen—doing so without asking for any compensation—but that he was the sole consular representative of a foreign power in London who had not the rank of consul-general.[7] He promised not to relax his watch on Austrian commercial interests in the future, and also most conscientiously to carry out any instructions which he should receive. The commercial department of the treasury strongly supported this application, and Metternich sent it forward to the emperor with the following memorandum:

"The said Rothschild has for a considerable period occupied the office of Austrian consul in London, to the general satisfaction of his chiefs, and in a disinterested spirit has carried out his duties often involving personal sacrifices, from which he never shrank where the prestige and the interests of your Majesty's service were involved. Your Majesty is moreover graciously acquainted with the

services rendered by his House to the imperial state. The incongruity of his present rank in relation to the commercial agents of other foreign powers in London, who generally are styled consul-general, cannot fail to injure his official prestige."

Metternich also pointed out that James in Paris already had the title of consul-general, and Emperor Francis accordingly granted the application. So Nathan now held the same position in London as his brother in Paris. That city was the center now of Rothschild enterprise. The question of intervention in Spain was still the dominating issue, and as in this matter England was sharply opposed to the conservative groups in Russia, Austria, and France, it was inevitable that there should be a corresponding conflict of opinion within the House of Rothschild.

Metternich, with his legitimist policy, had Solomon completely in tow; Amschel was not so prominent, bu| owing to the Jewish problem at Frankfort, he had to follow the direction indicated by his protector Metternich, while James in Paris was so closely bound up with the leader of the ministry, Count de Villele, and anticipated such advantages from this connection that he too was compelled to fall in with the conservative group, who were all-powerful on the Continent. Carl at Naples was; also a dependent upon Austria, so that Nathan in liberal England was in an awkward position with regard to his four brothers on the Continent.

As a naturalized Englishman, and as banker of the richest state in the world, he personally would have wished to fall in with its political opinions as completely as possible. Indeed, it was necessary that he should do so, as otherwise he would speedily have lost his connection with the British government, and any possibility of doing big business in the future.

After the conclusion of the indemnity transactions in Paris, James had succeeded in getting on good terms with the Bourbon court, and especially with the leading min-

ister Count de Villele. He had often been able to oblige influential persons in matters of finance, a fact which assisted him in his efforts to consolidate his position. Soon after his appointment as consul-general James had taken the magnificent Palais Fouche formerly occupied by Napoleon's commissioner of police, and the magnificent style in which he lived served to enhance his prestige. He was still a bachelor, a fact that somewhat limited his social activities, but also made it easier for him to make his way into exclusive circles, some of which still showed great reluctance to admit the Jewish parvenu, and only did so when personal interests made it appear desirable. Conditions, however, gradually improved in this respect as his wealth increased. James also benefited by the fact that the great Paris bankers of that period such as Laffitte and Casimir Perier were either liberal, or indeed almost revolutionary, in their views, while others such as Delessert, Mallet, and Hottinguer were too nervous to undertake risky ventures on a large scale.

In 1823 James offered to place funds at the disposal of Villele, and informed him that he was prepared to come to his assistance in alleviating the financial embarrassments of the treasury. James's first important transaction with the French Treasury consisted in undertaking the sale of 6% Royal Bonds. When at the end of January, 1823, the campaign against Spain was decided upon, James gave Villele to understand that he was prepared to deal with the big loan to which the chamber had agreed. Villele bethought himself of the precedent of Austria and Naples, and suggested that Rothschild should in a similar way raise the money necessary for intervention in Spain through negotiating a Spanish loan payable to France.

Fundamentally, however, James was as reluctant as Villele to embark on hostilities against Spain, for these might seriously interfere with his financial scheme. His attitude is revealed in some intercepted correspondence

between him and a Spanish banker called Bertran de Lis, who was endeavoring in association with the Liberals to secure the fall of the Spanish Ministry, in order if possible to prevent the French from intervening. San Miguel's Spanish ministry had, in view of the French menace, obtained authority from the Cortes to change the seat of government and the royal residence. The king would gladly have dismissed the government, but the menaces of an excited populace caused him to refrain from doing so. If the fall of the ministry could be brought about in some, other way, France might perhaps be induced to regard this as indicating an improvement in the position and abstain from taking action.

Such was the state of affairs when a letter arrived from Rothschild's confidential correspondent at Madrid. "We are at this moment," wrote Bertran de Lis to the House of Rothschild in Paris,[8] "struggling to overthrow the ministry and to replace it with persons better qualified to guide the ship of state. I am convinced that we shall succeed in our endeavor, and I am therefore anxious that you should bring these facts to the attention of your government, so that they may cease taking any hostile action. I am asking you to do this in the confident expectation that a solution may be found consistent with the honor of both nations, which will assist in maintaining peace throughout Europe. I hope that you will support me in this endeavor as much as possible; but if you see that nothing can be done, and that a breach is imminent, I hope that you will send me a special messenger at my expense, so that I may regulate my actions accordingly in settling my financial affairs."

The same correspondent subsequently attempted in various ways to communicate items of important political and business news to James; but these appear to have been intercepted as they never reached their destination. The first letter to get through seems to have been one dated March 29, 1823, in which Bertran de Lis wrote:[9]

"It is our desire to avoid war, and in order to carry through the business that we have in hand, I feel I should let you know the line of action which in my view your government should adopt to this end. For one thing I feel they should cease any hostile operations until new ministers have been appointed. . . . In this way we might perhaps reach an agreement satisfactory to both nations, and one that might also bring us advantages of a general nature, and also such as we may turn to account in our business."

The writer of this letter proceeded to deal with the current situation in Spain in some detail, and concluded with the warning: "It is important also to use every precaution in carrying on this correspondence; for it would be exceedingly painful to me to be compromised in this matter in which I am convinced that the public interest is identical with my personal interest."

In spite of the precautions that were presumably taken, the correspondence fell into the hands of royalists, and was duly brought to the attention of Metternich at Vienna.

He was highly indignant that one of the Rothschilds, who always pretended to be so conservative, and denied that they had anything to do with Liberals, should suddenly be discovered in dealings of this character. Gentz was instructed to speak to Solomon about it. Solomon was at great pains to invent an explanation, and Gentz noted in his diary:

"I have just had a little discussion with Rothschild about the incredible story of his brother in Paris, who is suddenly appearing in the role of intermediary between the French ministers and a revolutionary banker at Madrid."[10]

Meanwhile the French had seriously embarked upon intervention in Spain. On April 7, 1823, the Duke of Angouleme, nephew of the king, crossed the Spanish frontier. He encountered no opposition, and pressed on far into the country toward the capital Madrid. It was

Villele's task to provide the moneys required by the French army, and now that the die had been cast James Rothschild hastened to offer his services to the minister. His first action was to hand the minister a letter of credit in favor of the Duke of Angouleme addressed to a bank in Madrid that was closely connected with the firm of Rothschild.

Villele forwarded this document to the duke. "This is," he wrote in a covering letter,[11] "in the nature of a courtesy, but I was afraid of offending Rothschild, who has been and still is exceedingly useful to us in our financial difficulties, if I did not accept it. As soon as the army has entered Madrid Rothschild will send an official of the firm, or perhaps one of his brothers, to that city. I would request your Royal Highness to grant this banking firm your very special protection, as its intervention may be exceedingly useful to us in the future, both in the matter of rendering financial assistance to the army, and also in the matter of the Spanish loan, if such a loan can be usefully launched."

Angouleme did not share Villele's view that the letter of credit was to be regarded as a mere courtesy. "I consider," he replied, "that it would be exceedingly useful to avail ourselves of the facilities that Rothschild enjoys for providing ready money at Madrid." He held that this was a speedier and more economic method than sending money from France. He fully agreed that Rothschild should be treated with consideration, as recommended by Villele, who it was clear had learned much from the Austrians in Naples.

James was thus placed firmly in the saddle, and was enabled to carry out his measures under the protection of the two most powerful men in France at that time. It is true that Villele revealed a certain attitude of suspicion toward bankers in general, regarding them as voracious beasts of prey out for money.

On May 23 the duke entered Madrid without opposi-

tion, and set up a regency, which was to rule with modified absolutism until the king should have been liberated from the Cortes. This government, however, in spite of its dependence on French troops, soon threw all counsels of wisdom and moderation to the wind. In order to fill its empty treasury it attempted to arrange a loan with Ouvrard and an agent of the House of Rothschild, who had come to Madrid with the French army.

Villele warned Angouleme not to allow the regency to have a free hand in this matter. "For," he wrote,[12] "where the body is, there will the vultures be gathered together to devour it." He referred to the bankers, not excluding Rothschild, who would undoubtedly have offered the regency oppressive loans.

Meanwhile the Cortes had carried the Spanish king off to Cadiz, and Angouleme proceeded to invest that city and to liberate the king. "Cadiz is the key to the whole problem," Villele wrote to the duke.[13] "By force and negotiation the king must be got out of the hands of the rebels. Your Highness knows that his Majesty has given you carte blanche to enable you to succeed in this venture, and that we have plenty of money in reserve which is available for any of your requirements. Moreover, with the letter of credit which I have sent to you, your Highness can draw bills up to any amount on the House of Rothschild in London for making payments to those who may deliver up the king."

I n order to meet all this heavy expenditure Villele had been negotiating for some time for the flotation of a considerable French loan. The minister still found his dependence upon the House of Rothschild irksome, and gave vent to his feelings in a letter to the duke:[14] "Although I have nothing but praise for the manner in which Herr Rothschild has served us while I was in diffuculties, I should like to float a loan which would make me independent of these people."

The cold facts were destined to turn out rather differ-

ently, and through this loan of 23 million francs, which was offered for public tender, Villele was to be bound more closely than ever to the House of Rothschild. In open competition with three other banking firms, James Rothschild, encouraged by his brother Nathan, offered 89.55%, the next highest price offered being 87.75%. The importance attached by the House of Rothschild to the conclusion of this agreement is most clearly evidenced by the fact that Nathan from London, Solomon from Vienna, and Amschel from Frankfort had all hurried to Paris for the negotiations.

Both parties were delighted with the arrangement. Villele was pleased since he had scarcely hoped that such conditions were possible for France, engaged in a venture like the Spanish intervention, especially in view of the fact that the country was already burdened with a foreign debt of 400 million francs.[15] He reported enthusiastically to the duke on July 11[16] that the bonds on that date already stood at 91.25, and that the loan had therefore appreciated 2 1/3%.

The four brothers did everything possible to extend the European market for this French loan. Villele congratulated himself on having got the loan underwritten at such a high figure, and explained his success as follows: "Monsieur Rothschild, whom the King of Portugal asked for a loan of 25 million francs, had the courtesy to ask King Louis XVIII for his permission before consenting. This is an example of the efforts which the financial powers were making to intervene in politics. Moreover, Rothschild of London, Rothschild of Frankfort, and Rothschild of Paris are all here, a fact which contributed not a little in giving me the confidence necessary to fix the minimum price at 89.5%."

Villele thought that he had carried through quite a clever deal, but this loan, which constantly rose in value, and reached par as early as February 12, 1824, proved to be a new and abundant source of profit to the issuing firm.

Villele now reverted to his scheme that the duke should present a skilful ultimatum demanding the liberation of the King of Spain and his family. Villele advised that he should bring money plentifully to bear in this matter,[17] and should have an unlimited supply of credit at his disposal through Monsieur Belin, the Madrid agent of the House of Rothschild, so that he could draw bills up to any amount on the House of Rothschild in London. James agreed that he might accompany the duke if he left Madrid. Belin's signature was sufficient to release amounts which it might otherwise be exceedingly difficult to procure. Without his assistance it would be impossible to use bribery for the liberation of the king.

"This man," Villele wrote to the duke, "is personally known to the majority of those whose support we need, and it will be much more attractive to them to receive the price of their infamy secretly in London than to be paid in gold which they would have to withdraw at their own risk from a city invested on all sides."

Villele had entirely forgotten his former feelings about the Rothschilds, and he had extensive recourse to the convenient services rendered by the firm at home and in Spain.

"Your Highness," he wrote to the duke,[18] "can use the House of Rothschild's money for all your financial requirements, whether necessitated by the service of the army or by the negotiations. In connection with the latter its agent's banking relations with the principal banking firms of Cadiz may be useful to you." He suppressed any misgivings at having brought Angouleme into such close contact with Rothschild. "Finance and trade," he wrote, "are the friends of peace, but they always wish to secure peace at the expense of honor; nevertheless, having the safeguard of a man of your Highness's temper and sentiment as a counterpart, we need not be anxious about allowing these gentlemen to intervene."

In Spain matters took the course that France had

desired. On June 23, 1823, the duke had reached Cadiz and was prepared to launch his attack. The forts surrounding the city were speedily captured. The necessity actually to take the town by storm did not arise. In accordance with Villele's advice the duke made free with the Rothschilds' money; bills were drawn on Nathan Rothschild to the amount of nearly two million francs in favor of various members of the courts, and of the persons who held the king captive.

When the military position at Cadiz had become hopeless, and those who had accepted bribes promoted mutinies in the garrisons, the Cortes finally broke up, and released the king. It is true that he was first forced to sign a document containing all kinds of promises for a moderate form of government, in accordance with the constitution; but everybody knew perfectly well that he would not keep them. Thus the King of Spain was not in the end required to feel under an obligation to the powerful support of the House of Rothschild for his release from his own subjects of the liberal party. Neither was the duke forced to feel that he owed it to the banking firm that, after speedily overcoming all difficulties, he was enabled to return to Paris as a conquering hero.

The services which the House had rendered to the French government, however, enhanced its prestige at court and with Villele to an enormous degree. James began to surround himself with luxury, and to patronize science and the arts; he furnished his house at No. 40, rue de Laffitte magnificently. He received the Cross of the Legion of Honor.

After the intervention, the course of events in Spain was, to Metternich's delight, exactly similar to what had occurred at Naples. An absolute monarchy was reintroduced, the liberals being savagely persecuted. The constitution vanished. The Roman Inquisition functioned again, and the government went far beyond what the

French government had wanted to achieve by intervention.

Ferdinand's new absolute government had money troubles no less than its predecessor; and the king appealed to the monarch of France, pointing out that his work was not yet completed, and that he lacked such a financial foundation as would be provided by a loan. Villele applied to James Rothschild, who, in conjunction with Nathan and the British bankers Baring and John Irving, offered a loan of 120,000,000 piasters[19] to be subscribed for at 60%. The bankers demanded, however, that the whole of Spain's Colonial revenue should be mortgaged, this being the only revenue that had suffered little through the civil war, and in addition they required that France should give a formal guarantee.

An agreement was not concluded at the time, since Villele replied to the bankers[20] that his first consideration must be his duty toward France. He could not agree to a guarantee by France without endangering its political and financial interests. He would, however, gladly advise the Spanish government to regularize its administration and to apply moderation in its general policy, in order to create the confidence necessary for such agreements. These were fine words, but they offered no tangible security for calculating business men, and accordingly the bankers withdrew their offer.

Metternich and Gentz had attentively watched the course of events. Rothschild's relations with Gentz had become, if possible, still more intimate, and the sincerity of Gentz's diary is attested by nothing more than by the entries of the 6th and 9th of January, 1823: "Rothschild called on me in Vienna. Everything is going magnificently and money in profusion. . . . January 9. I have been informed by Rothschild that a remittance of a thousand ducats is on its way from Russia."

Rothschild was assiduous in impressing Gentz with

the riches and power of his family. On January 13, 1823, he favored him with over an hour's discourse on the position of his firm and its enormous resources, showing him some "eloquent and exceedingly interesting documents."

The firm had in fact grown so powerful that it now proceeded to conclude most important transactions, in which it had formerly allowed other firms such as Gontard and Parish to participate, entirely on its own. The brothers may have learned that the Austrian finance minister once more had occasion to think of them. England had recently demanded the repayment of some old debts owing by Vienna, and it appeared that Solomon's and Nathan's services would be required again. Metternich and Gentz were therefore anxious to be obliging at this time, especially in matters that did not cost the state anything. They did not have to rack their brains to find an opportunity of showing their good-will, for together with Borne, Solomon had been "hammering at [Gentz] about this wretched question of the Frankfort Jews."[21]

The growing power of the House of Rothschild, which had originated in Frankfort and now had dealings with most of the more important states, caused the Frankfort Jews to stiffen in their attitude. They now demanded as a right what they had formerly begged as a favor. While Solomon and Gentz were pressing Metternich to help the Jews of Frankfort, Solomon's coreligionists there were carrying on a constant campaign against Count Buol, delegate and president of the diet who was so markedly hostile to them. Their efforts finally resulted in Count Buol being recalled, and this constituted an important victory for the House of Rothschild.

Buol's successor, Baron von Munch-Bellinghausen, was instructed to settle the Jewish problem as speedily as possible, since it was Austria's intention to support such demands of the Israelite community as were just. Amschel

Meyer Rothschild was quite unrestrained in his demonstrations of joy. On the day when the new president of the diet arrived, Rothschild gave a big dinner, to which all the delegates were invited.

"I should have preferred," Munch stated in his report to Metternich,[22] "not to have made my first public appearance in this manner, but as the affair had already been arranged I thought that I ought not to be too nice; moreover I made the acquaintance of all the delegates before the session."

Matters now began to move; Miinch-Bellinghausen followed out Metternich's ideas in quite a different way from Buol, and in August, 1822, the question was settled in a manner highly satisfactory to the Jews. It is true that many restrictions were still maintained. Thus only fifteen Jewish marriages were allowed in each year;[23] no Jew was allowed to possess more than one house, and Jewish trade too was not free from all restrictions. The Jews, however, were henceforth counted as "Israelite citizens"; the ghetto was done away with, and they had full liberty of movement within the town.

They regarded these concessions as a victory, and Rothschild gave a dinner to celebrate them September 3, to which he invited both burgomasters, as well as the delegates to the diet. The former, however, again stayed away because, as Schwemer said, they did not feel in a mood for celebrations.[24] The debentures issued in 1811 under Dalberg's agreement for the liberation of the Jews were now fully redeemed. This fact also indicated that the Jews were satisfied. Thus the matters in dispute in the Jewish question, which had been pending for eight years, were finally settled by the diet acting in a judicial capacity. The principal credit for this was due to Rothschild. Both the town and the Jews sent deputations to thank Baron von Munch, who did not fail to report this fact to Metternich, as he knew well the importance Metternich attached to this question.

The reasons for supporting the Frankfort Jews were well known in Austria. Count Stadion had been negotiating with Rothschild and Parish, the underwriters of the last Austrian loan, since the spring of 1822 for a loan to cover the estimated deficit of 20 million gulden. They had stated that they were willing to underwrite 20 millions at 67, and then at 68.5%, but Count Stadion, whose recent experience in such matters had made him more cautious and critical, thought that these terms were not sufficiently favorable, or were, as he expressed it, "oppressive."[25] He therefore looked around for other offers, and for the first time in the experience of the Austrian government these were forthcoming.

Stadion wanted to borrow only 12,000,000 gulden at first; he fixed the final date for submitting tenders at April 14, 1822. The Paris banker Fould, representing a group of Paris firms at the head of which was Laffitte, offered to underwrite the 12,000,000 at 69%. Parish and Rothschild made a second offer to take over the loan at 69 1/2, while the Viennese banking firm of Geymuller offered 72 3/4. A conference of ministers was summoned for April 13, to consider the tenders.

Solomon Rothschild was particularly anxious to secure the loan, if necessary without the cooperation of Parish—with whom he had recently had several differences—as this would provide him with a further opportunity for exploiting the advantages enjoyed by his firm for the sale of securities through their branches in the most important markets in Europe. He learned through Gentz that other firms were not merely in the field but had actually offered better terms than his, and he therefore decided to write to Stadion.

When the finance minister went to attend the conference on April 13, he was handed a letter from the firm of Rothschild just before entering the conference room. This letter bore the signature of that firm alone. The firm stated that they were prepared in any case to offer 1/2%

more than might be offered by anyone else for the loan which was to be issued.

The conference first decided that 20 million gulden should be issued at once instead of the smaller amount that Stadion desired. It was then considered whether or not any attention should be paid to Rothschild's late offer. The conference was agreed that Rothschild's letter was manifestly irregular. Applicants had been required to submit tenders under seal by April 12. Rothschild had done so jointly with Parish, but their offer had been less favorable than that of Geymuller. The second letter, although dated April 12, had not been given to Stadion until the following day. The minutes of the conference pointed out that "the irregularity of this procedure consists in having failed to observe the final date imposed upon all applicants for submitting their tenders—a fact which Rothschild is obviously trying to conceal by antedating his offer—and also in the lack of precision in the offer itself."

Metternich and Count Zichy expressed the opinion that Rothschild's offer should not be accepted, but that it should not be rejected either, and proposed that the whole matter should be negotiated afresh. With regard to the French banker Laffitte, whom he suspected of liberal sympathies, Prince Metternich stated that he feared the banker might be actuated by other than purely business motives. He added that he felt similar misgivings regard - ing Geymuller's offer, since it was possible that he was acting in concert with Laffitte.

While Metternich used his influence in favor of the House of Rothschild, Stadion took the opposite line, adhering to his view that Rothschild's retrospective tender should be ignored, and that the offer of the firm of Geymuller should be accepted as the best offer sent in by the time fixed.

Stadion was of the opinion that the financial interests of the state required that competitive tenders having been

asked for, it was essential that the conditions laid down should be strictly observed, and that Rothschild's retrospective offer should therefore not be considered. "This is the first time," he emphasized, "that the treasury has had the gratifying experience of finding several competitors tendering for a loan. They will come to us again, and perhaps with even more favorable results in the future if we prove to them that belated offers are not considered. If in the present instance we act otherwise, it may be assumed that henceforth we shall have no possibility of securing genuine competition, and we may therefore pay dearly in time to come, for any immediate advantage." Finally, with reference to the objection made to Laffitte on personal grounds, Count Stadion observed that it would be quite impossible in any case to prevent him from being an unrevealed participator in a loan, and that even if Rothschild's offer were accepted this contingency would still have to be reckoned with.

As there was no way of bridging these differences of opinion the conference broke up without result. It was therefore necessary for the emperor to give the final decision, with the result that Metternich's views prevailed. The emperor issued the following decisions in council :[26]

"On the question whether 12 or 20 millions should be issued, the general political situation should be regarded as the determining factor, and Metternich should accordingly be consulted. A new date should be fixed for submitting tenders indicating that belated offers will not be considered."

Another year was to pass before the new big Austrian loan materialized. In April, 1823, the deficit up to the end of the financial year 1824 was estimated at no less than 35,000,000 gulden. It was now decided to issue a loan of 30,000,000. Four firms, including the House of Rothschild, jointly provided this sum in cash, receiving 36,000,000 five per cent debentures payable in coin, at 82 gulden per cent.[27]

While Austria was suffering from these difficulties, her aggressive foreign policy—especially the expedition to Naples, which was viewed very critically in England—had given rise to the belief that the finances of Austria must be in a most flourishing condition if it had so much money to spend on such objects. The Opposition in the British Parliament had for some time been reproaching the ministry for failing to demand payment of debts which had been incurred by Austria even before the revolutionary war.

Before the system of the English subsidies had come into effect, Austria had been granted two loans by England, to the value of £6,220,000 for financing its campaigns, and in the excitement of the Napoleonic wars, this fact had fallen into the background. With the addition of compound interest the debt had, by the time of the Congress of Verona in 1822, risen to an amount exceeding £23,500,000. Austria had already been approached at Aix-la-Chapelle regarding the repayment of the loan, but Metternich had refused to pay, and all the negotiations since had proved fruitless.[28] For Stadion definitely stated that if England insisted upon its demands it would mean the collapse of Austria's finances, which had been so laboriously resuscitated.[29]

When Metternich adopted a policy at Verona which was opposed to that of England, Wellington again reminded the chancellor that his government was pressing for the payment of this debt. He was not asking for the whole gigantic sum mentioned above, but was prepared to waive all interest charges, compound and simple, and would even be satisfied with a capital payment of £4,000,000. This amount, however, Austria must pay in any event Even this was a very considerable sum, representing about 40,000,000 gulden in convention coinage, and it constituted another dreadful surprise for Stadion.

Metternich realized that it was his policy which had induced this claim to be brought forward again, and he

endeavored to reach an agreement in personal conversation with the British commissioner Sir Robert Gordon, who had been dispatched for this purpose. Various solutions were considered and rejected. Finally Metternich offered a lump sum of 30,000,000 gulden five per cent debentures at an issue price which involved the reduction of the total claim to about two million pounds. He then had recourse to Solomon Rothschild, asking him to try to influence the British government through his brother Nathan. Solomon immediately wrote a confidential letter to Nathan on the matter.

"The British minister," he wrote,[30] "has as yet made no reply to this proposal . . . It is probable that England will not at once unconditionally accept the offer of the Austrian government, but will attempt in one way or another to obtain better terms. Whatever the reply may be, however, I do not believe that the Austrian government will vary their original offer ... If it were to act otherwise, and all at once to put in circulation new public securities amounting to so many millions, the Austrian government would be dealing a severe blow to its credit, which is being raised by a businesslike and intelligent administration to a point commensurate with the country's greatness.

"You are a business man yourself, and will therefore be best able to appreciate these circumstances, so that it would be redundant for me to explain myself further. What I have written has been communicated to me in confidence by his Excellency Prince von Metternich, and it is merely intended to inform you of the general position. In any case you may, although only confidentially (for you have no official instructions) discuss the matter with the chancellor of the exchequer, and endeavor to convince the English of the fairness of the offer which is being made. As I am aware of your devotion to the government here, I feel confident that you will be grateful to me for giving you an opportunity of proving yourself useful and well

disposed to them in such an important matter, and that you will show all the wisdom and caution necessary to assist it in attaining its ends. I hope that you will be able to inform me of the success of your endeavors by the next post ..."

Nathan thereupon got in touch with the bankers Baring and Reid-Irving, and also with the British government, and succeeded in persuading the government to agree to a payment of £2,500,000, whereas the negotiators, after at first asking for more, finally obtained from the Austrian government 30,000,000 florin 5% cash debentures at an issue price somewhat exceeding 82 2/3%. Stadion agreed to the offer made by the three firms mentioned above,[31] and on October 31, 1823, Solomon was able to send the following report to Metternich:[32]

MOST GRACIOUS CHANCELLOR!

It is with particular pleasure that I take this opportunity of informing your Highness of the pleasant news, that after considerable effort I have at last succeeded, in collaboration with my colleagues in London, in concluding the transaction with the English government on the basis of the amount of 30 million gulden 5% Metalliques Bonds. I have thus faithfully carried out the promise made to you on my departure, and am most happy to have been able to terminate a matter outstanding for so long, entirely to the satisfaction of the wishes of the imperial government.

I have been expressly requested by my colleague to endeavor to secure that the government of his Majesty the Emperor shall grant a commission of 2-3% to the underwriters in view of the fact that the transaction is such an advantageous one to the treasury. Mindful of the just and loyal principles of the government here, I may feel justified in assuming that if I submitted such a request it would not fail to receive consideration. But the reflection that my services and my zeal in this matter have resulted in

such definite advantage to the state, and effected such large savings, is so exceedingly pleasant that I gladly renounce the possibility of deriving any further emoluments. I have made a similar statement recently to his Excellency, Count von Stadion, and therefore flatter myself that I have given occasion for his Majesty to feel satisfied with me, and have earned his gracious consideration.

Your Highness will no doubt deign to appreciate with your customary gracious condescension the efforts that I am making in the interests of the imperial state, and I confidently flatter myself that you will graciously consider a request with which, lest I should seem immodest, I do not venture to trouble your Excellency yet. I am waiting to communicate it to you verbally. I await with extreme impatience the moment when I shall have the happiness of seeing your Highness again and in the best of health, and when I shall be able personally to renew the assurances of my most profound regard. . . .

As a matter of hard fact the whole transaction constituted a bull speculation in Austrian public securities by the three firms concerned. Their expectations were fulfilled directly after the negotiations had been concluded, for as early as January, 1824, the Metalliques showed a marked appreciation in value.

When the conclusion of the whole affair was reported to Emperor Francis, with a suggestion that the Austrian mediator Kubeck should be commended, Count Zichy wished to avail himself of the opportunity for obtaining some imperial recognition for the House of Rothschild. He minuted on the memorandum requesting the emperor's confirmation that, although the firms carrying through the settlement of this loan, which had so materially improved the credit of the Austrian state on the London Stock Exchange, had indisputably had their own

interests in view, they, and especially the House of Rothschild, nevertheless deserved recognition for the able way in which they had handled the business. Such a demand for Austrian securities had been produced that the last loan was already quoted at a premium of over 5%, while by making their credit available the firms had succeeded in the difficult matter of satisfying the English government.[33] Zichy accordingly proposed for the emperor's consideration that the following sentence should be added: "And we take cognizance of the efforts made by the London banking firms which have so materially raised Austria's public credit."

Baron von Lederer, however, added that in his view the services rendered in arranging the loan in England consisted merely in an intelligent appreciation of the circumstances ; and that on this service the banks had already realized no inconsiderable profit as shown by the prices of the securities published in the English papers.

Emperor Francis drew his pen heavily through Zichy's "frill," and took "cognizance with satisfaction" of the fact that the matter had been settled.[34] The whole transaction proved to be one of the most profitable pieces of business in which the House of Rothschild had ever engaged. The bonds continually increased in value, their average price in 1824 being 93, and in 1825, 94. It is obvious that the brothers Rothschild succeeded in very profitably realizing on the 30 million gulden debentures which they had subscribed at 82 2/3. It is not possible to estimate the actual profit, but according to the statement of Neumann it already amounted to £1,824,600 at the beginning of April.[35] Solomon Rothschild's "pleasant feelings" and the magnanimous gesture with which he refused a commission or "emoluments" are thus readily intelligible.

It is not surprising that, since Vienna offered opportunities of doing such excellent business, Solomon should

have grown more and more attached to that city. In spite of the restrictions imposed upon foreign Jews, his relatives also were attracted by the idea of settling there. One of these was a cousin of Solomon Rothschild, called Anton Schnapper, who was about to marry the daughter of William von Wertheimstein, Rothschild's Vienna manager, a Jew who had received the imperial "toleration" as a private wholesale merchant.

Through Solomon's powerful influence Anton Schnapper contrived to obtain an audience from the emperor, and to submit his request for toleration, and permission to carry on business. Although the emperor gave his consent, much time elapsed, as was the case with all applications, before formal sanction could be given, and the impatient young man decided again to make application to the emperor, but in writing.

"Your Majesty," the application ran,[36] "The undersigned desires henceforward to be included among the millions of fortunate subjects who enjoy the merciful and just rule of your Majesty. I was born at Frankfort-on-the-Main, and I am the son of honorable parents, my mother's name having been Rothschild. I have worked for several years as an assistant in the business of this well-known firm, and acquired such knowledge as goes to make a competent and honest business man.

"I now desire to settle in this city as a wholesale merchant, and to unite myself in the bonds of honorable matrimony with the virtuous daughter of the licensed wholesale merchant of this city, William von Wertheimstein. My request for 'toleration' and for authority to act as a wholesale tradesman has already been considered by all the departments concerned, found to be in order, and has been submitted to your Majesty for approval. May your Majesty be pleased most graciously to accede to this humble request, and speedily to grant it, and thus establish a family which in return for this priceless favor will never weary of beseeching the Almighty in their daily

prayers to grant prosperity to your Majesty and your Majesty's family."

Schnapper sent this in with the observation that his first application was still lying in his Majesty's office. "You have on several occasions," he wrote to Solomon,[37] "kindly promised me your support in this matter, and in view of the bonds of blood and friendship that unite us, I hope you will have the kindness to concern yourself with it now."

Solomon kept his word, and requested Metternich[38] very kindly to emphasize the importance of this petition quite briefly to Martin, his Majesty's principal private secretary, as his Majesty's signature was still required.

Metternich's position was such that a word from him put the matter through at once.

Stadion continued to employ the House of Rothschild in important financial operations. In February, 1824, the firm undertook to produce old 200 gulden bonds to the value of ten millions for a commission of 2 1/2%,[39] if he were granted new 100 gulden 5% bonds in return for each 200 gulden bond. Solomon indeed wanted to increase the sum to twenty million, subject to the condition that during this period the old debt should not be reduced, and that the strictest secrecy should be observed during the whole scheme. The offer came to Hofrat von Lederer for his opinion, and he at once minuted that he doubted whether the House of Rothschild would find it so easy to carry through the business to the tune of twenty millions.

He was to prove right; for in February, 1825, the House of Rothschild asked to be allowed to reduce the amount to seven (from ten) millions. In the meantime the older bonds had increased considerably in value, and the result was a loss to the firm. The House of Rothschild naturally did not do all its business at a profit; but if it ever failed to do so, or actually suffered a loss, the brothers generally succeeded in their efforts to reduce it to a minimum, and above all, to keep it secret. The firm's

transactions, even outside Austria, were constantly increasing in scope, and its undertakings were beginning to extend beyond Europe to other continents.

Brazil had, in 1821, also imposed a Cortes constitution upon its sovereign the King of Portugal, with the result that separation from the mother-country was decreed and the king's son Don Pedro was proclaimed constitutional emperor. This occurred with the support of England, but against the will of the conservative eastern powers, and especially of Metternich.

While the four brothers on the Continent were under Metternich's sway—James alone allowing himself occasional secret ventures with the liberals in Spain—Nathan had to do his best to follow the general political tendencies of liberal England. When, therefore, in 1824 Brazil was unable to fulfil its obligations to another London firm, Nathan intervened to the great satisfaction of British statesmen, taking over Brazil's liabilities, and in 1829 he concluded a loan of £800,000 with the new imperial state. This enabled Brazil to put her finances in order, while Nathan did not suffer financially.

However, such loans, being suggestive of liberal sentiments, would naturally arouse resentment amongst the conservative powers, and they also gave rise to considerable difficulties amongst the five brothers. Fundamentally the brothers were in complete agreement regarding their aims, and they had no intention in any circumstances of adopting any definite political line. Their adaptability made it impossible to do anything of the kind. But those Rothschilds who were living within the sphere of Metternich's power, and especially the Viennese Rothschild, were forced at any rate to pretend that they stood exclusively for the conservative tendencies represented by Metternich's system. It was often exceedingly difficult for them to explain away or put a good complexion upon Nathan's actions, a fact which frequently led to embarrassing situations.

At this time occurred an event of great importance to the House of Rothschild. On May 13 Solomon Rothschild came to see Gentz in a state of great excitement, and told him he had just received news that Count Stadion had suddenly had a stroke at his home. A man of the most scrupulous personal honor, and the most indefatigable industry, he was profoundly ambitious, and so permeated with the spirit of devotion to duty and with a sense of the importance of his work, that he took all the vicissitudes of his difficult office deeply to heart; he therefore used up his reserves of energy more quickly than other men. The excitement and the strain of the events of the last few years had prematurely worn him out. He died two days after the stroke, and was succeeded in office by Count Nadasdy.

This was a serious loss to the Rothschilds, for they owed it to Stadion more than to anyone else that they had come to Vienna. It is true that during the last years of his life he had grown much more skeptical and critical in his attitude toward the brothers; but they were so intimately connected with Austrian finances that a new minister, had he wished it, would have had the greatest difficulty in eliminating them. Even Metternich, who secretly cherished feelings of suspicion and aristocratic pride toward the Jewish parvenus, never thought of such a thing.

Moreover, Gentz and the Rothschilds themselves took care that no serious misunderstanding should arise. As Gentz reports, Rothschild not only repeatedly saw Metternich at his office during this period, he also often had meals with the prince; and Solomon's big dinners with thirty or more guests were attended by ministers and ambassadors and many members of the aristocracy. Through his numerous invitations, Solomon extended his connection, and got ideas for his operations.

The center of gravity of the House of Rothschild's business was at that time in France. The former leader

of the royalists and head of the government in that country had not forgotten the financial assistance rendered by the House of Rothschild at the time of the Spanish expedition. As it was his ambition to set France on her feet financially, it occurred to him that he might avail himself of the assistance of the House of Rothschild in this also. At that time France had to pay no less than 197 million francs interest on its public indebtedness. Villele meant to reduce this intolerable burden by converting the 5% loan, which already stood at par on February 17, 1824, to a loan at a lower rate of interest, namely 3%. In this way he anticipated saving about thirty-four millions annually in interest. Villele thought out his scheme and then made a detailed proposal to James Rothschild in Paris.[40]

The minister showed that in spite of the expense of the Spanish war, he could make his budget balance without a further loan or additional taxation. "In these circumstances," he wrote, "it appears to me to be possible to take advantage of the conditions that have caused public securities in England and throughout Europe to appreciate in value, for the purpose of carrying through the conversion of our 5% bonds into 4 or 3% bonds."

Villele asked James to cooperate in this plan, which was not to affect French credit. He meant in this way to convert no less than 150 million bearing 5% interest, and to issue to the underwriters a corresponding amount of 3% bonds at 75. The minister hoped that the 3% bonds would also soon rise in value; and he offered to allow the underwriters to keep the saving in interest during the first year after the conversion of the bonds bearing 150 million in annual interest had been effected.

James immediately informed his brother Nathan in London of the French finance minister's proposal for this gigantic transaction. All the brothers, and especially James, tacitly recognized Nathan as having the best finan-

cial brain. His connection with the British government also made him the most influential of all the brothers. The finance minister not only had sent his proposal to James in writing, but also had repeatedly discussed it with him personally, and immediately after such discussions, on the 2nd, 3rd and 4th of March, 1824, James sent a private courier to his brother Nathan in London. On March 6, Nathan, after consulting with the banker Baring, sent James the following reply:[41]

"MY DEAR BROTHER: ... the brothers Baring, as well as I myself, will be pleased to be of use to the French government in their plans for reducing the interest payments; and as the scheme seems to have been well thought out, there should not be much cause to fear for the result. At the same time, it is absolutely essential that the finance minister should be in complete agreement with us, and that no difficulties should arise in carrying out his intentions.

"It is quite clear that the present price of the bonds is maintained by speculators who have been exceedingly lucky for some time, and will no doubt continue to develop their success by further speculating on a rise. Such persons, however, have not the power to assist the finance minister in a scheme embracing such far-reaching possibilities, unless it be supported by such eminent capitalists as Messrs. Baring and Rothschild. I am sending you the draft of a scheme which I should like to have submitted to the minister, and the success of which would undoubtedly be of enormous importance to the country and to the government."

In this drafted scheme Nathan explained that the finance minister would have first of all to secure the chamber's consent to the operation, the government being allowed a completely free hand to carry through in the most advantageous way possible, as was done in similar cases by the British Parliament. In essentials, Nathan

followed Villele's proposal that he should jointly with Baring underwrite 150 million 3% bonds. He asked only that, in the event of the operation being less successful than was anticipated, the minister should be authorized by the chamber to issue treasury bills up to 100 million francs, so that in such a case Baring and Rothschild would be able to get money by cashing these bills, and would not be forced to sell the bonds.

"If the results work out satisfactorily," wrote Nathan, "the firms of Baring and Rothschild, who will apply all their energy and risk their property in carrying out the French minister's scheme, must expect to receive as their reward the profit which this operation will yield during the first years. The minister must persuade the bank to discount at 3%, and also to lend money on the bonds.

"His Majesty will thus be in a position when the chamber reassembles, to inform his subjects and the whole world of the flourishing condition of French finances, and that, too, directly after a war which has restored the Spanish Bourbons to their throne and to the hearts of their people. . . ."

If the whole operation were to go through successfully, and if 150 million of annual interest charges were really to be cut down from 5% to 3%, the saving effected by the French government would run into many millions, and the House of Rothschild was to receive the benefit of the first annual saving thus made.

Villele and the two firms soon arrived at an agreement Nathan had applied his experience in British transactions of a similar nature, and the whole matter had now to be submitted to the public.

When the chamber reassembled, the King of France referred to the contemplated operation for reducing the rate of interest payable on the public debt. The proposal came as a surprise to the public. The bonds were held by many thousands of small people, and the news made a great sensation because innumerable investors felt them-

selves hit, and most of the bondholders understood only that they would in future receive three francs interest instead of five.

Meanwhile the bonds had been driven up to a still higher figure, reaching 104 and 106. Each man felt himself threatened in the possession of this valuable paper, and a storm artificially raised by Villele's enemies broke out. This was increased by making enormous play of the government's statement that the former emigres should be compensated out of these savings. Vincent, the Austrian ambassador in Paris, reported that these operations would furnish the banking powers with fresh fields of gain, and that their avarice would lead them to suggest similar plans to all other governments.

The scheme met with harsh criticism in all quarters, the most devastating being contained in a report from Paris to Metternich, which concluded with the words: "The rentiers are wild with indignation, but Villele will attempt nevertheless to carry the thing through, for he is a minister quand meme." [42]

The king was so upset that he did not dare to show himself in the streets of Paris, fearing demonstrations by the small bondholders. Nevertheless, at the expense of his popularity he consistently supported the plans and intentions of his prime minister.

There were exceedingly severe critics of the role which the House of Rothschild played on this occasion. Ouvrard attacked them with special severity in his memoirs.[43] As, however, he belonged to the party which was hostile to the Rothschilds, his statements can be accepted only with reservations. There was no immediate prospect of the House of Rothschild making either profit or loss, for the proposals were carried in the lower house by a very small majority, while the members of the upper house, most of whom had strong personal interest as bondholders, rejected the proposal on July 3, at the instigation of Chateaubriand. Thus, the scheme failed.

Gentz does not seem to have been speaking so well of his friend Solomon at this time, or possibly he wanted to impress Metternich with the fact that he could assert his independence of the House of Rothschild. In any case he wrote to the chancellor on June 11, 1824: "I am secretly pleased that Villele's finance operation has not gone through. It will do no harm if that gentleman's arrogance is somewhat reduced. Besides, the scheme itself was exceedingly unjust and cruel; and France will certainly be impressed by the fact that the hundred thousand families who would have been hard hit by it owe the fortunate event entirely to the aristocratic opposition. Also there can be no harm in the coalition of big bankers having suffered a rebuff which will somewhat damp their ardor for getting new business. Everything must have a limit, and the all-powerful firms were beginning to go beyond theirs. They obviously had a fully prepared scheme for carrying through similar reductions in interest in all the principal states. It will now be as much as they can do to get out of the French scheme with a whole skin . . . and if I were Solomon Rothschild I would retire with all my millions after losing such a battle." [44]

If this remark was meant seriously, Gentz was to prove very much mistaken. It was not the habit of the Rothschilds to throw up the sponge at the first reverse. Moreover, one must be cautious in drawing conclusions from a perusal of the letters that passed between the brothers and Austrian politicians, as the letters suggest that they were inspired by unqualified devotion to the state of Austria, which would not have been consistent with their position with regard to other governments.

Carl Rothschild at Naples in particular soon realized that it would not be at all advisable for him to be regarded there merely as the agent of a foreign power. The occupation by the Austrian troops could not last forever, and it was all the more necessary for him to cultivate relations

with the local authorities since he was strongly inclined to settle permanently in Naples, and to found a new branch, the fifth, of his House there.

As the king and the members of the royal family at Naples were always in need of money, Carl had several opportunities of obliging them. His constant business dealings with the finance minister, Medici, resulted in their getting on very good terms in spite of the payments to Austria. While on the one hand the Rothschilds assured Austria of their anxiety to see the state paid by Naples, Carl protested to Medici that he would do everything he possibly could to lessen the burden that Naples had to bear. The results soon became apparent; Medici began to examine and criticize the accounts sent in by Austria for the maintenance of the troops. Ficquelmont now lamented[45] the fact that the sums to be paid by Naples had not been fixed once and for all, and demanded in 1822. He suggested that in that case Medici would not have had time to examine Austria's disbursements so closely.

"The real reason," he stated in a report to Vienna, "that he is induced to increase his demands, and to make difficulties, lies in the fact that he obviously knows of the savings that we are effecting; as Rothschild is transmitting them to Vienna, we may practically assume that Medici is bound to know of them, for Rothschild's staff is in too close touch with Medici's for this to be avoided.

"It would have been better to leave this business to the quartermaster's department of the army, as was done in the case of the first occupation of Naples; in that case nobody would have known the amounts that we transmit to Vienna, and we would also have saved the charges which we pay to the House of Rothschild. Our departments send in exaggerated accounts, and I should not like to have the task of defending them. It is exceedingly annoying that the figures made up by the accounts de-

partment should be submitted to a foreign government without revision. This is the most certain way of compromising us."

It was a bold admission to state that the expeditionary force was being used to get more money out of Naples than the expenses actually incurred; but Count Ficquelmont must be given considerable credit for the fact that he opposed these exaggerated demands, and pointed out that the annual claim of 13 million ducats, sent in by Quartermaster-General Roller, was gaining for the Austrian the enmity of the whole country.[48]

The king also was forced gradually to realize that he would not much longer be able to dissociate himself from the movement that pressed for the recall of the Austrian troops, for Medici daily reminded him of what terrible burdens the occupation imposed upon the kingdom, and how his sovereignty was limited thereby. But the king feared the outbreak of another revolution; and as he did not trust his own soldiers, he attempted to recruit Swiss regiments. These negotiations came to nothing because of the expense of raising the troops.

The king then proceeded to recruit in Ireland. The brothers Rothschild had very skilfully introduced this idea to him. Great disturbances had broken out in that country as a result of the wretched conditions under which the poor peasantry, oppressed by their landlords, were living. Nathan had come into contact with an Irishman, the Irish London banker Callaghan, who thought that the British government would also be in favor of such recruiting, as it would draw off dissatisfied and poverty-stricken elements of the population. Nathan saw the opportunity of killing three birds with one stone: he would be rendering a service to the English government by diverting a troublesome element; to the Ring of Naples by providing the neutral troops that he so much wanted; and, in addition, he would do good business for himself.

It was Nathan who, having prepared the ground in

England, advised his brother Carl to make a proposal on these lines to the King of Naples.[47] He enclosed the Irishman's letter, which stated that the difficulties that might previously have been put in the way of such a scheme had disappeared, now a new government had come into power. Callaghan stated emphatically that the overpopulation of Ireland, where it was scarcely possible to keep body and soul together, was at the root of all the trouble, and that it was positively desirable that some of the population should emigrate.

Carl Rothschild handed the letter to the minister Medici, telling him of Nathan's proposal. Medici hastened to inform the king of both these facts, the king's one wish being to have at last some sense of security.

Shortly afterwards King Ferdinand fell ill, and died on January 4, 1825. He was succeeded by Francis I, who was personally no less frivolous and extravagant than his predecessor, and was far from possessing a strong character. Under his rule the state of the kingdom tended to get worse rather than to improve. He too had reason to feel anxious about his personal safety, and in 1825 it was decided to recruit four Swiss regiments for Naples, and the Irish project was discarded. The incident illustrates how the Rothschilds would apply their energies in the most varied spheres, if there were any prospect of rendering a service to those in power, and incidentally filling their own pockets.

Meanwhile James was actively engaged in negotiations in Paris for a new Spanish loan, which the Madrid government wanted to put through at any price. Busy though he was, he contrived to steal time to make a journey to Frankfort in early July, 1824, in order to marry his nineteen-year-old niece Betty, the daughter of Solomon. He was acting in accordance with the wish of his dead father - which had come to be regarded in the family as an unwritten law—that the sons should refrain as far as possible from introducing other families into their circle

by marriage, and should in no circumstances marry a Christian.

Even on this journey James took with him private letters and dispatches reporting on the situation in France, from the Austrian ambassador to Prince Metternich, who was staying at his country place, Johannesberg. Forgoing his honeymoon, immediately after the marriage, James had to return to Paris as his brothers Carl and Solomon were there, carrying on discussions with the Spanish negotiators.

The three brothers decided that one of them should go to Nathan in London with a Spanish plenipotentiary, and ask him to try to persuade the House of Baring to participate in the loan. The Rothschilds, however, demanded that the seventy-two millions which Spain owed to France for her intervention should be included in the loan; to this proposal the Spanish government raised objections. As the Rothschilds in any case had little confidence in Spanish conditions, and tried in vain to secure a guarantee from other powers, the negotiations on this occasion also came to nothing.

On September 16, 1824, King Louis XVIII died. His brother, the former leader of the conservatives, succeeded to the throne as Charles X. He was already sixty-seven years old, and firmly convinced of the necessity of still more definite reactionary measures, as well as being full of religious intolerance. Villele remained in office for the time being, so that as far as the Rothschilds were concerned, there was no immediate change in the political and financial situation in France.

During this period their business expanded in all directions; Nathan founded a big insurance company in England, the Alliance Insurance Company; Amschel was collaborating with Bethmann, Gontard, and Brentano in a scheme for founding a bank at Frankfort, although through the opposition of the senate it came to nothing.

As the Rothschilds' business expanded, their correspondence naturally became more voluminous, and they found it necessary strongly to reinforce the system of couriers with which they had covered Europe. This circumstance entailed a consideration of the question whether their correspondence could be more closely watched.

In this connection the suggestion made by a Milan postmaster is illuminating. "I have often noticed," he reported to Vienna,[48] "that the Rothschild clerks who travel as couriers from Naples to Paris about once or twice a month take with them all the dispatches of the French, English, and Spanish ministers, accredited in Naples, Rome, and Florence. In addition to this not inconsiderable correspondence, they also deal with the communications passing between the courts of Naples and Rome and their legations at Turin, Paris, London, Madrid, Lisbon, etc., as well as all private letters that are of any importance.

"These couriers travel via Piacenza. As we have an Austrian garrison there, under the command of the reliable Colonel Eberl, it might perhaps not be impossible to induce one or another of these clerks to hand over their dispatches for our perusal. Such an examination should yield profitable results, especially if we wait for a favorable or important moment. A room at Piacenza under the protection of Austrian soldiers would be all that we should want in order to do everything necessary without attracting attention."

Since diplomatic correspondence was involved, this proposal concerned the chancellor, and was duly brought to Metternich's notice. He felt that it would be awkward to accept the suggestion. The scheme could turn out to be a double-edged weapon, as he himself often made use of the Rothschild couriers, and matters of the greatest secrecy might come to the knowledge of a subordinate postal official. On the other hand, Metternich would

have been exceedingly glad to get hold of the private correspondence between the brothers Rothschild and, as the technical term went, to submit it to "manipulation."

The result of these considerations was the issue of the following order: "The couriers of the House of Rothschild passing through Lombardy on their way from Paris to Naples, or from Naples to Paris are, when carrying dispatches bearing the seal of the I. and R. Consulates-General in those cities, to be regarded and treated as official couriers; if, however, they should be found carrying any letters which have nothing to indicate that they are of an official nature, such letters shall be subject to the usual regulations in force."[49]

Hormayr, the former director of the Vienna State Archives, who had been banished because of his association with the Archduke Johann in his venture for founding the so-called "Alpine Kingdom," was a bitter enemy of Metternich and the emperor. He was thoroughly familiar with the manner in which correspondence was tampered with, and used this knowledge for making a violent attack upon Metternich and Solomon Rothschild. He even went so far as to state[50] that Metternich had, in agreement with Solomon, waited at Fischamend, two stages from Vienna, for a post bearing important news from Constantinople, and held it up for two days.

"This was done to gain time in order to have two or three days to rig the market, and to make some hundreds of thousands for the chancellor, Zichy, and the rest of the pack of thieves, with the German fortress caretaker[50a] Rothschild, the King of the Jews and the Jew of Kings, at their head."

As far as Metternich's relations with Rothschild were concerned, these exceedingly offensive allegations were far from the facts; but it certainly was possible, through holding back news received by courier, to gain time for profitable deals on the exchange, and this was no doubt done.

The firm of Rothschild, which had now literally attained world-wide dimensions, was to enter upon a difficult period. The long years of peace which England was enjoying led that country to seek profitable investment for the enormously increased wealth which it had acquired since the successful termination of the Napoleonic wars. There was also an increasing tendency to unsound speculation, and a flood of new flotations. As the Central and South American republics freed themselves of Spanish dominion, they seemed to offer desirable opportunities for doing business in agricultural produce and mines.

At the end of 1824. there was feverish activity in the City. Companies sprang up like mushrooms, and millions of pounds in cash were subscribed. Almost all the principal London firms took part in this movement;[51] but the Barings and Rothschild, who regarded it as unnatural and artificial, held aloof. The year 1825 proved that they were right. The South American mining ventures collapsed, and numerous undertakings apparently on a solid foundation experienced the same fate, in a crisis that was becoming more and more general, and was spreading from London to the whole of Europe. Consols fell appreciably, and foreign public securities threatened to follow their example.

In these difficult circumstances, Wellington remembered the signal services Nathan had once rendered to him under the much more dangerous conditions of war. He consulted him as to how the crisis should be met, and Lord Liverpool's government followed Nathan's advice.

Nathan had intended to go to Paris to meet Metternich, who was staying there in 1825, but in view of the critical economic situation, he could not think of leaving London, and wrote the following letter to Metternich:

"It has been my daily endeavor to travel to Paris, in order to express to you the gratitude I owe for the gracious and fatherly kindness which your Highness has shown to the Rothschild family for so many years. The

date of my journey was actually fixed, but an entirely unexpected event unfortunately frustrated my intentions. The British funds, which had reached a very high level, have fallen rapidly, because of incorrect inferences drawn by the English from the meeting of sovereigns. I am accordingly forced to remain here to prevent if possible any further fall, the government being unwilling that I should be absent at this time.

"I hope your Highness will not misinterpret my absence, and will appreciate the obvious urgency of the matter which detains me . . . since, if a further fall in the funds is not speedily checked, the movement will spread abroad, and even affect the I. and R. Austrian funds. Nevertheless I cherish the hope that financial circles here will soon regain their confidence, and am looking forward to making the journey then, and waiting personally upon your Highness. Meanwhile I beg that your Highness will graciously accept my written expressions of thanks in the spirit in which they are offered, as proceeding direct from my heart, for I pray constantly to the Almighty that our beloved sovereign emperor may long be spared, and that your Highness may flourish."[52]

Thanks to Nathan's skill, the developments in England did not result in excessively serious losses to the House of Rothschild, in spite of the crisis through which that country passed, but the firm was severely affected indirectly by the commercial crisis in Paris. In spite of the change in the general situation, the French minister Villele had adhered to his conversion scheme, and although the Rothschilds were much less enthusiastic about it than they had been a year ago, James was so closely bound up with the French minister that when Villele took the scheme up again in May, 1825, he could not stand entirely aloof.

He certainly did not conceal his misgivings. While Metternich was in Paris, James openly said to him that it was wrong of Villele to resume the operation at that time.[53] James was more explicit in the following state-

ment to the Austrian ambassador, Baron von Vincent: "There are times when such an operation may be opportune. Last year the finance minister was assured of the success of his scheme; he was supported by powerful firms, and a large volume of English money was available for investment in France, but now it is flowing into other channels. The return of the capital sums that find their way to America is only partial, and much slower. Most of the banking operations in Europe are not carried through on a cash basis, but this is not the case in America. The . . . operations of Mr. Huchinson in England are moreover exactly contrary to those of M. de Villele. When one also considers the constant complaints in the press which bring the measures proposed by the ministry into bad odor, one cannot but fear that it will find itself deprived of the necessary resources."[54]

Villele, however, was not to be restrained. He succeeded this time in carrying his proposals in the upper chamber as well, and he proceeded to put his long-cherished plans into operation. The Rothschilds could not exclude themselves from the scheme, but they went into it very cautiously. The Paris market was reacting to the fall in prices in England, and as success was largely dependent upon a boom in French securities, the prospects were far from propitious.

James remarked to Vincent on July 7, that it was a long time since he had seen the Paris market so dull. He shared the antagonism of a certain party toward M. de Villele, and he said it was certainly not his fault that the House of Rothschild was regarded as seriously compromised in having supported the government.[55] This was a dig at Nathan, because James was a little jealous of Nathan's outstanding reputation.

The difficulties of the whole undertaking were increased through the public opposition of the authorities at the Bank of France. This was shown in the fact that they suddenly demanded the repayment of considerable

sums advanced by the bank to the treasury. James was, however, not altogether confident that he was right in taking up an attitude opposed to the operation. The matter might succeed in the end, and in that case James would have suffered a humiliating reverse. He accordingly thought it advisable to say[56] to Vincent as early as June 8, that in spite of the bank's hostility to Villele and to the House of Rothschild, matters could still be arranged, and Villele's plan would yet succeed.

Somewhat later, after the chambers had accepted the draft bills, James for a time saw everything in glowing colors, and wrote a letter to Metternich expressing his changed views :[57] "You may now be assured that Villele has won his case. The bonds will be a great success, and he will defeat all his opponents because he is right."

On June 18, Solomon, who was also staying in Paris, made the following statement: "I am now able to say that notwithstanding all the vigorous attacks to which M. de Villele has been subjected hitherto, and is still being subjected, in my view, his financial scheme will go through; and the count, who enjoys his Majesty's confidence to an exceptional degree, will be strengthened in his position; while the enemies of peace and of the ministry will be deprived for a long time yet of the pleasure of seeing it fall."[58]

Metternich condemned this remarkable change of opinion with the remark: "In Paris Rothschild said to me that Villele was wrong. It is often so with the world's judgment."[59]

James's first view had really been the right one. The general financial situation throughout the world did not in fact admit of such an operation's being carried through at that time. The government succeeded only in converting 30 millions to 3% bonds, and these quickly fell from 75 to 62 and 63.

Four of the Rothschild brothers—Nathan alone was absent—were assembled in Paris in August to take coun-

sel regarding the steps to be taken to limit the loss resulting from the decline in the 3% bonds. They admitted[60] that they had not reckoned with the possibility of such an unexpectedly sudden fall. The four brothers finally went to consult the family oracle Nathan, in London, with a view to taking energetic measures to save the situation. Villele's conversion scheme, however, could not be improved in any essential now. Even the 5% bonds were quoted some points under par at the end of the year. All they could hope to do was to limit their losses, and in this they succeeded to a certain extent; but the whole affair was an unfortunate piece of business.

In other, more distant fields also, the Rothschilds had not been over-lucky in their investments during that year. After several fruitless attempts at reconquering Haiti, the second largest island of the Antilles, it had to be surrendered by France, on the payment of an indemnity of 150,000,000 francs by the new republican government. This government borrowed the necessary money, the loans being taken up by a French syndicate, including Rothschild and Laffitte. The Republic of Haiti was never able to meet its obligations; and even though the French government eventually indemnified the two firms for their losses, the transaction had to be put down as unprofitable.

Whether the brothers Rothschild were fortunate or unfortunate in their dealings, their names were on everybody's lips; legends gathered around their activities and their wealth, and they were accredited with the most fabulous schemes by the general public. Thus the story gained currency in Austria that Rothschild had one day demanded the immediate repayment in convention coinage, of no less than 40 million gulden which he had lent the state. On being told that it was impossible to repay this sum, Rothschild was alleged to have proposed that he should either be handed over the whole customs revenue throughout the imperial dominion for a certain

period, or be granted the monopoly of the purchase of fleece in the Austrian dominions, whereby he would have been able to dictate the price of textiles. Although these rumors were obviously untrue, they indicated the estimation of the power of the House held by the public, whether it was well or ill disposed.

The Rothschilds were becoming the central figures in the jokes and caricatures of comic papers. In 1825 a caricature making fun of their versatility was circulated in Frankfort and South Germany. The drawing showed a Rothschild on horseback, with samples of all his businesses; wine-casks, seeds, buttons, etchings, state securities, umbrellas, pens, magic lanterns, etc., on his way from the north to the south of Europe. The easily interpreted legend ran: "Blueshield, commercial traveler, does business in all branches of trade."[61]

The brothers did in fact engage in every conceivable kind of venture, and they were approached with all sorts of schemes. Persons in high places especially had recourse to them for loans. Among them was Marshal de Marmont, Duke of Ragusa, formerly governor in Illyria under Napoleon I. He had joined the Bourbons after Napoleon's fall, and got on good terms with Metternich. As a reward for his change of allegiance and various political services, he was granted an annuity of fifty thousand francs by the Austrian government, in alleged compensation for a donation allotted to him by Napoleon I. The marshal had again got into serious financial difficulties, and the French government, which did not wish him to be publicly compromised, advised him to mortgage his Austrian annuity to Rothschild if the banker would put his affairs in order.

The duke did apply to Solomon Rothschild, but Solomon wanted first to make sure that the Austrian government would actually pay Marmont the annuity until he died. He therefore wrote to Metternich: "I would not have entered into any negotiations in this matter without

having previously asked your Highness's consent, had I not done so at the suggestion of Count de Villele. ... I am therefore venturing to ask your Highness in this most humble private letter, whether the assumption of these negotiations or their continuance is in accordance with your Highness's wishes. Will your Highness please to be assured that on receipt of the slightest hint of the contrary being the case, all negotiations will immediately be broken off, and in such a way that neither Count de Villele nor the Duke of Ragusa will discover the true reason of the change."[62]

Marmont also wrote to Metternich in order to get his support.[63] The chancellor replied cautiously.[64] He thought that the treasury would no doubt simply pay the annuity to Rothschild; but the finance minister would have to be asked for a special guarantee to that effect. Everything would be simple, "as long as the respective positions of the persons concerned remained the same."

This was rather a dangerous reply, and Solomon wanted to have various, and, as Marmont called them, "ridiculous" guarantees.[65] Rothschild, however, firmly adhered to the position that the Austrian government must give her full expressed consent to the arrangement, if he entered into it.

"I am fully aware," Marmont wrote, "that this requirement is not flattering to me, and that the only motive for making it is to obtain guarantees against the possibility of my mauvaise foi." But for fear of endangering the arrangement, he had to agree.

In November, 1825, the contract was submitted, constituting a speculation on the part of Rothschild that the marshal, who was fifty years old, would live a long time. Metternich, however, would not agree that Emperor Francis should give his express consent, as contemplated under the contract, because it was impossible to know in the case of a former marshal of Napoleon whether his political opinions would not undergo changes such as

might cause Austria to cease her payments. If, however, these payments were mortgaged to Rothschild for the full term of the marshal's life, it would not be possible to discontinue them. The contract was therefore not concluded, and in order not to rebuff Villele, James lent the marshal a small sum on the security of the next instalment of his pension.

On April 30, 1827, Solomon wrote the following letter to Metternich[66]: "Your Highness will perceive from the enclosed statement that Marshal de Marmont's affairs are in a state of the greatest confusion, and he is hard pressed by his creditors. He is bound to go bankrupt sooner or later, and in such a case our Paris branch would be a creditor to the extent of fifteen thousand francs, advanced to the marshal on the security of the personal annuity payable to him by the imperial government. There is only one way in which my firm can be secured against possible loss, and that is by impounding the two next instalments of this annuity. I therefore venture most humbly to request your Highness to issue the necessary authorization for the I. and R. Treasury to instruct the paymaster's office to accept a veto from me, in the usual form, upon the instalment of the pension now due and upon that due next quarter in so far as this may be necessary to cover our claim."

It was asking a good deal to expect the powerful Austrian chancellor to concern himself with securing a pay ment of 15,000 francs to the House of Rothschild. But Solomon was in a position to take this liberty, since Metternich himself was again negotiating a personal loan with the firm; and in fact on June 1, 1827, the prince received a loan of half a million gulden from the Rothschilds.

The failure of the conversion operation necessarily damped the Rothschilds' ardor with regard to any other ventures, the consequences of which could not be clearly foreseen. The situation in Spain was exceedingly critical,

and the lack of money was being acutely felt. In ignorance of the way in which the conversion scheme was working out, the Rothschild representative at Madrid had been somewhat rash in making promises to the Spaniards.

"The financial problem [in Spain]," Vincent reported to Metternich,[67] "is now in the hands of the House of Rothschild, all of whose members are just now in London. It seems to me that M. Renevier, the manager of the Madrid branch, has gone rather too far in what he has said to the Spanish government. The House of Rothschild will not enter into business negotiations with Spain without having made previous inquiries in England, and assured themselves of the probable attitude of bankers there with regard to assistance rendered to Spain, for such a loan might damage the loans made to the South American governments which are in rebellion against that country."

When James Rothschild returned from London in the middle of September, 1825, after spending five weeks there with his four brothers, he was assailed by questions from all sides as to whether Spain had any prospect of securing a loan of 25 millions. Nathan had advised against it because for political reasons he did not wish the reactionary Spanish government to be supported. Metternich on the other hand would have been pleased by the granting of a loan, and desired it to go through.

"So far as I have been able to ascertain," Vincent reported to the chancellor,[68] "the House of Rothschild is not much inclined to have anything to do with a financial venture in Spain. They have little confidence in the guarantees offered by the government, and they are afraid of damaging themselves with English firms having interests opposed to those of Spain. Although the House of Rothschild may pretend that their sympathies are purely monarchistic, the recognition of the engagements entered into by the Cortes government, and the liberation

of the Spanish colonies, would provide a far wider field for enterprise and political securities, the value of which they do not fail to appreciate."

The House of Rothschild could well be discriminating. Offers of business from governing circles flowed in on them from all quarters. Carl Rothschild had met Count Louis Philippe de Bombelles in connection with some payments which he was instructed by the Austrian government to make on the Neapolitan account for the passage of Austrian troops through Tuscany. Although large sums were involved the matter was promptly settled, and the Tuscan government gave him to understand that it would take the opportunity of demonstrating its satisfaction.

Grand Duke Leopold II, who had been ruler of Tuscany since 1824, was at that time considering a scheme of great benefit to his subjects, namely, to drain the Maremme, an area of marsh land in Tuscany embracing thousands of square miles. The grand duke proposed to Carl Rothschild through Bombelles that he should undertake a part of the drainage operation on his own account, subject to a suitable arrangement with the state of Tuscany. Such was the esteem in which the House was then held for its versatility and financial resources.

Carl Rothschild did not feel that he could undertake such a far-reaching scheme. "Would it not be better," he replied to Bombelles,[69] "if the Tuscan government which has conceived such benevolent plans for their subjects, would itself supervise the carrying out of the scheme with the assistance of a loan to be taken up gradually as the work progressed? Such a method of procedure seems to me to be more advantageous than to entrust the work to foreigners who do not know the country, and who would be compelled at great expense first to find and engage workmen."

These discussions took place in August, 1825, a most unfavorable time for persuading the Rothschilds, who

were uneasy at their losses, to agree to such a serious undertaking. The scheme nevertheless was carried through, and the firm took some part in financing it, although it had nothing to do with the work itself. It proved to be an inestimable boon to the country, although the work took very many years to carry out, and cost untold millions.

The relations of the House of Rothschild with Metternich had remained untroubled throughout the year 1825; and the Rothschilds actually ventured to intercede with the chancellor regarding the affairs of certain members of Napoleon's family. Toward these Metternich was in general anything but well disposed, and was always inclined to put the greatest difficulties in their way. Napoleon's mother, the aged Laetitia, who was then seventy-five years old, lived at Rome, and dearly wished to see again her eldest son Joseph, the former King of Spain, who was living in North America under the pseudonym of Count de Survilliers. Mother and son had not seen one another for ten years. Joseph had repeatedly attempted to get a passport, but the Austrian and French governments would not permit him to return to Europe. All entreaties had hitherto been in vain, and a friend of the family, Count Villeneuve, approached Solomon Rothschild, asking him to use his influence with Metternich, because the old lady was ill, and Joseph promised to return to America immediately after his visit. The world had indeed passed through great changes during the previous ten years when the son of a despised Frankfort tradesman was asked to intercede on behalf of the man who was once deemed all-powerful.[70]

Metternich, however, remained obdurate. To yield would not have been in accordance with the general principies of his policy. The House of Bonaparte was finished with, should remain finished with, and never be allowed to become dangerous to Metternich's system again. For this reason even the smallest favor was re-

fused to the family; Rothschild was not listened to, and had to realize the limits of his influence. Although when interference with his policy was involved Metternich might remain absolutely firm, he often gave the House of Rothschild much too much rope in matters of finance; and in such instances he relied upon the finance minister and the treasury.

An accident has revealed the details of a transaction which clearly shows that Metternich and his assistants sometimes went too far in their reliance on the Rothschilds; and an examination of this incident offers an opportunity of noting the treasury's own comments on its mistakes and on the loss involved, which, it should be pointed out, was incurred under Count Stadion's successor.

Since the first Austrian occupation of Naples in 1815, the kingdom had had to pay a war indemnity. Since the end of 1818, it had been the duty of the Austrian ambassador at Naples, Prince Ludwig de Jablonovski, to receive the instalments as they were paid in each month, and, in connection with a banking syndicate controlled by the Neapolitan firm Dollfuss, to arrange for their transmission to Vienna. Everything went well at the start, but the bill for the second instalment was protested in Vienna, because the firm of Dollfuss was in difficulties a

Dollfuss reported this fact to Jablonovski in January, 1819, but the ambassador had already received the orders on the Neapolitan Treasury for the following instalments up to March and drawn these sums in advance. Jablonovski was now in danger of losing this money, and was forced to accept a very unfavorable settlement offered by the firm of Dollfuss, under which they handed him public securities, for the sum they held, at 87, the price at which they had bought them, although these securities had by then fallen to 78. Jablonovski hoped that they would appreciate again, so that he would avoid any loss.

"The power," Jablonovski remarked later, "which

autocratically governs quotations throughout Europe, so that the most careful calculations go astray, the autocratic power of the House of Rothschild was a factor of which I was not then aware."[71]

Jablonovski had miscalculated. The bonds continued to fall, and the prince was unable to make the payments to Vienna on the due dates, because he felt he could not sell the bonds at such a loss. He therefore mortgaged them at 60% in order to be able to send at any rate part of the money, and still hoped that they would appreciate. Later on, however, the remittances to Vienna ceased altogether. This greatly annoyed and worried Stadion, who needed the money. As an imperial ambassador, who was under Metternich's orders, was affected, Stadion complained to the chancellor, and Metternich had to try to think of a way out. Again he had recourse to the brothers Rothschild, a constant refuge in distress. It was in the summer of 1819, and James and Carl had just come to Vienna from Naples. They had informed themselves as to conditions there, reported to Prince Metternich and been commissioned by him[72] to undertake the transmission of Austria's outstanding claims in Naples.

Rothschild stated that he would be delighted to carry the matter through in collaboration with Gontard at the "most favorable possible rates," and asked for 1/2% commission and 1/2% brokerage. "You may be assured," his offer concluded,[73] "that we shall do everything in our power to carry out your commands with all the diligence and economy of which we are capable, so that we shall continue to justify the confidence which you place in us." The matter was accordingly entrusted to them.

Prince Jablonovski had not yet been told anything about the negotiations with Rothschild, and he was exceedingly upset when he was suddenly instructed to hand the business over. He expressed his astonishment, especially in view of the fact that he had meanwhile arranged a solution of the matter with the finance min-

ister Medici by direct shipments of gold to Trieste.[74] "But," he wrote, "Herr James Rothschild was in Naples, and presumably heard of my unfortunate dealings with the firm of Dollfuss, and determined to turn them to his own advantage. Nothing else can explain how the House of Rothschild should have taken over such an unimportant business in a center with which they are not familiar, where the rate of exchange is constantly varying and unfavorable, or how they could have persuaded the I. and R. Treasury to renounce the advantages of transporting gold, and to bear the considerable loss of exchange."

In any case the matter was taken out of Jablonovski's hands, and his suggestion that further payments should be deferred until the Neapolitan bonds rose again was ignored. In January, 1820, Jablonovski received instructions to hand over all documents regarding the matter to a controller specially sent to Naples for this purpose. In July, 1820, the revolution broke out, and in the spring of 1821 the Austrian troops entered Naples. The immediate effect of these events upon the bonds was unfavorable, and they fell continuously until May, 1821. The result was that Stadion, who was always liable to sudden panics, hastily gave instructions that the bonds which had been mortgaged at 60% should be sold to Rothschild, and this was done in May, 1821, at the lowest point which they touched, namely 58 1/8.

The following year saw an extraordinary rise in Neapolitan securities, so that it may be readily imagined that the House of Rothschild made an enormous profit out of this purchase. This became particularly apparent when in August, 1827, the new finance minister Count Nadasdy, after going through these accounts, declared that Prince Jablonovski was liable to make good an amount of 584,-354.54 florins, and created a charge over his property at Rogozno for this amount.

The prince protested strongly with the result that an

imperial commission was appointed to investigate the matter. This investigation led to some lamentable revelations as far as Austrian public finances were concerned. The "most obedient loyal servant Count von Taaffe," president of the treasury, had some utterly devastating statements to make in his most submissive report[75] regarding the treasury's claims on the prince. He revealed that the transaction had been most unprofitable in every way, and declared that Prince Jablonovski's statement that it would have been better for him and for the treasury to have burned the certificates of the mortgage bonds, and rid himself of them completely, was correct, harsh though it sounded. For as the bonds[76] had been mortgaged for 60, and had later been transferred to Rothschild at 58 1/8, the Austrian state had not merely failed to receive anything further, but had actually had to make up the difference. Jablonovski's proposal to hold the bonds, and wait until they improved in value before realizing them, had been a sound business speculation. Instead of this they had been handed over to the House of Rothschild, together with the interest payments for the first half of the year 1828.

On this memorandum an imperial instruction was issued, ordering the finance minister to examine the accounts again in collaboration with Prince Jablonovski, and if the results showed that any added compensation had to be paid, to take the necessary steps to collect the amount as speedily as possible. The fianance minister carried out these instructions; and the report on the matter concluded with the following words: "The assessor appointed for the investigation is of the opinion that, although there is in a general way ... an obligation on the prince to make good the amount, the claim could be effectively resisted in the courts or otherwise. For we are not at all likely to succeed in replying to an order to show cause, such as will necessarily be granted if the charge created [on the prince's property] is not canceled."

The result of the further examination was that instead of being held liable for the amount of more than half a million florins, the prince was finally required to pay only 10,694 florins 34 kronen, in order that the complete failure of the treasury might be somewhat concealed from the outside world.

The facts which had thus been brought to light also gave the chancellor food for thought, and he afterwards observed a certain amount of caution in his relations with the House of Rothschild. They availed themselves of every occasion to make the sovereign and the leading statesmen forget such untoward occurrences, and endeavored to obliterate the bad impression by giving proof of their deepest devotion. This was especially the case when Emperor Francis fell ill in the spring of 1826, recovering only after many weeks of sickness. The whole of Europe had been in suspense, for the decease of the emperor would have involved profound political changes; and the news of his recovery offered an opportunity for the brothers Rothschild to send their congratulations to Metternich. It is true that they little guessed how cleverly he had provided for the continuance of his control of affairs, even in the event of Emperor Francis's death. It will suffice to quote the letter which Amschel wrote from Frankfort:

I have by today's post received the news of the fortunate recovery of his Majesty our universally beloved emperor. Having suffered the greatest anxiety since the emperor fell sick it was one of the most joyful moments of my life when I heard the news.

Heaven has heard our prayers in preserving the greatest and most virtuous of monarchs, and thus allowing the world to continue to enjoy a good fortune, the greatness of which I can but marvel at without venturing to appraise. It is impossible to describe the radiant joy that lights up all faces—only angels

could express in words our feelings of gratitude to Providence!
I cannot refrain from expressing to your Highness my congratulations on this blessed event. I would gladly make so bold as to lay my congratulations at the feet of his Majesty himself, our most benevolent emperor—so sincere and overwhelming are my feelings. May God preserve in full health this best father of mankind until the end of his days! And may it ever be my fortune in deepest reverence to call myself your Highness's most humble and most obedient servant,
AMSCHEL MEYER VON ROTHSCHILD. [77]

Now that the emperor had recovered, the fear that his death would deal a blow to Metternich's regime, and therefore also to the position which the brothers Rothschild had established in the I. and R. chancellor's office, was again remote. Solomon, who through Metternich and Gentz was constantly winning his way in Viennese court circles, was frequently invited to the chancellor's and also often entertained him in his own house.
One after another, families of the high aristocracy, requiring financial assistance, procured loans from the Frankfort banker who had settled at Vienna. In this way he placed many aristocrats under an obligation to himself, and whether they liked it or not they had to admit Solomon and his family to their exclusive salons. Thus both socially and in business Solomon climbed to dizzy heights at Vienna, and his commercial rivals began to become painfully aware of this, especially during the years of financial crisis of 1825 and 1826.
The firm Fries & Co., one of the four "monopolistic state bankers" which had come into prominence during the reign of Maria Theresa, had got into difficulties during the crisis of 1825. David Parish, a son of the well-known John Parish of Hamburg, and Rothschild's

partner in numerous transactions, had entered the firm some time previously, and was now involved in its fall Parish's extravagance and reckless speculation hac caused him to be excluded from a partnership in his father's business, and he had set up on his own account. Being unable to meet his liabilities he had no other course open but to require his most powerful patrons such as Metternich and Gentz, who were at the same time his debtors, to repay their loans. He thus forfeited their favor, though he could not save his firm from ruin.

When he saw that the crash was inevitable Parish put an end to his life by jumping into the Danube; but before doing so he wrote two bitter letters expressing his resentment at the fact that the House of Rothschild had elbowed him out of many transactions. He blamed Metternich for having sacrificed him to the cupidity of a family who had succeeded better than he had in securing the chancellor's interest. He described the brothers Rothschild in a letter to Metternich as "heartless persons, only interested in their money-bags, who, standing under the special protection of Metternich, have behaved in a most ungrateful manner to him."[78]

Just before his death, Parish also wrote to Solomon Rothschild, reproaching him for having squeezed him out, although he had in 1817 introduced him to the big French and Austrian financial business. Now it has been ascertained that the Rothschilds would have succeeded in establishing this connection even without Parish, and that he invited them to join in several transactions simply because he was not sufficiently rich and powerful to carry through these great state financial operations alone.

On the other hand there is no doubt that the brothers Rothschild were entirely ruthless in competing with the firm of Fries and Parish, and that they succeeded as no one else did in consolidating their position with the public departments. In any case, Solomon neither desired nor expected that the rivalry should have such a tragic end-

ing, and he was not a little shocked by it. He spent many hours discussing the tragedy with Metternich and Gentz, in its various aspects.

Two rivals had been disposed of, but life went on its course, and it appeared desirable to wipe out their memory, and to anticipate evil tongues by cleverly giving publicity to news regarding the fame, the business dealings, and the prestige of the House of Rothschild. The brothers had long recognized that good advertisement, which owing to the limitations of the time had to be of a literary nature, could be of the greatest value. Through their influence with the authorities, who were able to use the power of the censorship in order more or less to restrain press activities in all countries, they had little to fear from violent attacks in the press; and if any such occurred, they were almost always able to take effective countermeasures. Moreover, they had ample means at their disposal for influencing cowardly papers, and pressing the cleverest pens into their service.

First and foremost there was Gentz, the "Secretary of Europe." He had for a long time been writing propaganda articles for the Rothschilds in various papers, and exerting his influence—backed as it was by the powerful figure of Metternich looming behind him—upon the contemporary press in their favor. Gentz's growing intimacy with the House of Rothschild, which was marked by constant invitations to dinners and theatres, as well as by "highly welcome financial transactions with the excellent Rothschild," as faithfully recorded by Gentz,[79] gave a chance for carrying out a master-stroke of publicity.

In 1826 the Brockhaus publishing firm was just about to publish a new edition of its Conversational Encyclopedia, which had a very wide circulation at that time, and was regarded as an absolute gospel. The Rothschilds had not yet been featured in it, and it seemed to offer a convenient opportunity for describing the origin and progress of their House.

There was nobody better qualified to execute this, as regarded both manner and matter, than Gentz. Solomon Rothschild accordingly requested him in return for a princely fee, to undertake the task, explaining to him the points he wished to have emphasized. He was particularly anxious that the relationship with the Elector of Hesse should be described in such a way as to convey the impression that the whole of his enormous fortune had been entrusted to the management of the House of Rothschild; and that they had succeeded in saving it by risking all their possessions. Special emphasis was to be laid upon their integrity and disinterestedness, and the firm was to be described as more powerful than any contemporary firm, all the titles and dignities that the five brothers had acquired in the course of time being enumerated.

During the first week of April, 1826, Gentz wrote an essay entitled "Biographical Notes about the House of Rothschild," which was to serve as the basis of his article in the encyclopedia. The following extracts will give an idea of the way in which Gentz carried out his task. The essay was accepted at its face value by very large numbers of people, and after appearing in the Brockhaus publication was incorporated into similar foreign works, as for instance Encyclopedic des gens du monde. The article ran:

The Rothschilds, at the present time the greatest of all business firms, are among those who have achieved greatness and prosperity simply through intelligently taking advantage of opportunities which were available for thousands of others, through a spirit of enterprise seasoned by calm judgment, and through their understanding of men and affairs, and their capacity to adjust themselves to the conditions of the time. Meyer Amschel Rothschild, the father of the five brothers, who are now living, was the founder of this firm.... In a short space of time his knowledge, his tireless industry, and his

straight dealing won for him the confidence of highly respected firms; he was given important orders, and his credit as well as his wealth increased. The relationship which Rothschild established with the Landgrave, afterwards Elector, of Hesse was a decisive factor in the enormous subsequent development of his business. The elector appointed him crown agent in 1801, having come to realize that he was as reliable as he was useful. When in 1806 the French occupied the elector's territories, and he himself was compelled to flee, he left the rescue of his private possessions to Rothschild, their value amounting to many million gulden. It was only by sacrificing the whole of his own property, and at considerable personal risk, that Rothschild contrived to save the property that had been entrusted to him.

The well-known fact that all Rothschild's possessions had been confiscated by the French led the exiled elector to believe that his own property had been lost too. In fact he does not appear to have thought it even worth while to make inquiries about it. When matters had settled down again Rothschild immediately proceeded to do business with the property he had saved. . . .

The brothers are most scrupulous in observing the injunction that their father laid upon them when he was dying, which was to collaborate in absolute brotherly harmony in ail business matters. Indeed they treat the memory of their father with such piety that they refer to him in all important business matters, and Nathan generally applies to doubtful cases a rule his father recommended.

When the elector returned to his states in 1813, the House of Rothschild not merely offered immediately to return to him the capital sums with which it had been entrusted, it also undertook to pay the customary rate of interest from the day when it had received them. The elector, positively astonished by such an example of honesty and fair dealing, left the whole of his capital for several more years

with the firm, and refused any interest payments for the earlier period, only accepting a small interest from the time of his return. Through recommending the House of Rothschild, especially at the Congress of Vienna, the elector certainly assisted greatly in extending their connections, until now as the result of the political developments since 1813 the House has, through an uninterrupted series of great transactions, attained the position it at present holds in the commercial and financial affairs of Europe, which are partly directed by it. . . .

Students of economics and politics have no doubt frequently wondered how the House of Rothschild has been able to achieve so much in so short a time. Leaving the effects of chance out of account, its success is attributable principally to the strictest observance of certain fundamental maxims, together with wise business management, and the exploitation of favorable opportunities. The principal maxim is harmonious collaboration in all business matters, to which reference has already been made.

After their father's death every offer, whatsoever its origin might be, was made the subject of joint discussion between the brothers; any transaction of any importance at all was carried through according to a concerted plan by their joint endeavors, and all the brothers had an equal share in the result. They continued to act in close agreement, in spite of the fact that they gradually settled in places far removed from one another. This circumstance, indeed, instead of interfering with their collaboration, has proved an actual advantage; it has enabled them to obtain the fullest information as to the state of affairs in the principal markets, so that each of them can from his own center the more effectively take the preliminary steps in any business. The firm as a whole then takes it over and carries it through.

Another of the principles which the Rothschilds have adopted is to keep moving, and not allow themselves to become enmeshed by circumstances. . . .

Finally it should be noted that, apart from the reasonableness of their demands, the punctiliousness with which they carry out their duties, the simplicity and clarity of their schemes, and the intelligent way in which they are put into operation, the personal moral character of each of the five brothers has been a determining factor in the success of their undertakings. It is not difficult for those whose power enables them to attach large numbers to their interests, to secure the backing of a powerful party; but to unite the support of all parties and, in the popular phrase, to win the esteem of gentle and simple, implies the possession not merely of material resources, but also of spiritual qualities not always found in association with wealth and power. Ever ready to lend a helping hand, without distinction of person, to those who have come to them for assistance, all of the five brothers have achieved a real popularity. They have rendered the most important services in such a manner as to make them most acceptable, for they have been actuated not by considerations of policy but by natural benevolence and kindness.[80]

This eulogy of the Rothschilds was a masterpiece executed by a clever stylist; it was bound to raise the prestige of the House enormously, especially in the opinion of those who did not know how it came to be written. Then as now the great mass of the unthinking public accepted anything in print at its face value, and as the article, while containing statements that were untrue, did contain much that was the result of accurate observation, and attributed excellencies that were not fictitious, even the more critical were inclined to give credence to the description.

It was not signed by Gentz, although it is true he admitted to being the author, at any rate in conversation with his friends. Indeed he actually asked Adam Muller to express his opinion on it. "I should be glad," he wrote,[81] "if you would read the article on Rothschild in the supplement of the Conversational Encyclopedia. It

is my work, and I have endeavored to give briefly a simple and I hope not infelicitous explanation of the greatness of that House. I shall greatly appreciate your opinion on this little article."

Gentz was proud of his work, and as he has noted in his diary, he read it to Rothschild's manager Wertheimstein, who naturally listened to it with "undisguised admiration."[82] Ten days later Gentz called on Rothschild and received his "actual" cash reward.[83]

Apart from the great advantage which its publication brought to the brothers Rothschild, his essay contained some shrewd observations which are of general interest. One passage in particular, although not included in the Conversational Encyclopedia, may be worth quoting. "There is a truth," Gentz remarks, "which, although not quite new, is generally not properly understood. The word luck as commonly used in the history of famous individuals or eminent families is bereft of all meaning, when we endeavor to dissociate it entirely from the personal and individual factors in each case. There are circumstances and events in life in which good or ill luck may be a determining although not an exclusive factor in human destiny. Lasting success, however, and constant failure are always, and to a much greater degree than is generally supposed, attributable to the personal deserts or the personal failings and shortcomings of those who are blessed by the one or damned by the other. Nevertheless the most outstanding personal qualities may sometimes require exceptional circumstances and world-shattering events to come to fruition. Thus have the founders of dynasties established their thrones, and thus has the House of Rothschild become great."[84]

The circumstances could not have been more aptly described, for the family Rothschild of that generation did undoubtedly bring mental forces into play in a definite direction, the results which they achieved being favored by the circumstances of the time.

CHAPTER VI

The House of Rothschild Rides the Storm

THE control of the business of the House of Rothschild, established as it was in five different centers in Europe, had become exceedingly difficult with the passage of time as a result of the enormous extension of its operations and their intimate interactions with the events of general European politics. It is true that Nathan quietly exerted an influence that tended to harmonize the often conflicting aims of the various branches; but on account of the primitive nature of the communication at that time, and the inadequate postal arrangements, it was impossible, in spite of all the efforts he made, for him to supervise everything.

The result was that each brother had a fairly wide scope within his own center, it being left entirely to his own judgment within certain limits to do what he considered best in the interests of the firm as a whole. Between Vienna, Frankfort, Paris, and London, these places being linked up on the main European routes, communication was easier. It was just the least gifted of the brothers, Carl, who was practically isolated from the others at Naples, and therefore often had to travel personally to Paris and London in order to get into touch with his brothers.

A final solution of the problem of the Austrian troops at Naples had become urgently necessary. Since the end of the year 1822, Neapolitan statesmen had been constantly protesting that the Austrian Army of Occupation should be reduced, in view of the enormous expense of maintaining it. Memorandum after memorandum, ex-

plaining the intolerable burden and the necessity of relieving the situation, was sent in.[1] The Congress of Vienna had decided that the occupying forces should be reduced to 35,000 men; but before this decision was put into effect (August, 1824) the Austrian government had already realized savings to the extent of about 6,500,000 florins out of the sums paid by Naples.[2] This fact naturally soon leaked out and caused great dissatisfaction in the kingdom,[3] especially as a rumor was abroad that the government would shortly reduce the pay of all those in its service.

The greater part of Naples public securities was held abroad. Of the annual interest, only about two million ducats remained in the country itself, while the balance constituted a tribute that Naples had to pay to foreign capitalists. The budget suffered from the malady of a constantly growing deficit, which rose to 3,800,000 ducats in 1825. This meant that the interest on foreign debt was only slightly less than the state's annual deficit.

Count Apponyi, afterwards ambassador in Paris, had been sent to Naples by Metternich to examine the situation on the spot. "Cavaliere de' Medici," he reported,[4] "regards the presence of our troops as nothing but an intolerable burden. As finance minister he trembles at the idea that the foreign occupation may last until after 1826, and by compelling him to take refuge in another loan, still more increase the state's terrifying deficit. This caused him to say to Rothschild a few days ago: 'If the Austrian troops remain here after the limit of time fixed by the convention, I am determined to hand in my resignation.'"

Fundamentally Carl Rothschild was absolutely on the side of the finance minister. It was not in accordance with his wishes that the expenses of the occupation should lead to the whole internal economy of the state being thrown into confusion, so that the loans handled and

issued by the House of Rothschild would run the risk of declining seriously in value. He began, therefore, noticeably to adopt the Neapolitan point of view, and gradually to forget to consider the interests of Austria, although he owed his position in Naples to that country.

He too favored speedy evacuation, especially as the new king, who had succeeded to the throne in January, 1825, and on whom he wanted to make a good impression, cherished the same wish. At Vienna he was actually suspected of supporting the Neapolitan finance minister in his obstinate efforts to recover part of the moneys paid out to the Austrian troops on the ground that they were excessive. The Neapolitan government was claiming the repayment of 1,013,398 ducats as excess payments made only up to November, 1821, and proposed to retain 100,000 ducats each month from the moneys payable to the Austrian war account until the adjustment should have been fully effected. Austria offered only 650,000 gulden in satisfaction, and was contemplating making deductions even from this amount. However, she was afraid of any public dispute in the matter. The quartermaster-general himself admitted in a letter to Count Nadasdy that the estimate of 650,000 florins was too low. He said that in his view it would be better to agree to the amount demanded by the Neapolitan government as a lump sum, rather than to allow the matter to be discussed in detail, as that would be too damaging to Austria.[5]

Ficquelmont also expressed his fears[6] that innumerable claims might arise, the airing of which would be unpleasant for Austria. He offered to arrange for the settlement of the matter, "without publicity and without compromising the dignity of our government," asking only that the repayments should not be made out of the resources of the I. and R. war-chest at Naples, but through the House of Rothschild. For direct repay-

ments through the war-chest would furnish proof that savings had been effected out of the lump sums paid by Naples.

"Looking at the matter coldly and impartially," he added, "we find that we are to refund only the portion of the excess payments attributable to the period between February 1 and November 30, 1821."

But Vienna was not prepared to refund the money so quickly, and hesitated about making it available. Medici urgently needed the money, and would not wait any longer. He therefore applied to Carl Rothschild, informing him that the royal treasury required 1,500,000 ducats in excess of its normal revenue. He asked Rothschild to advance this sum, offering as partial security the claim exceeding a million ducats which had been recognized by Austria.[7]

Carl Rothschild immediately sent Medici's letter to Vienna in order to ascertain the imperial government's attitude in the matter. As, however, it was not yet inclined to give way, in spite of Ficquelmont's representations, it simply put the letter by. Nevertheless, in return for special securities in the event of Austria failing to pay, Carl Rothschild advanced 1,200,000 ducats, because he attached great value to being on good terms with Medici and the new king.

This brought him into great favor in high quarters, a fact which Carl exploited to create a position for himself in society in Naples, as his brothers had done elsewhere. During the winter of 1826 many distinguished foreigners flocked to the beautiful city of the south; amongst them were Leopold of Saxe-Coburg—afterwards King Leopold I of Belgium[8]—the Duke of Lucca, and other princes, as well as several wealthy English families. "This greatly enlivens our social gatherings," Carl said in a private letter.[9] "Amateur companies perform French plays; there are balls and soirees—in a word, in spite of everything, life is very gay. . . ."

Meanwhile, as the result of representations made by Solomon to Metternich,[10] the House of Rothschild had been informed that there was no objection to crediting to the House of Rothschild the moneys which Austria would finally refund to Naples. Their total, however, remained undefined, and as it went very much against the grain to pay these amounts at all, Metternich was somewhat annoyed that the House of Rothschild should intervene in the matter.

At the end of December, 1826, Emperor Francis and Metternich decided finally to evacuate the Two Sicilies,, although not without emphatically warning the king never to think of changing the form of government. On the occasion of the Austrians' leaving, General Frimont, the officer in command, had recommended various persons for decorations, including the finance minister Medici and Carl Rothschild. In view of the attitude adopted by both of these in the matter of the rebates, Vienna was not prepared to consider the suggestion, Metternich minuted on the proposal that Medici ought not to receive any distinction,[11] since he already possessed the Grand Cross of the Order of St. Stephen, and that Baron Rothschild should not receive one "because he is not qualified to receive the distinction suggested." This was, in effect, a reply to the new attitude which Carl Rothschild had assumed. People in Vienna were almost inclined to call him a traitor or a deserter.

The negotiations regarding the refund of the excessive payments made for the support of the army continued for some time. Austria maintained her resistance against paying in full the amount demanded, until the King of Naples finally yielded, in order not to upset the, agreement arrived at. But he wished at least to receive the interest on the excess that had been paid.

A memorandum on the matter states:[12] "The king does not doubt that the difficult circumstances in which Naples has been forced to accept her onerous obligation to the

House of Rothschild will so far influence the noble heart of the emperor that he will without delay carry out at least this wish of the Court of Naples." The Austrian government was to arrange the method of payment with the House of Rothschild. This appeal, however, met with little success; Austria finally paid only 338,564 gulden, which Rothschild took over on account of his claim against Naples, and at the end of 1829 this settlement was accepted for the sake of peace.

Although, as in Carl's case, Metternich was sometimes not entirely in agreement with the attitude of the brothers Rothschild, he always came back to them again, in both public and personal matters. There was no other financier who controlled such large sums of money and such important international connections. Moreover, it had been the chancellor's experience that the strictest secrecy was observed and maintained by the Rothschilds in all transactions of a delicate nature. In that respect they were in marked contrast to most other bankers; and this was of special importance to a man in such a public position as Metternich.

Transactions constantly arose in which the financial interests of the imperial house, to which Metternich naturally always wished to prove his devotion, had to be made to harmonize with those of the state in such a way as to avoid any public criticism. The Rothschilds were particularly skilful in handling such cases, and they thereby made themselves indispensable to Austria's leading statesmen, in spite of any disagreements.

A striking example of this was furnished when Metternich had recourse to the services of the Rothschilds in connection with the financial affairs of Marie Louise, wife of Napoleon I and daughter of Emperor Francis. Although she was far superior to her husband in birth, this lady was in general character and in intellectual gifts no fit consort for the Corsican genius. She remained with him as long as fortune favored him; but when his

collapse came she left him, with her son, and returned to her father without shedding a tear for her husband.

Notwithstanding Napoleon's entreaties, she never once expressed the wish to visit him at Elba, to say nothing of St. Helena, although it is true that if she had so wished, her father and, still more, Metternich would have opposed her. The chancellor wished Napoleon's memory to be completely obliterated, and he was particularly skilful in the case of Marie Louise in exploiting her weaknesses to that end. She was callous and pleasure-loving, and used to visit fashionable spas; she lived only for her own amusement and did not even trouble to answer Napoleon's letters.

In 1814, while the ex-empress was staying at Aix-les-Bains, Metternich allotted to her as courtier a man who not only played the part of courtier, but also had an important political role in Metternich's service. Adam Albert, Count von Neipperg, was a handsome man of thirty-nine; he had lost his eye through a sword-thrust in the war and wore a black eye-patch. He was a smart and elegant officer, and had the reputation of possessing unusual courage and exceptional intellectual and diplomatic gifts. It was his duty to obliterate all thoughts of Napoleon and the empire in Marie Louise's mind, and to keep her from all contact with any member of Napoleon's family or his supporters. He was to be only too successful.

The Congress of Vienna had decided that the dukedoms of Parma, Piacenza and Guastalla should belong to Marie Louise "en toute souverainete et propriete." As long as she ruled in accordance with the principles of an absolute monarchy, without constitution or representative bodies, she thereby acquired a kind of private property in these territories, by the act of the congress, this being quite in accordance with the contemporary attitude of regarding a state as a patrimony. It had, however, been laid down by the Treaty of Paris of 1817 that

these possessions should not be hereditary, but should pass to another prince on Marie Louise's death. Yet no provision had been made as to how the transfer should be effected, nor as to how the duchess's private property should be determined.

Marie Louise had entered Parma in 1816, Count Neipperg sitting with her in her carriage. He had in the meantime not merely obtained complete control over the duchess's actions, as Metternich had wanted—he had also won her heart. The man in gold-braided uniform, sitting next her in her carriage, as Marie Louise entered Parma, was already her lover, and Napoleon, the great emperor and general, her husband and the father of her child, had been completely forgotten.

The affair was no secret at Parma, and it proved useless to try to hush it up; it soon became publicly known that on May 1, 1817, a daughter had been born to Marie Louise and her courtier in the palace of the ruler of Parma. This child received the name Albertine at her christening. Two years later on August 8, 1819,[13] Marie Louise gave birth to a son, who received the names William Albert, Count of Montenuovo—this being the Italian equivalent to the name Neipperg (Neuberg).

Both children were therefore illegitimate, for Marie Louise's husband, from whom she never obtained a divorce, did not die until May 5, 1821, in his distant island prison at St. Helena, while the marriage between Neipperg and Marie Louise, who had been living constantly together for some years, was celebrated in secret in September, 1821.

As the Duke of Reichstadt was still alive, Neipperg feared that on the death of their parents, his children might be left unprovided for. He therefore begged Marie Louise, while there was still time, to extract from her small dominions some money that could be declared to be her private property so the children could be given portions out of it. Marie Louise too realized that some-

thing must be done for their future, since on her death her lands would pass to another prince. She knew that there was an intention to construct a dukedom out of some Bohemian estates for the son by her marriage with Napoleon, but nobody at Vienna knew anything about the Montenuovos.

Up to 1826 the annual income from the territories ruled by Marie Louise had never been completely absorbed in administration, and it had been possible to allot large sums to the building of castles and bridges, and to improvements in the ducal gardens, etc. The Castle of Piacenza had been built, and the palaces at Parma and Colorno had been magnificently refurnished; bridges had been constructed over the Taro and the Trebbia; a theater had also been built; and a survey had been made of the whole country. Neipperg argued that these outlays had been a drain on Marie Louise's personal income, since it could not be disputed that any balance left over in administering the state belonged to the ruler.[14] The expenditure in question amounted to 10,435,000 francs,[15] and he said that she should ask that at any rate a part of this sum should be refunded in cash and applied to forming a private estate for the duchess.

Neipperg fully realized how far his understanding with Metternich went, and that the chancellor would not be able to refuse his request. The general decided with Marie Louise that the matter should at first be dealt with without mentioning the Montenuovo children, but only the Duke of Reichstadt when necessary. The general then wrote to Metternich to say[16] that after all the sacrifices which Marie Louise had made for the peace and welfare of Europe, and in view of the enormous benefits which she had conferred on her subjects, the question of her personal and private property ought to be cleared up. It was obvious that the castles, etc., which had been built out of savings were her own private property, and in order to secure the furniture, pictures, library, horses,

and jewels, all of which she wished to leave to her son, negotiations should be immediately entered into with her successors, so that there should not be any dispute in the event of her death.

Neipperg proposed that either all the powers should conclude a supplementary convention, or a loan should be issued whereby what was due to the duchess could be made immediately available. Neipperg pointed out in a memorandum[17] written in support of his contention that "nobody can protest that, according to the law of the land, the whole direct and indirect income of the state, of whatever kind it may be, is absolutely at the sovereign's disposal; and she may, after the expenses of the administration in all its branches have been met out of the annual budget, dispose of any sums saved or balances left over, entirely as she thinks fit."

Metternich wanted to keep the other powers out of the matter as far as possible, and advised as a "less compromising procedure" that a direct agreement should be reached[18] with the Duke of Lucca, Marie Louise's designated successor. He too was in favor of "the application of carefully designed measures in order to place her Majesty's property beyond the reach of foreign claims and, in so far as it cannot actually be taken out of the country, to secure its separation from the property of the state."

The issue of an "appropriate loan" seemed to him to furnish an easier way out. "In considering a loan," he wrote, "we have, it is true, to keep in mind the fact that her Majesty is herself the beneficiary of the dukedoms; but this does not constitute a reason for denying her power to contract loans on the country's security by virtue of her recognized sovereign rights." The justification for such a loan was to be found in the fact that Marie Louise "has made notable and extraordinary sacrifices in carrying through important works for the benefit of her subjects and the country; and in order to a certain extent

to indemnify herself for these sacrifices without imposing new burdens upon her beloved subjects or exacting the taxes due with excessive severity, she has decided to have recourse to a loan."

Metternich stated emphatically that the questions of the Duke of Reichstadt's inheritance, of a civil list for Marie Louise, or of the distinction between private property and the public treasury should not be brought before the public. The only result of this would be to draw undue attention to the matter and to compromise oneself. Neither did he consider it necessary to go into any question of accounts with the public, excepting such as had reference to the amount and conditions of the loan.

After lengthy correspondence, Neipperg reported in a personal discussion of the matter with Metternich at Vienna that[19] "her Majesty the archduchess has decided to propose to her council that she shall apply one-sixth of the state property [patrimonium] which is valued at thirty millions to the formation of an allodial property, which would be hers to dispose of as she pleased, and to make a gift to her subjects of the rest of the sum that she had used in works for the benefit of the public weal, the cost of which amounted to 10,439,000 francs. Marie Louise wishes to leave it to the council to decide whether the public debt of Parma shall be increased from its present amount of four millions to nine millions, or whether steps shall be taken to sell some of the state lands."

Metternich felt it difficult to come to a decision. The problems involved were of a difficult and exceedingly delicate nature, such as were hardly suitable for official discussion. He therefore decided again to ask Solomon Rothschild for his advice. When the question became acute Metternich was staying on his Johannisberg estate on the Rhine. He first informed Marie Louise that he would ask Solomon Rothschild's advice on all these matters, and that he was certain that Solomon would

have the most useful ideas as to the best way of carrying out her wishes. He then wrote a long letter to Solomon,[20] carefully explaining to him that the archduchess wished to have available a capital sum of from five to six million francs, and to assure herself of the right to spend the income derivable from it in such a manner as she should deem fit. There were political objections to Neipperg's proposal that state lands should be sold; while if she increased the public debt, the archduchess was afraid of losing popularity.

"In my humble opinion," Metternich wrote, "the following scheme might be suitable. The archduchess should state publicly to her council that she could just as well have applied the state revenues—used of her own free will in erecting buildings for public purposes, or about to be so used—for acquiring a private property, but that she does not intend to do this; that she is leaving for the benefit of the state what has already been spent, as well as what will be spent, but wishes to secure a sum of five to six million francs out of the whole amount for her free disposal.

"After making this declaration she should take up the sum as stated and deposit it in the form of bonds in her treasury. The transaction may be a fictitious one, for she does not need ready money; she could leave the securities in her treasury, or issue them in whole or in part. My idea is that only five per cent securities should be created."

Metternich wished to have Solomon's views as to how this scheme should be put into practice in detail; and on receipt of the chancellor's letter, Solomon hastened "to submit his suggestions for his Highness's wise consideration."[21]

"In my humble opinion," he replied, "the object which you have in view could best and most effectively be realized in the following way. The government of Parma should create for the total capital sum involved a general

inscribed bond, made out in the name of our firm, which bond should be deposited at the government's option in the I. and R. Austrian National Bank at Vienna, or in the Bank of Milan. On the security of this general bond we should issue bearer certificates of varying amounts . . . the holders of which should be competent to change them at any time . . . for inscribed bonds registered in the Great Debt Book of the state."

Solomon submitted a three per cent rentes certificate, which the French government had privileged his House to issue. A sinking fund would furnish the necessary security, and punctual interest payments should place the business on a sound basis. Solomon certainly wished first to obtain information regarding Parma's outstanding loans, but he did not recommend sending anybody there yet.

"Perhaps," he concluded, "your Highness could obtain the documents relating to them direct from Parma. This would not arouse attention as would be the case if I did so. Finally, I assure your Plighness that I shall most zealously use all my endeavors to deserve the satisfaction of her Majesty the Archduchess, as well as the gracious commendation of his Majesty the Emperor in this matter, since, as your Highness is aware, I always deem myself richly rewarded when I have the good fortune to contribute to the fulfilment of the lofty aims of the Imperial Court of Austria."

This was Solomon's official reply, for Metternich's use in dealing with Marie Louise. He sent also a covering confidential letter, intended for the chancellor alone.[22]

"I take the liberty, in accordance with your Highness's wish, of writing a few separate lines regarding the business dealt with in the enclosed business letter.

"I am pleased to say that I am confident of arranging this matter to the full satisfaction of her Majesty the Archduchess, and of H. M. the Emperor and King, and of achieving the desired results. As the financial con-

siderations touch political questions at many points I venture to give it as my opinion that it is quite important for the archduchess to secure the capital in such a way that after her death the claims of her legal heirs cannot be disputed. The preparation of bearer bonds issued by an eminent banking firm, the holders of which will be constantly changing, seems to me to meet any possible eventuality. For if anyone attempted to seize such certificates . . . such action would ruin the credit of Parma for all time, consequently all governments who have an interest in maintaining an inviolable credit system would use their influence to prevent such a thing being done.

"In my opinion it would be better to fix the capital sum, not at six, but at ten millions, for as your Highness has yourself indicated, the state requires some millions for public institutes and buildings. In this way the bad impression which might, as the grand duchess fears, be produced by the issue of the loan would be largely counteracted by a consideration of the fact that the proceeds were to be adapted to purposes beneficial to the community and to the country. ... If on my return to Vienna your Highness should feel convinced that my personal presence in Parma would assist in promoting the business, I should not hesitate for a moment to obey your Highness's wish—which for me is a command—and should immediately proceed thither.

"I shall count myself happy indeed, if my efforts are crowned with the success we desire, and if I carry through the business to your Highness's satisfaction, which I value above all else."

Metternich acted in accordance with Solomon's wishes, and obtained documents regarding Parma's former loans; these he forwarded to Solomon. They, however, did not sufficiently enlighten Solomon. He wrote to Metternich that he could not obtain a clear view of the situation from them, such as was absolutely necessary to enable him to draw a valid conclusion, applicable to such an important

transaction as was involved. "I therefore venture to suggest that your Highness invite her Majesty the Archduchess of Parma to send to me a confidential man of business, furnished with the necessary powers, so that he can let me have any information I require, and I can negotiate the matter with him under the direction of your Highness. ... It is with particular satisfaction that I am able constantly to assure your Highness that I count it the greatest honor to devote my best services to her Majesty the Archduchess of Parma, and to justify the confidence which that gracious lady reposes in me."[23]

Solomon's wish was granted, and Colonel von Werklein, who directly controlled the duchess's public purse, set off for Vienna, taking with him a letter from Marie Louise to her father, the emperor.

"My one desire this year," she wrote,[24] "is to have the great happiness of seeing you again, and I cherish the firm hope that this may be fulfilled. This letter will be brought by Colonel Werklein, whom I am sending to Prince Metternich in Vienna, in accordance with his wishes, so that he may give Rothschild all the explanations he needs in the financial matter which you know about. The loan itself, however, which is to clarify my claims on Parma, will be formally negotiated and concluded here, with the assistance of the finance president, and a plenipotentiary of Rothschild's. I will then be much more at ease regarding the future."

The main lines of the proposal to be submitted to Marie Louise were decided in long secret conferences between Metternich, Werklein, and Solomon.

Solomon Rothschild had brought with him a detailed memorandum[25] in which he showed that the commercial crisis had affected the credit of all states, so that public enthusiasm for investments of the kind in question had been considerably damped. Moreover, Parma's public debt was too small to arouse interest in any of the principal money-markets of Europe. These facts were men-

tioned In explanation of the rather unfavorable conditions which he was offering. He made it a conditio sine qua non that the consent of the Duke of Lucca, the presumptive successor, should be obtained. State lands of the value of twenty-five million would realize only twelve to fifteen millions at the outside, so that a loan was preferable; but Parma would have to undertake not to incur any further debt for a period of years.

"Finally," Solomon's memorandum concluded, "as his Highness Prince von Metternich is well aware, local conditions in Parma make it of the greatest importance that the government should be told most emphatically to maintain the strictest secrecy regarding the proposed business until the time comes for carrying it into effect. We must also bear in mind that the new loan will almost double the public debt of Parma, a fact which will have a far from good effect upon the country's securities, so that the loan cannot be issued at a very high price."

There was no fear that Metternich and Werklein would attempt to modify these conditions. They were far too well satisfied that the matter was being arranged so easily, to attempt to obtain better conditions. They therefore signed the draft agreement submitted by Rothschild and Mirabaud, under which a loan of 6,000,000 livres, bearing interest at 5 per cent was to be issued at 75 per cent on the security of the three dukedoms.

Both bankers undertook the sale of the bonds, stating explicitly in the contract[26] that it had been arranged "at the invitation of the government of Parma and under the auspices of his Highness Prince Metternich." The government of Parma also undertook for fifteen years not to issue any other loans, without the consent of Rothschild and Mirabaud, to reduce the present loan by 3 per cent per annum, and to obtain the requisite consent of the Court of Lucca. Metternich and Werklein agreed because they hoped easily to secure the other's agreement. "If he [the Duke of Lucca] should refuse," Metternich

wrote,[27] "we should simply carry on and ignore him; that is, act against him."

Metternich expressed his satisfaction in a letter to Neipperg: "In settling the matter in this way every factor has been carefully considered. The best thing will be for your Majesty to sell your property to the House of Rothschild under a fictitious contract, and gradually . . . invest the funds skilfully. You will thus find in about twenty years that you have acquired the whole capital sum that you want without its having cost you a halfpenny, and you will also during the whole of the period have received 9 per cent interest upon it. . . . Unless I am very much mistaken you will then possess not merely six millions in cash but seven or eight."

The chancellor wrote a short letter to Marie Louise in which he expressed his satisfaction at the conclusion of such an excellent arrangement, which offered the prospect "of achieving the desired results in the simplest possible way. If on examining the contract," he added, "your Majesty shares my feelings, all my wishes will be completely satisfied."[28]

Marie Louise, who understood nothing of financial matters, but gathered that she would obtain the millions she wanted, agreed to everything, signed the contract, and rejoiced with Neipperg that the future of her children by the second marriage was now assured. She wrote to her father saying:[29] "I have accepted and ratified the fictitious loan of 300,000 francs annuities,[30] which Prince Metternich and Werklein have concluded at Vienna with Rothschild and Mirabaud. I should be glad if, when the Duke of Lucca is being asked to give his consent, everything affecting my private property and furniture could be cleared up at the same time, so that after my decease my son and those persons whom I wish to benefit will not become involved in actions and disputes with his successor."

Marie Louise, however, wished that Rothschild would

carry out the agreement, even if the duke's consent were not obtained. Metternich informed Solomon of this, assuring him that he would personally endeavor to secure the duke's consent. But Solomon was most unwilling to proceed without this security.

"I must honestly confess to your Highness," he replied,[31] "that I can see no prospect of this matter being satisfactorily settled in such a case. Her Majesty cannot flatter herself that it will be easy to double the country's indebtedness and to find a market for such a large quantity of bonds, without offering the public every kind of security." He therefore emphatically begged Metternich to use all his influence to secure the duke's consent. The chancellor concurred all the more readily in Rothschild's appeal, as he himself wished to secure this consent in view of possible further developments.[32]

Baron von Werklein accordingly went to see the Duke of Lucca with a letter from Marie Louise and Metternich. The duke unexpectedly made no difficulties. He authorized Werklein to write to Marie Louise and Metternich and say that it was a pleasure to him to be able to meet the wishes of the archduchess.[33] He also permitted Neipperg to have an inventory taken of Princess Marie Louise's personal effects. He stipulated only that the duchess should not arrange any further loan, that she should create a sinking fund and sell no property belonging to the state.

In the end all parties were satisfied, including the Austrian Treasury, which immediately recouped itself out of the loan to the extent of 400,000 francs disbursed on military expenditure and on the maintenance of Marie Louise during the years 1814 to 1816.

Metternich wrote a self-congratulatory letter to Marie Louise herself[34] in which he said: "The matter has so far worked out so entirely in accordance with my wishes that I cannot refrain from congratulating myself for having first conceived the idea of an arrangement that so

extensively harmonizes your Majesty's interests with the principles of justice."

There were certain distinctions to be conferred in connection with this business. Metternich wrote to Neipperg:[35] "Werklein will have told you that Herr von Rothschild wants a little St. George for his managing clerk.[36] This indicates a certain amount of vanity, the Rothschilds, in spite of their millions and their generous loyalty, having a craving[37] for honors and distinctions. At the same time I feel that it is not in the best of taste to ask that such an order should be conferred upon a clerk, and I suggest that you reply to this request that the order of Constantine is a knightly order. It constitutes a genuine religious brotherhood, and is not simply a distinction, and as the (Jewish) religion forbids its adherents to take the statutory oath of the order, the chancellor of the order would not be able to confer the cross. Temper your refusal with appropriate expressions of your extreme regret, and the matter will be disposed of. Write to . . . Herr Solomon on these lines, but do not mention me, as nobody can take offense at a statutory provision, while a single personal remark can do untold mischief, and I myself have committed the great offense of making it impossible for all time[38] for the Rothschild family to obtain an Austrian decoration. If he thought I was implicated he would regard me as a positive cannibal."

Metternich certainly did leave Rothschild under the impression that he was prepared to use his influence in favor of securing a distinction for Leopold von Wertheimstein; but Solomon himself had been disingenuous in the matter. In putting his secretary forward he had himself in view, for if Wertheimstein were to be made a Companion, he himself was bound to be made at least a Commander. As he took Metternich's pleasant words at their face value, and had no suspicion of the correspondence quoted above, he wrote the following letter to Werklein at Parma:[39]

"I have just taken the opportunity of asking our most esteemed prince to lend his powerful support to my request, and the gracious reply which I have received from his Highness justifies me in anticipating that if you will only be so good as to make a suggestion in that quarter, his Highness will not be averse from . . . graciously acceding to it.

"I leave it to you to choose the most propitious moment for putting forward the proposal, having full confidence in your feelings of friendship for me, which I know how to value. I feel a correspondingly lively desire to find a suitable occasion for reciprocating them, and you will afford me the best possible proof of your friendship if you will give me an opportunity of being of use to you on the earliest possible occasion."

Leopold von Wertheimstein set off for Parma with full powers to conclude the business. He brought with him a secret letter from Metternich to Neipperg. "To my great satisfaction the matter has gone through," the letter ran,[40] "and something must be done for the bearer. He is Rothschild's right-hand man, and a splendid young fellow of first-rate intelligence. He hopes to get the minor cross; you know my views on that matter. Give him a nice present of a more useful kind."

The deeds were sealed, signed and delivered.[41] The two contracting firms underwrote 284,000 lire 5 per cent perpetual annuities representing a nominal capital of 5,680,000 lire at 75 per cent, i.e., 4,260,000 lire altogether were to be paid in monthly instalments of 355,000 lire. Rothschild and Mirabaud were if possible to sell the securities within six months, and they received as their commission 2 per cent of the nominal capital of the whole public debt of Parma, which amounted to 12,008,000 lire, so that they got 240,160 lire. Marie Louise informed her father[42] that they had now concluded the contract with Rothschild and Mirabaud which

Prince Metternich had prepared at Vienna, and that she was exceedingly relieved.

No sooner had the transaction been completed than Solomon Rothschild began to wonder how Marie Louise proposed to invest the sums of which she would become possessed. He meant to get this business for himself to the exclusion of his partner Mirabaud; and he proposed to Metternich that the duchess should purchase shares in the Austrian National Bank through the firm of Rothschild "at a fixed average price to be agreed," and deposit these shares in Vienna. Metternich supported Solomon's plan because he hoped that the money would thus certainly remain in Vienna, and would not, as the emperor feared, be dissipated by the duchess. He therefore used his influence with Marie Louise and Neipperg in support of Solomon's proposal, without considering that Solomon was hoping thus to derive further profit from the transaction.

While Wertheimstein was on his way to Parma, "Metternich had accordingly written to the duchess in the following terms:[43] "Rothschild has some ideas regarding a transaction which is as easy as it should be advantageous for your Majesty, and which he would like to negotiate discreetly with someone who can be trusted. Monsieur Mirabaud will be in Parma, and Rothschild's authorized agent will not be able to discuss this matter in his presence. I know what Rothschild has in mind, and I guarantee that your Majesty cannot do better than to act in accordance with his suggestions."

Metternich wrote in the same sense to Neipperg and asked him to send Werklein to Vienna. Werklein brought with him a letter from Marie Louise to Metternich in which she said: "You have always given me such good advice that my interests cannot be in better hands, and I am entirely relieved with regard to my future."[44]

He also received a letter from Neipperg[45] stating:

"Herr von Wertheimstein has displayed as much zeal as he has understanding, and her Majesty has recommended that a ring with monogram of the value of 3,000 francs be given him."

Marie Louise also asked Metternich to let her know what would be a suitable present for Solomon, as the statutes of the Order of St. George made it quite impossible to admit him.

Metternich and Rothschild discussed the proposed investment of the money with Werklein at Vienna, and Werklein brought a detailed memorandum to Marie Louise[46] in which Rothschild showed that it would be to her advantage to sell the Parma bonds, and to invest the money thus made available in other suitable public securities. He pointed out that the Parma bonds did not constitute as good a security as those of larger states, since it was always the smaller states that were first endangered through political movements of any importance. He suggested that shares in the national bank would constitute an exceedingly good and safe investment.

Solomon Rothschild offered to carry through the business on the basis of the average purchase price of the shares during the years 1825 and 1826, this price to remain unaffected by any future changes, provided that he was granted a share in the dividends. Marie Louise accepted his offer, subject to the one condition that one-third of the share certificates should be sent to her at Parma, the others being deposited in the treasury at Vienna.[47]

Marie Louise maintained a constant business relationship with the House of Rothschild, even after the death of her second husband Neipperg. Everything connected both with the loan and with the budget of Parma went off sc well that in 1828 fully three million francs[48] were made available for Rothschild to apply in the purchase of 1,054 national bank shares. Marie Louise also en-

trusted Solomon with the settlement of the moneys due from her Bohemian estates, i.e., those of the Duke of Reichstadt; and Moritz Goldschmidt, a second secretary and confidential agent of Solomon, had to make several journeys to Parma.

When Marie Louise was staying in Vienna in July, 1828, Solomon had the great pleasure of being received in audience by her. At the end of 1829 Solomon sold Marie Louise's share, and the money received was divided into three parts. The amount of 484,824 gulden realized by 360 shares was put to a separate account "M," as a present to the children, William Albert and Albertine Montenuovo.[49] Two other accounts were opened for Marie Louise and for the Duke of Reichstadt. The money was first of all left with the Rothschilds to be invested in other securities at a suitable opportunity. The House of Rothschild had thus become the trustees of the property of the Montenuovo family, in which were merged the amounts standing in the accounts of the Duke of Reichstadt (who died early) and of Marie Louise on their respective deaths.

In view of the important position which the Princes Montenuovo came to occupy, owing to their relationship with the Imperial House of Austria, Rothschild's connection with the family was of great importance.

Gentz viewed with satisfaction the successes of his friend Solomon, for when his protege later prospered, he was not left out in the cold. At such times Rothschild was easier in the matter of presents, and Gentz scarcely ever allowed the occasion of one of Rothschild's visits to pass without obtaining a loan he had no intention of repaying. In return Gentz used his influence with Metternich in Rothschild's favor.

On the occasion of one of these visits the conversation turned upon Goethe, who had requested the Austrian government to forbid the printing of one of his works in that country. Gentz asked whether the House of Roths-

child had come into touch with the poet, who was also of Frankfort origin. They had in fact scarcely come into touch with each other at all, there having been only occasional and casual meetings between them. This was due primarily to the fact that Goethe did not stay at Frankfort at all during the period between 1796 and 1814, when the House of Rothschild was first coming to the front, and that in later years his visits to the town were always quite short; he was indeed not much attached to his native town, as is indicated by the fact that in 1817 he renounced Frankfort citizenship.

Nevertheless he, like the rest of the world, heard of the remarkable success of the family which had originated in the Jewish quarter of Frankfort. Born of patrician parents, Goethe had as a child, as he tells us in "Dichtung und Wahrheit," only rarely peered at the ghetto, as at a strange world.

From his earliest days he had been brought up in an atmosphere of hostility toward the Jews, and later when his intelligence matured he had scarcely developed any more friendly attitude toward them. These sentiments were often revealed in his conversation, and the efforts of the Jews to secure their emancipation would evoke harsh comments. The growing prominence of the Rothschilds, when he had reached an advanced age, often led to Goethe expressing his attitude on Jewish questions. The introduction at Frankfort on September 23, 1823, of a new law, permitting marriage between Christians and Jews, was the occasion of a passionate outburst in conversation with the Chancellor von Muller.

"This scandalous law," the poet exclaimed, "will undermine all family sense of morality, intimately associated with religion as it is. When this goes through, how can a Jewess be prevented from becoming principal Lady of the Bedchamber? Foreigners are bound to think that bribery has been at work to make such a law possible. I suspect the all-powerful Rothschilds are behind it."[50]

In 1823, therefore, Goethe was already referring to the Rothschilds as all-powerful, recognizing the fact that it was through their money and influence that the Jews had been enabled, with the support of foreign powers, to get their way against the senate and citizens of Frankfort. The poet also inferred quite rightly that the widely current myth that the Rothschilds had made all their money very easily, and practically at one stroke, was a pure fabrication.

On October 20, 1828, he was talking to Eckermann about the period required for cultural or any other great achievements and said: "Yes, my dear fellows, it all amounts to this; in order to do something you must be something. We think Dante great, but he had a civilization of centuries behind him; the House of Rothschild is rich, but it has required more than one generation to attain such wealth. Such things all lie deeper than one thinks."[51]

In any case this remark shows that Goethe found food for thought in the phenomenon of the rise of this family of fellow Frankforters. With the Bethmanns Goethe was more intimate, and he was interested in watching the rivalry between the two leading Frankfort banking firms; however, as he had little understanding for financial matters, he was amused rather than concerned about their rivalry, and enjoyed retailing good Frankfort jokes about Rothschild and Bethmann, and stories of the way in which they spoiled each other's game.[52]

It was only toward the end of his life that Goethe actually met any members of the Rothschild family. In his diaries we have only the short entry that on May 2, 1827, two young Rothschilds with their tutor John Darby called on Goethe. They were Nathan's two sons, Lionel and Anthony, who were twenty-three and twenty-one years old at the time. On August 7, 1831, Goethe noted: "Afterwards Frau von Rothschild, a young bright person." This may have been Betty, the wife of James

Rothschild of Paris, or more probably, perhaps, the wife of Solomon's son Anselm, who had married his cousin Charlotte, Nathan's twenty-four-year-old daughter.

The members of the Frankfort line are not mentioned by Goethe at all. The only other reference we find is to the effect that, a few days before his death, on March 14, 1832, Goethe was contemplating an oil painting, propped up on his easel, of the old bridge at Prague which was to go to "Baron Rothschild at Vienna."[53]

In view of these scanty references it is not unreasonable to assume that any personal intercourse during the latter years was of an exceedingly superficial nature, and that the colossus of intellect and the colossus of money, both originating from the same native city had had only the most casual intercourse, their knowledge of one another being derived practically from reading and hearsay.[54]

The Rothschild visitors referred to in the diaries were no doubt typical of the innumerable persons who called out of curiosity. Goethe had to receive many such, especially during the last years of his life. It had become a special honor to have seen the famous aged poet face to face, and this visit no doubt constituted a small step on the long road of social advancement.

James in Paris had had the best success, relatively, in making his way socially, since society in that city, having been convulsed by the changes of revolution and imperialism, did not hang together with the same consistency as in England and Austria. With few exceptions the most distinguished representatives of all parties and classes were to be found at James's house. At that time Metternich's son Victor,[55] who had already contracted a fatal disease of the lungs, was an attache at the Austrian embassy in Paris. In accordance with his father's wish he had got into touch with James; and he told the chancellor of a visite d'amitie which he had paid to Rothschild.

"I paid a friendly visit," he wrote, "to Baron James yesterday morning. His office was positively like a magic lantern, for people of the most various appearance and every kind of expression were constantly coming in and out. On that particular day the coming and going was specially noticeable, as securities quoted on the Bourse were fluctuating violently. The great banker himself, who generally maintained an attitude of such dignified calm, betrayed a certain nervousness. Our conversation was frequently interrupted by Bourse agents reporting quotations to their chief. The Duke of Dalberg was there, too, indulging in outbursts of liberalism."

Prince Victor Metternich described other strange callers who would take James aside, and all of whom wanted much the same thing—money and more money. This description of the office of the Paris money king showed how the House was constantly extending its sphere of influence. In the course of time, however, an opposition party grew up both in Paris and in London which attempted to check the firm's growing power.

Nathan Rothschild had not acquired the Austrian title of Baron, as he would have had to complete certain formalities as a naturalized British subject. He also feared that it might be damaging to his recently acquired British citizenship if he made use of a foreign prefix. But he did not conceal from the Austrian ambassador Prince Esterhazy that the title would have been welcome.[56] The ambassador asked Peel and Lord Aberdeen whether Nathan could be granted permission to use it, and they stated that they were aware of no objection, either legal or customary, to this being done. Nathan, however, decided to go no further in the matter, as he feared that his new fellow countrymen might regard him as a tool of the reactionary Metternich, and in general as a supporter of the system represented by the government of Austria.

Strong opposition against the Rothschilds made itself

felt when their friend Herries was suggested for the office of chancellor of the exchequer, on the reconstruction of the ministry consequent upon the death of Canning in 1827. The appointment of a Tory who would be so entirely amenable to the king aroused a storm of indignation amongst the Whigs. The appointment of Herries had actually been approved by the king, and he had been summoned to Windsor. Thereupon Lord Lansdowne and his party suddenly offered the strongest opposition and endeavored to persuade Herries to refuse office on the ground of ill health.

Herries refused to accede to their wishes, with the result that his opponents mobilized the press against him in order, if possible, to delay the appointment. The Times and the Morning Chronicle expressed the view that the appointment of Herries was out of the question, as he was closely associated with a big financier who controlled the European money-market. Other papers[57] took up the cry that this fact made it quite impossible to appoint Herries chancellor of the exchequer.

The conservative papers took up the issue, and for a week the whole British press was full of the relationship between Nathan and Herries. The First Lord of the Treasury actually felt called upon to intervene in the discussion with a public denial.

In the end, Herries was appointed, but he held office only for a few months. When the ministry, of which he was a member, was succeeded in January by a new government under Wellington, Herries had to resign the office of chancellor of the exchequer and content himself with the post of master of the mint. Nathan expressed his regret in a letter to Carl[58] written half in German and half in Yiddish, which was intercepted by the Austrian Police.

"Consols," he said, "have gone up because of our ministers. Our friend Herries is broges [slang for 'annoyed'] because he has been given a poor job—he is broges but

I cannot help him. He must be patient and perhaps he will get another job. Praise be to God that we have good news as Russia will wait, through Wellington everybody is for peace [scholem] which does not surprise me, for our king in his speeches is nothing but scholem al leichem [peace be unto you]."

In France, too, a new ministry had come to the helm in January, 1828. The harsh reactionary and clerical regime of Charles X had aroused such opposition in the country that in an election affecting 428 seats, only 125 supporters of the government were returned. Charles X was therefore forced to dismiss Villele, and to send for Martignac to form a moderate ministry; but he cherished secret plans of revenge.

Although the state of things in France afforded the Rothschilds some ground for satisfaction, the general situation in Europe was anything but pleasant. The Greek problem was still unsolved, and the battle of Navarino, in which the Turko-Egyptian fleet was destroyed, produced a tense situation. This sought relief in open hostilities between Russia and Turkey. The Porte went so far as to declare that the tsar was the arch-enemy of the Turks.

In these circumstances Emperor Alexander's successor Nicholas began to think of war. Whereas Metternich still congratulated himself on having converted Alexander into an Ultra from being a Jacobin,[59] and on having attached him permanently to his system, Nicholas inclined to a Russo-Nationalist policy. But for this, and especially for war against Turkey, he needed money. The Russian government therefore inquired of the House of Rothschild in Paris, toward the end of March, 1828, whether it would place its services at the disposal of the Russian government for floating a large loan.

The bank fully appreciated the political nature of the question of financial assistance at such a time and for such a purpose. While on the one hand it was offered

an opportunity of doing big business, it might on the other lose powerful patrons. The Rothschilds had struck their roots in Western and Central Europe. They had no considerable interests or connections in Russia, and their minds were oppressed by the ill treatment to which Jews were subjected in that country. It would, moreover, have been exceedingly dangerous to come to Russia's assistance without the chancellor's knowledge, at a time when Russian policy was starting out on a line hostile to Metternich.

James therefore decided to communicate the inquiry he had received to Metternich through his brother Solomon, asking the chancellor to express his opinion. Metternich naturally advised refusal, although his advice was clothed in soft words. Through a third person, probably Gentz, Solomon was shown a memorandum in reply, entirely in Metternich's handwriting, although composed in the third person. "The prince says," the memorandum ran, "that he entirely shares the opinions and sentiments of Solomon Rothschild. There are two questions that have especially to be considered in this matter. One is the purpose to which Russia is going to devote the money; and on this there can be no doubt. Russia is seeking money in order to pursue her plans, and these plans threaten the political peace of the world. In this case, therefore, the money would be applied to the most evil ends conceivable in the present dangerous condition of governments and of affairs generally.

"The other question is whether, if the House of Rothschild refuses to do the business, Russia will still find means for carrying through her plans. There is no one better qualified to answer this question than Herr Solomon Meyer Rothschild, for he alone can judge whether in the present state of credit there is a possibility of other firms being able to carry through such a considerable, if acceptable, business as Russia requires, without the assistance of the Rothschild bank. If the answer to this

question be in the negative, the House of Rothschild would alone have to accept the moral responsibility for all the evil which would result from its acquiescence. If the answer be in the affirmative, it remains for the House of Rothschild to decide whether, merely to prevent others from securing the profit, they wish to take upon themselves such a heavy responsibility, and incidentally whether under prevailing conditions, and in view of the risks necessarily attendant upon the carrying out of Russia's plans, the entrepreneur would be reasonably certain of realizing his profit.

"All these are questions which Herr Rothschild is alone qualified to decide. If the prince be asked what he considers sensible, he feels he must declare against the business. In any case, he advises Herr S. M. Rothschild to discuss the matter quite frankly with Wellington, and ascertain his views. Indeed, he has no objection to the duke being informed of his (the prince's) views . . ."

England was fundamentally opposed to Russia's warlike operations against Turkey, and Nathan was therefore also against granting the loan. Metternich's memorandum, moreover, did not fail of its desired effect. For the Rothschilds, who had acquired their enormous fortune by taking advantage of the cross-currents of war, were now opposed to all wars, with their inevitable effect of shattering public credit. They were also able to claim approval from their coreligionists for their refusal as constituting a protest against the ill treatment of the Jews in Russia.

The Russian loan was frustrated, and Metternich ascribed this fact principally to his dominant influence. The chancellor deemed himself superior to everybody, including the Rothschilds; he credited them with a special knowledge of technical financial matters that he himself lacked, but it never for a moment occurred to him that they might be cleverer than he. Whenever the Rothschilds did, or omitted to do, anything from motives

of personal interest, which happened to coincide with Metternich's wishes, they always conveyed the impression that it was Metternich who had won the day, and that they were making a sacrifice. Although not free from vanity themselves they recognized the great man's weakness very well, and exploited it cleverly.

It is true that their refusal did not prevent the Russo-Turkish war, for other financiers were found to provide the Russian government with the necessary cash, Solomon made great play with his refusal of Russia's request, to emphasize the extent to which the intentions of the Austrian government and Metternich's wishes were regarded as commands. Gentz especially had this dinned into him daily, so that he might be sure of retailing it to Metternich. In return, Wertheimstein industriously discounted Gentz's bills, greatly "facilitating his little financial transactions." The Rothschilds made extensive use of Gentz in other ways, too. He was paid to supply the banking firm with political information, the correspondence being carried on in the form of private letters.[60] This was an exceedingly important factor during such an unsettled period. Solomon, who was constantly traveling on business, was thus able to keep abreast of events. The written method of communication was, however, maintained, even when Solomon was staying in Vienna, as he sent the information on to his brothers.

Meanwhile the development of events in France was becoming more and more menacing. Although Charles X had at first seemed to yield, he demonstrated that he was unteachable by summoning on August 8, 1829, the ultra-royalist cabinet of Prince Polignac, whose slogan was "No more concessions."

Solomon, who was staying in Paris at the time, expected that the news of the change of ministry in France would exercise a marked influence on the Vienna bourse. He therefore sent a special courier with this news and appropriate financial instructions, to Wertheimstein at

Vienna. The letter was somewhat delayed, and when it arrived, Wertheimstein feared that he might not be the only person to have received the news, in which case he would be selling during a slump, and might sustain a loss.

"I had difficulty," he replied to Solomon, in the Hebraic language,[61] "in carrying out your instructions received by the post of the day before yesterday to sell 500 Metalliques and all our shares on the bourse. This was much increased by the fact that the postmaster of Sieghardskirchen, who brought us your letter himself, told us that another post had arrived at the same time as yours, which most probably also brought news of the change in the French ministry." The above letter was intercepted by the police, and a copy was laid before Metternich. It shows the manner in which the Rothschilds exploited political events, regarding which they always endeavored, through their own news and courier service, to have the earliest possible information.

The Russians had meanwhile been carrying on war against Turkey with varying success, and in August, 1829, they had advanced through the Balkans as far as Adrianople. Although their position was not by any means free from danger, their display of energy led the sultan to sign a treaty of peace at Adrianople on September 14, 1829, which, although it did not put Russia in possession of Constantinople, certainly secured her predominance in the East, improved her boundaries against Turkey, and offered great political and economic advantages.

The Danube Principalities served as a pledge for Russia. The Russians controlled the mouth of the river, and the straits were open to them. Turkey was to pay 11,500,000 Dutch ducats as war indemnity; in order to carry out this obligation, she applied to the principal European bankers, including Nathan Rothschild, for a loan.

Russia's successes gave little ground for satisfaction in England or Vienna. They had necessarily been achieved at the expense of England's influence; moreover, since the beginning of the war Russia had ignored all the protests made by England. Polignac was also disappointed, as he had hoped that European Turkey would be partitioned, and France would be indemnified by territorial acquisitions on the Rhine. Nathan sent a report on the situation to his brother Solomon in a letter written in Hebrew, of which Solomon made a personal, and therefore very poor, translation for Metternich's information.

"I am now going to tell you, my dear Solomon," the letter ran,[62] "all about how everything is here so far. There are some here who want to quarrel, and that with Lieven [63] . . . and want us to send angry notes, because Polignac is angry, too. Now I have spoken about the Turkish loan, and they said to me: 'Austria will do it, but it can't be done without us in England. Rothschild, speak to Wellington.'

"I must tell you Wellington and Peel would like to quarrel with Russia, but in the end we should have to go to war. I am not for demonstrations, and we must see to maintaining peace. What's the good of quarreling? The Russians have gone too far, and the world will be angry with us and will say: 'Why didn't you do it twelve months ago?' If England now says 'Yes, we are angry and want to go to war,' Austria and France will say: 'We will remain out.' They will leave us in the lurch, and we shall be involved alone.

"I went to Wellington and congratulated him on peace. He said: 'Peace is not yet. It is not yet ratified.' I spoke with him about Turkish loan as to whether he would give a guarantee. He replied, 'No, I cannot do so at the moment; you must get Austria to see to that.' Another minister said to me: 'I am afraid we shall make an enemy of Russia if we guarantee a loan.' The matter needs con-

sideration. Perhaps the Turks will give the Island of Candia as guarantee.

"Wellington also said to me that many people had been to him who wanted a guarantee. There is dissatisfaction with the Russian Peace in every respect. The cabinet has now decided for the present to remain quite calm and not to write a word to Russia, to keep quiet and to let come what may. I shall certainly not leave you without news as soon as I hear anything further."

Political considerations alone prevented the Rothschilds from participating in a Russian loan before the war, or in a Turkish loan after the war, for they had not been severely hit by such few failures as they had suffered, and their wealth had increased enormously during the last few years. So that the "banking firm of the five brothers of Europe," as the House of Rothschild was called in several papers, had several million of cash available, for which it was seeking profitable employment. As a result of their happy knack in floating loans that almost immediately afterward were most favorably quoted, all countries wanted to have recourse to the Rothschilds for their loans, and a positively jealous rivalry developed to secure their favor.

While needy states were seeking opportunities for obtaining money on credit, the brothers Rothschild were looking for safe and profitable investments for their accumulated capital. The state of Prussia again entered into negotiations with the banking firm. The 5% interest payable on the £5,000,000 loan of 1818 was a heavy burden on the state budget. All states at that time were endeavoring to convert their public debt, and the Prussian finance minister, Motz, wished to reduce the interest payable on the state debt of 36,000,000 thalers from 5% to 4%.

The finance minister entrusted the preliminary negotiations to Christian Rother, an important treasury official and president of the Public Debt Administration, who

had arranged the loan of 1818 with the Rothschilds. Rother asked[64] that he should not be hampered by detailed instructions, but that full confidence should be placed in him, as that was the only way in which he could be sure of success. From the start, Rother thought of no one but the Rothschilds. He went to Helgoland in July, 1829, where he met a confidential agent of Nathan's, and had a non-committal discussion with him about the business. He then went to Frankfort and negotiated with the house there. But he was offered conditions he could not accept.

"Gratuitous interference by business men here," Rother reported to his sovereign,[65] "has caused the Frankfort house to suspect the possibility of making large profits. In the course of our conversation conditions emerged, all of which I had to reject as being damaging to the interests of your Royal Majesty. I stated definitely that I would have to transact the business in question through the shipping interests, unless Solomon von Rothschild at Vienna would carry on the further negotiations, as I could not undertake a journey to London."

Rother thereupon decided to negotiate with Solomon, who, as he believed, had unlimited confidence in him. He met him at Troppau on December 24. They agreed-subject to Nathan's concurrence—"after two days' discussion, which was sometimes heated,"[66] on a draft agreement which Rother declared to be "extraordinarily advantageous," adding that "the state could not have secured such conditions through other channels or with other firms."

Rother wrote: "I have succeeded in obtaining what we wanted throughout—and in some matters far beyond my expectations—through the good nature of Solomon von Rothschild, who is really an estimable person."

Under the agreement the state of Prussia was to issue a new loan of £3,860,400 in 4 per cent Prussian bonds, at 98 1/2, through the House of Rothschild, the pro-

ceeds of which were to be devoted to redeeming a like amount of five per cent bonds of the 1818 loan within about two years. On signing the agreement Rother had to promise Solomon to indicate to his Royal Majesty that Solomon had not "done this business for financial gain, but regarded the whole affair as a matter of honor."

Benecke von Groeditzberg reported some details of the Troppau discussion to Berlin.[67] "Solomon Rothschild told me at the time," he wrote, "that in concluding this business—a highly profitable one for the State of Prussia, in my opinion—he had had the honor of his House particularly in view. He attached the greatest value to demonstrating to the royal government of Prussia that the consolidation of its public credit and the fulfilment of the assurances which his House had given in this matter were of more importance in his eyes than any considerations of private profit.

"While I do not wish to suggest that the least value should be attached to the unimportant part which I have played in this transaction, I consider it to be my duty in all humility to inform your Excellency of the sentiments expressed by Herr von Rothschild, which I believe to be sincere. We owe it entirely to him and to the efforts of Herr Rother that this business has been put through to the credit and profit of Prussia's finances."

Rother similarly reported[68] to the king that this extraordinarily favorable agreement had far exceeded anything that he had expected.

Nathan in London and his brother at Frankfort were less well satisfied. At first they turned the agreement down absolutely; but they had misgivings about disavowing their brother in Vienna, and Nathan contented himself with sending Solomon's son Anselm, who was then twenty-seven years old, to Berlin, to delay the signature of the agreement, and to secure improvements and alleviations. He was to agree only if better conditions were unobtainable.

Rother offered a stout resistance, and in the end, after some mutual concessions of minor importance, the matter was settled. The £3,809,400 in 5% debentures still outstanding with respect to the 1818 loan were to be fully exchanged for 4% bonds for the same amount, by October 1, 1832, in five half-yearly transactions. Rother himself was very high in praise of his own work. "This contract," he reported to his sovereign, "is purely advantageous to the state, and constitutes the first example of a financial operation by a great state for the reduction of interest on a large scale in which the nominal amount of the debt has not been increased, the interest payable on a debt of about 27,000,000 thalers being reduced from 5 to 4%. The commission of 1 1/2% is quite negligible and scarcely covers the cost of such a transaction."

The king expressed his satisfaction with Rother, and wrote saying,[69] "I gladly assure you also that the conditions have led me to the conviction that Baron Solomon von Rothschild concluded the agreement with you in the interests of the state of Prussia, as a matter affecting the honor of his house, wherefore I particularly instruct you to convey to him my satisfaction."

It was all an affair of "disinterestedness and honor," and Rother was zealous in emphasizing this aspect to his royal master. It was a matter of satisfaction to him, too, that the business had gone through so well, and in praising Solomon, he was indirectly praising himself for getting such good terms out of an astute business man. Yet in normal circumstances Solomon might have been able to make the transaction a highly profitable one. All that he needed was a continuance of fair weather on the bourse and the absence of any violent external influences, while the operation affecting the millions of pounds' worth of Prussian securities was carried through. Such conditions apparently obtained at the time, for the Russo-Turkish war was over, the general situation in Europe

was tranquil, and there then seemed to be no risk in carrying through operations on the bourse.

Further loans immediately followed on that of Prussia. The Austrian government also wished gradually to proceed to the conversion of her 5% state debt to 4%, and the ministerial conference decided on the issue of a loan of from twenty to thirty million gulden 4% state debentures through the four native banking firms, in which Solomon Rothschild had come to be included, after the ruin of the Fries Bank.[70]

Count Kolowrat, who had been appointed head of the commission of the privy council to control the financial administration, had recommended this issue on the ground that[71] the interest rates obtaining in Germany, France, England, and Holland were lower than 4% and a reduction in those countries either had been or was about to be undertaken. It did not seem that there was any prospect of political complications for some time.

The loan was decided upon, and on April 3, the emperor expressed his special satisfaction with the conduct of the four banks on this occasion.

Rothschild certainly endeavored to get rid of the bonds as speedily as possible, and invested all the ready cash in the three accounts of Marie Louise of Parma in the new 4% Metalliques bonds, at the issue price (subject to a commission for his trouble), on the ground that they were a particularly safe investment.

Metternich had—to use Solomon's words—"in constant and zealous endeavor to be of service to her Majesty the Archduchess," made it clear to him that he must devote himself as much as possible to the interests of the Montenuovo family. . . .

"I have repeatedly endeavored to demonstrate," Rothschild replied,[72] "that I am filled with the same zeal. To show this to her Majesty again, and also to please your Highness, I will now undertake to forego the commis-

sion which her Majesty has allowed me in the past on the investments that I have effected in Austrian securities, as far as the capital of the Montenuovo family under my control is concerned; and I hereby declare that when the time comes, that family shall enter into the new bonds at their issue price, without my having derived any benefit from them."

Rothschild did in fact waive the commission on Account M. and reduced the commission on the two other accounts by one-half. He did this the more readily as he had already made a large profit out of the Parma business ; but his sacrifice of the relatively trivial commission made a good impression. It was just such an occasion as Solomon would use for playing up to his reputation for "disinterestedness and honor." In any case Solomon was unable at once to find purchasers for the large volume of security issued in connection with the Austrian loan.

In addition to the Prussian and Austrian loans just described, they undertook an operation on a far larger scale, fraught with far more serious consequences, namely the underwriting of 80,000,000 francs of French rentes, needed by the French government to pay for the Algiers campaign on which it had just embarked. Several rival firms had stated that they were prepared to deal with it. Aguado offered[73] to underwrite it at 97-55%, a consortium headed by Mallet Freres offered 98%, the Syndicat des Receveurs-Generaux offered 100%, and the Rothschilds—102.72 1/2%. "The rivals perceived," wrote Capefigue, "that in future nobody would be able to stand against the Rothschilds."

Even these gigantic transactions left them unsatisfied. They suggested to Marie Louise that the public debt of Parma should be converted, and they also wanted to maneuver the House of Bethmann in Frankfort out of a connection it had recently established with Austria.

Solomon Rothschild had been informed by the finance minister Count Nadasdy that the Austrian administra-

tion was proposing to convert all its 5% securities to 4%. He promised on his journeys to ascertain foreign sentiment regarding this proposal, and to let Vienna know the result of his investigations. In June, 1830, he made his first report to Nadasdy;[74] it was sent from Frankfort and contained a proposal which in its essentials was directed against the House of Bethmann. His idea was that the 5% Bethmann bonds, which were still in circulation, should be redeemed at Frankfort by cash payments at par, through the Frankfort branch of the House.

"Your Excellency," he wrote, "is not unaware of my deep devotion to the Austrian state, which is shared by all my brothers and partners. I trust that you are convinced that we always have the best interests of the treasury in view, and that it must be our principal concern to fulfil your Excellency's wishes to the best of our ability."

The taking over of the Bethmann bonds was to serve "to secure and hasten the conversion operation as far as possible, and create enthusiasm abroad for the transaction." Not until he had delivered the 5% debentures did Solomon wish that his firm should receive 4% debentures at the rate of 105 florins for each hundred, or treasury notes, or money, or whatever else the authorities considered most convenient.

"Since my brothers and I," Solomon continued, "have no keener desire than constantly to furnish proofs to the Austrian state of our most disinterested service, unaffected by any private interests, we flatter ourselves that your Excellency will receive our most dutiful offer with your customary kindness." He hoped thereby to make the conversion more popular abroad.

"Your Excellency," he continued, "may be convinced it is neither pride nor self-interest that induces me to take this matter up. As I have already had the honor to prove to your Excellency, I always speak openly and

sincerely; and I can absolutely assure you that if my suggestion be adopted the conversion will go through speedily and successfully. If therefore your Excellency is agreed that direct cash payments shall be made through my Frankfort house—which, I flatter myself, possesses the confidence of the public—we shall arrange for such payments to be made, not to Herr Bethmann here, but by us direct to the holders of the bonds."

The Austrian treasury thereupon asked the firm of Bethmann to submit a preliminary memorandum on the question of conversion. This was done, and the authorities forthwith sent this memorandum, which naturally differed in many respects from the Rothschilds' offers, to Amschel at Frankfort. He made some very sharp comments on Bethmann's document, ascribing its feebleness to that bank's lack of resources and knowledge.

"If that firm," he wrote,[75] "is really serious about the conversion, and means to throw itself heart and soul into the business, it is inconceivable that it should have neither the confidence nor the means to acquire the small quantity of six hundred 4% Metalliques bonds in advance. Smaller firms, without such a well-known name or such a position as the firm in question, would certainly have offered to do so."

The Rothschild memorandum described the reasons put forward by Bethmann as evasions, because that firm was not strong enough, and did not sufficiently possess the confidence of the public to carry out so great an operation. Amschel Meyer asked Solomon, who was about to make a journey to Paris, to come and see him at Frankfort in order to discuss the matter. The memorandum of the Frankfort Rothschild, written in grotesque German, ran:

"The same [Solomon] assured me on his honor that he was not actuated by the least resentment at the conversion having been entrusted to the House of Bethmann. He also asseverated that his house was devoted life and

soul to the Austrian government, and that both his honor and his private interests were involved in carrying through the conversion. He had negotiated the French and the Prussian loan, 'all these things hanging upon one another and being interdependent,' and he did not propose to act against his own interest. His house held fifteen to sixteen million gulden of Austrian public securities, which he could produce on demand, whereas the House of Bethmann had neither the resources nor the knowledge of markets nor the influence that were necessary. Not one of its partners had the requisite energy to take control of such a business."

The memorandum went on to state: "It is possible and indeed probable that one or more banking firms and their supporters believe, if they directly or indirectly got fabricated articles into the papers, and spread unfounded rumors on several bourses, they could put the House of Rothschild in an unfavorable light to the Austrian government, and at the same time extend their own sphere of influence. We had expected such irresponsible newspaper articles as those that recently appeared in some French papers, attributing the fall in rentes to the action of the House of Rothschild, on the ground that we wanted to get rid of all our rentes at any price because we had taken over a Turkish loan of eighty million francs. They will not be the last, as they are not the first, of their kind."

The memorandum set forth that important firms dealing with governments would always have such fanciful stories attached to them. Truth and justice were, however, bound to prevail, and such lies would meet their own reward. By coming to the rescue with the greater part of its cash resources, the House of Rothschild had quite recently, in May, prevented a terrible crisis on the Frankfort bourse, which would have had serious consequences in other money-markets. Even now the political situation was far from satisfactory. In France nobody

knew what was going to happen, while in England the king was ill and a change of ministry expected. The memorandum concluded on its original note, asking that the Rothschilds might convert the Bethmann debentures.

The finance minister Count Nadasdy[76] was, however, unshakable. He was not willing to offend the House of Bethmann by allowing the conversion to be carried through by a different firm from that which had originally negotiated the loan. The brothers Rothschild were then holding enormous quantities of state securities; in addition to their large Austrian investments they held millions of the newly issued French rentes as well as the bonds of the conversion loan of Prussia. The Rothschilds were therefore overstocked with bonds at a time when the general state of Europe might change from one of apparent calm to one of acute crisis.

While James did not feel that the political situation in France was wholly satisfactory, he did not realize how critical it really was. He gave balls, which were attended by princes such as the Duke of Chartres and the Duke of Brunswick. He supported French theatrical undertakings to give performances abroad, as in Vienna for instance. He was associating with princes and ministers and financiers. But the opinions that he heard were so various and so conflicting that he did not feel he could predict the future with any confidence.

James's own particular domain, the sensitive bourse, was already showing signs of the coming storm. On June 1 there was a severe slump, and several politicians implored Rothschild to use his power to prevent a collapse.[77] The Duke of Decazes wrote to him: "If you do not succeed in preventing the fall in values, everyone will believe that a coup d'etat will occur such as you so rightly fear, for you may be sure that in such a case no creditor would be paid his debts."[78]

James Rothschild thereupon hastily went to see Poli-

gnac, as he had so often done before, and was again reassured by him. Anything of the kind was again out of the question; the bourse and the public were nervous, that was all.

Solomon, the chief of the Vienna house, had in the meantime also come from Frankfort to Paris. He had promised Metternich he would send an accurate report as to the state of affairs in France, and faithfully fulfilled his promise in spite of all difficulties.

His first report, dated June 19, 1830, reads as follows:[79]

MOST EMINENT PRINCE :

I hope that your Highness is enjoying perfect and constant well-being on your beautiful estate ... I am taking the liberty of reporting to you my arrival here the day before yesterday. I am venturing already to avail myself of the permission accorded me by your Highness to inform you occasionally of political events here through other than the ordinary channels. So far as I have had the opportunity during my short stay here of ascertaining from conversations with well-informed persons of all parties and opinions, it seems that the spirit of opposition, which has grown so very much more embittered in the last month, is directed not against the sacred person of the king and the dynasty of the Bourbons, but only against the leaders of the present cabinet, Messieurs de Polignac and Peyronnet.

Solomon still hoped that peace might be maintained, but he viewed with dismay Polignac's intention of changing the electoral and press laws, to which he adhered in spite of the strongest representations. The whole tenor of Solomon's report revealed his uneasiness.

Shortly afterwards Solomon reported that the result of the new elections had been markedly unfavorable to the government. The generally prevailing spirit of opposition had infected everybody, with the result that

elements hostile to the ministry had been returned to the chamber. In fact the elections had resulted in only 125 supporters of the ministry being returned for 428 seats.

"The list is odious and contemptible," Count Apponyi reported to Vienna. The ministry was dismayed and shocked by the result. The idea of changing the electoral law was again being mooted.

"Such a step," Solomon wrote to Metternich, "might lead to the most unforeseen results. Meanwhile the king is firmly determined not to weaken his royal prerogative at any point, for he knows only too well from his own experience how quickly one concession leads to another, and how gravely the royal authority is endangered thereby."

The general situation was exceedingly unpleasant, although Solomon and James, especially James, still hoped that the storm would pass over. But at the end of June rumors were thickening to the effect that the king and Polignac meditated a coup d'etat to rid themselves of the inconvenient liberal chamber before it met and to limit still further the rights of the people. Those who accepted these rumors, or whose actual knowledge confirmed them, secretly sold large holdings of bonds in the London market; and the House of Rothschild, being interested in maintaining their value, was forced to buy them.

James Rothschild, believing that as state banker[80] he must necessarily be in the confidence of the government, was convinced that before any such fatal decisions were made he would surely be consulted, or that at any rate he would be given a hint before any vital step was taken. He heard nothing, however; and the rumors of serious steps contemplated by the government increased. On Sunday, July 24, James accordingly decided to go to Monsieur Peyronnet, minister of the interior, and ask him what it all meant.[81] The minister expressed his astonishment that such an intelligent and well-informed

man as James should attach any significance to such gossip, and pointed to his office desk, covered with letters summoning the newly elected delegates to the first session of the chamber.

In a reassured frame of mind, Rothschild went to dine at the country house of Madame de Thuret, where the whole diplomatic corps had been invited. People asked him anxiously about the situation. He told them about his call on the minister, and the letters summoning the delegates which he had seen, and his statements reassured the diplomats who were present.

Meanwhile the ministers were secretly framing the famous ordinances in which the king, on Polignac's advice, dissolved the hostile chamber before it had ever met, ordered new elections on a different electoral basis, and severely limited the freedom of the press.

Early on July 26, 1830, the ordinances were published, to the general astonishment. The secret had been most scrupulously kept. The whole capital was swept by indignation. Everyone said that this meant the end of all liberty, and the relapse of France into the darkest medievalism. The press was particularly vocal, and protested most vehemently, in spite of any ordinance.

The excitement in Paris was prodigious. High barricades were erected in the principal streets; the populace collected in groups, marching through the streets shouting menaces at the king; shops with weapons and military stores were plundered, and strong opposition was offered to the royal troops, who were completely unprepared, and were present only in small numbers under the command of Marshal Marmont, who was himself taken by surprise. Stones were thrown at the windows of Polignac's private house, and his carriage was almost smashed to pieces. By July 28 the rising was in full swing. The streets reechoed with shouts of "Down with the Bourbons!" "Down with the ministers!" The garrison consisted of only twelve thousand men, and large sections

had gone over to the rebels. The remainder were far from being sufficient to hold down the indignant city.

By July 29 the revolt had extended to the whole of Paris. The royal troops were slowly forced back on Saint-Cloud, where the king anxiously awaited the development of events. He was now prepared to revoke the ordinances; but it was too late. Not only his position, but that of the whole of his House, had collapsed. The Louvre and the Tuileries, defended by Swiss troops, were stormed by the populace.

The revolution was victorious all along the line; on July 31 Charles X and his guilty ministers fled. Their dominion was at an end. If the monarchy was to be maintained, only one thing could make this possible: the old line of the Bourbons must be eliminated. Recourse would have to be had to the king's rival, Louis Philippe of Orleans, son of the notorious Philippe Egalite, of the days of the great revolution. This prince played his part very cleverly; he contrived to make the people feel that they were conferring the crown upon him. His liberal views, and his simple, unadorned appearance as he courageously showed himself to the angry mob, did not fail of its effect. The old royal house was finished, the Orleans followed it, and Louis Philippe became head of the state.

James and Solomon were both in Paris during this period, and were reduced to a state of the greatest anxiety as the revolution proceeded. They were not only afraid for their wealth. As foreigners who had been so closely associated with the hated king and his ministers, they went in fear of their lives. Holding, as they still did, such a large amount of paper from the state loan they had just taken over, they had watched with the greatest dismay the catastrophic fall in rentes, amounting to 20 to 30% during the first days of the revolution.

But this fear was for a moment kept in the background by their immediate bodily danger, although their ner-

vousness in this respect proved to be unfounded. The revolution of July was a bourgeois revolution. The people, it is true, sacked a few royal chateaux, but the life and property of private persons were spared.

Nathan Rothschild appears to have been the first man in London—apparently by means of a carrier pigeon sent by his brother—to receive news of the great event. Even if this particular is unfounded, it is clear that he received news of events at Paris before the British government. Talleyrand once stated in a letter to Madame Adelaide, the sister and adviser of King Louis Philippe:[82] "The English ministry is always informed of everything by Rothschild ten to twelve hours before Lord Stuart's dispatches[83] arrive. This is necessarily so because the vessels used by the Rothschild couriers belong to that House; they take no passengers and sail in all weathers."

On July 30, by which time peace had been restored in the capital after the "unexampled tumult and indescribable disturbances" of the previous three days, Solomon Rothschild remembered his promise to report to Metternich.

"We have been completely out of touch with the ministry for several days," he wrote,[84] "as we do not even know where the ministers are. We are also told that the king has left his residence today for the Vendee; the tricolor flag is flying on all public buildings, and the diplomatic corps here has ceased to function." Solomon's view was that the issue of events must be quietly awaited. He feared a civil war, and according to rumor the Duke of Orleans had accepted the crown. "Such is the state," he continued, "to which the self-confidence of three or four ministers has reduced France in three or four days."

Rothschild described how a new administration was being set up in the capital with the support of from thirty to forty thousand men, drawn from the dregs of the population, who had been "let loose against the king's

troops." It could certainly not be denied that the people had behaved well, for apart from the king's property, no public or private property had been touched, even while the excitement was at its height. "It is satisfactory," Solomon admitted, "to see the uniforms of the regular citizen guard appearing at every corner; they are forty thousand strong, and often protected the city from pillage in 1814 and 1815."

The confirmation of the rumor that the Duke of Orleans had accepted the crown was a great relief to the brothers Rothschild. In spite of their connection with Charles X and his ministers, they had rendered financial services to the Duke of Orleans too, and had thus come into touch with his house. They felt that they had been in a sense betrayed by Charles X, as he had never informed them of the ordinances; and now that the duke's star was in the ascendant, they saw a profitable opportunity of changing their allegiance. They accordingly began to sympathize with the victorious revolution, and a letter from Solomon to a friend[85] clearly shows that they were preparing to play up to the new powers. In that letter Solomon spoke of the general indignation aroused by the ordinances.

"There was no armed force," he said, "that could have controlled a people beside themselves with rage, who felt that they were being led to the slaughter by their king's command. The nation would have let itself be cut in pieces before submitting again to the domination of the Bourbon family."

Solomon referred to the fears aroused by such a terrible explosion, but said that everything had fallen out in the most amazingly satisfactory manner. Private property had not been in danger for one moment; and in fact the people had refused money they had been offered. The troops and the people had fraternized everywhere; and all were forsaking the cause of Charles X and turning to Louis Philippe, who claimed to have been always

devoted to liberty and to constitutional ideas. He was being received with the greatest enthusiasm wherever he appeared.

The Rothschilds' change of front was thus clearly stated; the revolution had triumphed, and the old powers were finished with, and the new man in whom they trusted seemed to be firmly in the saddle. They immediately adjusted their policy accordingly, and James offered his financial services to the new powers in the state, in spite of the losses incurred through the fall in the funds and the continuing uncertainty.

The news of the entirely unexpected revolution and the success it had gained in such a short time profoundly affected the whole of Europe. All governments saw with dismay how France—"Pandora's box," as Leopold of Coburg called her—was again spreading terror and unrest over Europe. There was a slump on all the bourses, while the hope of liberty ran high among the peoples; the consequences for Metternich's "peace of the world" seemed unpredictable.

It had been the worst possible blow for the chancellor and his system. At the time of the outbreak of the disturbances he was staying with Gentz at his country place Konigswart in Bohemia, and he received the first news of these events through the Frankfort ambassador Baron von Munch-Bellinghausen, who had received the news from Rothschild. It is remarkable evidence of the efficiency of the Rothschild news service even during times of such disturbance, that both the British government and the powerful chancellor, who controlled the vast diplomatic machine of the Austrian Empire, should have received the first news of these important events from the House of Rothschild.

Munch-Bellinghausen's report, dated Frankfort, July 31,[86] was based on a letter from Solomon and James in Paris, which Meyer Amschel had received at Frankfort on the 30th, and upon a short report brought by a

messenger. "Rothschild has just received through a courier who left Paris on the 28th," the report ran, "a short letter from his brothers, telling him not to worry about them, as they were well and hoped that things would improve within a few days. They could not write him any news, and the courier would tell them everything verbally. The courier's statement is to the effect that Paris is in a state of great commotion." There followed a description of the serious disturbances at the beginning of the revolution.

Metternich and Gentz were at first unwilling to believe the news. The chancellor had just expressed his great satisfaction at the issue of the ordinances. He was now quite terrified. He kept hoping that the news would not be substantiated.

"I confess to you," Gentz wrote to Pilat immediately after the first news was received,[87] "that I believe all this to be only partially true. The mysterious letter from a panic-stricken Rothschild and the stories of a courier are doubtful sources. But it is certain that things are not well."

Nevertheless the Rothschild courier was right; and liberals throughout Europe took courage from what had happened in Paris, and felt that freedom was in the air. The news of the revolution resulted in a catastrophic slump on the Frankfort bourse, and masses of securities were thrown on the market. While Meyer Amschel, being the first to receive the news, had made some provision for this, he had not been able to do much in the short time available, and the collapse of all public securities reduced him to a state of panic. He applied his efforts, to keep the disaster within bounds.

When disturbances consequently broke out in several German cities, and it was feared that they might occur in Frankfort too, the senate called up the special constabulary, so as to be ready for possible attacks. Amschel, who as a result of the last settlement enjoyed the rights

of citizenship, took up his duties as a special constable when his turn came. He had more reason than anyone else in Frankfort to fear for his possessions, and he heard with terror that outside the city walls the peasants were plundering country houses and driving landed proprietors from their estates.

He anxiously awaited his brother Solomon, who had just informed him that he would arrive from Paris early in September. He wanted to enlighten the head branch of the firm as to the present political situation in Paris, and to discuss the measures to be taken to meet the terrible losses which the House had incurred. In these hours of danger affecting the very existence of the House, the unity and harmonious collaboration of the brothers was particularly vital.

On his arrival at Frankfort, Solomon was able somewhat to reassure Amschel, at any rate as to the momentary position in Paris. After the abdication of the king, the funds had somewhat improved during the last few days, as compared with the lowest point which they had touched, and the proclamation of the Duke of Orleans had had a very good effect.

Solomon described that event as a particularly fortunate one for the House of Rothschild. Their difficulties consisted in their large holdings of securities. They would not be able at the moment to get rid of the enormous stock of French rentes except at very heavy loss. The conversion loan with the Prussian government, arranged during a boom period, would also prove to be a ruinous business. Austrian securities were still the best, but these too had suffered somewhat. The solution was: Get out of all engagements! Have loan agreements rescinded wherever possible; and especially the new Prussian loan.

Amschel promised to put out feelers in that direction, and especially to try to secure Rother's support. After the most pressing matters had been agreed upon, Solomon

immediately returned to Paris, where his presence was urgently required. The news of the July revolution had already begun to produce disturbances in all the states of Europe, and there was the danger of fresh complications in the form of military intervention by the absolutist conservative powers, whose peace was threatened.

There was still a possibility that the danger to the House of Rothschild arising out of the July revolution might be averted. But if a European war were to break out, securities would continue to fall in value and the very existence of the House would be imperiled. The brothers' slogan therefore was: Avert war at any price.

It was in their favor that the new king feared a campaign against his usurped powers, and was anxious at all costs to avoid external complications. He was at pains to show the powers that if he had not stepped into the breach, France must have fared far worse, and that possibly it would even have come to the establishment of a republic.

In order to put this view to Metternich more particularly, the king made use of James Rothschild. In the middle of August, as a member of the Societe des Antiquites, James was one of a deputation to congratulate Louis Philippe on ascending the throne. As the deputation was leaving, the king signaled to James to remain behind, and made the following remarks to him:

"Having seen the happiness that I enjoyed in the bosom of my family, such as accorded with my peaceful and entirely unambitious disposition, you know me too well to be deceived for a moment as to the state of mind in which I am approaching my present task. ... In giving up such a pleasant and carefree existence in order to mount to a throne set with dangers and difficulties, I have made an enormous sacrifice for my country. . . . France was heading straight for a republic. She would have ruined herself and perhaps the whole of Europe with her. . . . The monarchist principle has triumphed over

anarchy. . . . My most ardent desires are centered upon the peace of Europe, and I hope that the states will resume their former friendly relations with France, and come to have confidence in France's new government."[88]

James saw to it that this was accurately conveyed to Metternich at Vienna, and that the call to peace was properly emphasized.

Meanwhile there were occurrences in Paris that threatened further risings in various states of Europe. Countless emigrants from the period of the Neapolitan and Spanish revolutions thought that the moment had come for resuming their revolutionary activities. The Rothschilds knew some of these people and heard of their plans, and they did everything possible to induce the new authorities in Paris to refrain from supporting their efforts. What, for instance, would be the fate of Neapolitan bonds, which had already slumped heavily, if General Pepe, who was staying in Paris, were, as Solomon put it,[89] "again to arouse the spirit of the Carbonari"?

A rising was expected hourly in Spain. The Rothschilds immediately informed the newly constituted French government of everything that they heard of these activities, and through a common friend they also put Metternich in possession of such information.

"Count de Mole,"[90] Solomon wrote to Vienna,[91] "is well aware of all these activities, and has been enlightened as to the importance of suppressing them in the general interests of peace and of the tranquillity of France. He fully shares our convictions in this matter, and is applying all the means at his disposal to frustrate these unscrupulous schemes. I hope, my dear friend, that you will observe the strictest confidence in the use you make of this communication. It was made to me under the seal of the strictest secrecy ... it would be exceedingly unpleasant for me if there were the slightest suspicion that I had breathed a word about it. For this reason I am not signing this letter."

Owing to their excellent connections, the Rothschilds were thus receiving the most important and confidential information in spite of the complete change in affairs. The new king, Louis Philippe, and the bourgeois ministers who now received the seals of office had the greatest interest themselves in seeing that peace was maintained, that law and order was restored, and that private property was not interfered with. The aims of the Rothschilds were identical and they were to learn Louis Philippe's intentions from the best possible source, namely, the king himself.

On September 7, 1830, James was received by Louis Philippe in private audience, and discussed the general situation with him. "My brother," Solomon reported thereon to Vienna,[92] "yesterday had the opportunity of a leisured discussion with the King of France. The king said with regard to Austria, which was strengthening her forces in the Italian provinces, that she should not go too far with her military preparations, as this alone would automatically lead to war in the end. My brother represented to the king that he was not dealing firmly enough with the activities of the Spanish and Neapolitan exiles in the heart of the capital itself, and that such laxity might produce the most pernicious results. The king replied that he was using every means in his power to frustrate the agitators' schemes, but that his mandate as a constitutional monarch involved limitations which he could not legally exceed.

"The king assured me that he was opposing revolutionaries in all countries as far as his position as a constitutional monarch allowed him to do, but he stated that he was compelled to show a certain regard for liberal aspirations.

"'I should be exceedingly glad,' he said to James, 'if you could possibly be the means of communicating my views to his Highness Prince von Metternich, and request him in his wisdom to make urgent representations

to the court of Naples, so that it may be moved to make a few concessions in the general interests of the country, and in accordance with the progress of contemporary ideas.'"

Solomon skilfully incorporated in this letter, which he intended Metternich to read, a few flattering remarks about the chancellor, attributed to Louis Philippe. The letter concluded with the following words: "Such, my dear friend, are the essential points mentioned in my brother's conversation with the king. With the exception of certain highly placed persons, observe the strictest secrecy in regard to it, and accept again the assurance of my most friendly sentiments."

The fears that the revolutionary movement might spread prove to be well founded. The July revolution produced repercussions throughout Europe. Apart from minor disturbances in Germany, Italy and Spain, there were serious risings leading to important results. The peoples of the kingdom of the United Netherlands, which had been welded together in 1815 without any consideration of the diverse populations of Belgium and Holland living within its boundaries, had long been restive. On August 25, 1830, revolution broke out in Brussels, as the result of which a change in the form of government, separation from the dynasty of Orange, and indeed the severance of Belgium from Holland were demanded and soon afterwards achieved. This produced a severe crisis in the commercial world, and increased the fears of a general European war, for news was received from both Vienna and St. Petersburg that the authorities were not merely determined to suppress these revolutionary uprisings individually, but also proposing to use military force against the new regime in France, as the breeding-place of all these dangerous movements.

Meanwhile Solomon had returned from Paris on a most important mission. His brothers had urged him to bring all his influence to bear upon Metternich—to re-

strain his warlike zeal from embarking on such an adventure, which—quite otherwise than in the case of Naples—would be fraught with the gravest consequences, such as nobody could foresee, for Europe in general and for the House of Rothschild in particular. Solomon was to do what he could in the way of direct written and verbal communications with the chancellor, and also to bring pressure to bear upon Gentz daily, while enlisting the influence of third persons whom he had placed under financial obligations. His brothers in London and Paris unceasingly urged him in their letters not to flag in his efforts.

James wrote on November 24, 1830: [93]

MY DEAR BROTHER:

An Austrian courier will be passing through Frankfort, so I am taking this opportunity of writing to you. I hope that as Uncle [Metternich] will be back in Vienna, you will know more about what is happening. You know that Count Sebastiani, minister for foreign affairs, has given me permission to call on him every morning. I am on the most friendly terms with him, a fact which is not likely to be displeasing to Uncle, as it enables me often to let you have advance news. He said to me, "My dear Rothschild, the one question is, are the foreign powers seeking an excuse to declare war on the king? It will be a murderous one if they are, and God knows when and how it will end. We will leave nothing undone to preserve peace. We will do everything possible; and the king sent a man to Brussels yesterday to beg that the Nassau dynasty should not be excluded, and to say that if it behaved foolishly it was at its own risk, as France would not interfere."

Talleyrand has been written to in London to try and settle the question between Holland and Luxembourg. Sebastiani told me that the king had had a very long conversation with Apponyi and had no other wish than to preserve peace. Therefore, my

dear Solomon, do try to find out the position, for even though we are not carrying out any transaction in rentes, we have a holding of 900,000 rentes (i.e., 18 million francs nominal). If peace is preserved they will be worth 75%, while in case of war they will drop to 45. We should not be certain of dropping 25 to 36%, and I should say that we better go straight and secure ourselves.

You have no idea what the position is here with regard to actual rentes. People are selling every day in England, and today I sold 25,000 francs again in London; but I see no real sellers, and in spite of all the military preparations, the rentiers are not getting nervous, because it is not consistent with sanity that the powers should now undermine industry, trade, and public credit through a war.

Meanwhile, my dear Solomon, the whole world is arming, and this fact alarms me. They are already telling us here that they are going to station a defense force of 300,000 men on the frontiers. Now experience unfortunately teaches us that military preparations very easily lead to war, and if anybody wants war we shall have it. Believe me, I feel sure that it depends now on the prince alone, and he can use the opportunity to influence France as he wishes. If Uncle wants peace and convinces our government that he does, we shall have peace; and he will certainly have a firmer control over affairs here than he had in Polignac's time. For neither the ministry nor the chambers are, as has been supposed, ultra-liberal; indeed their views have been modified so much that they are much more inclined to royalism than in Polignac's time. You can see a proof of this in their way of dealing with the Spanish revolutionaries ; there are no more clubs or popular gatherings. Each day we have new laws for maintaining peace; there are no posters or tub-thumpers; the revolutionary papers are being suppressed.

Sebastiani also said to me: "The one person for whom I have unbounded admiration in all the minis-

tries is Prince Metternich, and he will find me a straight man to deal with. I want to maintain the existing agreements, but if he means to declare war on us we must conclude an agreement with England, but believe that I am making every effort to maintain peace. ... As far as I can see the issue of peace or war depends entirely upon your prince."

Stuart[94] believes that peace will be maintained; that peace and war are being discussed a great deal, but that peace will prevail. I beg you, if there is any news, send somebody to Strassburg, or send a special courier here, because it makes a great difference. We have been cautious enough to consolidate our position by realizing a large holding of rentes at a loss, and I am convinced that if peace is maintained, rentes will improve in three months by at least ten percent, since there is a shortage of actual rentes on the market, and the bear speculators require millions to cover. And it would be a very good thing to recover part of their ill-gotten gains from these wretched people, and this is just the moment for doing so. You yourself will see, my dear brother, how exceedingly important it is that I should have the earliest possible news of what we are to expect. People are for war here today because of an article in the Journal des Debats. Everybody here is very pleased with Apponyi. I assure you one nearly loses one's head here, because common sense is in favor of peace, but warlike ideas are getting the upper hand. I am hoping to have full news from you at an early date, and am your very affectionate brother [no signature].

This effusion was followed three days later by a second letter:

MY DEAR BROTHERS :[95]

The news that the Belgians have dethroned the Orange dynasty has shocked everybody deeply. Rentes fell to 60.25, but closed at 61.19, and the five

per cents at 91.15 while ducats were 65.40. As the Bourse was closing it was stated that Laffitte[96] would make a speech on Monday demanding 500,000 men; not that France should intervene in Belgian affairs, but only for her own security. I spent a long time with Laffitte and Sebastiani. I have never known them so moderate. They said to me, "We sent somebody to Brussels and they did not listen to us. Are we to set Europe ablaze in order to put Monsieur Merode on the Belgian throne? The powers are arming and we must do the same; we have bought 100,000 muskets in Hamburg; we have also bought munitions at Frankfort, as we must take precautions, and the interests of the powers are identical with ours." They said that they definitely believed that there would be no war; but the Belgian affair complicates everything very much.

Good news is supposed to have been received from Russia. I shall probably send you a courier on Monday night or on Tuesday with the speech, if it is important and likely to be helpful. The moderates, such as Perier and all the rest are wild, and are screaming against Russia, saying that the publication of Emperor Nicholas's letter was an insult to the nation. You have no idea of the war spirit among these people; but it is clear that none of those in real authority wants war.

Do tell the prince these things, my dear Solomon. The massing of troops exasperates them, hence these great preparations. Be assured, however, that it depends entirely on the prince, whether we have peace or war. If we have war I see the whole of France putting up barricades, and I assure you I tremble for Germany. The people are like a lion; and it is not well to rouse such a strong and powerful nation.,

This all amounted to the fact that Sebastiani wished to warn Austria through Rothschild not to prompt Russia to make war or to arm herself. While such developments might prove embarrassing to the new government

in France, they might also produce results disastrous to all absolute governments.[97]

On receipt of these letters Solomon went to see the prince and Gentz, and gave them copies. He tried to read the mind of the chancellor, and if possible to influence him. Metternich repeated his well-worn phrases, and realizing that his reply would be conveyed to the French government through James, just as that government's views had been conveyed to him by Solomon, he uttered an emphatic warning that Louis Philippe should render no assistance to revolutionaries, in any country, if he was concerned for the continuance of his rule and the maintenance of peace.

Solomon thereupon replied to James:[98]

MY DEAR BROTHER:

I have received your valued communication of November, and conveyed its contents to the prince. One may now infer that the French government must be principally concerned to secure its own position, and will therefore have no use for mere adventurers like Mole and Broglie.[99]

On behalf of the prince, Solomon conveyed an assurance that he also desired peace, but that he would strike a blow in Italy, not against a power but against the revolution which had to be fought everywhere in the interests of peace and order. If France permitted this, it would not be troubled, and peace would be maintained; but if not, there would be war, in which case Austria would certainly not stand alone, for it would be in the interests of all governments to support the state which desired nothing but peace and order.

"I have also informed the prince of your inquiry," Solomon continued. "If General Sebastiani wishes to say anything to him as man to man it is perfectly open to him to do so, either through you or through any particular person in whom he has confidence."

Metternich thus appointed the Rothschilds over the head of his Paris ambassador as the channel of communication between him and the French cabinet. This implied extensive confidence in them, and was a priceless advantage to the Rothschilds, for it meant that during those dangerous times they would receive news of the most important decisions before anyone else. However, they continued to be in a state of great anxiety as to whether peace would be maintained. Their losses already amounted to millions; in accordance with their own estimate, perhaps deliberately somewhat exaggerated, they had irrevocably lost about 17 million gulden at one blow through the July revolution.[100] A war might cause further losses, and perhaps occasion the collapse of their House. Even the tame extracts from the Rothschild Paris letter made for Prince Metternich's benefit still sounded exceedingly menacing.

"We have received your valued letter of the tenth of this month," one of these letters ran,[101] "and regret to learn that your securities are falling as badly as ours. Yesterday things got a great deal worse. War is on everybody's lips; there are those who want war for its own sake, and those who want it to take the public's mind off the proceedings against the ministers.[102] Sebastiani remarked today that it would be better for the public to have something else to think of now than these proceedings, and that after the action things would be much better.

"Others, such as our friend Stuart, are of a different opinion, and think that after the action things will be much worse, and that we shall have nothing but war to think about then, and that the present ministers are not strong enough to adopt an unpopular line. Rentes remain at 58.50, and from today all the gardes natioriaux must wear uniforms, so that you will see nothing but soldiers. On the Bourse were several soldiers in uniform. This does not look like peace.

"Last night Laffitte said that war was less likely now than ever, and that everything possible will be done to avoid it. He hopes that Prince Metternich will seriously think of means for settling matters before all the powers have their armies equipped, and everything is ready for war. For as soon as the young French are ready, and anything happens to set them off, the devil himself won't stop them. . . . Frankness and mutual forbearance are more than ever necessary.

"I read out to General Sebastiani what you told me about Uncle. He said that he was pleased with everything I had heard from the good gentleman; I assure you that he actually used the word 'good.' He went on to say, 'I am doing everything possible for peace . . . and I do not see what we should go to war about. I have given orders in Italy to be accommodating to Austria in all matters. If, however, which God forbid, anything should happen there, I do ask for God's sake not to let troops march into any other country, for that might produce war.'

"You see, my dear brother, that the issue of war and peace really does hang on a thread today; God grant that everything may remain peaceful in Italy, for if God does not maintain peace, He alone can say what will become of Europe."

James might have added "and of us" after "Europe." It is exceedingly probable that the original letter did contain some such phrase, for the passage quoted was only a carefully selected extract made for the benefit of the chancellor.

And indeed, when, in the last days of November, a rising broke out in Poland against Russian rule, the danger of hostilities against France, which stood before the world as the originator of all these revolutionary troubles, became particularly acute. The future destinies of the House of Rothschild largely depended upon whether the decision should be for peace or for war. They redoubled

their efforts to win the statesmen and persons in power for the cause of peace. The three brothers in Paris, London, and Vienna rivaled one another in their feverish efforts to influence their countries' policies.

Amschel Meyer at Frankfort had meanwhile been allotted the task of relieving the House of Rothschild from as many of its financial agreements and obligations as he possibly could. Carl stayed with him in order to help in this labor of Sisyphus, involved in dealing with the enormous ramifications of businesses that were mostly in a bad way. The great question continued to be, war or peace?

NOTES

CHAPTER I

(1) For further details see Geschichte von Frankfurt am Main in ausgew'dhlten Darstellungen, Kriegk (Frankfort-on-the-Main, 1871). (2) "Meyer Amschel Rothschild," der Griinder des Rothschildschen Bankhauses, Berghoeffer (Frankfort-on-the-Main, 1923) p. 5. (3) The usual story, which is given in all publications except Berghoeffer's, and according to which Rothschild was announced to the prince as he and Estorff were playing chess, is a myth. On the other hand we may take it as proved that General von Estorff effected the introduction, relying on the family connections between him and Hesse. (4) Published in full by Berghoeffer; see above, p. 7. (5) The original catalogues are in the Municipal Library at Frankfort. The reproductions here given of a title-page and a portion of the text are taken from one of these. (6) Dr. Philipp Losch, Kurfurst Wilhelm I., Landgraf von Hessen, (Marburg, 1923), p. 71'. (7) Vehse in his Geschichte der deutschen Hofe (pp. 27 and 266) declares that there were seventy-four illegitimate children in existence. Others put the number even higher. For further details see appendix to Losch's book referred to above. (8) Losch, as above, p. 43. (9) The family later received the name "von Carlshausen" as also did the estate which remains in their possession. The family is still flourishing, but now only bears the name of Barons von Carlshausen, without Buderus. (10) Losch, see above, p. 158. (11) Der Soldatenhandel deutscher Fursten nach Amerika, 1775-1783, Friedrich Kapp (Berlin, 1864), p. 57. (12) Berghoeffer, as above; p. 20. (13) Carlshausen archives: accounts entry dated Nov. 9, l790. Laubtaler ("leaf" thaler) were silver coins, so called from the foliage which formed part of the design. They were worth one Prussian thaler, fifteen silver groats. (14) The "green" shield has given rise to a good deal of error. The name is in fact derived from the earlier house with the red shield. (15) The illustration gives an excellent idea of the Rothschild house in its original condition. The Schiffs' old-clothes shop can also be seen. The descendants of this family have also achieved great things, particularly in America where they have made a huge fortune. (16) Reichsgulden; the Convention-gulden—so called because, in accordance with a Convention, 20 gulden (in 20 florin measure) or 24 gulden (in 24 florin measure) were coined out of 1 mark (16 loth) of fine silver—was worth rather more. One florin Convention coin in 24 florin measure was worth about 1 1/5 reichsgulden. (17) The Landgrave of Hesse-Cassel to Francis of Aus-

tria, Weissenstein, Apr. 30, 1792, State Archives, Vienna. (18) Francis of Austria to the Landgrave of Hesse-Cassel, May 10, 1792, State Archives, Vienna. (19) Die Fugger, Rothschild, Krupp, Richard Ehrenberg (Jena, 1925) p. 136. (20) Emperor Francis to the Landgrave of Hesse-Cassel (Baden, September 8, 1797) Draft in the State Archives, Vienna. (21) The eldest son's actual name was Amschel Meyer, but he later adopted the name of Anselm.

CHAPTER II

(1) Ehrenberg; see former ref., p. 50. (2) Berghoeffer; see former ref., page 75. (3) Lawaetz to Buderus (Altona, Feb. 2, 1805), Carlshausen Archives. (4) See Scherb, Geschichte des Hauses Rothschild (Berlin, 1872), p. 27. (5) Berghoeffer; see former ref., p. 35. (6) Losch; see former ref. p. 151. (7) Wilhelm Kurfurst of Hesse to His Majesty the Roman Emperor and Hereditary Emperor of Austria, Cassel, Jan. 11, 1805, State Archives, Vienna. (8) Baron von Wessenberg to Count Stadion, State Archives, Vienna. (9) Baron von Wessenberg to Count Colloredo, in September, 1805, State Archives, Vienna. (10) Correspondance de Napoleon I (Paris, 1863). (11) Berghoeffer, p. 37. (12) Baron von Wessenberg to Count Stadion, Cassel, Jan. 10, 1808, very secret special dossier. State Archives, Vienna. (13) Buderus to Lorentz, Hessian Charge d'Affaires in London; from Schleswig, Nov. 17, 1806. Carlshausen Archives. (14) The passage in the memoirs of General Baron de Marbot (Paris, 1891), Vol. I, pp. 309-311, from which the possible presence of Rothschild at Cassel might be inferred, will not bear serious examination, for it was not Marshal Augereau, but Mortier, who occupied Cassel, and the domiciliary search of the Rothschild house, as well as the cross-examination of the members of the family, occurred much later, at Frankfort, and not, in 1806, at Cassel. In publishing these "Memoirs," which appeared more than eighty years later, the writer was obviously influenced by the old and widely current legend regarding the rescue of the electoral property by the Rothschild family, the modest facts regarding which Berghoeffer was the first to bring to light. (15) Correspondance de Napoleon I, XIII, p. 588. (16) From Buderus in Schleswig to Lorentz in London, Nov. 17, 1806. Carlshausen Archives. (17) From Meyer Amschel Rothschild to William of Hesse, Dec. 15, 1806. Berghoeffer, p. 70. (18) Buderus to the elector, Hanau, Mar. 8, 1807. Carlshausen Archives. (19) Buderus to the elector, Hanau, Mar. 10, 1807. Carlshausen Archives. (20) Berghoeffer, p. 64. (21) Elector William of Hesse to King Frederick William III of Prussia, Rendsburg, Mar. 8, 1807. Prussian Secret State Archives, Berlin. (22) Elector William of Hesse to Emperor Francis, Rendsburg, Mar. 23, 1807. State Archives, Vienna. (23) Prince Wittgenstein to Frederick William III of Prussia, Altona, Mar. 31, 1807, Prussian Secret State Archives, Berlin. (24) For further details see Berghoeffer, p. 79. (25) Berg-

hoeffer, p. 78. (26) Berghoefrer, p. 132. (27) Emperor Francis to the Elector of Hesse, Vienna, Jan. 22, 1808, State Archives, Vienna. (28) Berghoeffer, p. 109. (29) An anonymous correspondent to Emperor Francis, June, 1808, Treasury Archives, Vienna. (30) Emperor Francis to Count Zichy, Mar.-July, 1808, Treasury Archives, Vienna. (31) Secret Police Report from Prague, Sept. 9, 1808, Treasury Archives, Vienna. (32) Autograph letter from Emperor Francis to Count O'Donnell, dated Sept. 13, 1808, Treasury Archives, Vienna. (33) Most humble ministerial address from Count O'Donnell, Sept. 14, 1808, Treasury Archives, Vienna. (34) Emperor Francis to Count O'Donnell, Oct. 6, 1808, Treasury Archives, Vienna. (35) Stein to Wittgenstein, Konigsberg, Aug. 15, 1808. Published in the Monitor of Sept. 8, 1808. (36) Memorandum from Wittgenstein to Metternich, Hamburg, Mar. 20, 1809, State Archives, Vienna. (37) Berghoeffer, p. 123. (38) Vienna Police Report, Feb. 25, 1809, Police Archives, Vienna. (39) Report of the Prague Chief of Police, Mar. 12, 1809, Police Archives, Vienna. (40) Berghoeffer, p. 112 and following pages. (41) Agreement between Buderus and Meyer Amschel Rothschild, Frankfort, Feb. 17, 1809. Copy in the Carlshausen Archives. (42) Elector William of Hesse to Emperor Francis, Prague, Mar. 6, 1809, State Archives, Vienna. (43) Berghoefrer, p. 173. (44) Les Rothschild, une famille de financiers juifs au XIXieme siecle (Paris, 1896) and in Les Rothschilds by a "petit porteur de fonds russes," who has used Demachy's distorted book and his documents in a manner showing extreme malice toward the Rothschild family.—Police Report of the French Imperial Police of Jan. 17, 1812, and Dec. 23, 1813, National Archives, Paris. Les Rothschild, p. 139 and following pages, and p. 158 and following pages. (45) Elector William of Hesse to Count Stadion, Prague, Nov. 4, 1809, State Archives, Vienna. (46) See the Police Report from the French National Archives, published in Les Rothschild, as above, p. 151. (47) William of Hesse to Count Metternich, Prague, Feb. 20, 1810, State Archives, Vienna. (48) Elector William of Hesse to Barbier, Prague, Aug. 31, 1810, Treasury Archives, Vienna. (49) The Treasury to the Elector of Hesse, Sept. 25, 1810, Treasury Archives, Vienna. (50) Baron von Hiigel to Count Stadion, Frankfort, Aug. 20, 1810, and Apr. 15, 1812, State Archives, Vienna. (51) The fifteen articles, from the Municipal Archives of Frankfort-on-the-Main, are published in full by Berghoeffer, p. 195 and following pages. (52) Ehrenberg: see former ref., p. 56. (53) Buderus to the elector, Nov. 12, 1810, Carlshausen Archives. (54) Buderus to the elector, Carlshausen, Nov. 2, ı8ı'0, Carlshausen Archives. (55) Baron von Hugel to Count Stadion, Frankfort, Feb. 16, 1812. There is a list attached to this report in which Meyer Amschel features under No. 41. State Archives, Vienna. (56) The elector to Buderus, Prague, Dec. 6, 1810, Carlshausen Archives. (57) Archives Nationales, Paris. Mainz, Mar. 3, 1812. Published in Les Rothschild, see former ref., p. 121. (58) Buderus to the elector, Hanau, Apr. 7, 1811, Carlshausen Archives.

(59) The elector to Buderus, Prague, May 20, 1811. (60) Buderus to the elector, undated, Carlshausen Archives. (61) The elector to Buderus, Prague, Aug. 28, 1811, Carlshausen Archives. (62) The elector to Buderus, Prague, Aug. 28, 1811, Carlshausen Archives. (63) Buderus to the elector, Carlshausen, Sept. 21, 1811, Carlshausen Archives. (64) Buderus to the elector, Carlshausen, Sept. 21, 1811. Carlshausen Archives. (65) Buderus to the elector, Carlshausen, Sept. 25, 1811, Carlshausen Archives. (66) Buderus to the elector, Hanau, Feb. 24, 1812, Carlshausen Archives. (67) The elector to Buderus, May 24, i8i'2. Carlshausen Archives. (68) An extract is published in translation in Les Rothschild, p. 132 and following pages. (69) Les Rothschild, p. 135. (70) Bacher to Savary, Feb. 17, 1812. Les Rothschild, p. 144. (71) Les Rothschild, p. 153. (72) Israel Jacobsohn, Privy Revenue Councilor. Most respectful plea to his Highness, the Prince President of the Confederation of the Rhine, concerning his new settlement and regulation for the protection of the Jews in Frankfort-on-the-Main. Brunswick, 1808. (73) Meyer Amschel Rothschild to a Land Registrar, Frankfort, Jan. 29, 1811. See facsimile in the Frankfort Municipal Library. (74) Dispatch from Weyland to Emperor Francis, Vienna, Oct. 27, 1814. Police Archives. (75) A copy was enclosed in Hugel's report to Metternich. Frankfort, Jan. 22, 1815. State Archives, Vienna. (76) Decree of the Grand Duke Carl Dalberg. Fulda, Oct. 17, 1812. (77) The Will, which is in the Municipal Archives of Frankfort-on-the-Main, is published in Berghoeffer, p. 201 and following pages.

CHAPTER III

(1) In 1834, on the occasion of a dinner to a friend, Nathan spoke about his career in England. This is described in the Memoirs of Sir Thomas Fowell Buxton, Bart., edited by his son Charles Buxton, Esq. (London, 1848), pp. 333 and foll. It has been often quoted and reprinted, but we should bear in mind that an account given by Nathan during a good dinner should not be taken too literally, and that it also had the object of increasing the; prestige of the House of Rothschild. Critically regarded, the account is worthy of consideration. (2) See Demachy and Les Rothschild, p. 168. (3) Mollien to Napoleon, Mar. 26, 1811. See Histoire financiere de la France depuis 1715, Marion (Paris, 1914), IV, p. 358. (4) Marion; see above, p. 358. (5) Wellington to R. H. J. Villiers, Ciomba, May 25, 1809. The Dispatches of Field Marshal the Duke of Wellington During His Various Campaigns, from, 1799 to 1811, IV, p. 374. (6) Wellington to Huskisson, Corticada, July 28, 1809. Wellington'Dispatches, IV, p. 473. (7) Wellington to the Earl of Liverpool, from Sanct Marinca, Mar. 23, 1811. Wellington Dispatches, VII, p. 392. (8) Wellington to Earl Bathurst. Madrid, Aug. 18, 1812. Dispatches, IX, p. 368. (9) In the somewhat boastful dinner conversation in 1834 with

Sir Thomas Buxton, Nathan estimated the value of this gold at £800,000. (10) James Rothschild to Nathan Rothschild, Paris, Apr. 6, 1812, Les Rothschild, p. 183. (11) Report of the Chief of Police in Hamburg of Jan. 24, 1812, Les Rothschild, p. 106. (12) Marshal Davoust, Duke of Auerstadt, to Emperor Napoleon, Hamburg, Feb. 13, 1812, Les Rothschild, p. 108 and following pages. (13) From Hubert the Commissioner of Police in Mainz, to Desmarets in Paris, Mainz Mar. 3, 1812. Les Rothschild, p. 117. (14) Count von Real, dispatch to Paris, Feb. 6, 1812, Les Rothschild, p. 77 and following pages. (15) James Rothschild to Nathan, Mar. 28, 1812, Les Rothschild, p. 181 and following pages. (16) Marion, see former ref., IV, p. 359. (17) The elector to Emperor Francis, July 14, 1813, State Archives, Vienna. (18) Die Judenfrage auf dem Wiener Kongress, Baron (Vienna and Berlin, 1920), p. 32. (19) Herries, Memoirs, p. B6. (20) Buxton, see former ref., p. 343. (21) Metternich, der Staatsmann und der, Mensch, Srbik, I, p. 130. (22) As in 1808, when Metternich was ambassador in Paris, 80,000 francs, and in September, 1813, 43,000 gulden for his personal expenses. These advances were made out of state money, and the emperor's action was to be kept strictly secret. Autograph letters from Emperor Francis, Dec, 1808, and Sept., 1813. Instructions from Count Stadion, Treasury Archives, Vienna. (23) Humboldt to Goethe, Jan. 10, 1797. Goethes Briefwechsel mit den Gebrudern von Humboldt, Bratranek, p. 24 and following pages. (24) Count Ugarte to Count von Metternich, Memorandum dated Sept. 15, 1813, State Archives, Vienna. (25) Baron von Wessenberg to Count von Metternich, London, Oct. 30, 1813, Court Archives, Vienna. (26) Emperor Francis to Count Ugarte, Dec. 12, 1813, Court Archives, Vienna. (27) Count Ugarte to the emperor, Dec. 24, 1813, Count Archives, Vienna. (28) Imperial Order from Freiburg, dated Jan. 11, 1814, Court Archives, Vienna. (29) The elector to Emperor Francis, Cassel, Apr. 14, 1814, State Archives, Vienna. (30) Barbier to Count Ugarte, Frankfort, July 28, 1814, Court Archives, Vienna. (31) Meyer Amschel Rothschild and Sons to Barbier, Frankfort, July 28, 1814, Court Archives, Vienna. (32) Meyer Amschel Rothschild and Sons to Barbier, Frankfort, Aug. I, 1814, Court Archives, Vienna. (33) Barbier to Count Ugarte, July 28, 1814, Court Archives, Vienna. (34) Barbier to Count Ugarte, Frankfort, Aug. 6, 1814, Court Archives, Vienna. (35) Meyer Amschel Rothschild and Sons to Barbier, Frankfort, Aug. 8, 1814, Court Archives, Vienna. (36) Barbier to Ugarte, Frankfort, Aug. 18, 1814, Court Archives, Vienna. (37) Count Ugarte to Barbier, Vienna, Aug. II, 1814, Court Archives, Vienna. (38) Meyer Amschel Rothschild and Sons to Barbier (written by Amschel), Aug. 22, 1814, Court Archives, Vienna. (39) Barbier to Count Ugarte, Aug. 29, 1814, Court Archives, Vienna. (40) Meyer Amschel Rothschild and Sons to Barbier, Frankfort, Aug. 8, 1814, Court Archives, Vienna. (41) Barbier to Ugarte, Aug. 9, 1814, Court Archives, Vienna. (42) Barbier to Ugarte, July 13, 1814, Court Archives, Vienna. (43) Meyer

Amschel Rothschild and Sons to Barbier, July 29, 1814, from Frankfort, Court Archives, Vienna. (44) Count Ugarte to Barbier, Aug. 17, 1814, Treasury Archives, Vienna. (45) Baron von Hugel in Frankfort to Metternich, Jan. IX, 1815, State Archives, Vienna. (46) Ehrenberg; see former ref., p. 65. (47) Histoire des grandes operations financieres, M. Capefigue (Paris, 1858), III, pp. 5 and 49. (48) Herries; see former ref., p. 92 and following pp. (49) Buderus to Lorentz, Cassel, May 13, 1814, Carlshausen Archives. (50) Baron von Hugel to Baron von Stein, Frankfort, Aug. 31, 1814, State Archives, Vienna. (51) Metternich to the attorney, Dr. Buchholz, Vienna, June 9, 1815, State Archives, Vienna. (52) For particulars see Ehrenberg, pp. 68-69. (53) Selbstbiographie und Bildnisse, Grillparzer (Vienna, 1923), p. 143. (54) Ibid., p. 118. (55) Ibid., p. 132. (56) Stadion to Prince Metternich, Vienna, Apr. 22, 1815, State Archives, Vienna. (57) Privy Council office to Count Stadion, May 4, 1815, State Archives, Vienna. (58) See Chapter II. (59) From Neumann, Counselor of Legation in London, to Baron von Hugel at Frankfort, London, May 22, 1815. State Archives, Vienna. (60) See National Biography, Vol. XLIX, p. 307. (61) Neumann to Schwinner, London, May 5, 1815, State Archives, Vienna. (62) Schwinner to Neumann, Frankfort, Nov. 13, 1815, State Archives, Vienna. (63) Limburger to Schwinner, Frankfort, Sept. 2, 1815, State Archives, Vienna. (64) Solomon and Carl Rothschild to Hardenberg, from Paris (undated; from its position in the files, was probably written in the summer of 1815), Prussian Secret State Archives, Berlin. (65) Meyer Amschel Rothschild and Sons to Hardenberg and Metternich, Paris, Aug. 29, 1815, Prussian Secret State Archives, Berlin. (66) Hardenberg to Metternich, Paris, Oct. 12, 1815. Above source. (67) Buol to Metternich, Frankfort, Dec. 5, 1815, State Archives, Vienna. (68) Barbier to Count Stadion, Paris, Nov. 10, 1815, Treasury Archives, Vienna. (69) Barbier to Count Stadion, Paris, Jan. 10, 1816, Treasury Archives, Vienna. (70) Meyer Amschel Rothschild and Gontard to Barbier, Paris, Jan. 6, 1816, Treasury Archives, Vienna. (71) Baron Frimont to the vice-president of the treasury Count von Herberstein, Colmar, Apr. 29, 1816, State Archives, Vienna. (72) Thus three million francs on Jan. 31, 1816. Barbier to Stadion, Jan. 1, 1816, Treasury Archives, Vienna. (73) Herries, see former ref., p. 108. (74) Mr. Herries's memorandum to Lord Liverpool and Vansittart, July 12, 1816. Herries, former ref., p. 247. (75) Mr. Herries's memorandum to Lord Liverpool and Vansittart, July 12, 1816. Herries, former ref., pp. 86-87. (76) Count Stadion to Barbier, Mar. 2, 1816, Treasury Archives, Vienna. (77) Report of the finance minister Count Stadion of July 18, 1816, State Archives, Vienna. (78) Report of the finance minister, Count Stadion of July 30, 1816, State Archives, Vienna. (79) Advice of Baron von Lederer, Aug. 6, 1816, State Archives, Vienna. (80) Note by Count Zichy (known as "Zuputz" among his colleagues) on Baron von Lederer's advice, State Archives, Vienna. (81) Emperor Francis to Metternich, undated, State Archives,

Vienna. (82) Emperor Francis to Ugarte, Vienna, Sept. 25, 1816, Old Gratz Registry, Vienna. (83) Emperor Francis to Ugarte, Vienna, Oct. 21, 1816, Old Gratz Registry, Vienna. (84) Count Stadion to Count Ugarte, Vienna, Sept. 30, 1816, Old Gratz Registry, Vienna. (85) Design for the Rothschild coat-of-arms, Old Gratz. Registry, Vienna. (86) Escutcheon Inspector von Holza. Most Obedient Report, Vienna, Jan. 28, 1817, Old Gratz Registry, Vienna. (87) James Rothschild to Barbier, July 2, 1817, from Paris, Treasury Archives, Vienna. (88) Meyer Amschel Rothschild and Sons and J. Friedrich Gontard and Sons to Barbier, from Paris, July 8, 1817, Treasury Archives, Vienna. It is not my intention, and it is in any case impossible to give a full account of the money transactions of the House of Rothschild; I have given as examples those which helped it to attain its unique position. (89) Barbier to Stadion, July 9, 1817, Treasury Archives, Vienna. (90) Stadion to Barbier, Vienna, Aug. 3, 1817, Treasury Archives, Vienna. (91) Meyer Amschel Rothschild and Sons and J. F. Gontard and Sons to Barbier, Paris, July 8, 1817, Treasury Archives, Vienna. (92) Ehrenberg, see former ref., p. 81. (93) Jordan to Buol, Berlin, Nov. 8, 181/6, Prussian Secret State Archives. (94) Amschel Rothschild to Metternich, Frankfort, November, 1817, State Archives, Vienna. (95) Amschel Rothschild to Stadion, Frankfort, November, 1817, State Archives, Vienna. (96) Carl Rothschild to Count Zichy, Berlin, Nov. 5, 1817, State Archives, Vienna. (97) Count Zichy to Metternich, Berlin, Nov. 23, 1817, State Archives, Vienna.

CHAPTER IV

(1) Les hommes de mon temps, Ignotus (Paris, 1889), p. 289. (2) Amschel Meyer to Hardenberg, Frankfort, Jan. 16, 1818, Prussian Secret State Archives, Berlin. (3) King Frederick William III of Prussia to Prince Hardenberg, Berlin, Nov. 25, 1817, Prussian Secret State Archives, Berlin. (4) Hardenberg's notes on the above. (5) Simon Moritz von Bethmann und seine Vorfahren (Frankfort-on-the-Main, 1898), p. 227. (6) Rother to King Frederick William III, Berlin, Mar. 9, 1830, Prussian Secret State Archives, Berlin. (7) Prince Hardenberg to Rother, Feb. 10, 1818, Prussian Secret State Archives, Berlin. (8) This report of Humboldt has often been printed, as in Ehrenberg, p. 86, and Balla, Die Rothschilds, p. 96. The Prussian loan of 1818 in England is dealt with only shortly here, as Ehrenberg's work, referred to above, deals with the matter exhaustively and admirably. (9) Rother to King Frederick William III, Berlin, Mar. 9, 1830, Prussian Secret State Archives, Berlin. (10) Ehrenberg, see former ref., p. 9. (11) Wilhelm und Caroline von Humboldt in ihren Briefen, 1815-1817, Vol. VI, p. 320. (12) Meyer Amschel Rothschild and Sons to the Elector of Hesse, Frankfort, July 10, 1818, Carlshausen Archives. (13) The Elector of Hesse to Buderus, Cassel, July 26, 1808, Carlshausen Archives. (14) Buderus

to the elector, Hanau, Aug. 4, 1818, Carlshausen Archives, (15) The elector to Buderus, Cassel, Aug. 12, 1818, Carlshausen Archives. (16) Buderus to the elector, Hanau, Aug. 15, 1818. Carlshausen Archives.
(17) Concluding letter, dated Oct. 15, 1818, Carlshausen Archives.
(18) The Elector of Hesse to Buderus, Feb. 6, 1819. Carlshausen Archives. (19) The Elector of Hesse to Carlshausen, Feb. 9, 1819, same source. (20) Meyer Amschel von Rothschild and Sons to Carlshausen, Frankfort, Mar. 10, 1819, Carlshausen Archives. (21) Tagebucher von Friedrick Gentz (Leipzig, 1874), Vol. I, pp. 365 and 430; Vol. II, pp. 27, 37, 39 and following. (22) Gentz, see above, Vol. II, p. 280. (23) Die Judenfrage auf dem Wiener Kongress, Baron (Vienna, 1920), pp. 191 and 192. (24) Meyer Amschel von Rothschild and Sons to Hardenberg, Frankfort, Sept. 11, 1818, Prussian Secret State Archives, Berlin. (25) Geschichte der Freien Stadt Frankfurt a. M., Schwemer (Frankfort, 1910), Vol. II, p. 138. (26) Gentz, see former ref., Vol. II, p. 277. (27) Gentz, Vol. II, p. 280. (28) Briefwechsel zwischen Friedrick Gentz und Adam Heinrich Midler, 1800-1829, Gentz (Stuttgart, 1857), p. 267. (29) Briefwechsel Gentz an Midler, as above, p. 267, Munich, Dec. 12, 1818. (30) Baron von Handel to Prince Metternich, Darmstadt, Dec. 12,
1818, State Archives, Vienna. (31) Will of Carl Frederick Buderus von Carlshausen, Hanau, Aug. 2, 1818, Carlshausen Archives. (32) Police report from Frankfort, dated June 19, 1819, Police Archives, Vienna. (33) A reference to the raising of the family to the nobility. (34) Deutscke Geschichte int 19. Jahrkundert, Heinrich von Treitschke (Leigzig, 1897), Vol. III, p. 756. (35) A derisive cry dating from the medieval hatred of the Jews. The term appears to have been derived from the sound which a goat makes, having reference to the traditional appearance of the Jews, with their goatee beards. (36) Le Monnier, secretary of the legation, to the president of the police Count Sedlnitzky, Frankfort, Aug. 6, 1819, Police Archives, Vienna. (37) Himly to the Frankfort Senate, Aug. 11, 1819, Prussian Secret State Archives, Berlin. (38) Burgomasters Metzler and Usemer to Himly, Aug. 11, 1819, Prussian Secret State Archives, Berlin. (39) Extract from a letter from James Meyer von Rothschild to David. Parish, in Carlsbad, Paris, Aug. 18, 1819, State Archives, Vienna. (40) Baron von Handel to Metternich, Frankfort, Sept. 3, 1819, State Archives, Vienna. (41) The Treasury to the Commercial Department, Sept. 16, 1819, State Archives, Vienna. (42) Ritter von Stahl to Count Stadion, Vienna, Sept. 27, 1819, State Archives, Vienna. (43) Count Stadion to Count Saurau, Vienna, Sept. 26, 1819, State Archives, Vienna. (44) Count Saurau to Ritter von Stahl, Vienna, Sept. 29,
1819, State Archives, Vienna. (45) Police Report of Le Monnier, from Frankfort, Oct. 8, 1819, Police Archives, Vienna. (46) Barbier to Count Saurau, Paris, Oct. 8, 1819, Treasury Archives, Vienna. (47) Barbier to Stadion, Paris, Sept. 23, 1819, Treasury Archives, Vienna. (48) Meyer Amschel Rothschild and Sons to Count Stadion, Dec. 20, 1819, Treasury Archives, Vienna. (49) See "Kaiser Franz

und Metternich;" ein nachgelassenes Fragment, Hormayr (Leipzig, 1848). (50) Tagebucher des Karl Friedrich Freiherrn Kubeck von Kubau (Vienna, 1909), Vol. I, Part 2, p. 319. (51) Simon Moritz von Bethmann, see former ref. (52) Handel to Metternich, Feb. 19, 1820, State Archives, Vienna. (53) Handel to Metternich, Frankfort, Nov. 28, 1819, State Archives, Vienna. (54) Le Monnier to the director of the Secret Service Dept., Vienna, Frankfort, Feb. 22, 1821, State Archives, Vienna. (55) Schwemer, see former ref., II, p. 33. (56) Stahl to Metternich, Vienna, Apr. 4, 1820, Archives of the Ministry of the Interior. (57) Metternich to Esterhazy, May 31, 1820, State Archives, Vienna. (58) The chancellor to Stahl, Vienna, May 27, 1820, State Archives, Vienna. (59) See Handel to Metternich, in the files of the period between the 6th and the 11th Nov., 1819, State Archives, Vienna. (60) Police Report dated May I, 1820. Police Archives, Vienna. (61) See story by Siegfried Loewy, "Hotel Rothschild," in the Neues Wiener Journal of Apr. 29, 1927. (62) Metternich to Barbier, Vienna, Oct. 6, 1820, Treasury Archives, Vienna. (63) Private letter from Barbier to Buol, Paris, July II, 1820, Treasury Archives, Vienna. (64) Memorandum on the discussion between Tsar Alexander and Metternich of Jan. 13, 1821, State Archives, Vienna. (65) Private letter from Count Stadion to Metternich, Jan. 29, 1821, State Archives, Vienna. (66) Solomon Rothschild to Count Nesselrode, Vienna, Jan. 29, 1821, State Archives, Vienna. (67) Stadion to Metternich, Feb. 18, 1821, State Archives, Vienna. (68) Solomon Rothschild to Metternich, Vienna, Feb. 3, 1821, State Archives, Vienna. (69) Stadion to Metternich, Feb. 18, 1821, State Archives, Vienna. (70) Stadion to Metternich, Vienna, Feb. 15, 1821, State Archives, Vienna. (71) Stadion to Metternich, Feb. 20, 1821', State Archives, Vienna. (72) Stadion to Metternich, Vienna, Mar. 2, 1821, State Archives, Vienna. (73) Stadion to Metternich, Vienna, Mar. 6, 1821, State Archives, Vienna. (74) Count Sedlnitzky to Metternich, Vienna, Mar. 3, 1821, State Archives, Vienna. (75) Count Stadion to Metternich, Vienna, Mar. 8, 1821, State Archives, Vienna. (76) Stadion to Metternich, a few days after Mar. 8, 1821, no nearer date being given, State Archives, Vienna. (77) Metternich to Field Marshal Count Bubna, Laibach, Mar. 10, 1821, State Archives, Vienna. (78) Carl Rothschild to Metternich, Laibach, Mar. 13, 1821, State Archives, Vienna. (79) Count Ficquelmont to Metternich, Rome, Mar. 13, 1821, State Archives, Vienna. (80) Tagebucher von Friedrich von Gentz, see former ref., Vol. II, p. 297. (81) Stadion to Metternich, Vienna, Mar. 22, 1821, State Archives, Vienna. (82) Stadion to Metternich, second letter of Mar. 22, 1821, State Archives, Vienna. (83) Metternich to Baron Vincent, Austrian Ambassador in Florence, Mar. 19, 1821, State Archives, Vienna. (84) Metternich to Baron Vincent, Laibach, Jan. 1, 1821, State Archives, Vienna. (85) Metternich to Baron Vincent, Laibach, Mar. 22, 1821, State Archives, Vienna. (86) Vincent to Metternich, Florence, Apr. 2, 1821, State Archives, Vienna. (87) Vincent to

Metternich, Florence, Apr. 5, 1821, State Archives, Vienna. (88) Vincent to Metternich, Florence, Apr. 5 and 8, 1821, State Archives, Vienna. (89) Vincent to Metternich, Florence, Apr. 8, 1821, State Archives, Vienna. (90) Carl Rothschild's offer of a loan to the Neapolitan Government, Apr. 19, 1821, State Archives, Vienna. (91) Count Ficquelmont to Metternich, Naples, Apr. 19, 1821, State Archives, Vienna. (92) Count Ficquelmont to Metternich, Naples, Apr. 19, 1821, State Archives, Vienna. (93) Carl Rothschild to Metternich, Naples, Apr. 28, 1821, State Archives, Vienna. (94) Losch, see former ref., p. 368. (95) President of the Commercial Department Ritter von Stahl to Emperor Francis, Vienna, Mar. 4, 1821, State Archives, Vienna. (96) Count Stadion to Emperor Francis, Mar. 6, 1821, State Archives, Vienna. (97) Baron von Lederer's note on Stadion's report, Apr. 14, 1821, State Archives, Vienna. (98) Count Stadion to Emperor Francis, Vienna, Apr. 11, 1821, State Archives, Vienna. (99) Histoire des grandes operations financieres, M. Capefigue (Paris, 1858), Vol. III, p. 103. (100) Ritter von Stahl to Count Stadion, Vienna, Apr. 23, 1821, State Archives, Vienna. (101) Metternich to Ritter von Stahl, Vienna, July 10, 1821. (102) Metternich to Ficquelmont, July 4, 1821, State Archives, Vienna. (103) Project for Naples Convention, Aug. 4, 1821, State Archives, Vienna. (104) Metternich to Count Ficquelmont, Vienna, July 21, 1821, State Archives, Vienna. (105) Carl Meyer Rothschild to Ficquelmont, Naples, Sept. 10, 1821, State Archives, Vienna. (106) Marquis dAndrea, Finance Minister, to Ficquelmont, Naples, Sept. 5, 1821. (107) Marquis d'Andrea to Carl Rothschild, Naples, Oct. 27, 1821, copy in the State Archives, Vienna. (108) Carl Rothschild to Ficquelmont, Naples, Nov. 17, 1821', State Archives, Vienna. (109) Marquis dAndrea to Carl Rothschild, Naples, Jan. 31, 1822, State Archives, Vienna, (no) Schwemer, see former ref., Vol. II, p. 138 and following pp. (III) Schwemer, Aug. 30, 1820, see former ref., II, p. 149. (112) Deed of Surety with respect to Barbara's obligations, Archives of the Ministry of the Interior, Vienna, (113) Amschel Meyer Rothschild to Metternich, Frankfort, Nov. 3, 1821, State Archives, Vienna. (114) From the publishing firm of J. G. Cotta, of Stuttgart, which kindly put its archives at the author's disposal. (115) Die Allgemeine Zeitung, 1798-1898, Heyck (Munich, 1898), p. 252 and following pp. (116) See Gentz's Diary for June 7, 1821. Gentz, former ref., Vol. II, p. 431. (117) The same, Vol. II, p. 432. (118) The same, Vol. II, p. 438. (119) The same, Vol. II, p. 439. (120) For several years Gentz had written political letters to the Princes of Moldavia and Wallachia, for pay. (121) Gentz's Diary for Dec. 22, 1821. See former ref., Vol. II, p. 484. (122) Abstract of the Cash Payments of the Neapolitan State Treasury for the Royal Imperial Treasury, Appendix to Report of Ficquelmont to Metternich, Naples, Dec. 5, 1824, Vienna, State Archives. (123) Count Mentz to Metternich, Naples, Feb. 16, 1824, State Archives, Vienna. (124) Count Ficquelmont to Metternich, Naples, Dec. 5, 1824, State Archives,

Vienna. (125) Stadion's memorandum to the emperor and Metternich, January, 1822, State Archives, Vienna. (126) Brthmann, sec former ref., p. 228. (127) Memorandum by Pillersdorff, Vienna, Apr. 12, 1822, Treasury Archives, Vienna. (128) Meyer Amschel Rothschild and Sons to Pillersdorff, Vienna, Apr. 12, 1822, Treasury Archives Vienna. (129) Meyer Amschel Rothschild and Sons and Parish to Pillersdorff, Vienna, Apr. 12, 1822, Treasury Archives, Vienna. (130) Gentz's Diaries, see former ref., Vol. III, p. 34.

CHAPTER V

(1) Solomon Rothschild to Metternich, Verona, Oct. 22, 1822, Slate Archives, Vienna. (2) Gentz's Diaries, see former ref., Vol. III, p. 97. (3) Briefe von Friedrich von Gentz an Pilot (Leipzig, 1868), Vol. II, p. 105. (4) An anonymous correspondent to Montmorency, Paris, Nov. 12, 1822, State Archives, Vienna. (5) Memoires et Correspondences du Comte de Villele (Paris, 1888), Villele to Montmorency, Feb. 18, 1822, Vol. III, p. 219. (6) Meyer Amschel Rothschild and Sons to the Chancellor's Office at Vienna, Vienna, Jan. 22, 1823, State Archives, Vienna. (7) Nathan Rothschild to the Commercial Commission, London, Sept. 3, 1822, State Archives, Vienna. (8) Bertran de Lis to the brothers Rothschild in Paris, Madrid, Feb. 20, 1823, copy in the State Archives, Vienna. Underneath is written in a different handwriting the words: "We beg that these lines may be kept secret, as we should not like them to be seen in the papers." (9) Bertran de Lis to the brothers Rothschild, via H. Belin in Bayonne, copy from the State Archives, Vienna. (10) Gentz's Diaries, see former ref., Vol. III, p. 155. (11) Villele to the Duke of Angouleme, Paris, May 11, 1823. See Memoires et correspondences, Villele, Vol. III, p. 366 and following pp. (12) Villele, see above, Vol. IV, p. 90.
(13) Villele, see above, Vol. IV, p. 51. Letter dated June 26, 1823.
(14) Villele, see former ref., Vol. III, p. 335. Letter dated May 30, 1823. (15) Villele, see former ref., Vol. IV, p. 212. Letter from Villele to Angouleme, July 10, 1823. (16) Villele, see former ref., Vol. IV, p. 228. Letter from Villele to Angouleme, July 11, 1823. (17) Villele; see former ref., Vol. IV, p. 244, Villele to Angouleme, July 19, 1823. (18) Villele, see former ref., Vol. IV, p. 276, Villele to Angouleme, July 31, 1823. (19) Francis Baring, John, Irving, and James Rothschild to Villele, one letter undated, and another dated Dec. 28, 1823. (20) Villele to Baring, Irving, and Rothschild, Paris, Dec. 25, 1823, copy in the State Archives, Vienna. (21) Gentz's Diaries, see former ref., Vol. III, p. 39. (22) Miinch-Bellinghausen to Metternich, Frankfort, Mar. 15, 1823, State Archives, Vienna. (23) Schwemer, see former ref., Vol. II, p. 157. (24) Schwemer, see former ref., Vol. II, p. 161. (25) Protocol dated Apr. 13, 1822, State Archives, Vienna. (26) Rescript of Emperor Francis, dated May 22, 1822, State Archives, Vienna. (27) Report from Stadion, dated Apr.

29, 1823, State Archives, Vienna. (28) Osterreichische Staatsvertrage, Alfred Francis Pribram (Vienna, 1913), p. 454 and following pp. (29) The same, p. 558. (30) Solomon to Nathan, undated, 1823, State Archives, Vienna. (31) Baring, Rothschild and Irving to Stadion, Oct. 15, 1823, State Archives, Vienna. (32) Solomon Rothschild to Metternich, Vienna, Oct. 31, 1823, State Archives, Vienna. (33) Count Zichy's Memorandum, Jan. 28, 1824, State Archives, Vienna. (34) Written in the Emperor Francis's hand, dated Feb. 18, 1824, State Archives, Vienna. (35) Pribram, see former ref., p. 573. From Neumann's report from London, dated Apr. 9, 1824. (36) Anton Schnapper to Emperor Francis, July 7, 1823, State Archives, Vienna. (37) Anton Schnapper to Solomon Rothschild, Vienna, Nov. 9, 1823, State Archives, Vienna. (38) Solomon Rothschild to Metternich, Vienna, Nov. 11, 1823, State Archives, Vienna. (39) Report of the finance minister, Count Stadion, dated Feb. 20, 1824, State Archives, Vienna. (40) Villele to James Rothschild in Paris, undated copy in the Vienna State Archives for 1824. (41) Nathan to James, London, Mar. 6, 1824, copy in State Archives, Vienna. (42) Vincent to Metternich, Paris, Mar. 25, 1824. Information supplied by Count Senft. State Archives, Vienna. (43) Onward, Memoires de, sur sa vie et ses diverses operations financieres (Paris, 1826), Vol. III, p. 289. See Ehrenberg, former ref., pp. no and III. (44) Briefe von und an Friedrich von Gentz (Berlin, 1909), Vol. II, Part II, p. 206. (45) Ficquelmont to Prince Metternich, Naples, Apr. 21, 1824, State Archives, Vienna. (46) Ficquelmont to Metternich, Naples, Aug. 17, 1824, State Archives, Vienna. (47) Ficquelmont to Metternich, Naples, July 19, 1824, State Archives, Vienna. (48) Postmaster Berger, from Milan, Mar. 24, 1825, Police Archives, Vienna. (49) Instructions to the Chief of Police in Milan, dated July 13, 1825, Police Archives, Vienna. (50) Kaiser Franz und Metternich, Hormayr (Leipzig, 1848), p. 80. (50a) A reference to the money for building fortresses which had been entrusted to Rothschild. See Chapter IV. (51) The Migration of British Capital to 1875, Leland Hamilton Jenks (New York-London, 1927). (52) Nathan Rothschild to Prince Metternich, London, Apr. 16, 1825, State Archives, Vienna. (53) Aus Metternichs nachgelassenen Papieren, Richard, Prince Metternich (Vienna, 1880), Vol. IV, p. 174. Private letter from Metternich to Gentz, dated June 30, 1825. (54) Vincent to Metternich, Paris, May 5, 1825, State Archives, Vienna. (55) Vincent to Metternich, Paris, June 8, 1825, State Archives, Vienna. (56) Vincent to Metternich, Paris, June 9, 1825. Lettre particuliere. State Archives, Vienna. (57) Metternich, see former ref., Vol. IV, p. 174. Private letter from Metternich to Gentz, June 30, 1825. (58) Solomon Rothschild to Metternich, Paris, June 18, 1825, State Archives, Vienna. (59) Metternich, see former ref., p. 474. (60) Vincent to Metternich, Paris, Aug. 14, 1825, State Archives, Vienna. (61) Communication from Scharding, Commissioner of Frontier Police, Linz, July 5, 1825, Police Archives, Vienna.

(62) Solomon Rothschild to Metternich, Paris, June 18, 1825, State Archives, Vienna. (63) Marmont to Metternich, May 20, 1825. Same source. (64) Metternich to Rothschild, Milan, June 28, 1825. (65) Marmont to Metternich, Paris, Nov. 6, 1825, State Archives, Vienna. (66) Solomon Rothschild to Metternich, Vienna, Apr. 30, 1827, State Archives, Vienna. (67) Vincent to Metternich, Paris. Aug. 26, 1825, State Archives, Vienna. (68) Vincent to Metternich, Paris, Sept. 14, 1825, State Archives, Vienna. (69) Carl Rothschild to Louis Philippe of Bombelles, Paris, Sept. 12, 1825, State Archives, Vienna. (70) Count Villeneuve to Metternich, through the medium of James Rothschild, Paris, Oct. 20, 1825, State Archives, Vienna. (71) Jablonovski's Statement, Mar., 1827, Treasury Archives, Vienna. (72) Barbier to Stadion, Paris, June 16, 1819, Treasury Archives, Vienna. (73) Meyer Amschei Rothschild and Sons and J. F. Gontard and Sons to Baron Barbier, Paris, June 16, 1819, Treasury Archives, Vienna. (74) Jablonovski's report of June 20, 1819, Treasury Archives, Vienna. (75) Vienna, Sept. 30, 1827, Treasury Archives, Vienna. (76) A total of 300,485 florins. (77) Amschel (Anselm) Meyer von Rothschild to Metternich, Frankfort, Mar. 20, 1826, State Archives, Vienna. (78) Ehrenberg, see former ref., p. 117. (79) Gentz's Diaries, see former ref., Vol. III, pp. 231 and 247. (80) Allgemeine deutsche Realenzyklopadie fur die gebildeten Stande, F. A. Brockhaus (Leipzig, 1826), Vol. IX, article on Rothschild. (81) Letters between Gentz and Miiller, see former ref., p. 406. (82) Gentz's Diaries, see former ref., Vol. IV, p. 61. (83) Gentz's Diaries, see former ref., Vol. IV, p. 164. (84) "Biographische Nachrichten fiber das Haus Rothschild," printed in Schlesier's Ungedruckte Denkschriften, Tagebucher und Briefe von Gentz (Mannheim, 1840).

CHAPTER VI

(1) Ficquelmont to Metternich, Nov. 21, 1822, State Archives, Vienna. (2) Ficquelmont to Metternich, Aug. 17, 1824, State Archives, Vienna. (3) Ficquelmont to the general-commander Count Frimont, Naples, Sept. 27, 1824, State Archives, Vienna. (4) Count Apponyi to Metternich, Naples, Feb. 22, 1825, State Archives, Vienna. (5) Baron von Koller to Nadasdy, Naples, Sept. 20, 1825, State Archives, Vienna. (6) Koller to Nadasdy, Naples, Dec. 10, 1825, State Archives, Vienna. (7) De' Medici to Carl Rothschild, Naples, May 30, 1826, State Archives, Vienna, (8) See the author's biography of Leopold I of Belgium (Vienna, London, and Brussels). (9) Carl Rothschild to Count Louis Philippe of Bombelles, Naples, Jan. 20, 1827, State Archives, Vienna. (10) Solomon Rothschild to Metternich, Vienna, Jan. 21, 1827, State Archives, Vienna, (n) Metternich's note on a report of Ficquelmont's dated Feb. 20, 1827, State Archives, Vienna. (12) Memorandum by the Neapolitan Embassy in Vienna, Aug. 11, 1827, State Archives, Vienna. (13) The dates of the births

of the Montenuoro children have been obtained from a letter of Empress Marie Louise to Metternich, dated Mar. 17, 1829 (State Archives, Vienna) in which, to use her own expression, she "confesses" these dates to the prince. Hitherto she had pretended, even to her own father, Emperor Francis, that the Montenuovo children had not been born until after Napoleon's death, and after her marriage with Neipperg. In Gotha (1914), however, William Montenuovo's birthday is wrongly given as August 9, 1821. (14) Neipperg to Metternich, Parma, Dec. 16, 1825, State Archives, Vienna. (15) See statement in the imperial family papers, State Archives, Vienna. (16) Count Neipperg to Metternich, Parma, Dec. 16, 1825. (17) Memorandum from Neipperg dated Dec. 16, 1825, State Archives, Vienna.
(18) Metternich to Neipperg, Jan. 14, 1826, State Archives, Vienna.
(19) Memorandum from Neipperg, dated June 26, 1826, State Archives, Vienna. (20) Metternich to Solomon Rothschild, Johannisberg, Aug. 28, 1826, State Archives, Vienna. (21) Solomon Rothschild to Metternich, Paris, Nov. 1, 1826, State Archives, Vienna. (22) Enclosure in letter from Solomon to Metternich, dated Sept. 1, 1826, State Archives, Vienna. (23) Solomon Rothschild to Metternich, Vienna, Nov. 27, 1826, State Archives, Vienna. (24) Marie Louise to Emperor Francis, Parma, Jan. 13, 1827, State Archives, Vienna. (25) Remarks on the projected loan to her Highness the Duchess of Parma, signed by Solomon Rothschild, Vienna, Jan. 31', 1827, State Archives, Vienna. (26) Agreement dated Feb. 4, 1827, signed by Metternich, Werklein, Solomon Rothschild, and Mirabaud and Co. (27) Metternich to Neipperg, Vienna, Feb. 4, 1827, State Archives, Vienna. (28) Metternich to Marie Louise, Feb. 4, 1827, State Archives, Vienna. (29) A capital sum, therefore, of six million francs. (30) Marie Louise to Emperor Francis, June 7, 1827, State Archives, Vienna. (31) Solomon Rothschild to Metternich, Vienna, Mar. 2, 1827, State Archives, Vienna. (32) Metternich to Count Neipperg, Vienna, Mar. 6, 1827, State Archives, Vienna. (33) Werklein in Lucca, to Count Neipperg, May 13, 1827, State Archives, Vienna. (34) Metternich to Marie Louise, Vienna, June 3, 1827, State Archives, Vienna. (35) Metternich to Neipperg, Vienna, Apr. 18, 1827, State Archives, Vienna. (36) Wertheimstein. (37) This word is difficult to decipher in the original. Author's note. (38) Metternich subsequently denied the permanent validity of his decision. (39) Solomon Rothschild to Werklein, undated, State Archives, Vienna. (40) Metternich to Neipperg, Vienna, June 3, 1827, State Archives, Vienna. (41) Decree, beginning "Noi Maria Luigia," etc., Parma, June 18, 1826, original in the State Archives, Vienna. (42) Marie Louise to Emperor Francis, June 17, 1827, State Archives, Vienna. (43) Metternich to Marie Louise, Vienna, May 3, 1827, State Archives, Vienna. (44) Marie Louise to Metternich, June 17, 1827, State Archives, Vienna. (45) Neipperg to Metternich, Parma, June 17, 1827, State Archives, Vienna. (46) Memorandum by Solomon Rothschild, Vienna, June 30, 1827,
State Archives, Vienna. (47) Marie Louise's dowry dispositions,

Casino dei Boschi, July 9, 1827. (48) Solomon Rothschild to Werklein, Vienna, Feb. 2, 1828, State Archives, Vienna. (49) Deed of gift, dated Jan. 1, 1829, State Archives, Vienna. (50) Goethe to Chancellor von Muller, Sept. 23, 1823. (51) Goethe to Eckermann, Oct. 20, 1828. (52) Eckermann, Apr. 11, 1829. (53) Eckermann, Mar. 14, 1832. (54) My efforts to discover dates of possible relations between Goethe and the Rothschilds yielded poor results. The keeper of the Goethe and Schiller archives at Weimar informed me that there were no letters or other documents that mentioned any connections between Goethe and the House of Rothschild. Tewele's Goethe und die Juden, as well as Bab's essay under the same title, mention only the passages which I have quoted. Dr. Max Maurenbrecher's Goethe und die Juden (Munich, 1921) introduces further material bearing on the poet's general attitude toward the Jews, but fails to furnish any other dates relative to the problem of Goethe and the Rothschild family. (55) By the marriage between Metternich and Eleonore Kaunitz; like his brothers and sister he died prematurely at Naples in 1829. (56) Prince Esterhazy to Metternich, London, Apr. 24, 1829, State Archives, Vienna. (57) See for instance the Morning Chronicle of Aug. 28, 1827. (58) Extract from a German-Hebraic communication from Nathan Rothschild to Carl, London, Jan. iy, 1828, Police Archives, Vienna. (59) Srbik's Metternich, see former ref., Vol. I, p. 628. (60) Aus dem Nachlasse Friedrichs von Gentz (Vienna, 1867), Vol. I, p. 9. The letters cover the period from October, 1828, to December, 1831. (61) Wertheimstein to Rothschild in Paris, from the Hebrew, Vienna, Aug. 13, 1829, Police Archives, Vienna. (62) Extract from a letter from Nathan to Solomon, Oct. 12, 1829, State Archives, Vienna. (63) Russian Ambassador in London. (64) Rother to von Motz., Apr. 14, 1829, Prussian Secret State Archives. (65) Rother to Frederick William III, Berlin, Mar. 9, 1830, Prussian Secret State Archives. (66) Rother to the privy councilor Count von Lottum, and to Motz, Jan. 9, 1830, Prussian Secret State Archives, Berlin. (67) Benecke to Count von Lottum, Rome, Jan. 14, 1830, Prussian Secret State Archives, Berlin. (68) Rother to the king, Berlin, Mar. 9, 1830. Prussian Secret State Archives, Berlin. (69) King Frederick William III to Rother, Mar. 17, 1830, Prussian Secret State Archives, Berlin, (70) The four Houses were Arnstein and Eskeles, Geymuller and Co., S. G. Sina, and M. A. Rothschild and Sons. (71) Count Kolowrat to Emperor Francis, Feb. 18, 1830, State Archives, Vienna. (72) Rothschild to Metternich, Vienna, Feb. 17, 1830, State Archives, Vienna. (73) Historie des grandes operations financieres, Capefigue (Paris, 1858), Vol. III, p. 158. (74) Solomon Rothschild to Count Nadasdy, Mainz, June 14, 1830, State Archives, Vienna. (75) Memorandum from the Frankfort branch of the House of Rothschild, June, 1830, State Archives, Vienna. (76) Nadasdy to Kolowrat. Memorandum dated Aug. 5, 1830, State Archives, Vienna. (77) La revolution de juillet en 1830 et l'Europe, Guichen (Paris, 1907). (78) Apponyi to Metternich, June 2, 1830, State Archives, Vienna. (79)

Solomon Rothschild to Prince Metternich, Paris, June 19, 1830, State Archives, Vienna. (80) Capefigue; see former ref., Vol. III, p. 312. (81) Memoires de la Princesse de Boigne, Charles Nicoullaud (Paris, 1908), Vol. III, p. 312. (82) Talleyrand to Mme. Adelaide, London, Oct. 15, 1830, Memoires du Prince Talleyrand (Paris, 1892), Vol. III, p. 456. (83) British ambassador in Paris. (84) Solomon Rothschild to Metternich, Paris, July 30, 1830. Because the letter might have fallen into the hands of the revolutionaries, it lacks the usual formal beginning and ending. State Archives, Vienna. (85) Probably Wertheimstein. Report from Solomon in Paris, dated July 31, 1830, State Archives, Vienna. (86) State Archives, Vienna. (87) Briefe von Friedrich von Gentz an Pilat (Leipzig, 1868), Vol. II, p. 288. (88) Apponyi to Metternich, Paris, Aug. 16, 1830, State Archives, Vienna. (89) Solomon Rothschild to a friend, Paris, September, 1830, State Archives, Vienna. (90) Minister of foreign affairs in Louis Philippe's new ministry. (91) Solomon Rothschild "to a friend," Paris, September, 1830, State Archives, Vienna. (92) Solomon Rothschild to a friend (in this case possibly Gentz), Paris, Sept. 9, 1830, State Archives, Vienna. (93) James to Solomon, Paris, Nov. 24, 1830, State Archives, Vienna. (94) British ambassador in Paris. (95) James to Solomon, Paris, Nov. 27, 1830, State Archives, Vienna. (96) France's new finance minister. (97) Also from a communication from Solomon to Baron von Kubeck. See Tagebucher des Karl Friedrich Freiherrn Kubeck von Kiibau (Vienna, 1909), Vol. I, Part II, p. 302. (98) Solomon to James, Vienna, Dec. 3, 1830, State Archives, Vienna. (99) Duke of Broglie, in the first Ministry of Aug. 11, 1830, when Mole was minister for foreign affairs. (100) Estimate of Rother in a report to King Frederick William III, based on a letter from Rothschild, Mar. 30, 1831, Prussian Secret State Archives, Berlin. (101) Extract from Rothschild's Paris letters dated Dec. 10 and 14, 1830, which Solomon handed to Metternich on Dec. 22, 1830, "for his gracious perusal," waiting upon Metternich personally later. State Archives, Vienna. (102) The intention was to take legal proceedings against Polignac, as being the originator of the ordinances, and against several of his fellow ministers.

BIOGRAPHICAL NOTES

on the principal persons mentioned

Bethmann, Simon Moritz von: Born 1768. Head of the Frankfort banking firm. Ennobled by Emperor Francis. Appointed consul-general and counselor by the Tsar. A patron of science and the arts. On his march through Frankfort, Napoleon I stopped at the Villa Bethmann in 1813. Died 1826.

Buderus von Carlshausen, Carl Friedrick: Born 1759. Son of a schoolmaster. Became principal revenue officer of Hesse and soon afterwards administrator oi William of Hesse's estates, and his financial adviser. Later he became president of the Hessian Treasury at Hanau, minister plenipotentiary and envoy extraordinary to the German Diet at Frankfort, and to the grand-ducal court at Darmstadt, as well as electoral privy councilor. Died 1819.

Dalberg, Karl Theodor, Baron von: Born 1744. Last Elector of Mainz, and electoral high chancellor. In 1806 he was the presiding prince of the Confederation oi the Rhine, bis residence being at Frankfort. In 1810 made Grand Duke of Frankfort. The fall of Napoleon brought about the end of bis rule. Died at Regensberg, 1817.

Gentz Friedrich von: Born 1764 in Breslau. Was first in the Prussian, and later in the Austrian service. Was a publicist and secretary to Metternich. Was councilor in the chancellor's office, and became his most trusted adviser. Died at Vienna, 1832.

Hardenberg, Karl August, Prince von: Born 1750. Prussian statesman. Minister of Foreign Affairs, 1803, 1806 and during part of 1807. Appointed chancellor and head of the government after Stein's retirement in 1810. Died at Genoa, 1822.

Herries, John Charles: Born 1778. Private secretary to Vansittart, Chancellor of the Exchequer. Commissary-in-chief for financing the British and Allied forces on the Continent from Oct. 1, 1811, to Oct. 24, 1816. Appointed chancellor of the exchequer in 1827, but had to retire shortly afterwards.

Louis Philippe of Orleans, King of France: Born 1773. Joined the National Guard on the outbreak of the revolution, and served in the Republican army until 1793. After his father's execution he emigrated to Switzerland, and during the Napoleonic period he lived in America, England, Sicily, and Spain, not returning to France until the restoration of the elder line of the Bourbons. Having been placed on the throne after the July Revolution of

1830, he ruled until the February Revolution of 1848, and then went to England, where he died in 1850.

Marie Louise: Born 1791. Eldest daughter of Emperor Francis, Married Napoleon 1810, and bore him a son I'8II, the King of Rome, afterwards Duke of Reichstadt. Left her husband on his abdication. Assumed the government of Parma, Piacenza, and Guastalla in 1816. After Napoleon's death, in 1822 married Count Neipperg morganatically, and after his death, Count Bombelles. Died 1847 at Vienna.

Marmont, Auguste Frederic de, Duke of Ragusa, Marshal of France: Born 1774. Regarded as an exceptionally fine general by Napoleon. Appointed administrator of the Illyrian Provinces. One of the first to desert Napoleon in 1814 and submit to the Bourbons. Commanded the household troops of King Louis XVIII and Charles X, but failed to suppress the revolution in 1830. Left Paris and accompanied Charles X abroad. Died at Venice, 1852.

Metternick, Clemens Lothar, Prince von: Born 1773. Married Princess Marie Eleonore Kaunitz in 1795. In Austrian diplomatic service until 1809. Appointed minister of foreign affairs October 8, 1809. Chancellor and secretary of state 1821. Appointed president of ministerial conference for internal affairs 1826. Fled from Austria on account of the revolution in 1848. Did not return to Vienna until 1851. Died there 1859. Metternich's second wife was Baroness von Leykam. Third wife (1831) Melanie, Countess Zichy-Ferraris.

Neipperg, Adam Adalbert, Count von: Born 1775. General in the Austrian service. Concluded an alliance with Murat at Naples in 1814. Intervened again in the military affairs of that town in 1815. Became majordomo to Marie Louise in Parma, and her morganatic husband in 1822. Died Feb. 22, 1829 at Parma.

Parish, David, Baron von Senftenberg: Son of a Hamburg banker. Set up on his own, and later became a partner of the Vienna banking firm Fries and Co., in whose fall he was involved. Committed suicide at Vienna in April, 1826.

Rother, Christian von: Born 1778. Prussian Treasury official. Principal accountant to Hardenberg, who entrusted him with most important business. Director of the merchant service 1819. Reorganized the financial department 1820. Minister of state 1836. Died 1849.

Rothschild, Meyer Amschel: Born at Frankfort-on-the-Main 1743. Founder of the firm. Married Gutli Schnapper on Aug. 29, 1770. Died at Frankfort 1812.

Rothschild, Amschel Meyer: Eldest son of the above. Born June 12, 1773. Married Eva Hanau Nov. 16, 1796. Head of the Frankfort Bank. Died Dec. 6, 1855.

Rothschild, Salomon Meyer: Eldest son of the above. Born Sept. 9, 1774. Married Caroline Stern Nov. 26, 1800. Head of the Vienna Bank. Died July 27, 1855.

Rothschild, Nathan Meyer: Brother of the above. Born Sept. 16, 1777. Married Oct. 22, 1806, Hannah Barent Cohen. Head of the London Bank. Died July 28, 1836.

Rothschild, Carl Meyer: Brother of the above. Born Apr. 24, 1788. Married Adelheid Hertz Sept. 16, 1818. Head of the Naples Bank. Died Mar. 10, 1855.

Rothschild, James Meyer: Brother of the above. Born May 15, 1792. Married daughter of Salomon Rothschild on July 11, 1824. Head of the Paris Bank. Died Nov. 15, 1868.

Stadion, Johann Philipp, Count von: Born 1763. Entered Austrian diplomatic service. Minister of foreign affairs 1805-1809. After 1812, sometimes employed diplomatically and was appointed president of the treasury and finance minister. Died at Baden, near Vienna, 1824.

Villele, Joseph, Count: Born 1773. French statesman. Member of the Chamber from 1815, and leader of the royalist ultras. Finance minister 1821. Prime minister 1822 to 1828. Died 1854.

Wellington, Arthur Wellesley, Duke of, Prime of Waterloo: Born 1769. Fought in East Indies and Denmark. Commanded British Expedition to Portugal 1808. Commander-in-chief against the French in Spain and Portugal until Napoleon's fall in 1814. Won the battle of Waterloo June 18, 181 S. Took part in politics and represented England at Aix-la-Chapelle in 1818, and at the Congress of Verona in 1822. Commander-in-chief of the British forces on land in 1827. Member of the House of Lords. Tory. Prime minister 1828. After the July Revolution resigned, on William IV coming to the throne in November, 1830. Secretary of state for foreign affairs 1834-1835, under Peel. Died 1852 at Dover.

Wilhelm von Hesse: Born 1713. Ruled as Landgrave Wilhelm IX from 1785-1803, then as Elector Wilhelm I. Died at Cassel, 1821.

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The Rothschild Dynasty





By the author of
The Committee of 300

Dr. John Coleman

Dr. John Coleman, author of The Committee of 300, tells how Mayer Amschel, the founder of the"Red Shield"dynasty acquired his first fortune. It is a far cry from the myths and legends that still surround the man who began as a rag and bone merchant and pawnbroker, working out of a small house on Judenstrasse, Frankfurt on the Main, Germany, where he lived with his wife and family.

The events attributed to history are often caused by a "hidden hand" pulling the strings of kings, princes and potentates from behind the scenes. The phenomena is explained and the legends that have grown up around the Rothschilds are demolished by this book that also reveals the Rothschild's intriguing that brought down men like Napoleon and Tsar Alexander II of Russia. Legends has it that Mayer Amschel Rothschild's "genius and financial skills" were inherited by his sons, but the truth is quite a different story, as Dr. Coleman makes very clear in this well documented account that goes far beyond the best known legends cloaking the true character of the family.

Exactly how Mayer Amschel Rothschild "stuck it lucky" and the steps he took that brought the family from obscurity to "virtual rulers of all Europe," makes fascinating reading.

This outstanding book is not only about the past, it is also about the present and the future. It will help to explain many of the events that perplex the ordinary people like the war in Iraq and the war threats against Iran.

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FOREWORD

The Rothschild family generally taken to mean the father and his five sons is truly a story of opportunity seized; a determined will to carry out its gains and its entry into a world of the aristocracy that did not want them. Some might consider it effrontery to talk about the huge fortune that fell into the hands and the control of Mayer Amschel Rothschild as an "opportunity," while others regard it as nothing less than misappropriation of funds entrusted to his care, hardly an "opportunity" in the generally accepted meaning of the word.

Nevertheless, for Mayer Amschel it was a godsend that lifted him out of a life of pawn-broking and selling second-hand goods, to the highest echelons of power, a remarkable achievement when one considers the history of the period, in which Jews were constrained by many civil laws designed to act as a permanent barrier between them and the people of the principalities and nations in which they lived. Class distinction was another huge barrier, which would have been daunting for even a non-Jew who was not a part of the ruling aristocracy.

Mobility of classes was unheard of and separation was harsh and strictly enforced, especially in Frankfurt on the Main, Germany, where the Rothschild dynasty began its remarkable history. Mayer Amschel Rothschild had little if any formal education; his family did not have a motto, but what he did have was tenacity of purpose and a strong belief in his religion. His was a bourgeois home, an "alien" home in the alien ghetto of Frankfurt.

Through guile, and what some unkind critics called "innate cunning," Mayer Amschel Rothschild reached right into the heady world of aristocratic families who shunned him, and who indeed, despised him. But for the "good fortune" (or "misfortune" — depending on which side one is on) of meeting

the Landgrave of Hesse, Mayer Amschel Rothschild would have remained an obscure pawnbroker and peddler of rags and bones for the rest of his life. It was not necessary for him to identify himself as a Jew, of which descent he was proud, nor did Mayer Amschel ever attempt to hide his origin. On the contrary, he was proud of it, even in the face of relentless opposition to the Jews of Frankfurt, which extended to all the nations of Europe.

England, the most "civilized" of European nations as history will have us believe, was particularly fierce in its opposition to Jews. Even its leading figures, educated men, were not averse to referring to Jews in the most unflattering of terms. For instance, Lord Gladstone often referred to Disraeli, the "valet" of the Rothschilds, as "that loathsome Jew" according to Gladstone's biographer, Edward Freeman. Bishop Wilberforce called Disraeli "an Eastern Jew" in an unflattering manner. Bismarck called him "the Hebrew conjurer" and Carlyle labeled him as "the absurd Jew boy."

I mention these things as examples to show what tremendous odds were faced by Jews, even the educated among them who aspired to power in the business and financial world of the 18th and 19th centuries. Some historians and writers charge that the Rothschilds fabricated their history and their achievements to ascend to power. Their compelling presence has made a vast difference to history and it can be rightly proclaimed that no major event in the political and economic life of the nations of Europe did not somehow or somewhere involve the Rothschilds, even though deeply hidden and however indirect it may have been.

In the minds of many, the Rothschilds will always be associated with immense wealth, but it is the power, brought by that wealth, which is not as well recognized as it ought to be. For the Rothschilds did not seek a vast fortune just to be able to live a life of ease. They sought wealth for what it would bring in the way of control of the leading power brokers of all nations, through whom they exercised control of nations, which extends even to this day. The Rothschilds did not live in a vacuum; rather they affected millions of lives. Lionel Rothschild liked to think of himself as unique, and perhaps this is true. It is true that like his brothers, he was uniquely rich, but how rich was never made

public. One thing is not true; the Rothschilds did not make a fortune out of inflation of the currency of the nations among whom they lived. There are no real benchmarks to guide us into the true character of the members of the Rothschild family and what drove them to an obsession with money and insatiable appetites for power.

For the most part we are left to guess at what went on in the minds of this powerful family who were determined to become the hidden rulers of Europe and Great Britain, and indeed, the world. It was not that they were aided by good looks or a pleasing manner of speech like the natural attributes of the Irish race. On the contrary, they were by all accounts distinctly ugly in appearance and coarse in manner. Meyer Amschel spoke in guttural Frankfurt Yiddish, a mixture of Polish and German with expressions drawn from the Hebrew language.

The education he gave his children did not extend beyond the rudimentary synagogue school they attended. Intellectualism was in any case prohibited to the Jews of Frankfurt who were not allowed to share in the Age of Enlightenment that swept Europe.

Mayer Amschel remained true to the instructions of the Talmud and honored all of its traditions, instructing his children to do likewise. He in no way altered his life style once fame and fortune was his. The clothes he and his sons wore were often worn until threadbare.

There are very unkind references to this fact in many of the papers and documents in the British Museum, some of them highly derogatory. It is alleged in one account by Cherep-Spiridovich that Mayer Amschel never changed his underwear and wore the same garments "until they fell off him." Writers like John Reeves, Demachy and Spiridovich conclude, in the words of the latter, that to the "political phases of this sinister and fatal family could be attributed at least one half of the all the bloodshed and calamities that have befallen the nations since 1770."

Others, like the Editor of the Chicago Tribune who knew something was going on, but could not put names to it, wrote on July 22, 1922:

> Our statesmen are children compared with theirs. A foremost place in world affairs is offered us time and again. It is thrown into our laps, and through plain stupidity, we reject it.

The question is: "Did we reject it, or did some hidden force prevent us from seizing the initiative?" Nietzsche, the German philosopher in his work The Dawn of Day wrote:

> One of the spectacles which the next century will invite us to witness is the decision regarding the fate of the Jews. It is quite obvious now that they have cast their die and crossed the Rubicon; the only thing that remains for them is to either become the masters of Europe or to lose Europe, as they once lost Egypt, where they were confronted by similar alternatives. . . Europe may some day fall into their hands like ripe fruit, if they do not clutch it too eagerly.

Those who have researched Nietzsche say he was referring to the Rothschilds, but I could find no evidence to back up this claim, although it would seem to fit the pattern of that famous family.

Many of their secrets remained totally hidden and may never be revealed. The frustration with such secrecy is revealed in the words of the French statesman, Lamartine:

> We wish to break every kind of yoke, yet there is one that is unseen, yet weighs on us. Whence comes it? Where is it? No one knows, or at least, no one tells. The association is secret even for us, the veterans of secret societies.

The French Minister for Foreign Affairs, G. Hanotoux wrote in 1878 of this hidden hand as a "mysterious force ruling politics and muddling the cards of diplomacy."

Many of these mysteries were fully cleared up by Disraeli in his novel Coningsby, which was but a thinly veiled account of the doings of the Rothschilds. Disraeli had to disguise

many of the facts as fiction, lest the wrath of men should explode upon the revelations it contained. "Sidonia" was undoubtedly Lionel Rothschild and Coningsby, but a fictionalized account of his deeds:

> When he was nineteen, Sidonia who had then resided with his uncle at Naples, made a long visit to another of his father's relatives at Frankfurt. Between Paris and Naples, Sidonia passed two years. It was impossible to penetrate him. His frankness was strictly limited to the surface. He observed everything, though over-cautious, but avoided serious discussion. He was a man without affection.

Karl Rothschild lived in Naples, and Mayer Amschel lived in Frankfurt, so it does not take much to conclude, that "Sidonia" was Lionel Rothschild, and thus concluding, we obtain from Coningsby, one of the best and most accurate detailed accounts of the Rothschilds and their rise to power possibly ever written.

The Rothschild Dynasty Note of Explanation

Please note that sources and references are mentioned in the text. I felt that this would make reference easy and obviate having to search through a separate list of notes, with a loss of continuity.

In this I have followed the method and style of several authors of the Victorian era who found it the best way to continue with the narrative without the necessity of having to stop and consult and find the particular source. I hope that you too, will find this method easy to follow rather, than the traditional method.

One other important point: I want it to be understood that this work should not and cannot be construed as "anti-Jewish" or "anti-Semitic." It is neither. Rather it is a factual account of a family that happened to be Jews, and who themselves, made no secret of it. To write otherwise, would be like attempting to write an account of the Zulu King Chaka, with out saying that Chaka was a black African king.

CHAPTER 1

HOW A RAG AND BONE MERCHANT BECAME ONE OF THE RICHEST MEN IN THE WORLD

There is probably no name in international banking as well known as the Rothschild name, and yet so little of the true history of this family is known. There are many legends, myths and fanciful tales, but not much of the true character of this family, that changed the course of history who bought and sold statesman, kings, dukes and bishops, as if they were mere commodities, to be cast aside like worn out shoes and old clothes when they had served their purposes. The family is said to have caused revolutions, wars and upheavals that altered the face of Europe, the Far East and the United States, forever. The purpose of this book is to explore the Rothschild history and to come to grips with what their plan was for the world. The Rothschilds are Jews, a fact they never sought to conceal or downplay.

Throughout history, from India to Babylon to Palestine in ancient times, money matters have always been principally the trade of the Jews. In the money markets of Frankfurt, London, New York and Hong Kong, the Jewish financier predominated. By 1917 they were strung out across the world. On the stock exchanges of London, Paris and New York, Jewish brokers are the back bone of the business. The movement of precious metals, diamonds and currency throughout the world has always been under Jewish control. We recite these facts as facts in themselves and not to in any way infer anything derogatory. The Jews themselves admit to this. When preparations were being made by Britain to wage war against Germany in 1910, the international Jewish

financiers were stationed in key locations, -- and at the head of international financing around the world stood the Rothschilds and their associated banking houses. In France it was Rothschild, Fould, Camondo, Pereira and Bischoffheim; in Germany, Rothschild, Warschauer, Mendelssohn, Bleichroder; in England, Sassoon, Stern, Rothschild and Montague; ~ in the Far East it was Sassoon; in Russia it was Gunzburg; in the United States it was J.P. Morgan, Kuhn Loeb and Co., Seligman and Co., Speyer and Co., Warburg and Lazard Freres.

Above all, dwarfing and overshadowing them was the House of Rothschild. Critics of the Rothschilds say that Morgan and Kuhn Loeb were merely fronts for the Rothschilds, and that all of the famous banking houses were affiliated with the Rothschild banks.

These banking houses weathered many storms due to their cautious approach to speculation and their close brotherhood and kinship to the Rothschilds and each other. The founder of the House of Rothschild was Mayer Anselm Bauer (Rothschild), the son of Anselm Moses Bauer, a merchant of Frankfurt. The father sold new and used goods and old coins, and did pawn broking under the sign of a red shield, from which the name Rothschild, German language for red shield, evolved. Rothschild became their adopted and official family name. The business was located on Judenstrasse, quite literally "Jew Street" in a ghetto in Frankfurt, numbering about 550 families.

Mayer Amschel (Rothschild) was born in 1743. The family had been in Frankfurt for generations, indeed there is a record in the British Museum that they dated back to the beginning of the 16th century. By the 18th century they were quite a large group.

I identified twenty antecedents of Mayer Amschel, the eldest of three sons whose parents were in the business of dealing in money, both buying and selling, in which he assisted from the age of ten. The small business was really a

type of foreign money-exchange since at that time Germany consisted of 350 principalities, each with its own currency. Apparently they were forbidden to follow the professions open to all non-Jews in Frankfurt. There is no doubt that Jews were subject to all sorts of restrictions, some of which were rather unjust. The family home was a mock-Gothic wooden hut where Mayer Amschel lived with his mother and father and three brothers until 1775, when a massive epidemic of smallpox swept Europe, taking the lives of both of Mayer's parents. Mayer's relatives enrolled him in rabbinical school at Furth. But he did not have the patience or the liking for the long years of study needed to qualify, and after three years at Furth, at the age of thirteen, Mayer Amschel struck out on his own.

One can only admire the courage it must have taken for one so young to take such a step. Proceeding to Hanover, the young man was given a small, insignificant "charity" job at the House of Oppenheimer's bank, where within six months of his arrival he was made an apprentice. It did not take him long to conclude that to succeed at banking, one needed the protection of one of the leading princes. After six years he left Hanover and went back to Frankfurt where he married Gudule Schnapper in 1770.

Mayer and Gudule (Gutta) occupied the first floor above a shop from where Mayer bought and sold new and used goods, as his father had done before him. Many items, such as pictures and furniture, were displayed on the sidewalk. This was the home, the starting place of the "barons of banking," who were to control the world's finances and great leaders, statesmen and kings. Gudule bore Mayer five sons. Discussions with his five sons were always around a "dirty wooden table," a description given by Spiridovich in Unrevealed in History, where the family gathered for meals and talks.

The distribution of the financial world among the sons was one of the favorite topics of discussion. Their father

talked about the four grandsons of Charlemagne, how the Emperors of the Romans had ruled the world and his vision for his sons. His five daughters were never included in such talks. Charles the Great (Charlemagne) (771-814) was a typical German, over six feet tall and a superb athlete who spoke Greek and Latin. He was King of the Franks and became the Emperor of Rome from 800-814 BC. Yet in spite of his veneration of Charlemagne, Mayer Amschel swore a violent hatred for all things of "Roma," which in later years he described as "the great foe of Bolshevism," according to Sir Alfred Mond in World Battle of the Jews. Samuel Gompers, writing in The Chicago Tribune of May 1, 1922 said of Bolshevism, in reference to Mayer Amschel:

> Nothing would constitute a more needless and base betrayal of civilization than the recognition of the Bolshevik tyranny. The policy of the German and Anglo-American bankers is the most dangerous element in the whole chain of Bolshevik efforts. The Bolsheviks funds amounted to millions of dollars.

The hatred displayed by Mayer might have sprung from the fact, that since 1762, Frankfurt on the Main had been the city of the election and coronations of the Holy Roman Emperors, something Mayer Amschel detested because he knew that the Catholic Church was an implacable enemy of the Bolsheviks. Some historians say that his hatred was directed to Russia, because it was the largest Christian nation in Europe and that under several of its rulers, Jews had endured many hardships and persecution.

Around the table, Mayer would warn his sons to keep their wealth in the family and never marry outside of it. He explained the Hebrew law of "neshek" meaning literally, "a bite," the word for interest and "how it was to be applied outside of, and not to, the Hebrews." Secrecy was to be paramount; no one outside of the family was ever to know

how much money they had. According to author John Reeves who in his book, The Rothschilds: Financial Rulers of Nations, quotes MacGregor, author of The Kahbalaha Unmasked:

> The five sons started in business in five European capitals, but were acting in concert with each other. The business of the Rothschilds since 1812 has been so immense, and the bonds linking the different members of the family together interwoven, that to unravel them appears to be well nigh hopeless. The success achieved by the founder was due to the disturbed state of the world. Mayer Amschel was a child of fortune equally with Napoleon.

Mayer Amschel had five sons and five daughters:

Anselem Mayer, born 1773 married Eva Hannau

Salomon Mayer, born 1774 married Caroline Stern

Nathan Mayer, born 1777 married Hannah Levi Barnet Cohen 1806

Karl, born 1788 married Adelaide Herz

Jacob (James), born 1792 married niece Betty, daughter of his brother Salomon, Anselem his oldest son, received the signal honor of becoming a member of the Royal Prussian Privy Council of Commerce, Bavarian Consul and Court banker.

It may not seem like anything of great moment today, where there is no class distinction, but the rigid cast system in operation at the time made it impossible for a "commoner" to hold such positions, always reserved for the titled classes, and Jews were expressly excluded from such

high office. Salomon Mayer was somehow able to force his way into the inner and most intimate circle of Prince Mettemich, the virtual ruler of Austria.

The five daughters got no shares in the business nor did they have any say in the running of it, in fact, being totally excluded. Mostly, they married under "arranged marriages." According to author John Reeves:

> The movements of the Rothschilds are carefully watched and are as important to the public as those of any Ministers. One enthusiastic enquirer was informed that it was impossible to name all the members of the family as a pedigree did not exist. (The Rothschild Financial Rulers)

At his deathbed, Mayer Amschel read from the Talmud and then compelled his children to swear a solemn oath that they would always stick together and never undertake to do anything separately, this according to Major General Count Cherep-Spiridovich, The Unrevealed in History and papers in the British Museum in London.

CHAPTER 2

MAYER AMSCHEL AND FIVE SONS MEET SINGULAR GOOD FORTUNE

While at the Oppenheimer Bank, Amschel had the singular good fortune to meet Lieutenant General Baron von Estorff, an aristocrat closest to the Landgrave of Hesse-Cassell, an extremely important family with an ancestry dating back hundreds of years.

In The Rothschild Money Trust by Armstrong, it is stated that the Landgrave was William IX: "He became a money lender and agent for William IX, Landgrave of Hesse-Cassel." The much decorated historian, soldier and writer, Count Cherep-Spiridovich describes it merely as "Amschel became the manager for the Landgrave of Hesse-Cassel."

It is said that Mayer did some service for von Estorff at the expense of Oppenheim bank, the exact details of which are not known to this day.

According to my research in the British Museum, the approach was first made through the financial adviser to Wilhelm, one Karl Budurus: "Rothschild, similar in their ambitions, formidably tenacious, patient and secret, had a meeting of the minds and decided to enter into an arrangement of mutual assistances."

The details of the scheme they worked out have never been revealed. However, the Jewish Encyclopedia of 1905 and 1909 Vo. X, page 499 throws some light on it:

> In a latter connection he (Amschel) became an agent for William IX, Landgrave of Hesse-Cassel, who, on

his father's death inherited the largest private fortune in Europe (estimated at $40,000,000) derived mainly from the hire of troops to the British Government for putting down the revolution in the United States.. .

After the battle in June 1806 the Landgrave fled to Denmark, leaving 600,000 pounds (about $3,000,000) with Mayer Rothschild for safekeeping. According to legend, this money was hidden away in wine casks, and escaped the search of Napoleon's soldiers when they entered Frankfurt, was restored intact to the electorate. The facts are less romantic and more business-like.

The papers I examined show that the "Elector," as he became known was none too scrupulous himself as to the origin of money that flowed into his coffers. Hessian mercenaries were his stock-in-trade, hired to those who had the most money to pay for them.

The Hessians had developed their contract with the ruler, which made it clear that the Prince would receive a large down payment at the start of military operations for which they had been hired. Then, there was to be a supplementary payment to the soldiers, some extras for wounded and three times the amount if killed in battle. This was to go to the mercenaries or their dependants and not to the Prince. Moreover, the agreement-for-hire did not expire when peace was declared, but only one full year after the peace and only when the mercenaries had returned home.

The British Government was the biggest customer, "renting" about 15,000-17,000 Hessians each year. Although there is no direct proof that Amschel and Budurus were the authors of the following scheme, it seems very likely that they were. Instead of the lump sum and payments being sent to Kassel, the home of the Prince, the money was retained in England where it was invested. The interest thereon

(negotiated by Amschel) was paid to the Landgrave in drafts. That portion of the money actually transferred to Kassel was then used to provide high interest loans to other needy princes. This resulted in a tremendous movement of funds in and out of Kassel with substantial income for the Landgrave, who had taken up with the Von Turn and Taxis family who held the postal monopoly for all of Europe. The mercenaries, who had done the most to earn the money, got nothing, but the bare promised amounts, as they were not privy to the "private" side-agreement done behind their backs.

The Princes of Von Thurn and Taxis (members of the Committee of 300) were happy to have a share in the booty in exchange for acting as intelligence agents for the Landgrave, and later for the Rothschilds. They did this by opening important mail as directed, reading the contents and advising the Landgrave what they had seen, and on his orders, either expediting or delaying delivery of the letters to the benefit of the Landgrave and Mayer Amschel — and to the detriment of their debtors.

(For further details of the Von Thurn and Taxis family, please refer to The Conspirators' Hierarchy, The Committee of 300, 4th Edition)

These facts are indeed far from the romantic notions of how Amschel got his start, and more fully disclosed than anything that has appeared in print before. Critics say that the facts are far from those suggested in the Encyclopedia. Cherep-Spiridovich says bluntly, that the money was not returned to the Landgrave and was in fact stolen by Amschel. In The Rothschild Money Trust, author Armstrong states:

> The facts are entirely 'less romantic.' Mayer Amschel Rothschild embezzled the money. This money was tainted from its origin. It was paid by the British Government to the Landgrave for the service of his

> soldiers; used to suppress the American Revolution, and the soldiers were morally entitled to it. It was first embezzled by William of Hesse and then by Mayer Amschel. This twice-stolen money is the foundation of the huge Rothschild fortune. It has ever since been true to its origin. There is not an honestly acquired dollar in the hundreds of billions now possessed by the Rothschild family. Instead of putting the money in wine casks, Mayer Amschel Rothschild sent the entire sum to his son Nathan in London, and where he established the London branch of the family.

This was most probably the money used by Nathan to open N.M. Rothschild and Sons, the family banking house. Armstrong continued:

> For his extra-curricular services, Amschel was appointed as Imperial Agent of the Crown, a title that allowed him to travel freely without hindrances. His 'partnership' with the Princes of Von Thurn and Taxis brought valuable 'intelligence' information giving an edge on all moneylenders in competition with him. Nathan Rothschild invested it in 800,000,000 of gold (meaning worth that much and not by weight) from the East India Company, knowing that it would be needed for Wellington's peninsula campaign.

He made no less than four profits:

> 1. On the sale of Wellington's paper which he bought for 50 cents on the dollar and collected at par.
>
> 2. On the sale of gold to Wellington.

3. On its re-purchase.

4. On forwarding it to Portugal.

This was the beginning of the great fortune. How a still relatively obscure bank clerk was able to cross the gulf of social barriers that separated their classes is a classic in its own right. According to documents in the British Museum:

> . . . The prince was very greedy and stingy, and did not care much concerning the means through which his fortune, left to him by his father, Wilhelm VIII (the brother of the King of Sweden) was increased. Frederic, hearing from von Estorff about the ability and unscrupulousness of Amschel, became interested in procuring a 'man of straw' (a front man) for his doubtful procurements.

Amschel concealed his relationship with Frederic II behind a modest facade, but there is no doubt that he used his influence with the old Landgrave to gain millions as well as political advancement. He became the agent for the Landgrave of Hesse and the first government loan he arranged was in 1802, when the Danish government borrowed ten million thalers. Although it was not known at the time, the money came from the vast fortune of the Landgrave family.

To curry favor, Amschel said he would give his share of the profits to Frederic II, but never did so. From this deal, the destiny of the Rothschilds was set to become one of the most astonishing success stories in the history of financing and loans.

Frederick II was succeeded by this son, Wilhelm IX, who became Elector Wilhelm I in 1785. At this time Amschel had been something of a "Minister of Finance" to the deceased Frederick II and knew every one of the family secrets.

The two hit it of at once. Both were born in 1743. Amschel kept his true wealth from Elector Wilhelm I, always wearing the same clothes and pretending to be poor. From the time he became the manager of the fortune of Elector Wilhelm I, Amschel's fortune increased as his employer's decreased. In 1794 there occurred an event that caused Elector Wilhelm I to flee. It happened when the French General Hoche captured Coblenz. Fearing that his corrupt practices would be revealed (actually the schemes of Amschel the "front man") by the occupation, Elector Wilhelm I fled, having signed over control to Amschel.

This is the true account of how the Rothschilds got their money. It was not by pawn brokering, smart speculation or any other of the widely accepted fairy tales that sound so romantic. The genius of the sons can be traced to the fortune of the Landgrave of Hesse and not to the fanciful "genius" of the five brothers! It was a case of "theft by conversion," plain and simple. Mayer died at Frankfurt on December 12, 1812, leaving his legacy to five sons and a lesser amount for his five daughters.

CHAPTER 3

THE ROTHSCHILDS GAIN ENTRY INTO EUROPE'S HIGH SOCIETY

The manner in which Mayer left the bulk of his money to his five sons and much less to his daughters, was the hallmark of how he and his forbears regarded women as the weak link in the chain. Females were to be used for arranged marriages inside the family, for business. In other words, marriages were to be arranged with an eye to business advantages.

There was no thought of "equality" of male and female in Mayer's mind. The modern-day, Socialist-led drive for equal rights for women was something that arrived more than one hundred years later, and was largely confined to equal rights for non-Jewish women. Amschel parceled out the nations of Europe like loaves of bread, allocating his sons Germany, Austria, Britain, Italy and France as "their territories."

Later he sent one of his family relatives, a man by the name of Schoeneberg to the United States under the assumed name August Belmont. He became the hidden hand that secretly pushed through legislation to enable the Federal Reserve to become law.

The interests of the Rothschild sons became international finance and banking and they established branch offices in the major capitals of Europe, Paris, Naples, Vienna and London, each under close supervision of one of the five sons, while "Belmont" became heavily engaged in banking

and Democrat Party politics in America. In a relatively short period of time the Rothschilds were able to bring all of Europe into their orbit and under their influence. They bought officials and made friends with the monarchs and princes of Europe, all the while ensuring that no outsiders came into the family. When one of the daughters began a "love relationship," it was ruthlessly crushed. She was told that the brothers regarded marriage as a business affair and that they would arrange marriages for partnerships.

It took only a generation of planning, intriguing and manipulation of public opinion to make the Rothschilds the greatest force and influence, not in only the affairs of Europe, but also in the Far East and later the United States. Intermarriages welded the family into a cohesive, solid front. By 1815, Austria led the way by granting the five brothers hereditary titles, "baron" with land ownership to go with it. Their meteoric rise to fame, fortune and power was astonishing to behold. They never made any decision or moves without close consultation with their "communication agent" and "inside information source," the Von Thurn and Taxis.

If positions of political power could not be realized, they were bought. Mayer Amschel in charge of Frankfurt, for instance, bought a seat on the Prussian Privy Council of Commerce. This was a position that in the past was open only to royalty, and his success shook the Prussian aristocracy, causing much alarm and consternation.

Following the restoration of the Bourbons (in which the Rothschilds played no small part), the youngest of the brothers, James (Jacob) was given a charter to establish a branch of the Rothschild bank in Paris.

Quick to realize the importance of railroads, James financed many of the new lines and made a huge fortune. He lent the Bourbons, always profligate spenders, millions of francs. Nathan was the genius of the five brothers. Third in line he was the one the others turned to for guidance. When

the brothers decided to establish themselves in England, they sent Nathan to settle in Manchester, a grimy northern industrial town, rather than in London. The reason was that the Rothschilds had important commercial plans for the cloth trade there, which they intended to exploit to the full before moving their operation to London. Most of the fabric needed to make uniforms for the British Army and Navy originally came from Germany. Thanks to the "postal intelligence" provided by the Von Thurn and Taxis mail monopoly, the Rothschilds learned that war with Napoleon was imminent. Nathan was quickly dispatched to Germany to buy up all stocks of such cloth.

When the Manchester manufactures were given contracts by the British Government to make uniforms for the army and navy, they sent their agents to Germany to secure the necessary fabric stocks, as they had always done, only to learn that all production had already been sold to Nathan Rothschild, from whom they were now obliged to buy.

When the news reached Manchester, there followed violent uproar. At one stage Nathan feared for his safety. After five years in Manchester, in 1805 Nathan moved to London. Actually, "fled" would be a better description as indeed he was forced to do when public wrath against his dealings began to mount.

One of the principle reasons for Nathan's great success was that he realized that fast communication was the key to beating out competitors. He employed the fastest riders, ships and even carrier pigeons to communicate. He avidly sought "inside information," which he kept from his competitors and from governments. He had his secret agents in all of the capital cities of Europe.

This loyal group never hesitated to ride through the night, winter and summer. They kept the best breed of carrier pigeons and sailed on the fastest packet boats, sometimes buying all passages between France and England to block competitors.

Nathan's greatest principle of expertise was of buying government bonds that were defaulted, or about to be defaulted, at huge discounts. After a suitable time, great pressure was exerted on the governments concerned to redeem the bonds at face value, netting Nathan incredible profits. In this way he became the financial agent for more than half the governments of Europe. Some very notable people in the past declared that "civilization came to an end in 1790," among them H.G. Wells, the famous British establishment writer who said in the New York American, (July 27, 1924) that the mental and moral progress of the human race ended with the 18th century.

Wells was well thought of by the Rothschilds, who liked his idea of the League of Nations, what Wells called "a world state," which he said was inevitable. The Erlangers donated $3,000 to this purpose, as did N.M. Rothschild.

George Bernard Shaw, the Irish playwright, told Hillaire Belloc: "Something enormous happened in 1790." This was reported in the New York Times:

> There is reason to believe that they were referring to the great revolutionary movements that began between the middle and the end of the 18th century when in 1779 Amschel Rothschild became the master of the richest man on Earth, the Landgrave of Hesse Cassel.

CHAPTER 4

THE WALLS OFJERICO [FRANKFURT] COME TUMBLING DOWN

Earlier I referred to the fact that only five hundred Jewish families were allowed to live in Frankfurt Germany. The manner in which Mayer Amschel handled the problem was to become his trademark. On the birth of Napoleon's son, Grand Duke Dalberg of Frankfurt wanted to go to Paris and pay his respects, but none of the banks would lend him the money to make the trip.

Old Amschel however, saw the possibilities of putting Dalberg in his debt, and lent him eighty thousand gulden at five percent. No pressure was put on the Grand Duke to repay the loan as long as the interest was paid, but at the same time, there was no favor asked by the Rothschilds that the Grand Duke could or did refuse.

Amschel and his family were engaged in extensive smuggling operations in defiance of the French boycott of England out of which the Rothschilds made a great deal of money. Suspicion fell on Amschel, and a raid was set for May 1809.

Dalberg, who never missed a chance to borrow money from Amschel at lenient rates, tipped him off about the pending raid through his executive Commissioner of Police, von Eitzlein. Frantic activity placed contraband and incriminating documents with reliable friends, so that when

Inspector Savagner and his men arrived they found old Mayer Amschel in bed, and a search failed to turn up anything incriminating. Although Napoleon's Trade Boycott inspectors had come up empty-handed, Amschel was nevertheless still fined 20,000 francs, a mere pittance, but he escaped going to prison, which would have happened had the contraband been discovered by the inspectors.

When the fuss had died down, Amschel tackled the problem of restrictions on the number of Jewish families allowed to reside in Frankfurt. He approached Dalberg, who still owed him the principle sum of the loan.

By law, each Jewish family had to pay an annual fee of 22,000 gulden to remain in the city. Amschel and one of his partners, a certain Gumprecht, persuaded the Grand Duke to accept one lump sum that would give the Jews citizenship rights in Frankfurt, the very thing so strongly opposed by the Christian majority. More than that, Amschel demanded not only equal citizenship, but in addition, the Jews would be allowed to establish their own ruling bodies and councils.

The greedy Dalberg demanded that the lump sum proposed by Amschel be twenty times the total annual fee. Amschel and his friends met the demand with 294,000 gulden in cash and the balance in bearer debentures.

In a letter to the Grand Duke confirming the arrangement and terms, Amschel showed that when humble obsequious behavior was necessary he was a master of the art:

> If I could be the messenger of the good news, as soon as it has been signed by His Royal Highness our most excellent Lord and Great Duke, in favor, and that I can inform my nation of their great joy, you will graciously inform me of it through the post, confess I abuse your goodness and grace, but I do not doubt that your Highness and your honored family have to await great heavenly rewards and will receive much happiness and blessing because in truth our whole

> Jewry, if they have the happiness to obtain equal rights will gladly pay with great pleasures all dues the citizens have to pay.

Note how Amschel boldly asserted that the Jews of Frankfurt were a separate nation. The agreement was some time in getting passed, but when it did, Amschel immediately announced the establishment of the Governing Body of the Israelite Religions Community with von Eitzlein (a Jew) the first president, perhaps rewarded for tipping Amschel to the planned raid for contraband in May 1809. The Senate and the Christians were furious and immediately attacked the agreement as giving special privileges to the Jews.

Rumors flew thick and fast that Dalberg had received a substantial payment, which he had not made public. Feeling against Dalberg and the Jews reached fever pitch. Accusations of bribery for exchange for equal rights filled the air. With the fall of Napoleon, Dalberg was deposed and replaced by Baron von Hugel of the Hessians.

Amschel was not afraid of Austria or Prussia, he had their governments in the palm of his hand, but he feared that when the Congress of Vienna decided the status of Frankfurt in 1814, the Dalberg agreement would not be honored. He sent Jacob Baruch and a certain Gompers as his representatives, but the Vienna police had them under surveillance as revolutionaries and ordered them to be expelled.

However, Prince Metternich, who had been created by Nathan Rothschild, just as Adam Weishaupt, Napoleon, Disraeli and Bismarck were all mere puppet-creations (or "valets") of the Rothschilds, cancelled the order. Bribery and corruption were quite openly practiced.

Humbold was offered three beautiful emerald rings worth a fortune, plus four thousand ducats, which he refused. Metternich's secretary, Frederick von Gentz however accepted the bribes offered, and was forever thereafter a most

valuable conduit to the powerful Austrian nobility and political leaders for the Rothschilds.

When news of Napoleon having landed on French soil from his exile in St. Helena reached the Congress, the "Jewish question," had to be shelved. The Congress of Vienna was the first world conference to be dominated by the international bankers, and the Rothschilds contributed very heavily to the control the banker's exercised over the decisions that were taken.

CHAPTER 5

THE ROTHSCHILDS PLUNDER THE FIVE GREAT POWERS

Count Buol-Schauenstein, Austria's representative, was outraged by the Dalberg-Rothschild deal with Frankfurt's Jews:

> Trade is still the only means of livelihood the Jews adopt. This nation, which never amalgamates with any other, but always hangs together to pursue its own ends will soon overshadow Christian firms; and with their terribly rapid increase in population they will soon spread over the whole city, so that a Jewish trading city will gradually arise beside our venerable cathedral.

I spent considerable time researching documents in the British Museum, which in any way referred to the family in order to qualify to write about the rise of the Rothschild dynasty, much of what came from that source. Baron James became a great personality. Kings and ministers were obliged to reckon with him and he justified this by financing a loan of 520 million francs to the Government of the Restoration, which needed the money after the great wars of the Revolution and of the Empire. In his Juifs de l'Epoque Toussenei wrote:

> One can take the fatal year 1815 as the era of new power; though prior to this date the coalition of

> bankers who bought great upset the campaign of Moscow and Waterloo — these are to remembered for the interference of Jews in our (French) national affairs. . . In 1815 France was condemned to pay 1,500 million francs in war indemnity became the prey of international financiers of Frankfurt, London and Vienna who became as one to exploit her calamity. James Rothschild paid for each government bond of 100 francs only 50 francs and received five francs as interest, which made ten percent on the money, loaned and the following year the principle began to return twofold. James became the lender of Kings. This added to his speculation on the Exchange where he was able to influence the rise and fall of stocks swelled the baron's earnings into millions.
>
> Between 1815 and 1830, the Rothschilds were simply plundering the five great powers; England, Russia, France, Austria and Prussia. Thus Prussia contracted a 5% loan of 5,000,000 pounds sterling, but received for its government bonds only 3,500,000 or 70%, making the actual interest rate over 7%. But the chief point of it was that the bonds had to be redeemed in a few years at 100%. The Rothschilds made a profit of 1,500,000 pounds sterling, plus the interest. In 1823 James took up the whole of the French loan.

According to Professor Werner Sombart in his work The Jews and Modern Capitalism: The period of 1820 onwards became the age of the Rothschilds, so that by the middle of the century it was common dictum, there is only one power in Europe, and that is the Rothschilds. As previously explained, the work of fiction, Coningsby, by Disraeli was a thinly disguised account of the life of Nathan Rothschild II, and extremely revealing:

> His father [Nathan Rothschild] had established a brother in most of the principal capitals. Here he was lord and master of the money markets of the world, and, of course, virtually lord and master of everything else. He literally held the revenues of Southern Italy in pawn [through Karl Rothschild in Naples] and monarchs and ministers of all countries courted his advice and were guided by his suggestions. Between Paris and Naples, Sidonia [Lionel] passed two years. Sidonia has no heart; he is a man without affections.

This was the work dictated to Disraeli by Nathan Rothschild and put out as fiction, but there is no history of the Rothschilds more accurate than this. Who was Disraeli?

In La Vielle France N-216, Bismarck said that Disraeli was a mere tool of the Rothschilds and that it was Disraeli and the Rothschilds who formulated the plan to dismember the United States through a massive Civil War. Disraeli was only one of their creations whom they brought from obscurity to fame. His grandfather, Benjamin D'Israeli, arrived in England in 1748. His son, Isaac D'Israeli was born in 1766 and soon became a Bolshevik. One of his works was called Against Commerce.

Of his father Disraeli said: He lived with learned men. The learned men were Nathan Rothschild and his circle. Incidentally, "El-Israeli" (D'israeli?) is an Arabic name of Turkish origin used in the Middle East to denote people of Jewish descent. It is likely that his father's family came from Turkey to Italy and most likely, settled in Ancona or Cento. Isaac's field was writing and like many a researcher before him, he frequented the British Museum. He was also an importer of straw hats, marble and alum, but Isaac longed to write.

In 1788 his father sent him to study in France, Italy and Germany. He returned to England in 1789 and wrote The

Curiosities of Literature, which was published by the Socialist, John Murray. A literary success, it ran to thirteen editions. Benjamin probably inherited his writing skills from his father. Born in 1804 into a family of moderate means, Benjamin was circumcised on the eighth day according to the Jewish custom, and grew up in the Jewish faith. Although proud of it, we are led to believe that he knew at an early age that as far as public office, his "Jewishness" would be a drawback because in England at that time, Jews were barred by religion from becoming members of any political party.

But on the orders of Nathan Rothschild, at the age of thirteen Benjamin was baptized on July 31, 1817 as a Christian so that he might penetrate English society and the political establishment, which at the time was closed to Jews by the Test Acts. His orders from Nathan Rothschild were to break down every barrier against the Jews.

At one time he told Lord Melbourne, the Home Secretary: "I am going to be the Prime Minister of England," which Melbourne thought fanciful and impossible. Of course Melbourne did not know at that time about Disraeli's "Rothschild" connection. But first, the necessary financing had to come from somewhere. At twenty-two he began "speculating" on the Stock Market, a highly unlikely occupation for a man who was always without any money.

A certain Thomas Jones — more than likely an assumed name - came up with two thousand pounds to start with, increasing to nine thousand pounds — a huge sum of money at the time to invest in a penniless writer of no experience! It does not take much imagination to come to the conclusion that "Thomas Jones" was Nathan Rothschild.

As was the case with the biographers of Napoleon I, Bismarck, Mettemich, Marshal Soult (who betrayed Napoleon at Waterloo), Karl Marx, Bombelles, Lassalle, Hertz, Kerensky and Trotsky praise for Disraeli, a former non-entity, was lavish. J.G. Lockhart, Sir Walter Scott's son-in-law, was beside himself when in 1825 he wrote:

> I may frankly say that I never met a young man with greater promise. He is a scholar, a hard student, a deep thinker, a great energy, equal perseverance, an indefatigable application, and a complete man of business. His knowledge of human nature and the practical tendency of all of his ideas, have often surprised me in a young man who has hardly passed his twentieth year.

Another bedazzled friend wrote:

> He had no rank, no important friends, no wealth, but he was an able scholar who dazzled the establishment with his audacity of conception, brilliant triumphs. He had that supreme confidence in himself, which amounts to virtual genius. He never showed discouragement. Of course! Backed by Nathan Rothschild he had the world at his feet. If only history could be rewritten!

> The English aristocracy was not destroyed by the "French" Revolution and they remained implacably opposed to the Jews until Disraeli on behalf of the Rothschilds, defeated them. Disraeli was the Trojan Horse, slipped into the very heart of English society and its political establishment.
> (Count Cherep-Spiridovich and British Museum papers)

In December 1922, the British Guardian published an article by Dr. John Clarke, which is worth quoting:

> And how this potent firm [the Rothschilds] governs the Government of France and England alike may be gathered from two recent incidents. The French Secretary of the Legation, M. Thierry at the Embassy

> of London some months ago married a Jewess of the Rothschild clan. And now the hidden mentors of Bonar Law's [the British Prime Minister who promised to follow the policies of Disraeli] new 'Conservative' Government induced him to send as Ambassador to Paris a non-diplomatic 'Liberal,' the Marquise of Crewe, whose wife is the daughter of Hannah Rothschild, Countess of Roseberry. Here we have the actual basis of the Franco-British Entente — 'R.F.' meaning Rothschild Freres, the Rothschild brothers, covers the British Empire, the French Republic and most of the other republics and kingdoms between Moscow, Angora and Washington.

Who opened the way for such astonishing changes in the English political scene? It was Disraeli, who "controlled" Prime Minister Bonar Law. In the Life of Disraeli by Buckle, the author gives no hint of who made Disraeli: "No career in English history is more marvelous than that of Disraeli, and none has hitherto been enshrouded in greater mystery."

Actually, there was no "mystery" at all. But for Nathan and his son Lionel Rothschild, Disraeli would have never existed outside of his small, narrow family circle. From 1832 to 1837 Disraeli was in deep trouble over unpaid debts. In April of 1835, he was forced to spend a great deal of his time indoors to "prevent being nabbed by the creditors," as he wrote in a letter to Lady Henrietta Sykes, his mistress.

In August 1835, Disraeli went to Bradenham, there to escape his creditors. One of them was a certain Austen who was threatening to have him arrested and sent to a debtor's prison. At Bradenham, he tried to write his novel Henrietta Temple. At this period, his debts were overshadowing his writing. In July, another of his creditors, a Thomas Mash who had been pressing for payment, now grew strident and Disraeli walked in fear (when he did venture outside) of imminent arrest.

Perpetually in deep financial trouble, deeply in debt at the age of twenty and unsuccessful in getting a seat in the House of Commons, which he had tried from 1832 to 1837 to accomplish, the Rothschilds, who had been watching him since the age of ten, made him their "valet."

In writing to his sister Sarah in 1849, Benjamin admitted as much. The year was the worst financial period in his life. He was being harried by his creditors and had to appear before an Assize Court when as he said in his letter to Sarah "Mayer Rothschild unintentionally let the cat out of the bag."

Disraeli did not "raise England to the highest position" as claimed by Buckle. Instead, what he did was to prepare England for a series of disastrous wars. He frightened generations of Englishmen with his lies about a "great Russia" being a danger and a threat for Great Britain. Prime Minister Gladstone accused Disraeli of lying. Was he sincere about the alleged Russian "danger?"

Lord Gladstone said there were only two things he was "in earnest about, his wife and his race." Gladstone evidently didn't know that Benjamin was "in earnest" about the Rothschilds of whom he seldom talked, perhaps because of the fact that nobody, no matter what their rank, could cross the Rothschilds with impunity. Benjamin Disraeli was the man of the hour for the Rothschilds; Lionel, Mayer, Anthony and their families, including the Montefiores. In a letter to his sister Sarah, he wrote, that after his honeymoon, there had been a party at the home of Mrs. Montefiore and there was "not a Christian name there."

No doubt Benjamin performed yeoman service for his mentors, providing them with "intelligence" from his high office. It is known that it was one such "spy job" that allowed the Rothschilds to float the lucrative Suez Canal loan.

Described as a "coup" engineered by Disraeli, the facts are not quite that simple. Through his secret "intelligence" service, Disraeli learned that the Khedive of

Egypt, Ishmail Pasha wanted to sell his shares in Compagnie Universelle de Suez.

Thanks to the "intelligence" provided by the Von Thurn and Taxis control of mail, on November 15, 1875, Disraeli was advised that the Khedive was negotiating with two French banks for the sale of the stock. Disraeli immediately rushed to Baron Lionel de Rothschild who agreed to float a loan for the British Government for this purpose. The secret plan was hatched by Lionel and Disraeli and was presented to the British Cabinet for acceptance on November 24th. The skill of Lionel in moving so fast was not mentioned, and so, in the eyes of the public, it remained a "Disraeli coup."

This account taken from the collected works of Major-General Count Cherep-Spiridovich goes a long way to dispelling the myths and legends that sprang up around the life and times of Nathan Rothschild, his extended blood relatives and their families, who lived in London, and the legendary DTsraeli.

CHAPTER 6

BENJAMIN DISRAELI:

MASTERSPY FOR THE ROTHSCHILDS

It was a two-way street; with the Rothschilds always ready to bail Benjamin out of financial trouble, particularly in 1835, 1849, 1857 and 1862 when his debts amounted to what today would have been about $300,000 without means of payment. With his enemy, the Duke of Portland hounding him, he was "loaned the money" by a front man for Baron de Rothschild, one Philip Rose, who just happened to be staying at the same resort and spa hotel in Torquay at the same time as the Baron Rothschild. We are led to believe, that Rose persuaded Rothschild to loan the money Disraeli needed. Situated on the East Coast of England, Torquay was a fashionable resort town, boasting fine hotels and spas, often patronized by royalty and its hangers on. In a letter to his sister in December of that year, Benjamin wrote: He likes to give to his friends, not to lend, as he never takes interest from me. ..

I propose to look at the history of some of the world's best-known figures and to attempt to discover what role the Rothschilds played in their lives. I shall also examine revolutions and wars for the same reason. This is a daunting task, but it is one that is long overdue.

There have been so many lies in establishment history that our senses reel and I wonder how the truth can ever be made known to the ordinary people of this world, who have had to bear the brunt of those upheavals and have never

known why they had to make such terrible sacrifices. Of course they have the propaganda explanations which satisfy most, but to the thinker, it has never been enough just talk about "patriotism," "love of country," "making the world safe for democracy" and fighting a "war to end all wars." I cannot go too far back in history, so let us begin with some of the most explosive upheavals to hit the world beginning with the 18th century and the personalities involved and then continue through to the 20th century. Limitations of space restrict to the more salient features of these events.

Although there is no hard evidence that the Rothschilds were involved in the cataclysmic "French" Revolution, historians tend to believe that they were behind it, acting through some of their agents. Their well-known hatred of Christianity and their desire to rid France of the Christian monarchy that it represented was the driving force behind the revolution. Opposition to Christianity was the factor believed to have motivated the Rothschilds to take indirect action to confront it at every opportunity.

One thing has emerged clearly from the past; every war fought since then has been for the advancement of International Socialism, of which the Rothschilds were avid supporters.

It is stated in papers in the British Museum that the Rothschilds were deeply involved in all revolts and wars since 1770. Indirectly, there is evidence that a branch of the Rothschilds was involved in financing the French Revolution through the bank of Moses Mocatta, uncle of Sir Moses Montefiore, whose brother, Abraham Montefiore, was married to Jeanette, the daughter of Mayer Amschel.

Mayer Amschel's son, Nathan, married the sister-in-law of Sir Moses Montefiore in 1806. Another daughter of Abraham Montefiore, Louisa, married Sir Anthony Rothschild in 1840.

History records the Jewish banking houses of Daniel Itzig, David Friedlander, Herz Geribeer and Benjamin and

Abraham Goldsmidt, were the principal financiers of the "French" Revolution. It is interesting to note of the fifty-eight marriages contracted by the descendants of Mayer Amschel; twenty-nine and a half were between first cousins.

From 1848 onward, the pace quickened. Marx established that all wars must be for the advancement of International Socialism and Lenin and Trotsky enshrined it in the Communist doctrine. The First World War was fought to establish Bolshevism in Russia; to establish a "home for the Jews in Palestine," to destroy the Catholic Church and dismember Europe.

The first attempt at One World Government was launched in the disguise of the League of Nations. The Second World War was fought to destroy Japan and Germany, to establish the USSR as a Communist world power and extend the reach of Bolshevism over three quarters of the world. In the aftermath the United States was gulled into joining the next attempt at One World Government, the United Nations.

The Second World War changed the make-up of the United States, which was forced by its large contingent of International Socialists in positions of power to wean itself from its Constitution and its Republican form of government, and take on the role of the world's new Roman Empire. In short, the United States was turned from its Christian Republican form of government into an imperial power to conquer the world for and on behalf of International Socialism.

Behind these powerful changes stood the power, the money and the guiding hand of the Rothschilds. I shall attempt to make way through the major events that triggered these and other wars.

At the time the revolution burst upon France, the nobility and clergy were liberal toward French citizens. They had freedom to work and freedom of the press according to the book by Louis Diste, Freemasonry and Terror, which he

says is proved in the archives prior to August 10, 1789 -- everything that the French people wanted in the way of liberty, freedom from excess taxes and freedom of religion had all been granted. If there is one thing I learned from history it is that there is an evil power that hates and fights to the death all forms of liberty, freedom and justice for the ordinary men of the world.

Each time such a system of government was established — these evil, secret rulers came along and overturned those benevolent governments by means of extreme violence and extreme cruelty. An example is Russia, where Tsar Alexander II had agreed to a new constitution.

His minister, Stolypin, had set the machinery in motion to grant lands to peasants and to nationalize banks; Nicholas had forbidden wars by his threat to "fire on the first who fires" and the Tsars were known as the most cultured, learned and gracious people in the world. Stolypin was cruelly murdered by Bolshevik revolutionaries to prevent the freedoms and reforms promised by the Tsar from being put into practice.

On August 4, 1789, eighty three unknown men, shouting "we are the 300," (thereby inadvertently exposing the hidden hand of their controllers) seized the City Hall in Paris.

The City Hall in France is typically the center of the civil administration. Robespierre and Danton did not immediately join the blood lust that followed. Stephane Lausanne, editor of La Matin of Paris said in an article on January 6, 1923:

> We French believe, that we know all about the forces of our planet. But we know nothing of the men whose names the masses could not even rightly spell. These men, more powerful than Caesar or even Napoleon, rule the fate of the Globe. These men rule the Chiefs of States, control and subdue the governing

> personages, manipulate the exchanges, and initiate or suppress revolutions.

Of course he was writing about the 7 Rothschilds and the Committee of 300. What he did not know was that the Rothschilds created and controlled Napoleon as their instrument, and that they disposed of him once the Corsican genius woke up to this fact and went into a state of rebellion, the first manifestation of which came when he divorced his wife, the Creole, Josephina. Philip Francis, writing in the New York American under the title The Poison in America's Cup stated:

> Nominally we govern ourselves; actually we are governed by an oligarchy of the American branch of The International Banker's Federation, Plunderbund. The British Government is the camouflage behind which the money kings of the world have hitherto hid their economic warfare upon the masses of the people.

There is no direct proof that the Rothschilds were implicated in bringing on the French Revolution to happen, but there is ample evidence that Mirabeau was a member of the Les Amis Reunis as was his partner, Talleyrand. Mirabeau and Talleyrand discovered Napoleon, an obscure army officer. It is believed that many of the details of the French Revolution were discussed at the palace of the Landgrave of Hesse at Wilhelmsbad where it is known the leading Freemasons often gathered, which is the connection with Mayer Amschel, who headed "the deadly secret conclave beyond the masons and unknown to them" where the "French" Revolution was plotted.

There was also the connection with Adam Weishaupt, founder of the Illuminati through Wilhelmsbad. The Rothschild Money Trust, page 17 states:

> It is also admitted, as they allege, that the Illuminati played a major role in bringing on the bloody days of 1789, that it was founded and reputedly financed by Jews and that the great House of Rothschild was then just rising to financial heights. There is evidence that it was in fact financed by the 'great House of Rothschild' and that the French Revolution was in fact brought about by Jews. It was the final act that freed the Jews from their political and civil disabilities in France.

Unfortunately for history, The Rothschild Money Trust does not provide sources that could support the claim that the French Revolution was financed by the Rothschilds.

In 1782 after "acquiring" the huge fortune of the Landgrave of Hesse-Cassel, Amschel sent for Weishaupt who at the time was living the life of a beggar. Weishaupt was a man of low degree then struggling to find money to pay for an illegal abortion that had been performed on his sister-in-law. After his interview with Amschel, Weishaupt appeared in Paris with millions of francs at his disposal. He "imported" at least 30,000 criminals of the worst type and set them up in dens in Paris. He did the same thing in Germany. When all preparations were completed and the stage was set in 1789, all hell broke loose in Paris. According to author Pouget St. Andre, a chronicler of the revolution that burst upon France, Danton was a Jew as was Robespierre whose real name was Ruban. Pouget St. Andre, author of Les Auteurs de la Revolution Francaise, posed the question which to this day has never been answered:

> Why did the Convention shed so much blood? They say that the bloodshed was caused by the hatred of the people against the privileged class. How could the small percentage of executed aristocrats be explained by only 5% of all condemned? Why were

the reforms bought for 4 billion francs and 50,000 heads when Louis XVI was already offering them free?"

Ernest Renan in his work, La Monarchic Constitutionally en France, wrote: The murder of King Louis XVI was an act of the most hideous materialism, the most shameful profession of ingratitude and baseness, of most roturiere villainy and forgetfulness of the past. Nothing, but bloodlust was served by those who put the king to death.

CHAPTER 7

INSIDE ACCOUNTS OF THE HORRORS OF THE FRENCH REVOLUTION

All those who had done the work of the secret societies and their henchmen trying to seize France were later executed, some horribly, and with the utmost cruelty, including Danton and Robespierre, one imagines, to silence them lest they were ever tempted to reveal whom the persons behind the revolution were. Murder, then as now, was the favorite weapon employed against those who sought to thwart the will of the "300."

Lord Acton, writing in his Essay on the French Revolution made this observation:

> The appalling thing is not the tumult but the design. Through all the fire and smoke we perceive the evidence of a calculating organization. The managers remain studiously concealed and masked, but there is no doubt about their presence from the first.

We shall come to the Russian-Japanese conflict in 1904, and who set it up, financed it and what their reasons were, but for now, in passing, we shall quote what the Editor of the New York Evening Post said on December 9, 1924:

> Somewhere behind the fog-bank of propaganda, sinister unseen hands are seeking to destroy the

> peaceful relations between Russia and Japan. Japan does not want war. Certainly America does not want war. Why then, this perennial clamor that Japan is an enemy to be watched, distrusted, armed against, and finally fought?

Of all of the historical figures in the past three centuries, none is better known than Napoleon. Yet not much is ever said about how he rose from obscurity to fame.

Like most of those "adopted" by the Rothschilds, Napoleon was dirt poor when Talleyrand introduced him to the Rothschilds. He did not have the money to pay the laundry shop bill, and had only one shirt. His uniform had been supplied by Josephine Beauharnais, whom he later married after Count Paul de Barras had cast her off as his mistress.

In 1786 Napoleon was a sub-lieutenant, a poor very junior officer without any money, going from door-to-door seeking employment to supplement his pay. It was a time when the people of Europe had grown tired of "Liberty, Equality, and Fraternity." Amschel was disappointed that Weishaupt had made little progress against the Church, particularly, the Catholic Church, and was seeking "new talent." The fire and ardor of the Corsican impressed Amschel enough to set him up with sufficient money to live decently. H. Fischer, in an article seen in the British Museum wrote: "In 1790 Napoleon succeeded by means, even then judged to be unscrupulous in securing his election as second in command of a whole battalion. "

How did he do it? Charles MacFarlane, in his work The Life of Napoleon (it used to be in the British Museum where I read it) threw some light on this "astonishing climb to power:"

> Augustine Robespierre, the younger brother of the terrible Dictator, had become acquainted with

> Bonaparte at the taking of Toulon in 1798. The fact is indisputable that he contracted an intimacy, having all the appearances of warm friendship with Augustine, who was to be fully as pitiless as his elder brother.

According to the autobiography of Wolf Tone (Barry 1893) Robespierre was an Illuminist.

A nominal Christian, Napoleon soon sensed the hatred for Christianity that burned in the breast of Amschel, and so he resorted to simulation to please his new money supplier. He turned against the Catholic Church. The humiliation of the Pope was a very pleasing prospect to Amschel, and money began to flow into Napoleon's pockets in ever-increasing amounts.

Thus is his "stunning rise to power," his "astonishing successes" explained! As we say in modern parlance, the writers and biographers of Napoleon failed to follow the money trail.

The failure of Weishaupt to destroy the Catholic Church, the purpose for which he was "constructed" by Amschel was galling, but when Napoleon was brought to his attention, the whole work was shifted to him. The way it was to be accomplished was planned in the Mason lodges in Paris frequented by Talleyrand and in Frankfurt by Amschel.

It was Talleyrand who told Napoleon: War is the only way you can destroy the Church. This was acknowledged by H.G. Wells who called the Corsican genius "a wrecker, (of the revolution) hard, competent, capable, possessing initiative," but he failed to mention his financial backer, without whose masses of money, these traits of character would not have availed him much.

Like Kerensky, Trotsky, Disraeli, Lloyd George and Bismarck, Amschel took over Napoleon when he was of no importance, and made of him, the most important man in Europe. Although H.G. Wells complained that he did not

continue the revolution, this was not the point. When Amschel had Napoleon appointed the First Consul for life by a large margin of votes, the stage was set to ring up the curtain on Europe.

As long as he carried out the mission set for him by Amschel, the destruction of the Christian Monarchies and of the Catholic Church, Napoleon bore a charmed life, going from one success to another. A good book I found in the British Museum was by Sidney Dark in which he wrote, How Great Was Napoleon:

> Napoleon, born without any advantage of wealth or high descent, made himself master of the world before he was 35 and finished his career of unparalleled romantic impossibility when he was 46.

This completely overlooks the powers behind Napoleon, Amschel and his millions and the planners inside the Mason lodges of Paris and Frankfurt. On March 9, 1796, Napoleon married Josephina de Beauharnais, a Creole woman with insatiable sexual appetites who had once paid for his uniform. The marriage was arranged by the Rothschilds through Count Paul de Barras who also appointed Napoleon Commander in Chief of the Army in Italy.

Josephina was the mistress of de Barras, but tiring of her, he sought to end the relationship, and to avoid her oath to take revenge on him, Count de Barras arranged for her to marry Napoleon, hardly the "romantic" spin put on the occasion by practically every writer on the life and times of Napoleon.

Josephine helped de Barras by giving him confidential details imparted to her by her husband, which of course went straight to the Rothschilds. Napoleon's coronation in 1804 was treated with indifference by Amschel, but he became alarmed when the Pope was invited. The Rothschilds were dismayed and angry when Napoleon

divorced Josephine and married the Arch-Duchess Maria Louisa in 1810. The Rothschild's recognized that henceforth there would be less and less chance to destroy kingdoms and smash the Catholic Church.

From 1810 the die was cast against Napoleon and James Rothschild was seconded to the task of ruining their former hero. The full story of the gradual disillusionment of Napoleon, his awakening to the knowledge that he was not fighting for France, but rather for an alien power to further its grip on the nation as a necessary follow-on to the revolution, the role of the Illuminati and the Masons in his career, made him more and more angry. The awakening was slow to come, and painful, but once his mind was opened to the truth, Napoleon began to rebel against his controllers. In his work, History of Napoleon, G. Bussey says that Napoleon changed, lost his fierce desire for war and declared; Thank God I am at peace with the world.

The Rothschilds now had no further use for their former tool. They financed and set up a front called A League Against Napoleon. The mentors whom Napoleon had begun to neglect were now turned against him. Karl Rothschild hastened to despoil relations between the Pope and Napoleon, and without the knowledge of Napoleon, ordered the arrest of the Holy Father carried out by General Radet. The Pope reacted with an Excommunication Bill against the Emperor.

Napoleon had been trying to win over the Pope. He felt the ground quaking beneath his feet as events, one after another, went against him. An attempt to assassinate him by Illuminati agent Stapps was foiled by the vigilance of General Rapp.

The Russian campaign was plagued by supply problems and lack of food. Napoleon did not understand that it was deliberate sabotage of his army. He was forced to order a retreat from Moscow, during which thousands of soldiers dying from wounds and the cold were mercilessly shot to death by Rothschild's agents coming up in the rear.

The loss of Christian lives was horrendous. With the failure to win over the Pope, Napoleon became seriously concerned as his confidence ebbed away. He noted this:

> The Pope could have been won over as additional means of binding together the federated parts of the Empire. I should have had my religious as well as my legislative sessions. My councils would have constituted the representatives of Christianity, and the successor of St. Peter would have been the President.

Too late, as Karl Rothschild had already seen to it that such a plan would not succeed. No historian can tell why Napoleon attacked Russia in 1812. Theories abound but none of substance. Alexander I said of the attack: "Napoleon waged war on me in the most odious fashion and has deceived me in the most treacherous manner." For his part, Napoleon told General Gourgaud:

> / did not want to make war on Russia. Bassano and Champagny [Ministers of Foreign Affairs] persuaded me that the note of Russia was meant as a declaration of war. I really thought that Russia wanted war. What were the real motives of the campaign in Russia? I do not know, possibly the Emperor himself did not know more than I did.

The Rothschilds ruined Napoleon at the Battle of Waterloo. He was betrayed by Marshal Soult, a man he had befriended, but who was in the pay of the Rothschilds. Napoleon made Soult the Duke of Dalmatia with a salary of millions of francs and appointed him Marshal of the Army. At Waterloo, Soult failed to take and hold Gemappe, an important village to anchor the flank of Napoleon's army.

Worse yet, Marshal Grouchy who was supposed to provide reinforcements arrived 24 hours too late, even though he heard the guns and knew that the battle had been joined. Of Soult, Napoleon complained bitterly:

> Soult, my second in command at Waterloo, did not aid me as much as he might have done. . . His staff, in spite of my orders, was not organized. Soult was very easily discouraged. . . Soult was worth nothing. Why during the battle did he not keep order at Gemappe?

Worse yet, on the morning of the battle, an enemy inside the Corsican's personal staff put a substance in his breakfast that caused him to suffer a terrible migraine. Such is the power of the Rothschilds and the falsification of history; but for the treachery and treason committed against him, Napoleon would have soundly defeated Blucher and Wellington. Soult served his masters well; they gave him some of the highest offices in France. That he was the father of Bismarck has often been suggested, but never proved. At one time Bismarck's mother was Soult's mistress, as confirmed by Bismarck: Not my talents or capacities made me great, but the fact that my mother was the mistress of Soult, [one of the 300] who all helped me.

Bismarck was "made" by the Rothschilds through the Menkens. His father, William, had married a Louise Menken, whom Count Cherep-Spiridovich said was a Jewess. Marshall Soult, who betrayed Napoleon at Waterloo, was a member of the Committee of 300, who occupied the top posts in France until his death.

Soult was often in attendance of William Bismarck country residence and was widely believed to be the father of younger Bismarck. It was this "hold" over Bismarck mother that kept young Bismarck under the control of James Rothschild. In 1833, Bismarck was up against tough times and in danger of losing his property. Through Disraeli, James

Rothschild befriended the young Bismarck and sought to create his as a "conservative" future leader of Europe. Oscar Arnim, a member of the Reichstag married Bismarck's sister, Malian.

Following the marriage Bismarck was totally under the direction of Lionel Rothschild. That Bismarck knew it was clear from a statement made by Walter Rathenau in 1871:

> To those who insisted upon treating Bismarck as a great political genius, a man of fate, marked, like Napoleon with the seal of a tragic predestination, Bismarck would repeat, that he did not believe in great providential men; that according to his belief, political celebrities owed their reputations, if not to chance, at least to circumstances which they themselves could not have foreseen.

CHAPTER 8

BISMARCK DISCLOSES "THE HIGH FINANCIAL POWERS OF EUROPE"

Bismarck certainly knew that the American Civil War was fomented by what he called "the High Financial Powers of Europe." This is confirmed in the remarkable account published by Conrad Siem in La Vielle France, N 216, in March 1921. According to Siem, Bismarck talked with him in 1876 about the Civil War:

> The division of the United States into two federations was decided long before the Civil War by the High Financial Powers of Europe. Those bankers were afraid of the United States, if they remained in one block and as one nation would attain economical and financial independence, which would upset their domination over the World. The voice of the Rothschilds predominated. They saw tremendous booty if they substituted two feeble democracies indebted to them, to the vigorous Republic, confident and self-providing.
>
> Lincoln never suspected these underground machinations. He was Anti-Slaverist, and he was elected as such. But his character prevented him from being the man of one party. When he had affairs in his hands, he perceived that these sinister financiers

of Europe, the Rothschilds, wanted him to be the executor of their designs. They made the rupture between the North and the South imminent! The Masters of Finance in Europe made this rupture definitive in order to exploit it to the utmost...

Lincoln's personality surprised them. They thought to easily dupe the candidate woodcutter. His candidature did not trouble them. But Lincoln read their plots and soon understood that the South was not the worst foe, but the financiers. He did not confide his apprehensions; he watched the gestures of the Hidden Hand. He did not wish to expose publicly which would disconcert the ignorant masses.

He decided to eliminate the International Bankers by establishing a system of loans, allowing the states to borrow directly from the people without intermediary.

He did not study finance, but his robust good sense revealed to him, that the source of any wealth, resides in the work and the economy of the nation. He opposed emissions through the International Financiers. He obtained from Congress the right to borrow from the people by selling to it the bonds of States.

The local banks were only too glad to help such a system and the government and the People escaped the plots of the foreign financiers. They understood at once that the United States would escape their grip. The death of Lincoln was resolved. Nothing is easier than to find a fanatic to strike. The death of Lincoln was a disaster for Christendom.

> There was no man in the United States big enough to wear his boots. The international financiers went anew to grab the riches of the world. Fear that with their banks, their craftiness and their torturous tricks — they will entirely control the exuberant riches of America and use it to systematically corrupt modern civilization. I fear that they will not hesitate to plunge the whole of Christendom into wars and chaos, in order that the earth shall become their inheritance.

(I wish to reiterate that the preparation for this work I encompassed ten months of intensive research on this particular subject work at the British Museum. The books from which sources are quoted, such as Talks With Napoleon at St. Helena and Propaganda in the Next War and the works of John Reeves -- and many others mentioned may no longer be available).

Russia provoked a peculiar hatred in the Rothschilds who set their face against the Romanov family. The daughter of Tiesenhaus, a prominent German historian wrote that she shared her father's distrust of the Tsar:

> . . . But after meeting him, in common with many others, she was impressed with Alexander's frankness, energy and nobility of character. This impression deepened into a loyal and devoted friendship. {Emperor Alexander -- Mrs. de Choiseul-Guffress)

According to Count Cherep-Spiridovich, Nathan Rothschild tried to instigate a revolution in Russia, but was unsuccessful, and Lionel confessed to Disraeli that it was prepared in Germany:

> The chief agents of the James Rothschild III were mobilized against Tsar Nicholas I to provoke a war in

> the Crimea, but they were unable to win, so they poisoned Nicholas I in 1855."
> (British Museum Papers, Hidden Hand, page 119)

In these momentous events, Disraeli played a big role, either as a "confessor" or advisor to the Rothschilds. How the Rothschilds gained control of Marie Louise is told by Mrs. Edith E. Cuthell in her book, An Imperial Victim:

> In December 1827 Marie Louise, the widow of Napoleon 1 raised a loan often ten million francs from Rothschild. On February 22, 1829, she lost her husband Count Neipperg, which remained a mystery to all historians. Prince Metternich who had been a mere "clerk " of Salomon Rothschild of Vienna, told Bombelles, another Rothschild protege that he wished a man who could guide the weak character of Marie Louise. Bombelles became the confidant of Marie Louise and then married her.

The Rothschilds now had complete control of Napoleon's widow through Bombelles who had captured her heart while she was still Countess Niepperg.

According to the author Edmond Rostand, Bombelles was extremely handsome. Writing of Bombelles, Mrs. E.E. Cuthwell describes him thus:

> He has even more ambition. With his soft voice he whispered into the ears of women. Bombelles wished to marry a Mlle Cavanaugh, who had money. He gained his object. His wife died, bequeathing him her heart in a leaden case. He buried it. A year later he had a desperate passion for another rich heiress, who declined it. (An Imperial Victim, page 321)

> After the death of Marie, Louise Bombelles was appointed Comptroller to the Emperor of Austria. Rumors that she died of poison floated about Parma and spread further. " (Page 373)

Count Cherep-Spiridovich narrates what followed:

> Bombelles, supported by Salomon and his clerk, Metternich, was appointed the 'educator' of the future Emperor of Austria, Franz Joseph. Bombelles was the responsible author of the most awful disloyalty, baseness and cruelty of Austria, which began to amaze the whole world since 1848, when Franz Joseph was only eighteen years old became the Emperor de jure, and Bombelles was the 'power behind the throne' receiving and executing the orders of Rothschild. Their first act was to betray their word to Nicholas I who put as a condition 'sine qua non' mercy for Hungarian General Sheezeny and others. Franz Joseph strangled them, as soon as the Russian troops left Austria. (Hidden Hand, page 123)

The Rothschilds were not only moneylenders, but also speculators. The greatest area of interest to them was the construction of the railroads of Europe and Russia, which they latched onto and held onto. In one account of this endeavor contained in British Museum papers, James Rothschild compelled France to accept financing for its North Railroad:

> The Government took upon itself the obligation to spend 100 million francs in order to build the roadbed. James consented to spend 60 millions in providing rail cars etc. He received during 40 years 17 millions yearly by way of income, i.e. 620 millions in interest plus the principal of 60 millions. In this

undertaking the Rothschilds used 60 millions of their depositors' money for which they paid them 4% interest, or 2,400,000 yearly, thus getting 14,600,000 francs per annum for their signature. The Journal des Debats in order to deceive the nation stated in July 1843, that Rothschild is begging for the privilege to ruin himself The French press acted the role of agent provocateur as early as fifty years before the scandal of Panama. The Rothschilds coveted this rich prey, the railroads, at any cost. At one time the Government passed through a period of honesty and had the temerity to stem their aggression.

In 1838, M. Martin, from the North [railroad company] suggested to Parliament a net of railroads to be built by the State. If M. Martin's plan, based on two pillars of monopoly banking and transportation had been approved by Parliament, the financial fealty would have been killed at its inception. But the Rothschilds, through the press controlled by them, found the way to acquire the railroads. In 1840, the West and South lines were conceded to the Rothschilds and the Foulds.

(The Foulds were international bankers strategically placed in France to act out Rothschild orders). By 1845, all the great lines belonged to these two companies. One of the most incisive reporters on the Rothschilds was John Reeves who wrote the book The Rothschilds - The Financial Rulers of Nations. The following comments taken from the book show just how incisive and penetrating of the curtain of mystery surrounding the Rothschilds was Reeves, whose observations of Nathan Rothschild are perhaps without equal:

The amount of fortune he left always remained a secret. The Business was to be conducted by the four

> sons in cooperation with their uncles abroad. To each of his daughters he left $500,000, which was to be forfeited if they married without the consent of their mother and brothers.
>
> There were no legacies to his employees and no charitable bequests. . . the first occasion on which Nathan assisted the English Government was in 1819, when he undertook the loan of $60 million. From 1818 to 1832, Nathan issued eight loans for the sum of $105,400,000. With Spain, or the South American states that had formerly acknowledged the Spanish flag, he would never have anything to do. The explanation of some historians is that it was because of the Spanish Inquisition. One cause of his success was the torturous policy with which he misled those who watched him.
>
> In 1831 Nathan Mayer took control of the quicksilver mines of Idria in Austria, and simultaneously similar mines in Almadena, in Spain. Thus all the mercury, indispensable as medicine, was in his hands, and he doubled and trebled its price. It had terrific consequences upon the sick and the suffering of all nations price.. .
>
> Another accurate reporter of the Rothschilds was M. Martin whose book, Stories of Banks and Bankers gave some interesting facts. Nathan never paid his employees a cent more than was necessary for their subsistence or at least not a farthing more than they would compel him to pay.

Writing about Lionel Rothschild, Reeves made the following comments in his book, pages 205-207:

> Lionel concentrated his thoughts exclusively on the consolidation of his immense fortune. Great prudence marked his enterprises. In the negotiations of foreign loans Lionel was particularly active, as this business at once lucrative and comparatively free from risk, was one, which he preferred before all others. During his lifetime his firm was interested in the issue of no less than eighteen Government loans, amounting in aggregate to seven hundred million dollars. To enter into the details of these transactions would be to give the financial history of Europe.

To understand how the Rothschilds prospered, especially in their special area of expertise in lending money to governments of Europe and indeed, the world, I examined the work of John Reeves, whose book we have referred to frequently, and will continue to refer to throughout the remainder of this work as well as the sources in the papers in the British Museum.

CHAPTER 9

A MUCH OVERLOOKED ASPECT OF NEGRO SLAVERY IN AMERICA

Before turning to the aspect of successful money- lending, in America as engaged in by the Rothschilds, I shall touch upon the question of slavery that has arisen in recent years. Some say that the descendants of the Negroes should be compensated for the hardship afflicted upon their forbears.

It is an important issue given the fact, that the Rothschilds used slavery as an excuse to foment the American Civil War. The idea was said to have come from Benjamin Disraeli, Lionel and James, who sat down to dinner after the wedding of Lionel's daughter for which all the Rothschilds had assembled in London. According to Count Cherep-Spiridovich:

> . . . The Rothschilds started the American Civil War. Though disputes has existed since 1812 between the South and the North, the war might never had happened, but for the hidden hand of the Rothschilds.

By manipulating and inflaming passions the dispute became a cause for war even though the South was beginning to realize, that slavery was not an economic plus.

Slavery should never have been allowed in the United States, but alas, it was. There are different kinds of slavery. In Europe, the poor lived in the slavery of abject poverty and degradation. In England and Ireland it was much the same

story. The poor lived in terrible conditions. Their sons were conscripted to serve in the armed forces and millions of them lost their lives.

The British generals, especially Lord Douglas Haig were notorious for the lack of concern for the heavy casualties they suffered. In Ireland, millions died of starvation. While slavery should be universally condemned, nevertheless, it was tolerated in America, but comparatively, the poor classes of Europe, Ireland and England suffered as great hardship as the slaves in America.

On an occasion it was doubted whether the slaves in America would want to change their condition with the slaves of Ireland and England. But the hidden hand of the Quakers and "abolitionists" kept up a drumbeat of slander against the South until the demons, who had contrived the whole issue of slavery to boil over, got their way.

Negro slaves in America were not generally subjected to such appalling conditions of horror. Thus when we examine the sometimes exaggerated descriptions of slavery in America as written, preached and expounded by the abolitionists and the Quakers, we have to admit, if we are unbiased, that comparatively speaking American Negro slaves were far better treated than the poor in Europe and Great Britain:

> At the beginning of the 19th century, Great Britain, owing to false principles of government to the ignorant and blind cultivation of trade and industries, had the appearance of a State driven to the utmost opposite and contradictory extremes.
>
> Priding itself on the possession of the freest constitution in Europe, England yet concealed the greatest tyranny; possessing unbounded riches, it yet allowed the poor peasantry of Ireland to die of hunger, whilst the privation and distress prevalent

> among the laboring classes was as great and indescribable as to threaten to end in riot and rebellion. The hardships endured by the poorer classes were aggravated by the disgraceful condition of our political system. Morality was at a discount; bribery and intrigue were the order of the day. The thoughts of all were turned to complete forgetfulness of the sufferings of others. Corruption was so widespread, that the independence of the Crown and that of the constituencies was threatened. (Sir William Molesworth)

> In 1797 the English banks found themselves deeply embarrassed, mainly in consequence of the demands of the Government, which borrowed millions every year for the war and for support by subsidies of half of the Continental Powers. (John Reeves, The Rothschilds, page 162)

It would seem that even the Rothschilds could not believe their good fortune. The character, "Sidonia," created by Disraeli in his novel Coningsby and which was in fact based on Nathan Rothschild said: Can anything be more absurd than that a nation should apply to an individual to maintain its credit, and with its credit, its existence as an empire? (Page 248)

This very accurately described the Rothschild bankers and their hold over the British Government through extensive loans. No wonder that President Garfield once said: Whoever controls the money controls that nation. The Rothschild's progeny carried on that tradition. For instance, Lionel Rothschild financed the British Government's Suez Canal undertaking. It is more than likely that without Lionel's financial backing the Suez Canal may not have been dug.

It was Lionel Rothschild who put up the $20 million that the British Government paid for the land purchased from

the Khedive. But as with all their ventures, Lionel demanded and got a high return, 500,000 pounds for a couple of endorsements that took no more than a few hours of his time.

At a much earlier time, Mayer Amschel felt it would benefit the Rothschilds if he sent his son Nathan to England, where he took up residence in Manchester. According to Sir Thomas Buxton, the reason why Amschel chose to send Nathan to live in Manchester has already been partly explained herein.

> Many English manufacturers sent in 1789 a man to Frankfurt to offer their goods. The Rothschild trick consisted of keeping him a long time, and later giving him the hugest order for Germany.
>
> In the meantime, Nathan was sent to Manchester, where he bought all of the available cotton and dyestuffs. When the representative returned to Manchester with orders, the manufacturers had to apply to Nathan for these materials and he made them pay treble the price and even refused to sell the stuff, thus making them pay his father enormous 'damages.' Then he took the cotton and the dyes to some manufacturers and they manufactured the stuff for him at the lowest price. This base trick ruined many people in Manchester.
>
> This plundering made Manchester very indignant. Nathan was frightened and fled to London, where the London Stock Exchange was a larger field for his exploitation. In later years none of the members of the Exchange could boast like Nathan of having multiplied his capital 2,500 times during the course of five years. (John Reeves, The Rothschilds, page 167)

Another reason why Nathan suddenly went to London is given in the documents referred to in the British Museum:

> The reason also was that Wilhelm IX of Hesse-Cassel (1785-1821) was persuaded by Amschel to transfer his affairs in London, from the bank of van Notten into the hands of Nathan. Of course, 'accidentally' a whole gang of those Frankfurt Illuminati went with Nathan to London to try and do the same thing there, but the British were too clever to be deceived.
>
> When France invaded Germany, Wilhelm IX [since called the Elector] gave $3,000,000 to Amschel, which he sent to Nathan in London to prevent it from falling into the hands of Napoleon. Just at that moment the Company of India had $4,000,000 in gold. Nathan bought it and increased its price. He cornered gold in London. This arrangement has endured and even today, N.M. Rothschild fixes the price of gold on a daily basis every morning, and the Rothschild "fixing " is accepted as the "official" gold price throughout the world.
>
> He [Nathan] knew the Duke of Wellington needed it. Nathan also bought the Duke's bills at a large discount. The Government asked Nathan for a loan of his gold and he transferred it to Portugal. Nathan loaned his gold and it was returned, but he compelled the repayment of the Duke's bills at their full value. Thus he made 50%. Then he again loaned his gold at 15% and received it back and transported it to Portugal with a huge commission.
>
> The Duke needed this gold to pay the outfitters of his Army who were all Portuguese, Spanish and Dutch

> Jews. Thus not a single pound of gold was received by Wellington, only orders to Nathan's agents in Portugal, who were paid by Rothschild in Frankfurt. This operation netted Nathan 100%. Thus the Rothschilds made colossal profits with the money of the Landgrave, but took all the profits for themselves. (Maria O'Grady and John Reeves)

As I said earlier, the descendants of Mayer Amschel became the most powerful men in the world. The one example, perhaps more than any that marks the truth of this observation is the account of how James Rothschild defeated Nicolas I of Russia. It turned on the Russian revolutionary, Hertzen:

> The notorious author, Alexander Hertzen, one of the pioneers (fomenters) of the Russian Revolutionary movement was compelled to leave the country. (Actually he was forced to flee Russia just hours ahead of the police). He arrived in London, where he started a Russian paper called The Bell. Hertzen, however, was a rich man, who before going into exile had converted his property into Government bonds. The Russian Government knew the numbers of Hertzen's bonds, and when they were presented for payment upon the exile's arrival in London, Nicholas I, hoping thereby to crush his enemy, ordered the Government bank of St. Petersburg to refuse payment.
>
> The Bank naturally obeyed. But fortunately for Hertzen he found a champion in the elder Rothschild. The latter informed the Czar that as Hertzen's bonds were as good as any other Russian bonds, he was reluctantly compelled to conclude the insolvency of the Russian Government. Should the bonds not be

> paid immediately, he would declare the Czar bankrupt in all the European money markets. Nicholas was beaten. He put his pride in his pocket and paid the bonds. Hertzen himself relates the story in The Bell under the title, King Rothschild and Emperor Nicholas I."
> (The Fortnightly Review, by Dr. A.S. Rappaport, page 655)

From these accounts it can be seen just how much the legend of Amschel Rothschild having made his money as a pawnbroker wears thin in the face of reality, and yet the myth endures that pawn broking was in the beginning the source of Rothschild's wealth. It can now be stated as a fact that there is very little substance, if any, to that claim.

In discussing Lionel under the fictitious name of "Sidonia," Disraeli gave many clues to his master's true character: "It was impossible to penetrate him. His frankness was strictly limited to the surface. He observed everything, though overcautious, but avoided serious discussion. He was a man without affection." According to John Reeves:

> . . . The Rothschild brothers, fully cognizant of his superior intellectual capacity, willingly acknowledged Nathan Mayer as the most fit to direct all of their important transactions. (The Rothschilds, page 64)

One of the most interesting of the many interesting facts I discovered in the British Museum in London is the history of the founders of what was to become one of the greatest propaganda machines the world has ever known. I refer to the Tavistock Institute for Human Relations, which became the premiere brainwashing think tank of the ruling elite of Britain. The Tavistock Institute grew into a huge organization, which today dominates the United States and

Great Britain. This vast organization had its beginning in 1914 at Wellington House, London at the outbreak of the First World War.

In charge of organizing a propaganda machine that would persuade a reluctant British people to look upon that war with Germany as necessary for the survival of the British way of life, was no easy task since at the time, the majority of the people had any desire for war with Germany, and there was staunch opposition to it. Placed in charge of the propaganda enterprise were Lord Northcliffe and Lord Rothmere. Actually, both men were directly related to the Rothschilds through marriage.

One of the three daughters of Nathan Rothschild II was Charlotte, born in 1807 who married her cousin Anselm Salomon, son of Salomon, the second child of Amschel and Caroline Stern of the Frankfurt Sterns. The Sterns were directly related to the Harmsworths of England, one of who became "Lord Northcliffe" and the other who became "Lord Rothmere."

For full details about the Tavistock Institute read: The Tavistock Institute of Human Relations: Shaping the Moral, Spiritual, Cultural, Political and Economic Recline of the United States of America. (2006)

Jacob (James) Rothschild was undoubtedly the most important man in France, having virtually created many French politicians and leaders who owed their position to him. He had come a long way from the thirteen-year old boy that had hardly attended school, accompanying instead, his father Mayer Amschel in the many trips he took across Germany.

There he was exposed to the restrictions imposed upon Jews who traveled across the borders of the principalities, being forced to pay a Liebzoll, head tax, each time. James always desired to leave Frankfurt and follow his

brother Nathan to London, but instead, Amschel sent him to Paris. He left Frankfurt for that city in March of 1811. His arrival in Paris did not go unnoticed by Finance Minister Mollien who reported it to Napoleon: A Frankfurt man who is now in Paris and who calls himself Rotschild (sic) is occupied mainly in smuggling guineas from the English coast to Dunkirk.

Francois-Nicholas Comte Mollien was Napoleon's top advisor holding the post of Minister of Finance from 1806-1814.

The arrival of James must have been an event of importance for Napoleon, who could not have known what great a part James Rothschild was to play in his downfall, and of course the Rothschilds were engaged in more than smuggling, although that activity was a widespread and very lucrative business for them. When the British blockaded France, Mayer Amschel saw it as a golden chance to make a fortune, and he did, in gold.

> At twenty-two years old, James was a rather unattractive young man who was almost servile in mannerisms. Some of his contemporaries were not so kind. Castellane, who along with Mirabeau and Clement-Tonnerrre were the high nobility of Paris, found James frightfully ugly, even though he is the Adonis of the Rothschilds'. (Baron James, Anka Muhlstein, page 61)

Others were even harsher:

> A monstrous visage, the flattest, squattest, most frightful kind of batrachian's face with bloodshot eyes, swollen lids, and a slobbery mouth slit like a piggy bank, a sort of a satrap of gold, that's Rothschild.
> (Goncourts, Journal Paris 1854 Vol. Ill, 7)

James set his course in Paris in 1814 when he asked the Commercial Court to accept registration of his banking house. Before that, he acted merely as the representative of the Frankfurt "head office." This did not alter the solid connection between himself, London and Frankfurt; rather it formalized it and gave him greater status in Paris. He now branched out into tax collecting for the French Treasury and engaged in widespread money lending.

When the fortunes of the king changed, and through the Restoration, (the 100 Days of Napoleon) it did not matter who was at the head of affairs, all were beholden to James Rothschild. He seemed able to change sides without losing one scrap of face or influence.

The end of Napoleon at Waterloo, engineered by his brother Nathan from London, brought in its aftermath a very profitable relation with King Louis whose return to power the Rothschilds made possible by loaning the necessary capital. The undermining of Napoleon and his government was the work of the Rothschilds who now enjoyed the bounty brought with the Restoration.

Napoleon's barely concealed dislike for the Jews contributed to his downfall. The Rothschilds had lived in fear of Napoleon after he refused to attack Christian kings and Christian nations. With peace once more in the air, banker's loans became the biggest and best opportunity to make money, and the Rothschilds exploited it to the full.

CHAPTER 10

NATHAN ROTHSCHILD SETTLES FRENCH DEBTS

The French Government had to settle its wartime indemnities and for this, they needed to borrow money. By lending Louis XVIII the money it took to make a triumphant, but dignified return, Nathan Rothschild ensured a "place in the sun" for James. The sum of money was reputed to be 5 million francs.

True to the teachings of old Mayer Amschel, Nathan did nothing for nothing. His game plan for the loan was to oblige the king to open the doors for James to get into the high circles of society, at the head of which stood the Duc de Richelieu, Premiere of Paris.

At first, Richelieu resisted but he had not an inkling of how persistent Nathan could be. Much pressure was exerted upon him by the Marquis d'Osmond, the French Ambassador at London, and by the Austrian Ambassador Count Esterhazy, both of whom were heavily indebted to Nathan. Finally, although extremely irritated by such unseemly pressure, de Richelieu consented to receive James. It did not stop there.

Next, James got the chief of police Decazes in his pocket through providing him with "special information," which came to him from the von Thurn and Taxis family of Germany who held the mail contract. They simply opened mail of interest to the Rothschilds and then relayed the contents to James in Paris, Nathan in London or Mayer in Frankfurt. It is worth noting, that the von Turn and Taxis

family is part of the Committee of 300. There was a double benefit in giving the information thus gained to Decazes instead of de Richelieu to whom it ought to have gone. In return, Decazes kept James informed of any pending anti-Jewish moves or political intrigues directed against his bank.

With his circle of important people growing wider, James decided that he needed a home more suited to his status, one where he might entertain in the lavish style that was expected of him. He found such a home in a mansion formerly possessed by Queen Hortense on the Rue La Fitte, which had previously belonged to a Paris banker named Laborde, who fell victim to the guillotine in 1794. Hortense, the daughter of Empress Josephine had become Queen of Holland after being married to Napoleon's brother, Louis.

It cost James a fortune to have the house remodeled and refurbished; some said the bills came to more than three million francs. When completed in 1834, it became the talk of the town. Heinrich Heine, the German-Jewish Communist philosopher, the Duc d'Orleans and Prince Leopold of Coburg were frequent guests at the glittering soirees given by James.

When Prince Metternich and his entourage, including the brilliant Prussian Friedrich von Gentz, who had the confidence of the great man, came to Paris, James gave a party that rivaled anything seen in Paris since the return of the king. Even the mighty Duke of Wellington dared not refuse an invitation from James when he visited Paris.

James patronized von Gentz and played on his weakness for women, lots of women, providing von Gentz with the money it took through "easy terms" as we say today. Von Gentz got all the women he could handle, plus many other luxuries he had not hitherto been able to afford. Thus did James come to "own" von Gentz.

> James' palace became a magnet for all types of politicians, and particularly, those who were open

> Communists and Socialists. One such person was Ludwig Borne, a strong supporter of the notion that all the kings of Europe should be dethroned and replaced by James, with the exception of Louis Philippe who would be crowned in Paris, so that coronation ceremony would be conducted, not by the Pope, but by James Rothschild. (Notre Dame de la Bourse, January 22, 1832)

> As previously mentioned, an individual who was patronized by James Rothschild was Heinrich Heine, the German poet who had deserted his homeland and settled in Paris, whether to be near Rothschild, or for political reasons, is not certain. Heine was an avowed Communist and was more than likely on the German police list of subversives and this may have been one reason why he took up residence in Paris. Rothschild helped Heine in innumerable ways, not the least being financial. Heine perceived James a revolutionary and praised him for being 'one of the first to perceive the worth of the Crimieux . . .' Herr von Rothschild alone discovered Emile Pereire, the Pontifex Maximus of railways. (Olivia Maria O'Grady)

Not exactly true as I found when I looked at the profit angle that brought James to invest in the new fad. Pereira was a young Sephardim Jew employed by James to do the day-today supervision of the construction work. Through it all, James and Nathan did not stray far from the tricks of the trade taught them by Mayer Amschel, that being never to lose sight of the goal that money was everything.

A particular deal, one of many that James and Nathan were offered, was that of official agents for making payments to Austrian troops stationed at Colmar in Alsace. The Rothschilds were awarded the contract by undercutting all

competitors. The business was risky because it involved transport of coinage through bandit-infested areas, necessitating expensive insurance. Instead of transporting physical coinage, James arranged for Rothschild credits to be placed with local banks against which the soldiers were paid. Having eliminated the risk, James and Nathan were able to pocket substantial commissions. This became the basis of new business, the transfer of funds all around the Continent and to London now being done in this way, and the Rothschilds had the monopoly.

In order to give readers just a glimpse of the immense power wielded by James I relate the following affair, which became one of his causes celebre and showed how far his powerful arm could reach. A certain priest, a Father Thomas and his servant disappeared in Damascus in April 1840. Murder was suspected and the suspects, who just happened to be Jewish, were arrested, whereupon they confessed to the murder.

> World Jewry immediately protested vehemently that the arrested Jews were innocent, and that their confessions had been made under torture. James and Salomon immediately brought their combined pressures to bear upon the monarch and Salomon induced Prince Mettemich of Austria to take action.
>
> The Austrian Consul von Laurin protested to Mohammed Ali, reporting directly to James and Salomon actions taken. The French Consul at Damascus, however, being on the scene, took an altogether different view of the murder and the defendants the political scene being acute; Louis Philippe dared not risk unwarranted support of the Jews against the Christians. James' letter to Salomon is of considerable importance. It clearly reveals the behind-the-scenes methods employed by the

Rothschilds in pressuring governments and molding public opinion: My efforts have unfortunately, not yet produced the desired results. The government is acting very slowly in this matter; in spite of the praiseworthy action of the Austrian Consul, because the matter is too remote so that the public interest has not been sufficiently aroused about it. All that I have so far succeeded in doing is, as stated in the Monitor today, to arrange that the Vice Consul at Alexandria should be instructed to investigate the conduct of the Consul at Damascus.

This is only a temporizing measure since the vice consul is under the Consul, so that he has no authority to call the latter to account for his actions. In such circumstances the only means left is the all-powerful method here of calling in the newspapers to our assistance and we have accordingly today had a detailed account based upon the reports of the Austrian Consul sent in to the Debates and other papers, and have also arranged that this account shall appear in similar detail in the Algemene Zeifung of Augsburg.

We would certainly have published Herr von Laurin 's letters to me on this matter, had we not felt that this could only have been done after previously obtaining the permission of his Highness Prince von Metternich.

For this reason, my dear brother, convinced as I am that you will gladly do your utmost in this just cause, I would beg you to request of the Prince in his kindness to authorize the publication of these letters. The gracious sentiments of human feeling, which the Prince has expressed with regard to this sad episode,

> cause us to confidently entertain the hope that this request will not be refused.
>
> When you have received the desired permission, I beg you, my dear Salomon, not to immediately publish the letter in the Osterreicher Beobachter alone, but to also be so good as to send them immediately with a short covering letter to the Augsburger Zeitung, so that they may reach the public through that medium also. (The Untold History, Count Cherep-Spiridovich)

Some of the important statesmen the Rothschild had under their control began to worry about their power and influence.

One of these was Prince Metternich who was under the firm control of Salomon Rothschild and regarded by him as no more than a "valet" for the Rothschild family. After bartering away a good deal of Austria's sovereignty, Metternich began to have serious doubts:

> By reason of natural causes which I cannot regard as good or moral, the House of Rothschild is a much more important influence in French affairs than the foreign office of any country, except perhaps, England. The great motive force is their money. People who hope for philanthropy and who have to suppress all criticisms under the weight of gold, need a great deal of it. The fact of corruption is dealt with quite openly, that practical element, in the fullest sense of the word, in the modem representative system.

Too late did Metternich realize that by selling Austria he was playing right into the hands of the international revolutionaries, and when the revolutionary fires began to

burn, despite his exalted rank, Prince Metternich had to flee Vienna on money borrowed from Salomon Rothschild.

It is doubted by historians, that Metternich ever had any conception of the revolutionary forces he had inadvertently helped to unleash. According to documents in the British Museum, world revolution began to go into high gear in 1848, beginning in Sicily in January of that year.

> The great cities of Europe seemed to be stirred by waves of excitement. Disorder spread to Naples. In Paris the red flag was unfurled over the barricades. Socialist revolutionaries led the workmen and students into bloody revolt in February 22, 1848, and Guizot resigned. (Olivia Maria O'Grady)

It is stated that James Rothschild overrated King Louis Phillip, thinking him to be sympathetic to revolutionary ideas. According to Professor William Langer, Coolidge Professor of History at Harvard University . . . Republicans and other radicals had accepted Louis Philippe as a revolutionary monarch only to discover their mistake too late.

This is surprising, as James Rothschild was known to be a very astute judge of character and one who could read political scenes like a road map. It cannot be said with certainty, but Marshal Soult, a close friend of Nathan Rothschild, who formed a ministry with the Duke of Brioglie, Thiers and Guizot, the latter two men being of a notably conservative side of politics, may have had something to do with it.

In 1830 demands by workers stirred up by Marx and his Socialist International began in Italy and Poland, which were not met by their governments. Radical agitation and violence continued in France during 1831:

In November 1831, a large scale insurrection of workers at Lyons was put down with difficulty. There followed a rapid spread of secret societies. Under the regime of press freedom the king was unsparingly attacked and in the radical newspapers mercilessly caricatured, notably by Honorare Daumire. In 1834 there were great revolts in Paris and Lyons, which were suppressed with great severity. In 1845, the radical Fieschi attempted to assassinate Louis Philippe, but the attempt did not succeed. Thereafter, in 1836, the king established a government run by his personal friend Colonel Louis Mole with the Right Center leadership Guizot; but he joined forces with the Left Center Party and overthrew Mole. (The Untold History, John Reeves)

To continue with The Untold History:

Revolutionary activities prior to 1848 had sent men like Karl Marx and Frederick Engels, Louis Napoleon Bonaparte into exile from the Continent. England had been their haven. In 1848 they had returned to the Continent to participate in the Revolutions. On February 24, 1848, the Charter and constitution and parliamentary rule seemed to come to an abrupt halt.

In all of Paris I did not see one member of the militia, one soldier, one gendarme, or one member of the police. Meanwhile sheer terror gripped all upper classes. I don't believe that any time during the Revolution (1789-94) it was quite so great. (Victor Hugo, Choses vues, page 268)

James stayed on for a few days and was observed by Feydeau, one of the members of the National Guard:

> Around noon, I saw two gentlemen, arm in arm, calmly appear out of the Rue de la Paix and move toward the Tuileries. I recognized one of them a Baron de Rothschild. I quickly went up to him. 'Messeur le Baron,' I said 'you would seem not to have chosen a very good day for a walk. I think it would be better if you returned home rather than expose yourself to bullets whizzing in all directions.'
>
> But the Baron assured him that he was safe and was needed at the Ministry of Finance. Louis Napoleon was to become, first, the President of France and then Emperor; Marx and Engels joined in founding the Communist League, and then, with the failure of the revolutions, they returned to England, while others, among them Joseph Wedermeyer emigrated to the United States... (Olivia Maria O'Grady)

After the Battle of Sedan and the capture of Napoleon III by the Prussians (September 1870), Paris, mistaking itself for being the heart, brains and other organs of the French nation, and the rest of France as backward, primitive, one might say almost barbaric appendage, underwent a series of revolutions (in the name of France) culminating in the Paris Commune of 1871, which served only to leave the nation prostrate before the enemy and expose it to his contempt. Quoting from Professor Langer:

> Between 1840-1847 Guizot became the commanding figure. Guizot became premiere in 1847 and remained in power until 1848 when he resigned. Street disorders led to the revolution of February.

Continuing the account of events in 1848, from papers and documents in the British Museum and from L'Alliance France-Allemande et Les Forces Titanique, The

Rothschilds by John Reeves and the accounts of Olivia Maria O'Grady:

> In Paris the red flag was unfurled over the barricades. Marxist revolutionaries led the workmen and students into a bloody revolt on February 22, 1848 and Guizot resigned. The troops attacked the revolutionaries on the barricades; stirring the population into a frenzy of excitement. On the 24, the National Guard and line regiments went over to the rebels. The seventy four year old Louis Philippe fled the country.
>
> Marx and Engels made ready to take personal charge of the revolution . . . Marx was entrusted with full revolutionary powers . . . Lamartine and Arago asked the Jewish banker, Michael Goudchaux to accept the revolutionary portfolio for finance. The banker accepted. Caussidere, the barricade prefect, asked James Rothschild for a loan for the purposes of paying his revolutionary aides. James happily complied. (Pages 218-219)

After describing how Marx and Engels took charge of the various revolutionary factions and organizing revolt in Germany, O'Grady wrote:

> In the beginning of April, Marx and Engels left Paris for Germany where the flames of revolution had preceded them. The Holy Alliance had collapsed in the smoke and flame of Vienna and Prince Mettemich had fled the city on money borrowed from Solomon Rothschild. (Page 219)

> James Rothschild gave Leder-Rollin seven hundred and fifty thousand francs in support of the 1848 revolution. It was said that he was compelled to do so under Rollin 's threat to burn the Palais Rothschild in the Rue Lafitte. In the three days of street fighting in June of 1848, Louis Eugene Cavalgnac emerged victorious; He immediately assumed dictatorial powers and was nominated president of the council of ministers by the National Assembly. By free use of large sums of money Rothschild ingratiated himself with the new power in France, and was as much at home with Cavalgnac as he had been with Louis Philippe. It was soon said that he was as good a Republican as he had been monarchist.

The French Workers Party claimed him as one of their own. The Editor of the radical Tocsin des Travailleurs wrote:

> You are a wonder sir! In spite of his legal majority Louis Philippe has fallen, Guizot has disappeared, the constitutional monarchy and parliamentary methods have gone by the board; you, however, are unmoved. Where are Aragon and Lamaratine? They are finished but you have survived. The banking princes are going into liquidation and their offices are closed.
>
> The great captains of industry and the railway companies' totter . . . you alone among those ruins remain unaffected. Although your House felt the first shock of violence in Paris, although the effects of the Revolution pursue you from Naples to Vienna to Berlin, you remain unmoved in the face of a movement that has affected the whole of Europe. Wealth fades away, glory is humbled, and dominion

is broken, but the Jew, the Monarch of our time held his throne.

The Paris Commune was the first Communist government in Europe. Of the Rothschilds, O'Grady writes:

> Their fabulous command of unlimited supplies of money broke down all barriers for the Rothschilds. The dazzle of great wealth increased their social prestige everywhere. The powerful, the great kings, princes and premieres sought their favor.
>
> They built palaces and entertained the 'right people' with a royal magnificence that shamed the state affairs of monarchs. The world was their feet, and the cause of Jewry in Europe was in the ascendancy. Just how fabulous was their fortune is going be demonstrated as we proceed.

CHAPTER 11

FRANCE SURVIVES COMMUNIST ONSLAUGHTS

Leaving that momentous event behind, I researched papers about France in later years to see if the thread continued and found that it very much did. Following the success of the Paris Commune, the Communists tried again in 1871 after the Provisional Peace of Versailles was signed with Bismarck. In September 1870, the collapse of Napoleon III at Sedan was a blow that the French Empire did not survive.

On September 4, the mob again tried to take over Paris as they had done previously when James Rothschild had partly financed the revolution, but on September 19, the German armies that had defeated the French at Sedan rushed through to Paris and invested the city.

The Communists were not able to sustain their offensive and Paris was left with food enough for only eight days. On January 28, 1871, Paris capitulated to the German army. French troops disarmed, forts taken over. Bismarck allowed for elections and demanded an indemnity of five billion francs be paid to Germany. In March through May of 1871, the Marxist Communists National Guard, whom Bismarck had failed to disarm, seized 417 cannons and murdered Generals Lecomte and Thomas.

The International played a leading role in the National Guard through Loeb, Cohen, Lazare, Levi and of course, Karl Marx. The regular troops were forced to retreat and leave Paris in the hands of the Marxist Socialist International. Backed by the German army, French troops

attacked the barricades in Paris and broke the hold of the Communists. But in the meantime, before the assault of the French and German regular troops broke the power of the mob led by the rebellious National Guard, the Communists exacted fearful reprisals. Sixty-seven innocent hostages were butchered at Fort Vincennes.

The Archbishop of Darboy was shot down like a dog, as were a number of his priests. Prominent citizens were also summarily shot. This happened even as the troops of the Third Republic were entering the city.

On May 20, 1871, the Communists drenched all those sections of Paris under their siege with gasoline, setting fire to all public buildings and most private property, including homes. The Tuileries, the Ministry of Finance, the Palais Royal, the Ministry of Justice, the City Hall and the police headquarters were all set on fire and burned to the ground.

> By a miracle, the sumptuous House of Rothschild and its priceless possessions remained untouched. As always before, the House of Rothschild emerged from the hazards of the war of 1870-1871 and the Paris Commune, financially unshaken and still the undisputed masters of Europe. Again the Rothschilds showed they were capable of switching their allegiance from the monarchy and bestowing it with equal devotion to the Third Republic. Alfonse Rothschild, of course, withdrew to Versailles, and took a room in the Hotel des Reservoirs where he lived throughout the fighting, looting and the terrors of the revolution.

The quoted portions are from the work of Olivia Maria O'Grady, the works of Professor Langer and from The Untold Mystery by John Reeves.

What is worthy of note is that while the most radical of the mob remained to murder their unfortunate victims, their

leaders slipped out of the city and made their way to England, Switzerland and Latin America. The Paris Commune having run its course, collapsed in a frenzy of blood lust. There appears to be little doubt that the vast sum of money it took to run the Commune (it only lasted for two months) must have come from the Rothschilds.

> The leaders of the Commune spent 42 million francs, an enormous sum of money for that day. Even with the most prolific squandering it is hard to see how it could have spent as much as one third of that amount. This means that some 25 million francs disappeared in some direction, probably Switzerland, and possibly in the baggage of the head of the Bank of France, or rather its Assistant Governor, the Marquis de Poleis, who accompanied Beslay to Switzerland, when the latter was given a safe conduct pass to leave the country after the suppression of the Commune. (The Untold History, John Reeves)

The general feeling at the time was that Beslay, who had been appointed to the Bank of France by the Paris Commune (in other words, indirectly by the Rothschilds) had rescued the money for them and that the Rothschilds arranged the safe-conduct passes.

In any event, the Paris Commune brought shame and disgrace to the people of France and sent the Socialist movement into a state of decline. It is interesting to note that the Preliminary Peace Treaty of Versailles had been negotiated in part by Alfonso Rothschild, the son of James Rothschild. Alfonso concluded the financial negotiations with Bismarck and agreed to payment of the five billion francs demanded for reparations.

Eduard Rothschild was the son of Alfonso Rothschild, the eldest son of James Rothschild, who died on May 26, 1905, but the line of succession's hold on French

affairs continued. Later, we shall see the part played by Eduard Rothschild and Lord Rothschild in the so-called "Balfour Declaration" that led to the establishment of a Zionist State in Palestine, in which, incidentally, Disraeli played a leading role for his masters, the Rothschilds. There are always people behind the scenes, as any thinking student of world history will know. What role did Disraeli play in the "homeland" for the Jews? In his work Tancred, Disraeli talked about "those days of political justice when Jerusalem belonged to the Jews." Of Jerusalem, he wrote:

> I saw before me apparently a gorgeous city" and all through his novels, Alroy, Contari and Fleming, he wrote about his love of Jerusalem stressing that it was a Jewish possession. At Hughendon, his country residence, Disraeli told the visiting Stanley of his "plans for restoring Palestine to the Jews and for the re-colonization by Jews.

What role did Karl Marx play in the 1871 Paris uprising of the Communists? According to records in the British Museum confirmed by two other sources:

> Marx was exultant, and though his fame spread everywhere as the monster who let loose the murderous cut-throats of Paris, he strutted like a peacock before members of the International in London. He launched into a eulogy of the 'immortal heroes of the barricades.'
>
> When the Paris Commune took the management of the revolution into its own hands, when plain workingmen for the first time dared to infringe upon the government of privilege of their cultural superiors, the old world writhed in convulsions of rage at the sight of the red flag, the symbol of the

> republic of labor, floating over the Hotel De Ville. (The Paris City Hall)

One of the things we learned from the Paris Commune is that it disenchanted the majority of the French people, but the leaders who slipped away to England and Switzerland with the help of the Freemasons and Illuminati, regarded it as a landmark in the rise of International Socialism in Germany, Spain, Russia and Italy. Karl Marx in London became the clearinghouse for International Marxism, but right next to him stood Engels and the Rothschilds.

In the Untold History, we are told that the Rothschilds were the agents for the Frankfurt Masons, of which the Landgrave of Hesse was the Master, whose finances the Rothschilds controlled. At this juncture a few notations about Bismarck would be appropriate since he played a major role in shaping the destiny of not only Germany, but the whole of Europe.

According to author John Reeves in his work, The Rothschilds, Bismarck was regarded as a mere valet of the Rothschilds and was half-Jewish.

Documents in the British Museum suggest that Bismarck's natural father was Marshal Soult, the real "Waterloo" of Napoleon I: "Does it not prove that Marshal Soult was his real father and not the quiet Prussian small landowner, the official father of Bismarck?"

> After Napoleon had been put down by the Rothschilds, they needed a new leader and they created such a one in Otto Bismarck. His father, William, married Louise Menken [the Menkens were Jews] — a bourgeoisie of unknown origin. He took her into his country place, which the French troops of Napoleon soon invaded, and in a nearby chateau, Marshal Soult established his headquarters.

> Louis had been in imminent peril of violation, the champagne of Soult, his Asiatic persuasive powers appealed to the heart of Louis more than the beer and heavy wits of her German husband. Soult has since shown an extreme attention to Mrs. Bismarck — Menken and her son, the future 'Man of Blood and Iron.' Soult occupied the highest posts in France and until his death betrayed every Christian ruler. The six years Bismarck passed in Palma Institute in Berlin had left him but regrettable memories. (Cherep-Spiridovich, page 108 -- The Hidden Hand attributed to J. Hoche)

Actually, Louise Bismarck-Menken was not of unknown origin. I traced her antecedents to Haim Solomon who is credited with giving all of his fortune to General George Washington to start the American Revolution. The Jewish Tribune of New York of January 9, 1925, also confirmed that Louise Menken was the descendant of Haim Solomon.

Certain researchers and historians hotly dispute that the money Solomon gave to Washington was his own, but that it came from the Rothschilds, Solomon being their mere conduit. They point to the fact that in spite of giving all his money to Washington, Haim continued to live in luxury. The story of how Bismarck was co-opted by the Rothschilds can be pieced together from Lord Beaconsfield Letters, December 1812 and from Coningsby:

> Lionel Rothschild often took Disraeli to Paris where he was introduced to James Rothschild III. They were visited by Count Arnim, the Prussian Minister. Through Lionel, Disraeli became his friend. Soult was a Cabinet Minister of France and spoke much, perhaps, of his son, or the son of his mistress, ex Menken-Bismarck. Thus it was that the Rothschilds

> decided to capture young Bismarck, who was in great need, and was, at least, a half a Jew, who already in 1839 was compelled to struggle against disaster which threatened his property. But the Rothschilds, Soult and Amim were already watching him and all sought to use him. Even in 1839 at Aachen, Bismarck had shown himself rebellious, as had Disraeli in his poem 'Blessings to the regicide dagger.'
>
> But James required that Bismarck and Disraeli display 'arch Conservatism,' which then was winning in order to slip into high society and to acquire power. Therefore, Disraeli and Bismarck dropped the hymns to 'regicide daggers' and became ultra-conservative. Both were ordered to become 'very mundane.' Amim, the Prussian Minister and member of the Reichstag married Bismarck's beloved sister Malvina in 1844 and, according to Disraeli, Bismarck fell entirely under the influence of the Rothschilds andArnim and his sister.

Indirectly we learn the statement made by Walter Rathenau that 300 men rule the world (see The Conspirators' Hierarchy: The Committee of 300). Forty years before, Bismarck indicated his agreement with Rathenau's statement:

> This was repeated by Disraeli when he said that 'the world is ruled by very different personages from what is imagined by those who are not behind the scenes.' Forty years before Rathenau's statement, Bismarck indicated his agreement with both Rathenau and Disraeli.
>
> (Extracted from Coningsby and Cherep-Spiridovich and British Museum papers)

Considered a reactionary, in 1847 Bismarck tried to placate Conservatives by his simulated violence against the Liberals, following the example of Disraeli and thus won the favor of the Prussian King. With a great deal of effort and juggling, Bismarck's controllers managed to get him to marry Johanna Puttkamer in 1847.

Puttkamer was a remarkable woman whose abilities to calm his terrible temper (probably inherited from Soult) because his registered father was a quiet man never given to violent outbursts thus saving his career, which would otherwise have come to an abrupt end. When in 1849 the list of new Cabinet members was proposed to Frederick William IV, he drew a thick line though Bismarck's name and wrote: Red-hot reactionary. Likes the smell of blood.

In 1849 Bismarck had himself elected to the Second Prussian Chamber with the help of Arnim and Rothschild, and in 1851 he attended the Diet of Frankfurt am Main as a Deputy. Count Arnim was also behind Bismarck and he did his part by recommending him to Otto von Manteuffel, the Minister of Prussia. Of von Manteuffel, Professor Langer discusses the background to his importance, historically:

> On May 16, 1850, a number of petty states and Austria met at Frankfurt and reconstituted the old diet of the Germanic Confederation. If Prussia insisted on this union, war with Austria appeared inevitable. When a dispute arose from an appeal . . . both powers mobilized and war seemed imminent.
>
> Tsar Nichols of Russia, irritated by the pseudo liberalism of the Prussian ruler sided with Austria, and Frederick William, who had been averse to war from the very outset, decided to beat a hasty retreat. He sent his new Minister, Otto von Manteuffel to negotiate. . . (Professor Langer, page 726-727)

> When Bismarck was old, his eyes never lost their amazing power. He had by nature contempt for anything weak, sentimental and among his objects of disdain he included several Christian virtues. (Professor F.M. Bowicke, Bismarck and the German Empire, page 5)

In La Revue des Deux Mondes published in 1880 vol. 26, page 203 by Valbert, we read the following:

> The Jews were the only people who could exploit Bismarck in such a way, where the entire liberal reforms in Germany after Sadowa (where the Prussians were defeated by the Austrians in 1866) introduced by Bismarck, served to benefit the Jews. ..

As we have shown, the Rothschilds were particularly interested in the politics of all nations where they had established themselves. For instance, at the Congress of Vienna, the Rothschilds sought to predominate. We learn from Maria Olivia O'Grady:

> . . . The Jews sent representatives to the Congress of Vienna where they sought to influence the official delegates through bribes and presents. The elder Rothschild, it will be recalled, was fearful of the special Jewish privilege he had bought from Karl von Dalberg, prince primate of the Confederation of the Rhine, might be lost unless incorporated in the new constitutions that the Congress was expected to draft.
>
> Jacob Baruch (father of Ludwig Boerne) G.G. Uffenheim and J.J. Gumprecht, Rothschild's special emissaries, would have been run out of town by the Viennese police, had not Metternich intervened.

> The Jewish representatives, of course, had no official position in the Congress. The most important Jewish influence on the members of Congress came from the Jewesses who opened their salons in lavish entertainment of the leading statesmen and rulers who were attending the sessions of Congress.
>
> The most prominent of these Jewesses were Baroness Fanny von Arenstein, Madame von Eskeles, Rachel Levin von Varahagen, Madam Leopold Herz, and the Duchess Mendelssohn von Schlegel. The best that the Jews were able to accomplish at the Congress of Vienna was a number of drafts proposals that invariably offered full rights of citizenship to those Jews who 'assume performance of all the duties of citizens.' This clause did not meet with all the peculiar demands and requirements of the Jewish 'nation,' which actually desired all rights of citizenship without the usual obligations. (The Congress of Vienna, pages 345, 346)

Author Anka Muhlstein in Baron James, The Rise of the French Rothschilds, puts a different interpretation on the events of the Congress of Vienna and their effect on Frankfurt:

> Hardly had the French armies withdrawn when the German authorities addressed themselves to the urgent problem of putting the Jews back in their place. In Frankfurt the rights legally acquired and dearly paid for were now abolished. Once again the Jews found themselves treated like unwelcome aliens.
>
> Realizing that their honor, their liberty, and occasionally their lives were threatened, the Jews turned to the Great Powers meeting regularly at the

> Congress in Vienna. But however valid, their arguments were in vain. This left Germany's Jews no choice but to resort, as in the past, to clandestine means and thus find, or buy protection.
>
> Salomon took charge of the Jewish campaign and suddenly the wallet of Gentz, Metternich's advisor grew fat. This resulted in a suspension of the Austrian edicts of expulsion along with statements from Metternich and Hardenberg, the Austrian Chancellor's counterpart in Prussia. (Baron James, The Rise of the French Rothschilds, Anka Muhlstein, page 68)

According to Muhlstein, Jews were attacked in Frankfurt and severely persecuted. Salomon Rothschild chose to move to Vienna, but Amschel remained in Frankfurt and after reminding the government how much they would need Rothschild loans, the violence against the Jews began to subside.

CHAPTER 12

SALOMON ROTHSCHILD SHOWS HIS FINANCIAL CLOUT

In Vienna, Salomon was not allowed to buy a house, so he rented an entire luxurious hotel for himself and then refused the King of Wurtemberg the apartment he had occupied for many years.

Salomon was granted diplomatic immunity and had the title "Baron" bestowed upon him. Metternich then appointed James and Nathan as Consuls, an "unthinkable honor for a Jew" as Salomon noted:

> James did not renew his appeal. Metternich's evident power and protection relieved his anxiety. Thanks to the Chancellor, in fact, the Rothschilds would acquire diplomatic immunity.
>
> Having granted them a useful and flattering title, he would now do considerably more. Nathan and James, at the price of numerous skillfully negotiated loans conceived the idea of having themselves appointed Consuls to represent Austria in London and Paris. A Jew entering the diplomatic corps! It was unthinkable. However, despite the enormity of the proposal, Metternich agreed.

> Only the evil-minded would suspect some connection between the advantageous personal loans made by the Rothschilds to the Chancellor. All court functions lead to new business especially when it has to do with Austria. If James should be appointed in Paris, he could, God willing, take charge of everything related to the liquidation of the debt owed by France to Austria, since the Consul would be allowed to treat with the King in person. {Souvenirs Augustus de Fremilly, page 232, 1908)

> In trying to establish a pattern of powerful Jews attempting to use their influence at international conventions, The Conference of Aix la Chapelle in 1818 was also confronted with uninvited Jewish representatives. Lewis Way, an English clergyman, acted as the Jewish mouthpiece, and introduced a petition to the Conference advocating Jewish emancipation in Europe. Jewish influence in the 1856 Congress of Paris and the 1858 Congress of Paris is evident in the work of both meetings. It does not appear that that Jewry was permitted official representation at either of these two conferences. (Olivia Maria O' Grady)

That did not sit well with the Rothschilds who then demanded more and more from those they held in their power. After receiving titles of barons and consuls, they now desired more visible signs of their power to be displayed.

Their "love of distinctions" was immoderate to say the least. Von Gentz was instructed to let the public know that medals and ribbons were being granted to them, and to advertise the fact: "Salomon von Rothschild and his brother in Paris have received the order of Saint Vladimir in recognition of loans negotiated for Russia."

Von Gentz wrote to a number of leading German journals. It would be as well that you publish the news. Make it Vladimir rather than Saint Vladimir. In a letter to Count von Neipberg, in 1830, Metternich privately criticized the Rothschild's vanity: The Rothschilds would like a small Saint George. What vanity. Despite their millions and their generous loyalty, the Rothschilds have an astonishing appetite for honors and distinction. (British Museum Documents)

The Christian religious nature of the decorations made it all the more extraordinary that the Rothschilds were able to secure them, and point to the power they exercised over Metternich and Bismarck, especially as it is known that Metternich began to object to the Rothschilds demands on the grounds that as non-Christians they were not entitled to receive certain decorations, but that did not stop the flood of requests for special honors. In 1867 Alphonse, the eldest son of James wrote to his cousins in London:

> The most notable outcome of Bismarck's visit (to London) has been the distribution of decorations. My father received the Great Ribbon of the Red Eagle, the highest and most distinguished decoration. No Jew in Prussia has received it. (Gold and Iron, Fritz Stern, page 1150)

Continuing with O'Grady's work, her theme of unofficial, but powerful representation at world conventions where Jews had no standing, she refers to American efforts on their behalf: American Jewry influenced the United States to present their demand for full and equal rights' to the Bucharest Peace Conference of 1913, although the United States was not officially represented at the Conference.

On October 1913, the Anglo Jewish Association addressed a joint memorial to Sir Edward Grey, urging that the new affirmative guarantees for the Jews to be secured,

pointing out that Romania had repeatedly ignored and repudiated similar assurance.

> Elihu Root, the United States Secretary of State had issued strong instructions at the direction of President Theodore Roosevelt, to Ambassador White, representing the United States at the Algerian Conference of 1906, directing him to urge upon the conference the consideration of guarantees of religious and racial tolerance in Morocco.
>
> The work of World Jewry at the Peace Conference is nowhere better indicated than in the provisions imposed on Poland by the Versailles Treaty. A ruthless conqueror could not have been more severe. The Polish representatives signed the Minority Treaty on June 28, 1919, thereby committing Poland to divide sovereignty and a superior and privileged class of citizenry. (Olivia Maria O'Grady, pages 344-347)

It has been commented on many times in history that the average person in most countries has little or no time to spare to think beyond making a living, raising a family and holding down a job making these objectives possible, leaving little or no time to attend to politics or matters of economics or other vital issues, such as war and peace, that affected their lives and their nation.

Yet it seemed, that certain groups of people were immune from such restrictions, and always seemed to know where important issues were to be decided, and by whom, and seemed to have a world-wide network that kept them abreast of all political and economic developments. Highly organized and vocal, such groups always had the edge over the local citizenry.

According to The Hidden Hand authored by Cherep-Spiridovich and the extensive work of author Olivia Maria O'Grady, such highly effective groups were always Jewish or Jewish dominated and controlled.

Both authors cite numerous and extensive examples to prove their contention, perhaps two of the more convincing examples being the Paris Peace Conference of 1919 and the establishing of the State of Israel. Continuing with the account by Olivia Maria O'Grady:

> The dawn of 1919 found Paris literally flooded with Jews from all over the world-rich Jews, poor Jews, Orthodox Jews, Socialist Jews, financiers and revolutionaries, they poured into the French capital, -and they went to work.
>
> The Comite de Delegation Juives aupres de la Conference de la Paix (The Committee of Jewish Delegations at the Peace Conference) was fully organized by March 25, 1919. In addition the delegates of the World Zionist Organization and the B'nai B'rith were included in the Committee's membership, purporting to speak for ten million Jews.
>
> Woodrow Wilson, Georges Clemenceau and other international figures were putty in the hands of these International Jews. Although the idea of a world super state had long been a Jewish dream, Wilson's conceit in believing it as his own particular creation was pandered and puffed on all sides by the Jewish delegation and their controlled world press. 'The principles of national self-determination and homogeneity were not allowed to be carried to extremes,' writes one Jewish historian with obvious satisfaction.

> The finesse of the Jewish delegation is clearly discernible in the finished product of Versailles. The groundwork for the destruction of sovereignty throughout Christendom was well laid by the mastermind behind the Comite de Delagation Juives. Absolute sovereignty was restricted. As the basis for the Second World War 'the new and enlarged states' were compelled 'to assume an obligation to embody in a treaty with the principal Allied and Associated Powers, such provisions as might be deemed necessary for the said Powers to protect the inhabitants who differed from the majority of the population in race, language, or religion.'
>
> Included in the Jewish delegates to the Paris Peace Conference was Jacob Schiff, who was later to become one of the Wall Street bankers who financed the Bolshevik Revolution in Russia. The crowning Jewish triumph was the provision that brought 'domestic group rights' under the International guarantee and jurisdiction of The League of Nation -- not one of them was concerned with 'making the world safe for Democracy'. (Wilson's statement of intent, Olivia Maria O'Grady)

Wilson may have been fooled by the intent and purpose of the League of Nations, but a group of wide-awake United States Senators was not. They saw the League of Nations exactly for what it was; an attempt to destroy United States sovereignty, the United States Constitution and the Bill of Rights, and rejected it as such when the treaty was presented to the United States Senate for ratification.

Leading the opposition in the Senate were Senators Hiram Johnson and William E. Borah whose patriotism was unbounded. The treaty was rejected on November 11, 1919. British Prime Minister Lloyd George also saw the dangers of

the strictures imposed on nations by the Treaty of Versailles. In 1919 he put his fears on paper during a weekend break in meetings of the Conference:

> When nations are exhausted by wars in which they have put forth all their strength and which leave them tired, bleeding and broken, it is not difficult to patch up a peace that may last until the generation which experienced the horrors of war has passed away. . . It is therefore comparatively easy to patch up a peace that may last for thirty years. What is difficult, however, is to draw up a peace which will not provoke a fresh struggle when those who have practical experience of war have passed away...
>
> You may strip Germany of her colonies, reduce her armaments to a mere police force and her navy to that of a fifth-rate power; all the same, in the end if she feels that she has been unjustly treated in the peace of 1919 she will fund the means of extracting retribution from her conquerors.
>
> The imposition, the deep impression made upon the human heart of four years of unexplained slaughter will disappear with the hearts upon which it has been marked by the terrible sword of the Great War. The maintenance of peace will then depend upon there being no cause of exasperation constantly stirring up the spirit of patriotism, of justice, of fair play. . . Although Lloyd George made a valiant effort to see that justice was done for Germany, he failed, not for the want of trying, but because of the implacable forces of Internationalism arrayed against him, characterized by the vicious and brutally ugly behavior, attitudes and demands of Georges Clemenceau of France.

> That Lloyd George was far-seeing can be gathered from his almost prophetic words written at Fontainebleau in March of 1919. Lloyd George was defeated by the revolutionary forces that had been gathering power since the 18th century. Well organized and financed, they were virtually unstoppable. In a sense Lloyd George was hampered by the presence of his controller. Sir Philip, A.G.D. Sassoon, Bart, related through marriage and blood ties to the Rothschilds. As a member of the British Privy Council, Sassoon was able to join the secret deliberations of the conferees.

Spelling out the French policy at Versailles and its aftermath, TIME Magazine of May 17, 1940 in a rare lapse of Rothschild censorship also confirmed it:

> To the vital Ministry of the Interior, Premier Reynaud appointed energetic, 54-year old Georges Mandel, until then Minister of Colonies. This was no new job for the sharp-nosed stocky little Clemencist, who as the Tiger's chef de cabinet during the last war ran the country's domestic affairs and kept up civilian morale.
>
> Born Jeroboam Rothschild, Mandel has often been called France's Disraeli; a super politician in a country of politicians, lately showed in the Colonial (and Post Office) Ministry that he had lost none of his drive and administrative flair that made him indispensable to Clemenceau. . .

From my studies at the British Museum it is obvious the success of the Paris Peace Conference and the Treaty of Versailles that followed was dependent upon universal acceptance of the League of Nations, the first organized attempt to set up a One World Government that would usurp

the sovereignty of all nations, and give Palestine to the Zionists. This opinion is borne out by what Wilson said on his arrival in Paris in January 1919: The League of Nations is the central object of our meeting.

As is well known Wilson had been thoroughly coached and instructed by Mandel House, the servant of the Rothschilds and he knew that he had to obey orders. In researching the papers of Lloyd George at the British Museum, it became obvious to me that the British Prime Minister had put up a good fight against Wilson, but to no avail. In spite of vigorous protests from Lloyd George, Wilson insisted that the first item on the agenda had to be the proposals to establish The League of Nations.

I concentrated many months of research of The League of Nations at the British Museum and discovered that Wilson went to Paris armed with instructions indirectly received from Lord Rothschild via Mandel House as to his agenda.

Wilson had endeared himself to the Rothschilds through Mandel House, when as a professor at Princeton University; he tried to end what he called "snobbery" by banishing student clubs. He was not successful, but this very early indication of his Socialist beliefs drew the attention of House and eventually landed him the governorship of the State of New Jersey, and ultimately, the job of President of the United States. Chairman Will Hayes of the Republican Party National Committee said of Wilson:

> He wants to rebuild the world unimpeded in conformity with whatever Socialistic doctrines, whatever unlimited government-ownership notions, whatever hazy whims that may happen to possess him.

My study of Wilson's presidency shows that Hayes was on the right track, but had no way of knowing anything

about the persons who were directing Wilson's agenda. There was nothing hazy at all about the clear instructions he was constantly receiving from London via Mandell House. One such set of instructions from London concerned Wilson's Fourteen Points. In fact the Fourteen Points he was to present to the Paris Peace Conference was authored by the Rothschilds and Justice Brandeis, who passed it to Wilson with orders to use as his own at the Conference, under the watchful eye of Bernard Baruch. The second set of instructions, the League of Nations instructions, was also passed off as Wilson's work. His speech at the beginning of WWI, that America was fighting the "ruling class and not the German people" was pure House rhetoric. To continue with quotes from Olivia Maria O'Grady:

> President Wilson, surrounded by the Jewish financial fraternity, pushed hither and yon by the sinister Colonel House, and counseled by the Zionist Brandeis, imagined himself the great "peace maker' of all history. He was a historian who proved that he knew nothing about history.
>
> In the hands of the Jews, who used him for their own particular purposes, he plunged this country [the United States] into a disastrous war, and started a chain of events that were meant to ultimately destroy America.
>
> Flattered and eulogized by those who bent him to their will, he fancied himself playing God, remaking the world and its people in his own image. Sworn in his high office, to protect and advance the interests of the American people, he suddenly believed he had been given a mandate to save the world.

> He called for 'peace without victory' and declared that he was plunging the United States into a 'war to end war' and to 'make the world safe for democracy.' History has been busy ever since underscoring the asininity of his double talk.
>
> Peace and victory came on November 11, 1918 and Wilson rushed to Paris where he lost both. (Olivia Maria O'Grady)

This is perhaps a trifle hard on Wilson who was, after all surrounded and hedged in by advisors:

> We can now properly appraise this treacherous criminal peace treaty, out of which has grown the present war (WWII).
>
> It was not Wilson who betrayed the German government by the promise of his Fourteen Points, nor Lloyd George who was false to the Arabs to induce them to enter the war; — it was Jeroboam Rothschild, Sir Philip Sassoon and Bernard Baruch. Wilson, Lloyd George and Clemenceau are culpable only to the extent that they acted in obedience to a power they dared not oppose. These three Jews, representing the money power of the Rothschild family, determined the essential provisions of the infamous peace treaty.
>
> They established the International Labor Board; they made provisions for the Reparations Commission and the Brussels Financial Conference; they gave Palestine to the Jews; they established without our membership the League of Nations and the World Court.

> It was our refusal to join that prevented the consummation of their grandiose elaborate machine for the government of the World. (Rothschild Money Trust, pages 67, 68)

Although the name of Colonel House is not mentioned in this account, nevertheless it was House who more than Baruch represented the Rothschild interests in the United States at the conference. Continuing from The Rothschild Money Trust:

> These three Jews are responsible for the abandonment of President Wilson's Fourteen Points and of the flagrant violations of the promises upon which Germany laid down her arms. If President Wilson's pledges had been observed we would have no World War II. Perhaps if we had joined the League of Nations there would be none, for we would be the subjects of the 'King Despot' who would rule us with an iron hand.. .
>
> Jeroboam Rothschild (Mandel) was a member of the Reynaud cabinet and resigned with him and fled with him when France refused to be merged into the British Empire, but decided instead to surrender. The people of France now appear to realize, according to the press, that they are now the victims of warmongers . . .
>
> The League of Nations scheme did not originate with President Wilson. He made no such claim. Its precise origin is unknown, but the Jews claim credit for it. It is no doubt their baby; for it has all the earmarks of their craftiness. . . The London Daily Mail said of it that it is 'the most elaborate sham which history has yet perpetrated.'

Under the pretense of writing a peace treaty with Germany this peace conference established Palestine as a home for the Jews and invested the British Government with a mandate for the government of the country. The Jews have been at war with the Arabs since and the situation has become so intolerable that the British Government sought to divide the country between the Jews and the Arabs and surrender its responsibility, which pleased neither Jew nor Arab.

The people of America do not want a super-government or to be ruled by the pope of Rome or a despot of the blood of Zion. We barely escaped it when the Republicans with the aid of twelve willful democrats defeated the League of Nations project by a very small margin; for the League of Nations was meant to be that very thing. (Olivia Maria O'Grady, pages 68, 69 and 85)

A fitting epitaph (and perhaps a dire warning to the world) was written by O'Grady:

By the end of 1938 the collapse of the League of Nations was almost complete. Of the sixty-two nations that had constituted its membership, only forty-nine remained. At the close of 1940 it had ceased to exist.

It had gone the way of its predecessors - the Holy Alliance (so greatly feared by the Rothschilds-author) the Concert of Europe, and the Permanent Court of Arbitration.

It had failed because the United States had refused to participate, and because humanity had not yet been reduced to its common denominator of mediocrity.

'Mother,' 'home,' 'the flag,' 'heaven' and 'God and Country' were still deeply rooted in the minds and hearts of the people. Another war, and perhaps yet another, would be necessary before such 'reactionary bourgeois' concepts were blasted from the breasts of human beings.







(1) Mayer Amchel Rothschild
(2) Gutte Schnapper Rothschild
(3) The Rothschild family home on Judenstrasse Frankfurt Germany.



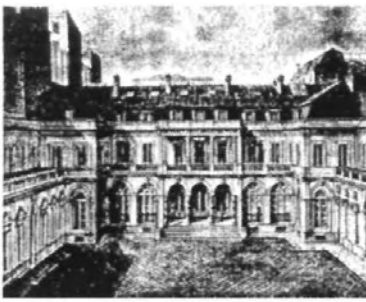




Rothschilds most famous sons who controlled a fortune in untold billions of dollars

(1) Jacob James Rothschild
(2) Lionel Rothschild
(3) Salomon, Nathan and Karl Rothschild







(1) Paris Residence of Jacob James Rothschild
(2) Waddesdon Manor (Mansion)
A Rothschild country residence in England









(1) Napoleon Bonaparte
(2) Arthur Wellesley (The Duke of Wellington)
(3) Marshall Soult
(4) General Blucher

CHAPTER 13

THE LEAGUE OF NATIONS: AN ATTEMPT TO ESTABLISH A ONE WORLD GOVERNMENT

One of the most astonishing aspects of The League of Nations was the great push to get it accepted by the United States, and the extraordinary lengths and efforts made for this purpose. Wilson demanded ratification of the treaty, as it stood, no discussion, no changes, and no modifications.

The American people, having been assessed by Rothschild agents in America as sufficiently ready to accept anything it was expected to accept secret agreements reached behind closed doors in 1915. This is what the Rothschilds were accustomed to seeing happen. It was always a case of "our will be done" or else expect plenty of trouble.

On September 22, 1919, Professor I. Shotwell, an American Fabianist, demanded that the Senate ratify the treaty without delay, and Charles McParland, General Secretary of the World Council of Churches seconded his plea!

I mention this to illustrate, just how well entrenched International Socialism was in the United States.

Zionism was the key leader, even then. Regarding the Zionist movement in America, there is an interesting account of it in History of Zionism by Walter Laqueur:

> Only in 1917 did the Zionist organization in America come into being. . . But despite the events in Eastern Europe . . . the impact of the movement was hardly noticed in American life. Europe, after all, was far away and the situation of American Jewry and its prospects gave no cause for concern. The movement was basically 'East Side' in character. It lacked money, prestige and political influence. Its leaders, on the other hand, were assimilated Jews such as Rabbi Stephen Wise. . . The breakthrough came during the early years of the war in Europe, when Brandeis became its leader. Brandeis was one of the most respected American lawyers, later a Justice of the Supreme Court. He was won over by Jacob de Haas, a British Zionist and close associate of Herzl, who had settled in America in 1901.
>
> Brandeis, in the words of other Zionist leaders was unrelated to any form of Jewish life, unread in its literature and unfamiliar with its traditions; he had to rediscover the Jewish people. But once his imagination had been captured by the Zionist ideal, he devoted much of his time and energy to the movement, whose president he was from 1914 until his appointment to the Supreme Court. It was the identification of Louis Brandeis with the movement, more than any other single event, which made Zionism a political force. To be a Zionist had suddenly become respectable. (Pages 160,161)

There are some very important statements in this extract from Laqueur's book.

1. Zionism was not the concern of the vast majority of American Jews.

2. The vast majority of American Jews were not much concerned with the war in Europe.

3. Brandeis was not a religious Jew in any sense of the accepted meaning of a "religious" Jew.

4. The Zionist movement before Brandeis joined it was basically a Socialist movement of East side Bolshevik non-religious Jews, the very same ones whom Trotsky recruited for his mission to overturn Christian Russia, in other words, Zionist Jews.

5. The majority of American Jews were not interested in migrating to Israel until Brandeis got their attention. Apparently they did not regard Palestine as a "homeland," at least not in the political sense of a Zionist State, because their religion taught that there could be no Jewish State until the return of the Messiah.

In fairness and wishing no harm to the Jews, and to be strictly objective, I researched thousands of pages of Brandeis history, but could find no evidence that he rediscovered his Jewish religion. I could find no evidence that Brandeis became a religious Jew. What was discovered was that De Haas had converted Brandeis to active Zionism, which is a political, and not a religious movement, in which political movement Brandeis became more of a convert than St. Paul was to Christianity. Brandeis went on to become the provisional president of the World Federation of Zionists, in itself a purely political non-religious body of non-religious Jews.

Perhaps the best-known historic event in which the Rothschilds participated at all stages was the so-called "Balfour Declaration," which is generally accepted as the beginning of the State of Israel in the land of Palestine, which the Zionists had been working to achieve for the past hundred

years. But by 1914 they had not made progress toward their goal, at least none worthy of mention. Zionism was no nearer to its often-stated goal of a Jewish State in Palestine than Herzl had been in 1897. According to the Congressional Records and papers in the British Museum, plus the War Memoirs of Robert Lansing, the American ambassador to London, and the writing of Ramsey McDonald, the First World War provided a golden opportunity for the furthering of the Herzl dream of a Zionist state in Palestine. Lansing pushed for America to enter WWI in 1915 and in pressuring Wilson, House, acting for the Rothschilds, joined him. Pressures on Wilson were enormous and the United States entered the war in Europe against the wishes of 87 percent of the American people.

The impression has always been given by establishment historians that a vast majority of Jews favored the establishment of a "Homeland for the Jews" in Palestine. Through a good deal of research I found this to be much of an exercise in propaganda. Actually, in Russia and Britain, there was not inconsiderable opposition to the idea from religious Jews who believed no such homeland could be established until after the return of their Messiah.

To blunt the attitude of religious Jews, Weisman made a speech in London on May 20, 1917 in which he asserted, that he knew that the British government was prepared to support Zionist plans for Palestine.

Of course he was not officially entitled to make such a claim, but no doubt knowing that the power and prestige of Lord Rothschild would more than likely carry the day, he did so, anyway. The anti-Zionist religious Jewish opposition under the direction of Claude Montefiore of the famous Montefiore Jewish dynasty was extremely upset, especially as Weizman had referred to religious Jews as "a small minority."

According to A History of Zionism, a letter, signed by Montefiore and David Alexander, the presidents of the British Board of Deputies was sent to the London Times

newspaper, which was published on May 24, 1917, under the heading Palestine and Zionism, Views of Anglo-Jewry:

> They reiterated their protest against the Zionist theory of a homeless nationality, which if generally accepted, would have the effect everywhere of stamping Jews as an anachronism; religion was the only certain criterion. The signatories also said that it would be a calamity if Jewish settlers in Palestine were to get special rights in the way of political privileges or economic preference. This was a contradiction to the principle of equal rights for all. It would compromise the Jews wherever they had secured equal rights and would involve Palestinian Jews in the bitterest feuds with their neighbors of other races. (Pages 193, 194)

The wisdom and foresight of the religious non-Zionist Jews views is mirrored in the tragic events that overtook Palestine, which remains in a turmoil to this very day. Years later their views were echoed by a religious Jewish organization, Friends of Jerusalem (Naturei Karta). In a series of 12 full-page advertisements in the New York Times, they decried the State of Israel as an illegitimate state, established in total flagrant disobedience to religious Jews and the Torah and a calamity for Orthodox Jews.

CHAPTER 14

BRITISH GOVERNMENT TREACHERY BETRA YS ARABS AND LAWRENCE OF ARABIA

By a good deal of trickery involving the betrayal of Lawrence of Arabia, secret deals between the English and French (the Sykes Picot Treaty) the two governments decided to divide Arab lands between them at the end of the war. Does that sound extraordinary? Yes, it was and could only have been done with the backing of the Rothschilds. One such deception involved a letter from the Zionist leader, Sokolow, who designated another Zionist, a certain Sacher, to prepare a draft addressed to Balfour, that the reconstitution of Palestine as a Jewish state was one of its essential war aims. Having second thoughts Sokolow believed this was too ambitious:

> If we ask too much we will get nothing," a view evidently shared by Lord Rothschild. However, they were appalled when the Foreign Office issued its own draft, which employed such terms as 'asylum' and 'refuge' and 'sanctuary' for victims of Jewish persecution. This was, needless to say, rejected by the Zionists, who insisted that the declaration would have no value at all unless the principle of recognizing Palestine as a National Home for the Jewish people was affirmed. Eventually, on 18 July, Rothschild submitted a compromise formula to Balfour. It mentioned not a Jewish state, but a National home.

> (A History of Zionism, pages 195-196 Sokolow, Geschite des Zionismus, British Museum Papers)

Unfortunately the voices of protest by religious Jewish leaders were drowned out by political Zionism, which with the backing of the Rothschilds carried the day in their favor. Ramsey McDonald summed up his feelings about such underhanded behavior:

> We encouraged the Arab revolt in Turkey by promising to create an Arab kingdom from the Arab provinces of the Ottoman Empire, including Palestine.
>
> At the same time we were encouraging the Jews to help us by promising them that Palestine would be placed at their disposal for settlement and government; and also at the same time we were making with France the Sykes Picot agreement partitioning the territory, which we instructed our Governor General in Egypt to promise to the Arabs. The story is one of crude duplicity and we cannot escape the reprobation which is its sequel. (Emphasis added)

What exactly did McDonald mean when he said: At the time we were encouraging the Jews to help us promising them that Palestine would be theirs. How were the Jews to help with the war? By providing men from Jewish countries to fight the Turks like the Arab did? No, it was nothing like that. The Zionists provided no manpower to help the British and the Arabs to fight the Turks. How did the Zionists help?

They persuaded the U.S. Congress to declare war on Germany against the wishes of 87% of the American people. For that, behind the backs of the Arabs and other Palestinian residents, whose antecedents had lived in Palestine for 7,000

years; the British, with U.S. complicity, promised Palestine to the Zionists although not remotely sanctioned to do so by any international law.

Only a very few voices were raised in protest over what Arnold Toynbee called "the calamity." Several writers, Olivia Maria O'Grady among them, joined in the protest against the Sykes Picot partitioning plan that led to the so-called Balfour Declaration:

> Throughout the war, England and her allies continuously proclaimed that they were fighting for world freedom. What kind of a freedom is contained in the Balfour Declaration? By what right did Britain propose to dispose of the land of another people? Upon what moral ground may one nation seek to establish a national home for alien people in the territory of another? Palestine did not belong to Britain.

Arnold Toynbee was a greatly favored British historian and public figure of note who had received universal recognition for his work, A Study of History, comprising ten volumes, constituting an exhaustive re-examination of human development in the light of the idealist philosophy of history.

Thus no one would dare call McDonald, Toynbee and Lawrence of Arabia "anti-Jewish" or "anti-Semitic" the threat of which had kept so many others of a like mind from speaking out against the duplicity of the British Government as expressed in the illicit Balfour Declaration. Toynbee expressed his feelings of anger about the betrayal of the Arabs over Palestine in A Study of History.

> While the direct responsibility for the calamity that overtook the Palestinian Arabs in A.D., 1948 was on the heads of Zionist Jews who seized lebensroum for themselves in Palestine by force of arms in that year,

> a heavy load of indirect responsibility was on the heads of the people of the United Kingdom; for the Zionists would not have had in A.D. 1948 the opportunity to conquer an Arab country in which they had what amounted to no more than an inconsiderable minority in A.D. 1918 if during the intervening thirty years, the power of the United Kingdom had not been exerted continuously to make possible the entry of Jewish immigrants into Palestine, contrary to the will, in despite of the protests and without regard to the forebodings of the Arab inhabitants of the country who in A.D. 1918, were duly to become the victims of this long pursued British policy.

Lawrence of Arabia (Colonel Lawrence), who could less still be accused of anti-Jewish bias or smeared as "anti Semitic" did not remain silent over the betrayal of his commitment to the Arabs:

> If we won the war, the promises to the Arabs were dead paper. Yet the Arab inspiration was our main tool in winning the Eastern War. So I assured them that England kept her word in letter and in spirit. In this comfort they performed their fine things; but, of course, instead of being proud of what we did together, I was bitterly ashamed.

Other voices added to what Lawrence had expressed as a feeling of utter betrayal, among them, O'Grady:

> Colonel Lawrence had good reason to be ashamed. While the Arabs were fighting and dying for England, Britain's Foreign Minister, Arthur Balfour was bartering Palestine for a Jewish pledge to bring the United States into the war on England's side. In

addition to this treachery, England and France, by the terms of the Sykes Picot Treaty agreed to divide the Arab lands between them at the end of the war.

I pondered for months over the statement of Toynbee, because Toynbee's background and affiliations made it highly unlikely that he would express feelings in the least bit critical of the Zionists or of his mentors, Rockefeller and Rothschild. According to documents in the War Office files (and copies in the British Museum) Toynbee was the protege of Lord Bryce, a follower of the Philosophical Radicals. Toynbee followed in the footsteps of Bryce by writing an article for the Encyclopedia Britannica, 9th Edition.

The article was entitled German Terror in France: A Historical Record and it was an unabashed exercise in anti-German propaganda, published, significantly in New York in 1917. Obviously, it was an incitement to help President Wilson with his battle to drag America into the war in Europe. Though none of the claims of German brutality could be substantiated — nevertheless, the article was widely accepted as true.

It was just the kind of justification Wilson needed from a Fellow of Balliol College, Oxford, as the reason why America needed to send her sons to die in France "to make the world safe for democracy."

We next hear of Toynbee when he was appointed as a Member of the British Delegation to the Paris Peace Conference, - hardly the prestigious position that he would jeopardize at the time of his planned future with the Royal Institute for International Affairs, the Foreign Policy arm of the Committee of 300.

As such, Toynbee must have been intimately familiar with the promises made to the Sheriff of Mecca, Hussein bin Ali and Colonel Lawrence, and the magnitude of the subsequent betrayal of the trust of these two men, who had made possible British victory over the Turks.

Toynbee had authored a major work, which called for an authoritarian One World Government, a copy of which was delivered to President Wilson by Colonel House and upon which many of Wilson's and the Royal Institute for International Affairs dictates were based. I found that Toynbee was supported with funding to the extent of a quarter of a million dollars, but there was no direct indication that he was also funded by the Rothschilds, although there might have been this connection, in view of the fact that it was House who delivered the instructions Wilson was to follow at The League of Nations conference.

Herein lies the seeds of disaster, the origin of the turmoil that continues to this day in Palestine, and fair-minded people, like the Jewish Orthodox Naturei Karta, knew the well hidden history of the Rothschild-Balfour sell-out of the Arabs contained in that document. The Naturei Karta Orthodox Jews do not agree with a "Jewish Homeland" conception. This noble Jewish Orthodox movement is opposed to a Zionist presence in Palestine.

As for the Christians of Europe and America, they have fallen into a state of indifference toward the fate of Palestine's "other" inhabitants. This does not redound to their honor and the Christian ethic of fair play embodied in the words of Christ: "Do unto others as you would have them do unto you."

Throughout the ages, philosophers, historians and scholars have posed the question: Why is it that the history of wars show, that they are always begun by the so-called "elite," the rulers of nations? One reason as enunciated by Henry Clay is when ever there is discontent among the populace, that foreign threat is used as a pretext to quell such unrest.

The second and perhaps the most important reason is that all wars are economic in origin. Since control of banking and finances are in the hands of the elite, they have been known to excite wars for economic gains. For instance, the

international bankers reaped huge fortunes from the First World War. The Rothschilds gained enormous profits out of financing both sides of the American Civil War.

There is also the Bertrand Russell theory, that wars diminish populations. In the eyes of the Committee of 300, the world is filled with too many people, who are depleting the world's natural resources at an alarming rate. The solution, Russell said, is to get rid of what he referred to as "useless eaters," who should be culled at regular intervals.

Ten million dead in WWI was not enough to satisfy Russell, who promoted the idea, that plagues and pandemics should be introduced at regular intervals to wipe out "useless eaters," who had escaped the wars. The AIDS pandemic was deliberately introduced in the expectation that it would wipe out millions from the pool of "excess population."

The elite have devised ways to preserve their members from plagues as evidence by the success in warding off the Black Plague pandemic of the Middle Ages. With regard to military service of the kind faced by foot soldiers, the elite have a record of successful evasive tactics witness the record of President G.W. Bush and Vice President Richard Cheney. These are not isolated instances, but are found in abundance in the records of all nations.

CHAPTER 15

UNDERHAND DOUBLE DEALING

William L. Langer, Coolidge Professor of History, Emeritus Harvard University, somewhat tersely stated the political situation in 1915 as follows:

> Campaigns in Asiatic Turkey, 1916-1917
> . . . Palestine was to be under an international administration. May 9, 1916, The Sykes-Picot Agreement between Britain and France . . . the territories mentioned in the above agreement to be French and British administered, while the rest of Arabia was to be divided into French and British spheres of influence, though organized as an Arab state or federation of states.

In a classic understatement, Professor Langer then added: "These agreements were not entirely compatible with other agreements made with Arab chieftains, agreements, which indeed, were not compatible with each other." In other words two different mandates were made, offering two sets of objectives, the one totally unknown to the Arabs.

Is there any previous history of such actions by a U.S. president ever having been approved? Was it lawful under the U.S. Constitution for Wilson to have carried out his negotiations, essentially in privacy with private persons not officially sanctioned by their government? The answer to

these questions must be in the negative. The consequences for the U.S. Government and for the American people were far reaching, and humiliating. Moreover, there has never been an explanation for the American people why the Balfour Declaration was submitted to Lionel Rothschild for his acceptation, since he held no official position? For this reason alone, the Balfour Declaration was and is a spurious document. It is clear that already at that point the British Government had begun to double-deal the Arabs and their brilliant British leader, Colonel Thomas Edward Lawrence, best known as "Lawrence of Arabia." Professor Langer then goes back two years to October 31, 1914 and gives a full account of the geographical position of the Arabs, and what Britain did to try and snatch victory from the jaws of defeat in the War in the Middle East:

> Lord Kitchener (Commander of the British forces) had offered Hussein, the Grand Sheriff of Mecca a conditional guaranty of independence. Negotiations between the Sheriff and the British government were embarked upon in July 1915. On January 30, 1916, the British accepted Hussein terms, leaving the exact status of Baghdad and Basra and of the sphere of French influence in Syria, undetermined.

It is worthy of note that there is no mention here of a "Jewish homeland" in Palestine being reserved for Jews.

> On June 5, 1916, the beginning of the Arab revolts in the Hijaz and an attack on the Turkish garrison at Medina.
>
> On June 7, Hussein proclaimed the independence of the Hijaz and the (Turkish) garrison at Medina surrendered.

On October 29, Hussein was proclaimed king of all Arabs. He summoned the Arabs to make war on the Turks.

On December 15, the British government recognized Hussein as king of the Hijaz, and all Arabs. It was largely in order to strengthen the Arab insurrection that Sir Archibald Murray, (commander in Egypt since March 19, 1916) decided on a cautious offensive in Sinai and Palestine. During all of these revisions and military actions, there was never once any mention whatsoever of a 'Jewish Homeland' in Palestine being a part of any of the negotiations and agreement between the British government and the Arabs. One would certainly be on safe ground to assume, that had this been mentioned, the Arabs would have baulked at it there and then, and would never taken El Arish. The majority of historians agree on this vital point.

On December 21, 1916, the British took El Arish, after building a railway and pipeline across the desert. On April 17-19 1917, the British were forced back by a combined force of Turks and Germans with heavy losses. June 28, Murray was replaced by Sir Edmund Allenby.

On July 6 began the emergence of the spectacular war hero Colonel Thomas E. Lawrence, who galvanized the Arab movement and took Aqaba, thus beginning the brilliant thrusts against the Turkish garrisons and especially against the guards of the Hijaz railway, the most important link in the Turkish communications. History confirms that all this fighting along the Hijaz rail link and Aqaba was done solely by Arab forces under the command of

> Lawrence. No British troops were involved in these key campaigns and there is no mention of any Jewish forces being involved. It is readily admitted by Langer and other historians that without the help of the Arabs, the British would not have been able to drive Turkey out of Arabia and Palestine. In reflection, it was the Arabs under Lawrence, who drove the Turks out of Arabia and Palestine. It is utterly illogical to believe, that the Arabs under Lawrence and under his promises did so knowing, that a 'Homeland for the Jews' was to be the reward for their fighting."

Langer then goes on to say:

> On the Palestine front the new British commander, Gen Edmund Allenby, had begun his advance in October 1917. . . On December 9, Allenby took Jerusalem. The British advance was delayed by the fact that Allenby had been obliged to send large contingents of his army to France to meet the crisis on the battlefront in France where the British Army was being defeated with heavy losses, and to halt the victorious German advances. The British Army ordered all its forces fighting in Mesopotamia and Turkey back to the German and French fronts to help to stem the advances of French and German troops in Europe.

I suspect, that there were no British troops left in Palestine other than a few garrison and supply troops, the vast majority having been sent to France on March 18, 1918. Langer statement, that British forces materially assisted by the Arabs is wrong. It was Arab forces assisted by a few British troops left behind after the main British Army was shipped in France that did the bulk of the fighting. Langer

added that British forces put an end to the Turkish presence in Palestine. I suggest his account is palpably wrong.

It was the Arab Forces that ended a Turkish presence in Palestine. No French or British or Jewish troops were present at major battles in Palestine. That is an undisputed fact. Toynbee and Lawrence were horrified and expressed outrage against Langer's report that appeared in the London Times declaring it false. It is obvious that stripped of his British troops, Allenby had to rely on Arab forces to press his campaign against the Turks, knowing that the battle-seasoned Arabs would push the Turks out of Palestine during their September 8, 1918 campaign. Langer states:

> The British broke the Turkish lines near the Mediterranean and began to roll up the enemy forces. The British forces, assisted materially by the Arabs under Lawrence, were now able to push northward.

Here again Langer very much tries to minimize the key role played by the Arab forces who did most of the fighting. On page 316 of her book, historian O'Grady stated her opinion of the events in Palestine:

> With the British Army marching on the Holy Land, Jewish prospects for Palestine at the hands of the Kaiser began to fade. If Great Britain would guarantee world Jewry a foothold in Palestine, world Jewry would work for Great Britain. Negotiations were opened with the British government in February 1917, with Sir Mark Sykes acting as the principal intermediary. On November 2, 1917, Lord Balfour reduced the results of the secret bargaining and extensive communications between private persons in the U.S. in a letter addressed to Lionel Rothschild, the uncrowned King of Israel.

This letter was to become known as The Balfour Declaration and read as follows:

> Dear Lord Rothschild, I have much pleasure in conveying to you, on behalf of His Majesty's Government, the following declaration in sympathy with Jewish Zionist aspirations which has been submitted to and approved by the Cabinet.
>
> His majesty's Government views with favor, the establishment in Palestine of a national homeland for the Jewish people and will use its best endeavors to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of non-Jewish communities in Palestine or the rights and political status enjoyed by Jews in any other country. I shall be pleased if you would bring this Declaration to the knowledge of the Zionist Federation.
>
> The Jews labored diligently to make the Gentile public believe that Lord Balfour, seeing the 'justice' of their cause wrote the declaration after 'selling' the idea to the British government. In reporting the issuance of the letter, the Zionists said:
>
> 'The Balfour Declaration is justly so-called, not only because it fell to Sir Arthur Balfour, as Foreign Secretary, to write the historic letter, but also because he, more than any other single statesman, is responsible for the policy embodied in the Declaration'.

In fairness to the Jewish people, I searched, but could not find any reference to Lawrence of Arabia or Sheriff Hussein nor any of the leaders of the people living in

Palestine having been consulted by Balfour or Sykes although a diligent search was made to see if such had perhaps been recorded and had escaped the notice of researchers, but such was not be the case. Continuing with O'Grady:

> And of course, nothing could be further from the truth. The original draft was written by the Jews themselves. Who was the Justice Brandeis who edited it? Brandeis was a far left Socialist of the American Democrat Party, a U.S. Supreme Court Justice and a member of several Zionist organizations. All through the negotiations of Arthur Balfour and Lord Rothschild, none of which ever included Sheriff Hussein or Lawrence of Arabia; Brandeis acted as a United States citizen and was never authorized by the Congress, the State Department to act as a U.S. government spokesman.

It is stated by historian O'Grady that "President Wilson approved it." That raises important issues: When Wilson became involved in the "discussions" between Brandeis, Lionel Rothschild, Lord Balfour and the American Zionist Party, was he acting in a capacity other than the President?

* If in the negative, was Wilson acting officially in his role of U.S. President?

* Had the Congress approved Wilson's acts and were they funded by the Congress?

* If in the affirmative had Wilson been authorized by a U.S. Congressional Resolution to act in any capacity whatsoever?

> President Wilson approved it, and it was then submitted to Balfour for his signature. No event in the

> history of the United States is more humiliating. There is no explanation as to why the Declaration was written by Brandeis, who held no government office and then submitted to Lionel Rothschild, who held no official position in the British government. (Maria O'Grady)

The behind-the-scenes activities that went on are explained by Dr. Jacob de Haas, in his Biography of Justice Brandeis:

> A considerable number of drafts [of the Balfour Declaration] were made in London and transmitted to the United States through War Office channels for the use of the American Zionist Political Committee. The American ascendancy in the war councils led the British to ask for President Wilson's consent and approval of the terminology of the declaration before its issuance.
>
> The draft that was cabled from government to government was handed to the Brandeis regime for its approval. After a most necessary revision, President Wilson acting through Colonel House, who was in full sympathy with Zionist aims, authorized cabling to the British government the version that was published, and which all the allied governments in turn gave their approval.
>
> The 'Brandeis regime' refers to the Provisional Committee of the General Zionist Affairs of which Brandeis was chairman. Can you the reader, imagine that! Cabled drafts, the United States, the British War Office, all working to the benefit of the Zionists! What immense power do they wield!

Again, there is no mention of Hussein, Lawrence, the Arab leaders or the people of Palestine being consulted in any way, nor does it appear that the United States Congress knew anything about the secret negotiations between the non-American Government Brandeis committee and Lord Rothschild, Wilson and Balfour. Only the Zionists were consulted.

> Most students of Jewish intrigue suspected both the British and Jewish schemes and purpose behind the Balfour Declaration. Although the United States had been in the war for nearly seven months when the Declaration was made public, its significance as the factor that involved the United States was not unnoticed.
>
> There was considerable evidence available from which accurate inferences might be drawn. Government negotiations for deals of this nature however, are always secret, and it is usually very difficult to obtain conclusive evidence at the time of the transaction.
>
> When the event is beyond repair and lost in the mists of the past, men are apt to write their memoirs and to boast of secret exploits that one time rocked the world. So it was with Mr. Landman. He was honorary Secretary of the Second Joint Zionist Council of the United Kingdom, editor of the Zionist and Secretary and Solicitor for the Zionist Organization. Later he was legal adviser to the New Zionist Organization.

Under the title, Great Britain, the Jews and Palestine, published in the London Jewish Chronicle of February 7, 1936, Mr. Landman writes in part as follows:

During the critical days of the war, in 1916, when the defection of Russia was imminent and Jewish opinion was generally anti-Russian, and hopes that Germany if victorious, would in certain circumstances give them Palestine, several attempts were made by the Allies to bring America into the War on their side. These attempts were unsuccessful.

Mr. George Picot, of the French Embassy in London and Gout of the Quai d'Orsay Eastern Section, who was at that time in close touch with the late Sir Mark Sykes, Cabinet Secretariat, took the opportunity of convincing the representatives of the British and French governments that the best and perhaps the only way to induce the American President to come into the War was to secure the co-operation of Zionist Jewry by promising them Palestine.

By so doing, the Allies would enlist and mobilize the hitherto unsuspected powerful force of Zionist Jewry in America, and elsewhere in favor of the Allies on a quid pro quo basis. At that time, President Wilson attached the greatest possible importance to the advice of Mr. Justice Brandeis.

Sir Mark obtained permission of the War Cabinet to authorize Mr. Malcolm to approach the Zionists on that basis, neither Mark Sykes nor Mr. Malcolm knew who the Zionists leaders were, and it was Mr. L.J. Greenberg to whom Mr. Malcolm applied for information to whom he should address himself... The Zionists carried out their part and helped to bring America in, and the Balfour Declaration of November 2, 1917 was but the public conformation of the verbal agreement of 1916.

> This verbal agreement was made with the previous acquiescence and approval of not only the British, French, American and other Allied Governments, but also of the Arab leaders. . . As already explained elsewhere in detail Dr. Weitzman and Mr. Sokolow knew that Mr. James Malcolm came to them as the emissary of the British War Cabinet, which authorized him to say in their name that England would give Palestine to the Jews in return for Zionist assistance, through Justice Brandeis in inducing the United States to come to the help of the Allies. Both Sir Mark Sykes and Mr. Malcolm informed the Arab representatives in London and Paris that without the assistance of the United States the prospects of any Arab State arising after the war were problematical, and that they must therefore agree that Palestine should go to the Jews as a regard for their assistance in bringing in the United States.

After a good deal of diligent research, I could not find the names of the "Arab representatives in Paris and London" allegedly informed of the plot to go behind the promises given to Hussein bin Ali, Sheriff of Mecca and Medina and to Colonel Lawrence, nor does Mr. Landman name these mysterious "Arab representatives." That raises the question "why not?" As he mentions everyone else by name, why are the "Arab representatives" kept anonymous?

What is abundantly clear is, that neither Lawrence or Hussein bin Ali were informed of what was going on, while they were risking their lives and the lives of their men in the war against Turkey, nor could any record be found that these two men knew anything about the secret negotiations with the Zionists nor that they were asked to send their representatives in London and Paris. The Zionists were informed, but not the American people on whose backs the War was to be fought.

CHAPTER 16

"PERFIDIOUS ALBION" LIVES UP TO ITS REPUTATION

> In any event, like the ordinary American people, Lawrence and Hussein bin Ali knew nothing about what Ramsey McDonald called "a triple deal" going on behind their backs. And when the time came for Wilson to drag America into the European conflict against the will of the vast majority, his enfeebled excuse was the war was a war "to make the world safe for democracy." The treason committed by Wilson lives on. Dr. Bella Dodd wrote in 1930 that so bad was the situation under Wilson, that he felt "modern history is largely a conspiracy against the truth. (The Conspiracy Against God and Man, page 9)

I discovered that but for the backing of Baron Edmond Rothschild the settlements of Russian Zionists established at Rison, Zikron and Rosh Pina would have failed and there would have been virtually no Jewish presence in Palestine. This was a key part of Rothschild strategy to make it appear that Jews were already living in Palestine — a subterfuge that worked. Rothschild also assisted with establishing two new colonies, Ekron and Medull. Altogether twenty-one Agricultural settlements existed by the end of the century, but Rothschild did not trust the abilities of the

colonists and insisted in keeping direct supervision and control of the settlements. Hubert Herring in his book And So To War sums up the price the U.S. had to pay to so that the Zionists might have Palestine:

> We paid for the war. We paid with the lives of 126,000 dead, of 234,300 mutilated and wounded. We paid with the dislocated lives of hundreds of thousands whom the war wrenched from their accustomed places in a peaceful world. We paid in the imponderable damage to our national morale through the lashings of war hysteria. We paid with a period of economic confusion from which we have not yet escaped. The direct bill for the war reached the figure of fifty-five billions of dollars. The indirect bill can never be reckoned.

And what was the quid pro-quo from the Zionists side? As far as I could ascertain it amounted to absolutely nothing. An interesting aside was the failure of Herzl to obtain the blessing of Pope Pius X for Jewish immigration to Palestine: We are unable to favor this movement. We cannot prevent the Jews from going to Jerusalem, but we could never sanction it.

According to A History of Zionism, pages 129-130, the exchange took place at a meeting with the Pope in 1903, meaning that Lord Arthur Balfour knew that there was strong opposition from the Catholic Church against Zionist immigration to Palestine, long before he signed on to the declaration, but about which he informed no one. So the pattern of double-dealing was already apparent in 1903.

Catholic opposition to Israel may have contributed to the Rothschilds violent hatred of Russia with its large Christian population.

Herzl, the father of Zionism died when he was 44 years old. According to A History of Zionism, he never got on

very well with the Rothschilds or with Orthodox Jewry whose leading rabbis did not like his autocratic style. Herzl always wanted to have the final say on everything.

> There was, as Herzl's critics pointed out, very little specifically Jewish in Herzl. This emerges perhaps more clearly in his vision of the Jewish state...
>
> Herzl envisaged a modern, technologically advanced and enlightened state, enlightened by the Jews, but not specifically a Jewish state. (A History of Zionism, pages 132-133)

It can hardly be argued that Herzl was interested in Palestine as a religious "homeland" for the Jews, particularly in light of the fact, that the bulk of the new settlers came from Russia and had no previous connection to Palestine and there was no history of Russian Jews ever having lived there, nor were they particularly religious.

Lacquer makes this abundantly plain. Lord Chamberlain came forward with an offer to provide a "homeland" for the Jews in Uganda, even though Uganda was not the British Government's land to give. Chamberlain told Herzl that he had been on a tour of Uganda and thought: Here is a land for Dr. Herzl, but of course he only wants Palestine or its neighborhood. He was right. Herzl brushed aside the idea. His fixation was with Palestine and nothing else would do. On May 30, 1903 he wrote Rothschild: I am not discouraged. I already have a very powerful man to help me. (A History of Zionism, Walter Laqueur, pages 122,123)

This was the true autocratic style of Herzl in action. Although I was not able to uncover any direct links between the Rothschilds and Sir Halford Mackinder, such as correspondence that passed between intermediaries hinting that the two did consult on a number of matters, especially in writing the blue print for the coming One World Government-

New World Order which had been assigned to Mackinder to complete. A protege of the London School of Economics which was a hotbed for Communist ideals, Mackinder nevertheless put up a good conservative front and is believed to have influenced President Wilson at the Paris Peace Conference as to what steps were to be implemented to usher in a New World Order through a League of Nations mandate. It is certain that the Rothschilds provided a great deal of input for the World Socialist dream. One month after Wilson arrived at the Paris Peace Conference, Mackinder's new book Democratic Ideals and Reality was published. The timing of the release of the book was no accident. In his book Mackinder called for a New World Order (NWO) to be established in a One World Government, ostensibly The League of Nations. If this goal could not be achieved by peaceful, voluntary means, then force was to be resorted to.

Mackinder admitted that while the New World Order would be ideally a democratic institution, it could never be expected that at times it would not be a dictatorship. The Zionists claimed that The League of Nations was their concept and this is referred to by Maria O'Grady in her book where she stated:

> President Wilson was surrounded by Jewish financial fraternity pushed hither and yon by the sinister Colonel House and counseled by the Zionist Brandeis. (Page 342)

The Zionists greatly favored the concept of a League of Nations and claimed it as their creation: The League is a Jewish idea, said Nahum Sokolow at the Carlsbad Conference. We created it after a fight of 25 years.

Ultimate World Government dominated by Socialists is the long-held goal of Socialism, and it is well known that the concept was favored by the Rothschilds. As one of their

own family, Jacob Schiff worked hard to establish a League of Nations. It received a donation of 3,000 pounds from N.M. Rothschild of the London branch of the family. As we shall see there may have been an ulterior motive to this, as the League was to play a decisive role in granting a mandate for Palestine to the British Government, a decisive step along the road to granting "a Homeland" for the Jews in Palestine. With that in mind I return to Lord Balfour and his so-called "Balfour Declaration," based on double-dealing, deception and secret deals behind the backs of Colonel Lawrence and the Arabs.

Balfour made haste to explain that a "Jewish Homeland" in Palestine did not mean the imposition of a Jewish state upon the inhabitants of Palestine, but in the light of subsequent events, this emerged as the goal of the Zionists. As Balfour put it:

> . . . but the further development of the existing Jewish community, in order that they may become a center in which the Jewish people, as a whole, might take, on grounds of religion and race, interest and pride.

What Balfour left out was that nothing the British did or said could obscure the fact that Palestine was not theirs to give, nor did the British Government have the slightest right to secure a mandate for Palestine. But Balfour, backed by Lord Nathan Rothschild, pressed ahead anyway, as if the two men had an inherent right to act in the arbitrary manner which they saw fit. The right of the Arab and other population groups, including Christians that extended back for more than 7,000 years was totally disregarded by Lord Balfour. No less an authority than Walter Laqueur, one of the foremost experts on Zionism confirmed that the bulk of the Jews who were to inhabit Palestine under the Balfour Declaration came from Russia. They had no previous connection to Palestine. Laqueur also pointed out that Russian Jews were not overly

happy about being uprooted from Russia and sent to Palestine:

> Russian Jewry was divided in its attitude toward Zionism and a Jewish national home (a religious homeland) and would not have in any case have been able to keep Russia in the war. The Allies on the other hand, to put it somewhat crudely, would have won the war even if no promise to the Zionists had been made.

What Laqueur was explaining, if somewhat obliquely, was the "deal" the Zionists had struck with Balfour, namely, that if the Zionists could bring the United States into the war on the side of the allies, the British would establish a Jewish Homeland in Palestine in return.

> At a private meeting soon after the passage of the Balfour Declaration, when asked whether it had been his intention to make a bid for Jewish support in the war, Balfour snapped 'certainly not' and went on to explain that he felt that he was instrumental in righting a wrong of world historical dimensions. In 1922 Balfour made a speech in which he said that the whole culture of Europe had been guilty of great crimes against the Jews, and Britain had taken the initiative in giving them the opportunity of developing in peace, the great gifts which they had, in the past been able to apply in countries of the Diaspora. (A History of Zionism, page 203)

Balfour did not explain why it was considered legal to give Palestine to the Jews when it belonged to a people who had been there for 7,000 years, especially as a big tract of land in Madagascar, as well as land in Uganda, had been offered and rejected without discussion. Nor did Balfour explain that his magnanimous gesture in favor of the Jews

would be at the expense of the Arab and other non-Jewish populations of Palestine. He never explained what connections the bulk of the new settlers, coming as they did from Russia had with Palestine.

According to Dr. Jacob de Haas, Balfour's altruistic protestations must be very much doubted because the real motive behind the Declaration was to get the United States to enter the war on the side of the Allies.

Confirmation of the true motives behind the Balfour Declaration came from another well-founded source, Congressional Record, April 25, 1939, pages 6597-6604, which reflects a speech made in the U.S. Senate by Senator Nye:

> There has been published in a series of works under the title "The Next War." One of the volumes in this series is entitled "Propaganda in the Next War." This particular volume was written by one Sydney Rogerson.
>
> I have been unable to obtain any trace of his background; but the editor in chief of all of these works, including the one entitled "Propaganda in the Next War" is by a man whose name is recognized the world over as a authority in Great Britain. He is none other than Captain Liddell Hart, associated with the London Times, a writer and military authority in Europe.
>
> I understand that this particular volume "Propaganda in the Next War," published last fall and placed in circulation, instead of having the circulation enlarged, now is suffering at the hands of those who desire to retire it from circulation. A few days ago I came on the floor of the Senate with the volume itself. I am sorry that I do not have it with me

> today. I am told that it is the only copy of "Propaganda in the Next War" available in the United States. It can be had, I can borrow it against if there is any occasion for me to need it in the Senate, but it is no longer easy to obtain. I wish I had the entire work and that it could be read by every member of the Senate.

The following are quotations from Propaganda in the Next War:

> From time to time the issue of which side the United States would take hung in the balance and the final result was a credit to our profaned machine. There remain the Jews. It has been estimated that of the world's population of 15,000,000 no fewer than 5,000,000 are in the United States; 25 percent of the population of New York are Jews. During the Great War we bought off this huge Jewish public by the promise of a National Home in Palestine, held by Ludendorf to be a masterstroke of propaganda, as it enabled us not only to appeal to the Jews in America, but to the Jews in Germany as well.

George Armstrong in his work The Rothschild Money Trust explains how this came about:

> There can be no doubt about the fact that prior to President Wilson's second election in 1916 he kept us out of the war. There can likewise be no doubt about the fact that he was elected on that slogan. Why did he change his mind soon after the election ? Why did he make an arrangement with the British Government to help the Allies? That has been until now, an unexplained mystery. (Page 62)

CHAPTER 17

"TRIPLE CROSS" DECIDES FATE OF PALESTINE

Ramsey McDonald characterized the Balfour Declaration as "a triple cross," yet The League of Nations made its first mistake in a series of many by granting a British mandate on September 23, 1923, proving so early in the game that it was not an impartial body by any definition. Reciting the Balfour Declaration in the preamble of the Mandate Commission, it dealt with the problems of immigration and how it proposed they were to be dealt with by a number of Articles, of which Article 22 was the most compelling. Nowhere did it deal with the question of Britain giving away land that it did not own:

> Whereas the League of Nations declares: 'Where populations are not yet able to stand alone, the machinery of government should be set up for them in keeping with the accepted beliefs that the well being of and developments of such peoples forms a scared trust of civilization'.

To the inexperienced the subtlety of the way in which the Wilson guarantees were short-circuited may not be immediately apparent, but what Article 23 did was to negate Wilson's guarantees of "self determination and independence" and replace them with the imagined right of The League of Nations to interfere in the affairs of sovereign nations and states, in effect soiling its own charter. Thus it

must become obvious to the fair-minded that from its very inception, the League intended to play fast and loose with the internal affairs of sovereign nations and states. This immorality and underhanded political gerrymandering was continued even more shamelessly when the League gave birth to its bastard child, the United Nations, which awarded Palestine to the Zionists in 1948 thereby doing violence to the "sacred of civilizations" embodied in Article 22 of the deceased parent League, long since forgotten.

Lawrence of Arabia and the Sheriff of Mecca were appalled by the betrayal of the British promise to Emir Hussein, who had fought the Turkish Army to a standstill, believing in the promises of Lawrence that Britain always kept her word.

At the Peace Conference, the Arabs were represented by Emir Feizal, son of Sheriff Hussein. He had commanded the Arab troops under the direction of Colonel Lawrence, and was a signatory to the McMahon-Hussein Treaty, which gave the written assurance that Britain would keep her commitment and promise to the Arabs over Palestine.

Unable to fully understand English and French and not being a man accustomed to dark intrigues and betrayals of one's word, Feizal did not comprehend what was happening, so much so that he appealed to Wilson, who sent an American Commission, the King-Crane Commission to Palestine to investigate.

What the King-Crane Commission members reported to Wilson was startling: Ninety percent of the population of Palestine opposed any Jewish immigration to Palestine. Quoting from the Commission's report:

> To subject a people so minded to unlimited immigration and a steady financial and social pressure to surrender land would be in gross violation of the principles just quoted, and of the people's rights, although it kept within the forms of

> law, with the best possible intentions, it may be doubted whether the Jews could possibly seem to either Christians and Moslems proper guardians of the Holy Places, or custodians of the Holy Land as a whole.

The Zionists were determined to bury the report. Wilson, bowing to the Zionists who surrounded him, compromised his principles and a bogus "mandate system" replaced the "self determination" clause.

Under the supervision of The League of Nations, a bogus "mandate" for Palestine was awarded to the British. Wilson's belief in the "backward" nature of non-European populations convinced him that they would accept the mandate system. The King-Crane Commission report was shelved, leaving Imperialism and Zionism triumphant in the guise of mandates. The Commission's report simply disappeared from view.

It was not published in the London Times or the New York Times, nor was it put into the business of the House and Senate. To repeat, it simply vanished! But fortunately for "the sacred trust of civilization" the report was published in a minor publication called the Editor and Publisher. How and why did it "vanish?" The reader can draw his or her own conclusions, which are rather self-evident.

> When Justice Brandeis heard that the British officials administering the Mandate were not favoring Jews, he immediately set out for Palestine accompanied by his biographer, Dr. de Haas. Upon their arrival in the Holy Land they found the reports to be only too true. Dr. de Haas wrote that the British Commander in Chief and military and civil aids regarded the Balfour Declaration as a forgotten episode of the war. The American Supreme Court Justice went straight to Balfour.

An added note: I emphasize the fact, that an American Supreme Justice journeyed to Palestine to admonish a British official, a Foreign Minister no less, and demanded that the Palestine Administration be reprimanded! Who had given the American non-official, non-representative of the U.S. Government such authority? By this arrogant display of power, Brandeis intimidated all who opposed Zionist policy for Palestine.

> A few hours later the British Foreign Office was reminding the military authorities in Egypt and Palestine, not only of the verbal content of the Balfour Declaration, but that the matter was 'chose-jugee,' or very much current.
>
> A number of Palestinian officials sought desirable exchanges and Colonel Meinertzhagen; a pronounced Zionist was dispatched to Palestine. There had been no protests, no stirring of troubled political waters. The Brandeis direct action diplomacy had achieved results. (Dr. Jacob de Haas, biographer of Justice Brandeis)

How in the world could a person with no official government standing, no official position, go to Palestine and Britain and start making demands that the Zionist be obeyed? Perhaps I should retrace my steps and connect some of the threads.

It is a fact that when Brandeis went to see Balfour, the latter immediately contacted Lord Nathan Rothschild, whom it would appear, gave the green light for what steps Balfour told him he wanted to take. Thus, in my opinion, there was a definite connection between the progress of Zionist plans for Palestine and Lord Rothschild, leading back directly to Balfour and then to Brandeis.

* The resentment of the Arabs flared into violence in 1929;

* Jewish-Arab controversy over rights to the Wailing Wall of the Herodian Temple developed into open conflict;

* The Christian Arabs joining with the Mohammedans against the Jews.

> A British Commission reported that the disturbances were caused by rising Arab fears of a rising Jewish majority and the systematic acquisition of land by the invaders. The Commission recommended that restriction be placed on immigration and the purchase of land. In spite of the cries of the Zionists, the recommendations were accepted. The British Government published the findings in what is known as the White Book, October 20, 1930. . . In November 1938, the British Government announced that it would drop the partition proposal and attempt to promote an understanding between the Arabs and the Zionists. The Arabs took the understandable position that their country was being stolen from them, and that the negotiations were in a category of bargaining with a thief for the return of some portion of your property.
>
> When the Arabs and the Jews were unable to reach an agreement the British announced that it would have to find a solution of its own. In its White Paper of May 17, 1939, it rejected its former interpretations of the Balfour Declaration as contrary to British obligations to the Arabs. The statesmen of Britain undoubtedly realized the unfairness of the Balfour Declaration to the Arabs after it was too late to do much about it. The so-called MacDonald White Paper of 1939 was an apparently sincere desire to

correct the wrong of 1917. The White Paper in attempting to rationalize Balfour's policy, insisted that the Jewish Homeland in Palestine had already existed. So that there would be no doubt as to Britain's future stand, the White Paper declared:

'His Majesty's Government therefore now declares unequivocally that it is not part of their policy that Palestine should become a Jewish State. They would indeed regard it as contrary to their obligations to the Arab people under the Mandate as well as to the assurances which have been given to the Arab people in the past that the Arab population of Palestine should be made the subjects of a Jewish State against their will. The wrath of the Jews knew no bounds. The new British policy on the subject meant the defeat of their carefully laid plans and they had no intentions of permitting the controversy to end with the White Paper. They unleashed a world-wide campaign of abuse against the British Government supplemented by propaganda material thoroughly distorting the facts.' Concluding at last that Great Britain as the Mandatory would never permit them to set up a Jewish States in Palestine, the Jews embarked on a campaign of violence to drive the British to either repudiate its White Paper or surrender the Mandate to the United Nations.

Hagana organized by the Zionists on the pattern of a regular army was mobilized and held ready to strike. Two terrorist groups, the Irgun Zvei Leumi and the Stern Gang were unleashed against the British Mandate authorities and the people of Palestine. The terrorists, following the traditions of their Khazar brethren of Poland and Russia, assassinated bombed and plundered. (Olivia Maria O'Grady)

CHAPTER 18

ZIONISTS SEIZE PALESTINE

Without going any further we now have the history of the incursion of the Zionists into Palestine, which was the basis of three wars, countless acts of terrorism and unrest, a total absence of peace which has plagued Palestine and the Middle East and will continue to do so until the rights of all parties are recognized with justice for all. Unfortunately, the fallacy of The League of Nations was perpetuated by an equally bastard creation, the United Nations.

On July 8, 1919, President Wilson having acted out his orders from Colonel House who had received them from the Rothschilds returned home.

If Wilson expected to be received like a conquering hero, he was sadly mistaken. An indication of the fact that Wilson was under the control of foreign personalities may be deduced from the fact that he had not taken one single member of the legislature with him to Paris or even a member of his own Democrat Party.

His advisors consisted in the main of Wall Street bankers and International Socialists. One of the strangest aspects of his trip to Paris was that he and his entourage accepted gifts of jewelry worth more than one million dollars from a number of non-government well-wishers.

The political storm that broke over the president when he introduced his One World Government blueprint to the United States Senate was unlike anything ever

experienced before. Most probably influenced by the domineering "attitude" toward Germany that governed the proceedings in Paris, Wilson demanded that the Senate ratify the treaty exactly as it was presented, with no material changes and no debate being permitted.

This was an astonishing development in American politics, which had never been attempted before. It was all or nothing based solely on the secret closed sessions held in Paris. (The German delegation was kept in their hotel for a week while this was going on and took no part in it). Wilson was not without support for his dictatorial attitude which came from an American member of the Fabian Society, Professor Shotwell, who more or less told the Senate to hurry up and ratify the Treaty.

Shotwell was a prominent member of the upper-level parallel secret government of the United States, the Council on Foreign Relations (CFR). Senator Robert Owen, who had been appointed Chairman of the especially created Federal Reserve Act in 1919, now chaired the commission on The League of Nations Treaty Report to the Senate.

Others who backed Wilson's treaty were Eugene Delano, Thomas J. Lamont and Jacob Schiff. Lamont had been a long-time Fabian Socialist-Communist sympathizer, and Schiff later helped to bankroll the 1904-1905 Russo-Japan War, and the Bolshevik Revolution in Russia. All were related to or affiliated with the Rothschilds.

Most notably, Schiff was a Wall Street banker, who began his career in banking with the financial backing of the Rothschilds, whose creation he was.

On March 19, 1920, the Treaty of Versailles came before the Senate for ratification, but strong objections developed at the very outset. Wilson's demands that the treaty be passed "as is" angered many Senators who offered a number of amendments and reservations, which Wilson refused to accept on the advice of Colonel House acting for the Rothschilds. On November 19, the Senate defeated the

Treaty of Versailles with and without reservations, seeing in it great dangers to the sovereignty of the U.S. Constitution and as attempt at usurping of its powers. The vote was 49-35.

For once, Colonel House and the Rothschilds were on the losing side. Wilson then did an extraordinary thing; he vetoed the joint resolution of Congress declaring the war with Germany at an end! At this point, it is necessary to retrace our footsteps: In the run-up to World War I and Wilson's attempt to embroil America in it, angry voices were raised against Wilson and his administration.

In fact, 87 percent of the American people were opposed to war, but could not prevail over the International Socialists and their international bankers. The Chicago Tribune was adamant and scathingly opposed to America's entry and declared that "Brandeis ruled the White House by secret telephone." Cyrus D. Eaton stated:

> America dishonored itself by entering the World War, while in later years (1925) Captain H. Spencer, in his book, "Democracy or Shylockcracy," quoted a telegram in which Sir William Wisemen, President Wilson's British MI6 controller said: "Brandeis called Rothschild." Justice Dembitz Brandeis was undoubtedly under the control of the Rothschilds. Long after the U.S. Senate refused to ratify the Treaty of Versailles, loud voices of anti-Americanism were still being heard.
>
> For instance Paul Hymens an ex Minister of Belgian Foreign Affairs said: "America refused to ratify the treaty and considered void the man who went to Europe to act in her name." (The New York Evening Post, July 16, 1925)

This was nothing new in so far as the character of President Wilson was concerned. While he was moving every

political force he knew to get the United States into WWI under intense pressure from the Rothschilds via Colonel House, Wilson had grossly and violently assaulted the United States Constitution by ramming a law through the U.S. Congress, drafting the Militia of the States to be sent to fight in France.

This remains, in my opinion, one of the worst violations of the U.S. Constitution in American history; because Wilson did it against the Constitution, knowing precisely what a gross wrong he was doing in disregard of his oath of office.

But, before providing details of Wilson's horrendous crime against the American people, leaving aside the crimes against the Arabs and Palestinians, I would like to give some hitherto unknown facts about the man who was Wilson's controller and alter ego Colonel Mandel House, simply because this mysterious and sinister man played such a huge background shadowy role in the history of he United States, plus the fact that he was an intimate friend of the Rothschilds.

Edward Mandel House was the son of Thomas William and Elizabeth (nee Shearn). House had immigrated to the United States in 1837 and gone to live in Texas where he became involved in the cotton industry and entered into banking for and on behalf of the Rothschilds.

House, the elder, always acted as the trusted agent for the Rothschilds. Edward was educated at Cornell and became an adviser to the Governor of Texas although holding no official position, a career that was duplicated in the Wilson administration.

The State of Texas made the younger House an honorary Colonel, a title to which he clung all through his extraordinary career. There is no indication why the State of Texas bestowed favors on Edward House.

In the first part of 1900, the Rothschilds sent House to Europe to learn the business of how bankers control politics and politicians. When he returned to America, House

became the guiding light in Democrat politics and it was he who selected Woodrow Wilson as the Democrat Party nominee for the Presidency.

House was largely responsible for Wilson's success in winning the election, and then developed his policies, especially foreign policy. It is believed by some real authorities on the subject that House was the conduit for the Rothschilds orders for the establishment of the Federal Reserve Banks, although the United States Constitution prohibited a Central Bank.

Thus it may be safely stated that House presided over twenty-five fateful years that changed the face of the United States forever, and led to a lawless Federal Government that destroyed in a few years what the Founding Fathers and the generation that followed had taken almost two hundred years to build.

Wilson was the first President of the United States to assume the de facto status of an Emperor of what was to become the Empire of the United States of America, the driving force and leader of a New World Order inside an International Socialist One World Government.

CHAPTER 19

THE ROTHSCHILDS ESTABLISH A CENTRAL BANK IN AMERICA

There had been profound changes in Europe under the tutelage of the Rothschild Dynasty, perhaps some of the more important being:

* The rise of Napoleon I as the chosen Rothschild agent for toppling of the Monarchs of Europe;

* The fall of the Romanov Dynasty and the destruction of Christian Russia at the hands of the Bolshevik Communists;

* The Anglo-Boer War of genocide, a most important war at the turn of the 19th century that was swept under the carpet.

I believe that these most profound changes could not and would not have occurred save and except for the guiding hand of the Rothschild Dynasty and the commitment of its vast financial resources to this end.

Before dealing with events in pre-Bolshevik Russia, I will cover the history of what gave rise to Rothschild intervention in South Africa to secure the largest gold and diamond fields in the world that resulted in the Anglo Boer War 1899-1903.

In the 1830s the farmers at the Cape (known as Boers) moved into the vast, uninhabited hinterland in what became known as The Great Trek. They were angered by British interference in their lives, particularly the freeing of slaves. They overcame great hardships traveling a thousand miles in ox wagons often over rugged mountains, and settled on the barren land of what was to become the Orange Free State and Transvaal Republics.

When huge finds of diamond and gold occurred, the barren lands were immediately coveted by the Rothschilds who sent an agent in the person of Cecil John Rhodes to tie up possession and control in their name. In 1898, Rhodes, the agent for the Rothschilds in South Africa, requested Lord Rothschild to buy out French interests in the diamond mines, setting the stage for complete control by the Rothschilds.

The British Government "annexed" an area of the Orange Free State known as Griqualand West (the location of the diamond finds) and three years later annexed the Transvaal, although in both cases they had no lawful or legitimate claim to the land whatsoever, a tactic they were to use again in Palestine in 1917. (The Balfour Declaration)

Cecil Rhodes was the chief instigator of the Boer War. The fabulous gold fields of rich veins, which extended for 200 miles from East to West, was a glittering prize the Rothschilds were determined to acquire. Friction with Britain became endemic as the Boers refused to recognize Queen Victoria's bogus claims to the Orange Free State and the Transvaal Republics.

A clear provocation was the raid by 600 armed men under Starr Jameson in an attempt to overthrow the Boer Government of President Paul Kruger.

It was a prelude to the Anglo-Boer War, which broke out in 1899, after the machinations of Rhodes to achieve the desired goals of the British Government to seize the gold and diamond fields, failed.

The Boers were descended from Dutch, Irish, Scots, English and German stock. They had emigrated to the southernmost tip of Africa known as "the Cape," where first the Dutch and then the British established a refueling, food and fresh water station for their ships plying trade between the Far East and Europe. At what became known in later years as Cape Town, a thriving independent community was established under Dutch rule.

At that time there were no black (Bantu) people in Africa south of the Zambezi River, in the vast, empty hinterland between the Cape and the Zambezi River to the North. Only a few nomadic "Hottentots" - a non-Bantu Mongolian type of people lived along the sea shore of the Cape eking out a precarious living through beachcombing and scavenging. They soon became workers in the vegetable gardens of the Dutch East India Company. But the British invaded the Cape settlement and set up their own administration under the British East India Corporation (BEIC) opium trading company in London.

From this inauspicious beginning grew a thriving, bustling community in which the Dutch were integrated. After the British invasion, the BEIC in London began to seriously interfere in the internal affairs of the Dutch community.

The Dutch, who were referred to as "Boers" (farmers) then began to organize a plan to leave the Cape and "trekked" (traveled) into the vast uninhabited plains of the north. After the long journey the Boer arrived and settled in the uninhabited land they named the Orange Free State Republic and the Transvaal Republic. I want to emphasize that the thousands of square miles of land the Boers traveled through was devoid of the Bantu races who lived north of the Zambezi. Contrary to popular history, the Boers did not take the Transvaal and Orange Free State away from the Bantu.

The discovery of the richest gold strike ever known brought Rhodes to the scene and from then onwards, Queen

Victoria began to assert her unfounded claim to the new republics. War was inevitable after Victoria rejected the peace proposals of the God-fearing Paul Kruger.

Queen Victoria was determined to have war, and in 1899 the British Government sent the first contingents of troops, which by 1901 would reach the amazing strength of 400,000 men, this, to overcome a guerilla force that never numbered more than 80,000 men in the field at any time, many of them as young as fourteen years and as old as seventy five years.

The epic struggle of the Boers ought to be a model for all countries threatened by big, bullying governments. For almost three years the farmer-soldiers fought and defeated the pride of the British Army.

The Boers only agreed to end the fighting after 27,000 of their women and children died in inhuman concentration camps set up by Lord Kitchener and Alfred Milner, a servant of the Rothschilds. With their cattle slaughtered, their farms burned to the ground and their women and children dying in the thousands as a result of the vindictive Lord Milner's genocidal policies, the Boer warriors were compelled to come in from the field and lay down their arms.

Throughout the struggle, Rhodes kept his masters, the Rothschilds, fully briefed and carried out their instructions to the letter. Today, N.M. Rothschild still controls the gold trade from London. Rhodes operated in a period when the British Empire was the most powerful political, economic and military force in the world, yet the Boers were not afraid to take on the Empire in a war they knew they could not win, but which they fought with astonishing courage, determination and bravery.

The British Empire was like the Persian, Assyrian, Babylonian and Roman Empires, built upon twin pillars of stripping the assets of their "Dominions" and using virtual slave labor of the inhabitants to accomplish the task.

The "noble" families of England could be traced back to the Venetian and Genoese Black Nobility and the great banking families of those city-states. They were the masters of propaganda and have not lost their touch, which was their most successful weapon in the Boer War and the First and Second World Wars. Behind the government stood the banking families, of which the Rothschild banks were the most powerful and influential. Some historians have held to the belief that the fortune they received from South Africa "made the Rothschilds rich."

It is a belief with which I do not agree. The Rothschilds were wealthy beyond belief well before their agent, Cecil John Rhodes, a master of deceit and cunning, a man who hated Christianity — secured the gold and diamond treasures of South Africa as the monopoly of the Rothschilds. From documents and papers I studied in the British Museum in London, it was clear that shortly before the death of Mayer Amschel, his fortune exceeded the combined fortunes of the world's richest men.

The full extent of the Rothschild fortune was never made known, but what is known is that it grew at an astronomical rate. Amschel knew the power of money and like old John D. Rockefeller who aped his philosophy of secrecy Mayer knew that secrecy is paramount to success. His religious belief that the Jews were God's chosen people never wavered, and he flaunted his belief on every occasion, public and private. To give some idea of the Rothschild wealth I provide the following:

> His son Lionel was the friend and counselor of the Prince Consort and of Disraeli whose Sidonia in Coningsby is a (thinly disguised) ideal portrait of him. . .
>
> He brought about the enactment of the disabilities bill which permitted Jews to hold office in England. He

> advanced the British government the money for the Irish famine loan (about $40,000,000) and also for the Crimean War (about $80,000,000) and for twenty-four years he acted as the agent for the Russian government.
>
> He had a large share in the successful funding of the United States national debt, provided the funds for the immediate purchase of the Suez Canal shares; he was also active in facilitating the payment of the French indemnity to Germany; in directing the finances of the Austrian Empire and the Egyptian loan of 8,500,000 pounds (about $40,000,000). (The Jewish Encyclopedia, Vol. 10, pages 501-502)

Jacob (James) Rothschild's fortune, which was independent of Lionel's or any of the other family members, was estimated by historians to be $200 billion at the time of his death according to author Armstrong who wrote. . . "But this was only an estimate, since no inventory of his estate was filed." It was of course in keeping with one of the principles laid down by Amschel that secrecy was to be maintained. Above all else, the Rothschilds were always involved in financing wars.

Hymym Solomon (also known as Haim) was involved in financing the American Revolution. Seligman Brothers and Speyer and Company financed the North and Messrs Erlanger the South in the Civil War. More recently, in the great development of railway finance the firm of Kuhn, Loeb and Company has taken a prominent role.

Although it does not say so in so many words, it is clear to anyone who knows anything about banking of the period, that the Rothschilds' financed the North and South through front men and front banks. There have been various estimates of the wealth of the Rothschilds, and one who knew perhaps better than others, Count Cherep-Spiridovich

estimated that they made $100 billion out of WWI alone. Historian John Reeves in The Rothschilds: Financial Controllers of Nations gives a good accounting of the Rothschilds achievements:

> Little could Mayer have anticipated that his sons would in after years come to exercise such an unbounded sway that the peace of nations would depend on their nod; that the powerful control they exercised on the European money markets would enable them to pose as the arbiters of peace and war, since they could at their pleasure, furnish or withhold the pecuniary means required to carry on a campaign.
>
> But this, incredible as it may seem, was what their vast influence, combined with their enormous wealth and unlimited credit, enabled them to do, for no firms existed strong enough to oppose them for any length of time, or rash enough to take up a business which the Rothschilds had refused.

A short note of explanation: It happened that the Rothschilds would refuse an offering although sound, simply to punish, that particular nation, or company, for some wrong doing, imagined or real. Had any other bankers have taken up what the Rothschilds rejected, their punishment would be swift.

CHAPTER 20

THE U.S. CONSTITUTION TRAMPLED BY CORRUPT LEGISLATORS IN THE PA Y OF THE ROTHSCHILDS

The question has often been posed and encountered by me: "How did the United States with its Constitution, the highest law of the land, which forbad a central bank, come in the end to have just such a central bank, totally in violation of the Constitution." To answer the question would require many thousands of pages of explanations, but in the following brief accounting, I shall try to provide a clue as to how the Federal Reserve Banks were forced down the throats of the American people.

In the first instance, the Federal Reserve Bank is not "Federal" being owned by anonymous stockholders, and not by the United States Government. In plain language it is a private bank masquerading as a federal government institution.

As such it is not accountable to the American people, in witness whereof, it has never been audited by government auditors as is required by law if it were a government bank. The great Louis T. McFadden, Chairman of the House Banking Committee, once declared from the floor of the House: . . . the Federal Reserve banking system is the greatest swindle in history, a fraud on the American people.

On Friday June 10, 1932, in a debate in the House of Representatives on the Federal Reserve Bank, the courageous McFadden said:

Mr. Chairman, we have in this country one of the most corrupt institutions the world has ever known. I refer to the Federal Reserve Board and the Federal Reserve banks. The Federal Reserve Board, a Government board, has cheated the Government of the United States and the people of the United States out of enough money to pay the national debt. The depredations and the iniquities of the Federal Reserve Board and the Federal reserve banks acting together have cost this country enough money to pay the national debt several times over.

This evil institution has impoverished and ruined the people of the United States; has bankrupted itself, and has practically bankrupted our Government. It has done this through defects of the law under which it operates, through misadministration of that law by the Federal Reserve Board, and through the corrupt practices of the moneyed vultures who control it. Some people think the Federal Reserve Banks are United States Government institutions. They are not Government institutions. They are private credit monopolies, which prey upon the people of the United States for the benefit of themselves and their foreign customers; foreign and domestic speculators and swindlers; and rich and predatory moneylenders. In that dark crew of financial pirates there are those who would cut a man's throat to get a dollar out of his pocket. . .

The 12 private credit monopolies were deceitfully and disloyally foisted upon this country by bankers who came here from Europe and who repaid our hospitality by undermining our American institutions. These bankers took money out of this country to finance a war against Russia. They created a reign of

terror in Russia with our money. . . They financed Trotsky's mass meetings of discontent and rebellion in New York. They paid Trotsky's passage from New York to Russia so that he might assist in the destruction of the Russian Empire. They fomented and instigated the Russian revolution and placed a large fund of American dollars at Trotsky's disposal in one of their banks in Sweden. It has been said that President Wilson was deceived by the attentions of these bankers and by the philanthropic poses they assumed. It has been said that when he discovered the manner in which he had been misled by Colonel House, he turned against that busybody, that 'holy monk' of the financial empire, and showed him the door. He had the grace to do that, and in my opinion, he deserves great credit for it.

In 1912 the National Monetary Association, under the chairmanship of the late Senator Nelson Aldrich, made a report and presented a vicious bill called the National Reserve Association bill. This bill is usually spoken of as the Aldrich bill. He was the tool, but not the accomplice, of the European-born bankers who for nearly 20 years had been scheming to set up a central bank in this country and who in 1912 had spent and were continuing to spend vast sums of money to accomplish their purpose.

. . . Under the tutelage of those sinister Wall Street figures who stood behind Colonel House, established here in our free country the worm-eaten monarchical institution of the 'king's bank' to control us from the top downward, and to shackle us from the cradle to the grave. The Federal Reserve act destroyed our old and characteristic way of doing business...

> It fastened down upon this country the very tyranny from which the framers of the Constitution sought to save us. The danger that the country was warned against came upon us and is shown in the long train of horrors attendant upon the affairs of the traitorous and dishonest Federal Reserve Board and the Federal Reserve Banks. . . The Aldrich bill was created by bankers of European origin in New York City. It was a copy and in general a translation of the Reichsbank and other European central banks." (Notably the Bank of England)
>
> (From the Congressional Records of the House of Representatives, the Collected Speeches of Congressman Louis T. McFadden)

On Thursday June 15, 1933, McFadden went to do battle once more against the imposition of a central bank on America, in gross violation of the United States Constitution. Speaking in the House of Representatives, McFadden complained about foreign bankers taking over the money and credit of the American people, and he concentrated on Jacob Schiff, whom he said, was an agent of the Rothschilds:

> He also hit out at a Mr. Mayer who is a brother-in-law of Mr. George Blumenthal a member of the firm of J.P. Morgan and Co., who, I understand, represents the Rothschild interest... I want to make it perfectly plain, that in placing Mr. Mayer at the head of the Federal Reserve system you are turning it over completely to this international finance group.

How was the U.S. forced into the slavery of the Federal Reserve Bank system? The answer is really quite simple:

It was done through the money power of the Rothschilds and a group of traitors in the U.S. House and Senate willing to sell their souls in exchange for a life of opulence and ease. Such men are found in all countries, and there is no way to foreclose against their treachery. Their infamous deeds continue to reap a bitter harvest. For daring to expose the truth about how August Belmont entered the United States for the sole purpose of gaining control of politicians who would make it possible to impose Rothschild control of the money and credit of the United States, McFadden was murdered.

There were three attempts on his life; one by a shooting that did not succeed, and two attempts to poison him, the last of which killed this great and courageous American. His murderers were never found and justice has still to be done.

Thus was a great American Christian patriot silenced, an unspeakable foul deed was done and financial slavery imposed on the American people. For as long as the elected representatives of the people in the U.S. House and Senate abide by their oath of office, to preserve and protect America from the ravages of the international bankers who lead International Socialism's onslaught against the Constitution, the blessings of liberty shall be those of the American people.

But when our representatives bow to the money power of the international bankers and prostitute themselves on the alter of Rothschild money power then has the hour arrived that We, the People have lost our freedom and the rights guaranteed by the Constitution.

The Federal Reserve Act was a smashing blow against the Constitution, another nail in the coffin of a once-free American people. The Federal Reserve Act was a progression along a road that will end with the total destruction of the Constitution. One of the Rothschild servants, Lord Bryce, said that it would take fifty years to destroy the Republican form of government guaranteed to the

American people by their Constitution. Lord Bryce predicted that: Security provided by for the protection of the Constitution will be gone like the morning mists.

This is the same Lord Bryce, who through false testimony published shameless lies about German atrocities in Belgium that brought the United States into the First World War.

Having acquired control of the leading banks of Europe and having become the lenders of first resort to every government on the Continent and England, the Rothschilds then acquired control of the Bank of England. In order to hide this fact it was decreed that the names of the bank's stockholders were never to be made public:

> This power brought about the establishment of the gold standard, first in the British Empire, and then in other countries as stated. They acquired the controlling interest in the Bank of England for which the late Lord Rothschild was the gold agent and governor.
>
> The Bank of England is one of their many fronts. They no doubt have the controlling interest in most of the other central banks of issue. In strict keeping with the secrecy which has been one of the cardinal principles of the Rothschild rulers from the very beginning, the Bank of England refuses to reveal its stockholders. . .
>
> They [the Rothschilds] sent one of their agents, Paul Warburg, as their representative to America, just prior to World War I, to change our banking systems.
>
> Through their ownership and control of J. P. Morgan and Co. and Kuhn, Loeb and Co., private banks, they owned and controlled the principal New York

national banks and trust companies, and through them controlled the New York Federal System. . . It is essential in order to control at will the expansion and contraction of credit that there be some supreme authority with the power to increase or decrease at will the volume of money in circulation.

Prior to the regime of the Rothschilds this power resided in the kings and emperors of the world, for they were then the supreme authority. In our country (the United States) our National Constitution vested this power (solely) in the Congress of the United States. . . Under the Rothschild influence the banking systems of the world were all radically changed. The supreme authority for the issue of money, as well as to extend credit, was transferred by the various governments to the bankers of their respective countries. The Bank of England became the model for other central banks of the world. At the time of the establishment of the Federal Reserve System, our government was the only one of any consequence that even pretended to exercise its sovereign right to issue and control the volume of money in circulation. The establishment of the Federal Reserve System brought about a complete surrender to the banking fraternity of the sovereign power of the American people to regulate values through their congressional representatives, as guaranteed to them by their national Constitution.

The panic of 1907 was, like all our other panics, a manipulated one. It was brought about by the refusal of the reserve bank of New York to pay currency to their country bank depositors, which in turn made it necessary for these banks to refuse to pay their depositors in currency. It was therefore due primarily

to an insufficient quantity of currency in circulation and an inadequate method of increasing the supply.

In the midst of the campaign for the reform of our banking and currency system (to prevent further manipulations that could result in panic) Paul Warburg, a German Jew, migrated from Frankfurt am Main, the original home of the Rothschilds, to America. He was at that time a member of Kuhn, Loeb and Company in New York, the American branch of the Rothschilds, upon his arrival here. The following is a Naval Secret Service report on him in December 1918:

'Warburg, Paul, New York City, German; was naturalized as an American citizen 1911, was decorated by the Kaiser; was vice-chairman of the United States Federal Reserve Board, is a wealthy and influential banker; handled large sums of money furnished by Germany for Lenin and Trotsky; subject has a brother who is leader of the espionage system of Germany.'

The Federal Reserve System is the product of the Rothschilds and its adoption was secured by the same underground, deceptive manner that they always employ to obtain their objectives. Paul Warburg evidently came to America to reform our banking and currency system and evidently he and the Rothschild interest then anticipated the world war [the First World War 1914-1918] although it did not come about until some three years later.

This is the sordid story of the greatest disaster that ever befell the American people. We then surrendered to Jeroboam Rothschild and his successors, complete

domination over our welfare and happiness. Prior thereto, great influence was through his Morgan and Co., and Kuhn, Loeb and Co., banks and their subsidiary affiliates, but now his authority is made supreme and unlimited. This surrender perfected his control over the economy of all of the people of the world.
(Emmanuel Josephson, Rothschild Money Trust, pages 36,40, 41, 132 134 and 1600)

CHAPTER 21

THE ROTHSCHILDS THWART THE U.S. CONSTITUTION

What is so astonishing about the audacious hijack of the United States credit and money supply by the Rothschilds is that it was accomplished in the face of stringent provisions in the United States Constitution that forbad establishing a central bank.

We are reminded by the words of Jesus Christ at his crucifixion when He said: "Father, forgive them, for they know not what they do." This prayer of forgiveness was for and behalf of the Roman soldiers, and not for the Sanhedrin, who had demanded his execution.

Thus we say of those members of the U.S. Congress who were ignorant of what was being done, and ignorant of the gigantic swindle being perpetrated upon them, and worse still, ignorant of the Constitution they had sworn an oath to uphold: "Father, forgive them for they knew not what they did."

But for the traitors, the deceivers, the liars and the betrayers who did know what they were doing, I say that death by hanging for treason, as suggested by the framers of the Constitution, would have been far too lenient a fate for them. Some scholars of the period wondered why the Federal Reserve Act was presented when it was.

Two reasons come to mind. A pliant Socialist president in the White House, the architects of the Federal

Reserve knew that war was coming. Thus it was essential to have the Central Bank up and running before hostilities commenced. Subsequent history has shown that the Federal Reserve Act was passed in time to make the coming war happen. Without the massive financing provided by the U.S. there is every reason to believe, that WWI would not have broken out.

The second reason is, of course, the more obvious one: Complete control of banking and finance of the United States. Passage of the illegal, unconstitutional, Federal Reserve Act made it possible for the Rothschilds through the treason of Wilson, to drag the United States into WWI that resulted in the death of millions of young Christian men, the flower of the European and American nations, and cost the United States billions of dollars.

The treason-mongers were never punished and America is still suffering today from the effects of that terrible war and the one that followed, and from the stranglehold which the Rothschilds have over an allegedly "free America" from which they continue to reap obscene profits.

Any real freedom for the American people ended the day that the Rothschild gained control of America's currency, credit and economy through establishment of the Federal Reserve Banks. When one considers the power of the Rothschild to have been able to establish their banking system in the heart of the American republic, we are reminded of the following verse: Upon what meat doth this our Caesar feed that he has grown so great?

The story of that "meat" is what I have tried to recount in this work and perhaps it will shed some light on the mystery of how both Wilson and Roosevelt were able to impose their wills upon the American people, even though they had the shocking example of the treason committed by President Woodrow Wilson still fresh before their eyes.

There can be but one answer as to the source of that power; the Rothschild agents in America who desired and actively sought American entry into WWII. The book, Propaganda in the Next War, authored by Captain Liddell Hart, throws a good deal of light on how, for the second time, the American people were dragged into a war in Europe although the vast majority of them totally opposed, but unfortunately, the book appears to rendered unavailable. Author Armstrong said:

> Apparently it is a semi-official book of the British government. The destruction of these copies of the book was probably by the order of Secretary of War, Hoar-Belisha...
>
> The establishment of a Jewish homeland was not an issue in the world war or in the peace treaty with Germany. The Arabs were our allies and they fought side by side with the soldiers of the allies. It was coldblooded indefensible robbery perpetrated at the instance of 'Elders,' Lloyd George and Woodrow Wilson and Georges Clemenceau. (Rothschild Money Trust, pages 65, 79)
>
> The worst of it is that the establishment of this 'Jewish homeland' was cold-blooded treachery to the Arab Government and the people. The Arabs claim that they were induced to enter the war on the side of the Allies by the promise that what is known as the Balfour Declaration would be rescinded and the Arabians would not be molested in the peaceful ownership and possession of their country.
>
> This contention is not denied by the British Government, but the excuse is made that Woodrow Wilson insisted that the Jews be given this home and

> that Lloyd George consented as a matter of policy and in order to get some other things in the peace treaty that he desired. Palestine is now properly called the 'twice promised land.' It is likely that Germany also promised it in consideration of the Russian deal. (Rothschild Money Trust, page 70)

One of the least noticed after effects of WWI and the subsequent peace treaty was the demonetizing of silver, which has always figured prominently in the monetary systems of the world since ancient times. Silver is a noble metal, but it is not regarded as being anywhere near as valuable as gold by the Rothschilds although it has always been a good defense against inflation.

Neither silver, gold coins nor scripts/certificates can be inflated. It was most probably with this in mind that the Rothschilds made strenuous efforts to demonetize silver and get rid of coinage in the money systems of the world. I do not propose to give a history of the Bank of England in this book other than to refer to it from time to time.

The Bank of England was and still is the model for all "fractional reserve banks," including the illicit Federal Reserve Bank of the United States. Its original charter was amended eight times up to 1844, and undoubtedly, the Rothschilds had a great deal to do with the latter amendments, especially the Peel Amendment, which made drastic changes that greatly favored the Rothschilds' banks.

The Peel Amendment was adopted in 1844 and its immediate effect was to demonetize silver, which had hitherto circulated as coinage in every country, even nation, since time immemorial as real money.

This was done because the Rothschilds wanted their war debts to be repaid in gold, a fact that became apparent when they refused to accept payment of Civil War debts in silver and demanded of the United States Government that the

debts be paid in gold. No doubt the Peel Amendment foresaw such matters and was adopted specifically to lay the foundation for what was to follow. The amendment also gave the British a monopoly over gold, because they held the gold stolen from the Boers of South Africa in 1899-1902.

Incidentally, it was Peel who had steered the Jewish Disabilities Bill through the House that made it possible for a Jew to run for public office for the first time in the long history of England. But in the middle of the struggle against strong opposition, Peel fell of his horse while out riding and died from his injuries. He was an accomplished horseman, which makes the accident all the more strange. That left Disraeli the chief protagonist for the bill. Disraeli's maiden speech to the House of Commons on December 7, 1847 as party leader, had been drowned out by his opponents led by the feared Irishman, Daniel O'Connell.

Those for the Jewish Disabilities Act were Sir Moses Montefiore, related through marriage to the Rothschilds, and one of two Sheriffs of the City of London. Although a Jew, Montefiore could hold the high office, because the House of Lords had no jurisdiction or control over the City of London. Montefiore had come to the House to receive permission to listen to the debate.

The bill was presented not directly, but what it became known as, a bill to remove restrictions from all faiths, what the Rothschilds always did, calling such an approach as a "side wind."

The measure was to end the longstanding practice, which held, that Jews could not become magistrates, schoolteachers or enter Parliament; could not vote if they refused to take the Christian oath and could not practice law.

Lionel de Rothschild had refused to take the Christian oath, and although elected to the House of Lords could not take his seat because of his obdurate opposition to the Christian oath being administered.

The 'Jew bill' as it was referred to by the Tories would not go away, even after eleven years of opposition by members like Lord Derby, Lord Bentinck and Sir Robert Inglis, who when asked why Jews should be excluded from Parliament stated: "The Jews are voluntary strangers here, and have no claim to become citizens but by conforming to our moral law, which is the Gospel."

The Tories in the House of Lords were solidly against the "Jew bill" as Lord George Bentinck called it as he explained it each time the bill came up again for eleven years. One must give credit to the tenacity of the Rothschilds, when they wanted something they clung on tenaciously until they got it. As Lord Bentinck explained:

> The Jew Question I look upon as a personal matter as I would a great private estate or Divorce Bill. Disraeli will of course warmly support the Jews, first from hereditary prepossession in their favor and next because he and the Rothschilds are great allies. (From Hansard Report)

Bentinck was later found dead, apparently from a heart attack at the age of forty-six. Like the death of Peel before him, Bentinck's passing left many unanswered questions, the most pertinent of which have never been addressed.

On February 20, 1849 the Jewish Disabilities Removal Act came up again for consideration in its third reading in the House with Disraeli in charge. In the gallery sat Louise de Rothschild, observing the proceedings on behalf of Lionel Rothschild. The measure passed by a vote of 272 to 206, but died in the Lords.

In the following year, July 29, 1850, Lionel de Rothschild again tried to take his seat, but the Clerk refused to allow it and thus was generated a new round of frenzied activity characterized by scathing debate.

The measure was now being referred to in the Times as the "annual pastime" of Parliament. Having been struck down in 1849, 1851, 1853, 1856 and 1857, Disraeli in 1858 tried a new tack by changing the wording of the Oath, but the Lords again rejected it.

Disraeli hit back by appointing a committee to look into a basis of the restoration of the new Oath and appointed Lionel de Rothschild on the committee. Finally, amid ugly scenes and rearguard opposition from Lord Derby, much grumbling with a razor-thin majority voting for it, a compromise was reached: Each House would formulate its own Oath. At the sumptuous home of Lionel de Rothschild there was great rejoicing that the "eleven years of shouting and screaming in every corner of the House" was over.

On July 26, 1858, Lionel de Rothschild was sworn in on the new, non-Christian Oath, shaking hands with Disraeli as he went up to do so in a public display of the gratitude he owed his protege whom he had wisely and with great foresight, converted to Christianity at a tender age possibly in anticipation of his need for the very service he had now delivered.

CHAPTER 22

THE ROTHSCHILDS BREAK OPEN THE HOUSE OF LORDS

The floodgates had been opened. Lord Rothschild took his seat, followed in quick succession by David Salomons, Sir Francis Goldsmith, Nathaniel de Rothschild, Frederick Goldsmid and Julian Goldsmid.

It is interesting that none of these men represented Disraeli's own party, the Conservative Unionist Party "Tory Party." But the chief opponent, Earl Derby, now losing support from his own party, put his objections in writing:

> Without imparting any disloyalty or disaffection to Her Majesty's Subjects of the Jewish Persuasion, the Lords consider that Denial and Rejection of that Savior, in whose Name each House of Parliament daily offers up its collective prayers for the Divine Blessing on its Councils, constitutes a moral unfitness to take part in Legislation of a professedly Christian Community. (Hansard Report)

The most visible results of The Jewish Disabilities Removal Act was that it provided the Rothschilds and other leading Jews access to the House of Lords and removal of the hated Christian Oath. With the other change, the Peel Amendment to the Bank of England, the ordinary people, as

usual, had no inkling of how they were being bamboozled and how much they would lose. The miscreants worked so skillfully that while the victims were walking around with their eyes wide open, yet not comprehending what they saw, the Rothschild solidified their grip on world monetary systems.

Of course the deception is still practiced today where U.S. coinage is made to look like silver, but which coinage has no silver content whatsoever. U.S. coinage might as well be made of plastic, but that would not do, because then the multitudes might just wake up to the deception after all these years! Even the Encyclopedia Britannica sought to conceal the deception of the Peel Amendment:

> It was indispensable in attempting to obviate the defects inherent in our currency, to proceed cautiously, to respect, as far as possible, existing interests, and to avoid taking any steps that might excite the fears or suspicions of the public; but the measures . . . were so skillfully contrived as to provoke little opposition, at the same time that they effected most important and highly beneficial changes. (Encyclopedia Britannica Vol. III, page 323)

For instance: What were the "defects" it speaks about? The principle "defect" was that hitherto it had not been easy to wage war, as there was never enough money for such wars and additional money had to be raised by additional taxation. This meant that at some point, even the slumbering multitudes would become enraged and rise in rebellion against overburdening taxes.

The other "defect" was that paper money had to be backed by bullion and what was desirable was the full practice of the old Babylonian system of fraudulent fractional reserve banking meaning in plain language that banks could

issue a certain amount of paper money not backed by real assets such as silver and gold. Without these changes and the flood of paper money that followed the Peel Amendment and the Federal Reserve Banks establishment in America, WWI and WWII would not have been possible to promote. There was simply no real money for such wasteful wars, nor would the people have stood for additional taxes to finance such misadventures.

In fact, there would have been no Gulf War, no invasion of Iraq in 2002, no bombing of Serbia and no war against Afghanistan, -- were it not for an abundant supply of worthless paper money, which are called U.S. dollars. Accepted as such all over the world — in reality they are pieces of paper issued by a private banking system, which cannot be exchanged for gold or silver.

Why, in the words of the Encyclopedia Britannica, was it necessary to "proceed cautiously?" If this was an honest need why should there have been caution about the move? But the encyclopedia gives the nasty game of deception away in the words, "that might excite the fears and suspicions of the public."

By its own admission we now learn that there was a need for caution because base deception of the public was being engaged in and that the deception had to be "skillfully contrived to provoke little opposition."

What an admission that wholesale deception and gross fraud were being perpetrated on the people. The perpetrators very well knew that the people would go into revolt if they found out, so the Peel Amendment had to be disguised as "highly beneficial changes."

Who were the recipients of the "highly beneficial changes?" There was only one party who benefited and that was the Rothschild Dynasty and their banks all over the world.

If this were not true, the "highly beneficial changes" would have been shouted from the rooftops of London and of

every city in the world. But the "highly beneficial changes" were for the benefit of the Rothschild banking empire and not for the people of the many nations affected by it.

While Sir Robert Peel presented the amendment to the bank's charter, its author was indeed Lionel Rothschild through his "valet," Benjamin Disraeli, whom he had created and made famous as England's Prime Minister, in the manner in which the Rothschilds created and made famous Napoleon I. Lionel Rothschild's influence over the Bank of England had never waned since he frightened the bank into giving him de-facto control through this attack on its gold reserves, as explained earlier by demanding his paper be exchanged for his gold.

It should be recalled that on August 4, 1847, when Disraeli's eligibility to run for a seat in Parliament was paper-thin, because he could not claim property ownership in fear of his many creditors, and property ownership being a necessary qualification, it was Baron Mayer de Rothschild, the High Sheriff of the county in which the town of Aylesbury was situated, who certified Disraeli as a qualified candidate and then declared him duly elected, after another candidate, a John Gibbs, had been persuaded to withdraw from the election.

But the watching crowd did not take the result well. Perceiving Disraeli as an interloper, he was met with hisses and heckling. It is also worth mentioning, that while Disraeli was in such deep financial straits that could and would have badly affected his career in Parliament, it was Lionel de Rothschild who bought his debts and discharged them. The deal is mentioned in Disraeli by Weintraub, page 401:

> Through Philip Rose and Lionel de Rothschild, Montague discharged all debts. The Montague mentioned is said to have 'offered to buy up Disraeli's debts and charge a lower than usurious interest rate.' Critics suggested that the real

> 'purchaser' of Disraeli's debts was in fact, Lionel Rothschild.
>
> Another indisputable fact is, that in September 1848 the Rothschilds had a hand in buying Hughendon, Disraeli's country home for him through a front man, the Marquis of Titchfield. As Disraeli wrote to his wife Mary Anne, 'It is all done; you are the Lady of Hughendon'.

I mention these facts, as they seem to bear out the claim that Disraeli was "a mere valet of the Rothschilds."

A study of the methods used by the Rothschilds to put over the deception of the Peel Amendment shows that they used in precisely the same way to put over the Federal Reserve Banks swindle on the American people. In both instances, the author and finisher of the plot were one and the same -- the Rothschilds.

The catastrophe in 1840 was staged and managed by the Rothschilds to set the stage for the crucial amendment of 1844 that was to be so beneficial for the Rothschilds in that it ended the restraining influence of silver coinage and silver certificates.

The Rothschilds stage-managed the panic of 1907 which opened the way for the American version of the Peel Amendment, the deceitful and downright unconstitutional Federal Reserve Banks, which bill was steered through the Senate by their numerous agents in place, notably Senator William Aldrich. The Peel Amendment and the Federal Reserve Act are twins of the same parentage, the Rothschilds, who used their front men and servants to conceal the real authors of these infamous fiscal and monetary measures of deception.

How were the Rothschilds able to accomplish the double success that placed the yoke of slavery around the necks of the ordinary people? They did it by owning and

controlling the leaders of both political parties in the British Parliament and the political leaders of both parties in the U.S. House of Representatives and the U.S. Senate. Since then, nothing has changed.

The status-quo remains entrenched. The two measures gave the Rothschilds complete control over the monetary and fiscal policies of the British Empire and the complete monetary and fiscal control over the United States, thereby multiplying not only Rothschild wealth, but Rothschild power to dictate policies to both the British and United States Governments, making them "lord and master over the money markets of the world.

Disraeli did not say that the Rothschilds achieved complete mastery of the foreign and domestic policies of the governments of the world, but this was hardly necessary to enunciate as it became self-evident at the Paris Peace Conference.

On the instructions of their Rothschild masters, President Wilson and Prime Minister George organized two committees that were called the "Financial Committee" and the "Economic Section." Rothschild agents Baruch and Thomas Lamont, a partner of J.P. Morgan and Co. were appointed to the Financial Committee.

The net end result of the deliberations and decisions of the two committees made it almost impossible for Britain and France to repay their war debts to the United States, more than likely with the intention that they should be "forgiven," which they were, in the most flagrant abuse of the U.S. Constitution. There were and are no provisions in the United States Constitution that would allow for loans and gifts to foreign powers, much less that debts should be written off. But to the Rothschilds it was just another hurdle to be overcome, and the U.S. did write off billions in debt owed by the Allies.

The intention was quite clearly that the debts owing to the Rothschilds would be repaid and that was the bottom

line. Unfortunately, the Rothschild agents in the U.S. Government went along with the plan that robbed the American people of billions upon billions of dollars and enriched the Rothschilds with like amounts, this, in the most flagrant violation of the highest law of the United States, the Constitution.

In its wake, the blatant disregard of the Constitution resulted in strengthening International Socialism that caused poverty and suffering, with revolutions that led to the rise of Communism.

Who was this Disraeli, a man who had such a profound effect on the history of England? How did he aspire to his position of power?

Benjamin Disraeli (1804-1881) who was given the title of Lord Beaconsfield in his later years was the first person of Jewish descent to become a prime minister of England.

A study of documents in the British Museum, show that Disraeli owed his rise to fame and power solely to Lionel Rothschild. When he was discovered by Lionel, Disraeli was in a state of desperate poverty, but he still managed to rise to power and fame because Lionel Rothschild found him a useful servant. Bismarck, another of Rothschild's "creations" said that Disraeli was the originator of the plan to bring down the United States through civil war.

The American Civil War was the most senseless fratricide ever in the history of the world, and cost the lives of nearly 800,000 men. It was a war that should never have happened, and would not have happened had it not been for the "hidden hand" of the Rothschilds and their agent, Disraeli, upon whose soul the blood of the dead of the Civil War must forever lie.

Lionel Rothschild became Benjamin's mentor and guide. Starting from the young Disraeli's formative years, Lionel took charge and steered his protege from one success to another.

> Disraeli was to Lionel what Weishaupt was to Amschel; Gambetta to James Rothschild III, what Poincare was to Alphonso Rothschild IV and is to Eduard Rothschild V, or as was and is Kerensky (Kirbis) to E. Rothschild V...
>
> Disraeli was the Horse of Troy slipped into the upper classes of Great Britain, carrying inside a score of Jews as future Lords and Ministers. Now they entirely rule her. (Let Us Prevent The Second World War. (Count Cherep-Spiridovich)

According to Buckle's Life and Death of Disraeli, "no career in English history is more marvelous than that of Disraeli and none has hitherto been shrouded in greater mystery."

But to Thomas Carlyle, the great English essayist and historian, Disraeli was an "adventurer and a superb Hebrew conjuror." Carlyle wrote a notable work on the French Revolution and his lectures On Heroes, which were greatly acclaimed, made him a better judge of Disraeli than Buckle's History of Civilization in England. Professor William Langer also does a more realistic job in assessing the worth of Disraeli, but none of these historians say anything at all about his mentor and controller, Lionel Rothschild. Cherep-Spiridovich is the least charitable of all toward Disraeli:

> The politics of Disraeli consisted chiefly in his hatred of Russia . . . Taken by Lionel under his guidance, Disraeli henceforth assumed a triumphant scorn, that which would be worthy of a Mephistopheles. As he was luridly pale with flashing eyes and black hair, he adopted a dress coat of black velvet lined with white satin, white gloves, hanging fringes of black silk, white ivory stick with black tassels.

> All this was devilishly combined in order to make a stronger impression on influential old ladies. And through them, Benjamin learned in London all the secrets needed for his patron-Lionel, with whose money Disraeli stepped into the highest places.

Sarah Bradford, in her book Disraeli, states on pages 60 and 186 that Disraeli had "strong Zionist feelings, which he expressed in private." Bradford mentions several other significant things as they related to the Rothschild's patronage of Disraeli:

> They knew his wife Mary Anne before the marriage, relating how the Rothschild ladies became increasingly intimate with her. (Page 187)

> Disraeli was often entertained at the home of Anthony de Rothschild and was "considered as part of the family." (Page 386)

Disraeli, Author Weintraub relates how close Lionel was to Disraeli (page 243) and how he "considered Lionel his best friend. . . He saw him more than anyone else in London and never needed an invitation to dine. After the death of Disraeli's wife Mary Anne, he practically lived at Lionel's house. (Pages 243 and 611) Anthony de Rothschild was the best and kindest host in the world. (Page 651)

Weintraub mentions that Alfred de Rothschild was extremely generous toward Disraeli. We are left in no doubt that Disraeli and the Rothschilds enjoyed an extraordinarily close friendship reaching far beyond that which would be understood by the normal meaning of the word.

CHAPTER 23

ROTHSCHILDS SURROGATE FINANCED ATTACK ON RUSSIA

Earlier herein, I indicated that I would explain in some detail the Rothschild involvement in the war between Japan and Russia in 1904-1905. At that time the government of Japan thought they were receiving a helping hand from Jacob Schiff who worked behind the scenes to foment tension between Russia and Japan, but what was actually behind the loan Schiff gave to the Japanese?

The Rothschilds needed Japan in their quest to destabilize Russia. Their hatred of the Romanov family was unbounded. The attack by the Japanese fleet on Port Arthur set the stage for the Bolshevik Revolution that was to follow in due time. As Lionel Rothschild once remarked, "there has been no friendship between the Court of St. Petersburg and my family."

The Russo-Japanese War began on February 8, 1904. The Communists were jubilant seeing in the attack a chance to strike a blow against the government. Russian newspapers like Novoye Vremyo charged that the Zionist Jews were secretly helping Japan. In this they were correct because Jacob Schiff was instrumental in floating several loans in favor of Japan.

Schiff was tied to the Rothschilds through his birth in Frankfurt on January 10, 1847. His father was known to the Rothschilds. When he reached adulthood, Jacob became a broker for the Rothschild bank in Frankfurt. During 1865 the Rothschilds sent him to New York to connect up with the

firm of Frank and Gans. Under the instructions of the Rothschilds he started his own brokerage house of Budge, Schiff and Co. in 1867. The partnership lasted for about six years and was dissolved in 1873 at which time Schiff went to Europe.

After a tour of German banking firms in 1873 he returned to the United States in 1875, and was made a member of the banking firm Kuhn, Loeb and Co., a well known "front" for Rothschild banking interests in America. Schiff hated Russia and saw in a Russo-Japanese War the chance to strike a blow against the Tsars and perhaps bring about the end of their rule over Russia.

By his express order, Kuhn, Loeb and Co., floated the three large Japanese war loans in 1904 and 1905. In appreciation he was awarded the Second Order of the Sacred Treasure of Japan. After the decisive defeat of the Russian fleet at Port Arthur, the stage was set for the grave unrest in Russia that was to follow:

July 28, 1904
Murder of Viacheslav von Plehve, the able minister of the interior

August 22,1904
Jewish rioting erupted in Kiev, Rovno and Volhnia, continued to October

January 22,1905
Bloody Sunday led by Rothschild agent "Father" Giorgi Gapon

October 2-30,1905
A General Strike in which the whole country joined

December 22-January 1,1905-06 Insurrection of workers in Moscow

May 2,1906
The dismissal of Count Witte, recognized by historians as the beginning of the end of the rule of the Romanov's

The murder of von Plehve was predicted in a Jewish poem circulated in February 1904, addressed to "Haman." Easily identified as the minister of the interior, it read that the "new Haman" would soon die. On the morning of July 28, 1904, a terrorist by the name of Sazonov threw a bomb at von Plehve as he stood in the square before the Warsaw depot in St. Petersburg.

Just before the Bolshevik Revolution erupted, Schiff gave Lenin $20 million to further the Bolshevik cause. It is no wonder that Pope Leo XIII wrote in his Apostolic Letter of March 19, 1902, Parvenu a la Vingt-cinquieme Anee:

> Including most nations in its immense grip it unites itself with other sects of which the real inspiration and the hidden motive powers. It first attracts and then retains its associates by the bait of worldly advantage, which it secures for them. It bends governments to its will sometimes by promises, sometimes by threats. It has found its way into every class of society, and forms an invisible and irresponsible power, an independent government, as if it were within the body corporate of the lawful state.

Well did Dr. Gerard Encausse in Mysteria in the April 1914 issue declare:

> Side by side with the international politics of each State, there exist certain obscure organizations of

> international politics. . . The men that take part in these councils are not professional politicians or brilliantly-dressed ambassadors, but certain, unknown men, high financiers, who are superior to the vain ephemeral politicians who imagine that they govern the world.

Before he was turned in favor of the conspirators, Winston Churchill remarked about events in Russia:

> The leading spirits of a formidable sect, the most formidable sect in the world, and with those spirits around him, set to work with a demoniacal ability to tear to pieces every institution upon which the Russian State depended. Russia was laid low. Russia had to be laid low. She was laid low in the dust.

Churchill was referring to the diabolical fury of Lenin and Trotsky, and the terror and destruction they brought down on Christian Russia. (Speech in the House of Commons on Nov. 5, 1919)

Lenin was but another valet of the Rothschilds sent to do their bidding. Their hatred for the Romanovs' knew no bounds. The one thing that infuriated the Rothschilds was the Tsar's attempt to form a Holy Empire that would acknowledge Christ as it leader. There are several accounts: The Jewish author A. Rappaport's book, The Curse of the Romanov's, Professor William Langer's account, John Spencer Bassett in The Lost Fruits of Waterloo and documents in Lord Milner's private papers.

The Holy Alliance was considered a Christian League of Nations, Austria, Prussia, and Russia with the hope that Britain and France and all the nations of Europe would join. The nations were to swear an oath of allegiance to "The One and Only True Sovereign, to whom alone, all power by divine right belongs, namely God, our Divine Savior, Jesus Christ."

The leading light in this hoped-for alliance was Tsar Alexander I who moved mightily to make it become a reality. The Rothschilds immediately expressed their opposition to it. Professor Langer defines it thusly, which in my opinion is a prejudiced account:

> On September 26, 1815, the Holy Alliance, a document drawn up by the Tsar Alexander I, signed by the Emperor Francis I and by Frederick William III and ultimately by all European rulers, excepting the prince regent of Britain, the pope, and the sultan of Turkey. It was an innocuous declaration of Christian principles, which were to guide the rulers in their relations with their subjects and with each other.
>
> These vague and unexceptionable principles were probably meant by the tsar as merely a preface to some form of international organization along the lines recommended by the Abbe de St. Pierre a century earlier.
>
> The importance of the document lay not in its terms, but in its later confusion in the public mind with the Quadruple Alliance and more particularly, with the reactionary policy of the three eastern powers which were regarded as bound by a pact directed against the liberties of the people, camouflaged as religion.

In the first instance, it was not "camouflaged as religion." That was the interpretation put upon it by the Rothschilds who did all they could to stop Britain from signing the document.

In France, the Rothschilds were instrumental in getting the "separation of Church and State" to help to dissolve the Holy Alliance. Rappaport's book in this regard:

> The re-establishment of European peace has given to Czar Alexander I great satisfaction. Alexander directed his attention to the irreligiousness of the nations as the source of evils. He conceived the idea of reviving religious fervor in the peoples and thus re-establish a patriarchal regime, purity of family life, obedience to the law and authority. But the rulers must set an example and serve as models for their subjects.
>
> The sovereigns of Europe must carry out their missions as rulers of empires and kingdoms in the spirit of the founder of Christianity, which should be the link uniting the sovereigns to their peoples and among themselves. (Curse of the Romanov's, page 336)

Apparently the Holy Alliance was at variance with the plans of the Rothschilds if we take into account the writings of Count Cherep-Spiridovich, who believed that from that moment on in 1815, the Rothschilds sealed the fate of Russia and the Romanov family. Cardinal Manning stated: An association has been formed for the express purpose of rooting out all the religions of the establishments and overturning all the governments of Europe. The cardinal believed that the first victim was France in the French Revolution and Russia was its second victim. There is evidence that Disraeli did not tell the truth about Russia. It was the Rothschilds, who fomented the Bolshevik Revolution and financed it through their New York banking fronts of Jacob Schiff and J.P. Morgan, and in London by Lord Alfred Milner. It is a fact that Schiff gave Trotsky $20 million for the task of overthrowing Christian Russia.

The history of the Rothschilds shows that they did not hesitate to spend part of their huge fortune to achieve political goals. In this they achieved astonishing successes.

That the Rothschilds held and exercised amazing power over nations and governments is born out by the following:

> The Kaiser had to consult Rothschild to find out whether he could declare war. Another Rothschild carried the whole burden of the conflict which overthrew Napoleon. (The Patriot, Dr. Stuart Holden, June 11, 1925)

> The revolt in Georgia (Caucasus) was staged by the Rothschilds. (Humanite, September 1924. This was a Jewish magazine)

> The Rothschilds can start or prevent wars. Their word could make or break Empires.
> (Chicago Evening newspaper, December 3, 1923)

> Alphonso Rothschild consented to pay all the indemnity of France to Germany, if France would elect him King.
> (Journal d'un Officier d'Ordonance by Comte d'Hemson)

> At the last, decisive council of the British Cabinet on July 3, 1914, Mr. Lloyd George invited Lord Rothschild to listen to the debate. The Prime Minister played his demonical game on behalf of the Rothschilds, whose mere tool he has always been and still is. If England had honestly declared that she would stand by Russia and France there would have been no war, because the Kaiser would never have permitted it, not withstanding the 10 Jews who closely surrounded him: Bethman-Hollwig-Rothschild, Rathenau, Ballin and Dembury. (Unrevealed History, Count Cherep-Spiridovich)

> The Rothschilds have been the backbone of all political and financial happenings since 1770. Their name ought to be mentioned on each page of the history of every country. The authors, teachers, lecturers and politicians who do not speak of them, must be considered dupes, hypocrites or criminally ignorant. (Unrevealed History, Count Cherep-Spiridovich)

> Most of the Archives containing details about the Rothschilds were purposefully burned in Paris during the Commune in 1871, of which Rothschild was the chief financier. (La Libre Parole, May 27, 1905)

> In February 1817, the free masons, Bublikoff and others; all valets of the Rothschilds, went over to Russia and stopped the fast food trains that were going to Petrograd, in order to provoke the people into revolt. (Unrevealed History, Count Cherep-Spiridovich)

> On February 15, 1911, Schiff and Co., urged President Taft not to renew the Commercial Treaty of 1832 with Russia. When he declined, Schiff refused to shake his hand, saying, 'this means war.' The murders of Luschinsky and Prime Minister Stolypin and World War followed.
> (Towards Disasters; Dangers and Remedies, Count Cherep-Spiridovich)

The Rothschilds consorted with kings, princes and potentates, they amassed huge fortunes and titles, lords and barons, "Sir" and "Lady" and had innumerable honors bestowed upon them. They wished to forget their beginnings and their founder who made it all possible by

misappropriating the "windfall" he was given charge of by the Landgrave of Hesse-Cassel.

Mayer Amschel	1743-1812
Anselm Mayer	1773-1855
Salomon	1774-1855
Nathan	1777-1836
Karl	1788-1855
Jacob James	1792-1868

CHAPTER 24

SOME OPINIONS ON THE ROTHSCHILDS, THEIR ROLE IN WAR, REVOLUTION AND FINANCIAL INTRIGUES

This chapter consists of opinions by various authors and authorities which cannot be conveniently included in the body of the book because they are somewhat disconnected.

Nevertheless, in my opinion they are important, because they provide a basis for the writings of those historians and researchers who have been almost solidly at one with the belief that the Rothschilds were one of the greatest forces at play in the 18th and 19th centuries, and who are in all probability, even more so, today.

The First World War brought to Eduard Rothschild more than 100 billion dollars. (Count Cherep-Spiridovich)

This mighty revolution which is at this moment preparing in Germany and of which so little is as yet known is developing entirely under the auspices of the Jews, who almost monopolize the professional chairs of Germany. (Coningsby, Disraeli, page 250, writing about events in 1844-1848)

Historians agree that he meant the Rothschilds. Practically all wars and revolutions were then financed by the Rothschilds. (Disraeli in Coningsby, pages 218-219)

The League of Nations is a Jewish idea. We created it after a fight of 25 years. (Nathan Sokolow, Zionist leaders at Carlsbad Congress, August 27, 1932)

The League of Nations is run entirely by Jews: Paul Hymans, Sir Eric Drummond, Paul Mantaux, Major Abraham, Mrs. N. Spiller, The Jew 'valet,' Albert Thomas who helped with French millions to help enthrone the Bolsheviks in Russia, is "chief of the Labor Section. He receives a fabulous salary." (Le Peril Juif La Regue d'Israel chez les Anglo Saxons, B. Grasset, Peres, France)

Again this appears to refer to the Rothschilds and I take pains to point out that in most cases "Jews" may be substituted for "Rothschilds."

The modern social revolutionary movement dates back from the middle of the 18th century. Ever since that time there; has been a flowing of a continuous stream of subversive agitation, assuming many forms, but essentially the same, ever broadening and deepening until it became a veritable flood, which has submerged Russia and which threatens to engulf our civilization. (The Revolt Against Civilization, Lothrop Stoddard)

The great revolutionary movements began between the middle and the end of the 18th century, when in 1770, Amschel Rothschild became the manager of the Landgrave of Hesse-Cassel. Amschel hired all of the Miliukovs, Kerenskies and Lenins et al of the 18th century to start their subversive agitation, just as E. Rothschild hired those of the 20th century. (Count Cherep-Spiridovich)

Facts of world importance are known to too few men, and we need more facts. Humanity cannot find the light unless it has facts. (Editor of the Chicago Daily News)

What is this formidable sect of which Abbe Burruel speaks in the 18th century and Churchill in the 20th? Upon the answer may rest the power of Christianity and of civilization based upon Christianity. It was a power outside of Russia; it was a worldwide power and it was strong enough to bring down Russia, and also, the House of Hohenzollers. What was it? (Cause of World Unrest, Nesta Webster, page 35)

Lloyd George said he did not believe any statesman or ruler caused war. It may be a century before the world will know the full truth. (Senator Copeland, Congressional Record)

The House of Rothschild with a few co-religionists conspires to own the world.
(The Secret of the Rothschilds, Mrs. Mary Hobart)

The Kaiser had to consult Rothschild to find out if he could declare war. Another Rothschild carried the whole burden of the conflict which overthrew Napoleon. (The New York Times, July 22, 1924)

In the Imperial Archives in Berlin was found a letter from Rothschild to Wilhelm II, urging war.
(Truth About The Jews, Walter Hurt, page 324)

To the public, the archives of the family, (the Rothschilds) which could throw so much light upon history are a profound secret, a sealed book kept hidden.
(The Rothschilds, Financial Rulers of the World, John Reeves, page 59)

Bismarck, Beaconsfield (Disraeli), the French Republic, Gambetta etc., all are a force as nothing. A mere mirage. It is the Jew alone with his Bank who is their master and who rules all of Europe. The Jew will prefer VETO and suddenly, Bismarck will fall. . . To the Rothschilds, nothing could have

occurred more propitiously than the outbreak of the American revolt and the French Revolution, as the two enabled them to lay the foundations of the immense wealth they have sine acquired.
(The Rothschilds Financial Rulers of the World, John Reeves, page 86)

Mrs. Nesta Webster cannot escape the conclusion that international financiers put up the money (for revolutions and wars.) More it is the Jewish financiers who supply the funds; it is Jews who have been the agents-provocateurs of revolutions of revolutions for the last two thousand years. It is the Jews who are the secret inner council of the five principal organized horrendous movements at work with which organized government has to contend. (The New York Times, March 8, 1925)

In the whole range of history, no one has aroused emotions so opposite and intense, or has claimed so much of the admiration of, the fear, and the hared of mankind. (Napoleon, Hebert Fisher)

A man, Napoleon, born without any advantage of wealth or high descent made himself master of the world before he was 35 and he finished his career of un-paralleled romantic impossibility when he was 46. (How Great Was Napoleon? Sydney Dark)

In conclusion how amazing it is, that the same leaders of the elite of the world, who have the power to excite wars for their own benefits, can also break and consign to obscurity, those formerly important national leaders who oppose their grand designs, particularly their plans to establish a New World Order operation inside a World structure of a single One World Government dictatorship. Unless a counter force can be erected to oppose these plans, the world could very well be plunged into the darkness of a brutal dictatorship by the year 2025.

THE ROTHSCHILD OCTOPUS

Written by: Vlada Sindjelic

Marxism, globalism, the new world order, liberalism...All these are euphemisms for a phenomenon embodied in the invisible empire of the Rothschild family.



Jacob Rothschild

The Rothschilds do not die, they simply depart into history, and their place is inconspicuously taken by their sons and grandsons. Word goes that the old master Jacob has left the scene, and that his place has been occupied by his son Nathan (Nathaniel Philip Rothschild, who bears the name of the founder of the English Rothschilds). The heavy burden has fallen on the frail shoulders of the young heir. But Nathan is not alone. In the running of the empire he will be aided by his uncles Evelyn and Edmund and the other members of the English branch of the family (Catherine, Emma, Leopold), but also his French cousins (David, Eduard...).

The Rothschild family has produced governors, prime ministers, ministers, supervisors who are making sure that everything goes according to the big plan.
The European Union was created by the Rothschilds (Schumann, a Khazar). The EU is an exploiter of Russia, which should be freed from the Siberian burden. With the aim of completing this job the Rothschilds have employed Soros, Berezovski, Hodorkovski, Kasparov, the Mitals...

If we wish to unveil the background and causes of these events, we must delve into the dark history of the Khazar dynasty Rothschild, identify the agents, the grey eminences, the greedy politicians, as well as the mechanisms of their actions.



Let us start with the Rothschilds, the main characters. They are the ones sitting at the head of the table.

WHO ARE TODAY'S ROTHSCHILDS?

The heir Nathan Rothschild (left) during his visit to one of the Rothschild colonies

Although ever since World War II the Rothschild departments for the creation of public opinion have been assuring people that the power of the Rothschilds today is insignificant and that they will be remembered by their vineries in France or gardens and philanthropy in Great Britain, reality projects a completely different picture. Building upon the foundations laid by their fathers and grandfathers, the present-day descendants are completing a mission that has lasted for several centuries. Today, the Rothschilds are the steam engine of a Khazar train heading for Russia and the vast expanses of Siberia. This train, which runs through the Balkans, is to be boarded with armies of the newly recruited members of NATO, which will then fight for the Rothschild empire.

THE RED SHIELD FROM FRANKFURT

In order to be better acquainted with the new sovereign and his dukes, let us look at the lineage and the chronology of this dynasty. It all began towards the end of 18th century with Amshel (or Moses Bauer) Rothschild.



The Rothschilds (Rothschild translates as “the red shield”) are descended from Frankfurt. It is no coincidence that this is the greatest financial centre in the EU. It is very indicative that Frankfurt is the seat of the Central European Bank and all the major European and American banks, which are mainly controlled by the dynasty. The Frankfurt Stock Market (one of the most important stock markets in the world) is aligned to the “Deutsche Borse” owned by the Rothschilds via their “Children’s Investment Trust” and “Atticus Capital” on the one hand, and their branches “Merrill Lynch” and “Fidelity Investments” on the other. Beside that, the coat of arms of the city of Frankfurt is a red shield! This symbol dates back to the period of the Khazar empire.

Meyer Rothschild



The coat of arms of the city of Frankfurt

The writer Dejan Lucic says of Khazars:

90% of present-day Jews are Khazars by origin. They are a Turkish-Mongol tribe, which was converted to Judaism in the middle of 8th century. When their empire fell apart in 10th century they settled down across Russia and Europe, and later on the American continent as well. They are converts and have no Semitic origins at all. The Semite Jews come from Palestine and number between 7 and 10%.



Amshel had five sons, whom he positioned all across Europe. Salomon went to Vienna, Carl to Naples, Nathan to London, James to Paris and the fifth son Amshel stayed in Frankfurt. In less than two hundred years the sons and their descendants completely subjugated the west. Thus the foundations of a “Pax Judaica” were laid. The head of the family is the Anglo-French Rothschild team led by Nathan, son of Jacob Rothschild. The

English team is led by the aged Edmund and Evelyn and the young Nathan, and the French team by David and Eduard.

Meyer's sons

THE ENGLISH ROTHSCHILDS

The English branch of the Rothschilds was founded by Nathan Meyer, the third Amshel's son. During 19th and 20th centuries an alliance was established between the British crown and this family, so that the modern history of Britain is inseparably tied to the Khazar dynasty. Today, the Khazar triumvirate is made up of the abovementioned Evelyn, Edmund and Nathan.

- Edmund Rothschild (1916)



He built his career by pushing the British-Khazar interests in the post-war Japan. In cooperation with Winston Churchill he founded the BRINCO Corporation (British Newfoundland Development Corporation) in Canada. Edmund's daughter **Catherine** is married to **Marcus Egius**, the president of "Barclay's" global financial group (after the acquisition of ABN-AMRO, a Dutch banking group, these two Rothschild groups have become one). Marcus is also at the head of the BBC corporation.

Edmund Rothschild

- Evelyn Rothschild (1931)



After the union of the English and French Rothschild financial and banking groups, and his stepping down from the leading positions in them, he remained head of the enormous N M Rothschild & Sons, an investment bank from London.
Evelyn also has control of the press (the Economist, the Daliy Telegraph...).
He set up the Association for Studies of the History of Banking and Finances, which has a seat in Frankfurt.

He owns the international corporation De Biers, one of the leaders in the area of the exploitation, refinement and distribution of diamonds.

Evelyn Rothschild

Together with his wife Lynn Forester, he controls the "FirstMark Communications International LLC" and "FieldFresh Foods" with the Indian family Mital, which, in fact,

acts as a representative of Rothschild interests and capital (the great "Bharti" group). Evelyn's main agents in the area of politics are Soros, Norman Lamont, Peter Mandelson (a Khazar), Oliver Letwin (a Khazar) and Vernon Jordan. Lamont has influence over the Conservative Party and the potential prime minister Michael Howard (a Khazar). Howard was a minister of the Treasury when Margaret Thatcher was in office. He took part in regional conferences together with Stjepan Mesic (Croatia) and Boris Tadic (Serbia). Peter Mandelson is the present commissary of Great Britain in the EU and is close to Labour Party and Tony Blaire.



Norman Lamont (left) with Mesic(president of Croatia) and Tadic(president of Serbia)

On the other hand, Vernon Jordan (Lazard Bank) is very influential in the Democrat Party in the USA (he was an advisor to Bill Clinton and led the campaign for John Carrey in 2004). Evelyn's wife Lynn financed Bill Clinton's presidential election campaigns and is also a close friend of Hillary Clinton.
Evelyn is also very close to Duke of York, Prince Edward (son of Queen Elizabeth), which reveals only a part of a long-standing connection between the British royal dynasty and the Rothschild family.

-Nathan Philip Rothschild (1971)

Young Nathan is the son of Jacob Rothschild, from whom he inherited innumerable managers, agents, and an influence over the vital political, economic, media and military institutions all over the world, including even the Butrint archaeological site in Albania...



The companies and corporations "RIT Capital", "Atticus Capital", "JNR Limited", "NM Rothschild", "Vanco", "Trigranit", "British Petroleum", Rio Tinto, are only a part of the resources which are at the disposal of the new king in his crusade for the east. To achieve this he has at his service not only the western nomenclature in the EU, NATO, Great Britain, but also numerous financial and political operatives all over Europe and Asia (Soros, Berezovski, Djukanovic, the Mitals...).

Nathan



Jacob Rothschild (father)

THE FRENCH ROTHSCHILDS

The French dynasty of Rothschild, which was founded by James Meyer, is a flank guard of the British triumvirate. The French Rothschilds are represented by David Rene and Eduard Rothschild, sons of Guy Rothschild(1909-2007).



- David Rene Rothschild (1942)

David is head of the NM Rothschild group, which is divided between the English and the French Rothschilds. He is also head of "*Rothschild & Cie Banque*", an influential investment bank in West Europe.

David Rene Rothschild



- Eduard Rothschild (1957)

David's half-brother Eduard is also a member of the investment bank. In addition to this, he controls the renowned French newspaper "Liberation". He is at the head of the "Imerys" metallurgy company, which has been owned by the Rothschilds since 1880.

Eduard Rothschild

The Rothschilds in Serbia

In Serbia, the new king progresses in several lanes, thus trying to take over mining basins, energy production, the food industry, the media... The first lane has, for some time now, been occupied by George Soros who represents the crucial lever for the expansion of the Rothschilds towards the east and the first emissary of Nathan Rothschild in Serbia.

George Soros and his connection to the Rothschilds



Soros is a Hungarian Jew (a Khazar), born in Budapest in 1930 as **György Schwartz** (in 1936 his parents changed their surname to Sorosz).He was educated in London and in 1950s he went to the USA. An important role in his development was played by the famous Khazar Carl Popper, who approved Soros's projects and was his guru.

George (Schwartz) Soros, the main agent of the Rothschilds

Throughout the world, this grey eminence is represented as the "Robin Hood of the computer age", because he seemingly takes the money from the rich countries and via his foundations generously gives it to East Europe and Russia.

In this way he installs "democracy" and "civil society" in countries which suffered and were exhausted during communism, the very communism that was forced onto these countries by those very Rothschilds.
He built his career upon financial speculations all over the world, mostly thanks to his family of investment funds "Quantum Fund", whose managers, and at the same time his agents, are Italian and Swiss financiers.

The connection between Soros and the Rothschilds is achieved through a network of confidential people who sit in administrative committees of funds, trusts, companies, banks... One of those people was a certain Richard Katz (also a Khazar), a member of the "Quantum Fund" committee. At the same time he was head of "Rothschild Italia S.p.A." and a member of the committee of the commercial bank "N.M. Rothschild & Sons" in London. Another important player is Nils O. Taube, also a member of Quantum and a partner of the investment group "St .James Place Capital", which now belongs to

Nathaniel Rothschild.
The connection is also realized via Societe Generale Bank and its manager Michael Cicurel, who is chairman of Edmund Rothschild's management and a member of the Rothschild & Cie Banque board. Another frequent partner of Soros's was James Goldsmith (a Khazar), related to Rothschild dynasty.

Soros's Network in Serbia

In Serbia, this grey eminence is preparing the ground for Nathaniel Rothschild and is an important creator of the political, legal, economic, cultural and media image of Serbian society. On his way to the achievement of his goals he is seeking to drive out the Serbian Orthodox church, the Serbian language, the Cyrillic alphabet, Serbian history, nationalism... He spun the network of his influence way back in 1990s through the "Open Society Fund", :Humanitarian Rights Fund", "Helsinki Committee", "Belgrade Circle", "European Movement", "Centre for Anti-War Action", "NUNS", "ANEM", "OTPOR"...

Today, all the leading NGOs are branch offices of the Rothschilds and are entrusted with not only attaining the greatest political influence possible, but also with the psychological shaping of the nation. By constantly pinning on the Serbian people accusations for genocide, criminal mentality and collective guilt, these phantom organizations aim at creating the feelings of fear and guilt in people. These feelings are supposed to materialize as indifference to a piece of land, to driving Serbs out of their land or, in other words, to colonization. This is also done in the form of *liberalism* which is supposed to reach metastasis in state institutions, in the family, the nation, tradition, culture, and thus ensure a clear passage for Rothschild empire.

In addition to the abovementioned organizations, very active participants in this offensive are "Yucom", the Belgrade Centre for Human Rights, the Civil Initiative, the Centre for Cultural Decontamination, Women in Black, the Youth Initiative... Advocates of this anti-Serb hysteria are Sonja Biserko, Natasa Kandic, Vuco, Borka Pavicevic (the wife of the lawyer Nikola Barovic), Miljenko Dereta, Vojin Dimitrijevic, Srdja Popovic, Mirko Djordjevic, Biljana Srbljanovic, Zoran Ostojic, and the journalists Petar Lukovic, Teofil Pancic, as well as all the other infamous vedettas of Soros's. Soros also pushes anti-Semitism, which is then ascribed to the "xenophobic Serbian society". Those in charge of this are Filip David, Jovan Byford, Laszlo Sekel... Various "incidents", threatening letters, desecrating of monuments, graffiti are all parts of this plan. We should not disregard the fact that the Open Society Fund supports (both financially and ideologically) the organizations advocating gay rights (Labris, Queeria, Gay Serbia...).



Sonja Bisreko, instigator of hatred against Serbs

Marketing and the media and logistic support to this subversive project are ensured through "independent" media, such as B92, Studio B, TV Pink, TV Panonija, ANEM (the TV stations Devic, RTV Globus, RTV M+, RTV Kraljevo, RTV Nisava, RTV Pancevo, RTV Spektar, RTV Trstenik, the radio stations Radio 021, Bum 93, Radio Sombor, Radio Index, Radio Subotica, Radio Pirot, Radio Ozon...), the "Free Europe" radio... The cable TV network SBB and the satellite television TOTAL TV which are expanding, are also owned by Soros. The production companies VIN and PG Network contribute to the information unity. The Media Centre provides additional publicity to the so-called NGO sector

In addition to the electronic media, Soros's list includes the newspapers and magazines Danas, Vreme, Evropa, Republika, the association of independent local media "Local Press" (the newspapers Pancevac, Kikindske, Vranjske novine, Nasa rec...), the publishing houses Samizdat, Dan graf, Stubovi culture, Fabrika knjiga, Klio, Aleksandrija pres; the book distributors Bookbridge, Beopolis... He also controls the information agency Sense and the two leading information agencies in Serbia – Beta and Fonet. At the same time these agencies are branch offices of AP (Associated Press) and Reuters, which have been owned by the Rothshilds ever since 19th century. Sorosz has also infiltrated cultural and educational institutions, theatres, the National Library, the Historical Archives, SANU (Serbian Academy of Arts and Sciences)...He has gathered around himself a large group of actors, directors, playwrights, musicians, writers, scientists, analysts, former diplomats, who assist him in animating more and more followers.



Two Gorans – Markovic (whose mentor is Bernard Levi, a great friend of Bernard Coushner's) and Paskaljevic, satanize Serbs at film festivals. We should also mention the following educational organizations of Soros's: the Union University, the Alternative Academic Education Network (AAOM), the Belgrade Open School, the Centre for Women Studies (which sprung out of the feminist group "Woman and Society")... They recruit future Sorosz's mercenaries. The centre for the improvement of legal studies – Human Rights Watch (HRW) is also present. CESID and all the other polling organizations are in the same camp.

A political acquisition of the Rothschilds'

In addition to the "non-governmental" sector, Soros has laid his hands on the finances as well, controlling them via various "experts" (G17+) who are financed by the "Open Society".

Beside this, we should point out that Soros has stocks at Societe Generale bank, which takes up an important part of the financial market. The Hague Tribunal is also financed from Soros's funds.



The most active of Soros's exponents in the political life in Serbia (of course, apart from the "non-governmental" system and G17+) is the coalition gathered around LDP and Cedomir Jovanovic, which was the most expensive of Rothshild's investments in the latest parliament elections. Together with the guests of the radio show Pescanik (B92 Radio), this anti-Serb group articulates the ideas of Nathaniel Rothshild most brutally and loudly. The *Spiritus agens* of this virulent group is Latinka Perovic, the founder of modern liberalism in Serbia.

Latinka Perovic, Cedomir Jovanovic's guru

We should say that Soros spreads his influence through the Democratic Party as well. The best example of this is the election of Oliver Dulic, one of Sonja Liht's personnel, as president of Serbian Parliament.



Oliver Dulic

What are Rothshilds' interests in Kosmet and Vojvodina?



Important Rothshild companies in this region are Carlyle Group and the International Crisis Group which, led by Soros, has been campaigning for independent Kosovo for years. In addition to Sorosz, the group is finaced by Rupert Murdoch (Sky), Goldman Sacks, JP Morgan... Members of this group are or were Marti Ahtisari, James Lion, Morton Abramovich, Louise Arbour, Bzezinski, Wesley Clark, Mihail Hodorkovski, Thorvald Stoltenberg... The staff have changed, but not the anti-Serb policy.

Marti Ahtisari, one of Rothschils' representatives

Independent Kosovo is also in the interest of the Rothshilds, because it is the "Serbian Kuwait" with enormous reserves of lead, zinc, gold, coal...Since the occupation of Kosovo and Metohija (Kosmet) Soros has invested a lot of money and effort in getting hold of Trepca for the Rothshilds. An important link in the chain is Agron Dida, deputy minister of energy and mining in Kosovo government, who was elected to this office after being a member of KFOS (one of Soros's organizations). Independence is crucial to the interests of Rothshilds' mining and metallurgical companies, since it would provide them with a clear passage for snatching mineral wealth and energy resources which are in low supply in the world.

In the meantime the Alferon company has bought over the metallurgical plant Feronikl, which owns several open-pit mines. Alferon is owned by three businessmen from Kazakhstan (i.e. Rothshilds' tycoons, one of them being Alexander Mashkevic, also a Khazar) and is part of the ENRC (Eurasian Natural Resources Corporation) .



Kazakh President Nursultan Nazarbayev (left) with Alexander Mashkevich

Head of ENRC and Alferon is Johannes Sittard, one of Rothschilds' agents, and until recently the right hand of Lakshmi Mital (also one of Rothshilds' investors). Mital invested 100 million dollars in the company's development. Apart from Alferon, the Global Steel corporation (owned by Pramod Mital) is also present in Kosovo, via its Bulgarian branch Kremikovici, which it acquired in 2005. This company bought the Lamkos plant (for zinc-coated steel) in Vucitrn. We should mention that this company also bought over the Lemind foundry in Leskovac and Zastava Smithy in Kragujevac.

At the same time, Soros has been expanding his influence through the Kosovo Fund for Open Society (KFOS) and other affiliates, by financing the media (Koha ditore), politicians (Veton Suroi)... Part of the same chain is Ekrem Luka, who has taken hold of the brewery in Pec. He coordinates the work of the other non-governmental branches through Balkan Human Rights Network.

He has also secured privileges for Alcatel, the mobile phone company in Kosovo, which he indirectly controls via Globalstar L.P.

In addition to his devoted work on the stealing of Kosovo and Metohija, Soros and the International Crisis Group are beginning to turn their attention to Vojvodina. In cooperation with the government of this province, they are trying to make Vojvodina sit at the same table with Croatia, Hungaria and Romania, all of which are Rothschild proxies. With this aim they are creating the "Danube project", backed by Germany and Austria. According to this idea, Vojvodina should be pushed into a confederation of countries in the Danube Basin as a "European region". Not long ago German ambassador Zobel(a Khazar) drew attention to this, no doubt deliberately. The project is carried out through the acquisition of agricultural combines, sugar refineries, dairies, oil refineries,

banks... Agricultural estates are increasingly being purchased by Croats, who have already bought several important food companies. Agrokor has taken over Dijamant from Zrenjanin, Frikom... Nekse Group has bought Polet IGK, Strazilovo, and has stocks in Toza Markovic company for the production of construction materials (it also owns the Jelen Do plant for the manufacturing of lime and stone). Somboled has also been purchased.

On the other hand, both Austria and Germany are positioning their companies in the province. The German company Nordzucker has bought over sugar refineries all across Vojvodina. With MG Commerce it has set up the Sunoko company and in this way it has come into possession of tens of thousands of acres of land. Stada has bought Hemofarm. VAC has purchased Dnevnik from Novi Sad. The Austrian Erste Bank chose Novi Sad as it seat. OTC banking group and Metals bank have done the same. These things coincide with a more and more intensive penetration of Hungarian companies into Serbia and the region, as well as an increased influence of the Hungarian government. Both of these are supported by Nathaniel Rothschild.

We should mention that Serbs in Austria have also been granted the status of a national minority. Hence, this would be the status of Serbs in the future confederation which would represent a realization of the Alpe-Adria project – an incarnation of the Habsburg state.

Investment Funds



The second lane of Nathaniel Rothschild's progress in Serbia is occupied by investment funds from Virgin and other exotic islands, which are seemingly owned by "Russian Jews" (in fact, Khazars). The most important one is Salford, from Virgin Islands, behind which stand Boris Berezovski (a Khazar) and Rothschild capital. The fund was set up in London in 2001 and today it owns almost the entire dairy industry in Serbia (Imlek, Novi Sad Dairy, Subotica Dairy, Impaz, Zemun), the Bambi concern, Knjaz Milos...

Boris Berezovski, a Rothshild agent, in charge of overthrowing Putin

The founder of the fund is Eugene Geffy, a Khazar from Russia, who made his career in Russian Alfa bank, which is connected to Boris Berezovski and Friedman

One of the members in Salford committee is Lord Tim Bell, a former advisor to Margaret Thatcher, who is very close to Berezovski, Rupert Murdoch, Viktor Yuschenko, and was in good relations with Yeltsin. The president of this fund is Klaus Mangel, who was Boris Berezovski's partner in selling Mercedes cars in Russia.

In addition to Salford, the Ashmore investment fund is also strengthening its positions. It has recently taken over Carnex from Midland Resources. Ashmore is controlled by Rothschilds' Atticus. Namely, Ashmore is owned by Michael Benson, a former member

of Amvescap, the company where the capital of Atticus is placed.
Midland Resources is a third important investment fund run by Alexander Schneider and Eduard Sifrin (both of whom are Khazars!). The Midland group owns the hotels Park and Kasina (the oldest hotel in Belgrade) and Pancevo Port.

Regal Appearance



The third lane of colonization is occupied by companies from the fields of construction, mining, metal industry, finances, banking and publishing, most of which are directly related to the young Rothschild. One of them and, at the same time, the most active company in the region is **Trigranit**, which has a seat in Budapest, and which has over the past few years grown into a regional giant and a leader in big investment projects.

Rothschild and Trigranit

It constructed a number of business and financial centres in Poland, Slovakia, Hungary, Slovenia, Romania, Bulgaria...In Croatia it is about to build a sports hall with 20,000 seats and office space. In Serbia Trigranit should construct the railways station "Prokop" (it has not been started yet).
The **Riotinto** branch (one of the largest mining companies in the world) has been granted the concession to exploit the boron ore (which can still be found only in China and Turkey) in the surroundings of Baljevac near the river Ibar. Other mining companies are present too - Glenkor, which Rothschild controls through his agent Mark Rich (a Khazar) and Phelps Dodge, where Atticus capital is placed (Atticus is Rothschild's investment fund). These two companies are placing bids for the remaining mining basins. The Magnohrom company from Kraljevo was bought through the Indian company Mital. Incidentally, the Mital family has been a representative of the Rothshild dynasty for a long time. Wilbur Ross, a Rothschild banker for many years, occupies a managerial position in Mital. In addition to Mital company, the Rothschilds and Mitals are in control of FieldFresh Foods company, which produces and exports food from India.

UniCredit Group METALS BANKA Banca Intesa

The banking and financial sectors are also dominated by the dynasty. The leading banks, such as Banca Intesa, Credit Agricole, Unicredit group, Societe General are controlled by the Rothshilds.

The lever which provides control is Antoine Bernheim (a Khazar), head of the Delta Generali group. The Greek banks Piraeus and Laiki are under the control of Marfin financial group, in which Rothshild's capital is placed. The Khazar Shandor Chanyi, one of the co-owners of Trigranit, enables Rothshild to expand his operations in the field of banking via his OTP group. OTP bought over three banks in Serbia: Kula, Nis and Zepter bank. Metals Bank from Novi Sad was bought by Rothshild's **JNR Limited** (**J**acob and **N**athaniel **R**othschild) investment fund. The young Rothshild also controls the Hungarian oil company MOL, also through Chanyi.



MOL has been present in the Serbian market since 2005 and is a serious candidate for participation in the privatization of the oil industry.

We should also mention that NM Rothschild is the financial advisor to NLB Continental, a banking group from Slovenia.

Antoine Bernheim

Shandor Chanyi

The Rothschilds participated in the privatization of Mobtel as well. They have been present in the publishing industry through the Slovene "Mladinska knjiga", which is part of "Reader's digest", an American company whose part has recently been bought by the Rothschilds.

The Rothshilds in Montenegro, the Republic of Srpska, Bosnian Federation, Croatia and Macedonia

Montenegro, terra Rothschildiana



The arrival of Rothschilds' delegation soon after the referendum (which was carried out by those very Rothschilds), meant the branding of one of the oldest Serb countries with "colonized". Jacob and Nathaniel Rothshild thus obtained another colony. Today, Montenegro is completely owned by Khazar companies run by the Rothshilds. The pattern is the same. As elsewhere in the region, colonization is carried out by the Rothschilds. Next to them are "Russian" businessmen, Soros... There are ports to be appropriated, and natural resources, metallurgical plants, tourist capacities...

Rothshild congratulating on the proclamation of a "colony"

Just like in Serbia and the other coutries in the region, Soros had previously spun a network of NGOs. CEDEM, the Helsinki Committee for Human Rights, Human Rights Action and Hominem querum are only some of them. To this we can add the controlled media (ANEM), through which he carried out – successfully, it turns out – an anti-Serb campaign. In cooperation with European organizations and the Venice commission (one of whose members is Vojin Dimitrijevic as well) he actively supported the project of independence.



Peter Munk

Peter Munk (one of Nathaniel's managers, a Khazar) has taken over (through OTP) the overhaul company Arsenal in Tivat, where Trigranit is to construct a large marina. The same company is planning the construction of a business-financial centres in Podgorica, Ulcinj, Budva...

The head manager, Chanyi (OTP banking group), occupied the field of banking by purchasing Montenegrin Commercial Bank, which covers more than a half of the market in Montenegro. Its ally is Rothshilds' Societe Generale, which took over Podgorica Bank. NLV group bought the Montenegro Bank.

In addition to this, Rothschild and Chanyi's MOL is soon to become a strategic partner of the state oil company Montenegro Bonus. Milo Djukanovic, who gave the Rothshilds a blank check, was rewarded with a managerial position in Tigranit, which speaks volumes of the part he played in the process of colonization.

Monet, the mobile phone company which is part of Deutsche Telekom, is indirectly controlled by the Rothschilds!



An important role in the colonization of Montenegro was played by Oleg Deripaska, a Khazar multimillionaire from Russia. Nathaniel Rothschild himself has boasted of having excellent relations with him. As one of Rothschild branches, Deripaska's company Rusal bought KAP (The Alluminium Plant Podgorica). Through its affiliate Salamon, it took over the bauxite mine in Niksic. It should be mentioned that Rusal and Glenkor often act together. The Austrian company Strabag, in which Deripaska has a lare part, has bought over the Crnagoraput company. Tourist premises are being purchased as well as attractive pieces of seaside land, building land...

Oleg Deripaska

In order to secure his position in this colony, Rothschild has set up an organization for long-term granting of scholarships to students from Montenegro.

The Republic of Srpska

The Republic of Srpska, which is under constant pressure aiming at its complete annihilation, was penetrated by the Rothschilds via Soros's foundations, Mital Steel corporation, Salford. This

In accordance with his long-established custom, Soros founded a number of NGOs with the same goal as in Serbia (the Helsinki Committee for Human Rights, Lex International...). Soros's media are gathered around the international organization Press Now and the Soros media centre in Sarajevo. Among those media are Nezavisne novine, the Alternative Television Banja Luka, Net novinar...

In the area of industry, Salford bought over the Banja Luka dairy, the largest one in the Republic of Srpska. The company Stabag (Deripaska) was granted concession to construct a network of motorways.



The company Mittal Steel Zenica bought over the RZR Ljubija, a complex of mines with great reserves of iron ore. We should mention that the Russian state companies Juzuralzoloto and Zarubeznjev are also present. The former has become a strategic partner of the mining plant Sase in Srebrenica and the latter has bought over the oil refineries (Modrica, Petrol). Thus, any further penetration of MOL and Mittal has been prevented.

Lakshmi Mittal, the Indian Deripaska

Federation of Bosnia and Herzegovina

In the Muslim-Croatian part of Bosnia, Mittal group is the leader in the area of mining and metallurgy. This group has taken hold of the steel plant in Zenica, one of the largest steel plants in the Balkans. The mining complex Ljubija in the Republic of Srpska has also become a part of Mittal.

The field of energy is reserved for MOL, which has bought over the state oil company Energopetrol. The investment fund of Boris Berezovski, Salford, has taken over the dairy industry (Mlekoprodukt - K.Dubica, Campomil – Sarajevo). It is expected that Ljubljana dairy plants will also be taken over. These plants include the dairy plant in Tuzla as well.

The sector of banking and finances is being dominated by Rothschild banks Unicredit, Intesa...

Ever since 1993 Soros has been present in the Federation through his network of NGOs. The same as in the other countries, this network is exceedingly anti-Serb oriented. Some of the more renowned members of Soros's Open Society have been Jacob Finci and Ivan Straus (Khazars). In addition to the Open Society, we can mention „Obrazovanje gradi", Media Centre Sarajevo, the Helsinki Committee, the Women of Bosnia and other NGO's. He also controls the following media – the newspaper Oslobodjenje, the Start magazine, the HTV Hajat television, the news agency ONASA...

Croatia

Unlike the other Balkan states, Croatia was occupied by the Rothschilds mainly from Hungary, which is a basis for the expansion of the Khazar dynasty.

In Croatia Soros is less present than in the other countries. The trump card from the non-governmental sector is Zarko Puhovski.

In addition to MOL which took over the oil company INA, another important Rothschild company in Croatian industry is Trigranit. A consortium Ingra-Trigranit has been founded (at the head of Ingra is Igor Openheim, a Khazar). The consortium is to build the sports arena in Zagreb, with a capacity of 20,000 seats. Trigranit also has ambitions plans regarding the Croatian seaside.

T-Mobile is present in the area of telecommunications.

Macedonia

After the break-up of Yugoslavia, this former republic has shared the fate of the other colonies in the region. In other words, the sovereignty and independence refer to the territory, whereas the economy and resources are undergoing quiet occupation and the people are being promised a "better future" in the EU. At the same time a pro-Albanian element is being promoted, with the aim of completing the project of the Greater Albania.

A central part in Macedonia is occupied by Mittal Steel Skopje, a part of Mittal corporation, which has bought over the metallurgy plant in Skopje, thus ensuring domination in the region. In the area of banking, Societe Generale has taken over Ohrid Bank.

On the other hand, Soros openly supports Albanian interests. For this purpose he uses numerous organizations – the Helsinki Committee, the Centre for Multicultural Understanding, the Association for Democratic Initiatives, all dominated by Albanians. The same goes for the media. Soros controls the "Shutel" television, the Vati and Life radio stations...

Soros also credited the Macedonian government in 1994 with 25 million dollars. During this same period he attained great influence on the then prime minister and the current president of Macedonia, Branko Crvenkovski. Branko Crvenkovski openly supported Marti Ahtisaari's plan for Kosovo.



Branko Crvenkovski, Soros's puppet

Soros is involved in the Macedonian mobile phone company MT via "Stonebridge Communications" company, in which he has stocks. Incidentally, MT is indirectly controlled by the Rothschilds through "Blackstone Group", a major financial-investment group which was founded in 1985 by their agents Peter George Peterson and Stefan Schwartzman (a Khazar). Both of them had previously made careers in Rothschild branch offices "Lehman Brothers" and "Kuhn Loeb Inc.". Blackstone group is the leading stockholder of "Deutsche Telekom" (T-Mobile), which also incorporates the Hungarian mobile phone company Matav – the owner of the Macedonian mobile phone company MT. "T-Mobile" is the second largest mobile phone company in Macedonia.

On the way to their goal the Rothschilds bring into play reforms, transitions, shock therapies, elections, referendums, secessions, revolutions, civil wars, military interventions...

Nations are offered "freedom", "democracy" and voluntary enslavement in return for their independence and resources!

The alternative is sanctions, isolation and bombing!

Former Yugoslavia was a phase in the crusade of Rothschild empire towards the east. The geopolitical combinations were not a Serbian ally yet again.

nUnUnfortunately, Serbia

Unfortunately, Serbia stood in the way of this beast with a kind face.

THE SECRET OF THE ROTHSCHILDS

Mary E. Hobart

Charles H. Kerr & Company
Chicago, 1898

thou shalt lend unto many nations, but thou shalt not borrow —*Moses, Deut 15:6*

This century will not close before we shall have a general reorganization of international relations THROUGHOUT THE WORLD and alliances and combinations on new lines to meet conditions which have long been changing SILENTLY and SLOWLY and have now reached the stage where the bud must burst into flower. —*Memoranda of Baron Rothschild to Lord Salisbury, 1896.*

PREFACE

It has been impossible within the narrow limits of this work to enter into an exhaustive discussion of all the phases, principles and complex relations of the "money question." Neither has it been possible to treat even in a limited manner of the "seven great conspiracies" which have been enacted into law by venal legislators and which have greatly intensified in number and magnitude the financial disasters which naturally arise under our present system of money, even when honestly administered. But that which has been attempted is to establish, beyond disputation, by analysis and comparative demonstration the fallacious principles upon which our money system is founded and without a knowledge of which it is impossible to understand the complex and confused conditions which now pervade all departments of our social fabric. The reader is admonished that there is no royal road which leads to the understanding of the science of government any more than there is to the understanding of geometry or astronomy.

If a practical comprehension of this subject is ever acquired it must be through the patient study and careful investigation of the relations which exist between all our varied business transactions.

The teacher who told his pupil that the best way to state a problem in compound proportion was to "guess at it" illustrates the teaching of political economy as it has been and is still taught. The economists, like the teacher, have never studied deep enough to discover that this science is not governed by the laws of "chance" but by principles which are as fixed and unchangeable as those by principles govern any branch of mathematics. The confusion and turmoil now agitating the world come because our teachers have been "guessing at it." They have been dealing in rhetoric when they should have been delving in numbers and philosophy. Rhetoric may, indeed, brighten and beautify economic discussion when once the principles have been established, but till then we must content ourselves with the soberest prose.

If the laboring people of America ever succeed in bettering their conditions it will only be after they themselves have mastered the principles of the systems through which their oppressors plunder them.

It is not true that "what a man does not know does not, hurt him." He is hurt just the same, knowledge or no knowledge. But when he does not know what hurts him he is powerless in his defense. All the sufferings and wrongs of the laboring people are endured because they do not understand the methods used by the so-called "better classes" to filch from them the rewards of their toil. The betterment of their conditions can only be accomplished through the betterment of their knowledge. With this view the author places before the public this unpretentious effort, regretting that space does not permit a more complete examination of the subject discussed. Many phases of the money, question which are of vital importance have necessarily been omitted. The work is designed to be in every sense elemental — an aid to those who have been unable through the complex discussions to gather a clear understanding of this vastly important subject. If this object shall be accomplished the author will be richly rewarded for the thought expended upon it. After carefully reading this book the reader is kindly requested to pass or mail it to some other person, with the request that he in like manner shall pass it on, in order that these truths may be more effectually disseminated among all classes.

Mary E. Hobart.
New Whatcom, Wash.

CHAPTER I.

A PROBLEM FOR SCIENTISTS TO SOLVE.

I see in the near future a crisis arising, which unnerves me and makes me tremble for the safety of my country. As a result of the war corporations have been enthroned, and an era of corruption in high places will follow, and the money power will endeavor to prolong its reign, by working on the prejudices of the people, until all wealth is aggregated in the hands of the few, and the Republic is lost. —Abraham Lincoln, 1866.

By some machination, by some incantation, honest or otherwise, thirty thousand people have become possessed of thirty-five billions, or half the wealth of this great nation. Mr. Speaker, this is the most appalling statement that ever fell upon mortal ears. —John J. Ingalls, United States Senate, 1890.

The people of the United States are now thirty-two billion dollars in debt. —Speech of Jos. M. Walker, M.C., House of Representatives, 1882.

Organize under whatsoever form of government man may, under a Republic or a Principality, under a Kingdom or an Empire, there seems to be some secret law which continually concentrates the wealth which the many make into the hands of the idle few. Happy our generation if science sometime gives the key. —Blanqui's History of Political Economy.

These quotations furnish data from which no thoughtful student of public affairs can or will turn with indifference. Indeed, the striking character of each is sufficiently important to arrest the attention of the dullest dullard belonging to that species of the genus homo known as the American voter. The first, a prophecy from one of the wisest and purest of statesmen, predicating conditions then existing which if not arrested would overwhelm the young Republic and dethrone popular government. The second declares that the half-way station of this remarkable prophecy has already been passed. The third announces conditions which unerringly point to the final consummation of Abraham Lincoln's prophetic vision. The last asserts that this is the trend of human affairs under whatsoever form of government, man has thus far organized; that these unjust relations are the result of some secret and unknown law, which science has not yet unlocked; that happiness, the goal of all human endeavor, will be the inheritance of all men, when an intelligent solution of this problem has been attained. The importance of this last fact is sufficient to spur the student on, in an earnest effort to discover this hitherto undiscovered law.

In our search we shall rigidly deduce from known facts logical, philosophical and mathematical conclusions, for by no methods less than these can we reach a scientific solution. Statistics are the most reliable and best authenticated facts that we have from which to deduce logical conclusions.

In 1865 the Secretary of the United States Treasury, Hugh McCulloch, in his annual report, made this remarkable statement: "The people are out of debt and consequently prosperous." By a comparison of the statistics of the financial failures of that year with the two previous years — 1863-4 — and the following year —1866— with the failures of the five years previous to 1863

and of those which have followed 1866 we can readily give credence to the Secretary's report, that to an extent greater than had ever before existed the people of this country were out of debt.

By these statistics, we find that for the years of 1863, 1864, 1865, 1866, the business failures were respectively 485, 502, 530, 532, while from the year 1857 to 1862 the failures ranged from 4,932 to 6,993, and from 1866 to 1896 they have ranged from 2,386 to over 15,000. Now when we remember that the financial failures taken for a series of years must be the index to a very truthful degree of the debts of the people, we must admit the fact that these years were years when the people were comparatively out of debt, and when out of debt prosperous.

At this time, let it be remembered, the American people had existed upon this continent as a nation over two hundred years, and as an independent government nearly a hundred years, yet at the close of a gigantic internecine war the Secretary of the Treasury — a high official of the United States, sworn to tell the truth — says the people are out of debt, and these statistics unquestionably prove that his statement was correct.

Twelve years from this date (1877) a United States Senator — Hon. Daniel Voorhees — who had an enviable reputation as a financier of unquestioned ability, stated on the floor of the Senate chamber that the people of the United States were from six to ten billion dollars in debt, and unless silver should be remonetized that debt could never be paid. Fifteen years later Hon. Jos. M. Walker, member of Congress from Massachusetts, stated in a speech delivered March, 1892, that the people were thirty-two billion dollars in debt.

Five years later, and reliable statisticians estimate that our debts have attained the gigantic proportions of forty billion dollars, aggregating a sum of more than five times all the metallic money of the world, an inconceivable and incomprehensible number. How incomprehensible this amount is we may partially understand when we find by computation that it would require forty persons, beginning at the age of twenty years and counting forty thousand each day, except Sundays and holidays, to live each to the age of one hundred and four years before the task of counting would be completed. How many years of unremitting toil will be required of our boys and girls to pay this monstrous debt the future alone can tell.

These statistical statements reveal a GROWTH OF DEBT which constitutes our problem. The solution of this problem is of universal significance to all the American people, regardless of politics, creed, color or condition. The prosperity of all men is affected by this gigantic debt, because the ever-increasing interest upon it enters into and augments the price of every article of consumption. It is a consuming fire, a living demon, a raging beast going up and down the highways of the nation devouring the substance of the people. It is a dark cloud of ruin overshadowing three-fourths of all the homes in the land. This problem of debt is no new problem. It is the problem of the ages. Again and again, during the history of mankind, have cities, states and kingdoms been brought face to face with this demon of evil, this devourer of men, this destruction of empires, this death of civilization. The highways of six thousand years are strewn with the wrecks of men and nations who have bowed in meek submission to its arbitrament. In its devastating march it spares neither Greek nor Jew; neither pagan nor Christian; neither Republic nor Empire. Philosophers, poets, seers and prophets have bewailed the desolation that has marked its pathway, in the language of sublime sympathy and patriotic

devotion. With marvelous power and pathos, they have portrayed the effects and conditions that have followed in the trail of this unknown and undescribed highwayman, but not even the immortal genius of a Bacon, a Milton, a Newton, nor a Mill seems to have taken any comprehensive recognition of the Titanic power of evil over the fortunes and happiness of men encompassed in, and arising from conditions produced by debt.

The necessity for the analysis of causes, which produce, enlarge, and continue it, appears to have escaped their attention. But in the general uplift of humanity all secrets shall be revealed; all phenomena shall be explained; all problems shall find solutions. As every event in life has a relation to all other events, and may be traced — if we possess sufficient data — so every problem arising from human activity has a rational and logical solution.

CHAPTER II
RESTATEMENT AND SOLUTION OF PROBLEM

Given seventy million people occupying the best part of the best continent on the globe, valued at sixty-two billion dollars; on which valuation, after a period of thirty years of intense activity, in labor skilled and unskilled, exercised in the development of farms, mines and factories, in the building of cities, villages, towns, and railroads, in commerce, inventions, and speculation, said seventy million people find themselves at this date (1898) owing somebody or many somebodies over forty billion dollars.

To give a logical and philosophical cause for these disastrous conditions will be the effort of this pamphlet. The whole truth concerning this matter must be scientifically ventilated. No misleading falsehood nor seductive sophistry can alleviate the misery now so prevalent throughout the land caused by this gigantic debt. The constitution and make-up of our social organization must be analyzed, its laws of action formulated, the relations of these laws traced and the rights of individuals in their social organization clearly established.

It may be observed that this debt of forty billion is owed in dollars. Nothing but dollars, and yellow metallic dollars at that, will be received in payment or liquidation of this debt. Hence the yellow metallic dollar becomes one of the main factors in the solution of this problem. As the metallic dollar is a definite thing, which can be estimated and measured, it is therefore a mathematical quantity, and all operations with it are mathematical operations. A failure to record these operations will in no way affect the results which mathematically follow. If we can formulate these operations we can solve our problem.

What is the dollar, what is its function and from what condition of society arises the necessity for its use ?

The dollar is a specified number of grains of gold or silver, on which the government has placed its official stamp, stating that it is a dollar, and shall be received by all creditors in payment of a

dollar's debt. Its function is two-fold, for it acts in the hands of the holder both as a receipt and check. A receipt for a dollar's worth of production or service, which the holder has parted with for the benefit of society or some member thereof. It is also a check entitling the holder to draw upon society for one dollar's worth of production or service, which society or some member thereof may desire to part with. The material on which this stamp is placed cannot affect its power, or function. The social necessity which calls for its use was philosophically answered by a school boy of twelve, who said we need it to buy things with, because we don't know how to make all the things we need. In more scientific language civilized man has entered a social condition, which may be designated a division of labor, which defined means that condition of society in which some men raise wheat, some corn, some cotton, some rice, some produce or manufacture sugar, some flour, some leather, some make bread, some shoes, some hats, some coats, etc., etc.

This social condition makes every member of society interdependent; each works for all and all work for each. Every man produces a surplus of some commodity, or renders some service which he must dispose of, in order to procure those commodities and services which he cannot produce or render.

Equity and the eternal law of righteousness (right action) demands that every man be protected in the disposal of his commodities, also in the purchase of other commodities, so that he receive equal for equal and equivalent for equivalent.

Nothing short of this can fulfill the will of the Father on earth as it is in Heaven. Neither will this great question ever be settled until settled upon this basis. A division of labor once endorsed and entered into by a nation of people bestows upon that people the right to make provision for the exercise of three powers, namely, the power of communication, the power to transfer goods from place to place or transportation, and the power to transfer the ownership of goods from person to person (or the power of exchange). These three powers inhere in the constitution and social make-up of society, and are the prerogatives and functions belonging to the whole people.

Every citizen has the right to an equal and inalienable ownership in these powers, and he has the right to demand of the collectivity (government) that these powers be furnished him in sufficiency to meet all the necessities of his condition at cost. Otherwise if these truly governmental functions be delegated to individuals they may be so manipulated, monopolized, cornered and controlled that wholesale robbery, exploitation and slavery will be the final result. No reasonable denial can be given to these self-evident propositions. There is no reasonable or logical basis for the assumption that any man or corporation of men should receive tribute from society or any member thereof for the use of any one of these powers above the actual cost. The men who raise wheat, and desire to trade with the men who raise cotton, have an inalienable right, by reason of their social condition (division of labor), to demand protection in the exercise of the three powers of communication, transportation and exchange, without paying more than the actual cost of these utilities, and if any man receive more than this, he is living from another man's exertion without giving an equivalent, and society has incorporated an element of inequality, which has the power, in time, to absorb all wealth into the hands of the operators of these truly governmental but usurped powers. Hence it becomes the solemn duty of

society to establish, own and operate these three powers of franchise AT COST to the whole people. Successful denial of these fundamental propositions cannot be made.

We are now ready to examine in what way the United States government, which is supposed to be "of the people, for the people and by the people," has provided for these three powers, and inquire how its citizens are protected in the exercise of these inalienable and imprescriptable rights and immunities. The power of communication is secured by the establishment of postoffices, telegraphs and telephones. The first is under the supervision of the general government, and its service is rendered to all in sufficiency, at cost, being, the best-managed business in the United States. Telegraphs and telephones are supplied by private corporations, for which service the people who use them pay the cost of operation and besides a bonus of millions to capitalists whose privileges and franchises are given to them by law, and their exploitations sanctioned by the Federal courts.

The power to transfer goods from place to place is secured mostly by railroads, steamboats, and ships. These, too, are owned by private individuals and corporations, and are operated on the splendid business principle of charging all the traffic will bear and sometimes something more. This is the worst managed business in the United States, where more strikes and labor difficulties occur than along any other line. Neither, although exacting enormous tariffs, are they able to pay their debts, but yearly thousands of miles pass into the hands of receivers under the Federal courts. We are now prepare to examine the methods by which we obtain the power of exchange, or the power to transfer the ownership of goods from person to person, which when we have done will reveal a debt-refunding system which has created the debt we owe ($40,000,000,000) and the concentration of thirty-five billion dollars of wealth into the possession of thirty thousand people, or one-twentieth of 1 per cent of the population.

For a period of time so long past that history gives no hint whence the origin of the thought, men have been taught to believe that governments had no power, and could devise no methods by which individuals could be protected in the exchange of their production, except as one commodity was exchanged for another of equal value; that security and safety in transferring goods from person to person rests alone on the principle of taking some commodity as gold and silver and legalizing it as a measure of value and a medium by which all other commodities must be measured and exchanged.

The fallacy of such an idea may be seen when we analyze the action of law in its power to protect the commodity gold.

A owns a gold mine and works out 51,600 grains of gold, which coins an even $200. This gold is a commodity, and a product of labor. In itself it satisfies no essential or primary want of man. It cannot feed, warm, clothe or shelter him. Neither from it can any tool be made that can aid him in procuring these essentials. So much for gold and the labor expended in procuring it. B has a field, which he plows and cultivates and produces 12,000 pounds of wheat, which measures 200 bushels. B's labor has been useful in producing a commodity which satisfies the most essential want of man. Both wheat and gold are commodities and must be so classified. Society in its stupidity declares by its legislative action that it can by law protect the gold owner in parting with his commodity gold by a piece of paper (bonds, notes and mortgages)

which holds the borrower responsible for the return to A of the gold or its equivalent, at "the same time refusing to protect B in parting with his commodity wheat for the benefit of society. C desires the wheat, but before the trade can be effected he must borrow A's commodity gold, and give him a paper security that he will return it or its equivalent. This paper has no intrinsic value, yet the law behind it makes A safe in parting with his gold. The question arises why may not a piece of paper be made, so legalized that B may be secured in parting with his wheat, that he, too, will be able to receive an equivalent in return ? By what logic is this discrimination drawn ? Law stamped upon paper protects commodity gold; why can it not protect commodity wheat ?

The second error of such a proposition may be seen in the fact that no one commodity is of sufficient magnitude to measure the value of all other commodities, and no one commodity is held in common ownership, but in a division of labor all persons in the association will need a sufficient quantity of this commodity, whatever it may be, to measure the value of and exchange all the commodities which they are capable of making and desire to exchange. Then it will be seen that the demand for money is equal to the demand for all other things. And as no commodity is equal to such an extension, commodity exchange, or the exchange of one article for another of equal value, will always prove a miserable failure. From its use a great degree of injustice will arise, because no commodity is in the hands of all persons in the nation, and some will be forced to borrow the exchange commodity (gold and silver) and submit to the terms of the loaner, which past experience has proven will be too often extortionate and usurious, or, more correctly, some individuals will be forced to pay tribute to other individuals for the privilege of making their exchanges — a principle which has been proven to be false, to justice and the structure of society. Again, as no commodity is of sufficient capacity to measure and exchange all other commodities, the necessities growing out of the division of labor will at times become so severely urgent that some men will be forced to trade with promissory notes ("credit or confidence"), which in time must be redeemed in cash or coin. If there is not a sufficient quantity of money to trade on a cash basis, there will not be sufficient to cancel debts so made; and the impossibility of redemption destroys equity and creates losses, failures, foreclosures, concentration of wealth and a debt refunding system.

In order to discover the factors or elements which have produced our debt growth of forty billion dollars it will be necessary to formulate a problem of such small dimensions as can be easily grasped and retained in the mind, but in exact conformity to the methods employed by nations using commodity exchange (gold and silver), remembering that what is true mathematically of small quantities will be true when applied to larger ones.

We will now suppose that in some far away sea is an isolated island, on which a hundred men and women have been wrecked, with no possible hope of future escape. Complaints are useless. Action is imperative. With hope and energy they assemble in convention and formulate plans for organization and the structure of a government. They are all workers and know how to do something. They therefore construct their government on the basis of a division of labor, and proceed to divide the island, giving to each an equal portion. They provide for postal and transportation service, and adopt gold as the measure of all values and a legal tender for all debts and the medium by which all commodities must be exchanged. For this action they can give no intelligent reason. On being questioned about it their only reply was we want "an honest

dollar." We must have a "sound currency." On the island there proved to be but one small spot where this metal could be found, and this falls into the possession of one whom we will call A. He discovers the metal and works the mine. He succeeds in taking out 51,600 grains of gold — a cube less than two inches square — which the government coins for him into $200 free of cost and permits him to loan them to the community at ten per cent interest or increase. This is a legally constituted arrangement for securing a power of exchange, necessitated by the action of these islanders in endorsing and entering into a division of labor. Without mastering the philosophy of the effect of these legal arrangements, they have unwittingly made this man the arbiter of their fortunes. They have placed in his hands the power to forge a chain of circumstances, which will in the end give him the power to lawfully obtain possession of their productions and their homes without giving them back an equivalent. By law they have made this man the legal owner of that material (gold), which they must have or cease to live by co-operation, and return to a state of barbarism. By this ownership they have crowned him with greater power than is conferred upon kings and emperors. He is absolute monarch and dictator of every financial condition on the island. By this ownership he has the right to loan, or to refuse to loan; the right to disburse, or to hoard; and as he does the one or the other, artificial prosperity springs up, only to be withered by artificial death and depression. When he loans business flourishes; when he refuses, business languishes and dies. By these manipulations he is able to reduce prices and lower wages; to corner both gold and productions, thereby exploiting both producer and consumer. And as all roads lead to Rome so all industries yield their profits to swell his income and increase his wealth. The community is now divided into two classes — borrowers and loaner; laborers and capitalist. On the one side are the laborers with their lands equally divided, on the other side the capitalist with his two-inch cube of gold, possessing in its legal action a power to absorb wealth more rapidly than the ninety-nine laborers can create it from all their lands. The financial and material condition of these islanders may be thus diagrammed.

It will be perceived that by the two factors — land and labor — all wealth is created, and by the factor gold all wealth is measured and exchanged. Gold is not wealth nor the creator of wealth; but simply the tool by which the value of wealth is estimated and exchanged. The free and ready exchange of commodities greatly enhances the powers of production, and promotes prosperity. These advantages are ascribed to the power of gold, whereas it inheres in the easy and rapid exchange of productions, no matter by what methods this exchange is effected. We will now proceed to set in motion this financial mechanism of gold, which carries within itself the power to propagate nine-tenths of all the evil which besets the path of human endeavor. The following chart illustrates the debt-making and wealth-concentrating power of gold as it is now used in our legalized monetary system. The reader is earnestly requested to give careful attention to every detail, that he may know for himself that all which has been affirmed is susceptible of proof. A represents the banker owning a small piece of metal called gold; B, C, D, F, etc., are the laborers owning their lands from which all wealth is derived. This chart will follow the movements of these two hundred gold dollars as they circulate in society and record the various transactions which will transfer the ownership of the homes and lands of the toilers into the hands of the gold owner or capitalist. For the benefit of those who believe that whisky is the cause of all the poverty, we will assume that these islanders are all sober men, and that no intoxicant is manufactured or imported on the island.

CHART OF TRANSACTIONS.
Let A be the banker with a loaning capital of $200
B borrows Jan. 1st, 1880, $100 for 1 year at 10 per cent ... 110
C borrows Jan. 1st, 1880, $100 for 2 years at 10 per cent ... 120
D borrows Jan. 1st, 1881, $110 for 2 years at 10 per cent ... 132
E borrows Jan. 1st, 1882, $120 for 1 year at 10 per cent ... 132
Due the banker Jan. 1st, 1884 264
Jan. 1st, 1800, G loans F for three years $100 at 10 per cent ... 130
Jan. 1st, 1880, H sells J a horse for $100 on three years' time ... 130
Debts due Jan. 1st, 1884 524
Money on the island to meet it 200
Increment of unpaid debt, or, DEBT GROWTH arising in three years ... 324

Before tracing these transactions, in order to avoid confusion, we will assume that no more dollars are coined or imported on the island, and also that the income of Banker A's farm is sufficient to meet all his expenses. We will also assume that these islanders are in possession of all needed tools and implements, such as plows, harrows, axes, hues, etc., so that they can begin the development of their farms and the production of wealth. Since these productions are of various kinds, each man desires to exchange with his neighbor. It may be observed that no exchange is possible until wealth of some form has been created, but when wealth has been produced, because of natural barriers and their legal arrangements they cannot make exchanges without asking Banker A for a loan of that commodity (gold) which by their law estimates values, exchanges wealth, and which is the only commodity crowned with the power of being a legal tender for debt. Virtually this is asking his permission for the right to trade ! Stalwart laborers, from the highest profession to the lowest ditch-digger, you may create wealth by the million, but you cannot, shall not, exchange with each other until you have obtained permission of that man upon whom your laws have bestowed the right t0 own your power or medium of exchange.

By referring to the chart (page 17) the reader will observe that B is the first member of society on the island whose necessities compel him to trade. Severe floods have destroyed his wheat and he must have some for seeding. He learns that neighbor G has an abundance. To him he goes with various propositions of barter for horses, hogs and corn. G responds: None of these things do I want, friend B. I must sell for money. My taxes are even now overdue. This forces B, if he obtains the wheat, to borrow $100 of Banker A, said loan being made for one year at ten per cent. This transaction has not arisen because of B's idleness or imprudence nor from the fact that he has nothing to sell, but from his necessity and the legalized arrangements of the community in which he lives. These have forced him to give the banker $10 for the privilege of trading — a privilege which under a system of justice would be free to all. Analyzed, this is a very peculiar transaction, having many phases. B sees no impossibility in the contract. He thinks, if he thinks at all, with the entire community, that raising wheat produces the same effect in increasing the number of dollars as mining and coining gold, that if he produces a good crop he has made money. In fact, he and all the community in which he lives believe that all that is necessary is to work hard, be sober and prudent and wealth and prosperity will follow. They do not comprehend that money cannot be increased by the production of commodities, neither by circulation. C is another member of society who has lost his horse, and as spring approaches the same necessity

which forced B forces him also. He has heard of B's transaction at the bank and follows his example. There is no way to escape and he borrows of A the other $100 for two years, at the same rate of interest. It is pertinent to pause here and inquire of the reader if he considers these men to blame for being in debt. Have not the arrangements made by the community for securing the power or medium of exchange forced these men, through no fault of theirs, to contract these debts ? Has not a debt system been established by law ? and if the community co-operate on the basis of a division of labor can the people as a whole ever be free from debt, if money circulates at all ? Under such a system, when all debts are paid or canceled, there will be no money in circulation and money by this system can only be put in circulation by debt. We have been thus minute in analyzing the situation surrounding these islanders because so many persons believe that a condition of debt is the fault of individuals, whereas it is plainly the fault of the arrangements which governments legalize for securing a power of exchange. This difficulty must always exist so long as any commodity is used for a medium of exchange. Closing this analysis, we will now follow these $200 as they circulate through the community, for only as we follow and record every transaction made with these dollars can we know with certainty what effect will be produced. In following the circulation of these two hundred dollars, we shall discover that their number is never increased by that circulation.

The $100 borrowed from A by B when paid to G for wheat remains $100. When G pays them out for taxes their number will still be one hundred. The same is true of the $100 borrowed by C. Wheresoever these $200 may go their original number will never increase. Plant them or trade them, sow them or reap them, scatter them or gather them, pay them out, or receive them in, deposit them in bank or stocking, their number will ever remain the same. To believe otherwise is to believe that which is false, and to act upon that belief is to lay the foundation for financial disaster, ruin and national disruption. Let it be emphasized here that the number of dollars in circulation can only be increased by taking the metal and coining them or importing them from some other country. There rests a confusion in the minds of the people concerning the terms "make money" and "coin money." Governments make or coin money; the people earn it after it is coined or made. Money must be coined before it can be earned. This thought ought to be well digested. Yet startling as it may appear, B and C have never given one moment of serious thought to the subject and are entirely oblivious of the true philosophy of the situation, believing that their ability to pay debts depends entirely upon industry and prudence, whereas this ability is found in the increase of coinage, which A controls. The reader is kindly requested to note another fact. B and C, who are the two weakest members of society, by reason of their losses, are forced to pay a tax or tribute to Banker A for the use of these $200, while all the other islanders are able to secure the power of exchange free of cost, which is in itself an unjust discrimination between classes. For when borrowed money passes out of the hands of the borrower it then becomes a free instrument of exchange. At the end of the year we will assume that B has been successful and raised a good crop of wheat which he is able to sell, and obtain (not make or coin) $110 which enables him to cancel his obligation with A. This transaction gives the appearance of the possibility of paying interest; refer to the chart (page 17). But let us see. Upon what did B's ability to secure this extra ten dollars depend on the assumed proposition that no more dollars have been coined ? Evidently they are a part of the $100 borrowed by C and if neither he nor any other had borrowed, B's wheat could only have sold for $100 and the ten dollars of interest owed to A could not have been canceled, and the impossibility of paving interest without an increase of coinage would have appeared at once. No records having been

kept, the error escapes detection. An examination of these islanders' financial condition after B pays the banker $110 will disclose the fact that society has in its possession but $90. Accustomed to having $200, the withdrawal of $110 will produce a stringency so severe that some one, whom we will call D, will be forced to borrow. By chance (everything in the system is done by chance) he borrows of Banker A this same $110 and business runs fairly well again. By referring to the chart (page 17) the reader will observe that at the beginning of that year, when these islanders first created a debt, this debt was but $200, but at the beginning of the second year it had increased $20, for now C owes $110 and D' has borrowed $110. Mark this GROWTH OF DEBT. It may also be observed that the ten dollars of interest which appeared to have been paid is now refunded into another debt on D's farm.

At the close of another year we will suppose that C, whose note now falls due, has been successful in producing some thing for which he obtains $120, with which he pays Banker A (refer to chart). By what fact was C able to obtain $120 ? From the fact that D had borrowed $110 and from no other. As before, if all the members of society will count all the dollars in their possession after C has paid A, they will find the sum to be but $80. Another money famine will be produced and one whom we will call E is forced to borrow. He presents his case to Banker A, who loans him the same $120 that C had paid his debt with. Again it will be apparent to the reader that this $20 supposed to have been paid by C is refunded into another debt on E's farm, and the close of the second year finds these islanders $241 in debt. The debt growth of two years has been $41 by the transactions, which have taken place at the bank alone. Other debts made by individuals outside the bank which produce debt growth will be examined later on. By reference to the chart the reader will see that at the end of one year D borrowed for two years and at the end of two years E borrowed for one. Consequently these two notes fall due on the same day. This is merely an accidental circumstance of no importance worth looking after, so the banker would have them believe. (What other inference can be drawn when they tell the farmers to go home and attend to their farms and let the great financiers run the money affairs of the country?) By reference to the chart it will be seen that D owes the banker $132 and E owes him the same amount. There now appears a debt of $264, which is $64 greater than the number of dollars on the island. This $64 is the debt growth of three years on the four loans of B, C, D and E, and will be found to be the sum of all the interest which has accrued upon their loans — viz., $10 upon B's note, plus $20 on C's, plus $22 on D's, plus $12 on E's. Not one dollar of interest, in reality, has been paid; has, in fact, only been re-funded into other debts on other securities. The impossibility of paying interest without an equivalent increase of money now appears, and one or both of these men must fail. Both may, add certainly will, if by chance some one has left the island for a foreign tour taking with him a hundred dollars or more, or if the original $200 was composed of $100 of gold and $100 of silver and the government in the meantime had demonetized silver, thus leaving the $100 of gold as the only debt-paying power on the island.

The point which this demonstration settles here, and settles forever, is that an increase of debt has arisen from loaning money at an interest which can only be paid by coining $64, or importing $64, or by the banker spending $64, or when the sum of these three items shall equal $64. It settles another point also, that the interest accruing on the loans in a nation must be known and also the increase of money for its extinguishment, or business will be done by methods of chance where failures and foreclosures are the inevitable results. Not one penny of

interest can be paid by any other means, if the banker demands his interest in money (and who ever heard of his demanding anything else?).

By no reloaning and by no recirculating of these $200 can this debt of $64 of interest be paid. And what is true of this $200 is just as true of any conceivable sum and its interest.

A failure to keep the record will in no way affect the result.

The reader is requested to fix this principle firmly in his mind for future use, as we are now establishing principles for application later on in the work.

This demonstration will force the gold-standard theorist to acknowledge that unless $64 has been coined, imported or expended by the money loaners, neither of which was assumed in the hypothesis, one or both of these men must fail and be foreclosed. It will also force them to acknowledge that these islanders are doing business by methods which will produce failures and foreclosures through the impossibilities that arise unless an exact record of all debt contracts on the island is kept and a record of all moneys coined, of all moneys imported from and exported to foreign countries, of all moneys lost and taken from circulation and of all money expended by the money loaners, in order that the differences which arise between the debt contracts and the moneys provided for their extinguishment or liquidation may be known and these differences provided for. Otherwise these men are doing business by slipshod methods where panics, failures and foreclosures, with all their attendant evils of loss and concentration of wealth, depression, stagnation and want will be the inevitable result. If these islanders had kept an exact record of all their debt contracts and the times when they fell due, and by any method added $64 to their circulation, these men D and E might have escaped. Failing to keep these records and supply money to meet the debt growth one or both must fail; or they must re-fund their debts, which only defers the evil day; for by no process of re-loaning or re-circulation of these dollars, neither by greater industry nor economy, can this debt of $64 be canceled. The banker understands this and knows his power. He demands settlement, and as this is impossible the sheriff is ordered to foreclose at once.

Here let the reader pause and ponder. Let him measure the full magnitude of the cruel injustice imbedded in these transactions. D borrowed on a farm worth $500 and by two years' hard labor in ditching, fencing, digging out stumps, setting out fruit trees, building and repairing he has added $500 more to the value of his farm. E borrowed on a farm worth $600 and by the year's work has added $400 value to his, so that now the two farms are worth $2,000, which the money loaner is permitted to take possession of, in the name of justice, law and order ! By legalized process he obtains $1,136 worth of property for which he gave no equivalent whatever. The value of these farms consists solely in the labor expended upon them by D and E and now, through no fault of theirs, but through the fault of the system which they indorsed without understanding, they are forced to surrender to the money loaners their property worth $2,000. He is now able to extort from them rent for values which their own labor has created or drive them and their wives and children out on the highways to tramp, to beg, to steal, perchance to starve and die.

It is pertinent here again to pause and ask the reader to give due reflection to this transaction. Were these men at fault for the loss of their homes and consequent poverty ? Had they doubled their labor or quadrupled their economy would it have increased the circulating medium by a single dollar ? Most assuredly not, for the number of dollars can only be increased by coinage or importation and only by an actual increase of dollars can these debts be paid.

Returning to the subject of the money loaner's power, it may now be observed that if he forecloses the land in satisfaction of these debt, society will be left in possession of $200; but the banker will by law be permitted to rent these two farms worth $2,000. Interest on money and rents on land usually coincide and our banker is able to rent these farms on the 10 per cent basis and in one year the rent will bring back to him the ownership of the original $200. This deprives the islanders of all money; and thus deprived, some member or members will be forced again to borrow it on the same terms as did A, B, C and D, and as like causes produce like effects the banker will be able in a few years more to foreclose two or three more homes, thereby giving him still greater power through rent and interest.

Thus year by year the concentration of wealth will increase and homeless men will multiply. By the power these rents and interest give to this money loaner he is able to command the services and products of labor and soon becomes a well-clothed, well-groomed and courteous gentleman. These exterior qualifications always command the respect and admiration of the multitude. His financial success enables him to travel at home and abroad, to appear in the halls of legislation where the people send their representatives; here by the seductive power of his position and the purchasing power of his money he buys their votes and obtains the grant of valuable franchises and the donation of rich lands. These swell his fortune and strengthen his dominion over men. The finality of these transactions will transfer the ownership of the entire island into the hands of this money loaner and leave the original owners serfs and slaves amid the wealth they have by their own labor created.

Returning to chart (page 17) we find that this $64 of debt impossible of payment has accrued because of a deviation from mathematical law. This deviation cannot be annulled or set aside by statute law. The decree of man can never make the sum of two and two make six; neither can an increase be laid upon our money obligations by legislation without giving the money loaner power to ultimately foreclose the homes of the people, unless said increase is systematically provided for.

The law declaring that 8 per cent or any other is the legal rate of interest is the most infamous power of robbery that ever blackened the pages of a nation's code. Under its exactions and executions the possession of homes soon becomes impossible and hope, happiness, honesty, virtue and patriotism perishes from the hearts of men. Vain will be the display of flags to resuscitate these sentiments.

Like the sinuous trail of the serpent, these dollars move through the channels of trade with such intricacy that their action is unnoticed and unrecorded and their debt-making power is unsuspected. Another factor in the financial system of these islanders may be even more potent than interest in producing debt growth and the concentration of wealth. Referring again to the chart (page 17) we will go back to the time when B borrowed the first $100 and paid them to G

for wheat. G now owns these $100 and so does A, for A only loaned them to B. To whom do they then belong ? and what will become of B's security if G should take them and go to Europe ? We will assume that G does not do this and that he does not need this money for immediate use. He has an eye for business and is willing to turn banker, too, so he loans it to some needy neighbor whom we will call F, who wants it for three years, and who is willing to pay ten percent for its use. The reader will now observe that F's note falls due on the same day that E's and D's falls due, making $394 of debt due with but $200 on the island to meet it.[1] This deviation from correct or mathematical principles arises from loaning the same dollars twice over making $200 of debt due at the same time, with only $100 to meet it. Neither of these men knew how much money was on the island, nor did they know that any relation existed between the amount of business to be transacted and the amount of money needed; nor did they know that dollars could be made from any other metal than gold.

Like matters in Hafed's dream, all their transactions were regulated by chance, and so as production increased and population multiplied more and more business was transacted with debt (credit) regardless of the times when these debts fell due or the amount of money they had to meet them, and year by year their failures and foreclosures increased until the island was covered with bonds and mortgages and half the people had lost their homes and property without ever once suspecting the true cause. It is obvious that if debts are made dollars must be made to cancel them. If more dollars of debt fall due at a given time and place than there are dollars in that place it is evident that the amount of debt above the number of dollars must be either foreclosed, refunded or repudiated.

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1. This mathematical deviation exists in the bank-deposit system of the United States, and is at once detected when the banks report four billion dollars on deposit and the Comptroller of the Currency reports less than two billion in circulation, showing four dollars of debt for every dollar in the country. Result: Bank failures, with robbery of the depositors.

The third element which creates debt growth and concentration of wealth, encompassed in the system of exchange, which these islanders endorsed and legalized, is found in the fact that there is not money enough to transact all the business they wish to transact on a cash basis. (Refer to chart.) For instance, H has a horse which he desires to sell and J desires to buy. J has no money and no credit at the bank; H, however, believes that J is an honest man, and he is willing to trust him. He sells the horse for $100 and takes J's note for the same, bearing ten per cent interest, due in three years. It will now be seen that there are $524 of debt due on the same day, while them are but $200 to meet it. Thus by following these $200 and recording each financial transaction and the date of its maturity, it is found that an increment or growth of $324 of debt has arisen in three years above the amount of dollars to extinguish it. This growth of debt would arise if the number of the same kind of transactions were ten thousand or ten million. This debt growth is the sum of three mathematical deviations from true principle, namely, $124 usury or interest, $100 of debt produced by loaning $100 twice over and $100 made by buying on credit. There

are three ways by which this increment of debt may be extinguished or adjusted. It may be foreclosed, refunded or repudiated. As all business is run by chance, perhaps all three methods may be used. F may be foreclosed; D may extend his time or refund; J may repudiate by abusing "confidence" and running away to Canada. Or they may pool their wits and succeed in refunding it upon the community by the following method: Let us suppose that D, E, F and J begin to realize, as they are sure to do, about six months before their debts fall due, that money is very scarce, wages low and work hard to obtain, and from the present outlook they will by no means be able to meet their obligations. They will, if shrewd, begin to cast about to find ways and means of payment. They are good mechanics and the dilapidated condition of their state house suggests the idea of bonding the island for the purpose of building a new one. They call the people together and convince them of the desirability of the plan. Bonds are issued to the amount of $324. They are sent to London, sold for gold and the money brought into the island. The work begins and D, E, F and J secure jobs and earn money enough to pay off their individual indebtedness and all the people view with pride and satisfaction the achievement of these industrious men. The banker, too, with smiling suavity, declares with unquestioned authority that "This is the most prosperous country the sun ever shone upon." But let us take time to reflect. Is the debt of $324 paid, or is it transferred to the collectivity, refunded into a bonded indebtedness against every home on the island ? All understand that bonds are community or collective debts. These bonds have been drawn for twenty years at 5 per cent and at the end of this time the original $324 borrowed from London has been carried back in interest, leaving on the island only $200 with which to pay $324 of bonds.

The principal of these bonds must now be paid by the taxation of the islanders. Every individual must pay his pro rata of taxes. On the island there is but $200. Therefore, some must fail of having the amount necessary to pay taxes with. In the meantime foreign syndicates have located loan agents in every town and hamlet to loan money on farm property, and since by no means can $324 be paid with $200, therefore some among the people, naturally the weakest members of society, made so by sickness or some other unpreventable misfortune, will be obliged to borrow money to meet this taxation to pay off the foreign bonds. Taxation is levied and the bonds are paid and all throw up their caps and shout: "We have paid our debts."

The reader will not fail to see that an increment of debt of $124, the difference between $324 and $200, has not been paid. It has again been transferred, this time from the collectivity (all the people of the island) to the individual homes. Another fact of deep significance to these islanders worth the reader's closest attention is that in paying off these foreign bonds these islanders have lost their money volume of $200. The ownership of it has passed over to London. Worse than this; they are individually $124 in debt to these foreign money loaners; and still worse, if they do not at once recognize their right to make or coin money and also understand that a good dollar can be made from any material which they themselves by law decree they will be forever forced to borrow their power of exchange from foreigners, and the growth of debt arising from the usury on these loans will be foreclosed by the foreign money loaners and year by year these islanders will see the ownership of their lands and industries passing into the hands of a foreign country. As long as they maintain the gold standard they will be powerless to stay this foreign absorption. These formulated transactions reveal the methods which produce a growth of debt and the instruments — bonds and mortgages —by which it is perpetuated, being transferred back and forth first from the individual to the collectivity by

bonds, then from the collectivity to the individual by taxation. If the mortgages are extinguished the people are bonded collectively; if the bonds are extinguished the people are mortgaged individually. All these processes of bonding, mortgaging, foreclosing, taxing and renting are going on simultaneously over a wide field of territory among parties unknown to each other. Their record is never kept and their true relation to each other is never comprehended, nor is the increment of debt which arises ever known or provided for, or liquidated except through the foreclosure of securities, which produces the concentration of wealth. These processes continually increase the increment of debt, which grows with their growth and fattens upon their decay until every home on the island is overshadowed with a mortgage and every county, town and city is blanketed with a bond. This increment of debt is impossible of payment unless the amount is known and intelligently provided for by one or all of the three methods which have been previously mentioned.

No amount of industry or frugality on the part of these islanders can abolish this increment of debt or the results which follow it. Even higher, higher rises this floodtide of ruin into thousands, millions, billions; ever faster, faster does it swell the fortunes of the money loaners, until the ownership of their island and its industries passes into the hands of foreign lords and dukes, who send their warships to collect their rents and interest at the point of the bayonet, as has been done in Egypt.

These islanders are now serfs and slaves amidst the wealth their own hands have created, enslaved by endorsing a system of commodity exchange, the philosophy of which they did not understand. For a nation of people doing business by these methods there is absolutely no hope and no salvation; every industry they establish and every home they create must in the end pass into the ownership of the money loaners.

By the use of $200 for three years, on the loans of which 10 per cent increase was legalized in six transactions, none of which were unreasonable or extravagant, it has been possible for a debt of $324 to arise, which is impossible of payment in accordance with the terms of the contract without an increase of money either by coinage or importation. Failing in this, we find $1,736 worth of property foreclosed and concentrated into the hands of a man who never by a single hour's toil honestly earned one penny of it.

The rapidity with which these transactions will accomplish concentration of wealth may be approximately calculated when we find by actual calculation that $200 loaned at 10 per cent and compounded every year will transfer to the money loaner over 65 billion dollars' worth of property, or more than the entire wealth of the United States, in the short period of 184 years.

This is the result when every transaction is legal and characterized with the strictest honesty and integrity; how much more rapidly will the work be consummated when these principles are manipulated by dishonest bankers, capitalists and legislators; when dollars are converted into bonds, when debts are manufactured by law, when the volume of money is expanded and contracted, when millions of it is burned and millions more demonetized, when every juggling trick of fraud and chicanery that the cupidity and greed of man can devise and operate is clearly evidenced by the conditions now existing in the United States, all of which have been produced in the last thirty years ! Can human ingenuity devise a more cruel and vicious system of tyranny

and spoliation to rob and enslave the people by legally binding them to an impossibility and then compelling them to surrender their property to satisfy this impossibility ?

The truth is, the harder these people worked the deeper they sunk in debt and destitution. The more they worked the more they produced; the more they produced the more they had to exchange; the more they had to exchange the more money must be borrowed; the more money borrowed the more the interest accrued; the more interest accrued the faster grew the debt; the larger the debt the more of their earnings were consumed in paying interest, and the more want and destitution they must endure. Enslaved by the power of gold.

To avoid confusion, it has been assumed throughout this illustration that these islanders did not increase their money volume, either by coinage or importation, and that the money loaners did not expend any money during these three years. We will now introduce these factors into our problem by supposing that $50 were coined, $50 were imported and the money loaners expended $24. Then it will be seen that the sum of these will cancel $124 of debt, which will still leave $200 of debt to be foreclosed, refunded or repudiated. By this increase of money the growth of debt and the resulting concentration of wealth will be less rapid, but it will not be extinguished unless the increase of money is equal to the debt growth.

Before leaving this subject to draw conclusions it is worth noting that debts made by loaning the same dollars more than once and debts made by buying on credit may be canceled by the circulation of money when due regard is paid to the time when these debts fall due. For example, suppose B borrows $100 of A and pays a debt he owes C. C loans this to D, who pays his debt to E, who again loans to F. Here is a debt of $300 which has been created by loaning the same $100 three times. If these debts fall due upon the same day we may be reasonably sure that the dollars cannot be made to circulate rapidly enough to cancel these debts; but if the dates are not identical then it will be possible for F to purchase something of B worth $100, who then can pay A. A can buy of D, who can then pay C. He can purchase of F, who then can pay E. These debts have thus all been canceled by circulation. But if B borrows money of A for sixty days and pays his debt to C, who reloans it to B for sixty days, and so on, until it reaches F, who keeps it in his pocket for six months, it will be seen that it is not safe to count on circulation for paying debts, and that the loaning of money over and over again is a dangerous and unscientific method of doing business, which will produce any amount of financial disaster.

Interest, which has been shown to be a factor in creating debt growth, cannot be paid or canceled by the circulation of money when the entire volume is loaned into circulation. It was clearly proved by the first four operations on the chart that interest continually refunded itself, and will always do so unless the coinage, importation of money and the expenditures of the money loaners are equal to the amount of debt accruing by interest. Increase by one or all three of these methods is the only means by which interest can be paid.

We are here confronted by the practical man who says: "Oh, yes, you reformers are all right as theorists, but when it comes to practice your theories do not work. Business is now performed with bank checks and drafts and very little money is needed; in fact, money cuts a very small figure in the business world to-day. Checks perform all the work." And so he runs on until, out of breath, he is compelled to stop from sheer exhaustion. There is no use in trying to arrest him

in his prattle, for he is so badly afflicted with check on the brain that an ounce of fact and philosophy never so carefully administered would prove fatal. The business world has no time to-day to follow any train of thought to its ultimate conclusion, and so we must endure this sapient prattle until these men personally confront such conditions as will compel them to think and reason.

For the benefit of those who are trying to educate themselves upon this great question we will explain the check system which the bankers are now trying to force the people to believe is so much better than a system of money.

A check or draft is an order for the payment of money drawn on a banker and payable at sight.

Before the banker ever issues a check of this character some person must first deposit a sum of money equal to the amount which the check calls for, or money obligations, such as well-secured bonds, iron-clad notes, mortgages, etc., may be sold to the banker at a discount and the proceeds placed to the credit of the seller, against which proceeds he can draw checks. These checks pass from person to person, making exchanges and paying debts. Every person is willing to take the check who believes in the solvency of the bank on which the check is drawn. But no check so issued ever did or could perform any more exchanges or cancel any more debts than the dollars which were deposited to obtain it. And if these dollars had been used instead of the check just as much business would have been performed. In the course of business transactions these checks must finally come into the possession of persons who will present them to the bank on which they were drawn to be redeemed in money, or they may, if drawn on different banks, be canceled at the clearing house. For instance H deposits $100 in bank No. 1 and receives a check. J deposits $100 in bank No. 2 and receives a check also. These checks may perform hundreds of exchanges and cancellations of debts and finally be canceled themselves at the clearing house, if it should happen that check No. 1 should fall into the possession of bank No. 2 and check No. 2 should come into the ownership of bank No. 1.

But still no more business has been done or exchanges performed than could have been performed with the money on which the check was issued. When bonds, notes, mortgages, and other debt obligations are discounted by the banker and checks issued to the sellers these checks, too, will make exchanges and cancel debts the same as checks drawn on actual cash. These checks may also cancel themselves at the clearing house, but when so canceled this does not cancel the notes, bonds and mortgages held by the banker nor prevent the banker from demanding settlement, in money, of those persons who drew and signed these evidences of debt. And as these were drawn for the want of sufficient quantity of circulating medium no increase of business was secured by them above that which would have been performed by creating dollars instead of debts. No substitute for the dollar can ever perform more work than the dollar itself. The check can transact no more business than the dollars which were deposited to secure the check, neither can they avert the payment of debts nor prevent more dollars of debt accruing than there are dollars to meet these debts nor the results of foreclosure and failure which follow.

Let the reader carefully note that it is not the dollar, nor any legitimate action of the dollar, which produces financial disturbances, but it is debt contracts (bonds, mortgages and notes} which

follow the loan of the dollar that create failures, foreclosures and panics. So long as the dollar performs its legitimate function in exchanging production from person to person no evil effect follows its use. Every debt is an evidence of the insufficiency and inadequacy of the power or medium of exchange.

The remedy for the evils from which we suffer will found in making dollars instead of debts.

To see a whole nation full of people wildly, madly rushing hither and thither, from pillar to post, from Maine to Alaska, Florida to California from city to city, from state to state and from one nation to another crossing oceans, scaling mountains, facing arctic frosts and tropic fevers, searching, struggling, scheming schemes that mortal never dared to scheme before; even schemes of robbery and murder against their brother-man, all to get dollars, at the same time persistently, stubbornly, idiotically, denying themselves the right to coin them, is a sad commentary on the intelligence of the nineteenth century.

We have now logically, scientifically and mathematically demonstrated beyond the possibility of doubt or disputation the impossibilities imbedded in a system of commodity exchange where the commodity is insufficient in volume to do business on a cash basis and where it is loaned into circulation with an increase attached to the loan. It scarcely need be suggested that if the size of the island, the number of the people and the money of the bank were doubled, or if two banks were established, each with $200 capital, the growth of debt and the power of wealth concentration would be doubled also.

If all these factors were multiplied by ten no change in the relations of debt and absorption would occur. Or if the banks were ten thousand, their loaning capital $2,000,000,000 instead of $200, and the number of people seventy million, there would be no material change in the mathematical relations and results. Debt growth and the concentration of wealth are the natural and mathematical results that will always follow these methods of doing business.

The only reason we are unable to calculate the precise time when bankruptcy will occur is because we do not keep the record of every transaction which produces an unpayable debt and all the factors which extinguish or liquidate it. Money is a species of bookkeeping with a debit and credit side which must be corretly kept and balanced.

It is in season now to ask the reader specifically to designate the differences, if any, between the methods employed by these islanders for securing a medium of exchange and the methods employed and legalized by the people of the United States. It is here affirmed that they are one and the same; identical in processes; identical in results; differing only in the volume of money used, the number of people using it and the size of the territory occupied by the system.

To prove otherwise it would be necessary to know how many dollars of debt arise from interest, how many from loaning the same dollars more than once and how many are made by buying on credit and the identical dates on which all these debts fall due. It would also be necessary to know how many dollars are coined, how many are exported from the country, how many are imported into the country, how many are taken out of circulation, how many are lost and the exact amount of the expenditures of the money loaners. Failing to know all these items, our gold

standard opponents are at sea in a tub, neither having chart, compass, pilot nor rudder; no, not even the guiding ray of the polar star. They see not the whirlpool just ahead that will swamp their craft and immerse them in the same waters of financial ruin in which many so many of their fellow citizens have been submerged.

By these illustrations all the factors of our financial system have been examined and traced. Summing up, we find three factors or elements which produce debt growth — viz., interest, loaning the same dollars more than once and buying on credit. There are three ways by which this debt growth might be liquidated without loss or foreclosure — viz., by coinage, by the importation of money from foreign countries, (by exporting more goods than are imported and by the expenditures of travelers) and by the expenditures of the creditor classes. If the sum total of these three does not equal the debt growth there are three ways by which it is adjusted. It may be foreclosed, repudiated or refunded. All three of these methods of adjustment are employed, dealing great injustice and wrong to all the parties concerned. If debts are foreclosed the creditor usually secures about three times the value he loaned, which is a cruel injustice to the debtor, by taking something for which no equivalent bas been given. If debts are repudiated then the creditor loses that which rightfully belongs to him and he is the injured party.

If debts are refunded the evil day when one or the other of these alternatives must occur is deferred. No record of these three items of debt increase is ever kept, nor is their sum total ever known, and no provision for the honest extinguishment of debt growth is ever made. So year by year the concentration of wealth increases by our failures and foreclosures, and year by year our debts enlarge by being refunded and the interest compounded.

There is no practical way of providing for this increase of debt under the present system unless the number of dollars is increased to the extent of the debt growth; failing in this it constantly refunds itself, and as our money becomes more difficult to obtain because the securities which must be put up in order to obtain money constantly diminish, until finally they all become covered with bonds and mortgages and money almost wholly disappears from circulation. Chaos follows. It will also be apparent that if an amount of money equal to the debt growth was obtained and thrown into circulation without debt very few, if any, failures would occur. So vast have been the exploitations of the people of the United States by and through these processes that one stands appalled not only at the magnitude of the crime but at the stupidity or treachery of the economists and statesmen in their failure to expose it. Debt upon debt; foreclosure upon foreclosure; panic upon panic; disaster upon disaster, until we, a robbed and robbing people, stand upon the very brink of national bankruptcy and disruption.

These processes been going on so long and these intricate relations here described are so little understood that those who are benefited by them have come to look upon them as honest and legitimate, and those who have been the victims have become accustomed to regard their misfortunes as the results of their own mismanagement or the allotments of an inscrutable Providence, whose decrees it were impious to question. For thirty years a greedy set of grasping cormorants and inhuman vultures, whose principal dens of devastation are located in London and Wall street, have by these processes, and others still more infamous, pillaged the people and confiscated the land until a wail of despair ascends from millions of crushed and bleeding hearts

and the nation is filled with homeless, penniless multitudes who unable even to obtain employment.

That these demonstrations give true interpretation to the causes which have led to our deplorable condition of congested wealth and unpayable debt of $40,000,000,000 must be so glaringly apparent that the wayfaring man, though a gold-standard Republican, may not be fooled again.

For thirty years the American people have been admonished by one of the most impressive and suggestive object lessons ever enacted before the eyes of intelligent men without once arousing their suspicion or enlisting their serious consideration. For a quarter of a century Bradstreet and Dun have reported through the weekly and daily papers "219 failures this week, against 217 of the corresponding week of last year;" "225 failures this week against 219 of the corresponding week of last year," and so on until 425 failures were reported in a single week (July, 1893). Week in and week out, month in and month out, year in and year out, this red flag of anarchy has been flung in their faces without their comprehending its awful meaning or putting forth any adequate effort to investigate the causes which have led to these widespread disasters. When questioned their only reply is: "It always was and it always will be," or "People fail because they do not have sense enough to run a business." There is a grim truth in this last remark which is truly pathetic. Interest is in every sense unjust and unscientific and the nation that travels over a highway paved with bonds, iron-clad notes and cutthroat debt obligations travels the road of legalized robbery and financial ruin, at he end of which lies the precipice of anarchy and national dissolution. The dumb inarticulate cry of "interest" "interest," now heard throughout the length and breadth of the land is but the roar of the surging breakers just ahead toward which our beloved country — the greatest and grandest Republic ever organized — is blindly, madly rushing with ever-increasing impetuosity.

From that point of time buried so far away in the catacombs of the dead past that all memory of it has been obliterated from the archives of history, when the prehistoric nations made gold and silver their medium and power of exchange, the curse of debt impossible of payment has eaten up the substance of the people and destroyed the stability of all forms of government. At first a small cloud, no larger than a man's hand, at last a hideous, whirling cyclone, black with crime and freighted with destruction. And thus it always must be with all nations to the end of all time who use gold and silver for their power and medium of exchange.[2] Like causes will produce like effects.

Historical evidence is not wanting, both ancient and modern, to confirm these conclusions. So well did Moses, the great lawgiver of the Jewish people, comprehend the disaster of debt which lay imbedded in commodity exchange that he wisely instituted laws which, if they had been observed, would have counteracted both the concentration of wealth, and the growth of debt.

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2 A friendly critic pronounces this last sentence unscientific and requests that it be stricken out. This critic may never have come to regard money as a tool or instrument by the means of which a certain kind of work is to be performed. When he does he will see that it is as

unscientific, and consequently uneconomical, to manufacture money from a material more expensive than utility demands as it would be to make any other tool, or instrument from a material more expensive than is demanded by its use. If all the governments of the world should assume the ownership of a all the gold and silver and also all the mines now known to exist and give to gold and silver money exclusively the legal tender quality, there would not be a sufficient quantity to do the business of the world on a cash basis; and debts arising from doing business on credit would increase the same as the debts which arise from interest and would be unpayable only through foreclosure. Therefore we must conclude that both gold and silver are unscientific material on which to place the money stamp. Our problem rests not only with the material from which money is made, but also with methods of circulation and the liquidation of debt. All debts must be made possible of payment by an adequate circulation scientifically disbursed.

The law which absolutely forbade usury prevented the growth of that part of debt which is unpayable without an increase of money. The law repudiating all debts every seven years prevented the growth of that part of debt which arises from buying on credit and the re-loaning of the same money more than once. Then to prevent the concentration of wealth which arose through the foreclosure of debts during the six years in which there was no releasement the fiftieth years was proclaimed the year of Jubilee, when all the lands that had passed out of the hands of the debtor class were restored back to the original possessors. The power of metallic money or commodity exchange to create debt impossible of payment and the concentration of wealth which would follow was most surely known to Moses, else these counteracting laws, which on the surface have the most decided appearance of injustice, would not have been instituted in the Jewish code and the direct curses of God pronounced against the people if they disregarded them.[3] Obedience to these laws would have so preserved equality of wealth and opportunities that the prophets of a later day would not have bewailed the pitiful conditions of Judea, saying, "Our inheritance is turned to strangers, our houses to aliens." (Lament 5:2); "the young children ask bread, and no man breaketh it unto them." (Lament 4:4); "The hands of the pitiful women have sodden their own children" (Lament 4:10); "Our skin was black like an oven because of the terrible famine." (Lament 5:10). This wisdom of the ancients seems always to have been the inheritance of the Jews, and while they have no country and scattered among many nationalities, where often they are not permitted to own land, yet so well do they understand the power of money when loaned that seldom ever see a Jew who is either a tramp or a pauper. Acting upon this ancient knowledge, the House of Rothschilds, with a few co-religionists, conspire to own the world.

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3 Exodus 22, 25; Deut 15, 25, 28; Ezekiel 18; Nehemiah 5.

The power to accomplish their design will be readily understood by a few mathematical calculations. The National bonds drawn upon the various nations of the earth are now estimated

to be 28 billion, largely, if not wholly, held in London. This is three and one half times all the metallic money of the world, which reveals the fact that the money of the world is primarily owned in London and the nations of the earth are doing business with borrowed money, owning not one dollar of their circulating medium. These bonds are drawing 4 per cent interest, which annually amounts to $1,120,000,000. This is more than three times the annual output of all the gold and silver in the world, and seven and one-half times the output of the world's gold.

The world's interest-bearing debts are now estimated to be a over 200 billion dollars, which is twenty-five times all the gold and silver money in the world and fifty times the amount of the world's gold. The annual interest at 10 per cent would be 20 billion dollars, which is a sum fifty-four times greater than the world's annual output of both gold and silver and 108 times the world's annual output of gold.

The power of this vast growth of debt to concentrate the ownership of the world into the hands of the few men who own the gold must certainly be comprehended by all who will study these calculations, and the man who cannot understand that this work will be accomplished in one-half the time when silver is demonetized is too imbecile to be allowed the privilege of voting. All this vast debt has accrued by three mathematical deviations which have been described — namely, interest, loaning the same dollars more than once and buying on credit. There is but one cure. Dollars must be made instead of bonds, notes and mortgages.

The last pages of this book will clearly demonstrate the success of the money mongers. What a marvelous contrast between the laws for the protection of the debtor classes, as established by Moses, and the Roman law[4] of the twelve tables, which sanctioned the creditor, after some preliminary formalities, to scourge a debtor to death, and if the debtor had several creditors they might cut his body in pieces, each taking a piece in proportion to the amount of his debt. If the creditors did not resort to this horrible atrocity they were authorized to reduce him to slavery and subject him to chains and stripes or sell him and his wife and children into foreign slavery. The laws of Greece prior to Solon were little less severe than those of ancient Rome, except the creditor was not permitted to kill his debtor. The cultivating tenants and small farmers weighed down by debt were first deprived of their property and finally with their families were reduced to slavery. The growth of debt went on until all the small farmers and were converted into slaves and there grew up but two classes in the state — the large land owners and the poor debtors reduced to slavery.

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4 Speech of Judge Henry C. Caldwell.

Between the arrogant profligacy of the rich and the destitution and misery of the slaves the state was about to perish. In its extremity it was saved by the justice and the wisdom of Solon. He abolished imprisonment for debt; set all slaves free who had been adjudged so for debt and canceled all contracts in which the debtor had borrowed on the security of his person or his land.

Mortgage debts were repudiated by pulling down the stone pillars erected erected on the land which were at that time used to record the debt.

Coming down to recent events, our own history affords a striking example corroborative of the position here elucidated. During the war nearly $2,000,000,000 were thrown into circulation without debt. The result was, to an extent never before known, the debtor classes were able and did pay their debts and the failures of the country were reduced to a minimum, being respectively 485, 502, 530 and 532 for the four years 1863, 1864, 1865 and 1866 ! Then came the contraction policy with all its withering, blighting curse of sheriffs' sales, mortgage foreclosures and business failures — 2,386 of them in 1867 ! Since this time there has been a steady increase, until now they have reached nearly 16,000 in a single year and our growth of debt is over $2,000,000,000 a year, or over six million every twenty-four hours. This appaling phenomena can be accounted for upon no other hypothesis than that laid down here. Let him who thinks it can be, at once proceed to enlighten this distracted world that these appalling losses which send men down to poverty and crime may soon be numbered with the things of the past. From this analysis which encompasses and shows the relation of every factor in our financial system and agrees with all known facts we must conclude that business done with borrowed money on which interest accrues and by buying on credit must always result disastrously unless the coinage equals the debt growth or it is otherwise provided for.

If the reader still doubts let him carefully study the following table and note the decrease and increase of failures, with the increase and decrease of coinage. By the use of $200 for three years, on the loans of which 10 per cent increase was legalized, in six transactions, none of which were based upon unreasonable or improbable conditions, it has been proved that it was possible for a debt of $324 to accumulate which was impossible of payment in accordance with the terms of the contract without an increase of money either by coinage or importation. Failing in this we find $1,736 worth of property concentrated into the hands of a man who never by a single hour's toil honestly earned one penny of it.

In the United States we find ten or twelve thousand banks and loan associations loaning into circulation a sum of money varying from one to two billion dollars, which is the entire volume, by the same methods and similar terms. By the bank-deposit system we find this same volume of money loaned over and over again, probably not less than four times. Thousands of pawnshops and private individuals are loaning money on rates of interest varying from ten to three hundred per cent. Thousands and tens of thousands of transactions are effected by means of promissory notes and promises to pay. The increase of our money volume is not one-thousandth part of the debt growth, while, as will be seen by the table on page 44, many years show a positive decrease. We see the same results of business failures, foreclosures, panics, concentration of wealth and debt growth, as was seen on the island. By these financial methods the people of the United States, who are the most energetic, inventive and industrious on earth, have, while working to their utmost, imposed upon themselves a debt of $40,000,000,000 in the last thirty years; while not less than about the same amount has either been repudiated or foreclosed. The preceding table only partially reveals the magnitude of these crimes, for in this table neither the failures below three thousand nor the foreclosure of real estate are recorded.

Let no one who reads this blackest page of human history ever again raise his voice against these destitute, homeless multitudes, contemptuously asserting that "it is their own fault; they have brought these evils upon themselves by their own extravagance and idleness." It is infamously false. By the legalized processes here described nine-tenths of these afflicted and stricken people have been robbed of their homes, their labors and their education. What if in their ignorance and poverty they do not understand the methods employed to rob them ? An avenging eye beholds it all and the oppressor shall not pass out from under the rod until he has paid the utmost farthing. Your gains have been filched from the poor; from you these riches shall melt as snow before the summer's sun.

From these deductions there is no escape; that which ye sow ye shall reap. Your gold and silver is cankered and the rust of them shall eat your soul as with fire.[James 5:3]

My task is done. This chart, sublime in its simplicity, proclaims to a world lying in darkness the scientific solution of that so long unsolved problem of which Blanqui exclaimed: "Happy our generation if science sometime gives the key." It reveals the incantations and machinations complained of by Senator Ingalls by which one-half the wealth of this great nation has been legally stolen from the hands of those who created it and the ownership of it transferred to those who gave no equivalent for it — the idle few. Hitherto the only epitaph man has inscribed over the buried achievements of his past greatness is "Nations rise and nations fall." But henceforth this chart shall point with unerring certainty to the disease — concentration of wealth — and the cause of this is debt produced by the use of gold and silver money. Go forth; thy mission is as broad as humanity; thy power as great as truth.

THE FRENCH CONNECTION

The History of the House of Rothschild

by Andrew Hitchcock

Notes:

- Hitchcock also wrote a history for the **bankers**: DarylBradfordSmith_Bankers.htm
- One of our listeners added images and photos and turned this Rothschild document into a **PowerPoint presentation**. It is very large; 67 megabytes: RothschildsTimeline.ppt
  If you don't have PowerPoint, get a free PowerPoint viewer from Microsoft here.
- Hitchcock has this Rothschild history available as a **paper book** in the **UK**: www.theSynagogueOfSatan.com
- The book is sold in the **USA** by Texe Marrs here.
- We also have an **interview** with Hitchcock at this page.

Definition of **Zionism**:

> *an organization of Jews whose goal is to create a nation for Jews.*

Definition of **Judaism**:

> *Jews collectively who practice a religion based on the Torah and the Talmud.*



The Rothschilds have been in control of the world for a very long time, their tentacles reaching into many aspects of our daily lives, as is documented in the following timeline. However, before you jump to the timeline, please read this invaluable introduction which will tell you who the Rothschilds are as oppose to who they claim to be.

The Rothschilds claim that they are Jewish, when in fact they are Khazars. They are from a country called Khazaria, which occupied the land locked between the Black Sea and the Caspian Sea which is now predominantly occupied by Georgia. The reason the Rothschilds claim to be Jewish is that the Khazars under the instruction of the King, converted to the Jewish faith in 740 A.D., but of course that did not include converting their Asiatic Mongolian genes to the genes of the Jewish people.

You will find that approximately 90% of people in the world today who call themselves Jews are actually Khazars, or as they like to be known, Ashkenazi Jews. These people knowingly lie to the world with their claims that the land of Israel is theirs by birthright, when in actual fact their real homeland is over 800 miles away in Georgia.

So, next time you hear an Israeli Prime Minister bleating about the so-called persecution of the Jews, consider this, every Prime Minister of Israel has been an Ashkenazi Jew. Therefore when all these Prime Ministers have curried favour with the West for their re-establishment of a Jewish homeland, they have knowingly and deliberately lied to you, as they were never from that region, and they well know it, because it is they who call themselves Ashkenazi Jews.

The Book of Revelation, Chapter 2, Verse 9, states the following which would appear to be about these Ashkenazi Jews:

> "I know thy works, and tribulation and poverty, (but thou art rich) and *I know* the blasphemy of them which say they are Jews, and are not, but *are* the synagogue of Satan."

The most wealthy bloodline in the world bar none and the leader of the Ashkenazi Jews in the world today is the Rothschild family. As you will see in the timeline, the Rothschilds have obtained this position through lies, manipulation and murder. Their bloodline also extends into the Royal Families of Europe, and the following family names: Astor; Bundy; Collins; duPont; Freeman; Kennedy; Morgan; Oppenheimer; Rockefeller; Sassoon; Schiff; Taft; and Van Duyn.

However, these are not the only bloodlines to worry about. You are probably aware of the centuries old pratice undertaken by many Ashkenazi Jews whereby they would change their name, in order for them to appear part of the dominant race of the country in which they lived, so as they could obtain influential positions in that country, which they would then exploit to serve their real masters elsewhere. There is plenty of evidence to prove the Rothschilds continue that deceptive tradition.

Furthermore the Rothschilds are known to sire many children secretly that they can put into positions of power when required. This started with the very first man who took the name Rothschild, who had a secret sixth son. Finally, remember the world is a diverse place, I could if I wanted change my name to Rothschild, or any of the names listed above, and that would not make me part of this family anymore than converting to Judaism in 740 A.D. will make these Ashkenazis Jewish.

Please, therefore, do not automatically assume someone you see with the name Rothschild or any of the names listed above are part of the Rothschild criminal network. Furthermore and most importantly, the majority of Ashkenazi Jews are innocent and not part of this network. Check the facts out for yourself first, this article is designed to inform people who the enemy is, not single out people of a particular race or people with a particular surname, who may have nothing to do with this Rothschild criminal network.

1743: Mayer Amschel Bauer, an Ashkenazi Jew, is born in Frankfurt, Germany, the son of Moses Amschel Bauer, a money lender and the proprietor of a counting house.

Moses Amschel Bauer places a red sign above the entrance door to his counting house. This sign is a red hexagram (which geometrically and numerically translates into the number 666) which under Rothschild instruction will end up on the Israeli flag some two centuries later.

1753: Gutle Schnaper, an Ashkenazi Jew (future wife of Mayer Amschel Bauer), born to respected merchant, Wolf Salomon Schnaper.

1760: During this decade Mayer Amschel Bauer works for a bank owned by the Oppenheimers' in Hanover, Germany. He is highly successful and becomes a junior partner. Whilst working at the bank he becomes acquainted with General von Estorff.

Following his father's death, Bauer returns to Frankfurt to take over his father's business. Bauer recognises the significance of the red hexagram and changes his name from Bauer to Rothschild, after the red hexagram or sign signifying 666 hanging over the entrance door ("Rot," is German for, "Red," "Schild," is German for, "Sign").

Now Mayer Amschel Rothschild, he discovers that General von Estorff is now attached to the court of Prince William IX of Hesse-Hanau, one of the richest royal houses in Europe, which gained its' wealth by the hiring out of Hessian soldiers to foreign countries for vast profits (a practice that continues today in the form of exporting, "peacekeeping," troops throughout the world).

He therefore makes the General's re-acquaintance on the pretext of selling him valuable coins and trinkets at discounted prices. As he plans, Rothschild is subsequently introduced to Prince William himself who is more than pleased with discounted prices he charges for his rare coins and trinkets, and Rothschild offers him a bonus for any other business the Prince can direct his way.

Rothschild subsequently becomes close associates with Prince William, and ends up doing business with him and members of the court. He soon discovers that loaning money to governments and royalty is more profitable than loaning to individuals, as the loans are bigger and are secured by the nation's taxes.

1769: Mayer Amschel Rothschild is given permission by Prince William to hang a sign on the front of his business premises declaring that he is, "M. A. Rothschild, by appointment court factor to his serene highness, Prince William of Hanau."

1770: Mayer Amschel Rothschild draws up plans for the creation of the Illuminati and entrusts Ashkenazi Jew, Adam Weishaupt, a Crypto-Jew who was outwardly Roman Catholic, with its organization and development. The Illuminati is to be based upon the teachings of the Talmud, which is in turn, the teachings of Rabbinical Jews. It was to be called the Illuminati as this is a Luciferian term which means, keepers of the light.

Mayer Amschel Rothschild marries Gutle Schnaper.

1773: Amschel Mayer Rothschild born, the first of Mayer Amschel Rothschild's sons. He like all his brothers who follow him, will enter the family business at the age of 12.

1774: Salomon Mayer Rothschild born.

1776: Adam Weishaupt officially completes his organisation of the Illuminati on May

1 of this year. The purpose of the Illuminati is to divide the goyim (all non-Jews) through political, economic, social, and religious means. The opposing sides were to be armed and incidents were to be provided in order for them to: fight amongst themselves; destroy national governments; destroy religious institutions; and eventually destroy each other.

Weishaupt soon infiltrates the Continental Order of Freemasons with this Illuminati doctrine and establishes lodges of the Grand Orient to be their secret headquarters. This was all under the orders and finance of Mayer Amschel Rothschild and the concept has spread and is followed within Masonic Lodges worldwide to the present day.

Weishaupt also recruits 2,000 paid followers including the most intelligent men in the field of arts and letters, education, science, finance,and industry. They were instructed to follow the following methods in order to control people.

1) Use monetary and sex bribery to obtain control of men already in high places, in the various levels of all governments and other fields of endeavour. Once influential persons had fallen for the lies, deceits, and temptations of the Illuminati they were to be held in bondage by application of political and other forms of blackmail, threats of financial ruin, public exposure, and fiscal harm, even death to themselves and loved members of their families.

2) The faculties of colleges and universities were to cultivate students possessing exceptional mental ability belonging to well-bred families with international leanings, and recommend them for special training in internationalism, or rather the notion that only a one-world government can put an end to recurring wars and strife. Such training was to be provided by granting scholarships to those selected by the Illuminati.

3) All influential people trapped into coming under the control of the Illuminati, plus the students who had been specially educated and trained, were to be used as agents and placed behind the scenes of all governments as experts and specialists. This was so they would advise the top executives to adopt policies which would in the long-run serve the secret plans of the Illuminati one-world conspiracy and bring about the destruction of the governments and religions they were elected or appointed to serve.

4) To obtain absolute-control of the press, at that time the only mass-communications media which distributed information to the public, so that all news and information could be slanted in order to make the masses believe that a one-world government is the only solution to our many and varied problems.

1777: Nathan Mayer Rothschild born.

1784: Adam Weishaupt issues his order for the French Revolution to be started by by Maximilien Robespierre in book form. This book was written by one of Weishaupt's associates, Xavier Zwack, and sent by courier from Frankfurt to Paris. However en route there, the courier is struck by lightning, the book detailing this plan discovered

by the police, and handed over to the Bavarian authorities.

As a consequence, the Bavarian government orders the police to raid Weishaupt's masonic lodges of the Grand Orient, and the homes of his most influential associates. Clearly, the Bavarian authorities were convinced that the book that was discovered was a very real threat by a private group of influential people, to use wars and revolutions to achieve their political ends.

1785: The Bavarian government outlaw the Illuminati and close all the Bavarian lodges of the Grand Orient.

Mayer Amschel Rothschild moves his family home to a five storey house in Frankfurt which he shares with the Schiff family.

1786: The Bavarian government publish the details of the Illuminati plot in a document entitled, "The Original Writings of The Order and Sect of The Illuminati." They then send this document to all the heads of church and state throughout Europe, but sadly their warning is ignored.

1788: Kalmann (Carl) Mayer Rothschild Born.

1789: Due to the European ignorance of the Bavarian government's warning, the Illuminati's plan for a French Revolution succeeded from this year to 1793. This revolution was a bankers' dream, it established a new constitution and passed laws that forbade the Roman Church from levying tithes (taxes) and also removed its exemption from taxation.

1790: Mayer Amschel Rothschild states,

> "Let me issue and control a nation's money and I care not who writes the laws."

1791: The Rothschilds get, "control of a nation's money," through Alexander Hamilton (their agent in George Washington's cabinet) when they set up a central bank in the USA called the First Bank of the United States. This is established with a 20 year charter.

1792: Jacob (James) Mayer Rothschild born.

1796: Amschel Mayer Rothschild marries Eva Hanau.

1798: John Robison publishes a book entitled, "Proofs of a Conspiracy Against All the Religions and Governments of Europe Carried on in the Secret Meetings of Freemasons, Illuminati and Reading Societies." In this book, Professor Robison of the University of Edinburgh, one of the leading intellects of his time, who in 1783 was elected general secretary of the Royal Society of Edinburgh, gave details of the whole Rothschild Illuminati plot.

He advised how he had been a high degree mason in the Scottish Rite of Freemasonry, and had been invited by Adam Weishaupt to Europe, where he had been given a revised copy of Weishaupt's conspiracy. However, although he pretended to go along with it, Professor Robison did not agree with it and therefore published his aforementioned book. The book included details of the Bavarian

government's investigation into the Illuminati and the French Revolution.

That same year on July 19th, David Pappen, President of Harvard University, lectured the graduating class on the influence illuminism was having on American politics and religion.

At the age of 21, Nathan Mayer Rothschild leaves Frankfurt for England, where with a large sum of money given to him by his father, he sets up a banking house in London.

1800: Salomon Mayer Rothschild marries Caroline Stern.

1806: Napolean states that it is his,

> "object to remove the house of Hess-Cassel from rulership and to strike it out of the list of powers."

On hearing this, Prince William IX of Hesse-Hanau, flees Germany, goes to Denmark and entrusts his fortune valued at $3,000,000 at that time to Mayer Amschel Rothschild for safekeeping.

Nathan Mayer Rothschild marries Hannah Barent Cohen the daughter of a wealthy London merchant.

1808: Nathan Mayer Rothschild has his first son born Lionel Nathan de Rothschild.

1810: Sir Francis Baring and Abraham Goldsmid die. This leaves Nathan Mayer Rothschild as the remaining major banker in England.

Salomon Mayer Rothschild goes to Vienna, Austria and sets up the bank, M. von Rothschild und Söhne.

1811: The charter for the Rothschilds Bank of the United States runs out and Congress votes against its renewal. Nathan Mayer Rothschild is not amused and he states,

> "Either the application for renewal of the charter is granted, or the United States will find itself involved in a most disastrous war."

However the United States stands firm and the Charter is not renewed, which causes Nathan Mayer Rothschild to issue another threat,

> "Teach those impudent Americans a lesson. Bring them back to colonial status."

1812: Backed by Rothschild money, and Nathan Mayer Rothschild's orders, the British declare war on the United States. The Rothschilds plan was to cause the United States to build up such a debt in fighting this war that they would have to surrender to the Rothschilds and allow the charter for the Rothschild owned First Bank of the United States to be renewed.

Mayer Amschel Rothschild dies. In his will he lays out specific laws that the House of Rothschild were to follow: all key positions in the family business were only to be held by family members; only male members of the family were allowed to participate in the family business, this included a reported sixth secret bastard son (It is important to

note that Mayer Amschel Rothschild also has five daughters, so today the spread of the Rothschild Zionist dynasty without the Rothschild name is far and wide, and Jews believe the mixed offspring of a Jewish mother is solely Jewish); the family was to intermarry with it's first and second cousins to preserve the family fortune (of the 18 marriages by Mayer Amschel Rothschild's grandchildren, 16 were between first cousins - a practice known today as inbreeding); no public inventory of his estate was to be published; no legal action was to be taken with regard to the value of the inheritance; the eldest son of the eldest son was to become the head of the family (this condition could only be overturned when the majority of the family agreed otherwise).

This was straightaway the case and Nathan Mayer Rothschild was elected head of the family following his father, Mayer Amschel Rothschild's death.

Jacob (James) Mayer Rothschild goes to Paris, France to set up the bank, de Rothschild Frères.

Nathaniel de Rothschild, the son in law of Jacob (James) Mayer Rothschild, born.

1814: With regard to the $3,000,000 Prince William IX of Hesse-Hanau had entrusted to Mayer Amschel Rothschild for safekeeping, for an account of what happened next we turn to the Jewish Encyclopaedia, 1905 edition, Volume 10, page 494, which states,

> "According to legend this money was hidden away in wine casks, and, escaping the search of Napoleon's soldiers when they entered Frankfurt, was restored intact in the same casks in 1814, when the elector (Prince William IX of Hesse-Hanau) returned to the electorate (Germany). The facts are somewhat less romantic, and more businesslike."

This last line indicates the money was never returned by Rothschild to Prince William IX of Hesse-Hanau. The encyclopaedia goes on to state,

> "Nathan Mayer Rothschild invested this $3,000,000 in, gold from the East India Company knowing that it would be needed for Wellington's peninsula campaign."

On the stolen money Nathan made,

> "no less than four profits:
>
> i) On the sale of Wellington's paper which he bought at 50 cents on the dollar and collected at par;
> ii) on the sale of gold to Wellington;
> iii) on its repurchase; and
> iv) on forwarding it to Portugal."

1815: The five Rothschild brothers work to supply gold to both Wellington's army (through Nathan in England) and Napoleon's army (through Jacob in France), and begin their policy of funding both sides in wars. The Rothschilds love wars because they are massive generators of risk free debt.

This is because they are guaranteed by the government of a country, and therefore the efforts of the population of that country, and it doesn't matter if that country loses

the war because the loans are given on the guarantee that the victor will honour the debts of the vanquished.

Whilst the Rothschilds are funding both sides in this war, they use the banks they have spread out across Europe to give them the opportunity to set up an unrivalled postal service network of secret routes and fast couriers. The post these couriers carried was to be opened up by these couriers and their details given to the Rothschilds so they always were one step ahead of current events.

Furthermore, these Rothschild couriers were the only merchants allowed to pass through the English and French blockades. It was these couriers who also kept Nathan Mayer Rothschild up to date with how the war was going so he could use that intelligence to buy and sell from his position on the stock exchange in accordance with that intelligence.

One of Rothschild's couriers was a man named Rothworth. When the outcome of the Battle of Waterloo was won by the British, Rothworth took off for the Channel and was able to deliver this news to Nathan Mayer Rothschild, a full 24 hours before Wellington's own courier.

At that time British bonds were called consuls and they were traded on the floor of the stock exchange. Nathan Mayer Rothschild instructed all his workers on the floor to start selling consuls. The made all the other traders believe that the British had lost the war so they started selling frantically.

Therefore the consuls plummeted in value which was when Nathan Mayer Rothschild discreetly instructed his workers to purchase all the consuls they could lay their hands on.

When news came through that the British had actually won the war, the consuls went up to a level even higher than before the war ended leaving Nathan Mayer Rothschild with a return of approximately 20 to 1 on his investment.

This gave the Rothschild family complete control of the British economy, now the financial centre of the world following Napolean's defeat, and forced England to set up a new Bank of England, which Nathan Mayer Rothschild controlled.

Interestingly 100 years later the New York Times would run a story stating that Nathan Mayer Rothschild's grandson had attempted to secure a court order to suppress publication of a book which had this insider trading story in it. The Rothschild family claimed the story was untrue and libellous, but the court denied the Rothschilds request and ordered the family to pay all court costs.

Back to 1815, this is the year Nathan Mayer Rothschild makes his famous statement,

> "I care not what puppet is placed upon the throne of England to rule the Empire on which the sun never sets. The man who controls Britain's money supply controls the British Empire, and I control the British money supply."

He would go onto brag that in the 17 years he had been in England he had increased the £20,000 stake given to him by his father, 2500 times to £50 million.

The Rothschilds also use their control of the Bank of England to replace the method of shipping gold from country to country and instead used their five banks spread across Europe to set up a system of paper debits and credits, the banking system of today.

By the end of this century, a period of time that was known as the, "Age of the Rothschilds," it is estimated that the Rothschild family controlled half the wealth of the world.

However something that did not go well for the Rothschilds this year was the Congress of Vienna, which started in September, 1814 and concluded in June of this year. The reason for this Congress of Vienna, was for the Rothschilds to create a form of world government, to give them complete political control over much of the civilized world.

Many of the European governments were in debt to the Rothschilds, so they figured they could use that as a bargaining tool. However the Tsar Alexander I of Russia, who had not succumbed to a Rothschild central bank, would not go along with the plan, so the Rothschild world government plan failed.

Enraged by this, Nathan Mayer Rothschild swore that some day he or his descendants would destroy the Tsar Alexander I's entire family and descendants. Unfortunately he was true to his word and 102 years later Rothschild funded Bolsheviks would act upon that promise.

Interestingly, world government fanatic and Ashkenazi Jew, Henry Kissinger, did his doctoral dissertation on the Congress of Vienna.

1816: The American Congress passes a bill permitting yet another Rothschild dominated central bank, which gives the Rothschilds control of the American money supply again. This is called the Second Bank of the United States and is given a twenty year charter. The British war against the America therefore ends with the deaths of thousands of British and American soldiers, but the Rothschilds get their bank.

1818: Following the French securing massive loans in 1817 in order to help rebuild after their disastrous defeat at Waterloo, Rothschild agents bought vast amounts of French government bonds causing their value to increase.

On November 5th they dumped the lot on the open market causing their value to plummet and France to go into a financial panic. The Rothschilds then stepped in to take control of the French money supply. This was the same year the Rothschilds were able to loan £5,000,000 to the Prussian government.

1821: Kalmann (Carl) Mayer Rothschild was sent to Naples, Italy. He would end up doing a lot of business with the Vatican and Pope Gregory XVI subsequently conferred upon him the Order of St. George.

Also, whenever the Pope received Kalmann, he would give him his hand rather than the customary toe to kiss, which showed the extent of Kalmann's power over the Vatican.

1822: The emperor of Austria made the five Rothschild brothers Barons. Nathan Mayer Rothschild chose not to take up the title.

1823: The Rothschilds take over the financial operations of the Catholic Church, worldwide.

1827: Sir Walter Scott publishes his nine volume set, The life of Napolean and in volume two he states that the French Revolution was planned by the Illuminati (Adam Weishaupt) and was financed by the money changers of Europe (The Rothschilds).

1832: President Andrew Jackson (the 7th President of the United States from 1829 to 1837), runs the campaign for his second term in office under the slogan, "Jackson And No Bank!" This is in reference to his plan to take the control of the American money system to benefit the American people, not for the profiteering of the Rothschilds.

1833: President Andrew Jackson starts removing the government's deposits from the Rothschild controlled, Second Bank of the United States and instead deposits them into banks directed by democratic bankers.

This causes the Rothschilds to panic and so they do what they do best, contract the money supply causing a depression. President Jackson knows what they are up to and later states,

> "You are a den of thieves vipers, and I intend to rout you out, and by the Eternal God, I will rout you out."

1834: The Italian revolutionary leader, Guiseppe Mazzini, is selected by the Illuminati to direct their revolutionary program throughout the world and would serve in that capacity until he died in 1872.

1835: On January 30, an assassin tries to shoot President Jackson, but miraculously both of the assassin's pistols misfired. President Jackson would later claim that he knew the Rothschilds were responsible for that attempted assassination. He is not the only one, the assassin, Richard Lawrence, who was found not guilty by reason of insanity, later bragged that powerful people in Europe had hired him and promised to protect him if he were caught.

The Rothschilds acquire the rights in the Almadén quicksilver mines in Spain. This was at the time the biggest concession in the world and as quicksilver was a vital component in the refining of gold or silver this gave the Rothschilds a virtual world monopoly.

1836: Following his years of fighting against the Rothschilds and their central bank in America, President Andrew Jackson finally succeeds in throwing the Rothschilds central bank out of America, when the bank's charter is not renewed. It would not be until 1913 that the Rothschilds would be able to set up their third central bank in America, the Federal Reserve, and to ensure no mistakes are made, this time they will put one of their own bloodline, Jacob Schiff, in charge of the project.

Nathan Mayer Rothschild dies and the control of his bank, N. M. Rothschild & Sons is passed on to his younger brother, James Mayer Rothschild.

1837: The Rothschilds send one of their own, August Belmont, an Ashkenazi Jew, to America to salvage their banking interests defeated by President Andrew Jackson.

1840: The Rothschilds become the Bank of England's bullion brokers. They set up agencies in California and Australia.

1841: President John Tyler (the 10th President of the United States From 1841 to 1845) vetoed the act to renew the charter for the Bank of the United States. He goes on to receive hundreds of letters threatening him with assassination.

1844: Salomon Mayer Rothschild purchases the United Coal Mines of Vítkovice and Austro-Hungarian Blast Furnace Company that would go on to be one of the top ten global industrial concerns.

Benjamin Disraeli, an Ashkenazi Jew (who would go on to become British Prime Minister twice - the only admitted Ashkenazi Jew to do so) publishes Coningsby, in which he characterises Nathan Mayer Rothschild as,

> "the Lord and Master of the money markets of the world, and of course virtually Lord and Master of everything else. He literally held the revenues of Southern Italy in pawn, and Monarchs and Ministers of all countries courted his advice and were guided by his suggestions."

1845: The Great American Patriot, Andrew Jackson (7th President of the United States) dies.

Before his death he is asked what he regarded his as greatest achievement. He replies without hesitation,

> "I Killed The Bank,"

This is in reference to the fact he banished the Rothschilds Second Bank of the United States in 1836.

Jacob (James) Mayer Rothschild (who by now had married his niece, Betty, Salomon Mayer Rothschild's daughter), now known as Baron James de Rothschild, wins the contract to build the first major railway line across the country.

This was called the Chemin De Fer Du Nord and ran initially from Paris to Valenciennes and then joined with the Austrian rail network built by his brother (and wife's father - all sounds a bit sordid doesn't it) Salomon Mayer Rothschild.

1847: Lionel De Rothschild now married to the daughter of his uncle, Kalmann (Carl) Mayer Rothschild, is elected to the parliamentary seat for the City of London.

A requirement for entering parliament was to take an oath in the true faith of a Christian. Lionel De Rothschild refused to do this as he was Jewish and his seat in parliament remained empty for 11 years until new oaths were allowed. He must have been an invaluable representative for his constituency, bearing in mind he could never vote on any bill as he never entered parliament! I wonder how he managed to keep his parliamentary seat for 11 years?

1848: Karl Marx, an Ashkenazi Jew, publishes, "The Communist Manifesto." Interestingly at the same time as he is working on this, Karl Ritter of Frankfurt University was writing the antithesis which would form the basis for Freidrich Wilhelm Nietzsche's, "Nietzscheanism." This Nietzecheanism was later developed into

Fascism and then into Nazism and was used to forment the first and second world wars.

Marx, Ritter, and Nietzsche were all funded and under the instruction of the Rothschilds. The idea was that those who direct the overall conspiracy could use the differences in those two so-called ideologies to enable them to divide larger and larger factions of the human race into opposing camps so that they could be armed and then brainwashed into fighting and destroying each other, and particularly, to destroy all political and religious institutions. The same plan put forward by Weishaupt in 1776.

Eva Hanau, Amschel Mayer Rothschild's wife dies.

1849: Gutle Schnaper, Mayer Amschel Rothschild's wife dies. Before her death she would nonchalantly state,

> "If my sons did not want wars, there would be none."

1850: Construction begins this decade on the manor houses of Mentmore in England and Ferrières in France, more Rothschilds Manors will follow throughout the world, all of them filled with works of art.

Jacob (James) Rothschild in France is said to be worth 600 million francs, which at the time was 150 million francs more than all the other bankers in France put together.

1852: N.M. Rothschild & Sons begins refining gold and silver for the Royal Mint and the Bank of England and other international customers.

1853: Nathaniel de Rothschild, the son in law of Jacob (James) Mayer Rothschild, purchases Château Brane Mouton, the Bordeaux vineyard of Mouton, and renames it Château Mouton Rothschild.

1854: Caroline Stern, Salomon Mayer Rothschild's wife, dies.

1855: Amschel Mayer Rothschild dies.

Salomon Mayer Rothschild dies.

Kalmann (Carl) Mayer Rothschild dies.

1858: Lionel De Rothschild finally takes his seat in parliament when the requirement to take an oath in the true faith of a Christian is broadened to include other oaths. He becomes the first Jewish member of the British parliament.

1861: President Abraham Lincoln (16th President of the United States from 1860 till his assassination in 1865) approaches the big banks in New York to try to obtain loans to support the ongoing American civil war. As these large banks were heavily under the influence of the Rothschilds, they offer him a deal they know he cannot accept, 24% to 36% interest on all monies loaned.

Lincoln is very angry about this high level of interest and so he prints his own debt free money and informs the public that this is now legal tender for both public and private debts.

1862: By April $449,338,902 worth of Lincoln's debt free money has been printed and distributed. He states of this,

> "We gave the people of this republic the greatest blessing they ever had, their own paper money to pay their own debts."

That same year The Times of London publishes a story containing the following statement,

> "If that mischievous financial policy, which had its origin in the North American Republic, should become indurated down to a fixture, then that government will furnish its own money without cost. It will pay off debts and be without a debt. It will have all the money necessary to carry on its commerce.
>
> It will become prosperous beyond precedent in the history of civilized governments of the world. The brains and the wealth of all countries will go to North America. That government must be destroyed or it will destroy every monarchy on the globe."

1863: President Abraham Lincoln discovers the Tsar of Russia, Alexander II (1855 – 1881), was having problems with the Rothschilds as well as he was refusing their continual attempts to set up a central bank in Russia. The Tsar then gives President Lincoln some unexpected help.

The Tsar issued orders that if either England or France actively intervened in the American Civil War, and help the South, Russia would consider such action a declaration of war, and take the side of President Lincoln. To show that he wasn't messing about, he sent part of his Pacific Fleet to port in San Francisco and another part to New York.

The Rothschild banking house in Naples, Italy, C. M. de Rothschild e figli, closes following the unification of Italy. The Rothschilds use one of their own in America, John D. Rockefeller, to form an oil business called Standard Oil which eventually takes over all of its competition.

1864: Rothschild, August Belmont, who by now is the Democratic Party's National Chairman, supports General George McClellan as the Democratic nominee to run against President Abraham Lincoln in this year's election. Much to the anger of Belmont, President Lincoln wins the election.

1865: In a statement to Congress, President Abraham Lincoln states,

> "I have two great enemies, the Southern Army in front of me, and the financial institutions in the rear. Of the two, the one in my rear is my greatest foe."

Later that year, on April 14, President Lincoln is assassinated, less than two months before the end of the American Civil War.

Following a brief training period in the Rothschilds London Bank, Jacob Schiff, a Rothschild, born in their house in Frankfurt, arrives in America at the age of 18, with instructions and the finance necessary to buy into a banking house there. The

purpose of this was to carry out the following tasks.

1. Gain control of America's money system through the establishment of a central bank.
2. Find desirable men, who for a price, would be willing to serve as stooges for the Illuminati and promote them into high places in the federal government, the Congress, Supreme Court, and all the federal agencies.
3. Create minority group strife throughout the nations, particularly targeting the whites and blacks.
4. Create a movement to destroy religion in the United States, with Christianity as the main target.

Nathaniel de Rothschild becomes Member of Parliament for Aylesbury in Buckinghamshire.

1868: Jacob (James) Mayer Rothschild dies, shortly after purchasing Château Lafite, one of the four great premier grand cru estates of France. He is the last of Mayer Amschel Rothschild's sons to die.

1870: Nathaniel de Rothschild dies.

1871: An American General named, Albert Pike, who had been enticed into the Illuminati by Guissepe Mazzini, completes his military blueprint for three world wars and various revolutions throughout the world, culminating into moving this great conspiracy into its final stage.

The first world war is to be fought for the purpose of destroying the Tsar in Russia,as promised by Nathan Mayer Rothschild in 1815. The Tsar is to be replaced with communism which is to be used to attack religions, predominantly Christianity. The differences between the British and German empires are to be used to forment this war.

The second world war is to be used to forment the controversy between facism and political zionism with the slaughter of Jews in Germany a lynchpin in bringing hatred against the German people. This is designed to destroy fascism (which the Rothschilds created) and increase the power of political zionism. This war is also designed to increase the power of communism to the level that it equalled that of united Christendom.

The third world war is to be played out by stirring up hatred of the Muslim world for the purposes of playing the Islamic world and the political zionists off against one another. Whilst this is going on, the remaining nations would be forced to fight themselves into a state of mental, physical, spiritual and economic exhaustion.

On August 15th of this year, Albert Pike writes a letter (now catalogued in the British Museum) to Guiseppe Mazzini in which he states the following,

> "We shall unleash the nihilists and the atheists and we shall provoke a great social cataclysm which in all its horror will show clearly to all nations the effect of absolute atheism; the origins of savagery and of most bloody turmoil.
>
> Then everywhere, the people will be forced to defend themselves against

> the world minority of the world revolutionaries and will exterminate those destroyers of civilization and the multitudes disillusioned with Christianity whose spirits will be from that moment without direction and leadership and anxious for an ideal, but without knowledge where to send its adoration, will receive the true light through the universal manifestation of the pure doctrine of Lucifer brought finally out into public view.
>
> A manifestation which will result from a general reactionary movement which will follow the destruction of Christianity and Atheism; both conquered and exterminated at the same time."

Pike, who having been elected as Sovereign Grand Commander of the Scottish Rite of Freemasonry's Southern Jurisdiction in 1859, was the most powerful Freemason in America. He would retain that post for 32 years until his death in 1891. He also published a book on the subject in 1872 entitled, "Morals and Dogma of the Ancient and Accepted Scottish Rite of Freemasonry," in which he candidly states the following,

> "LUCIFER, the Light-bearer! Strange and mysterious name to give to the Spirit of Darknesss! Lucifer, the Son of the Morning! Is it he who bears the Light, and with its splendors intolerable blinds feeble, sensual or selfish Souls? Doubt it not!"

1872: Prior to Guiseppe Mazzini's death this year, he makes another revolutionary leader named Adrian Lemmy his successor. Lemmy will be subsequently succeeded by Lenin and Trotsky, then by Stalin. The revolutionary activities of all these men are financed by the Rothschilds.

1873: The loss making Rio Tinto copper mines in Spain, are purchased by a group of foreign financiers including the Rothschilds. These mines represented Europe’s largest source of copper.

1875: On January 1 of this year Jacob Schiff, now Solomon Loeb's son-in-law after marrying his daughter, Teresa, takes control of the banking house, Kuhn, Loeb & Co. He goes on to finance John D. Rockefeller's Standard Oil Company, Edward R. Harriman's Railroad Empire, and Andrew Carnegie's Steel Empire. This is all with Rothschild money.

He then identifies the other largest bankers in America at that time. They are, J.P. Morgan who controls Wall Street, and the Drexels and the Biddles of Philadelphia. All the other financiers, big and little, danced to the music of those three houses. Schiff then gets the European Rothschilds to set up European branches of these three large banks on the understanding that Schiff, and therefore Rothschild, is to be the boss of banking in New York and therefore America.

N M Rothschild & Sons undertake a share issue to raise capital for the first channel tunnel project to link France to England, with half of its capital coming from the Rothschild owned Compagnie du Chemin de Fer du Nord.

This year Lionel De Rothschild also loans Prime Minister Benjamin Disraeli the finance for the British government to purchase the shares in the Suez Canal, from Khedive Said of Egypt. This was done as the Rothschilds needed this access route to

be held by a government they controlled, so they could use that government's military to protect their huge business interests in the Middle East.

1876: Otto von Bismarck states,

> "The division of the United States into two federations of equal force was decided long before the civil war by the high financial power of Europe. These bankers were afraid that the United States, if they remained in one block and as one nation, would attain economical and financial independence, which would upset their financial domination over the world.
>
> The voice of the Rothschilds predominated. They foresaw the tremendous booty if they could substitute two feeble democracies, indebted to the financiers, to the vigorous Republic, confident and self-providing.
>
> Therefore they started their emissaries in order to exploit the question of slavery and thus dig an abyss between the two parts of the Republic."

1879: Lionel de Rothschild dies.

1880: Rothschild agents begin formenting a series of pogroms predominantly in Russia, but also in Poland, Bulgaria and Romania. These pogroms resulted in the slaughter of thousands of innocent Jews, causing approximately 2 million to flee, mainly to New York, but also to Chicago, Philadelphia, Boston and Los Angeles.

The reason these pogroms were initiated, was to create a large Jewish base in America, who when they arrived, would be educated to register as Democrat voters. Some twenty years later, this would result in in a massive Democratic power base in the United States and be used to elect Rothschild front men such as Woodrow Wilson, to the Presidency, to carry out the bidding of the Rothschilds.

1881: President James A. Garfield (The 20th President of the United States who lasted only 100 Days) states two weeks before he is assassinated,

> “Whoever controls the volume of money in our country is absolute master of all industry and commerce…and when you realize that the entire system is very easily controlled, one way or another, by a few powerful men at the top, you will not have to be told how periods of inflation and depression originate.”

Edmond James de Rothschild has a son Maurice de Rothschild.

1883: After 6,000 feet of tunnel in the channel tunnel project being excavated, the British government halt the project citing the fact that it would be a threat to Britain’s security.

1885: Nathaniel Rothschild, son of Lionel De Rothschild, becomes the first Jewish peer and is takes the title of Lord Rothschild.

1886: The French Rothschild bank, de Rothschild Frères obtains substantial amounts of Russia's oil fields and forms the Caspian and Black Sea Petroleum Company, which quickly becomes the world's second largest oil producer.

1887: Opium trafficker in China, Edward Albert Sassoon, marries Aline Caroline de Rothschild, the grand-daughter of Jacob (James) Mayer Rothschild. Aline Caroline's father, Gustave, together with his brother, Alphonse, took over the Rothschild's french arm following their father Jacob's death.

The Rothschilds finance the amalgamation of the Kimberley diamond mines in South Africa. They subsequently become the biggest shareholders of this company, De Beers, and mine precious stones in Africa and India.

1888: Noémie Halphen, future wife of Maurice de Rothschild born.

1891: The British Labour Leader makes the following statement on the subject of the Rothschilds,

> "This blood-sucking crew has been the cause of untold mischief and misery in Europe during the present century, and has piled up its prodigious wealth chiefly through fomenting wars between States which ought never to have quarrelled.
>
> Whenever there is trouble in Europe, wherever rumours of war circulate and men's minds are distraught with fear of change and calamity you may be sure that a hook-nosed Rothschild is at his games somewhere near the region of the disturbance."

Comments like this worry the Rothschilds and towards the end of the 1800's they purchase Reuters news agency so they can have some control of the media.

1895: Edmond James de Rothschild the youngest son of Jacob (James) Mayer Rothschild visits Palestine and subsequently supplies the funds to found the first Jewish colonies there, this is to further their long term objective of creating a Rothschild owned country.

1897: The Rothschilds found the Zionist Congress to promote Zionism (a political movement with the sole aim of moving all Jews into a singularly Jewish nation state) and arrange its first meeting in Munich. However due to extreme opposition from local Jews, who are quite happy where they are, this meeting has to be moved to Basle, Switzerland and takes place on 29 August. The meeting is chaired by Ashkenazi Jew, Theodor Herzl, who would state in his diaries,

> "It is essential that the sufferings of Jews….become worse….this will assist in realization of our plans….I have an excellent idea….I shall induce anti-Semites to liquidate Jewish wealth….The anti-Semites will assist us thereby in that they will strengthen the persecution and oppression of Jews. The anti-Semites shall be our best friends."

Herzl is subsequently elected President of the Zionist Organisation which adopts the, "Rothschild Red Hexagram or Sign," as the Zionist flag which 51 years later will end up as the flag of Israel.

Edward Henry Harriman becomes a director of the Union Pacific Railroad and goes on to take control of the Southern Pacific Railroad. This is all financed by the Rothschilds.

1898: Ferdinand de Rothschild dies.

1901: The Jews from the colonies set up in Palestine by Edmond James de Rothschild, send a delegation to him which tell him,

> "If you wish to save the Yishuv (The Jewish settlement) first take your hands from it, and…for once permit the colonists to have the possibility of correcting for themselves what needs correcting."

Edmond James de Rothschild is very angry about this and states,

> "I created the Yishuv, I alone. Therefore no men, neither colonists nor organisations have the right to interfere in my plans."

The Rothschild banking house in Frankfurt, Germany, M. A. von Rothschild und Söhne, closes as there is no male Rothschild heir to take it on.

1902: Philippe de Rothschild born.

1905: A group of Rothschild backed Zionist Jews led by Georgi Apollonovich Gapon attempt to overthrow the Tsar in Russia in a Communist Coup. They fail and are forced to flee Russia only to be given refuge in Germany.

The Jewish Encyclopaedia (Vol. 2, p.497) states,

> "It is a somewhat curious sequel to the attempt to set up a Catholic competitor to the Rothschilds that at the present time the latter are the guardians of the papal treasure."

1906: The Rothschilds claim that due to growing instability in the region and increasing competition from Rockefeller (the Rockefeller family are Rothschild descendants through a female bloodline) owned Standard Oil, this is why they sell their Caspian and Black Sea Petroleum Company to Royal Dutch and Shell. This is another example of the Rothschilds trying to hide their true wealth.

1907: Rothschild, Jacob Schiff, the head of Kuhn, Loeb and Co., in a speech to the New York Chamber of Commerce, warns that,

> "Unless we have a Central Bank with adequate control of credit resources, this country is going to undergo the most severe and far reaching money panic in its history."

Suddenly America finds itself in the middle of another typical run of the mill Rothschild engineered financial crisis, which ruins as usual ruins the lives of millions of innocent people throughout America and makes billions for the Rothschilds.

1909: Jacob Schiff founds the National Advancement for the Association of the Coloured People (NAACP). This was done to incite black people into roiting, looting and other forms of disorder, in order to cause a rift between the black and white communities. Jewish historian, Howard Sachar, states the following in his book, "A History of the Jews in America,"

> "In 1914, Professor Emeritus Joel Spingarn of Columbia University

> became chairman of the NAACP and recruited for its board such Jewish leaders as Jacob Schiff, Jacob Billikopf, and Rabbi Stephen Wise."

Other Ashkenazi Jew co-founders included Julius Rosenthal, Lillian Wald and Rabbi Emil G. Hirsch. It was not until 1920 that the NAACP appointed its first black president, James Weldon Johnson.

Maurice de Rothschild marries Ashkenazi Jew, Noémie Halphen.

1911: Werner Sombart, in his book, "The Jews and Modern Capitalism," stated that from 1820 on, it was the,

> "Age of the Rothschild," and concluded that there was, "Only one power in Europe, and that is Rothschild."

1912: In the December issue of, "Truth," magazine, George R. Conroy states of banker Jacob Schiff,

> "Mr Schiff is head of the great private banking house of Kuhn, Loeb, and co, which represents the Rothschilds interests on this side of the Atlantic.
>
> He has been described as financial strategist and has been for years the financial minister of the great impersonal power known as Standard Oil.
>
> He was hand in glove with the Harrimans, the Goulds, and the Rockefellers in all their railroad enterprises and has become the dominant power in the railroad and financial power of America."

1913: On March 4, Woodrow Wilson is elected the 28th President of the United States. Shortly after he is inaugurated, he is visited in the White House by Ashkenazi Jew, Samuel Untermyer, of law firm, Guggenheim, Untermyer, and Marshall, who tries to blackmail him for the sum of $40,000 in relation to an affair Wilson had whilst he was a professor at Princeton University, with a fellow professor's wife.

President Wilson does not have the money, so Untermyer volunteers to pay the $40,000 out of his own pocket to the woman Wilson had had the affair with, on the condition that Wilson promise to appoint to the first vacancy on the United States Supreme Court a nominee to be recommended to President Wilson by Untermyer. Wilson agrees to this.

Jacob Schiff sets up the Anti Defamation League (ADL) in the United States. This organisation is formed to slander anyone who questions or challenges the Rothschild global conspiracy as, "anti-semitic."

Strangely enough, the same year that they do this they also set up their last and current central bank in America, the Federal Reserve. Congressman Charles Lindbergh stated following the passing of the Federal Reserve Act on December 23,

> "The Act establishes the most gigantic trust on earth. When the President signs this Bill, the invisible government of the monetary power will be legalized.....The greatest crime of the ages is perpetrated by this banking and currency bill."

It is important to note that the Federal Reserve is a private company, it is neither Federal nor does it have any Reserve. It is conservatively estimated that profits exceed $150 billion per year and the Federal Reserve has never once in its history published accounts.

1914: The start of World War I. In this war, the German Rothschilds loan money to the Germans, the British Rothschilds loan money to the British, and the French Rothschilds loan money to the French.

Futhermore, the Rothschilds have control of the three European news agencies, Wolff (est. 1849) in Germany, Reuters (est. 1851) in England, and Havas (est. 1835) in France.

The Rothschilds use Wolff to manipulate the German people into a fervour for war. From around this time, the Rothschilds are rarely reported in the media, because they own the media.

1916: On June 4, Ashkenazi Jew, Louis Dembitz Brandeis is appointed to the Supreme Court of the United States by President Wilson as per his agreed blackmail payment to Samuel Untermyer some three years earlier. Justice Brandeis is also the elected leader of the Executive Committee for Zionist Affairs, a position he has held since 1914.

The middle of World War II. Germany were winning the war as they were being financed by the Rothschilds to a greater extent than France, Italy and England, because Rothschilds, did not want to support the Tsar in Russia, and of course Russia was on the same side as France, Italy and England.

Then a significant event occurred. Germany, although they were winning the war and not one foreign soldier had set foot on their soil, offered armistice to Britain with no requirement of reparations. The Rothschilds were anxious to make sure this didn't happen as they were expecting to make far more money off this war, so they played another card they had up their sleeve.

Whilst the British were considering Germany's offer, Rothschild agent Louis Brandeis sends a Zionist delegation from America to Britain to promise to bring America into the war on the side of the British, provided the British agree to give the land of Palestine to the Rothschilds.

The Rothschilds wanted Palestine for the following reason. They had great business interests in the far east and desired their own state in that area along with their own military which they could use as an aggressor to any state that threatened those interests.

The British subsequently agree to the deal for Palestine and the Zionists in London contact their counterparts in America and inform them of this fact. Suddenly all the major newspapers in America that up to that point had been pro-German turned on Germany running propaganda pieces such as: German soldiers were killing Red Cross Nurses; German soldiers were cutting off babies hands, etc, in order to manipulate the American public against the Germans.

This same year, President Woodrow Wilson, ran a re-election campaign under the slogan, "Re-Elect The Man Who Will Keep Your Sons Out Of The War."

On December 12, Germany and her allies offer peace terms to end the war.

1917: As a result of Germany's offer of peace the Rothschild war machine goes into overdrive in America, spreading propaganda which leads to President Wilson under the instructions of American Zionist leader and Supreme Court Justice, Louis Dembitz Brandeis, reneging on his promise to the electorate and taking America into the first world war on April 6.

As per the Rothschild Zionist promise to the British, to take America into the war, they decide they want something in writing from the British to prove that they will uphold their side of the bargain. The British Foreign Secretary, Arthur James Balfour therefore drafts a letter which is commonly known as the, "Balfour Declaration," which is reprinted below.

> Foreign Office
>
> November 2nd, 1917
>
> Dear Lord Rothschild,
>
> I have much pleasure in conveying to you, on behalf of His Majesty's Government, the following declaration of sympathy with Jewish Zionist aspirations which has been submitted to, and approved by, the Cabinet.
>
> His Majesty's Government view with favour the establishment in Palestine of a national home for the Jewish people, and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country.
>
> I should be grateful if you would bring this declaration to the knowledge of the Zionist Federation.
>
> Yours sincerely,
>
> Arthur James Balfour

The Rothschilds order the execution by the Bolsheviks they control, of Tsar Nicholas II and his entire family in Russia, even though the Tsar had already abdicated on March 2. This is both to get control of the country and an act of revenge for Tsar Alexander I blocking their world government plan in 1815 at the Congress Of Vienna, and Tsar Alexander II siding with President Abraham Lincoln in 1864.

It is extremely important for them to slaughter the entire family including women and children in order to make good on the promise to do so made by Nathan Mayer Rothschild in 1815. It is designed to show the world what happens if you ever attempt to cross the Rothschilds.

U.S. Congressman Oscar Callaway informs Congress that J. P. Morgan is a Rothschild front and has taken control of the American media industry. He states,

> "In March, 1915, the J.P. Morgan interests, the steel, shipbuilding, and

> powder interest, and their subsidiary organizations, got together 12 men high up in the newspaper world and employed them to select the most influential newspapers in the United States and sufficient number of them to control generally the policy of the daily press...
>
> ...They found it was only necessary to purchase the control of 25 of the greatest papers...An agreement was reached. The policy of the papers was bought, to be paid for by the month, an editor was furnished for each paper to properly supervise and edit information regarding the questions of preparedness, militarism, financial policies, and other things of national and international nature considered vital to the interests of the purchasers."

1919: In January, Ashkenazi Jews, Karl Liebknecht and Rosa Luxemburg, are killed as they attempt to lead another Rothschild funded Communist coup, this time in Berlin, Germany.

The Versailles peace conference is held to decide reparations that the Germans need to pay to the victors following the end of the first world war. A delegation of 117 Zionists headed up by Ashkenazi Jew, Bernard Baruch, bring up the subject of the promise of Palestine for them. At this point the Germans realised why America had turned on them and under whose influence, the Rothschilds.

The Germans, naturally, felt they had been betrayed by the Zionists. This is because, at the time the Rothschilds made their deal with Britain for Palestine, in exchange for bringing America into the war, Germany was the most friendly country in the world towards the Jews, indeed the German Emancipation Edict of 1822 guaranteed Jews in Germany all civil rights enjoyed by Germans.

Also, Germany was the only country in Europe which did not place restrictions on Jews, even giving them refuge when they had to flee from Russia after their first attempted Communist coup failed there in 1905.

Nevertheless, the Rothschilds had held up their side of the bargain to spill the blood of millions of innocents and as a result, Palestine is confirmed as a Jewish homeland, and whilst its handover to the Rothschilds takes place it is to remain under the control of Britain as the Rothschilds control Britain. At that time less than one percent of the population of Palestine was Jewish. Interestingly, the host of the Versailles peace conference is its boss, Baron Edmond de Rothschild.

The Versailles peace conference is also used as an attempt by the Rothschilds to set up a world government under the pretext of ending all wars (which they create). This was called the, "League of Nations." Fortunately not enough countries accepted it and so it soon died.

On March 29th The Times of London reports on the Bolsheviks in Russia,

> "One of the curious features of the Bolshevist movement is the high percentage of non Russian elements among its leaders. Of the twenty or thirty commissaries, or leaders, who provide the central machinery of the Bolshevist movement, not less than 75% were Jews."

It is reported that the Rothschilds were angry with the Russians because they were

not prepared to allow them to form a central bank within their nation. They therefore gathered groups of Jewish spies and sent them into Russia to drum up a revolution for the benefit of the common man, which was actually a takeover of Russia by a Rothschild controlled satanic elite.

These Jewish spies were, in age old deceptive Ashkenazi tradition, given Russian names, for example Trotsky was a member of the first group and his original name was Bronstein. These groups were sent to areas throughout Russia to incite riots and rebellion.

The Jewish Post International Edition, week ending January 24th 1991, confirms Vladimir Lenin was Jewish. Lenin is also on record as having stated,

> "The establishment of a central bank is 90% of communizing a nation."

These Jewish, Rothschild funded Bolsheviks would go on in the course of history to slaughter 60 million Christians and Non-Jews in Soviet controlled territory. Indeed the author Aleksandr Solzhenitsyn in his work, "Gulag Archipelago, Vol 2," affirms that Zionist Jews **created and administered the organized Soviet concentration camp system** in which these tens of millions of Christians and Non-Jews died.

On page 79 of this book he even names the administrators of this the greatest killing machine in the history of the world. They are Aron Solts, Yakov Rappoport, Lazar Kogan, Matvei Berman, Genrikh Yagoda, and Naftaly Frenkel. All six are Zionist Jews. In 1970 Solzhenitsyn would be awarded the Nobel Peace Prize for literature.

N. M. Rothschild & Sons' are given a permanent role to fix the world's daily gold price. This takes place in the City of London offices, daily at 1100 hours, in the same room until 2004.

1920: Winston Churchill (whose mother, Jenny (Jacobson) Jerome, was Jewish – meaning he is Jewish under Ashkenazi law as he was born of a Jewish mother) writes in an article in the Illustrated Sunday Herald, dated February 8th,

> "From the days of Illuminati leader Weishaupt, to those of Karl Marx, to those of Trotsky, this worldwide conspiracy has been steadily growing.
>
> And now at last this band of extraordinary personalities from the underworld of the great cities of Europe and America, have gripped the Russian people by the hair of their heads and become the undisputed masters of that enormous empire."

1921: Under the orders of Jacob Schiff the Council on Foreign Relations (CFR) is founded by Ashkenazi Jews, Bernard Baruch and Colonel Edward Mandell House. Schiff gave his orders prior to his death in 1920, as he knew an organisation in America needed to be set up to select politicians to carry on the Rothschild conspiracy,and the formation of the CFR was actually agreed in a meeting on May 30, 1919 at the Hotel Majestic in Paris, France.

The CFR membership at the start was approximately 1000 people in the United States. This membership included the heads of virtually every industrial empire in America, all the American based international bankers, and the heads of all their tax free foundations. In essence all those people who would provide the capital required

for anyone who wished to run for Congress, the Senate or the Presidency.

The first job of the CFR was to gain control of the press. This task was given to John D. Rockefeller who set up a number of national news magazines such as Life, and Time. He financed Samuel Newhouse to buy up and establish a chain of newspapers all across the country, and Eugene Meyer also who would go on to buy up many publications such as the Washington Post, Newsweek, ant The Weekly Magazine.

The CFR also needed to gate control of radio, television and the motion picture industry. This task was split amongst the international bankers from, Kuhn Loeb, Goldman Sachs, the Warburgs, and the Lehmanns.

1925: This year's Jewish Encyclopaedia, states of the existence of Ashkenazi Jews (who represent approximately 90% of so-called world Jewry), with the startling admission that the so called enemy of the Jews, Esau (also known as Edom, see Genesis 36:1), now actually represents the Jewish race, when on page 42 of Volume V it is stated,

> "Edom is in modern Jewry."

So what they're basically saying is that these Ashkenazi Jews, who represent 90% of the so-called Jewish population, are actually gentiles or goyim themselves.

1926: N. M. Rothschild & Sons refinance the Underground Electric Railways Company of London Ltd which has a controlling interest in the entire London Underground transport system.

Maurice de Rothschild has a son, Edmond de Rothschild.

1929: The Rothschilds crash the United States economy by contracting the money supply.

1930: The first Rothschild world bank, the, "Bank for International Settlements (BIS)," is established in Basle, Switzerland. The same place as where 33 years earlier the first ever World Zionist Congress was held.

1933: On January 30, Adolf Hitler becomes Chancellor of Germany. He drives Jews, many of which were Communist out of Governmental positions within Germany. As a result of this, in July, the Jews hold a World Conference in Amsterdam during which they demand that Hitler re-instate every Jew back to his former position.

Hitler refuses and as a result of this, Samuel Untermyer, the Ashkenazi Jew who blackmailed President Wilson,and is now the head of the American delegation and the president of the whole conference, returns to the United States, and makes a speech on radio which was transcribed in the From the New York Times, Monday, August 7, 1933. In the speech he made the following statements,

> "...the Jews are the aristocrats of the world...Our campaign is...the economic boycott against all German goods, shipping and services...What we are proposing...is to prosecute a purely defensive economic boycott that will undermine the Hitler regime and bring the German people to their senses by destroying their export trade on which their very existence depends...

> ...Each of you, Jew and Gentile alike...must refuse to deal with any merchant or shopkeeper who sells any German-made goods or who patronizes German ships or shipping."

As two thirds of Germany's food supply had to be imported, and could only be imported with the proceeds of what they exported, if Germany could not export, two thirds of Germany's population would starve, as there would be not enough food for more than one third of the population.

As a result of this boycott, Jews throughout America, would protest outside and damage any stores in which they found any products with, "Made in Germany," printed on them, causing stores to have to dump these products or risk bankruptcy.

Once the effects of this boycott began to be felt in Germany, the Germans, who had demonstrated no violence towards the Jews up to this point, simply began boycotting Jewish stores in the same way the Jews had done to stores selling German products in America.

Rothschild financed IBM, supply machines to the Nazis which produce punch cards to help organize and manage the initial identification and social expulsion of Jews, the confiscation of their property and their extermination.

On November 16, President Roosevelt recognizes the Zionist regime of Stalin in Russia without consultation with Congress even as 8,000 Ukrainians march in protest in New York.

Also this year, President Roosevelt, born of a Jewish mother, therefore satisfying Ashkenazi rules of being Jewish, orders the all-seeing eye to be placed upon all new dollar bills along with the motto, "Novus Ordo Seclorum." This is latin for, "A New Order of the Ages."

1934: Swiss banking secrecy laws are reformed and it becomes an offence resulting in imprisonment for any bank employee to violate bank secrecy. This is all in preparation for the Rothschild engineered Second World War in which as usual they will fund both sides.

Edmond de Rothschild dies.

1936: With regard to the increase in anti-semitism in Germany, Samuel Landman (at the time, secretary to the World Zionist Organisation), in his 1936 book, Great Britain, The Jews, and Palestine states the following of the United States entry into World War 1,

> "The fact that it was Jewish help that brought USA into the War on the side of the Allies has rankled ever since in German – especially Nazi – minds, and has contributed in no small measure to the prominence which anti-Semitism occupies in the Nazi programme."

1938: On 7th November, a Jew, Herschel Grynszpan, assassinated Ernst vom Rath, a minor official at the German Embassy in Paris. As a result of this German hostility towards Jews in Germany started to turn violent.

The Rothschilds Austrian banking house in Vienna, S. M. von Rothschild und Söhne, closes following the Nazi occupation of Austria.

1939: I.G. Farben the leading producer of chemicals in the world and largest German producer of steel dramatically increases its production. This increased production is almost exclusively used to arm Germany for the Second World War. This company was controlled by the Rothschilds and would go on to use Jews and other disaffected peoples as slave labour in the concentration camps. I.G. Farben also created the lethal Zyklon B gas that was used to exterminate the Jews.

On 1 September, the Second world war starts when Germany invades Poland. This was because the German leadership were a Christian leadership, who understood that Soviet Russia was led by Rothschild funded Communists, and they feared that as the Soviet Union grew in strength, these Jewish Communists would invade and wipe all the Christians off the map.

1940: Hansjurgen Koehler in his book, "Inside The Gestapo," states the following, of Maria Anna Schicklgruber, Adolf Hitler's grandmother,

> "A little servant girl…….came to Vienna and became a domestic servant…….at the Rothschild mansion…….and Hitler's unknown grandfather must be probably looked for in this magnificent house."

This is backed up by Walter Langer in his book, "The Mind Of Hitler," in which he states,

> "Adolf's father, Alois Hitler, was the illegitimate son of Maria Anna Schicklgruber…….Maria Anna Schicklgruber was living in Vienna at the time she conceived. At that time she was employed as a servant in the home of Baron Rothschild. As soon as the family discovered her pregnancy she was sent back home…….where Alois was born."

On the surface, it would appear Hitler was unlikely to be a Rothschild, but then again, when you discover the benefits that the Rothschilds got out of this war, both financially and politically, a Rothschild connection does not appear as outlandish as it may initially seem.

1941: President Roosevelt takes America into the second world war by refusing to sell Japan any more steel scrap or oil. Japan was in the midst of a war against China and without that scrap steel and oil, Japan would be unable to continue that war. Japan was totally dependent upon the United States for both steel scrap and oil. Roosevelt knew this action would provoke the Japanese to attack America, which they subsequently did at Pearl Harbor.

1942: Prescott Bush, father of future American Presidents' George Herbert Walker and George W, has his company seized under the, "Trading With The Enemy," Act. He was funding Hitler from America, whilst American soldiers were being killed by German soldiers.

Jews are also being slaughtered by these same soldiers. Interestingly the ADL never criticizes any of the Bushes for this.

1943: February 18th, Zionist, Izaak Greenbaum, head of the Jewish Agency Rescue

Committee, in a speech to the Zionist Executive Council states,

> "If I am asked, could you give from the UJA (United Jewish Appeal) monies to rescue Jews, I say, no and I say again no!"

He would go onto state,

> "One cow in Palestine is worth more than all the Jews in Poland!"

This is not a surprise, the whole idea of Zionist support for the slaughter of innocent Jews was to scare the survivors into believing that their only place of safety was Israel. How else do you think the Zionists could ensure Jews leave the beautiful European cities in which they live, in order to settle in a desert!

1944: On 6 November Lord Moyne, British Minister Resident in the Middle East was assassinated in Cairo by two members of the Jewish terrorist group, the Stern Gang, led by future Prime Minister of Israel, Yitzhak Shamir. He is also responsible for an assassination attempt against Harold MacMichael, the High Commissioner of the British Mandate of Palestine, this same year.

Interestingly he also masterminds another successful assassination this year against the United Nations representative in the Middle East, Count Folke Bernadotte who, although he had secured the release of 21,000 prisoners from German camps during World War II, was seen by Yitzak Shamir and his terrorist collaborators as an anti-Zionist.

In Bretton Woods, New Hampshire, two further Rothschild world banks are created. The International Monetary Fund (IMF), and the World Bank.

1945: The end of the Second World War. It is reported that I.G. Farben plants were specifically not targeted in the bombing raids on Germany. Interestingly at the end of the war, they were found to have only sustained 15% damage.

The tribunals held at the end of the Second World War, to investigate Nazi War Crimes, censored any materials recording Western assistance to Hitler.

The Rothschilds take a giant step towards their goal of world domination when the second, "League of Nations," called the, "United Nations," was approved this year.

1946: On July 22 the future Prime Minister of Israel, Ashkenazi Jew, David Ben-Gurion, orders another future Prime Minister of Israel, Ashkenazi Jew, Menachem Begin, to carry out a terrorist attack on the King David Hotel in Palestine, to try and drive out the British. As a result of this 91 people were killed, most of them civilians: 28 British, 41 Arabs, 17 Jews, and 5 others. Around 45 people are injured.

Menachem Begin went on to proudly proclaimed himself as, "the father of modern terrorism." Just to put the gravity of the attack on the King David Hotel into perspective, it was at the time the biggest death toll as a result of single terrorist action ever and was only surpassed over forty years later by the Bombing of Pan Am flight 103 over Lockerbie.

1947: The British who prior to World War 2 declared that there would be no more immigration of Jews to Palestine in order to protect the Palestinians from their acts of

terror against both them and British soldiers, transfer control of Palestine to the United Nations. The United Nations resolve to have Palestine partitioned into two states, one zionist and one arab, with Jerusalem to remain as an international zone to be enjoyed by all religious faiths.

This transfer was scheduled to take place on May 15, 1948. The United Nations had no right to give Arab property to anyone, as indeed even thought the Jews owned 6% of Palestine at that time, resolution 181 granted the Jews 57% of the land leaving the Arabs who at that time had 94% with only 43%.

Information collected by the ADL in its spy operations on US citizens is used by the House Select Committee on Unamerican Activities. Subcommittee Chair Clare Hoffman dismisses the ADL's reports on suspected communists as "hearsay."

1948: In the Spring of this year, the Rothschilds bribe President Harry S. Truman (33rd President of the United States 1945 – 1953) to recognise Israel (Rothschild owned Zionist not Jewish territory) as a sovereign state with $2,000,000 which they give to him on his campaign train.

They then declare Israel to be a sovereign Jewish state in Palestine and within half an hour President Truman declared the United States to be the first foreign nation to recognise it.

The Flag of Israel is unveiled. Despite tremendous opposition the emblem on the flag is a blue coloured version of the Rothschild, "Red Hexagram or Sign."

This angers many Jews who realise this Hexagram was used in the ancient mystery religions as the symbol of, "Moloch," (described as a demon of unwilling sacrifice and is also interestingly the name of the stone owl the elite worship at Bohemian Grove), and, "Astaroth," (described as the Lord Treasurer of Hell).

The Hexagram was also used to represent Saturn, which has been identified as the esoteric name for, "Satan." This indicates that anyone killed in the name of Israel is actually a sacrifice to Satan. These dissenting Jews believe the, "Menorah," the oldest Jewish symbol should be used and pointed out that the Hexagram is not even a Jewish symbol, but of course as the Rothschild Zionists use it that is what ends up on the Rothschild, I mean Zionist, I mean Israeli flag.

In the early hours of April 19, 132 Jewish terrorists from the Irgun gang, led by future Israeli Prime Minister Menachem Begin, and the Stern gang, led by future Israeli Prime Minister Yitzhak Shamir, brutally massacre 200 men, women and children as they are sleeping peacefully in the Arab village of Deir Yassin.

Following the United Nations transfer of Palestine to an independent Jewish state and an independent Arab state on May 15, the Israelis launched a military assault on the Arabs with blaring loudspeakers on their trucks informing the Arabs that if they did not flee immediately, they would be slaughtered.

800,000 Arabs with the recent memory of the Deir Yassin massacre at the forefront of their minds, fled in panic. They asked for help from nighbouring Arab states, but those states did not get involved as they were no match for the Israelis whose up to date military hardware had been supplied by the Jewish Stalinist regime in Russia. Following this assault, the Jews now controlled 78% of the former Palestine as

oppose to the 57% that had been given to them illegally by the United Nations.

The Palestinians, many of them Christians, were never paid compensation for their homes, property and businesses stolen from them during this illegal Jewish assault, and these people ended up in slum refugee cities of tents. Futhermore at least half of the Palestinians in their hurry to flee, left their birth certificates behind. The State of Israel then passed a law that only those who could prove citizenship were allowed to return to Israel, thus meaning these 400,000 Palestinians could not return and lost all their property they had left there.

Ashkenazi Jew, David Ben-Gurion, one of the father founders of Israel and its first Prime Minister, candidly describes Zionist aims in his diary (21 May 1948) as follows,

> "The Achilles heel of the Arab coalition is the Lebanon. Muslim supremacy in this country is artificial and can easily be overthrown. A Christian State ought to be set up there, with its southern frontier on the river Litani.
>
> We would sign a treaty of alliance with this State. Thus when we have broken the strength of the Arab Legion and bombed Amman, we could wipe out Trans-Jordan, after that Syria would fall. And if Egypt still dared to make war on us, we would bomb Port Said, Alexandria and Cairo.
>
> We should thus end the war and would have but paid to Egypt, Assyria and Chaldea on behalf of our ancestors."

1949: On October 1, Mao Tse Tsung declares the founding of the People's Republic Of China in Tiananmen Square, Beijing. He is funded by Rothschild created Communism in Russia and also the following Rothschild agents: Solomon Adler, a former United States Treasury official who was a Soviet Spy; Israel Epstein, the son of a Jewish Bolshevik imprisoned by the Tsar in Russia for trying to forment a revolution there; and Frank Coe, a leading official of the Rothschild owned IMF.

1950: Israel passes their law of return, guaranteeing every Jew worldwide the right to dwell in the state of Israel, however the Palestinians even though they had lived there for 1300 years, were denied that right.

John Davitt, former chief of the Justice Department's internal security section notes that the Israeli intelligence service is the second most active in the United States after the Soviets and of course both Israel and the Soviet Union are run by an Ashkenazi Jewish leadership.

1951: On 1 April the Israeli Secret Intelligence Agency the Mossad, which will go on to terrorize the world, is formed. The motto of the Mossad is probably the most disgusting secret service motto in the world, it is,

"By Way Of Deception,
Thou Shalt Do War."

1953: N. M. Rothschild & Sons found the British Newfoundland Corporation Limited to develop 60,000 square miles of land in Newfoundland, Canada, which comprised a power station to harness the power of the Hamilton (later renamed Churchill) Falls. At the time this was the largest construction project ever to be undertaken by a private company.

1954: "The Lavon Affair." Israeli agents recruit Egyptian citizens of Jewish descent to bomb Western targets in Egypt, and plant evidence to frame Arabs, in an apparent attempt to upset American/Egyptian relations. Israeli defense minister, Ashkenazi Jew, Pinhas Lavon is eventually removed from office, though many think real responsibility lay with David Ben-Gurion.

A hidden microphone planted by the Israelis is discovered in the Office of the US Ambassador in Tel Aviv.

1955: Edmond de Rothschild founds Compagnie Financiere, Paris.

1956: Telephone taps are found connected to two telephones in the residence of the US military attaché in Tel Aviv.

1957: James de Rothschild dies and it is reported (by the Rothschild owned media) that he bequeaths a large sum of money to the state of Israel to pay for the construction of their parliament building, the Knesset. He states that the Knesset should be,

> "a symbol, in the eyes of all men, of the permanence of the State of Israel."

On page 219 of his book, "Tales of the British Aristocracy," L.G. Pine, the Editor of Burke's Peerage, states that the Jews,

> "have made themselves so closely connected with the British peerage that the two classes are unlikely to suffer loss which is not mutual. So closely linked are the Jews and the lords that a blow against the Jews in this country would not be possible without injuring the aristocracy also."

Maurice de Rothschild dies in Paris.

1962: de Rothschild Frères establishes Imétal as an umbrella company for all their mineral mining interests.

Frederic Morton publishes his book, The Rothschilds, in which he states,

> "Though they control scores of industrial, commercial, mining and tourist corporations, not one bears the name Rothschild. Being private partnerships, the family houses never need to, and never do, publish a single public balance sheet, or any other report of their financial condition."

This attitude reveals the true aim of the Rothschilds, to eliminate all competition and create their own worldwide monopoly.

1963: On June 4th President John F. Kennedy (the 35th President of the United States 1961 – 1963) signs Executive Order 11110 which returned to the U.S. government the power to issue currency, without going through the Rosthchilds owned Federal Reserve.

Less than 6 months later on November 22nd , president Kennedy is assassinated by the Rothschilds for the same reason as they assassinated President Abraham Lincoln in 1865, he wanted to print American money for the American people, as oppose to for

the benefit of a money grabbing war mongering foreign elite.

This Executive Order 11110, is rescinded by President Lyndon Baines Johnson (the 36th President of the United States 1963 to 1969) on Air Force One from Dallas to Washington, the same day as President Kennedy was assassinated.

Another, and probably the primary, reason for Kennedy's assassination is however, the fact that he made it quite clear to Israeli Prime Minister, David Ben-Gurion, that under no circumstances would he agree to Israel becoming a nuclear state. The Israeli newspaper Ha'aretz on February 5, 1999, in a review of, Avner Cohen's book, "Israel and the Bomb," states the following,

> "The murder of American President John F. Kennedy brought to an abrupt end the massive pressure being applied by the U.S. administration on the government of Israel to discontinue the nuclear program...The book implied that, had Kennedy remained alive, it is doubtful whether Israel would today have a nuclear option."

Edmond de Rothschild establishes La Compagnie Financière Edmond de Rothschild (LCF), in Switzerland as a venture capital house. This later develops into an investment bank and asset management company with many affiliates. He also marries his wife Nadine and they have a son, Benjamin de Rothschild.

1965: Israel illegally obtains enriched uranium from NUMEC (Nuclear Materials and Equipment Corporation).

1967: The treatment of the Palestinians by the Zionist Jews, finally ignites enough anger in the Arab world for Egypt, Jordan and Syria to mobilise on Israel's borders. All of these three countries are suddenly attacked by Israel and as a result the Sinai which included Gaza was stolen from Egypt, and the West Bank and the Jordan River stolen from Jordan.

As a result of this, on June 8, the Israelis launch an attack on the USS Liberty with Israeli aircraft and motor torpedo boats, in an effort to blame it on Egypt, to bring America into the war on their side, and of course follow to the letter, their Mossad motto,

"By Way Of Deception,
Thou Shalt Do War."

As a result of their attack, 34 American servicemen were killed and 174 wounded. Israel lies as usual, claiming it mistook this warship that was flying a large United States flag, for an ancient out-of-service Egyptian horse carrier El Quseir, that was 180 feet shorter. They also claim the ship was in the war zone, when it was actually in international waters, far from any fighting. The Israeli's attack on this warship lasts for 75 minutes during which time they shoot up one of the United States flags, resulting in the sailors desperately raising another one.

In the aftermath of this attack, the American sailors who survived are warned by the United States military not to discuss the matter with anyone due to, "national security." This story gets no prominence in the Rothschild controlled mainstream media and as usual Israel is in no way even rebuked for their crimes by their subservient country of America.

The following day, June 9th, Israel illegally occupies the Golan Heights which it seizes from Syria. This area goes on to provide Israel with one third of its fresh water.

Israeli General Matityahu Peled, is quoted in Ha'aretz (19 March 1972) with the following statement,

> "The thesis that the danger of genocide was hanging over us in June 1967 and that Israel was fighting for its physical existence is only bluff, which was born and developed after the war." Another sickening and deceptive statement but again at least he's consistent with the Mossad motto, "By Way Of Deception, Thou Shalt Do War."

de Rothschild Frères is renamed Banque Rothschild.

1968: Noémie Halphen, wife of Maurice de Rothschild dies.

1970: While working for Senator Henry “Scoop” Jackson, Ashkenazi Jew, Richard Perle is caught by the FBI giving classified information to Israel. Nothing is done.

British Prime Minister Edward Heath makes Lord Victor Rothschild the head of his policy unit. Whilst he is in that role Britain enters the European Community.

1973: In his book, None Dare Call It Conspiracy, Gary Allen states,

> "One major reason for the historical blackout on the role of the international bankers in political history is the Rothschilds were Jewish…
>
> ….The Jewish members of the conspiracy have used an organisation called The Anti-Defamation League (ADL) as an instrument to try and convince everyone that any mention of the Rothschilds and their allies is an attack on all Jews.
>
> In this way they have stifled almost all honest scholarship on international bankers and made the subject taboo within universities.
>
> Any individual or book exploring this subject is immediately attacked by hundreds of ADL communities all over the country. The ADL has never let the truth or logic interfere with its highly professional smear jobs…
>
> ….Actually, nobody has a right to be more angry at the Rothschild clique than their fellow Jews…
>
> ….The Rothschild empire helped finance Adolf Hitler.""

George J. Laurer an employee of the Rothschilds controlled IBM, invents the UPC (Universal Product Code) barcode which will eventually be placed upon every item traded worldwide and bear the number, 666. The Book of Revelation, Chapter 13, Verse 17 through 18, states the following in relation to this number,

> "And that no man might buy or sell, save he that had the mark, or the name of the beast, or the number of his name.
>
> Here is wisdom. Let him that hath understanding count the number of the

beast: for it is the number of a man; and his number *is* Six hundred threescore *and* six."

The whole Satanic aims of the Rothschilds are now in full view of the world, everything bought or sold carries the mark of the beast, 666.

N. M. Rothschild & Sons British Newfoundland Corporation, Churchill Falls project in Newfoundland, Canada, is completed.

N. M. Rothschild & Sons also create a new asset management part of the company which traded worldwide. This eventually became, Rothschild Private Management Limited.

Edmond de Rothschild, a great-grandson of Jacob (James) Mayer Rothschild, bought the cru bourgeois estate of Château Clarke in Bordeaux.

1976: Ashkenazi Jew, Harold Rosenthal, aide to Ashkenazi Jew, Senator Jacob Javits, states,

"Most Jews do not like to admit it, but our god is Lucifer."

1978: Ashkenazi Jew, Stephen Bryen, then a Senate Foreign Relations Committee staffer, is overheard in a Washington D.C. hotel offering confidential documents to top Israeli military officials.

Bryen obtains a lawyer, Nathan Lewin, and the case heads for the grand jury, but is mysteriously dropped. Bryen later goes to work for Richard Perle.

1979: The Egyptian-Israeli peace treaty in 1979 was underwritten by United States aid which pledged $3 billion annually to Israel from the United States taxpayer (not even a drop in the ocean when you consider the amount they make off the Federal Reserve).

Shin Bet (the Israeli internal security agency) tries to penetrate the US Consulate General in Jerusalem through a “Honey Trap”, using a clerical employee who was having an affair with a Jerusalem girl.

Baron and Baroness Phillipi de Rothschild in a joint venture with Robert Mondavi, begin the construction of a pyramid in Napa Valley, California, where the leader/founder of the Church Of Satan, Ashkenazi Jew, Anton LaVey, was based. This is known as Opus 1 (which means, the first work), and the front for this temple is that it is a winery.

1980: The global phenomenon of privatisation starts. The Rothschilds are behind this from the very beginning in order to seize control of all publicly owned assets worldwide.

1981: Banque Rothschild is nationalised by the French government. The new bank is called, Compagnie Européenne de Banque. The Rothschilds subsequently set up a successor to this French bank, Rothschild & Cie Banque (RCB), which goes on to become a leading French investment house.

1982: From September 16 to 18, future Prime Minister of Israel and then Defence

Minister, Ashkenazi Jew, Ariel Sharon, orchestrates Israel's invasion of Lebanon, which provided ariel lighting in order to facilitate the killing of between 1000 and 2000 men, women and children in the Sabra and Shatila massacres.

1985: Eustace Mullins publishes, "Who Owns The TV Networks," in which he reveals the Rothschilds have control of all three major U.S. Networks, which are: NBC; CBS; and ABC.

The New York Times reports the FBI is aware of at least a dozen incidents in which American officials transferred classified information to the Israelis, quoting (former Assistant Director of the F.B.I.) Raymond Wannal. The Justice Department does not prosecute.

Richard Smyth, the owner of MILCO, is indicted on charges of smuggling nuclear timing devices to Israel.

N. M. Rothschild & Sons advise the British government on the privatisation of British Gas. They subsequently advise the British government on virtually all of their other privatisations of state owned assets including: British Steel; British Coal; all the British regional electricity boards; and all the British regional water boards.

A British MP heavily involved in these privatisations is future Chancellor of the Exchequer, Norman Lamont, a former Rothschild banker.

1986: Mordechai Vanunu a technician at Dimona, Israel's nuclear installation, from 1976 to 1985, discovers that the plant was secretly producing nuclear weapons.

His conscience made him speak out and in 1986 he provided the London Sunday Times with the facts and photos they used to tell the world about Israel's nuclear weapons programme.

His evidence showed that Israel had stockpiled up to 200 nuclear warheads, with no debate or authorisation from it own citizens. On 30th September 1986, Vanunu was lured from London to Rome. There he was kidnapped, drugged and shipped to Israel.

After a secret trial he was sentenced to 18 years for, "treason," and, "espionage," (something Israel are very familiar with) though he had received no payment and had communicated with no foreign power.

He goes on to be held in complete isolation for 11 years, only allowed occasional visits from his family, lawyer and a priest, conducted through a metal screen. Although he completes his sentence, the Israeli government continues to hold him against his will.

1987: Edmond de Rothschild creates the World Conservation Bank which is designed to transfer debts from third world countries to this bank and in return those countries would give land to this bank. This is designed so the Rothschilds can gain control of the third world which represents 30% of the land surface of the Earth.

On April 24 the Wall Street Journal reveals the, "Role of Israel in Iran-Contra Scandal Won't be Explored in Detail by Panels."

1988: The ADL initiate a nationwide competition for law students to draft anti-hate

legislation for minority groups. That competition is won by a man named, Joseph Ribakoff, whose thesis proposes that not only must hate motivated violence be banned, but also any words which stimulate: supiscion; friction; hate; and possible violence, these must also be criminalised.

This ADL prize-winning paper suggests that not only should state-agencies monitor and restrict free speech in general, but they should also censor all films that criticize identifiable groups. Furthermore, even if the person making the statement can justify it, for example Christians criticizing homosexuality because the bible expressly forbids it, Ribakoff asserts that the truth is to be no defence in court.

The only proof a court will need in order to secure a conviction of hate speech is that something has been said, and a minority group or member of such group has felt emotionally damaged as a result of such criticism. Therefore, under these proposals which the ADL will have forced into law all over the world less than 15 years later, Jesus Christ would have been arrested as a hate criminal.

This law is designed to protect the Rothschild conspiracy from being revealed in that if you criticize the Rothschilds criminal cabal, you will be targeted as anti-semitic, and thus risk imprisonment.

Philippe de Rothschild dies.

1989: Many of the satellite states in Eastern Europe, through the influence of Glasnost, become more open in their demands of freedom from Communist governance in their Republics.

Many revolutions happen in 1989, most of them involving the overthrow of their respective Communist governments and the replacement of them with Republics.

Thus, the hold the Communists had over Eastern Europe (the Iron Curtain) becomes very weak. Eventually, as a result of Perestroika and Glasnost, Communism collapses, not only in the Soviet Union but also in Eastern Europe.

In Russia, Boris Yeltsin (whose wife is the daughter of Joseph Stalin's marriage to Rosa Kaganovich) and the Republican government takes steps to end the power of the Communist party by suspending and banning the party and seizing all their property.

This symbolised the fall of Communism in Russia, and resulted in the start of a mass exodus of 700,000 Jews from the former Soviet Union to Israel.

In the Israeli Journal, Hotam (24 November 1989), there is a report of a speech that then Israeli Deputy Foreign Minister, Ashkenazi Jew, Binyamin Netanyahu, gave to students at Bar Ilan University in which he states,

> "Israel should have exploited the repression of the demonstrations in China, when world attention focused on that country, to carry out mass expulsions among the Arabs of the territories."

The London and Paris Rothschilds announce the launch of a new subsidiary, Rothschild GmbH, in Frankfurt, Germany.

1991: Following the Iraqi invasion of Kuwait on August 2, 1990, on January 16 of this year the United States and Britain began an aerial bombing campaign of targets within Iraq. On 24 February the ground campaign commenced which was to last 100 hours until on February 28 when a horrendous war crime occurred.

This crime was the slaughter of 150,000 Iraqi troops with fuel air bombs. These Iraqis were fleeing on a crowded highway from Kuwait to Basra. President George Herbert Walker Bush ordered United States military aircraft and ground units to kill these surrendering troops, they were then bulldozed into mass unmarked graves in the desert, some still alive.

President Bush then ordered a cessation of hostilities. What was the significance of this slaughter and President Bush declaring the war over on this day? Well it was the day the, "Day of Purim," fell on this year. This the day the Jews celebrate their victory over Ancient Babylon, now based within the borders of Iraq and a day when the Jews are encouraged to get bloody revenge against their perceived enemies.

At the Bilderberg Conference on June 6 to 9 of this year, in Baden-Baden, Germany, David Rockefeller (a Rothschild) made the following statement,

> "We are grateful to the Washington Post, the New York Times, Time Magazine, and other great publications whose directors have attended our meetings and respected their promises of discretion for almost 40 years. It would have been impossible for us to develop our plan for the world, if we had been subjected to the lights of publicity during those years.
>
> But the world is now more sophisticated and prepared to march towards a world government. The super-national sovereignty of an intellectual elite and world bankers is surely preferable to the national auto-determination practised in past centuries."

1992: In March, former Federal Reserve Board Chairman, Paul A. Volker became Chairman of the European banking firm, J. Rothschild, Wolfensohn and Co.

Stephen Bryen, caught offering confidential documents to Israel in 1978, is serving on board of the pro-Israeli Jewish Institute for National Security Affairs while continuing as a paid consultant, with security clearance, on exports of sensitive US technology.

“The Samson Option,” by Seymour M. Hersh reports,

> “Illicitly obtained intelligence was flying so voluminously from LAKAM (a secret Israeli intelligence unit, a Hebrew acronym for Scientific Liaison Bureau) into Israeli intelligence that a special code name, JUMBO, was added to the security markings already on the documents. There were strict orders, Ari Ben-Menashe recalled, “Anything marked JUMBO was not supposed to be discussed with your American counterparts.”

The Wall Street Journal reports that Israeli agents apparently tried to steal Recon Optical Inc's top-secret airborne spy-camera system.

On September 16th Britain’s pound collapses when currency speculators led by Rothschild agent, Ashkenazi Jew, George Soros, borrow pounds and sell them for Deutsche Marks, in the expectation of being able to repay the loan in devalued

currency and to pocket the difference.

This results in the British Chancellor of the Exchequer, Norman Lamont, announcing a rise in interest rates of 5% in one day and as a result drives Britain into a recession which lasts many years as large numbers of businesses fail and the housing market crashes.

This is right on cue for the Rothschilds, after they had privatised Britain's state owned assets during the 1980's, driven the share price up, and then collapsed the markets so they could buy them up for pennies on the pound, a carbon copy of what Nathan Mayer Rothschild did to the British economy 180 years before, in 1812.

It cannot be overstated that the Chancellor of the Exchequer at that time, Norman Lamont, prior to becoming a MP, was a Merchant Banker with N. M. Rothschild and Sons, who he joined after reading Economics at Cambridge.

1993: Norman Lamont leaves the British government to return to N. M. Rothschild and Sons as a director, after his mission to collapse the British economy to profit the Rothschilds is accomplished.

Former Congressman, Paul Findley publishes his seminal book, Deliberate Deceptions: Facing the Facts About the U.S. Israeli Relationship.

In this book he lists the 65 United Nations Member Resolutions against Israel from the period 1955 to 1992, and the 30 United States vetoes on Israel's behalf which if not made would have seen Israel have 95 resolutions against them at this point.

No matter, even with Israel's puppet the United States helping them terrorise others, the 65 Resolutions passed against Israel are more than all the Resolutions passed against all other countries combined.

Not that Israel care too much about the views of the United Nations when you consider that less than two weeks after Israel's attack on the USS Liberty (an attack designed to sink the Liberty and blame it on Egypt prompting the USA into a war with Egypt on behalf of Israeli Lies, remember the Mossad motto, "By Way Of Deception, Thou Shalt Do War"), the Israeli Foreign Minister, Aba Eban, stated of the United Nations,

> "If the General Assembly were to vote by 121 votes to 1 in favor of, "Israel," returning to the armistice lines (pre June 1967 borders), "Israel," would refuse to comply with the decision," New York Times – 19 June 1967.

The ADL is caught operating a massive spying operation on critics of Israel, Arab-Americans, the San Francisco Labor Council, ILWU Local 10, Oakland Educational Association, NAACP, Irish Northern Aid, International Indian Treaty Council, the Asian Law Caucus and the San Francisco Police.

Data collected was sent to Israel and in some cases to South Africa. Pressure from Jewish organizations forces the city to drop the criminal case, but the ADL settles a civil lawsuit for an undisclosed sum of cash.

1995: Former atomic energy scientist, Dr Kitty Little claims the Rothschilds now control 80% of the world's uranium supplies giving them a monopoly over nuclear

power.

The Defense Investigative Service circulates a memo warning US military contractors that,

> "Israel aggressively collects (US) military and industrial technology."

The report stated that Israel obtains information using,

> "ethnic targeting, financial aggrandizement, and identification and exploitation of individual frailties," of US citizens.

1996: A General Accounting Office report, "Defense Industrial Security: Weaknesses in US Security Arrangements With Foreign-Owned Defense Contractors," found that according to intelligence sources, "Country A," (identified by intelligence sources as Israel, Washington Times, 22 February 1996),

> "conducts the most aggressive espionage operation against the United States of any US ally."
> A pdf file of the report is here:
> www.gao.gov/archive/1996/ns96064.pdf
>
> An unformated text version is here:
> http://fas.org/man/gao/gao9664.htm

The Jerusalem Post (30 August 1996) quoted the report,

> ""Classified military information and sensitive military technologies are high-priority targets for the intelligence agencies of this country."

The report described, "An espionage operation run by the intelligence organization responsible for collecting scientific and technologic information for (Israel) paid a US government employee to obtain US classified military intelligence documents."

The Washington Report on Middle East Affairs (Shawn L. Twing, April 1996) noted that this was,

> "a reference to the 1985 arrest of Jonathan Pollard, a civilian US naval intelligence analyst who provided Israel's LAKAM espionage agency an estimated 800,000 pages of classified US intelligence information."
> www.washington-report.org/backissues/0496/9604014.htm

The GAO report also noted that, "Several citizens of (Israel) were caught in the United States stealing sensitive technology used in manufacturing artillery gun tubes."

An Office of Naval Intelligence document, "Worldwide Challenges to Naval Strike Warfare" reported that,

> "US technology has been acquired (by China) through Israel in the form of the Lavi fighter and possibly SAM (surface-to-air) missile technology."

Jane's Defense Weekly (28 February 1996) noted that, "until now, the intelligence

community has not openly confirmed the transfer of US technology (via Israel) to China." The report noted that this, "represents a dramatic step forward for Chinese military aviation." (Flight International, 13 March 1996).

Amschel Rothschild, 41, is strangled with the heavy cord of his own towel robe in his hotel room in Paris. French Prime Minister orders the French Police to close their investigation, and, Rupert Murdoch, born of a Jewish mother and so a Jew by Ashkenazi standards, instructs his editors and news managers around the world to report it as a heart attack, if they need to report it at all.

On 12 May United Nations Ambassador and Ashkenazi Jew, Madeleine Albright, when appearing on 60 Minutes, was asked the following by correspondent Lesley Stahl, in reference to the years of United States led economic sanctions against Iraq,

> "We have heard that half a million children have died. I mean, that is more children than died in Hiroshima. And, you know, is the price worth it?"

To which Ambassador Albright replied,

> "I think that is a very hard choice, but the price, we think, the price is worth it."

Her comments cause no public outcry. In fact, the holocaust of half a million Iraqi children is positively admired by the United States government when you consider less than 8 months later, President Clinton appointed Albright as secretary of state. Whilst appearing before the Senate Committee, who were considering her appointment, Albright is literally chomping at the bit for the blood of more Iraqi children and she states,

> "We will insist on maintaining tough UN sanctions against Iraq unless and until that regime complies with relevant Security Council resolutions."

1997: An Army mechanical engineer, Ashkenazi Jew, David A. Tenenbaum, "inadvertently," gives classified military information on missile systems and armored vehicles to Israeli officials (New York Times, 20 February 1997).

The Washington Post reports US intelligence has intercepted a conversation in which two Israeli officials had discussed the possibility of getting a confidential letter that then-Secretary of State Warren Christopher had written to Palestinian leader Yasser Arafat.

One of the Israelis, identified only as, “Dov,” had commented that they may get the letter from, “Mega,” the code name for Israel’s top agent inside the United States.

US ambassador to Israel, Martin Indyk, complains privately to the Israeli government about heavy-handed surveillance by Israeli intelligence agents.

Israeli agents place a tap on Ashkenazi Jew and daughter of a Rabbi, Monica Lewinsky’s, phone at the Watergate and record phone sex sessions between her and President Bill Clinton. The Ken Starr report confirms that Clinton warned Lewinsky their conversations were being taped and ended the affair. Interestingly, at the same time, the FBI’s hunt for, "Mega," is called off.

On 29 October Edmond de Rothschild dies in Geneva. Interestingly on the exact same day Anton Szandor LaVey, the founder of the Church of Satan also dies, who in his book, "Satan Speaks," he states in relation to The Protocols Of The Elders Of Zion,

> "The first time I read the Protocols of the Elders of Zion, my instinctive reaction was, So what's wrong with THAT? Isn't that the way any master plan should work? Doesn't the public deserve - nay, demand - such despotism?"

Kofi Annan becomes Secretary General to the United Nations. He is married to Nane Lagergren, a Rothschild, who he wed in 1984.

1998: The European Central Bank is set up in Frankfurt, the city from which the Rothschilds originate.

2000: George W. Bush is elected (so they tell me) President of the United States. Bush and his family claim to be descendants of the House of Plantagenet which is descended from the Royal House of Judah.

2001: On September 11th the attack on the World Trade Center is orchestrated by Israel with the complicity of Britain and America, under the orders of the Rothschilds as a pretext for removing the liberty of people worldwide in exchange for security, just as happened with the Reichstag fire in Germany where the citizens were lied to in order to give up liberty for security.

They also will use the attacks to gain control of the few nations in the world who don't allow Rothschild central banks and so less than one month after these attacks, US forces attack Afghanistan, one of only 7 nations in the world who don't have a Rothschild controlled central bank.

Less than a week before the 9-11 attack on 5 September, the so-called lead hijacker Mohamed Atta and several other hijackers made a still-unexplained visit onboard one of Pro Israeli lobbyist, Ashkenazi Jew, Jack Abramoff's casino boats.

No investigation is undertook as to what they were doing there. It is discovered that US drug agents' communications have been penetrated. Suspicion falls on two companies, AMDOCS and Comverse Infosys, both owned by Israelis. AMDOCS generates billing data for most US phone companies and is able to provide detailed logs of who is talking to whom.

Comverse Infosys builds the tapping equipment used by law enforcement to eavesdrop on all American telephone calls, but suspicion forms that Comverse Infosys, which gets half of its research and development budget from the Israeli government, has built a back door into the system that is being exploited by Israeli intelligence and that the information gleaned on US drug interdiction efforts is finding its way to drug smugglers.

The investigation by the FBI leads to the exposure of the largest foreign spy ring ever uncovered inside the United States, operated by Israel. Half of the suspected spies have been arrested when 9-11 happens.

On 9-11, 5 Israelis are arrested for dancing and cheering while the World Trade

Towers collapse. Supposedly employed by Urban Moving Systems, the Israelis are caught with multiple passports and a lot of cash.

Two of them are later revealed to be Mossad. As witness reports track the activity of the Israelis, it emerges that they were seen at Liberty Park at the time of the first impact, suggesting a foreknowledge of what was to come. The Israelis are interrogated, and then eventually sent back to Israel.

The owner of the moving company used as a cover by the Mossad agents abandons his business and flees to Israel. The United States Government then classifies all of the evidence related to the Israeli agents and their connections to 9-11.

All of this is reported to the public via a four part story on Fox News by Carl Cameron. Pressure from Jewish groups, primarily AIPAC, forces Fox News to remove the story from their website. Two hours prior to the 9-11 attacks, Odigo, an Israeli company with offices just a few blocks from the World Trade Towers, receives an advance warning via the internet.

The manager of the New York Office provides the FBI with the IP address of the sender of the message, but the FBI does not follow this up. The FBI is investigating 5 Israeli moving companies as possible fronts for Israeli intelligence.

It is revealed that prior to the attack millions of dollars of put options on both American Airlines and United Airlines, were traded. The FBI have promised to followed the purchasers up, but have never revealed their findings. That is because this would lead directly to Israel, the state behind the 911 attacks.

Following the World Trade Center attack, anonymous letters containing anthrax are sent to various politicians and media executives. Like the 9-11 attack this is immediately blamed on Al-Qaeda , until it is discovered that the anthrax contained within those letters is a specific type of weaponized anthrax made by a United States military laboratory.

The FBI then discover that the main suspect for these anthrax letters is a Ashkenazi Jew, Dr. Philip Zack, who had been reprimanded several times by his employers due to offensive remarks he made about Arabs. Dr. Philip Zack, was caught on camera entering the storage area where he worked at Fort Detrick which is where the Anthrax was kept. At this point, both the FBI and the mainstream media stopped making any public comments on the case.

Jewish Defence League Chairman since 1985, Ashkenazi Jew, Irv Rubin is jailed for allegedly plotting to bomb a mosque and the offices of a Arab-American congressman. He dies shortly after slitting his throat in a suicide attempt, before he can be brought to trial.

One week prior to the WTC attack, the Zim Shipping Company moves out of its offices in the WTC, breaking its lease and costing the company $50,000. No reason has ever been given, but Zim Shipping Company is half owned by the State of Israel (The Rothschilds).

On October 3, Israeli Prime Minister, Ariel Sharon, makes the following statement to Ashkenazi Jew, Shimon Peres, as reported on Kol Yisrael radio.

> "Every time we do something you tell me America will do this and will do that....I want to tell you something very clear, don't worry about American pressure on Israel. We, the Jewish people, control America, and the Americans know it."

2002: Webster's Third New International Dictionary (Unabridged), re-printed in 2002, provides a new definition of Anti Semitism which has not been updated since 1956. It reads,

> "Anti-Semitism: (1) hostility toward Jews as a religious or racial minority group, often accompanied by social, political or economic discrimination (2) opposition to Zionism (3) sympathy for the opponents of Israel."

It was definition (2) and (3) that were added in the 2002 edition, just before the USA decide to invade Iraq under orders from the State of Rothschild, I mean Israel. Also this year, the Prime Minister of Israel, war criminal, Ariel Sharon, orders the massacre in the Jenin refugee camp in the West Bank. Best get that definition updated to protect these criminals.

The DEA issues a report that Israeli spies, posing as art students, have been trying to penetrate US Government offices. Police near the Whidbey Island Naval Air Station in southern Washington State stop a suspicious truck and detain two Israelis, one of whom is illegally in the United States. The two men were driving at high speed in a Ryder rental truck, which they claimed had been used to, "deliver furniture."

The next day, police discovered traces of TNT and RDX military-grade plastic explosives inside the passenger cabin and on the steering wheel of the vehicle. The FBI then announces that the tests that showed explosives were, "false positived," by cigarette smoke, a claim test experts say is ridiculous.

Based on an alibi provided by a woman, the case is closed and the Israelis are handed over to INS to be sent back to Israel. One week later, the woman who provided the alibi vanishes.

2003: The United States invade Iraq on 19 March, which this year is the holy, "Day of Purim," in the Jewish calendar. This, "Day of Purim," is a day the Jews celebrate their victory over Ancient Babylon, now based within the borders of Iraq, how interesting.

What is also significant is that the previous U.S. led invasion of Iraq ended on the Day of Purim ten years earlier with the slaughter of 150,000 fleeing Iraqis under the current President's father, George Herbert Walker Bush. Purim is also the time when the Jews are encouraged to get bloody revenge against their perceived enemies.

Ancient Babylon, I mean Iraq, is now one of six nations left in the world who don't have a Rothschild controlled central bank. This war is mainly about stealing Iraq's water supply for Israel and is being fought with the blood of the American military which the State of Rothschild, I mean Israel control.

Israel has always struggled for water, it had to steal the Golan Heights from Syria which provided Israel with one third of its fresh water 36 years before, yet still in Israel water extraction has surpassed replacement by 2.5 billion metres in the last 25 years.

This means the water is far more precious to them than the oil reserves which are the

second largest reserves of oil on the planet.

Malaysian Prime Minister Mahathir Mohamed states in a speech,

> "Jews rule the world by proxy. They get others to fight and die for them."

The Police Chief of Cloudcroft stops a truck speeding through a school zone. The drivers turn out to be Israelis with expired passports. Claiming to be movers, the truck contains junk furniture and several boxes.

The Israelis are handed over to immigration. The contents of the boxers are not revealed to the public.

Israel deploys assassination squads into other countries, including the United States. The US Government does not protest.

2004: Two years into an investigation of AIPAC's (The American Israel Public Affairs Committee – the largest political lobbying group in the USA with over 65,000 members whose only purpose is to use the USA for the purposes of Israel) possible role as a spy front for Israel, Ashkenazi Jew, Larry Franklin, a mid-level Pentagon Analyst is observed by the FBI giving classified information to two officials of AIPAC suspected of being Israeli spies.

AIPAC hires lawyer Nathan Lewin to handle their legal defense, the same lawyer who defended suspected Israeli spy Stephen Bryen in 1978. Larry Franklin worked in the Pentagon Office of Special Plans, run by Richard Perle, at the time Perle (who was caught giving classified information to Israel back in 1970) was insisting that Iraq was crawling with weapons of mass destruction requiring the United States to invade and conquer Iraq.

There were no WMDs, of course, and Perle has dumped the blame for the, "bad intelligence," on George Tenet. But what is known is that the Pentagon Office of Special Plans was coordinating with a similar group in Israel, in Ariel Sharon's office.

With two suspected Israeli spies (at least) inside the office from which the lies that launched the war in Iraq originated, it appears that the people of the United States are the victims of a deadly hoax, a hoax that started a war using the blood and money of American citizens for the purposes of Israeli oppression.

The leaking of the investigation of AIPAC to the media on August 28th, 2004 gave advance warning to other spies working with Franklin. The damage to the FBI's investigation was completed when United States Attorney General John Ashcroft ordered the FBI to stop all arrests in the case.

Like the Stephen Bryen case and the hunt for, "Mega," this latest spy scandal seems destined by officials who have their own secret allegiances to protect, barring a massive public outcry.

Police near the Nuclear Fuel Services plant in Tennessee stop a truck after a three mile chase, during which the driver throws a bottle containing a strange liquid from the cab. The drivers turn out to be Israelis using fake identifications. The FBI refuses to investigate and the Israelis are released.

Two Israelis try to enter Kings Bay Naval Submarine Base, home to eight Trident submarines. The truck tests positive for explosives.

The National Director of the ADL, Abraham H. Foxman, publishes a book entitled, "Never Again? The Threat Of The New Anti-Semitism," in which he states that the New Testament's "lie," that the ancient Pharisees were responsible for the death of Christ, has been responsible for anti-semitism throughout the millennia and thus the New Testament of the bible is, "hate speech," and should be censored or banned.

2005: On January 20, President Bush makes the following statement as part of his second inaugural address, "When our Founders declared a new order of the ages." This is not true. The founders did not declare a, "new order of the ages," President Roosevelt did when in 1933, he put it's latin translation, "Novus Ordo Seclorum," on the dollar bill.

On 7 July the London Underground Network is bombed. Israel's Finance Minister, Binyamin Netanyahu is in London on the morning of the attacks in order to attend an economic conference in a hotel over the underground station where one of the blasts occurred, but stayed in his hotel room instead after he had been informed by Israeli intelligence officials attacks were expected.

There are now only 5 nations on the world left without a Rothschild controlled central bank: Iran; North Korea; Sudan; Cuba; and Libya.

Physics Professor, Stephen E. Jones of Brigham Young University publishes a paper in which he proves the World Trade Center buildings could have only been brought down in the manner they were by explosives. He receives no coverage in the mainstream media for his scientific and provable claims.

2006: The Edmond De Rothschild Banque, a subsidiary of Europe's Edmond De Rothschild family bank group in France, becomes the first foreign family bank that has obtained approval of the China Banking Regulatory Commission and entered China's financial market.

The ADL ruthlessly leans on governments throughout the world to pass hate crimes legislation, as they are scared that the criminal cabal that is Israel and the Rothschilds is being exposed more and more on a daily basis, predominantly on the internet. Their job is to protect this criminal network and what better way to do it than by passing laws in which anyone who exposes a Jewish criminal becomes a criminal.

David Irving is sentenced to three years in jail in Austria, for denying the holocaust. It is important to note that the only historical event you can be arrested for questioning is the holocaust. This is because this has been the Rothschilds greatest weapon in brainwashing **YOU, THE STUPID GOY!** is that the Jews are so poor and persecuted when in actual fact they control the vast majority of international finance and international corporations throughout the world.

Resources

Here is a link to 6 pages of autographs from the 1929 Zionist congress with some very interesting names on it.

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Balfour Declaration 1917

November 2nd, 1917

Dear Lord Rothschild,

I have much pleasure in conveying to you, on behalf of His Majesty's Government, the following declaration of sympathy with Jewish Zionist aspirations which has been submitted to, and approved by, the Cabinet.

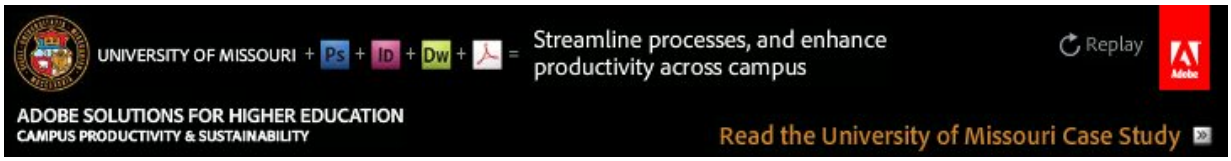
"His Majesty's Government view with favour the establishment in Palestine of a national home for the Jewish people, and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country."

I should be grateful if you would bring this declaration to the knowledge of the Zionist Federation.

Yours sincerely,

Arthur James Balfour

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Baron Edmond de Rothschild, 71, French Financier, Dies

By FRANK J. PRIAL
Published: November 4, 1997

Correction Appended

Baron Edmond de Rothschild, the French-born financier who was said to be the wealthiest of the surviving descendants of the legendary banking family, died in Geneva on Sunday. He was 71.

The cause of death was emphysema, The Associated Press reported.

Born in Paris in 1926 and a lifelong French citizen, Baron Edmond was taken to Switzerland as a child after his father, a senator in France, had refused to vote for the pro-Nazi Vichy regime led by Marshal Philippe Petain in World War II and had been declared a noncitizen. Because he concentrated his business activity in Switzerland and was rarely part of the brilliant social life his cousins Elie, Guy and Alain led in Paris, Edmond de Rothschild was relatively unknown outside European banking until the Socialists led by Francois Mitterrand came to power in France in 1980.

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When the new Government moved to nationalize the Rothschild Bank, Guy de Rothschild reacted with characteristic Rothschild flair. "A Jew under Petain, a pariah under Mitterrand," he wrote in a much publicized letter, "for me that's enough." He left for New York.

Baron Edmond's much smaller bank in Paris, La Compagnie Financiere Edmond de Rothschild, was not nationalized and he began to be known as "the Rothschild who stayed." In 1992, Cie. Financiere was said to have about $2 billion in total assets. Paradoxically, the bank soon became known for its expertise in helping the Government divest itself of nationalized businesses.

Baron Edmond always worked independently of the other Rothschilds, but when Guy's son David founded a new Rothschild bank in Paris in 1982, Baron Edmond took a 10 percent stake. He held a similar position in N. M. Rothschild, the family's British branch. The British and French banks have since merged.

Most of Baron Edmond's investments were private and their interrelationships complex. But the linchpin of his activities was said to be his Banque Privee in Geneva, a vast holding company with an estimated $17 billion under management in 1995. Other interests

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included the Banca Privata Solari & Blum in Lugano, Switzerland, the Israel General Bank and the Caesarea Development Company in Tel Aviv, the Israel European Company and the Banque de Gestion Edmond de Rothschild, both in Luxembourg, along with interests in Alpine hotels, De Beers Consolidated Mines Ltd. in South Africa, Club Mediterranee, several publishing houses in Paris and a television company in Luxembourg.

In 1973, he bought a major interest in the Bank of California, based in Los Angeles, which then had $4 billion in assets and 80 branches. The bank was sold in 1985 to Japan's Mitsubishi Bank for about three times the original purchase price.

His wine interests included a share in Domaines Barons Rothschild, which owns Chateau Lafite-Rothschild and Chateau Reussic in Bordeaux as well as parts of wine properties in Portugal, Chile and California. He owned Chateau Clarke, another Bordeaux wine property, and several years ago turned ownership of Chateau Malmaison, which adjoins Clarke, over to his wife, Baroness Nadine de Rothschild.

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oldings were a chain of flower shops in Paris and a 4,000-acre property east of Paris where he raised cattle and produced prize-winning cheese. He was also a major investor in the Savour Club, a large mail-order wine business.

Edmond Adolphe Maurice Jules Jacques de Rothshcild was the son of Baron Maurice de Rothschild and Baroness Noemie Halphen Rothschild. He was the grandson of the Edmond de Rothschild who invested untold millions of dollars in the development of Jewish Palestine. Maurice de Rothschild enhanced his own fortune with investments in the United States and reportedly left his son Edmond a billion francs -- about $200 million.

After taking a law degree in Paris, Baron Edmond spent three years with the Rothschild Bank, then quit to form the Compagnie Financiere, specifically to manage his own fortune.

In 1963, after divorcing his first wife, he married Nadine Lhopitallier, startling French society. Rothschild wives were expected to be cultured women of means and, invariably, Jewish. Miss Lhopitallier was a film starlet and former model with a grade school education -- and she was a Roman Catholic.

1 | 2 | NEXT PAGE >

Correction: November 10, 1997, Monday An obituary on Tuesday about Baron Edmond de Rothschild, the French-born financier, misspelled the name of one of his wine interests. It is Chateau Rieussec, not Reussic.

A version of this obituary; biography appeared in print on November 4, 1997, on page D27 of the New York edition.

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Seeing Old Age as a Never-Ending Adventure

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Rothschild, E3 launch carbon credit investment fund

REUTERS

Date: *03-Sep-02*
Country: AUSTRALIA

Billed as the first of its kind in the Asia-Pacific region and soon to be followed by other similar private investment vehicles, the Carbon Ring Consortium seeks to raise $2 million, with individual investors obliged to pay $100,000.

"With recent developments in international climate change policy, the question is no longer if, but when the global carbon trading market will emerge," said Richard Martin, chief executive officer of Rothschild Australia.

Rothschild said in a prospectus that the Carbon Ring Consortium would be open for investments until October 30.

It would be wrapped up in June 2003, when the carbon credits purchased will be distributed to investors pro rata.

Trading environmental credits is an emerging market designed to allow firms that fail to meet emissions standards to buy credits from other firms that undercut their targets.

The Kyoto accord signed by developing nations in the Japanese city of that name envisages some carbon credit trade between countries with so-called carbon sinks - forests - and others that produce higher levels of pollution than they are allowed to.

The same applies to companies, and a nascent market has already emerged in the United States where some states have limits on acid rain components like sulphur dioxide and others have limits on carbon dioxide emissions.

Greenhouse gases such as carbon dioxide are blamed by many scientists for rising world temperatures.

The investment bank said it was estimated that the global carbon trading market could be worth up to $150 billion by 2012.

It said it looked increasingly likely that the 1997 Kyoto Protocol on reducing greenhouse gas emissions would be ratified by enough countries to come into effect, notwithstanding the decision of the United States and Australia to reject the accord.

The process of investing will involve workshops to allow investors to gain hands-on knowledge of the new market.

The unregistered, managed investment scheme will be the first in a series of private investment vehicles that Carbon Ring Pty Limited, a joint venture between Rothschild and E3 International, expects to launch in the coming years, the partners said.

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INFORMATICA®

SUCCESS STORY

BANQUE PRIVÉE
EDMOND DE ROTHSCHILD
GENÈVE

GROUPE
LCF ROTHSCHILD

Solving Reporting and Analytic Requirements at Banque Privée Edmond de Rothschild with Informatica

"Our business managers will continue to reap real benefits with the timely delivery of accurate reports and analytics to senior management and regulatory bodies alike. These activities are being performed within hours rather than days and the IT department can get on with its planned projects instead of being distracted by generating one-off reports."

—Terence Denton, IT Manager, Edmond de Rothschild

CHALLENGE

Integrating data across eight different relational and non-relational systems that contained nearly 3 terabytes of data

INFORMATICA SOLUTION

- Informatica PowerCenter®

BENEFITS

- Improved operational efficiency
- Quicker, more cost effective development
- Ease of use and maintenance

NUTS AND BOLTS

- Data Integration: Informatica PowerCenter
- Sources: Oracle, DB2, Sybase, flat files
- Target: Oracle
- Platform: Sun Solaris

Banque Privée Edmond de Rothschild is one of Switzerland's most esteemed private banks, and one of 15 members of the Swiss Stock Exchange. The bank strives to maintain the highest standards, not only in its dedication to private banking, but also in ensuring a quality service throughout its business. Its focus on clients' interests, professionalism, flexibility, business acumen, and coherent strategies are underpinned by a state-of-the-art IT infrastructure.

The Challenge

Each department within Banque Privée Edmond de Rothschild requires accurate information to meet the increasing demands from management and regulators alike. The added pressure of meeting these demands has increased tremendously over the past few years, and the need for reliable and timely information is absolutely paramount.

According to Terence Denton, Edmond de Rothschild's IT Manager, "In today's hectic business world, business users are constantly being bombarded with requests for information from management and regulatory bodies. More often than not, they turn to the already heavily loaded IT department for help in providing it."

In 1999 the integrated banking system was based solely on an IMS database. Although this was an immensely rich data information base, the tools to mine that data effectively were practically nonexistent. To help unit managers make decisions rapidly and to take pressure off the IT staff, the bank decided to build a data warehouse. Denton believes the company's data warehouse strategy, with its business-oriented data marts, provides business users with greater independence to, for instance, create custom reporting.

The Solution

Edmond de Rothschild decided a reliable replication engine was crucial to the viability of the data warehouse project, but the new technology also had to work within the bank's heterogeneous database environment.

After investigating various options, Denton's team discovered Informatica PowerExchange for IMS. The team was confident the product matched their search criteria. The bank had previously decided to build its data warehouse on an Oracle database with a Sun Microsystems hardware platform using Informatica PowerCenter to manage the data mart, and BRIO as the query and navigation tool. The Changed Data Capture (CDC) component was the "final piece of the jigsaw puzzle."

Why Informatica

Keeping the content of the data marts reliably up to date across multiple business areas is a top priority at Edmond de Rothschild. Using Informatica, the bank manages the integration of changed data on its mainframe operational databases.

The bank was able to quickly deploy several data marts with immediate, measurable benefits in two crucial areas—user accessibility and rapid information retrieval. Informatica PowerExchange for IMS is critical to the data marts' success, because after an initial load of data it sends only updated data from the IMS database and only from those segments specified—contributing greatly to the timely delivery of data.

"This facility was exactly what we required," says Denton, "and it is useful to be able to choose between a batch or online replication delivery."

The Results

The bank has identified clear advantages since using Informatica. The new system now supports five independent businesses with 13 data marts representing different areas of the bank. "Requests for reports from compliance and finance to IT have become a thing of the past. Our discussions now revolve around expanding the data marts," says Denton. With data marts operating in each business area—including compliance, finance, and IT—the benefits are clear, with a positive effect on time, cost, and staff productivity.

Today the business managers consult the data mart to solve their reporting and analytical requirements before referring any requests to IT. They are empowered to be more independent, faster, accurate, and inventive. "Quite simply, they are better equipped to run their departments and focus on the real business issues," says Denton.

"I can see us enjoying an excellent relationship with Informatica for a good many years to come. Our business managers will continue to reap real benefits with the timely delivery of accurate reports and analytics to senior management and regulatory bodies alike. These activities are being performed within hours rather than days and the IT department can get on with its planned projects instead of being distracted by generating one-off reports."

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The Data Integration Company™

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Baron David de Rothschild



Baron David de Rothschild

Year of birth:
1942

Current occupation:
Group Chairman - Rothschild

Other directorships:
Compagnie Financière Martin Maurel, La Compagnie Financière Saint-Honoré, De Beers sa Board, Board of Casino, Euris SA, N M Rothschild & Sons Limited, Supervisory Board of Paris Orléans, Rothschild Bank AG, Zurich, Rothschild & Cie Banque, Rothschilds Continuation Holdings AG

The

Great Red Dragon

OR

LONDON MONEY POWER

BY

L . B . WOOLFOLK

CINCINNATI :

GEORGE E. STEVENS

39 W. Fourth St.
1890

The Great Red Dragon Woolfolk

PREFACE

This work is divided into three parts :—

Part I gives a History of the Rise of the London Money Power.

Part II proves that this Imperialism of Capital — the London Money Power — is foretold in prophecy, under the symbol of the Great Red Dragon.

Part III gives the Remedy for the industrial evils that afflict our country . (And, I did not scan this part)

There are many persons, perhaps, who will be deeply interested in Part I, and Part III, Who will feel but little interest in the prophetic portion of the work . The work is so arranged that all such persons can skip Part II, and pass from Part I to Part II, without any break in the connection of thought : though they will miss the most striking delineations of the character and the activities of the Money Power.

On the other hand, those who are interested in the prophetic aspect of the work, will find its structure in proper logical arrangement as a prophetic exposition ; since it is necessary to present the history of the Money Power, before the symbols of prophecy can be applied to it.

This work is the outgrowth of a life of thought, largely directed to the study of Prophecy, History, and Political Economy . Indeed, the work is the product of original thought . Its historical portion is the history of an Imperialism whose existence has been hitherto unrecognized.—Its remedy is based upon principles of Political economy that have never before been presented to the world.—Its Prophetic Exposition is part of a System of Prophetic Interpretation that is entirely new . The Author may therefore claim the indulgence due to a pioneer, whose movement is over a pathway unsmoothed by the progress of earlier thought.

As no history of the London Money Power has ever been written, the Author has been under the necessity of gathering his facts from newspaper items, and from the statements of individuals whose reliability is above question . His store of facts has been constantly increasing down to the present time . Some important facts he has learned since the publication of this work began ; other facts he learned too late for them to appear in the

present edition.—No doubt, in every community facts are known which illustrate the course of the Money Power in this country . These facts will doubtless soon be published ; and it is hoped that ere long a full and connected history of the Rise of the Money Power may be given to the world.

PART I

HISTORY OF THE RISE

OF

THE LONDON MONEY POWER

Chapter I

RISE OF THE MONEY POWER—FIRST ERA

I . INTRODUCTION

AN Imperialism of Capital has grown up within the last two centuries from small beginnings, until it is now the mightiest power that has ever existed on the earth . It is an Imperialism mightier than the empire of the Caesars, grander than the empire of Napoleon in the hour of his highest glory . In comparison with it all other empires sink into comparative insignificance . This titanic power is the Imperialism of Capital, which I call, by way of distinction, the Money Power.

1st The Money Power Defined

I do not mean by the Money Power to include any persons possessed of property, who are engaged in independent business enterprise . I do not mean any American business men, or business Companies engaged in independent business enterprise, whether they be farmers, merchants, manufacturers, bankers, miners, builders, or persons engaged in any department of business enterprise . The Imperialism of Capital to which I allude is a knot of capitalists—Jews almost to a man—who their headquarters in the Money Quarter of London, in Threadneedle street, Lombard, and other streets in that vicinity, where bankers have their habitat . These Jew capitalists have succeeded in centralizing in their own hands the industry and commerce of the earth.—They own almost all the debts of the world,—the debts of nations, states, counties, municipalities, corporations and individuals,—amounting in the aggregate, it is estimated, to seventy-five billion dollars, on which they are annually receiving about four billion dollars of interest.—They own the manufactories, the shipping, and the commerce of Great Britain, and most of the manufactures, shipping and commerce of the whole world.—They have attained control of the industry and trade of the whole earth ; and are rapidly centralizing all business in their own hands . They hold possession of all the great lines of trade and business of all kinds, and they regulate all prices by their own arbitrary methods.—These Jew Money Kings have established a grand Imperialism of industry, commerce and wealth, which is thoroughly organized, and rules in the sphere of industry and trade with autocratic sway.

In our age, capital is king . This Money Power of the Money Quarter of London is the only grand preeminent Imperialism existing on the earth . Monarchs severally rule their own dominions, and no one of them has preeminent power . The Imperialism of Capital, in our time, stretches the arms of its power over the whole earth ; it alone sways the

nations with preeminent rule . It buys all the products of the earth : it fixes all prices of all commodities without regard to the law of supply and demand, by its own arbitrary will . It is Imperial over industry and trade, and none can resist it . It is rapidly progressing toward its ultimate aim, of possessing itself of all the world's wealth and all the world's property . If things remain as they are, these jew money kings will, at no distant day, have achieved their aim, and will own the earth in fee simple.

2nd . Discovery of Existence of Money Power.

The world will be surprised at the statement that such grand Imperialism of Capital exists . For it has grown up so silently, and has veiled its operations in such secrecy, that its very existence is unsuspected . The Author was as ignorant of the Money Power as all the rest of the world outside of the ring, until, when visiting England many years ago, he, through a combination of circumstances unnecessary to mention here, became acquainted with the existence of this grand centralization of Capital in England, and was given a pamphlet that was intended for private circulation . This pamphlet, and the boastful statements of the Englishman who gave it, imparted to the Author information which is carefully kept from the general public . Quotations will be made from this pamphlet later on in this work . No confidence is thereby violated, and its statements ought to be known to the world.

Thus informed of the existence of the Money Power, the author has watched its progress for over twenty years . As events occurred, his mind, strongly magnetized, as it were, by this subject, seized upon and gathered to itself all facts bearing upon the question . A newspaper item, meaningless to others, was to him an important historical fact in the rise and growth of the Money Power . He has thus, point by point, gathered the materials for the sketch which here follows.

Before quoting from the pamphlet just mentioned, it will better, in order to give consecutiveness to the subject, first trace the rise of the Money Power ; and then to make quotations, to show that it was already a grand Imperialism in the decade extending from 1860 to 1870.

II . FIRST ERA IN THE RISE OF THE MONEY POWER.

The Money Power of the World had origin in small beginnings, in the 18th century ; but it has reached its grand development in our own age . It had its origin in the British East India Company, and has grown up so quietly that its grand centralization has not attracted

the attention of mankind . Indeed, it has only become powerful enough in our own age, to produce startling effects upon the industry of the world.

In the ages before the invention of the steam engine, the chief commerce of the world consisted in the interchange between the Temperate zone and the Tropics . There was but little interchange between the different countries of the Temperate zone ; for all having the same climate and agricultural productions, each country produced sufficient for its own consumption ; and, all manufactures being wrought by hand, each country had enough manufactures for the supply of its own needs, except a few articles of luxurious consumption . The chief commerce of the world consisted in the exchange of some of the products of the Temperate zone, especially specie, for articles of luxurious consumption, sugar, tea, coffee, indigo, opium, and the spices, contributed by the Tropics to the commerce of the world.

This commerce has always enriched the nation which carried it on, and made its merchants the great commercial magnates of the earth.

In Ancient Times, the Phoenicians possessed it for two thousand years, and it made them the great merchants of the earth . The share of Egypt in the traffic gave to that country its great wealth in the early eras of the monarchy . In the age of Solomon, the Jews possessed the Eastern end of the traffic for a generation, and it so enriched them that silver was in Jerusalem as stones . The development of this commerce was the sphere in which was displayed the proverbial wisdom of Solomon, and it constituted the chief glory of his reign.

The power of the Assyrian Empire was largely based upon the possession of the Eastern end of this commerce ; the conquests of the Empire along the Mediterranean, having broken up the old line of the trade by way of the Red sea.

To obtain possession of this commerce was the aim of the conquests of Nebuchadnezzar, the founder of the Babylonian Empire . He carried the traffic through Babylon, and up the Euphrates, across Syria and Asia Minor, and gave the western end of the traffic to the Lydians and the Ionian Greeks . This was the origin of the proverbial wealth of Croesus, which the Greeks, in their ignorance of the commercial relations of the East, attributed to the gold washed from the placer mines of the river Pactolus . The possession of the Western end of the trade, at this time, awakened the Greeks from the lethargy of barbarism, and stated the race upon its grand career of civilization.

The hostility of the Greeks to Persia, which caused the burning of Sardis, and led to the Persian wars, no doubt originated in the fact that Persia gave the traffic back to the Phoenicians, who restored it to its old route by way of the Red sea.

After the Christian Era, the Venetians took possession of the traffic and it made them the great merchant princes of the Middle Ages.

The discovery of the passage around Cape Good Hope gave the traffic into the hands of the Portuguese, who kept it for a century . Then the Dutch, the French and the English organized trading companies which competed with each other for the possession of this great East India trade, now, since the passage around Cape Good Hope, swelled into much larger proportions than in former times . Britain was slow to engage in it, and during the Seventeenth Century made only feeble efforts, productive of little result . In the early part of the Eighteenth Century, the British East India Company was reorganized and put in successful operation . In return for a loan of fifteen million dollars to the British government, a large sum for those days, it received a charter, giving to it the exclusive right to trade with all countries of the Indian and Pacific Oceans, between Cape Horn and Cape Good Hope.

From this time the East India Company made rapid growth in prosperity and power.

In the various wars of the Eighteenth Century between Great Britain and her commercial rivals on the Continent, the bull-dog pluck of the British sailors, and their superior nautical skill gave to British vessels so great an advantage in naval combats as secured to Britain a maritime supremacy . The British East India Company prospered, not only by the usual gains of traffic, but also by taking possession of the trading stations of its commercial rivals from which they were dispossessed by conquest.

In the great Seven Years' War, continuing from 1757 to 1764, Great Britain dispossessed France of all her colonial possessions . In India, at the same time, through the genius and energy of Clive, the British East India Company laid the foundation of its imperial greatness . Historical authorities date the rise of the East India Company to imperial power at the victory of Plassy, 1757 A.D. In 1764, it was an empire exercising imperial sway in Bengal over a territory containing a population of forty millions, and yielding larger revenues than those of the Austrian empire, at that time the greatest European power.

In 1764, the British East India Company was the grandest and richest corporation in the world . It was the only corporation which ruled a territorial empire . It was enriched by traffic, by the extension of its trade through the conquest of the trading stations of its Continental rivals and by the wholesale plunder of India.

It had been from the first the best investment of capital to be found in the British Islands . Its stock was eagerly taken by all who had the means . The mercantile class took as much stock as they could afford ; but, as we know, merchants usually have little more capital than they need for their regular business . The British Landed Aristocracy had large incomes from their estates ; and being under a necessity of seeking the best investments, in order to portion their younger children, they made large investments in the East India Company . But the great Capitalists of that age were the Jews . They were the money holders . They subscribed largely to the stock ; and as, in each generation, the stock of the Aristocracy was sold to portion younger children, the Jews, always economical, always full of money, and always in search of the best investments, bought the stock thrown upon the market . Thus it came to pass that the greater part of the stock

of the East India Company, and of the other companies afterwards organized out of the dividends of that great company, fell into the hands of the Jews . The Jews became the great Money Kings of the world.

Under the impulse of Jew exactions, the career of the East India Company in India was a continued series of trickery, wrong, exaction, theft, robbery and murder . In the Eighteenth Century, the Mogul empire was in the last stages of decay ; and the East India Company, in its dealings with the native states and Princes of India, constantly shifted its ground as expediency required, sometimes treating them as independent states, and sometimes, as dependencies of the Mogul empire . It hired its soldiers to one native prince, to enable him to conquer another : it sold its favours on every side ; and when the opportunity came, it devoured the treasures and the territory of friends and foes alike . History presents no career of conquest, in which fraud, deceit and rapine were so blended as in the conquest of India by the East India Company . It was the first example in the history of the world of a trading corporation becoming an imperial power ; and its imperial rule was marked by the rapacity, chicane and fraud that characterizes a great corporation in the soulless and conscienceless pursuit of gain.

From 1764, the East India Company had control of the grand trade between the Temperate zone and the Tropics . It continued its conquests in India until, in 1857, the date of the Sepoy mutiny, it ruled almost the whole peninsula . The Money Kings who controlled it, possessed an empire compared with which the possessions of the Phoenicians and Carthaginians, and all their predecessors were as nothing, and they attained a domination over industry and trade without a parallel in the annals of the world

CHAPTER II.

RISE OF THE MONEY POWER
SECOND ERA.

The Money Power of the World entered upon a new and grander era of development when steam was applied to manufactures . In 1774, Watt perfected the steam engine ; and this new servant of man, mightier than the Genii of oriental fable, was at once set at work propelling manufactures . The power loom, the spinning Jenny and the cotton gin were soon afterward invented, and gave a great impulse to steam manufacturing industry.

The conditions of the time threw steam manufactures entirely into the hands of the London Money Power . Great Britain was the only country in Europe which had coal and iron for steam purposes . The capitalists of the East India Company were the only people in the world with capital to engage in the new industry ; for the great trading companies of other countries had been broken down by British conquests . Enriched by the trade of the Orient and the Tropics, these London capitalists at once seized the opportunity events offered them, and embarked energetically in steam manufactures.

The East India Company, as such, did not engage in these manufactures . All the stockholders would not wish to invest in them : so large a corporation would be unwieldy ; and the immensity of the monopoly might excite alarm and provoke opposition . It would be much better to operate through smaller corporations . A few capitalists might hold the stock of a great number of them without exciting jealousy ; and their management would be quiet and easy . The different corporations were like the regiments of an army : it was easy to form them into brigades, and divisions, and army corps, so as to give them the compact solidity of a grand military organization . It had the flexibility of individual enterprise, and the solidity of a despotism . The Money Kings adopted the policy of single corporate companies for each special enterprise.

They built manufactories of all kinds : they started iron mills, woolen mills, cotton mills . Manufactures of all kinds sprung up on every side . The Money Kings organized new joint stock corporations which built mills and manufactories : new companies which operated mines of coal and iron : and, as commerce wonderfully expanded through manufactures wrought by steam power, they organized new companies, which built vessels to plow the waters of every ocean, and built new warehouses, and established new trading stations all over the earth.

Commerce had languished in previous ages, because the Temperate zone had not sufficient cheap products suited to tropical demand, to offer in exchange for tropical productions . Steam manufactures opened up a new commercial era . They greatly stimulated tropical production, by offering manufactures in those markets . They also greatly stimulated industry in the Temperate zone . In all the countries of the Temperate zone, the demand for the manufactures of Britain was far beyond the ability to pay for them with exports.

The first effect of this state of things was a wave of excitement that swept over Great Britain . An industrial boom was started . Everybody who had money invested in the stock of manufacturing companies, shipping companies, trading companies . In companies for steam manufactures, the Money Kings took care to have the majority of stock : outside companies they knew they could devour at their leisure . The grand

Money Kings had such advantages in their immense capital and in their perfect organization, that in commercial crises, often originated, and always manipulated by them, they managed systematically to break down rival companies, and buy them out, and to rob and plunder the minority stockholders ; until, in the end, these organized capitalists got into their own hands and very cheap, all, or the greater part of the stock of the various companies, manufacturing, mercantile and shipping, that originated in steam manufactures . They thus reduced to a system and a science the art of crushing rival companies, and freezing out minority stockholders . Their whole career was a systematic course of treachery, fraud and plunder, without a parallel in history . They advanced step by step, always causing a boom in every new enterprise that enlisted much outside capital, and always managing to operate seasons of business disaster, in which they lost a few hundred thousands by falling prices, a loss which they were abundantly able to stand, while making many millions by getting cheap the stock of broken corporations and the stock sold by minority stockholders.

Dealing in futures in Boards of Trade, was then started on a grand scale, a system originated for the purpose of enabling large capitalists to force stocks up or down as they choose, by dint of capital, without any regard to the actual value—the most satanic engine of trickery, fraud and oppression ever devised to enable the strong to plunder the weak . It is the drag net with which the Money Kings destroy multitudes of men of small means, as the fisherman takes fish in his seine . They are fishermen : the rest of mankind are their prey . They are always seeking after spoil . They are always dragging their net for the destruction of the unwary.

But aside from this plunder of the weak and the trusting, the regular profits of the new age of industry were very large . In every country of the Temperate zone, the demand for British manufactures was much greater than could be paid for by exports . And the difference in the balance of trade was always systematically arranged by lending money on mortgage for that amount, or by spending the amount of the deficit in starting some business enterprise in that country . In this way, the adverse balance of trade was not felt by the country falling behind . It bought all it wanted, and the adverse balance of trade actually made times better ; for it caused the profits of the Money Kings to be invested in the country, stimulating business into activity . It only had the disadvantage that the business investment did not belong to the nation, but to the Money Kings : and the prosperity it caused was not national prosperity, but was the bloated gains of the Money Kings.

This has been the regular method of the Money Kings for the last hundred years . Starting new manufactures, new shipping companies, new trading companies : getting in all the outside capital possible, and then freezing out minority stockholders, and throttling outside corporations ; getting all the nations in debt to them, and making parasite investments to the amount of the deficit of the balance of trade : putting in the profits

derived from the East India Company, first : and then, not only putting in its profits, but continually reinvesting all the profits of all their enterprises in the country ; until their investments, accumulating like a rolling ball of snow, at last become an avalanche to bury beneath its weight the prosperity of the world.

The Rothschild Syndicate

Even in the beginning of this second era of the growth of the Money Power, it realized immense profits—profits so great as enabled the Money Kings to loan the money necessary on both sides to sustain the immense armaments of the wars of the French revolution . They let the British government and the powers warring against France have all the money they required ; and they supplied to Napoleon and his allies the loans necessary for his campaigns.

At that time, for the convenience of the Money Kings, the great house of Rothschild was established . The rise of the house of Rothschild has always been shrouded in the mystery that veils all the operations of the Money Power . The house took immense contracts on both sides ; and made to both sides immense loans . Where the money came from has always been a mystery . The common explanation given of it is wholly inadequate to account for the sudden rise of the house of Rothschild into such enormous wealth . The only way to account for it is to suppose that the Rothschild family was chosen by the Jew Money Kings as the head and fiscal agency of a grand Jewish syndicate formed at that time, to concentrate under one management the money of the Jew capitalists.

It was a great convenience, and a great source of power . The Rothschilds were chosen, perhaps, in part, on account of their superior business qualifications ; and perhaps, in part, because there were three brothers, who could be heads of separate banking houses in London, and Paris and Vienna . By such a syndicate the Jews could lend money and take army contracts on both sides . And if, in the end, one side should achieve a decided triumph, the Rothschild on the winning side could save the Rothschild on the losing side, and thus the money of the Jews would be safe in any event . It was a grand stroke of Jewish skill and policy, the organization of this grand syndicate ; but it was the first instance of the organization of a syndicate in the world and it was never known as such ; but, with the usual readiness of mankind to believe in the sudden growth of vast fortunes from nothing, the world accepted the rise of the house of Rothschild as an individual fortune, and not a syndicate . In our time, when combination of capital into syndicates is common, the house would be recognized at once as the head of a syndicate . The rise of the house of Rothschild is memorable as the first grand combination of the Jews in a syndicate, for the transaction of a vast business in which all their capital might be combined . The Rothschilds became the head of the Jew Money Kings, and have ever since been the head of the Jews, acting as a syndicate . That house is probably at the head of the Jew Money Power of the world.

When Napoleon fell, there remained but one grand imperialism in the world,—the Imperialism of Capital,—the Jew Money Power, centered in the Money Quarter of

London . Since the fall of Napoleon, the nations of Europe have been maintaining war military establishments in time of peace, at an expense far beyond their revenues . The London Money Kings have loaned them money to make up the annual deficit . They have invested in national debts alone about twenty-six billion dollars . Besides these national debts, are the loans to states, and counties, and municipalities and corporations and individuals, amounting in the aggregate, as it is estimated, to over fifty billion dollars more.

And then, there are the immense amounts of their own investments in all the countries of the globe . The wealth of the Money Power is simply beyond calculation . It can not amount to less than $160,000,000,000 . It is probably nearer two hundred billions .

CHAPTER III.

RISE OF THE MONEY POWER

THIRD ERA.

The Money Power entered upon the third era of its growth with the application of steam to transportation in railroads and steamships.

The Railroad Era began about 1830 ; but for twenty years after steam was applied to railroads, industry languished throughout all countries of the Temperate zone, for want of sufficient money to transact the business of the world . But little progress was made in applying steam to transportation, until the mines of California first, and then the mines of Australia, and the Rocky Mountains, and old and new mines opened in Mexico and South America gave hundreds of millions of dollars to the circulating medium of the world . In 1850, the age of railroad and steamship building began on a large scale . Then the Money Power was fully embarked in this third era of development.

The Supremacy of the Money Power over Industry, beginning with the application of steam to manufactures, was continued on a still higher plane of power, from 1850 and onward.

The new companies organized out of the dividends of the East India Company soon threw the old parent company into the shade by their gigantic enterprises . The experience of these new corporations seems to have convinced the Money Kings that the territorial sovereignty of the East India Company was a mistake . They found by experience that it was better for them to monopolize industry, commerce and wealth under the protection of a government controlled by them, than to exercise territorial sovereignty themselves . These new corporations began to trade with India, as with the rest of the world.

The East India Company, having no manufactures, was eclipsed as a trading corporation by these new rivals ; and it soon came to restrict itself more and more to its territorial sovereignty . The Money Kings soon found that the new corporations were much better instruments for traffic, and they eventually made the East India Company merely their shield in India, behind whose protection they carried on their traffic . That company governed India entirely in their interest ; for the same stockholders operated the East India Company and the new corporations born of the new age of steam industry.

They finally found the East India Company a burden, and an embarrassment . They derived the same advantage from the protection of the British government as from the Company, and without the cost and trouble . And moreover, bonuses and other advantages given them by the British government were safe and sure, while advantages and franchises given them by the East India Company might be subsequently annulled as unauthorized and fraudulent . To get rid of the expense and danger of maintaining the sovereignty of India, they, at the time of the Sepoy mutiny, influenced the British government to assume the government of India:—and the East India Company, having

served its end in giving birth to those new corporations born of its profits, passed away . The spider's brood, true to their nature, devoured their dam.

The Money Kings Greatly Enlarged Their Operations in the new age of steam transportation . They constantly invested their gains in more manufactures, more ships, and more warehouses, all over the earth . And when they made more profits than were needed for such investments—for their profits grew faster than the wants of commerce—they invested their surplus profits in various countries, in lands, in city houses, in building new railroads ; and in buying vast bodies of lands in the Tropics, on which they opened up immense plantations, for the growth of coffee, tea, indigo, rice, opium, spices, and all tropical productions.

They started new enterprises owned by themselves in all the countries of the globe:—tea plantations in China ; coffee plantations in Java and Ceylon ; sheep ranches in Australia and South Africa and South America ; sugar plantations in the West Indies and the Sandwich Islands ; gold and silver mines in California, the Rocky Mountains, Australia, Mexico, and South America ; diamond mines in India, and South Africa and Brazil ; ruby mines in Burmah ; lumber mills in Canada, the United States, Norway, Sweden and Poland ; city buildings in all countries ; and railroads all over the world . These, and many other enterprises employed the boundless capital of the London Money Kings.

City Buildings have been a favorite investment with them in countries of the Temperate zone . They derive two advantages from these investments : the buildings yield a high profit on the investment ; and the Money Kings could thus put up rents in other countries, and increase the cost of living . This last point is an essential part of their industrial system.

In order to maintain the manufacturing supremacy of Great Britain, it is necessary that the cost of living should be as cheap there as in other countries . The price of food is necessarily higher in England than in other countries ; and this has to be counterbalanced by cheaper rents . Rents are very low in England . By owning many buildings in foreign countries, the Money Kings are able to start a prevailing high standard of rents ; which increases their profit on their investment, and raises the cost of living, till it is as high or higher, in other countries, than in England . Furthermore, these high rents increase the value of property, and start foreign capital into real estate speculation, leaving to the Money Kings the safe field of productive industry . — They are wonderfully shrewd, and understand perfectly all the points that benefit their interest, and injure the interest of the rest of the world.

Railroads are Their Favorite Investment in countries of the Temperate zone . The ownership of them not only yields a large return upon the investment, but it gives to the Money Kings entire control of the internal traffic of the countries whose railroads they own . It also enables them to build up cities at points on the railroads known beforehand to themselves ; so that, by getting possession of the land around the site, they make hundreds of millions of dollars in speculations in town lots . With incomes derived from all these various sources, and constantly reinvested—with the whole world tributary to them—it is not wonderful that they have grown so rich . Having taken possession of all the lines of business in which money is to be made, it is no wonder that, for forty years, they have been the only people in the world who had a monied capital . No wonder that, continually impoverished by them, the nations of the earth have never had money to build railroads, or water works, or gas works, or any public buildings, but had always to issue bonds and sell them in London, to get money for all public improvements.

In the age of railroads, these Jew capitalists grew exceeding rich . At the beginning of the Era of Railroad Building, in 1850, no country had any capital, these London Money Kings excepted . The Money Kings alone of all the world had money ; and they have taken special care, during the whole era, to make the world continually poorer by constantly increasing its debt to them .

CHAPTER IV.

FOURTH ERA—DEVOURINGS OF MONEY POWER, SINCE 1864 :

I . aggrandizement of money power
general view.

The Money Power has been continually widening its operations in each successive era of its rise . The first era was the era of the East India Company ; and of commerce based upon tropical products, and the exchange of those products for the productions and the specie of the countries of the Temperate zone . In the second era, the Money Power added steam manufactures to the trade with the Tropics, which it previously held . In the third era of its rise, the Money Power added to its previous sources of wealth the vast power derived from the possession of steam transportation in railroads and steamships.

The Fourth Era of the rise of this terrible Imperialism began in 1864 . In this era, armed with the immense capital derived from all its sources of wealth, the Money Power of the World entered upon its vast investments in mortgages in real estate ; and began its career of monopolizing, at a stroke, whole branches of industry and vast lines of trade . This era will end, if things go on as they are, in the Money Power taking possession of all business, and owning all the property of the earth.

Since 1864, the London Jew Money Kings have been continuing their operations on the basis of boundless capital . They have, in this era, vastly extended their operations, and widened the range of their monopolies . Their command of capital is so vast, that they dominate the whole sphere of industry and trade with absolute sway . As against individual enterprises, their power is irresistible.

Like a Great Serpent, the London Money Power is, in our time, enveloping the industry of the earth in the coils of its capital, and crushing all competitors in its folds and devouring them . And it has grown so great, and its monopoly of business is so enormous, that its annual income,—from interest on loans—from rents of houses and farms—from profits of business,—is so vast, that it is able to take possession of a whole line of business at once, destroying all competitors . Woe to the men who are operating in a line of business which these Money Kings desire to monopolize : they at once envelop the feeble rivals in the folds of their capital, and crush and devour them . They now have sufficient capital to seize upon and monopolize all the business of the earth . And they are rapidly doing it.

Parasite Investments

Indeed, their capital is now so vast that business operations will not afford it adequate employment . They can no longer find adequate investment for their constantly increasing income,—in extending their grand industrial enterprises—in loans to nations, states, and municipalities,—in building ships and warehouses and railroads . They can only find investment,—in building cities—in buying up city property—in purchasing and improving immense bodies of wild lands—in laying and foreclosing mortgages upon improved farms—and in buying up breweries, and flour mills, and lumber mills, and various business interests, all over the earth . They own almost all those business interests now : they will soon own the rest.

These parasite investments of the Money Kings are like the fly eggs laid in the nose of the sheep : it is an addition to the amount of bioplasm in the sheep, but, instead of being sheep bioplasm, it is foreign . The eggs will hatch ; and instead of the new life adding to the health and vigor of the sheep, it consumes its life . The worms that breed from the eggs burrow into the head, and if they can not be gotten rid of, the sure result is the death of the sheep.—In the same way, the ox fly lays eggs in the back of the ox, that breed worms ; which, in their development, make the ox as lively as the investments of the Money Power make the nation where its investments are made . But instead of helping the ox, they feed upon his life : they fever him : and if there are so many of these "wolves," as farmers call them, that the ox cannot bear the frenzy caused by their development, the ox will die.

But all these parasites, when full grown, do not continue to prey upon the animal whose life tissues have nursed them into growth . When full grown, they, fortunately for the animal, strive to leave the body on which they have preyed . But it is not so with the investments of the Money Kings . They keep planting more and more of their eggs in the body of all the nations ; and, when the eggs hatch into parasite enterprises, the parasite enterprises continue to prey upon the country, until at last they will sap its strength, and devour its life.

These parasite enterprises of the London Money Kings are like the fly eggs deposited in the body of a caterpillar . If no egg is deposited, the caterpillar spins its cocoon, and at the proper time emerges as a butterfly . But when the fatal egg is deposited, the caterpillar lives on and spins its cocoon, as if in perfect health ; but the parasite develops, and continues its work of destruction, and the caterpillar, instead of emerging from its—chrysalis state, dies in its cocoon with its vitals utterly devoured.—This is what the Money Kings are now doing for all the nations . They are laying parasite eggs of capital in the body of every nation . Either the parasite must be gotten rid of, or the nations will perish.

II . DEVOURINGS OF THE MONEY POWER IN INDIA

The Money Power of the World was nursed into imperial grandeur by the trade and wealth of India . India was its primal seat of dominion . In India, its power has always been uncontrolled and absolute . There, it has been allowed to work its will more thoroughly than any where else ; and in India we can best perceive the ultimate outcome of its policy.

1st . Plunder of Hindoo Potentates.

Until the middle of the Eighteenth Century, the East India Company was only a mercantile corporation, having a few trading stations in India, and deriving its revenues from traffic . Rising into political power through the courage and genius of Clive, it began its career as devourer, in India, by extorting the hoarded wealth of one Hindoo potentate after another, as the price of its aid or its tolerance ; and as the native rulers were successively reduced to bankruptcy and impotence in the crushing coil of the East India Company, that corporation gradually substituted its own administration for that of the native governments . In every advance, it showed the subtlety the crawling insidious guile of the serpent . It enveloped state after state in its coil, and crushed the native governments so relentlessly, and yet so quietly, that when it finally devoured the territory of a fallen potentate, the act attracted but little attention . The East India Company continued its course of quiet gradual appropriation of territory for a century, until the Sepoy revolt in 1857.

2nd . Monopoly of Industry

In the earlier period of its power, the East India Company took possession of all the trade and industry of the territories under its sway . But after the Age of Steam began, and the great British capitalists formed new joint stock corporations through which to carry on the grand industries arising out of steam manufactures, the East India Company lost its importance as a trading corporation . As we have seen, it finally restricted itself to its territorial sovereignty, and gave up to the new corporations the trade of India, giving them every advantage under its administration.

Under this policy, the new corporations of the London Money Kings, advancing step by step, took possession of the business industries of India.

They first took possession of the internal traffic and the foreign commerce of the country . They bought the native products at prices which yielded the wretched Hindoo producers a mere subsistence ; and they sold in the India markets native products and foreign merchandise at the highest prices it was possible to extort . They made all the profits ; and the entire population of India, except the officers and the agents of the Money Kings, was reduced to utter penury.

They continued their encroachments, and gradually got the industry of the country completely under their control . They superseded the old hand manufactures of the country by manufactures wrought by steam, of which these capitalists have entire possession and reap all the profits . And they broke down the old system of transportation, and substituted it by railroads owned by themselves.

For a long time, the Money Kings raised opium, and indigo, and cotton, and rice and other India products, for their commerce, upon lands owned by Hindoos . They made their profit by putting down prices to the lowest point that would yield subsistence to the Hindoo laborer . They thus kept the Hindoo population on the verge of starvation ; so that, during the last forty years, frequent famines have carried off millions of the population.

We know from the Irish famines, that a modern famine is not a dearth of food, so much as the lack of means to buy bread . During one of the famines in Ireland, an American vessel entering the harbor of Cork with provisions sent by American charity to the starving Irish, met two vessels sailing out of the harbor laden with food sent from Ireland to a foreign market . The millions of Hindoos who have perished of hunger, during the last forty years, were the victims of the Money Power putting down prices of labor, and putting up the price of commodities.

3rd . Jungle Plantations

But in the latter era of the growth of the Money Power, since the application of steam to transportation, the Money Kings have realized such vast profits from their world—wide manufactures and commerce, that they have made immense land investments in India . Vast areas of alluvial lands along the plains of the Ganges and the Bramapootra rivers have for ages been covered with the primitive jungle . Much of it is delta lands along the streams ; much of it, broad alluvial plains and uplands, stretching from the sea to the foot of the Himalaya Mountains.

The Money Kings induced the government to offer these jungle lands at a very low price, and those imperial capitalists bought them . They next wished to populate these jungle lands with a race of Hindoo serfs who would till the soli for wages barely sufficient for subsistence . They offered the Hindoos the alternative of emigration to the jungles in their employment, or of starvation in their village homes.

Some Five Million Hindoos Died of Famine before they submitted . But the Money Kings triumphed ; transplanted the Hindoos ; and opened up grand plantations in the jungle . They built railroads ; founded cities ; and now they own cities, railroads and plantations . They own in fee simple a vast empire in India,—an empire of alluvial lands, more extensive than the ancient empires of Nineveh and Babylon in the valleys of the Euphrates and the Tigris—far more extensive than the Egyptian empire in the valley of the Nile—larger than Greece and Macedon combined—wider in extent than Italy—a broader domain than the whole of Great Britain . They find it cheaper to own the land and hire peasants to cultivate it, than to buy the products of free Hindoo labor . And in that wide empire of alluvial lands owned by them in fee simple, extending from the sea to the Himalayas, and from the heart of India into Burmah, those capitalists are now producing opium, and rice, and indigo, and cotton and india rubber, and quinine, and spices, and tea, and cotton and wheat .

4th . All Markets Crushed by India Products.

And they throw all these products of a teeming soil and pauper labor upon the markets of the world, making immense profits, and forcing down the price of productions all over the earth to the pauper standard of Hindoo labor . They are now publishing in our papers that they can grow wheat so cheaply upon their jungle lands, that, in competition with them, our Western farmers can only be allowed, in future, fifty cents a bushel for their wheat ! Will not Omnipotent Justice blast such wrong doing ? !

By the Competition of their Hindoo Plantations, tilled with Hindoo *Ryot* labor at five cents a day, they force down the price of Carolina rice and Southern cotton to the same level . Raising products upon their own lands with Hindoo pauper labor—shipping their products upon their own railroads into their own seaport cities—and transporting them in their own ships to their own warehouses in every country—these Money Kings are able to crush down the prices of productions in every country, and force the people of all countries to sell their products at any price they choose to offer ! !

An Important Fact is learned from the course of the Money Power in India . The Money Kings find it more profitable to own lands and till them with pauper labor, than to buy the products reared by the free natives of the soil . They regard the purchase of cheap lands a good investment . They will doubtless continue the purchase of India lands, until they own all the lands of India, and all property of every kind, and the Hindoos become serfs, cultivating their lands, and filling positions in various departments of their service.

How can it be otherwise ? Every department of industry in that country, except agriculture in part, is in their hands . They have in possession every source of profit . They and their agents realize all the profits that are made : nobody else makes more than a subsistence . The Money Power has India enveloped in its coils . It is only a question of time when the Serpent will complete the devouring of all its lands and all its property .

And we shall perceive as we proceed, that the Boa Constrictor has our country in almost the same condition as India . If things go on, in a few years more the Money Kings will own a wider empire of farming lands in the United States than in India ; and the American farmer will be reduced to the condition of the Hindoo peasant laborer working for a few cents a day, or he may look on and see the lands he has lost cultivated by Chinese and Hindoos . We shall be reduced to the condition of slaves . There is a bottomless pit before us . The Money Power is preparing to plunge us into it .

CHAPTER V.

FOURTH ERA — DEVOURINGS OF THE MONEY POWER IN THE U. S.

Space will not admit of a full narration of the manner in which the Money Power is devouring industry and trade and wealth, throughout the world . While the head and the den of the Serpent are in England, its coils extend all over the earth . It is everywhere ruining business men, and taking possession of their business and property . In Europe, in Asia, in Africa, in South America, in Mexico, in Canada, in Australia, and in the Islands of the sea, it is constantly pursuing its deadly business of monopolizing the industry, trade and wealth of the world, by ruining people engaged in independent enterprise . But space will only admit of a statement, in part, of its devouring the industries of the United States .

This Knot of London Jew Capitalists is having its way in the United States more completely than anywhere else in the world, except India . In England, the Landed Aristocracy holds its own against the Money Power, in part, by the law of primogeniture, which enables it to maintain possession of the land, and much city property ; and by the marriages of the sons of the landed aristocracy with the daughters of rich Englishmen associated with the Jew Money Kings and sharing their profits .

But, in America, the Money Power has had free course to ravage and devour .

I . THE MONEY POWER HAS KEPT OUR CURRENCY CONSTRICTED .

The Money Kings have always had to have American products, as the basis of their trade with the population of Britain, and with the whole earth . They needed our cotton for their English manufactures : our wheat and pork, and beef, to feed their British operatives : our hops, and barley, for the manufacture of malt liquors, for British and foreign consumption : our fats, for the manufacture of soaps ; and our tobacco, for the British and foreign markets . Great Britain afforded them only coal, and iron and labor . American productions have constituted the grand basis of their world-wide manufactures and commerce .

It was, therefore, their interest to buy our products cheap ; and, to that end, it was their interest to have in this country as low a scale of prices as possible . An effectual means of securing a low rate of prices for cotton tobacco, wheat, cotton, cheese, and all our products, was to keep money scarce in this country, and its purchasing value very high .

And during almost our entire existence as a nation, the scarcity of money, which the Money Kings have caused, has enabled them to keep down prices to the lowest point, and cause our people to suffer from chronic hard times .

1st. The Crash of 1837 .

Our people once carried the idea that industry should be left to take care of itself, to the extreme of holding that the general Government should not supply currency to the country, but should leave it to be supplied by the states, and by individuals . Our currency was on a specie basis ; and it was held that the proper proportion between specie and currency was, specie to the amount of one-third of the paper circulating medium, to be kept in the vaults of banks .

This Abominable Currency System placed our currency, and the price of our products, completely under the control of the London Money Kings . For the Money Kings always had the balance of trade against us ; and they always purposely kept us drained of specie, so that, on a specie basis of one-third of the circulation, we could maintain only a sparse currency .

But, in 1836, our system of paper money was expanded to a point in some measure adequate to meet the business wants of the country . For the first time, our produce went up to a fair price, sufficient to give us prosperity . We then had a paper circulation of $136,000,000 ; certainly not an inflated currency for the amount of our population and trade, being less than half the amount of currency per capita we had in 1870 .

But, we did not have Specie enough to maintain the one-third specie basis . The Money Kings had no idea of paying a fair price for the American produce they were obliged to have . It was increasing the value of our exports ; and would soon enable us to pay with our products for the imports we bought of them ; and we should soon have been able to secure specie enough for a safe basis for our circulating medium . They wished to keep money scarce, and prices low ; so as to compel us to sell them our products so cheap as to keep the balance of trade against us . By thus keeping us in debt to them, they could keep us drained of specie, and keep money scarce and prices low, perpetually .

To this end, money must be made scarce, and times hard . The state banks were banking on a specie basis, and had not nearly specie enough to redeem their issues . It was only necessary for one prominent bank to fail, in order to cause a run on all the banks, and a suspension of specie payments ; with a consequent contraction of the currency, scarcity of money and low prices, again .

The Money Kings made a heavy draft for specie on New York . A prominent bank in New York failed, and the state banks all over the country went down like a house of cards

. Contraction of the currency followed at once . In 1842, five years after the panic, we had in the whole country only $64,000,000 of currency, being only a little over three dollars *per capita* of the population ! It was horrible . A tide of bankruptcy without a precedent overswept the country . For thirteen years, from 1837 to 1850, scarcity of money continued, keeping our prosperity depressed, and making our prices low enough to satisfy the avarice of the London Money Kings, who got our wheat, and cotton, and pork and beef at any price they chose to offer .

The astonishing folly of our people in allowing the Money Kings to put down prices in this country by means of a scarcity of currency will excite the wonder of a later and wiser age . These Money Kings never buy anything of us they can do without . They have always had to have a certain amount of our cotton, pork and beef and wheat and barley and hops . They can not do without them . If we sustain the price at a fair rate they will have to pay it . And yet, from 1837 to 1850, we allowed them, by draining us of specie, to contract our currency to three dollars *per capita*, and put our prices down to starvation rates ! What lamentable ignorance of the principles of political economy ! By allowing the Money Kings to keep our currency contracted, we allowed them to cheat us out of about $100,000,000 a year in the value of our exportsto get us deeper into debt to them every year, and to keep our people oppressed with direful poverty . Our fathers showed great unwisdom . Are their children wiser ?

Our produce had an actual value, which the Money Kings would have had to pay . But by basing our currency on specie, of which they could drain us, we kept our produce at an artificially low price . We thus lost every year a hundred million dollars by putting our products at an artificial price below their real value . The Money Kings are wise : they no doubt laughed in their sleeve at our simplicity in thus allowing a price to be fixed upon our products below their real value .

The London Money Kings organized the crash of 1837 . They drew on New York heavily for specie, just before the panic . The balance of trade is always against us and in their favor, and they could draw for specie as long and as heavily as they pleased . And they continued to draw specie, till the end they aimed at was accomplished, and the panic began . There can be no doubt that they did it with full intent to bring about the panic that followed .

2nd. The Crash of 1857 .

There was no expansion of the currency after 1837, till after the discovery of the gold mines of California . In 1850, the state banks again began to expand, and once more we had fair prices for produce, and prosperous times . The expansion continued till 1857 . There was no undue inflation . The currency was not in excess of the legitimate needs of business, and prices were not too high .

But the currency was in excess of our capability of redeeming it in specie . All the gold taken out of the mines in California was sent direct to London, to pay, in part, the balance of trade against us . The London Money Kings took care that we should not have specie enough to constitute a one-third basis for a currency adequate to the business wants of the country . They, having the power to regulate the amount of specie we were allowed to keep, did not choose to leave in the United States specie enough to furnish a basis for an amount of currency adequate to give us fair prices .

The fall of a Trust Company Bank in Ohio started a panic and brought on a general crash of the state banks, with the natural result of hard times, and a cheap market, in which the Money Kings could buy our produce at their own price .

The Panic of 1857 Was, Beyond Question, Engineered by the London Money Kings . They took especial pains to get possession of the circulation of the Ohio Trust Company Bank, whose fall caused the panic, and they made extraordinary drafts upon it for specie, amounting to $5,000,000, so as to insure its fall . Of two things one is certain : Either the Money Kings owned the Trust Company Bank, so that they could get possession of its circulation at any time, and start the panic ; or else they took especial pains to gather up its circulation, so that they might drain it of specie . From the name of the institution,—"Trust Company,"—in the light of our own times, when these Money Kings are starting "Trusts" all over the world, it seems most probable that the Trust Company Bank was established by the London Money Power for the express purpose of using it as an instrument to start the panic .

In either case, they are pilloried before the eyes of our people, as making secret war upon our prosperity . It is like the secret underhanded methods of the Money Kings to start a bani in this country, in order to have it ready, at any moment they chose, to start a panic by its fall ; on purpose to break down our prosperity, and give them a cheap market in which to purchase our products, necessary to their commercial system .

The Boa Constrictor thus Kept Itself Coiled about our currency system, and it has constricted our currency every time it expanded sufficiently to give us fair prices . They have thus been able to buy our products at little more than half their value, cheating us in this manner out of hundreds of millions of dollars every year, and keeping us in poverty . By the low prices thus maintained, the Money Power has kept the balance of trade hundreds of millions against us every year ; and this adverse balance of trade has been kept even, by lending us money to build railroads, and to use in every form of public improvement ; thus by its loans coiling around our industry and our property, and constantly devouring it .

The Money Kings are public enemies, all the more dangerous because they work by such sly, secret undermining methods .

For forty years, from 1820 to 1860, prices were kept down and times hard . Twice we were about to become prosperous, in 1836, and in 1856 ; when both times, the Money Kings promptly crushed our rising prosperity . In the forty years, from 1820 to 1860,

they cheated us, by these low prices, out of at least four billions of dollars—enough to have made us the richest and most prosperous people on the globe .

One great Benefit of the Late War was, that it caused the Federal Government to furnish a currency that was not subject to collapse by the Money Kings withdrawing specie from the country . The Money Kings brought on the crash of 1873 . But they could not do it by withdrawing specie . They were under the necessity of resorting to other means . Before presenting the means by which the crash of 1873 was brought about, it will be better to bring up the account of their working in the country to that date, so that their operations upon the currency in 1873 may be better understood .

II . THE MONEY POWER DEVOURED OUR COMMERCIAL MARINE .

The War afforded the Money Power the opportunity to strike us a deadly blow, in taking possession of our merchant shipping . The means by which they accomplished this was in perfect accord with their watchful craft and cunning . One of their ship building establishments built the steam cruisers which swept the seas, capturing many American vessels . Their depredations so raised the cost of marine insurance, that American vessels could no longer compete with those of Great Britain . Under such circumstances, American ship owners became willing to sell their ships . The Money Kings had gained so much money by their world-wide operations that, as soon as the vessels were offered for sale, they were ready to purchase them . In a few months the American ships were all purchased by the Money Kings, and transferred from the American to the British flag . At one grand gulp the Boa Constrictor swallowed down the American navy .

While we had our commercial marine, we received for our produce the ruling price in the foreign port ; and the profits were divided between the American producer, the American merchant who exported the produce, and the American ship owner who carried it . But thenceforth, we only received the New York price : the Money Kings realized all the profits beyond our own shores .

But this was too much for them to be willing for us to receive . They wished to get closer to the producer, and leave to our people as small a part of the price of our products as possible . Having driven us off the ocean, they now invaded our frontiers, resolved upon conquering and taking possession of every branch of industry in the country . The history of the encroachments of the Money Power upon our industries is one long tragedy .

III . THE MONEY POWER DESTROYED OUR NEW YORK MERCHANTS .

The first step in the encroachments of the Money Power upon our national industries, was their overthrow of the great New York wholesale merchants . It began its movement against them immediately after the War . But it proceeded to the accomplishment of its aim with such subtlety and craft, that our people have not known of the destruction of the grandest merchants in the country .

I Only Found It Out in 1880, when I spent some time in New York city . The man at whose house I boarded told me one day in conversation that he had been rich, but had failed in business : he then obtained a support by taking boarders .

"Misery loves company," said he ; "and the only consolation I have is that all the tall trees of the forest fell, when I went down . Why sir," he continued, "not more than three or four business men in New York, who were prominent in business before the War, are in business now . They all failed . Nobody knew what hurt them ; but, from some cause, nobody knows what, business took new channels ; their business left them ; and they broke . How business changed in New York since the War," he continued meditatively, "is incomprehensible to everybody ."

Here was a grand effect ; and I began to search out the cause . I was then familiar with the methods of the Money Kings . I had been watching their course for years in this country, and it was not difficult to find and follow their trail, on the war path against the New York merchants .

A Still Hunt was started against the New York wholesale merchants . The London Money Kings owned the English manufactures and the mercantile shipping houses . They started branch houses in New Yorkfilled them with splendid stocks of goods—and then they started the English Drummer System in this country . The Drummer System was originated in England, over half a century ago, to accomplish the same purpose there against the old merchants of Great Britain, that was now wrought out by it in the United States . The Money Kings, by means of it, drew all the trade of the country to their own New York branch houses .

The Western and Southern merchants had been in the habit of visiting New York City, once or twice a year, to buy new stocks of goods . But now, the drummers of the Money King branch houses offered the Southern and Western merchants goods, by sample, of better quality, and at lower prices, than they could get them in New York . The old New York merchants waited for their customers to come . When, supplied by drummers, they quit coming, the old merchants, suppressed by English branch houses, failed, and retired from business .

It would be an interesting investigation to discover to what extent the Money Kings subsidized the old mercantile houses of New York City in their campaign . It is usually their custom to get some of the business interests already established on their side—reorganize them with a vast capital—take a controlling interest of the stock of the new

companies to themselves—but leave them under the old name, and the old management . It seems that they adopted this policy toward only a few of the mercantile houses of New York City . The few old houses that remained standing doubtless became the allies of the Money Power . But they seem to have made almost a clean sweep substituting new houses for the old .

In their conquest of the New York merchants, the Money Kings employed the tactics which they always use . As they availed themselves of their immense capital to put down prices on the New York merchants, so their method always is to put down prices on every business interest they assail . The unfailing sign of their assault on a business, is a putting down of prices in the business .

The Money Kings Always Operate Through Joint Stock Corporations in order to conceal their operations . A company is started in mercantile or other business by three or four persons associated in a joint stock corporation . It can not be known but that those persons constitute the entire company . There is nothing to indicate that the stockholders are the London Money Kings, and that the company is operated on British capital . It seems to the public that it is an American firm . But if the Company books of one of these conquering Companies that break down old business interests could be inspected, it would be found that the stockholders who furnish its unlimited capital are in London .

IV . The Money Power Devoured our Railroads

The secretive methods of the Money Power are nowhere more fully displayed than in the manner in which it got possession of our railroads .

The advantages of owning our railroads were so vast and so obvious, that the Money Power, having boundless wealth could not fail to purchase them .

1st . The Foundation of their Ownership of our Railroads

was laid with consummate skill and craft . They took their first steps at the time of their construction .

1 . Many Lines, like the Illinois Central,

were avowedly built and run by London capitalists . — Many lines of railroad were built by them in the West in consideration of land grants . —And many lines have been pushed by large railroad companies through new districts of country, for the sake of the trade to be obtained .

2 . The Money Kings got the Other Roads

by means of mortgages . The great Trunk Lines, and indeed, almost all the railroads east of the Mississippi, were built by the issue of bonds, and were ironed by the Money Kings for first mortgage bonds . The Money Kings always *got possession of the roads under an arrangement of the mortgage* .

Some of us recollect, along in the 50's, what hard work we had to build our railroads . We had no wealth : we had to build them with our poverty . We had no capital : we had to build them with debt . When two cities wished to link themselves with an iron girdle, they issued bonds to the extent of their credit : they induced all the counties along the line to issue bonds ; and these bonds were always sold in London—the only place in the world where there was any cash capital—in order to get money to build the road-bed . Sometimes it required several issues of bonds, with intervals of despondency, and even despair, before the road-bed was completed . When the road-bed, or a considerable part of it, was completed, it was well known that the London Money Kings would furnish the iron and rolling stock, at the rate of $10,000 a mile, secured on first mortgage bonds .

I recollect that in 1855 to 1857, one of our cities was making tremendous efforts to build a railroad reaching toward a great business center . After two or three efforts made with intervals of deep despondency, over one hundred miles of the road-bed was at last completed ; and one of the most distinguished citizens of the state was sent to London, to negotiate for the iron for the road . He succeeded in his object ; but, being a man of enlarged views, he came back astounded . He said he found men from all over the world in London on the same business as himself : all wishing to get iron for railroads, at $10,000 a mile, secured on first mortgage bonds : and they all got the iron . He said, " These London capitalists are sure to get the railroads for the first mortgage bonds ; and no man can foresee the consequences . It will certainly work a mighty change in the condition of the earth, when these capitalists get possession of all the land transportation of the world . No man can tell what the result will be ."

We are now seeing some of the evils which this statesman of a generation ago dimly foreshadowed .

In this railroad financiering we have a fair specimen of the management of these Jew capitalists . When the railroads were first started, they made but little money . The system of operating them was as yet crude and imperfect and the business that has since grown up along them, and made them profitable, was as yet in its infancy . As a rule, the Money Kings got possession of the railroads under some arrangement of the first mortgage bonds .

The Money Kings are the owners of our railroads . It is known that the Erie railroad is owned by the great house of John Bidall Martin, in Lombard street, London . A mortgage was placed upon the Milwaukee and St. Paul, last July, for $150,000,000, which was taken in Lombard street, London . John Bidall Martin was the head of a syndicate which foreclosed the mortgage on the Wabash railroad system, two years ago .

A favorite method with these capitalists of holding railroads, is to have them bonded to them on mortgage security . They never pay for these bonds more than about forty-five per cent. of their face value . Whatever else goes unpaid, the interest on these bonds must be met, or the mortgage is foreclosed . The Roads are thus mortgaged for their full value, and the owners of the bonds are really the owners of the railroads . The mortgage, together with some preferred stock on which interest is sometimes paid, absorbs the earnings of the road . The rest of the stock receives no dividends, and is of no actual value . The bond holders are practically the owners of the roads . It is only a question of time when the bond holders will take possession of their prey . They would do it at any time if the management of those who may hold the stock does not suit them . But the probability is that they keep in their hands a controlling interest of the stock, so as to secure the present control of the roads .

In the second place, it is certain that

2nd . If the Money Kings were ever in Possession
of the Railroads, they own them still .

1 . The Laws of Political Economy Prove

that, if the London Money Kings ever got possession of the Railroads, they have them still . We could never have bought them back by any possibility, unless the Balance of Trade were in our favor . For, without such a favorable Balance of Trade, our people could never possibly have the means to buy the railroads back . But the Balance of Trade has been steadily against us all the while . Hence, it is perfectly manifest that the railroads are still in the hands of the Money Power . This is as certain as any fact in the world of nature . For the laws of political economy are as fixed as the laws of nature .

2 . The History of the Money Power Proves

that no Americans have ever bought back Railroads once in possession of the Money Kings . It is a fixed rule with the Money Kings never to take an interest in any business, without having a controlling interest in the stock ; and having got a controlling interest in any enterprise, *they work it, and never sell it* . They are always buying property : They never sell ; except indeed, batches of stock, to gulls, in Wall street operations ! If the Money Power ever got a controlling interest in American railroads, they never sold it out again, and no Americans ever had in their own ownership the controlling interest in such American railroads .

3 . an objection

may be presented here, that many American railroads, and those the most valuable, are notoriously owned by Americans : that the Vanderbilts own the New York Central system—that Jay Gould owns a large system in his own right—that Tom Scott owned the Pennsylvania Central—that Garrett owns the Baltimore and Ohio—and that Huntingdon owns the Chesapeake and Ohio and its connections .

This is a matter of such importance to the American people that it ought to be thoroughly sifted . These men have claimed to be the owners of these grand railroad systems ; —but are they ? Or are they merely the agents of the London Money Kings, holding the railroads in trust for them ?

3rd . circumstantial evidence that amounts to
scientific demonstration

proves that these men are the agents of the London Money Kings .

It is remarkable that very many peculiar facts have come to light about these railroad magnates, which prove at our American "railroad kings," so-called, are only the agents of the London Money Kings . The proof is stronger than could be expected, when the Money Kings everything in their power to conceal their ownership . They have always systematically concealed their trace, so that no direct evidence of their ownership can be

found . Their actions are always in the dark .—But a midnight murderer or a burglar can be convicted on circumstantial evidence . So, if the ownership of the railroads by the London Money Kings were a felony, there is sufficient proof to send them to state prison .

1 . Jay Gould an Agent for British Capitalist's

A large number of facts prove this : —

1) In 1873, Jay Gould and Jim Fisk were full partners in the ownership of the New York and Erie R.R. Holding $23,000,000 of railroad stocks, they were thought to be worth over $10,000,000 each . They were full partners, and were supposed to be worth about the same amount . It is perfectly evident that Fisk and Gould were not the real owners of the Erie railroad . As the trail of a serpent can only be seen when the snake crosses a dusty road, so the track of the Money Kings can usually be seen only when it runs across the grave of an agent . The settlements made at death frequently show that the reputed millionaire was only an agent of the Money Kings .

When Fisk was killed, in 1873, he, as has been stated, was thought to be worth $11,000,000, as he was holding that amount of railroad stock . But when his estate was wound up, his family received only a few thousand dollars . Thus the settlement of his estate after his death, showed conclusively that Fisk was only an agent, holding, in connection with Gould, the Erie railroad for the real stockholders in Great Britain . There can be no doubt that Jay Gould, his partner, was their agent also .

Once finding Mr. Gould acting as the agent of the Money Kings, creates a strong presumption, that, in his subsequent operations, he is also the agent of European capitalists . But the case does not rest on mere presumption . It is perfectly certain that, in all his subsequent operations, Jay Gould has been only an agent of the London Money Kings, holding the railroads ostensively owned by him in trust for them .

2) **Jay Gould's Railroad System** belongs to the Money Kings . In 1873, Jay Gould could hardly have been worth more than his partner, Jim Fisk . In the hard times that followed 1873, nobody in America could make much money . Yet, in 1878, Jay Gould came out West with forty million dollars, as it was given out through the newspapers, and bought ten thousand miles of railroad ; and the American people were made to believe that it was his money, and that he himself owned, in his own right, the railroads of the Gould system . His wealth was regarded as enormous . He was reputed the richest man in America . His wealth has been estimated as high as two hundred million dollars .

But of late years, facts have transpired, which show conclusively that Jay Gould is only the agent of the Money Power, to hold and operate their railroads :—

The Wabash System is one-half of the ten thousand miles of railroad in the Gould System . Some years ago, the Wabash System became embarrassed, and was placed in the hands of a receiver . Mr. Gould no doubt supposed that it might affect his credit for the American people to suppose that he could not sustain the credit of his roads ; so he had an interview with a New York reporter, which fell under my eye, in which he said that much the greater number of the stockholders of the Wabash System were in Great Britain, and only a few in the United States : —and Jay Gould is one of the few ! —It is evident that Jay Gould is not the owner of the Wabash System !

The rest of the ten thousand miles of the Gould System consists of the Missouri Pacific, the Missouri Kansas and Texas, the Texas Pacific, and the Iron Mountain Railroads . The Texas Pacific did not belong to may Gould, for its stockholders have had it taken out of the Gould System by process of law .—The Missouri Kansas and Texas did not belong to him ; for its stockholders also, have brought suit and withdrawn the Road out of the Gould System .

Indeed, a short time since, Mr. Gould had an interview with a reporter, which I saw, in which he stated that he held more stock in the Missouri Pacific than all his other investments put together . The Missouri Pacific is a Road three hundred miles long, running from St . Louis to Kansas City . And Mr. Gould's stock in that road amounts to more than all his other investments put together ! And he does not even own all of that three hundred miles of railroad .—And yet Mr. Gould was the ostensible owner of ten thousand miles of railroad and worth two hundred million dollars ! !

When we find one of the ostensible great owners of a grand railroad system to be merely an agent of the Money Power, it gives rise to a strong presumption that the other reputed owners of great railroad systems are also agents of the Money Power .

2 . Vanderbilt an Agent of the Money Power

There is a large amount of cumulative evidence to prove that Commodore Vanderbilt was an agent of the Money Kings : —

I) Commodore Vanderbilt was originally a poor man . He first rose into prominence as the manager of a line of steamers, running in the Isthmus route from New York to San Francisco . But when he quit the ship line and went into Wall street speculation in railroad stocks, he was worth only one million dollars . Manifestly, therefore, he was not the owner of the steamship line, but was holding and operating it as the agent for the stockholders, who were largely English .

If Commodore Vanderbilt was the agent of the Money Kings in operating the steamship line, and was afterwards transferred by them to Wall street, to operate for them there, it will explain many things otherwise unaccountable .

2) Vanderbilt always operated in Wall street as a bull . In other words, he was always buying railroad stocks . I recollect reading a work written when his operations were the wonder of the whole country, in which the author said that Vanderbilt had an unlimited purse back of him . Nobody knew where he got his money, but the money at his command was practically without limit . Frequently he had the whole street against him, but he was always able to put down any combination that was formed against him . He had more money at his command than could be brought against him in all America .

It is idle to suppose that Vanderbilt was able to carry his vast operations through, with the one million dollars he was worth when he went into Wall street . Many of the operators there who combined against him were each far richer than he . We can only account for his immense operations, which required the command of unlimited capital to carry them to the successful issue he always attained, on the hypothesis that he was the agent of the London Money Kings to buy up railroad stocks for them .

I recollect that when Vanderbilt bought out Harlem, a little railroad some twenty odd miles long, the whole world was astonished that one man was able to buy and own an entire railroad . He soon afterwards bought the Hudson River railroad, and the New York Central ; and he continued to purchase railroads, until he owned a grand system extending far into the Northwest . It was impossible for Commodore Vanderbilt to have conducted his immense operations with his own limited capital . If he was the agent of the Money Kings, all is explained .

3) At his death, Commodore Vanderbilt was reputed to be worth one hundred million dollars . When, in his will, he divided out only three and one half millions among his children, that fact confirmed me in my belief that he was an agent of the Money Power, and that the three and one half million dollars was all he was really worth ; and that, in giving the rest of the property, including the railroads, to his son Wm. H. Vanderbilt, he simply transferred the agency to him . This view was confirmed by the fact that Wm. H. Vanderbilt, immediately after his father's death, went to London, as I believed, to see his principals, and have his agency confirmed .

4) A fact which occurred in 1880, was, to my mind, conclusive evidence that Wm. H. Vanderbilt was only an agent . He then transferred a controlling interest in the New York Central System to a syndicate of New York capitalists, avowedly representing English capitalists, for $50,000,000 ; which he at once invested in four per cent United States bonds. Now, I do not think that Mr. Vanderbilt would have done that, if the property had been his. The transaction is contrary to all the laws of human motive .

I] The stock made him a Railroad King—one of the most influential men in America . And it was paying him far more than four per cent .

2] A man owning a grand railroad system under his own absolute control would not jeopardize his interests, by selling a controlling interest to foreign capitalists . Nor would an astute financier like Vanderbilt have sold a controlling interest in a grand railroad system which must have been paying much more than four per cent., to invest the money in four per cent. bonds . It is not in human nature to make so bad a bargain .

3] Nor does it accord with the pride of a railroad magnate thus to abdicate power, and step down and out . If Mr. Vanderbilt was a free agent, his action is inexplicable by all the laws of human motive .

4] But if he was an agent of the London Money Kings, and an order came from headquarters to make the transfer, he would have to "obey orders ."

5] And this was probably the fact . Mr. Vanderbilt was a haughty irritable man, and exceedingly indiscreet in his utterances . If an agent, he was not the best man to keep in such a responsible position . His utterances, "d__ the people," and "I do not run my roads for the benefit of the people", exposed him to popular odium, and would not commend him to his principals .

6] At the next election after his transfer of stock Mr. Vanderbilt was elected a director in all the roads of the system ; but he was made president of only a subordinate road . He was evidently very much humiliated, and made a meek speech in which he said he had no doubt the new arrangement would be more agreeable to the stockholders .

7] He did with the United States bonds bought by him just what he would have done if he were an agent acting under orders from his superiors in London . What did he do with them ? Did he keep them in New York, as he would naturally have done if they had been his own ? No : he at once deposited them in London, in the banking house of John Bidall Martin, in Lombard street .

5) The provisions of the will of Wm. H. Vanderbilt bear out the idea that he was an agent of the London Money Kings . He divided his property among his children more equally than his father had done ; but he gave to one son $56,000,000, a controlling interest in the railroad system ; and he provided that all the property should remain together . This arrangement would secure the control of the railroad system to the Money Kings, as effectually as the arrangement made by his father .

I do not doubt, however, that Gould and the Vanderbilts are rich in their own right . The Money Kings pay their agents well . Their rule is to give them a large, though minority interest, in the property they manage . And then, the position of Commodore Vanderbilt, and later, of Jay Gould, and Wm. H. Vanderbilt, would give them vast opportunities of making a great deal of money for themselves in operations in Wall street . But all the cumulative facts prove that Commodore Vanderbilt was an agent of the Money Kings—facts which are wholly inconsistent with the idea that the Vanderbilt family really owns the railroads it holds in possession .

If the grand so called "Railroad King" in America, is only an agent of the London Money Kings, what a commentary upon the grandeur of those imperial capitalists !

3 . **Tom Scott** was the reputed owner of the Pennsylvania Central ;—but, since his death, we hear nothing of his heirs being the owners of that railroad system .

4 . **C. P. Huntingdon** has been the reputed owner of the Chesapeake and Ohio Railroad and connections . Where did he make the money to buy it ?

(I) At the time the Central Pacific Railroad was projected, Huntingdon was a grocer with limited means in San Francisco . He and his coadjutors built the Central Pacific Railroad . Many facts indicate that they were merely the agents of the Money Power in that enterprise . The United States government aid was only paid when a stipulated number of miles of railway had been completed : the men in the construction company had not the means to do so much work before receiving the government subsidy . All Americans who have a grand enterprise in hand go to London to get the money to accomplish it . Now, the Money Kings would not have suffered Huntingdon and company to remain principals in the ownership of the road for the construction of which the Money Kings furnished the money . They would certainly demand, as the only condition on which they would furnish the money for construction, that the franchise should be transferred to them, and that Huntingdon and his friends should become their agents to build and operate the road .

(2) When Huntingdon appeared before a Congressional Committee, he insisted that the Central Pacific road was in very straitened circumstances . When a member of the Committee asked him if he shared the depressed financial condition of the road, he paused for a considerable time before replying ; and finally answered with extreme caution,—"No : *I am said* to be rich ."—He insisted that he had made no money out of the Central Pacific ; but that everything he was worth had been realized from other enterprises .

I take all this to be a reserved statement of the actual truth . The Money Kings would get the lion's share of the profits of constructing and operating the Central Pacific ; to Huntingdon and the others would be allowed the jackal's portion .

(3) But, if Huntingdon made no money out of the Central Pacific Railroad, where did he get the money to buy the Chesapeake and Ohio, and the other railroads of the system ? We are forced to the conclusion that Huntingdon does not own those railroads at allthat he is the agent of the Money Kings, and holds his roads, as Gould does his system, in trust for the real owners .

His answer to the Congressional Committee indicates such a state of facts . He said "*I am said* to be rich ." Such would be the cautious language of a man who was thought to be the owner of a great railroad system, when he knew himself to be the agent of the Money Power .

5 . **In the case of Garrett**, the facts fully comport with the idea that he is the agent of the Money Kings ; but not at all with the idea of a man owning a vast railroad system in his own right . But as it would be necessary to comment on his personal misfortunes, in order to make out the case, it is passed without further notice . It is sufficient to say that the Baltimore and Ohio Railroad is fully mortgaged to London bond holders .

The whole question of the ownership of the American railroads is veiled in mystery . But, however carefully it is hidden, the Money Kings have the property securely in their hands .

Everything proves that the Money Kings are the owners of our railroads . The author of a pamphlet given me in London, in 1864, told the truth when he said of the Money Kings, as will be hereafter quoted,—"We are the railway builders of the world, and the actual owners of the greater part of the railways ." They have had plenty of time since then, to have purchased what they did not then own ; and they have been very busy in Wall street, during the entire interval .

CHAPTER VI.

DEVOURINGS OF THE MONEY POWER IN THE UNITED STATES

V . The Money Power Devours Our Oil Industry

Upon the discovery of oil in Pennsylvania, many Americans embarked in the new enterprise ; spending millions in prospecting for oil, and millions more in operating successful wells, engaged in active and healthy competition in the oil market . The aggregate profits of the business attracted the attention of the Money Power, which promptly took steps to crush the American well owners, and monopolize the business .

The measures adopted were as quiet, as sudden, as effectual, as the coil of the boa constrictor about its victim . A railroad was built to the oil regions ;—but it was not built to the oil wells, so that all the well owners might ship by it, but its terminus was fifteen miles away on one side . A few wells were purchased, to start the business ; and a pipe line company was organized, and a pipe line was laid from the wells purchased, out to the railroad, with steam engines stationed at intervals, to force onward the sluggish flow of oil .

At that time, six thousand wagons were hauling oil over corduroy roads out to the railroad . Of course, the well owners, hauling on wagons, could not compete with the pipeline, after it went into operation . The profits of oil were put down to a point that barely covered expenses, with the best facilities . The individual well owners had to plug up their wells, waiting for another railroad to be built into the oil regions, over which they might ship . But these Money Kings never jostle each other . No other railroad was built . The oil well owners, in despair, had to sell out to the Money Kings, at any price they chose to offer .

The Great Standard Oil Company, operating with a capital of $90,000,000 in the United States, has now, by a long course of oppression crushing all competitors, taken possession of the entire oil industry of the country, and established a mighty monopoly .

A number of striking facts point out the Standard Oil Company as one of the monopolies of the London Money Power :—

I . The monopoly of the oil industry is part of a grand system . We find the Money Kings engaged in establishing monopolies all over the world, and especially in our country . We naturally conclude that the oil monopoly is also a part of their system .

2 . A detective can identify a burglar by his method . This oil monopoly was established in perfect accordance with the method of the Money Power . The combination of cunning, secretiveness and the deadly coil of omnipotent capital is unmistakable .

3 . No American capitalists were powerful enough to break down the oil well owners by dint of unlimited capital .

4 . No American capitalists would have engaged in such an enterprise, when the oil well owners might have foiled the attempt by obtaining English capital to counterwork them . Only the Money Kings would have engaged in an attempt that required such an immense outlay ; for only they could be sure of being able to carry out the design without interference from other capitalists . They are thoroughly organized, and never interfere with each other .

5 . It is manifest that the Standard Oil Company is not an American corporation . The method and the extent of its operations show that it is an enterprise of the Money Kings . For the Standard Oil Company is operating in Russia as largely as in the United States . It owns hundreds of millions of acres of Russian oil lands, and is supplying the neighboring markets from those oil wells, just as it is supplying the American markets from the oil wells of Pennsylvania . The Standard Oil Company, like all the monopolies of the Money Kings, is world-wide in its operations . Unlimited capital behind it enables it to construct facilities for carrying on its business,—a grand pipe line from the oil wells to the seaboard—grand refineriestank cars for transportation of refined oil,these and other things gave it such advantages as enabled it to put down all competition and maintain a monopoly of the business . It evidently aims to secure a monopoly of the oil trade for centuries to come .

Unlimited capital has enabled the Money Power to crush in its coil the original proprietors of the oil wells without the possibility of resistance . The same unlimited capital enables the Money Power to crush competition in every line of business, and thus to devour every business interest in the country . And it has been successively devouring one branch of business after another, until its grand imperialism now covers our land throughout its whole extent .

VI . The Money Power Devours Chicago

The Money Power, owning the railroads, and seeking to get into its clutches all our industries, as we shall see it has done, needed to have a great city, upon which to center the railroads and the trade controlled by it .

In 1870, Chicago was rapidly becoming a railroad and business center for the Northwest . It was the city best adapted to become the trade center of the country, except perhaps, St. Louis . But St. Louis was out of the question, its business being operated by home capital well established . In order that the Money Kings might be able to centralize the trade of the country in their hands, it was necessary for them to get a secure clutch upon Chicago .

The great fire of 1871 afforded them their opportunity . Nobody ever knew how it originated . A high wind prevailing at the time swept the flames through the heart of the city, leaving a path of desolation three-fourths of a mile wide . The business center of Chicago was reduced to ashes .

The business community had been doing business in cheap two-story houses . In rebuilding, they would, no doubt, have preferred to erect cheap two-story buildings again ; for the lower stories furnished all the room needed for business purposes .

But there has never been any money to be obtained for building, in this country, public improvements on a large scale, except in London . Chicago could only be rebuilt with London capital . The Money lenders could dictate the style of buildings to be erected,—splendid structures, from six to ten stories high, the upper stories of which could only be rented for offices or lodgings . Before the rebuilding was completed, the hard times of 1873 came on ; the crisis being engineered, as we shall see, by the London Money Power . The panic caught the Chicago business men in the trough of the sea . Business was prostrate : renters were lacking for the upper stories : payments could not be made : mortgages were foreclosed ; and the most of the grand Chicago business blocks became the property of the Money King mortgagees .

It was said that Chicago was rebuilt by loans of Eastern capital . We have learned, of late years, that Eastern capital means London capital . London is the point from which we have always had to get money for all improvements . At the time of the Chicago fire, the Money Kings had established many loan agencies in the Eastern states, as a part of their policy for concealing their money-loaning operations . And these loan agencies were the source whence the money was obtained to rebuild Chicago .

The railroads of the West and South are now concentrated upon Chicago in such a way as to center upon it in a wonderful manner the trade of those sections . Pushed forward with the might of the unlimited capital of the Money Kings, Chicago is growing at an unprecedented rate . It is now the second city in the country, and it is confidently declared that, in a few years, it will surpass New York . And it is very probable ; for railroads now bring to it the trade of Canada and the Northwest, to Puget Sound ; of the West, to San Francisco ; of the Southwest, to the Gulf of Mexico and San Diego ; of the South, to New Orleans and Mobile ; of the Southeast, to Atlanta, Savannah and St.

Augustine . Chicago is the great center of the traffic of the London Money Kings in this country .

Kansas City was planted as the outpost of Chicago, to take away the trade of the Southwest from St. Louis and carry it to Chicago . And Kansas City is springing up like a giant, with its growth pushed with all the might of London capital . Like New York it has an elevated railroad ; in cable roads it is not surpassed by any city in the country . It is not suffered to lack anything for its growth that capital can give it .

If anyone wishes to see *how these grand capitalists build up cities* by the might of capital, such curiosity will be gratified by observations in Chicago and Kansas City . Every suburb is planted, not by pioneers, as in other new towns, but by capitalists, who spend millions before they invite a settler . A railroad is first built to the prospective town ; then the streets are graded : gas and water pipes are put down : the sidewalks are laid :—and then, settlers are invited to make their homes in the new suburb .—Nobody can lay out towns in such a style of princely expense but the London Money Kings .

VII . The Money Power Crushes all our Industries by Inducing the Crash of 1873 .

We have now come in the order of time to the crash of 1873, which ruined many thousands of our business men throughout the country .

The crash of 1873 was brought on by the failure of the House of Jay Cooke & Co . Jay Cooke was a London banker, and the agent of the Money Kings for building the Northern Pacific Railroad . The failure was arranged in such a manner that it did not involve the London house of Jay Cooke & Co. at all . But the failure of the American house accomplished its purpose . It started a crash whose influence lasted five years, prostrating all our industries, and sweeping the country with a deluge of bankruptcy ; enabling the Money Kings to hold carnival in the purchase of our produce at low prices, and in buying up property cheap at bankrupt sales .

All prices went down so low that, though we had $900,000,000 of currency in the country, it only needed $300,000,000 to carry on all the business of the country, and the other $600,000,000 was locked up and retired from circulation .

The London Money Kings certainly prepared and engineered the panic of 1873, just as they did the crash of 1837 and 1857 . We find their motive in the fact that it gave them an excuse for locking up $600,000,000, and thus causing the ruin that followed, with the hard times and low prices, in which they reaped a rich harvest of profit to themselves .

They Can Make Good Times or Hard Times whenever they please ; so completely have they gotten our country in their hands . They hold our prosperity completely in their grasp . We are become entirely dependent upon them . When they wish to make good times, they put out their money freely, in building railroads, in making city improvements, in establishing new enterprises all over the country, and in lending money to everybody who wishes to borrow and has property to mortgage as security . Then we have flush times for several years ; and everybody, under their leading, rushes into speculation, and everybody gets into debt .

Then, in Order to Make Hard Times, the Money Kings have only to lock up the money they make as profits out of their various enterprises in the country . They stop building railroads : they stop all outlays for city improvements : they stop all investments in new enterprises ; and they stop loans to borrowers . They simply lock up their profits, and let the money lie idle .—And at once business is at a stand still : the improvements which had given activity to business cease : established businesses, such as farming, manufacturing, railroading go on : everything else stops . There is universal stagnation : prices fall : a flood of bankruptcy sweeps over the land : thousands are ruined :—and the Money Kings revel in low prices of produce, and cheap purchases of bankrupt property .

This was the way in which the Money Kings operated the hard times of 1873, and several years afterwards . But they had to have a visible cause that would account for the hard times to the public, on accepted business principles . The failure of Jay Cooke did this . It destroyed confidence, and in the eyes of the public justified the locking up of the money, with all the subsequent ruin . They thus made our people believe that the crash was an unavoidable disaster, due to regular business causes, and not to their own malignant intention .

But it was done on purpose, with malicious intent to bring about the very result that followed . That it was the work of the London Money Kings is demonstrable .—They were building the Northern Pacific Railroad . Jay Cooke was their agent in doing that work . They had engaged to build the Northern Pacific Railroad, and had started the work . Jay Cooke failed, and his failure brought on the panic . The failure was a trick, a sham . Does anybody believe that the London Money Kings who had undertaken to build the Northern Pacific Railroad were unable to carry out their contract ?—that they had not money enough to complete the work, if they chose ? The idea is too absurd to be entertained for a moment . They let the enterprise drop, because they chose to do so : they had their agent Jay Cooke, to fail, because they knew that his failure would bring on a crash which they were resolved to produce, and in whose ruin they desired to glut their avarice .

They stand convicted before the eyes of the world, of an atrocious crime against the country, and against humanity . They did not even have the grace to let the London house of Jay Cook share in the failure . They sent him to America as a dynamite bomb, to explode and destroy the prosperity of the United States . And they sent him carefully disconnected from his London house, so that the ruin he wrought would not effect the

London house with which he wax connected . Jay Cooke may have been an innocent victim of their purpose . They do not inform their agents of their designs .

The time may come when all the particulars of this infamous plot will be revealed to the world . They may hide their tracks as carefully as they can ; but the eye of history may, in the future, be able to gather many facts now hidden, and make the plot stand out, as St. Bartholomew stands, revealed to the loathing of mankind .

It is a dreadful thought that the Money Kings have our industries so completely in their power that they can cause another panic such as that of 1873, whenever they choose . They could start one to-morrow far worse than that, as their control of our industries is far more complete now than then . Our prosperity is entirely at their mercy .

VIII . The Money Kings Devour our New England Mills

Having brought on the hard times of 1873, and caused a broad wave of bankruptcy to oversweep our country, the Money Kings prepared to reap their harvest . Everything was so arranged that ruin, however wide-spread, would attract no special attention, but would be regarded as the natural consequence of the hard times . The time was ripe, and Money Power began at once a grand campaign against the New England Mills .

It was in its devouring the mills of New England that I first came upon the track of the Money Power, after 1873 . I knew that the Money Kings had brought on the panic of 1873, by the failure of Jay Cooke, and I was sure that they were engineering it to suit their own interests . But such was their prudence and skill that for two years I looked in vain . I first came upon their track in 1875 . I then found that the New York merchants were putting down cotton goods to an extremely low price,—one-tenth of a cent a yard below the cost of production . Drummers were everywhere urging merchants through the country to buy, on account of the low price, which they said would not last very long .

I at first wondered how, with the protection of a high tariff, the price of cotton goods could be so very low . I knew it was not accidental, for the fixed price,one-tenth of a cent a yard below the cost of production in New England,—showed that it was done by design . I began to think out the cause of the remarkable fact . In finding it, I found the trail of the Money Kings . Being familiar with the operations of our tariff system, I soon made the discovery of

upon the New England mills . They had discovered a flaw in our tariff system, which enabled them, owning the English factories, and warehouses and shipping, to crush the mills of New England, despite the protection of the tariff .

In the old days of Democratic rule, before the war, Congress, in order to accommodate the import merchants New York City, so arranged the tariff that duties were payable, not when the goods were placed in the warehouse, but when they were taken out for sale . The London merchants, under our warehouse system, could store their goods in the New York warehouse, free of charge, and let them lie there for any length of time ; and might then, if they chose, withdraw them without payment of duty, and ship them to any other market . It was cheaper for them to store their goods in the New York Custom House than in their own warehouses in London . For they had to build their own warehouses, at considerable cost ; while the United States government was so accommodating as to build the warehouse and offer them free use of it for the storage of their goods .

The Money Kings availed themselves of the privilege given them by our warehouse system . They stored millions of dollars worth of goods, not really for sale, but to be offered at a nominal price, for the purpose of “bearing”down the price of goods in the New York market .

The New England Mill owners would have to sell their goods as cheap as the English goods were offered in the custom house,—at one-tenth of a cent a yard below the cost of production . They had to keep on running, even at a loss ; for the delicate machinery, if suffered to lie idle for six months, would become lobsided and worthless . They continued to run on at a loss until they failed . Sprague, of Rhode Island, was the richest of the mill owners of New England . When he failed for ten million dollars, the tide of bankruptcy swept over New England . The newspapers at the time were filled, not with business advertisements but, with bankrupt notices . Amid the thousands of bankruptcies throughout the country the ruin of the New England mills attracted but little attention .

But the mills did not cease operations . New companies were organized, of which capitalists from abroad had control : the mills were set in operation again : prices were stiffened up to a point that yielded a fair profit ; and the manufactories resumed their prosperity .

Nobody in this country wished to break down the New England mills . And nobody on earth was powerful enough to do it but these London Money Kings . When the mills had broke their former owners, no American capitalists would have embarked in a losing business . But these Money Kings knew how they had broken them down, and how easy it would be to make them profitable .

The system of the Money Kings is not known to the public . When they break a man, or a company, they do not always set the head of the business aside . They do not wish to make a commotion in business circles by many changes ; and they need the experience of the old business managers . Their system is, not to destroy, but to subordinate . Their method is the method of the Romans in extending their conquests : the Romans always left a subjugated state with a modicum of power, until the time came to reduce it to a province . The Money Kings can always kick out their allies whenever they wish, the companies being under their complete control ; and they can afford to be seemingly generous for a while, till the time comes to take entire possession . In the present era of the growth of the Money Power, the Money Kings keep in partnership with their Gentile agents : in the next era, they will kick out the Gentile agencies, and put the business in the hands of their countrymen, the Jews .

IX . The Money Power Devoured Our Iron Industry .

Our iron industry, like the other manufactures of the country, is protected by our tariff, so that whatever iron is sold usually brings a remunerative price . The Money Power could only crush our iron industry by so crushing the prosperity of the whole country that there would be no building, and no demand for iron . Even in hard times, people must have clothing and fuel ; so that textile manufactures and the coal industry continue to maintain some degree of activity . But iron products are chiefly used in construction,building houses and factories and railroads . Hard times which put a stop to improvements close up iron mines, and foundries and machine shops .

The Money Power, by the crash of 1873, prostrated the whole country . For years, all improvements stopped . Mechanics were thrown out of employment by the hundred thousand, in cities, in mines, in shops, and roamed as tramps over the country . The repairing of railroads was almost the only use for iron ; and, as the Money Kings owned the railroads, they could send iron from England at any price ; for, selling to themselves, the price made no difference . For railroad iron, the protection of the tariff was ineffectual .

For five years after 1873, all business was crushed and lifeless .— But it was the harvest of the Money Kings . They bought our products at extremely low prices, and made unusually large profits : as iron works failed, they bought their plants : as lumber companies broke from the long stagnation of business, they bought mills and forests ; and they had a grand harvest foreclosing mortgages, and taking possession of mortgaged property .

When the harvest was reaped,—when the Money Power had devoured all the weak iron and lumber companies, and had gathered in all mortgaged property, the Boa loosed its

coil . By beginning to build railroads and to make city improvements, and by loans to start new enterprises, the Money Power, about 1879-80 started the country upon a new cycle of prosperity .

Possessed of boundless capitalpossessed of our railroadspossessed of the great trade centers of the countrythe Money Power has imperial control over our industry, and has monopolized the traffic in all the great products of the country .

X . The Money Power Has Devoured The Cotton Trade

The agencies of the Money Power in the Cotton States have been reduced to a perfect system . Agents have been established in every district, who make full semiweekly or weekly reports as to the condition of the cotton crop in each district . The reports begin with the plowing season, and go on through the entire year, giving every fact having any bearing upon the condition of the crop . They report the number of acres plowed—the weather—the number of acres planted—any blight ; army worm, excessive rains, drought—the prospect of crops—bolling of the cotton—the quantity picked—the amount of yield . And *every morning, the telegraph brings from Liverpool*, to all the agents, *the price to be paid for cotton that day* .

A general agent told a gentleman who was my informant, that his business was so mean and arbitrary and despotic, he hated it . He said the planters frequently struggled against the low prices which were ruining them . “But,”said he, “they had just as well fight against the course of the seasons .”” They have no alternative but submission to the prices offered by the Money Kings . And those prices mean poverty to the planter, and penury to the colored laborers who barely subsist upon their share of the crop .

XI . The Money Power Has Devoured The Wheat And Grain Trade

The construction of elevators has given to the railroads complete possession of the wheat and grain trade . At first, there was a pretence of individual purchase of grain . The Money Kings perhaps feared that the open monopoly by them of the wheat trade of the

country might cause discontent and murmuring, and they at first tried to hide their monopoly of the trade . The former custom was for some man to build an elevator at a depot, and figure as its owner, buying up the wheat of the surrounding country on his own account . But those agents frequently illustrated the proverb of a beggar on horseback . Beginning to drink, they had to be removed ; thus showing that they were only agents of the railroads . This plan failing, the railroads adopted the plan of granting to some wealthy individual the exclusive right to build elevators along the line, with of course the exclusive right to buy and ship grain over the railroads . This man, who is, of course, the agent of the railroad, appoints his agents at each depot, and has a monopoly of the wheat and grain trade along the line .

In this way, a few men buy all the wheat of the country . There is no competition ; the railroads fix the price of wheat and grains to suit themselves, and grind the farmers down into absolute poverty . And they not only plunder the farmer in the price, but they cheat in the measurement which fixes the quality of the wheat . For instance, several years ago, No . I wheat was 90 cents a bushel, No. 2, 75 cents, and No. 3, 60 cents a bushel . The wheat was so graded by the buyers, that all wheat weighing 60 lbs. and over to the bushel was rated No. I ; all wheat weighing 56 lbs. and over, No. 2 ; and all wheat weighing 52 lbs. and over, No. 3 . Now, if the wheat were measured in the good old fashioned way in an honest half bushel measure, most of the wheat would weigh 60 lbs. to the bushel, and be rated as No. I . But these monopolists cheat systematically in the measure . They use an oval gallon measure, easily battered, by accident, to diminish its capacity . Into such a small measure the wheat will not pack close, when poured very gently out of a pitcher into it . They then weigh the gallon and multiply by 8 to find the weight of a bushel . By this system of measurement little of the wheat rates as No. I ; and very much of it is rated as No. 3 . In this way, when No. I wheat was selling at 90 cents a bushel, this system of measuring caused much of it to be rated as No. 3, which brought only 60 cents a bushel .

But afterwards, when these monopolists sold the wheat out of the elevators, where it was under pressure, all of it would weigh 60 Lbs. to the bushel, and was sold as No. I !

The monopolists have now progressed so far with their system of oppression, that they at present only pay the farmer for wheat about 60 cents a bushel . And the farmers have to endure this system of cheating and oppression, because there is no competition, and the railroads arrange matters to suit themselves .

XII . The Money Power Has Devoured The Live Stock Trade In Cattle

Ten years ago, there were in Chicago fifty buyers purchasing cattle for the Eastern markets on their own account . Two years ago, I was informed that four buyers were doing practically all the business . The live stock trade in cattle is in the hands of the

Money Kings . No individuals can compete with them . They have broken down all the cattle buyers engaged in the business, and have either driven them out of the business, or forced them to become the agents of the Money Power . In the cattle trade, the Money Power reigns supreme, having crushed all competition and established a complete monopoly .

XIII . The Money Power Has Devoured The Trade In Hogs And Pork And Bacon

Thirteen years ago, there were pork packing firms in all the great cities of the West, doing an independent and profitable business . But in the hard times following 1873, pork packing became a losing business . For several years, hogs were high at the time the packers in St. Louis, Louisville and Cincinnati were buying and killing ; but when the bacon was put upon the market, immense capitalists put down the market, and the packers lost money . This continued for several years, until the individual packing companies, buying hogs high and having to sell bacon in the market depressed by dominating capitalists, broke .

The King of All the Pork Packers of America is Armour of Chicago . His has been an extraordinary career . A few years ago, he was a poor butcher, doing an ordinary business like many others of his fellows . But suddenly he became rich . In a year or two after his packing house was built in Chicago, he was killing six thousand hogs a day, and operating his business with a capital of $120,000,000 . These sudden fortunes, as we have seen in the case of the Railroad Kings, are suspicious . Where did Armour get his money ? He could not have made it in the ordinary way of business . It was impossible .

His sudden wealth is easily explained on the hypothesis that he is the chosen agent of the Money Kings to take possession of a grand line of American production for them . This explains his immense business, which sprung up like a creation of Aladdin's lamp . This explains the hundred and twenty million dollars so suddenly embarked in his business !

Besides the business in Chicago, Armour has packing houses in Kansas City and Omaha almost as extensive as the Chicago establishment . And, in Kansas City, he has a bank with such immense resources that, in a time of stringency in the money market, other banks in the city were compelled to lean upon it for support . All this unlimited capital is fully explained, if Armour is an Agent of the London Money Kings .

It also explains another singular fact : when the other packers, in St. Louis, Cincinnati and Louisville, lost money by their operations year after year till they broke, Armour made money all the time . As they grew poorer and poorer till they failed, Armour grew grander and grander, till he became a very colossus between whose legs pygmies creep .

Indeed, Armour was the storm king who ruled the storm which swept down the other packing houses .

The position of Armour in the Board of Trade, controlling prices, not only of pork and bacon and beef, but also of wheat and grain, is such as would be assumed by a chief and trusted agent of the Money Kings .

When we know that it is in accordance with the method of the Money Kings to employ such agents, and when we see a colossal American house which sprung up from nothing, like a mushroom in a nightwhich grew when all others broke—which thrived amid the disasters which prostrated other houses in the same line of business—the mind which seeks a cause for every effect is driven to the conclusion that Armour is a grand agent of the London Money Kings .

Another Fact shows that the London Money Kings are now controlling our pork and bacon trade through a system of agencies :—Some of the packing houses in Louisville, Cincinnati and St. Louis which broke, continued the business . Where did they get the Money ? They had, after their failure, no money with which to continue the business . Friends would not furnish them money to continue a business in which they had lost their own wealth . But they got the money somewhere, and kept on in business . Did they get their capital from the London Money Kings ? Did those imperial capitalists, when they had broken down the packing houses, subordinate them, and use their skill and energy, subsidizing them as agents ? If such was the fact, it will explain the state of things in the business world, otherwise inexplicable .

XIV . The Money Kings Devoured
The Dressed Beef Traffic .

There are many men in Chicago and other cities engaged in the fresh meat business who, ten years ago, were worth $10,000, and who are fortunate if they are now worth $50,000 . But all the great dressed Beef companies have had phenomenal successsuccess so remarkable as to be truly phenomenal .

I. Swift Brothers—one of the firms engaged in the dressed beef trade, when they started in the business were worth only $8,000 . Three years after, they were running seven hundred refrigerator cars costing $700,000, and were operating their business with a capital of $3,000,000 . Another house started on nothing, and, in ten years, was operating with a capital of $3,000,000 .

We can not account for this phenomenal accumulation of fortune by any natural business laws . But if such firms are agents of the London Money Kings for monopolizing the dressed beef trade, it accounts for it all and nothing else will .

2. Their being agents also accounts for the fact that these gigantic firms do not jostle one another—have no feeling of rivalry—do not cut one another in prices—nor seek, as individual competitors do, to gain superior advantages over each other for carrying on their business .

3. It also accounts for the dressed beef trade gaining no greater advantages over the live stock trade in the Eastern markets . Within a few years after it was started, the dressed beef trade had taken entire possession of the New England markets, and entered the markets of the Middle states . But it has made but little progress since its first success . Private enterprise that had succeeded to such an extent and with such rapidity, would have pushed on to complete possession of all the Eastern markets . But the various corporations of the Money Kings never destroy each other . They pool their interests, and compromise their differences . This looks as though there had been an understanding between the dressed beef companies and the railroad companies shipping live stock to the Eastern markets, that the dressed beef companies might proceed to a certain extent with their industry, but should not press their competition to the full control of the Eastern markets .

XV . The Money Power Has Devoured Our Whiskey Trade

The whiskey ring is a grand monopoly, involving many millions of capital . Many Americans went into distilling after the War, and for a time made a great deal of money . But about the time that the Money Power was crushing out the other industries of the country, the distillers almost all broke . Of course the thing could be explained as the result of ordinary business causes : The Money Kings always produce their results through the operation of natural causes : they have the capital to set any cause in operation they wish, for the accomplishment of any object . Soon after the distillers broke, the distilleries were set in operation on a greater scale than before .

The Grand Whiskey Ring was formed, strong enough to influence national legislation, and by increasing the tax on the whiskey, to add several cents a gallon to the value of the whiskey in stock, amounting in the aggregate to many millions of dollars .

In the breaking of the old distillers we see the method of the Money Power ; we see its method in the organization of the vast whiskey ring : in the reorganization of the distilleries ; and in the control of national legislation . There is no monopoly in the country that shows plainer marks of the methods of the Money Kings than the grand whiskey ring .

XVI . The Money Power Has Devoured Our Export Trade

The Money Kings have possession of every branch of traffic in the products of the country : of the railroads : of the ocean transportation . They have the export trade so hemmed in on every side that they can not fail to have possession of it . It necessarily follows from their buying up our cotton, our wheat, our pork, our bacon, our beef, that they export all these articles that are sent to the foreign markets . And, of course, they have established export houses through which they export the products they have purchased .

XVII . The Money Power Devours Our Currency

It follows from the facts already stated that the Money Power has possession of the great bulk of our currency .

I. **It is a Money Power** . Its magnates are money kings . One of the English writers calls the quarter in London where these operators have their places of business, "a city of money dealers . "It is by their possession of money that the Money Kings control trade . Most of these Money Kings are Jews : the Jews have been money dealers for centuries . They take possession of the money of a country, first : then by means of their monied capital they devour everything else .

2. **All Banks, have Immense Deposits .** There are two classes of depositors,— individuals who have a moderate surplus of cash over the requirements of their business ; and the Money Kings and their agents, who are buying all our produce and doing almost all the business of the country . These Money Kings are too shrewd to allow other people to bank on their deposits . It is a vast gain to own the banks, and make the profit of banking on their deposits themselves . Thus Armour has his bank in Kansas City . No doubt the other great trading and manufacturing corporations which are paying out many millions of dollars every year, also own the banks where the capital is held with which they do their business

3. When the facts are known, it will be discovered that a large number of our National Banks, especially in the East, are owned by the Money Kings .

It is certain that they have our currency in their grasp . The profits of the immense business they do are realized in money . And they are constantly loaning these cash profits to our people on mortgage . *They own all our money* . Our people only get it

from them in exchangethe farmer for crops : the employee for labor ; and the borrower for a mortgage on property .

Owning our money, these capitalists can make hard times and low prices whenever they please, by withdrawing the money from circulation . They only need to hold their cash profits in their possession, and stop lending them back, and stop making improvements, and then stop the manufactures of iron and lumber for which the demand will have ceased :—and, at once, all business will be paralyzed, and millions of people will be out of employment . The Boa has its folds around us, and can tighten them for our destruction whenever it may choose, just as it did in 1873 .

Thus the Money Power has advanced step by step in this country, until it has devoured almost every branch of our national industry :

1 . For years it has kept our currency constricted ; and it has devoured thousands of millions of dollars worth of our produce at half price, by maintaining panic prices through scarcity of money .

2 . It has thus kept us constantly in debt through an adverse balance of trade, and has devoured our gold and silver as fast as produced from the mines .

3 . The Money Power has devoured all our mercantile shipping ;

4 . Our import trade ;

5 . Our railroads ;

6 . Our oil production and trade ;

7 . Our New England Mills ;

8 . Our iron industry ;

9 . Much property in Chicago and other cities ;

10 . Our cotton trade ;

11 . Our wheat and grain trade ;

12 . Our live stock trade in cattle ;

13 . Our trade in hogs, pork and bacon ;

14 . Our dressed beef trade ;

15 . Our currency ;

And it has, throughout all its operations, conducted its encroachments with such cunning, craft, stealth, and subtlety, that its amazing course of ravage has not been known or even suspected by the outside public .

CHAPTER VII.

DEVOURINGS OF THE MONEY POWER IN THE U. S.

Industries Now Being Devoured By the Money Power.

The Money Power, as we have seen, has already devoured many of our great lines of industry . It is now enveloping every industry it has not already devoured, and is crushing them in the folds of its capital, preparatory to devouring them .

I . The Money Power is Crushing Our Coal Mines

By their monopoly of transportation, the railroads are securing a monopoly of the coal supply for mines owned by them . In some instances, before the passage of the Interstate Commerce Law, they refused transportation to coal of other companies . They usually form a separate company which owns the coal mines, and they have given special rates to such companies .

Even under the "Interstate Law" regulating railroad traffic, their monopoly of coal mines is not hindered ; for even if they made equal charges for their own coal and that of other companies, yet the charge for themselves is simply paid to themselves ; so that they can still undersell all competitors . This state of things must give to mines owned by railroads the monopoly of the coal trade, and all other mines must be sold to them, or closed .

II . The Money Power is Devouring Our Gold and Silver Mines

As a rule, persons having gold or silver mines to develop always go to the Money Kings or their agents for the capital to develop them . And the Money Kings never put any

money into a mine without having a majority of the stock given them, so as to secure to them its absolute control . They must have the lion's share in any enterprise before they will invest in it . They usually put in one of the original stockholders as their agent and manager ; and generally the mine is so managed as to freeze out the other stockholders .

A shaft is sunk down upon the "lead;" if it proves to be rich, only the poorer levels nearer the surface are worked, till the outside stockholders become discouraged and sell out their stock cheap ; then the mine is worked efficiently . But if, on the other hand, the mine proves to be a pocket, like the Emmy Mine in Utah, it is puffed in the papers until outsiders have bought the stock ; then the true state of things is revealed . Having full control of the mine, they are able, with their agent, to manipulate it as they please ; and finally they thus get control of all valuable mines .

III . The Money Power is Devouring Our Lumber Trade

It is evident that the Money Power has not yet gotten possession of all our lumber forests and lumber mills ; for, where it has gotten possession of an industry, it stiffens up prices to a uniform and profitable rate . The fluctuation in the price of lumber, and the cuts in prices between different dealers are evidence of the war of the Money Power upon all independent lumber men . The war can have but one issue . The ownership of the railroads gives such an advantage to the Money Kings in shipping their lumber to market, that, in the end, competitors must be crushed The Money Power will get possession of the coal mines and the lumber trade, as it has gotten possession of the mercantile trade of New York City, of the oil wells of Pennsylvania, and of the great lines of traffic .

IV. The Money Power is Devouring Our Flour Manufactures

Having full control of the wheat market, it would be the policy of the Money Power to make all possible profit out of the wheat before it reaches the consumer . To this end, the Money Power must manufacture the wheat into flour . The high price of flour in comparison with wheat shows that the agents of the Money Power have a large number of flouring mills in their possession . The occasional sharp falls in the flour market, crushing mill owners of small capital, and the occasional purchase of mills by the Money Kings, as in a recent deal in Minneapolis, show that the Money Power has not yet gotten full possession of the flour mills .

The possession of the railroad transportation gives such an advantage to the Money Kings in the flour market as must, ere long, with the further advantage of their immense capital, give them entire possession of the flour manufacture . Their recent purchase of flour mills in Minneapolis shows their desire to obtain such advantageous ground in the business as will enable them to crush all competitors and get possession of the entire business .

V . The Money Power is Devouring The Cattle Ranches of the Western Plains

The London Money Kings are resolved to possess not only the trade in beef, but also the production of cattle . They laid their plans years ago, for monopolizing the cattle production of the Plains . It was they who killed off the buffalo . The destruction of the buffalo was thus effected : A high price was offered for buffalo hides in whatever quantity they were offered . All men who wished to hunt buffalo could get an outfit on credit and pay for it in buffalo hides . On these terms, an army of buffalo hunters was organized . Hunters lined the banks of the streams where the buffaloes came to drink, and by shooting them down, drove the herds away ; and thus continued to shoot them as, parched with thirst, they came to the streams to drink . Some shot the buffaloes ; some skinned the carcasses ; some hauled off hides . In two or three years, the buffaloes numbering many millions were exterminated .

Nobody but the London Money Kings could have thus effected the extermination of the buffalo . None but they look so far ahead . Only they had money enough to equip such an army of slaughterers . Only they, in their immense world-wide commerce, had a market for such a vast number of hides . They had been obtaining hides for their trade in leather, shoes, and other leather products, from Buenos Ayres, in South America . It was only necessary to substitute buffalo hides for South American, for two or three years, to secure the extermination of the Buffalo .

The Money Kings saw a grand enterprise in devoting the Western Plains to the production of beef . As soon as the buffaloes were exterminated, they began to buy cattle in Texas, and cows and calves and young cattle in all the states, to start ranches on the Plains . This caused a boom in cattle all over the country ; and multitudes of enterprising Americans organized cattle companies, and started cattle ranches all over the West, from Texas to Montana, mortgaging their property, and taking money out of their business, in order to take stock in the cattle companies . The boom in prices was kept up until the Plains were fully occupied with ranches ; for the Money Kings had entire control of the cattle market ; and they offered high prices as long as it was their interest to induce Americans to invest in the beef production . In a few years, the Western Plains were fully stocked with cattle ranches .

When the ranches were established, it was time for the Constrictor to tighten its folds . The agents of the Money Power were the only buyers in the cattle market . The Money Kings themselves owned many cattle ranches in the West . They could always have a supply of their own cattle in the Market to be offered to their agents, the cattle buyers, at a very low price, so as to force down the market on other cattle owners . It would make no difference to them how low the price of their cattle—for they were selling to themselves . It was money out of one pocket into the other . They thus kept down the market for cattle, until almost all American cattle companies are now broke .

A gentleman largely interested in cattle companies told me, two years ago, that, at that time, fifty-seven per cent. of the cattle companies were broke . When we remember that many of the remaining forty-three per cent. of the cattle companies are owned by the Money Kings, it is evident that almost all the American cattle companies have failed, and that the Money Power has now almost completed its devouring of the cattle companies .

In order to destroy these American cattle companies, and also to crush the farmers raising cattle, the Money Kings have forced down the price of cattle, in defiance of the law of supply and demand . The market for beef is active, and growing with the growth of our population . The supply of beef has greatly diminished in the last few years ; two winters ago, a million cattle perished upon the Plains, from Texas to the Canada line ; four hundred thousand perished in Montana alone . The cattle market is never glutted . Beef is consumed as fast as it is offered . Prices ought to be good in the presence of an increasing demand and a decreasing supply .

Furthermore, the consumer pays as high for beef as he formerly paid when beef cattle brought a fair price . There is no reason why beef cattle should not now command a fair price . There is demand enough ; and the retail price is high enough . In view of the circumstances of the case, the pressing down of beef cattle to less than half price is an outrage upon our people . Beef cattle down to half price, with an active demand for beef, and a high retail price in the meat store ; It is a shame !

It shows conclusively that the Money Power should no longer be allowed to control our prices .

The Money Power is now crushing and devouring the cattle companies, as it, a few years ago, crushed and devoured the other business interests of our country . It put down the price of cotton goods until it broke the New England Mills, and then put up the price again when it had gotten possession of the mills ; It put down the price of oil until it broke the oil men of Pennsylvania, and then, when it had gotten possession of the business, it put up the price of oil ; It put down the price of iron wares until it got possession of the iron mills, and then it put up the price of iron.—So now, the Money Kings are putting down the price of beef cattle, until they get possession of the cattle ranches, and the farms of our farmers, and then, when they themselves have entire possession of the cattle production, they will put up the price of cattle fast enough .

VI . The Money Power is Devouring All Branches Of Production and Trade in Our Country

A new era of the growth of the Money Power has recently arisen .

It is originating vast Trusts which take possession of an entire branch of production or trade, and crush out all competition by the might of capital . A trust is a device for concentrating the investments of several Money Kings in a single line of business under a single head . For instance ; where many Money Kings have invested in a line of trade, by organizing a trust, they put all their business houses in that line and their stocks of goods into a single company, and place them under one management . The trust is thus able to control the amount of production, and all prices in that line of business ; and it can destroy all outside companies that are not in the trust . Thus, two years ago, a coffee trust was originated, which at once set to work to destroy all the coffee merchants not in the ring . It put down the price of coffee so low as to break down the competitors of the trust and no sooner was this accomplished, than the trust put up the price of coffee to more than double .

These trusts are, in effect, corporations without a charter—without any authority from the state ; and they are thus above governmental control . It is a new step the Imperialism of Capital is taking . Through these trusts, the Money Kings purpose to do as they choose, and crush out all competition with a high hand . They used to conceal their track, and hide their meanness as far as possible from the public eye . But now, emboldened by success, and intoxicated with the pride of imperial power, they unmask their aims, confident of their ability to over-ride all opposition .

1. The Standard Oil Company is a great trust operating with many millions of capital, and throttling all competition in the petroleum market .

2. Many Americans invested their means in the manufacture of cotton seed oil . But the Money Kings wanted then the oil for the manufacture of their bogus lard and butter . And they organized a "Cotton Seed Oil Trust" with millions of capital, and are taking possession of the entire industry .

3. A "Sugar Trust" has been organized, to take possession of the sugar production and traffic .

4. A "Whiskey Trust" is monopolizing the manufacture and sale of distilled liquors .

5. Recently, a "Cattle Trust" has been organized, to take entire possession of all cattle ranches, and the raising of cattle and production of beef .

6. Grand Trusts, each with millions of capital, are monopolizing production and traffic in salt, lead, cordage, nails, coke, lumber, sheet zinc, copper, crucible steel, and other products . Well did the English writer of the pamphlet soon to be quoted, say, "Nothing is too large, and nothing too small for English capital, and English enterprise ."

All these Trusts, like the Coffee Trust, will put down prices till competition is destroyed, and then they will double the price of the article they monopolize . Individual competition against these grand monopolies is hopeless . If an outside company goes into the Trust, they stop its business, and give to it a part of the profits ; till other establishments have been started sufficient to supply the market without it, and then the idle establishment, with its trade and its business connection all gone, is kicked out in the cold to die . On the other hand, if individual enterprises do not go into the Trust, goods are put down in the markets which they supply, and their business is taken away . In the Trust, or out of it, outside enterprises are bound to be destroyed .

But Trusts do not merely war upon individual competitors . There is another aspect of their operations, in which they especially war upon our national prosperity .

Trusts are of two kinds,—I) Those which operate in industrial products which are protected by our tariff ; and 2) Those which operate in branches of production in which we fully supply our own market and export a portion of the product . To the latter class belong the Standard Oil Company, and the Cotton Seed Oil Trust, and the Whiskey Trust . To the former, belong the Crucible Steel Trust, the Cordage Trust, and other various manufactures .

In the manufactures which fully supply our own markets, we ought very soon to take possession of the markets of the world . And we would soon do so, if production went on unobstructed . But the Trusts come in and arrest production, and keep us limited to the supply of our own markets, in order to maintain high prices, for their own profit . The Trusts do not merely injure the public by putting up prices;—but in order to put up the price, they commit a crime against the nation, by arresting our prosperity, and preventing us from supplying the markets of the world .

The Money Kings who are at the head of the Trusts are the London Jews who want to keep possession of the markets of the world for their English manufactures ; and the only way in which they can do this, is to arrest our growth by means of these Trusts . Such a crime against the national prosperity ought to be punished by the heaviest penalty .

Of a like tendency is the work of the Trusts which operate in those products, to which, not supplying our own markets, we afford protection by the tariff . The object of the Trusts is, to continue to obtain the high price derived from the tariff . And in order to effect this, they arrest production, so as to prevent our production from fully supplying our own markets and thus cheapening the price by home competition . They do this, in the first place, in order to get the high price of tariff protection . But they have another object which they desire especially to accomplish,—to prevent us from fully supplying our own market, and thus save it, in part, to their English manufactures . They know that,

with unimpeded manufactures, we would in a few years fully supply our own market, and then, with our great advantages, would soon drive English manufactures out of the markets of the world . They wish especially to prevent this and, as the only means of doing it, they organize these trusts, to limit our production, and keep us continually dependent upon English manufactures .

These trusts are really a conspiracy against the nation ; and they ought to be treated as such . They are worse than murder ; for they destroy many individuals by the slow torture of financial ruin . And they also strike at the national prosperity and the national life . They ought to be suppressed .

VII . The Money Power is Devouring The Retail Trade

The Money Power long since engrossed the great wholesale trade of the Eastern cities, and much of the wholesale trade in the West . It is now making rapid strides toward the monopoly of the retail trade of our cities and country towns .

1st. The First Stroke of the Money Power At the Retail Trade

of the country was the establishment of the great house of A.T. Stewart & Co., in New York City . A.T. Stewart was a Scotchman who, for years, occupied a little narrow place on Broadway a few feet wide, where he peddled needles, and thread and tape . He suddenly bloomed out in a palatial building, with a thousand clerks behind his counters, and twenty million dollars worth of goods upon his shelves . At the same time, there was a branch house of A.T. Stewart & Co., in Glasgow, Scotland, and another in Germany ; besides establishments in Belfast, Ireland, and in Paris . The peculiarity of his style of business was, that he had in his House a number of departments ; and, in the various departments, goods of every variety, of the best quality, and at the cheapest wholesale prices .

I . Many stories have been told to deceive the public, as to the means by which Stewart could sell such excellent goods so cheap . One story was that he bought his goods at auction, and very cheap, because they were the tail end of stocks, and damaged ; and that Mrs. Stewart renovated them, and thus enabled him to fool the ladies of New York, and make them believe them new goods . The story is absurd . A.T. Stewart could not have kept up his stock by auction purchases ; nor could he have obtained such goods at

auction . It is only a clumsy attempt to account for a fact inexplicable by all the laws of business .

2 . A.T. Stewart could not have accumulated in any regular business the immense fortune of one hundred million dollars which he was credited with possessing at the time of his death . His colossal business, so suddenly established, and the excellent quality and low price of his goods, can only be accounted for on the hypothesis that the London Money Kings appointed him head agent and Manager of a great retail house which they established in New York, and supplied with goods, in order to strike the first blow for the monopoly of the retail trade of New York City . This accounts for the immense establishment which sprung up like Jonah's gourd, in a night, and the colossal business ; it also accounts for the superior quality of the goods ; and it explains how, supplied from the manufactory direct he could retail his goods at wholesale prices .

3 . **The events following his death** show conclusively that *A.T. Steward was an agent of Money Kings* .

I) He was closely watched by Judge Hilton, who dined with him every Sunday on pretext of friendship, but really, no doubt, to talk over business and compare notes . At his death, Stewart left his business in Hilton's hands . And the American people were soon afterward shocked by the intelligence that Judge Hilton had cheated poor Mrs. Stewart out of all her husband's property, giving her only one million dollars for the entire estate of which Stewart died possessed .

Now, this is absurd . Mrs. Stewart was a very sensible woman . She had a perfect knowledge of the value of her husband's estate . Judge Hilton could not cheat her out of one hundred million dollars worth of property, giving her only one million dollars for it . But if he showed her papers that proved Stewart to be the agent of the London Money Kings, she would sign the transfer conveying to Judge Hilton the property that belonged to the Money Kings, and say nothing about it .

2) The heirs of A.T. Stewart afterwards brought suit against Hilton for the property, alleging that he had obtained it from Mrs. Stewart by fraud, and the whole matter was investigated in court . It was there proved under oath, by Hilton and the book-keeper of the House, that A.T. Stewart was only worth about $8,000,000—that he owned no interest in any real estate—that he had no interest in the palatial building in which the business was done—that he had no interest in the grand buildings erected by A.T. Stewart & Co. at Saratoga—no interest in the house of A.T. Stewart & Co . in Glasgow, Scotland, nor in the German house . It was sworn that he had no interest in the business, except a commission on sales . In other words, he was simply the agent of the London Money Kings, who were the "Co." that owned the business .

3) The arrangement Hilton made of the business showed that he was only an agent in the matter . If the business had been really Hilton's, he would have continued to carry it on and make millions out of it every year, as Stewart had done . But instead, he closed out the business in a short time, attempting to deceive the public as to the cause of failure, by

the farce of giving offense to the Jews, by excluding them from the hotel built by Stewart, at Saratoga .

2nd. These Mammoth Retail Stores Everywhere

I . Three immense establishments were started in New York City on the model of Stewart's, keeping in the various departments everything, the goods excellent, and retailed at wholesale prices . And these stores were avowedly in the hands of agents .

2 . And now, in all large cities, are to be found these immense retail establishments on the plan of the house of A.T. Stewart, and each with an agent at its head, managing the business for a percentage of the profits . There are several such stores in Kansas City . One of them does such an immense business that, as I was informed, the commissions of the manager amount to over sixty thousand dollars a year . The Money Kings pay their agents well .

3rd. These Stores Are Breaking Down All
Other Merchants.

The House of A.T. Stewart broke down one thousand retail merchants in New York City, many of whom became his clerks . In all our cities, these grand agency retail stores are monopolizing the retail trade . I found such stores in many of our country towns . They always keep immense stocks of goods of all kinds in their various departments, which they sell at retail at wholesale prices :—and their counters are swarming with customers . The old merchants are being driven from business .

I have found these stores in different towns in Missouri, and Iowa and Kansas, where I have lectured . The American merchants are driven from business, and have to leave town . All who live by the merchants are also thrown out of employment . The towns are slowly dying . I recollect, in a town in Iowa, where I delivered the lecture on the Money Power, on the next morning as I walked along the street, a man came out of his grocery store and invited me to enter . When I went in, he wrung my hand with tears in his eyes, and said :

"Ah Sir, one of those Jew stores you told about last night is established here in town . They make a specialty of groceries, they say, and profess to sell them at cost . My business is ruined, and the business of the dry goods merchants also . The people are

swarming into the Jew store to get things cheap . And I do not know what we are going to do."

What can they do but get out ? How can a man with only a moderate individual capital compete with people who have the capital of the world at their back ? They can afford to sell at a loss for a time, till they get possession of the trade . The American merchants can only give up the struggle and retire from business . If things go on as they are, in a few years more, the Money Power will have monopolized the retail traffic, as it has monopolized and is now monopolizing all the other branches of business in the country .

The Money Kings never carry any business by storm . Their approaches are always quiet and stealthy, their methods secret and tortuous . But they never yet have failed of accomplishing their end . A few years more will put them in possession of all the mercantile business of the country .

4th. A New Discovery ; A New Method of Attack By the Money Kings.

While this work has been passing through the press, I have heard of a new method of attack upon the stores of our country towns . It is like every thing else that the Money Power originates,—very effective, and sure of success if not arrested ; and it has all the traits of secretiveness, cunning, craft and slyness, that mark every thing that emanates from that source .

The * * * * Store System, as stated by one who knows, is based upon the following plan :—If a person has a small capital to engage in the business,—$500 or more,—the promoters of the plan will furnish him goods at a very low price to that amount, and as much more *without interest*, to be paid out of the business . On the other hand, the party binds himself to purchase a certain amount of goods every monthnot large ; and to sell the goods for cash, and at a *fixed price*, from thirty to fifty per cent. lower than any other merchant can afford to sell them . He will thus inevitably bankrupt all competitors .

This System has purchasing agents all over the country, to buy up bankrupt stocks as fast as the old merchants are broke . This system, of course, must be furnished with goods from New York, at first ; but after the merchants begin to break rapidly, the bankrupt stocks, purchased very cheap, will keep up the supply of goods, until the new stores are in full possession of all the business .

A list is made out of all the states and territories, with the available towns still unoccupied—one store to be started at a place .

This System is already widely established over the country, and, as my informant says, is making the merchants "open their eyes wide ." The Money Power is resolved to root out our country town merchants, and themselves take possession of the business .

VIII . The Money Power is Devouring Our Farms

So vast is the income of the Money Power from its various sources of wealth, that it can no longer find investment for it in its immense loans to the nations of the old world—in its loans to states and counties and cities and municipalities and corporations—in building new warehouses and ships for its ever extending commerce—in erecting new factories—in building new railroads—in opening new mines—in starting new mercantile establishments . All these vast branches of enterprise can not afford the Money Power sufficient investment for its enormous and constantly increasing income .

It can only find investment in mortgages of city property and improved farms, and in the purchase of new and grand branches of business .

1st. Farms Mortgaged.

Until I began to lecture on the Money Power, I had no idea of the extent to which our farms have been mortgaged to the Money Kings . I thought that perhaps one-twentieth of the farms were mortgaged . I knew that Dakota was shingled over with mortgages ; but I supposed that the condition of Dakota was exceptional . I was astonished upon reading an article in a New York paper, evidently intended to soothe the public mind, stating that the public need feel no uneasiness about Dakota—that statistics proved that there are more land mortgages in the state of New York in proportion to area and value, than in Dakota ! I was astounded at the statement . The Lord have mercy on New York ! !

I thought that, in Missouri, the people surely are out of debt . I knew that they are economical, and not overventuresome and enterprising . What was my surprise when, in the first place where I delivered my lecture on the Money Power, a good citizen said to me :—

"I don't know much about prophecy . But I do know that what you say about these foreign capitalists is true . To my certain knowledge, at least two-thirds of the farms in this community are mortgaged to foreign capital ."

I travelled widely through Missouri, and everywhere I found statements that two-thirds to three-fourths of the farms are under mortgage ! ! —In Iowa, the same state of fact exists . In some counties of that state, where farms used to sell for twenty-five dollars per acre, the farms were mortgaged for one-third of their value ; and after a number of farms were bought in by the mortgagee for eight dollars an acre, the amount of the mortgage, all the lands receded to that price.—A gentlemen told me that, in one of the counties of Iowa where he had investigated the state of things, the property valuation of the county was $3,000,000, and there are $2,000,000 worth of property mortgaged . Perhaps this is an average of the condition of things in the state .

In Kansas, a very large proportion of the farms are mortgaged—a much larger proportion than in Iowa or Missouri .

In Nebraska, as I am informed, the agents of the Money lenders are to be found in every neighborhood . They go through the country like lightning-rod agents, urging the farmers to borrow money on five years time, secured by mortgage on their farms .

2nd. Land Loan Agencies

In any of the large cities, if you go into the office of one of the Farm Loan Agencies which has agents all over the state, and ask for a loan on your farm, the agent will ask where it lies ; tell him the county, and he will ask the township ; and as soon as you tell him, he will step to the wall and, after a moment, will draw down the map of your township and will show you your farm . They are prepared to mortgage and buy every farm in the whole country .

A banker said to me :—"The money line of these Land Loan Companies always has three points,—the agent in the West, who loans the money ; the intermediary in the East, from whom he gets it ;—but the third point in the line is always London . There is where the money comes from."

How the Money for the loans is obtained was told me by an agent who loans large amounts every year, through a large number of subagents . He sent his mortgages to a little bank in an Eastern state ; from which the money was sent to him . That bank transferred the mortgage to the third party from which the money came originally . And this third party is the Money Power of London, or some of its immediate agents .

The Money Kings hide their trail in these loan transactions without difficulty . They need only to buy up the stock of a bank or an insurance company, in some Eastern state ; and then, through such an agency, they can loan millions of dollars :—and the American people think it is simply Eastern American capital ! Thus, a little bank in Connecticut

can loan millions of dollars every year, when it is only making in its regular business some twenty thousand dollars a year .

The Money is London Capital, as is evident from the vast amount of it loaned in this country . Billions of dollars have been loaned upon farm mortgages, to say nothing of the vast amounts loaned on city property . No American banks or insurance companies could loan such immense amounts of money .

he London Money Kings have, in this country, an income of many hundred millions of dollars, every year, derived from interest on loans—from the profits of their various lines of investment—from the various industries they have monopolized—and from the various lines of traffic they have taken possession of . They invest in the United States all the income derived from their investments in this country ; and statistics prove that, besides this, they are sending to this country, annually, a large amount of specie for investment, being a portion of their profits derived from their vast trade with the outside world . It is manifest that the Money Power is loaning in the United States many hundred million dollars every year .

We have about reached the end of our tether . About two-thirds of the farms of the country are now mortgaged for one-third of their value, on five years time . In the ten great states of the West and Northwest,—Ohio, Illinois, Indiana, Michigan, Wisconsin, Minnesota, Iowa, Nebraska, Missouri and Kansas, the valuation of farm property, according to the census of 1880, making a liberal allowance for the increase of value, amounts to $7,000,000,000 . It is estimated that the farm mortgages in those states amount to $3,400,000,000 . The farms are usually mortgaged for one-third of their value on five years time . The amount of farm mortgages given above is probably excessive . One-half the estimate is most probably nearer to a correct statement . We may perhaps safely say that, in the above ten states, two-thirds of the farms are now under mortgage for one-third of their value on five years time .

How much of the other one-third of the farms is now owned by the Money Power it is impossible to say . Thousands of agents have been loaning money all over the country for more than twenty years, on improved farms and plantations . Down South, in Mississippi or Alabama, ask in any neighborhood about the grand plantations of the past, and they will tell you those plantations are under mortgage or owned, as the phrase is, "by foreign capital." The Southern plantations passed into the hands of the Money Power in the hard years following the war ; the Western farms are passing to them now . Many of the plantations of the South and many of the improved farms of the West have had the mortgages on them foreclosed, and now belong to the Money Power . If we include the farms on which mortgages have been foreclosed together with those now mortgaged, we can see what an immense area of our country the Money Power will own, when the mortgages they now hold shall have been foreclosed .

3rd. The Money Power is Crushing the Farmers

so that they can not pay their mortgages and save their farms . Having two-thirds of the farms of the country mortgaged to them, the Money Kings are putting down the price of all farming products, so that it is impossible for the farmers to pay off their mortgages . The Money Kings are the only purchasers of produce, and by establishing Boards of Trade which are absolutely subject to their control, they are able, through them, to fix prices to suit themselves . By the agency of the Boards of Trade, and by their monopoly of the traffic in all farming products, they have put down the price of farming products, until it is impossible for the farmers to pay off the mortgages on their farms .

1. The Money Power Has Put Down the Price of Beef

We have already seen how the Money Kings have put down the price of Beef, in defiance of the laws that regulate business prices, wholly setting aside and annulling the law of supply and demand .

2. The Money Power Has Broken Down The Wheat Market

Two years ago, our wheat crop was fifty million bushels short . It was naturally expected that the price of wheat would rise . I saw a quotation from a Liverpool paper, at the time, stating that it was expected that the price of wheat would be high, owing to the short American crop and the active demand, and expressing surprise at the low price of wheat that prevailed in America . The price was put down by the imperial power of the Money Power over the American markets .

When it was known that the wheat crop was fifty million bushels short, the price of wheat was seventy cents a bushel . It was naturally supposed that the price would go up . A syndicate of Cincinnati capitalists, acting on this business probability, organized with a capital of $12,000,000, to operate in the Chicago market ; not to put up the price of wheat to ninety cents or a dollar a bushel, which the condition of things would have warranted, but merely to keep the price up to the existing rate of seventy cents a bushel . They had capital enough to make their operations a sure success under the rules of the Chicago Board of Trade, which only allowed wheat to be sold as it was delivered into the elevator . The regular average amount of delivery was about three hundred car-loads a day, and they had money enough to purchase this amount of daily delivery, until they could make their operation a success .

But the wheat operators of Chicago had the elevators all over the Northwest full of wheat ; they ordered the Chicago Board of Trade to rescind the rule which prohibited the sale of wheat except as delivered into the elevators, and allow it to be sold out of the cars ; and when their order was obeyed, they rushed down to Chicago from all over the Northwest three thousand car loads of wheat a day ! They sold the Cincinnati syndicate wheat at seventy cents a bushel, till their $12,000,000 was gone ; and then, when they had broken the syndicate, they at once put down the price of wheat to sixty cents a bushel !

It was a great outrage ! When the wheat crop was fifty million bushels short, and the supply was inadequate to meet the demand, wheat, according to all the laws that regulate prices, ought to have gone up to at least one dollar a bushel . To put down the price, under such circumstances, lower than it had ever been before, was an outrage—a violation of all the laws of trade—a revolutionary overthrow of the law of supply and demand .

In the same way, and at the same time,

3. The Money Power Broke Down the Cotton Market

Two years ago, a Southern syndicate was formed, to sustain the cotton market at the low price at which cotton was then held . A capitalist at Houston, Texas, headed the movement, with $15,000,000 at his back.—But the Money Kings now own many of the cotton plantations of the South ; and they delivered cotton to the syndicate at the price offered, till the $15,000,000 were gone ; and then, when they had broken the syndicate, they immediately put down the price of cotton one and one-half cents a pound !

The Money Kings have the cotton market completely in their grasp . As one of their agents said, "the planters had as well struggle against the course of the seasons as against the prices fixed by the Money Power." They have put down the price of cotton, until it will not pay wages to the laborers who produce it . It could not be grown at all at the present price, if the negro laborers did not take their pay in a part of the crop, so that they share the oppression and poverty of the planters . The negro laborers are barely able to subsist, by raising their own provisions ; but they are brought down to the condition of the Hindoo peasant .

4th. Two Years Ago Was An Era

in the history of American prices . That was the time when the Money Power boldly and openly went into the Board of Trade and crushed all opposition, and put down prices to suit themselves, in open defiance of the law of supply and demand, and all the laws that regulate prices . Before that time, other persons dared to operate in Boards of Trade, on the indication of the markets under the Law of Supply and Demand . But the Cincinnati and Southern syndicates were so completely crushed, that no man will ever again dare to interfere with the Money Kings in their manipulation of prices in Boards of Trade . The Money Kings then made so terrible an example of their opponents as to deter all others from repeating the offense .

The Cincinnati syndicate was so sure that, with a short supply of wheat and an active demand, they could sustain their move in the Chicago Board of Trade, that some of them were tempted, when hard pressed, to use other people's money in their possession . For this offense they were prosecuted, and sent to state prison.—After such terrible examples, no one will ever dare again to interfere with the Money Kings in their regulation of prices .

Boards of Trade are instruments controlled at will by the London Money Kings, *and may be made to register their will* . Under the rule of the Chicago Board of Trade the Cincinnati syndicate was perfectly safe in its operation ; they had enough money to pay for all the wheat that could be offered them under the rule of the Board of Trade . When Armour went into the Board of Trade, and demanded that the rule should be changed, so as to enable the agents of the Money Kings to break down the Cincinnati syndicate, and the Board of Trade at once complied with the demand, the fact was thereby established that Boards of Trade are conquered by the London Money Kings, and made agencies by which to regulate prices as they see best, and that all persons are to be broken down who attempt to sustain against them the law of supply and demand . That was a practical announcement of the fact that

The old law of supply and demand is wholly abrogated*, and the will of the Money Kings is put in its place, as the sole regulator of prices in our modern age* .

The law of supply and demand can only regulate prices when there is a free market, *and the free competition of buyers and sellers operates to regulate prices* . But there is no such competition now ; the agents of the Money Power are the only buyers of all produce . Boards of Trade are subdued by them, and answer to their manipulations . By the might of Capital, they can regulate prices in any Board of Trade . They control absolutely the Chicago Board of Trade, and Chicago regulates the price of produce for the whole country . They can fix all prices to suit themselves by their imperial power over the markets, in utter disregard of the law of supply and demand, and in utter violation of all the laws that regulate prices .

The time has come for the public to consider this question of prices, *and find out some new way in which we may regulate prices, and keep them at a proper and uniform standard . They can never suffer the Money Kings to regulate prices and ruin our*

farmers by their arbitrary exercise of imperial power, thus subverting all the legitimate laws of trade .

As long as it is left to them, they will do as they have been doing ; they will put down the prices of all produce while it is in the hands of the farmers, so as to buy it cheap ; and then, when it is in their own hands, they will put up the price, so as to sell it high ! This has been their regular habit for years . How long are the American people going to stand it ? How long will they suffer themselves to be plundered by these capitalists ? When the old method of regulating prices by the law of supply and demand is no longer operative,

we must find some other way

by which to regulate prices .

And it will not be difficult to find a much better way . One method will be presented in this work, later on . Either it, or some other method will have to be adopted, if we do not intend for the Money Kings to freeze out all our farmers, and get possession of their farms .

5th. The Money Power Determined To Have the Farms

No farm product, except hogs, brings a fair price . And the price of hogs is owing to hog cholera . With the danger of cholera, the farmers would not raise hogs at all, but for the inducement of a fair price . No Western farmer, at present prices of grain, and beef, and other produce, can pay wages, pay taxes, and support his family in comfort—much less pay off his mortgage . Some of the newspapers, setting forth the views of the Money Power, are already saying that the farm laborer of the Northwest must submit to a reduction of wages . And other newspapers declare that our farmers must lose their farms, and let us have the Tenant Farm System that prevails in Europe .

The wages of the farm laborer may be reduced, but this will not save the farmers . At the present price of produce, no mortgage can be paid off .

A distinguished gentleman of Iowa told me that he, not long since, travelled in the same seat with a general agent for farm loans who has many subagents in different counties of the state ; and, in the course of conversation, he asked him if the farmers could pay off their mortgages ? The agent laughed at the idea . He said it was impossible—that he had orders not to foreclose, except as a last resort.—The Money Power means to have the farms ;—but it wishes to appear indulgent .

Conversing with a banker in Kansas, a very clever gentleman, I spoke to him of the great evils that would follow the loss of the farms . He laughed pleasantly, and said, "I think the farmers will have to lose their farms."—From present appearances that must be the result . If things continue in their present grooves, in a few years more, the Money Power will have foreclosed its mortgages, and will own in fee simple two-thirds or three-fourths, or even a larger proportion, of the farms of the country .

And then, when the farms have been devoured, it will be an easy matter to finish the merchants and grocers of the country towns . When the Money Kings own the farms of the Northwest, as they do many of the cotton plantations of the South, they will pay off their peasant farm laborers, as they now pay off the negro laborers on their Southern cotton plantations, with orders to their own stores . Then all the outside merchants who are not already broke by the stores established by the Money Power, will have to give up business . The merchants will have the sad grace accorded to them which the Cyclops accorded to Ulysses, of being the last to be devoured .

Then the Money Kings will have accomplished their aim . They will have everything in the country . America will be the Ireland of the New World—its people peasants, groaning under the yoke of foreign landlordism .

CHAPTER VIII.

DEMONSTRATION OF THE WORK OF THE MONEY POWER IN THIS COUNTRY

That it is the London Money Power which is thus crushing our industry is proved by evidence that is a scientific demonstration . I make no assertion without proof . The demonstration has been necessarily delayed till the facts were all presented . But the proof is absolute, and overwhelming . It is, indeed, a scientific demonstration, based upon the application of the fixed laws of industry.

The evidence is cumulative . Each point of evidence strengthens the others until the conclusion is demonstrated beyond the possibility of doubt.

I . FIRST PROOF : BRITISH TESTIMONY TO THE EXISTENCE OF THE MONEY POWER, IN 1864 A.D.

The year 1864 was an era in the growth of the Money Power . The English public then first realized its growing greatness, and the idea produced a powerful impression upon the English mind . The English are reticent on the subject of the growth of the Money Power . Not a word is ever said of it in Parliament . The papers never publish a line that would enable the foreign world to know of the centralization of all wealth and property in Britain . It is their national secret.

But when they first learned of it in 1864, in the first flush of joy and pride they forgot reserve for a moment, and gave utterance to their self-gratulation . Some of these outbursts fell under the eye of the author of this work . The English writers speak in glowing terms of the rising Imperialism of commerce and wealth, then building up by the Money Kings ; but they couch their thoughts in enigmatical phrase, which would be understood by the initiated, but would not expose their national secret to the outside world.

I quote two of these press statements published in 1864, in the beginning of this grandest era of the growth of the Money Power . They fully bear out all I have stated in describing the Imperialism of capital, industry and wealth established by these Jew Money Kings.

1ST. FIRST BRITISH STATEMENT

I will first quote some statements from a brilliant writer in one of the English reviews, who gives a graphicoutline sketch of the Imperialism attained, at that time, by the Money Kings . He says :

" London, as every one knows, contains a city within a city ; and within this inner city there is yet another [the Money Quarter], the very heart of the metropolis . It is a small place . In a couple of minutes, you may walk across it, from side to side, from end to end . Yet it [the Money Quarter] is the center and citadel of our greatnessthe heart whose pulsations are felt to the farthest extremities of the empire . The occupants of the precinct [the Money Kings] have dealings with all the world . The railways which accompany the ceaseless advance of the white race into the prairies of the Far West, in America [our North-western States]—the [mining] companies which explore and develop the [mineral] resources of California and Australia—the iron roads and irrigating canals which are maturing the prosperity of India—the enterprise which covers with tea plantations the valleys and slopes of the Himalayas, and which carries our countrymen [the agents of the Money Kings] into new regions everywhere,—are created or sustained by the outgoings [of capital] of this little spot in London.

" The wastes of Hudson Bay—trading companies for the Nile—the cotton planting which is invading Africa—ocean lines of steamships—submarine telegraphs connecting dissevered continents—water works for Berlin—gas for Bombay—these and a hundred other matters and projects engage the thoughts and employ the capital which is at the command of this busy hive of operators [the Money Kings] . *Almost every country is included in their operations*.

" And almost every state is indebted to them . From gigantic Russia to petty Ecuador and Venezuela *they hold the bonds of every government*, those of Persia and Japan excepted . Prosaic as their operations are in detail, taken in the mass, they constitute a grand work . daily and hourly, *it is their business to scan in detail the condition of the world* . They weigh the influence of the seasons—they know the condition of every mine—the prospects of every railway—the dividends of every Company.

" It [the Money Quarter of London] is a city of Money Dealers—a Sanctuary of Plutus.—Blot out that inner heart of London, and the whole world would feel the shock ." (! ! !) (Capitals and italics mine).

His calm style and intimate acquaintance with facts and commercial principles place this writer above the charge of exaggeration . Indeed, there is reticence throughout the article ; allusion instead of statement, suggestion rather than fact . And yet, what a picture does he draw of the imperialism over industry, trade and wealth attained by the Money Kings of London.

2nd . Second British Statement

I next quote from an article in Blackwood, for 1864, in which the writer speaks of the Money Quarter of London as a Temple of Mammon, in which the Money Kings are storing up the wealth of the world . He says :—

" There [in the Money Quarter of London] they are ceaselessly storing up the wealth that flows to them from the rest of the world . Men in strange climes, and in strange dresses, and speaking all manner of tongues, are seen preparing produce and luxuries of all kinds for the Temple, which flow thither in long streams across land and sea . And still the work of storing goes on : gold, silver, and all precious things [bonds, stocks, etc.], — the delights of lifethe cream of the earth's good things—accumulate higher and higher in the chambers of the Temple [the Money Quarter] ."

3rd . Third British Statement : The Pamphlet

I do not think that any one can still doubt the fact that the Money Kings of London have established a grand imperialism of industry, trade and wealth, extending all over the world . If a shadow of doubt remain in any mind, it will be dispelled by the utterances of a pamphlet given me, in London, in 1864 . The pamphlet was intended for private circulation only, and therefore speaks out frankly with regard to this grand English Imperialism of Capital . In a discussion with the author of this work, the writer of the pamphlet lost his temper and coolness of judgment, and gave him a copy of this remarkable publication.

The author of the pamphlet speaks of the wealth of the Money Kings as national wealth, and of their capital as English capital . Where he speaks of England, therefore, he means the Money Power of London ; and when he speaks of the English, he means the Money

Kings . The writer shows but little literary skill, either in his style, or in the grouping of his facts ; but his statements are true, and his facts authentic . The following extracts from the pamphlet present a picture of the monopoly of industry, commerce and wealth, attained by the Money Power, in 1864, that will startle mankind . The writer says :—

" It is a remarkable position England occupies in the world . A little point amid the Northern seas, almost invisible to the school boy as he seeks for it on his globe, and which he may hide with his finger point as he turns the colored sphere, the British Isles are nevertheless the heart of the world—the center to which the thoughts and acts of men most generally tendand to and from which the streams of material life are ever flowing.

" If we draw on a map the great lines of commerce, we will see what a large proportion of them converge to our shores . It was once a proverb that "all roads lead to Rome"; and England, commercially, holds in *the world* [italics his] the same predominant position which the Eternal City held in the restricted era of the Roman empire . Our country is the chief goal of the highways of commerce . Caravans, with their long strings of laden camels and horses, are ceaselessly crossing the plains and deserts of Asiarailway trains drawn by the rapid fire car rush across Europe and America with their freights of goodsand ships in thousands bring to us, from all parts of the world, the staple supplies of our food and industry ."

* * * * "China sends raw silk, and tea ; India sends cotton, indigo and rice . We get our spices from the Philippine Islands ; almost all our coffee from Ceylon ; a portion of our cotton from Egypt ; hides, chiefly from the pampas of Buenos Ayres ; wool, chiefly from Australia and the Cape ; wood, from the Northern countries of America and Europe ; flax and tallow, from Russia ; corn, chiefly from the United States and Russia ; and the precious metals from Australia, California, Mexico and the Andes of Peru . * * * * England [i.e. the Money Power of London] furnishes employment to tens of millions of people in the uttermost parts of the earth,—the Chinaman in his tea plantations and mulberry gardens—the Hindoo in his rice and cotton fields—the poor Indian miner in the Andes—the Gaucho, as he follows his herds in the Pampas—even the Negro of Africa, and the natives of the far and fair Islands of the Pacific ."

" Of our exports, we send beer to India and Australia ; coal, to many places, to supply coaling stations for steam vessels, but chiefly to France . We send cotton yarn for manufacture to India, Holland and Germany ; cotton piece goods to the United States and Brazil . Our hardwares and cutlery go chiefly to Australia, India and the United States ; and our woolen and worsted goods to the United States, India, and China, Germany, British North America and Australia ."

* * * * "The trade of England is ubiquitous . It penetrates to every part of the earth . Fully three-fourths of the exportable produce of every country is sent direct to England, and of the remaining one-fourth, the greater part is carried by English enterprise, and at English risk to the port of consumption . In like manner, almost every spot on the earth

receives its foreign supplies from this country, or by the hands of English traders [agents of the Money Kings] ; and by means of English capital . * * * * We are the great general merchants of the world ." * * * *

" We [the Money Kings] are the manufacturers for the world . Every nation in the world except England may be called an agricultural country ; each no doubt, has some few manufactures more or less rough ; but the manufactures of every one are trifling in the extreme in proportion to the raw products which it grows . Consequently, few countries export much except raw produce ; and the direct trade between the various countries of the world is very small . All trade through England ; for what little goes direct from one country to another is generally on English [Money Kings] account, carried by English [Money King] enterprise, and with English [Money King] capital ."

" We [the Money Kings] are the great carriers for the world . Thirty thousand ships sailing under the flag, or bearing the cargoes of [the Money Kings of] England, are ever on the seas going and coming from all parts of the globe . * * * * * From the Thames, the Mersey, the Tyne, and the Clyde argosies and commercial armadas are ever leaving, and jostle in our estuaries with similar squadrons making to port.

" We [the Money Kings] are the shipbuilders for the world ; *and own or have mortgages on every vessel afloat . The shipping in every foreign port either belong to England* [the Money Power,] *or are employed by England* [the Money Power,] *with the exception of a few coasters.*"

" The shores of our estuaries, lined with miles of docks and building yards, ring with the clang of hammers ; and vast ribs, of wood and iron, curving upward from still vaster keels, show where leviathan vessels are being got ready for their adventurous career . * * * * * Both classes of our ships, both steam and sailing, are regularly increasing in numbers . In both kind of vessels, too, there is a steady increase of size . Comparing the present amount of our shipping [in 1864,] with what it was in 1850, we find that we have 11 per cent. more ships, 40 per cent. more tonnage, and 15 per cent. more men ."

Filled with enthusiasm at the picture presented to his mind, the writer exclaims :—

" Our little islands no longer suffice for us . Our energies have far overpassed their limits . There is room for us to live and work herethat is all . *These islands are our house and garden, but our farm is detached . * * * We live upon the world .*"

The writer goes on :—

" We [Money Kings] are the railway makers of the world : *and the actual owners of the greater proportion of foreign railways*.

" We [Money Kings] carry the mails for the whole world . Strange as it may appear, even the letters from South America to North America have always passed through the London postoffice.

“ No one can go from one part of the world to another without passing through England ; so completely do we [Money Kings] monopolize the whole passenger traffic .”

“ We [Money Kings] *are the bankers of the whole world* . If the North sends money to the South, or the East to the West, the money must be sent through Londonthere is no other way.

“ We [Money Kings] are the bullion dealers of the world : all gold and silver is brought direct to England [to the Money Kings,] in payment of debts due to us [Money Kings,] *and then is redistributed by us in the shape of public and private loans.*

“ We [Money Kings] have the lion's share in every mine.

“ We [Money Kings] are the great capitalists of the world . * * * * * It may be truly said that there is not at any time any corner of the world in which Englishmen [the Money Kings] have not more or less pecuniary interest . Without English [Money King] capital, and English [Money King] enterprise, the tallow of Russia could not be brought from the interior to St. Petersburg ; nor the timber of Norway and Sweden and Poland be brought to the ports of embarkation ; nor the cotton of Egypt to Alexandria . English [Money King] capital performs the internal traffic of every country, and largely supplies the means of interior production .”

“ We [Money Kings] are the annuitants of the world . We have loaned money to every government, and almost to every municipality . Every country has to pay large sums to the English [Money Kings] as interest upon loans, amounting to many hundreds of millions [pounds] .”

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King] capital performs the internal traffic of every country, and largely supplies the means of interior production ."

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" Nothing is too large and nothing is too small for English [Money King] capital, and English [Money King] enterprise . We [Money Kings] even pave, light, watch, and drain numerous foreign cities . The very waterworks of Berlin were constructed by the English [Money Kings], and are owned in England [by them] . So endless are the ramifications of British [Money King] trade and enterprise, that the slightest misfortune to any country or people seriously affects [the Money Power of] England . A severe drought in the most remote spot on earth leaves England [the Money Power] a serious loser . A deluge in any country fills our [Money King] ledgers with bad debts . An earthquake in any quarter of the globe largely reduces English [Money King] profits . Every flood washes away English [Money King] dividends, English [Money King] exports, English [Money King] imports, and sweeps away English [Money King] capital, and ruins English [Money King] future expectations ."

"in fact more than half the world is mortgaged to england [the Money Kings] ."[(1)]
(Capitals and italics in the forgoing are mine.)

The foregoing statements make it evident that, in 1864, the Money Kings of London had already established a grand empire over industry, manufactures, commerce and wealth, which was then dominating all the countries of the globe . The Money Kings were the only great capitalists of the earth . No country had sufficient capital to build its own railroads, or make its own public improvements, or even raise and market its own products . All gold and silver was sent direct to London as soon as taken out of the mines, in part payment of debt, and then was redistributed by the Money Kings in loans to nations,—to states—to counties—to municipalities and to individuals . The Money Kings were then "the actual owners of the greater proportion of all the railways of the world ." They "owned or had mortgages on every vessel afloat ." The ocean commerce of the world was in their hands . Their "capital performed the internal traffic of every country ." The world was even dependent upon them for "money to supply the means of interior production ." Even at that date, this writer says, "More than half the world is mortgaged to [the Money Kings of] England ."

No one can doubt that, in 1864, the great capitalists of London had established an Imperialism of Capital that was then dominating the earth, and monopolizing industry and commerce.

If its capital was so great at that time, to what gigantic proportions must it have attained *in the twenty-five years that have since elapsed* . Its capital has at least

quadrupled since then . No wonder they are everywhere seeking farm loans, and are buying up property all over the earth.

The above declarations of English writers, if there were no other proof, would alone establish all that I have said about the operations of the Money Power in this country.

ii . Second proof : scientific demonstration,
deduced from the law's of political economy,
applied to industrial condition of u.s.

In a natural state of things, industry moves forward in accordance with the laws of Political Economy which regulate business and trade . When we perceive that the present condition of things in the business World is utterly contrary to what the natural laws of industry would bring about, we know that some mighty influence is at work, powerful enough to override all the laws of Political Economy, and bring about the abnormal condition of things, by the might of irresistible capital . Such is the state of fact at the present time.

The Law of Scientific Demonstration has not been generally comprehended . Any Hypothesis respecting the facts of a case is scientifically demonstrated to be true, when it harmonizes and explains all the facts of the case . It is not necessary to have any outside evidence : the harmonizing and explaining all the facts of the case is, without any outside evidence, a Scientific Demonstration of the truth of the Hypothesis.

It is by such evidence that the Copernican System is demonstrated to be true . In the era before Copernicus, while the Ptolemaic theory, that the Earth is the center of the universe, was held, Astronomy was not a science . When Copernicus promulgated the view that the Sun is the center of the Solar System, and that the Earth and all the Planets move around it, the theory was held to be scientifically demonstrated to be true, by the fact of its harmonizing and explaining all the phenomena of the Solar System.

So, I now present the Theory that all these grand corporations that are overshadowing this country are run by Money King capital ; and I demonstrate its truth, by showing that it harmonizes and explains all the facts, which, on any other supposition, are a jumble of discordant incidents utterly contradictory of all the principles of Political Economy.

1st. The Laws of Political Economy
Which Are Violated

The laws of Political Economy are as fixed as the stars in their course . They are the Laws of the Business World, which are as immoveable and unalterable as the Laws of Nature . Let us note some of these Laws of the Business World :—

Principle I . *In a normal state of things, all prices are regulated by two things*,1) *The amount of currency ; and* 2) *The law of supply and demand.*

Principle II . *A large capital in business operations is a great advantage, and gives to its possessors a marked superiority over competitors having small capital.*

Principle III . *Persons established in business have an advantage over those just starting in the same business, other things equal.*

Principle IV . *From above principles, it follows that a new Man who starts in business poor, is at a great disadvantage in competition with Rich Men who are already established.*

Principle V . *A New Man who is Poor, if he starts in business in antagonism with rich Men who are already established, will be at such a disadvantage that he will be almost certain to fail.*

Principle VI . *In Business Crises, men of large capital who are already established in business, have a great advantage over new Men just starting in the business with small capital.*

Principle VII . *In Business Crises, men of small capital, who are overtrading, and have to borrow money, are at such disadvantage that they are usually the first to break.*

Principle VIII . *It follows from the above principles, that New Men of small capital can not, as a rule, enter into competition with rich Men already established, and drive them out of business ; but in such cases of antagonistic competition, the New Men of small capital will be the first to fail.*

Principle IX . *And especially in Business Crises, new Men of small capital can not, as a rule, successfully enter into competition with Rich Men already established, and take their business from them ; but, in such antagonistic competition, the Rich Men already established will be able to sustain themselves, and the new Men of small capital will fail.*

Principle X . *The superiority of a large capital is equally apparent in all operations in stocks and produce, in Boards of Trade*.For

Principle XI . *The Laws of Chance have their variations only within certain limits, and in the long run conform to regular law : so that, in gambling operations, the longest purse will win, in the long run.*

Principle XII . *In operations in Boards of Trade, new Men with smaller capital can not, as a rule, break down richer men, and reduce them to bankruptcy;but the New Men will, in the long run, fail in such operations*.

Principle XIII . *From the above principles it follows that, in the Business World, a man can only make a reasonable amount of money in a given time.*

Principle XIV . *The wealth of a country, under the operation of the natural laws of Political Economy, will increase most rapidly in times of prosperity, and will increase more slowly in eras of industrial depression*.

The above Principles are Industrial Axioms . Their truth is recognized as soon as they are stated . They are Laws of the Business World, which are as fixed as the course of the Planets in their orbits . The Planets have their perturbations : and there may be occasional exceptions to the Laws of Industry laid down in these Principles . But the exception proves the rule . There can not be any general departure from these Principles.

2nd . These Fixed Principles of Political Economy
Are Now Violated in Every Particular

by the facts of the business world, in our time . We call attention especially to four points :

The Principles of Political Economy Are Violated :

I . **In the abnormal condition of prices** ; which are no longer regulated by the amount of currency, and by the law of supply and demand ;

2 . **In the abnormal condition of business** ; in which new Men who started poor have taken possession of everything;

3 . **In the unheard of aggregation of wealth in the hand of New Men**, who have sprung up from poverty into unprecedented wealth ; and

4 . **In the anomalous fact** that the wealth of our country has increased most rapidly when the general prosperity was at the lowest ebb.

1 . The Principles of Political Economy Violated, by Prices
Being No Longer Regulated by the Amount of Currency,
And the Law of Supply and Demand

The Amount of Currency and the Law of Supply and Demand would, at present, give us good prices . And the fact that prices are now broken down is evidence that there is an active and powerful agency at work subverting the laws of Political an adequate cause for the low scale of prices then prevailing.

Scarcity of money is not now the cause of our low prices . Money is now abundant in the country . We have much more money than can be used in carrying on the business of the country, at the rate of prices now prevailing . The men who purchase our farming products have such abundance of means that they are able to pay cash for all our products, without needing bank accommodations . At our great money centers, money is abundant, and the rate of interest is low . Money is so abundant in the country, that any man can get a loan, for any amount, provided he has property to mortgage as security . Hundreds of millions are for loan, constantly, on farms and real estate . Money is so abundant, that its holders are seeking in every direction for opportunities of investment.

The low prices of farming produce now prevailing can not be caused by a scarcity of money.

Nor are the low prices caused by over-production . We have not an oversupply of wheat, or cotton, or pork, or beef, or any of the great staples of the country . The growth of population keeps pace with the growth of production, and the increased supply is merely sufficient to meet the increased demand . The crop of each year is always consumed by the time the next crop is ready for market . At no time has the market been oversupplied.

The present low prices can not be attributed to a glut of the market . On the contrary, prices have gone down, especially, at times when the supply was inadequate to meet the demand . The present condition of prices is anomalous . So far as money and the law of supply and demand go, we have the conditions for fair prices.

There is now as much money in the country, and we have as good a market for produce, as in 1870, and in 1881 and 1882, when prices were much higher than now.—Prices are no longer regulated by the amount of currency and the law of supply and demand.

Prices are now regulated by a Titanic Imperialism of Capital . Facts already mentioned, and which it is unnecessary to repeat here, prove this demonstrably . The prices of farming produce are low, because the Imperialism of Capital is the only buyer of our produce, and there is no competition : because prices are manipulated by an Imperialism of Capital, in Boards of Trade, and fixed according to the will of the Money Power : because the Money Power so dominates the markets of the world that it makes

the Liverpool price the standard for all countries ; while it keeps down the Liverpool price, by keeping on hand shipments of India produce, raised on plantations owned by the Money Kings, with Hindoo *Ryot* labor, at five cents a day.

2 . The Principles of Political Economy Violated, in the Fact That New Poor Men Have Taken Possession of Everything, in All Departments of Business.

A multitude of New Men have grown up from poverty into sudden wealth, dispossessing richer men of business in which they were well established, thus throwing all the business of the country into new channels.

New Men are at the head of the import and export trade of the country—of the trade in all lines of produce—in the oil business—in manufactures—in the great wholesale trade—in the packing business—in all the great lines of business in the country.

In New York City, New Men bankrupted the old merchants, and took away the business from them.

These New York merchants—English branch houses—afterwards put down the price of goods, and broke down the New England Mills . They were evidently in collusion with their London principals ; and their ability to break down the New England Mills is another proof of the mighty capital behind them.

New Men went into Wall Street, and broke the old operators, and acquired immense fortunes ; a positive proof that the New Operators were backed by the unlimited capital of London, which made their operations a certainty.

New Men went into the oil regions, broke down the old operators, monopolized all the wells, and secured a grand monopoly of oil ; manifest proof that they had behind them the power of an immense capital.

In pork packing, the old Louisville and Cincinnati packers were all broke, while a New Man sprung up in Chicago from poverty into sudden and immense wealth ; a demonstration that the New Man who rode the storm before which the others went down, and who put $120,000,000 into his business in a few years, is not a principal in his business, But is an agent of the Money Kings, who gave him unlimited capital for his operations.

This is an age of New Men . In all the great branches of business, the old business men have gone down, and New Men have taken their place . New Men who started poor,

have, all over the country, broken down and displaced the former operators who were rich, and well established in business.

The fact is capable of Scientific Demonstration that those Americans who have thus suddenly grown up into wealth and power, are

The Agents of the London Money Power

It is impossible, under the regular laws of business, that these New Men could be independent operators, conducting business on their own account . To suppose them independent operators makes the business life of the age an anomaly,—full of facts utterly contradictory of all the laws of the business world.—Our age is moving onward, with the facts it presents in utter antagonism to all Law . Its facts are a jumble of irreconcilable contradictions to the past experience of the world, and to the fixed and immutable laws of Political Economy . Enlightened Reason revolts against the idea that these men are engaged in independent business, and rejects it as utterly absurd.

When, in all lines of business, we see New Men who were poor break down the rich men who were in the business before them, and drive them out of the business and take possession of it themselves, *we may know that the New Men have, from some source, not known to the public, supplies of capital greater than is at the command of the men whom they break down*.

All the facts are explained, if we suppose that the New Men, who started poor a few years ago, are the agents of the Money Power, and are using its capital . *But to suppose that they have, unaided, by their own narrow means, supplanted and driven from business richer men, is the rankest absurdity*.

The absurdity of the idea is manifest . It is impossible for poor young men to go into business, and bankrupt the rich men already established, and take their business from them, unless the Poor Young Men were secretly the agents of the London Money Power, and were supplied with funds by the Money Kings, so as to enable them to break down all opposition.

Napoleon said, Providence always favors the strongest battalions, in war . In business, as in war, God does not choose to work miracles by setting aside the regular laws of nature, but leaves natural laws to work out their natural results ; and men of smaller capital who launch out boldly into business in antagonistic competition with rich men already established, will, as a rule, come to ruin . In business, the longest purse wins, as the strongest battalions, in war.

Whenever we see a multitude of poor men growing rich, and bankrupting rich men already established in business, we may be sure that, from some source,

The Victors Have the Heaviest Capital.

This is Law*Law fixed as the course of the planets* . As has been said, the planets have their perturbations ; and there may be occasional exceptions to these business laws, where a poor man may grow rich in such a manner . But when a multitude of such cases occur—when, indeed, it is the rule for Poor Young Men to get rich, and rapidly supplant their predecessors in trade—so that all business changes hands—in such cases, it is certain that *the poor men who thus get rich have behind them the backing of a mighty capital* . This is Law . By the operation of the Law of Cause and Effect, *the heaviest Capital carries with it power to crush smaller operators ; as surely as a thundercloud carries rain, or the North Wind cold.*

Look Over to London,

and all is plain . We have seen that in 1864, the London Money Kings were carrying on business all over the earth . In 1865, Mr. Gladstone stated in the House of Commons that the United States was the best place for investment, and advised British capitalists to make investments here . What is more natural than that they should concentrate their capital upon this country?

The Drift of Gold to the United States, proves that London capitalists have not only been reinvesting here all their profits derived from their business in this country, but that they are sending profits of their world-wide commerce over here for investment.

Where is the Money that has been coming in a constant stream for investment ? We can not find it, unless it is the money these New Men have been investing in their own name . If the capital these New Men have been investing is London capital, it makes all plain.

There is More Evidence to prove that the London Money Power has been extending its Imperialism over our country by breaking down our business men, and thus conquering and taking possession of our business, than there is to prove the truth of the Copernican Theory of the Solar System . It establishes the fact of the work of the London Money Power in this country beyond the possibility of doubt.

This evidence is enough . But it is not all :

3. The Principles of Political Economy Violated, in the Sudden Acquisition of Inordinate Wealth by A Multitude of Poor Men, in A Very Short Time.

It is needless to mention the names of the multitude of the newly and immensely rich . All know them . That they have the wealth is evident : they have the property to show for it.

The Important Question is, Whose wealth is it ? Is it theirs ? and did they make it out of their own resources ? Or is it the wealth of the London Money Kings, which they are holding in trust, and managing on commission ?

All is Plain if they are the agents of the Money Kings ;—but to suppose them to have made all the money themselves, in so short a time, and under such conditions, is a contradiction of all the fixed laws of Political Economy.

Let Us Note Some of the Facts . We have a vast number of facts in the industry of our times which, if we leave out of view the London Money Power, are the strangest anomaly in the history of the world . There are a multitude of facts in the history of our age, which, as they are commonly regarded, transcend the vivid imagination of the Romancer, or the wild dreams of Oriental fable.

When Eugene Sue needed a Colossal Fortune as the basis of that strange work of fiction, *The Wandering Jew*, he constructed a fortune of $42,000,000, as the result of the accumulation of several generations . But, in our times, we have the Vanderbilts credited with $200,000,000, acquired in a little over twenty years . And Armour was operating his business, in a year or two after starting it, with a capital of$120,000,000.

If Eugene Sue had stated such a thing as this in his novel, it would have been scouted as perfectly ridiculous . If the author of the Arabian Nights, in narrating the adventures of Sinbad the Sailor, had made him acquire such a fortune, the credulity of his readers would have been too severely taxed . Such a Colossal Fortune would have overtaxed the powers of the Genii of Aladdin's Ring and Lamp;and yet, we believe all that is told us about the mushroom fortunes that are said to be made in our time . Without consulting probabilities at all, we take it for granted that the natural laws of industry are wholly suspended, and that MIRACLES of accumulation are being wrought around us.

We believe that Com . Vanderbilt made $100,000,000, in twelve years !—that Jay Gould made $200,000,000, in ten years !—that Rockefeller has made $150,000,000, in fifteen years !—and that Armour made $120,000,000, in three years ! ! ! Is there anything the American people will not believe, if the newspapers tell them it is so ? ! ! Had those men

possessed Aladdin's lamp, and diligently rubbed it all the while from Monday morning to Saturday night, they could not have made so much money, in the time !

The Gambling Argument Refuted

It may be said that these men made their money dealing in stocks,that they were gamblers ; and luck was in their favor ! But the mutations of chance correct their variations in the long run, and return to some regular order, by a series of changes which may be calculated . The gambler at the roulette table may win for a time on the turn of the wheel ; but as surely as he continues to tempt Fortune, he will have a turn of luck, and will lose all, at last.—So these gamblers in stocks.

They would long since have lost all they had gained, if it were mere luck ; as so many others have done, who trusted to fortune entirely, without any great unlimited capital at their back . But these men uniformly win.

Their success is the result of Capital, which enabled them to insure success . Commodore Vanderbilt went into Wall street with only a million dollars . He was constantly opposed by Daniel Drew, who was worth $15,000,000 ; and he frequently had the whole street against him . And yet he was able to carry out all his plans successfully . It is known that he had command of unlimited capital—more than could be brought against him in all North America . The operations of Vanderbilt, and Gould and others in Wall street can only be accounted for by the fact that they were the agents of the London Money Kings, and were supplied with sufficient capital to make their operations an assured success.

The Facts of the Outside World

make it apparent how impossible it is that so many Americans should have made such colossal fortunes in a few years.

An article has recently appeared which shows the concentration of wealth in a few hands in the United States, from which it appears that there is greater concentration of wealth here than in any other country . There are about seventy persons who average over $37,000,000 each, most of them having made it within the last thirty years . This makes these persons,—these Newly Rich,—wealthier than the richest capitalists of Europe, whose fortunes have been growing up for generations . It is said that “The richest dukes of England fall below the average wealth of a dozen American citizens ; while the

greatest bankers, merchants and railway magnates of England can not compare in wealth with many Americans ."

The average annual income of the wealthiest one hundred Englishmen is about $400,000 ; while the average annual income of the richest one hundred Americans largely exceeds $1,000,000 !

Even the richest of the Rothschilds left only about $17,000,000, the result of the accumulation of several generations[(2)].—Earl Dudley, the owner of the richest iron mines, was worth at his death but $20,000,000.—The Duke of Buccleuch left about $30,000,000.—The Marquis of Bute is now estimated to be worth $40,000,000 ; the Duke of Norfolk, about the same ; and the Duke of Westminster about $50,000,000.

It is perfectly evident by comparison with these grand fortunes abroad, which have been actually made, and under the most favorable circumstances, how impossible it is that these Americans should have amassed these fabulous fortunes, in a day . It is impossible.

The idea is contradicted by all the history of the past : it is contradicted by the actual facts known to exist in other countries, in our time : it is contradicted by the laws of Political Economy which govern the business world : it is contradicted by the certainties which limit the possibilities of business accumulation.

The Absurdity of the Idea is too gross for belief . The men have not made these fortunes . It is impossible that they should have made them . They are the agents of the London Money Kings—have been using their capital—and are holding their property in trust for them.

4. The Principles of Political Economy Violated, in the Enormous Growth of Wealth in the United States, From 1870 to 1880 .

A Remarkable Fact Fully Corroborates the conclusions drawn from the foregoing testimony, and proves positively the workings of the Money Power in this country . From 1870 to 1880, the wealth of this country increased from $30,068,000,000 to $43,642,000,000 ; an increase of $13,574,000,000 . That is, the wealth of the country increased in these ten years of disaster over two fifths of the whole amount !

This Immense Growth of Wealth would indicate that our country was then enjoying an unprecedented prosperity,—that our merchants, and manufacturers and farmers were growing rich with unprecedented rapidity . But the fact is, that those were ten years of overwhelming and universal financial ruin . Business was dull during the whole ten

years : and five years out of the ten were years of such general prostration of business, and such overwhelming ruin, as no country ever before suffered in time of peace . Prices were never so low—business was never so prostrate—bankruptcies, never so numerous.

Our people were all growing poorer : farmers were getting in debt : there were from nine thousand to ten thousand great business failures every year ; besides the multitude of small bankruptcies of which no account was kept . The American people were poorer, in 1880, than in 1870;—and yet the wealth of the country vastly increased,increased beyond precedent,—during the interval.

How do We Account for the Anomaly ? The people getting poorer, and the country two-fifths richer during the ten years ? It is easily accounted for . The accumulation of wealth was not the wealth of our people ; but the wealth of the corporations established in America by the Money Kings.

Those Were the Ten Years when Armour was building up his gigantic business, while American packers were being broken down : when the Money Kings were getting possession of property in Chicago and other cities : when the Money Kings were taking possession of the great lines of trade, buying up our cotton and wheat and pork and bacon and whiskey, and breaking those engaged in the business before : when the Money Kings were taking possession of our manufacturing interests in the North, and planting the beginnings of a grand manufacturing system in the New South : when Jay Gould was buying up his grand railroad system : when other railroads were being purchased, and when lumber forests and lumber mills and hundreds of other branches of American industry were purchased cheap by the Money Kings at bankrupt prices.

All These Purchases Required a Vast Outlay of Foreign Capital in the country ; and they account for the strange anomaly that the wealth of the country increased so vastly, while the American people, suffering from hard times and low prices, were getting poorer, and suffered one hundred thousand great bankruptcies.

There was indeed the opening up of new farms ;—but the great increase of wealth in the country was the growth of the wealth of the Money Power in America . It was the growth of grubs in the head of the sheepof worms grown from the eggs of the ox-fly in the back of the ox . The wealth was not our wealth, but the wealth of the Money Power . It did not belong to our people, or our nation, but to the horde of predacious vermin—parasites—that are preying upon us.

Synopsis of the Argument

As has been said, the evidence here adduced proceeds on the same scientific basis as the Scientific Demonstration that proves the truth of the Copernican Theory . As that

Scientific Theory is demonstrated to be true by its harmonizing all the phenomena of the Solar System, so the Theory that it is the Money Power which is devouring all our industries is proved to be true by its harmonizing and explaining all the facts of the Business World that have been so perplexing to all observers.

Everybody knows that the times are out of joint . The most startling business developments are constantly occurring;but no one has been able to account for them . Our business system is like Astronomy under the old Ptolemaic System : it is a jumble of incongruous facts, wholly unaccountable by all the ordinary laws of industry, and indeed in antagonism with them.

The Hypothesis, that all the facts are caused by the work of the Money Kings through a system of agencies in this country, makes all plain.

1 . We have the existence of the Money Power set forth by English writers, who declare that it is constantly piling up the wealth of the whole world higher and higher in its Temple, the Money Quarter of London : that its capital is carrying on the business of all countries, and generally supplying to them the means of interior home production : that, twenty-four years ago, it owned almost all the railroads of the world ; and that it is carrying on its operations, all over the earth . The existence of the grand world-wide Imperialism of Capital is a demonstrated fact.

Furthermore, this Money Power always operates through joint stock corporations : it always systematically conceals its operations : thoroughly organized, it proceeds in the accomplishment of its aims of conquest in accordance with a regular method.

2. Hence, when we see in this country grand corporations monopolizing all business, thoroughly organized, proceeding in their breaking down of independent business men with regular uniform method—carefully concealing their wrecking operations from the public—working always by secret underhanded methods :—these facts create a strong presumption that these corporations are the agents of the London Money Power.

And when we see a multitude of other facts, all pointing in the same direction, it becomes a certainty.

3. We find a multitude of New Men, who started poor, going into business without capital of their own, and breaking down Rich Men already established in business, and taking the business from them.

4. We find New Men, starting poor, in a few years ostensibly having possession of vast fortunes, greater than the wealth of the Rothschilds, or the richest Plutocrats of Europe.

5. We find our country vastly increasing in wealth in the decade when business was dullest, times hardest ; and when the whole country was swept by an overwhelming tide of ruin.

6. We find business drifting into new channels—being monopolized by a few great capitalists—the multitude of small business operators being ruined, while grand companies with overwhelming capital are taking possession of all kinds of business.

7. We see times hard, while money is plenty : we see business dull in the ordinary business channels, while the railroads are pressed beyond their capacity by the constantly expanding industry of the country.

8. **We have more business than ever before** ; but it is gone out of the hands of the many small operators, and has gone into the hands of a few great business companies.

9. We see money abundant, and demand for produce steady and active ; and yet prices of produce as low as in old days of the 40's, when money was so scarce that we had only $64,000,000, of currency in the country . * * *

The people have seen these and other anomalies already mentioned, and have been asking the reason . The reason for this state of things is sought in vain in ordinary business causes . The action of ordinary business causes would, in a normal state of things, give us general prosperity . There is great business activity-plenty of money lying idle—an abundant market and an active demand :—there are all the elements of prosperous times, high prices and general prosperity ;—and yet, notwithstanding, we have low prices, hard times, everybody in debt, and great masses of our people on the verge of ruin . The state of things is unaccountable by all ordinary business principles.

Some Great Cause for These Effects

These uniform violations of the principles of Political Economy can not be fortuitous . In all these great lines of facts the principles of Political Economy are violated ; and the facts are too numerous, and too varied, to have occurred by chance . There is some great cause, of which all the facts are the effects.

Without the presence in our Country of a grand Imperialism of Capital, these facts, numerous, and on varied business lines, and all in utter violation of the principles of Political Economy, and wholly contrary to the results that would have followed the regular operation of natural business laws, could not have occurred . They are the natural effects which the capital of the Money Power, invested in vast amounts, would produce . And they could not have originated from any other cause.

The facts of our Industrial System are wholly inexplicable, unless we adopt the Hypothesis that the London Money Kings own all these great enterprises, ostensibly owned by Americans ; and that their capital is producing all the anomalies apparent in our Industry.

This Hypothesis harmonizes and explains all the facts of our Industrial System ; and this harmonizing and explaining the facts demonstrates the truth of the Hypothesis on the strictest Scientific principles . It is a scientific demonstration.

The reasoning is without a flaw . It is the same kind of evidence as that by which the Copernican System is proved to be true . And it is even more conclusive.

And yet this is not all the proof . There are other facts, which strongly corroborate the proofs already offered, and which make the conclusion doubly sure.

III. Third Proof : Corroborating Facts, Proving That the Capital of These New Men is the Capital of the Money Power .

If there were no other evidence, that which has been adduced is amply sufficient to prove the work of the Money Power in this country . But the last shadow of doubt is dispelled when we see so many facts in corroboration of it.

Jim Fisk dies, and at his death it becomes evident that the firm of Fisk & Gould were not the owners of the Erie Railroad, but were only agents.—Jay Gould's railroad system breaks down, and proves that he did not own the railroads he was believed to possess, but was only an agent of the Money Kings.— Commodore Vanderbilt dies, and only divides up three and one-half millions among his children . — Wm. H. Vanderbilt sells out a controlling interest in the Vanderbilt system for $50,000,000, and places the money in a London bank.—And, at his death, he leaves his property, so that it can he easily controlled by a single will.—A.T. Stewart dies, and it is proved that he was only an agent of the London Money Kings :—These and many other similar facts make it certain that these grand corporations in our country are the agencies of the London Money Power.

2 . If any agent wants to deny that the Money Kings are his principals, it is very easy to prove the denial to be true.

Let him show the stock books of his corporation, and show who the stockholders are ; and let him show that his corporation is not mortgaged to the London Money Kings . *No man who is afraid to show his stock books, can deny that he is the agent of the London Money Kings.*

3 . **The necessity for concealment** shows why employees of those corporations, when testifying in court, and before committees of Congress, can not be induced to state who are the stockholders of the corporations they serve . That is their secreta secret that is never divulged.

One of them, after answering frankly the questions that were asked him about the management of his company, begged to be permitted not to tell who were the stockholders . He said he had come prepared to answer truly all the questions that might be asked him concerning the management of the business, but he had no right to tell who were the stockholders of the corporation . He was excused by the Committee ; and the American people do not know who are the stockholders of the Standard Oil Company.

They do not wish Americans to know that all these grand corporations are owned by the London Money Kings ! They guard this precious secret with the greatest care.—The books of a corporation were once taken out of a New York court by force, and carried off to Canada, to prevent it from being discovered who were the stockholders.

They never will permit the public to see their books,—unless indeed, hereafter, they should devise a new system in which the agents might be allowed to hold the stock under trust bonds, and carry it upon the books in their own name, in order to deceive the American people . They will do it, if necessary . Anything to keep their secret !

iv. Fourth Proof : the Jews Taking Possession of Property, in Europe, As in this Country.

What the Money Power has been doing in this country, it has been doing all over the world . All over the earth it is extending its empire over industry, commerce and wealth . The national debts of the world now amount to about $26,000,000,000 . It is estimated that the entire indebtedness of the world, national, state, county, municipal, corporate, and individual, amounts to over $70,000,000,000 . If three-fourths of this indebtedness is owed to the Money Power—and this is a moderate estimate—then at four per cent., the income from interest alone, amounts to $2,150,000,000 a year . Beside this, it has the profits derived from its manufactures—from its ocean commerce—from its city rents—from its mines of coal and lead and silver and gold and copper and tin—from its petroleum—from its freights and passenger traffic on its railroads and ocean vesselsfrom the profits of its farms and plantationsfrom the profits of its merchandizing—from its trade in all the productions of our country, and of the whole world . From all these sources, the Money Power have an annual revenue vast beyond computation.

In the United States, the Money Power is Making Almost All the Money that is made . Our people used to get the Liverpool price for our produce ; the profits being divided between the producer, the merchant who shipped, and the shipowner who carried it . But

after the Money Power bought our ships, we only made the profits received at the sea board . And now, the Money Power has devoured our import and export sea board tradeour railroadsour minesour manufactures, and the traffic in all our products ; and all that our people now get is, what the Money Power pays our farmers for produce, at the railroad depots . All the profits, from that point, are realized by the Money Power and its agents . And it is the same in all other countries . From these facts, we can form an idea of the immense profits the Money Power is realizing from its imperialism over industry, commerce and wealth, all over the earth.

Though the fact that the Jew Capitalists are the London Money Power, a grand Imperialism of Capital, has never been thought of before, yet thoughtful observers have noticed the rapid rise of the Jews into astonishing wealth . Since this work was written, a thoughtful book, entitled *The Jews*, by Samuel H. Kellogg, D.D., has fallen under my eye, from which I take some very startling facts that are new to the public . The statements are more striking in their bearing upon the Imperialism of Capital attained by the London Jews, from the fact that the author of the work has no idea of the Jewish London Money Power.

It shows that the Jews have done, and are doing, in Europe, all I have shown that they are doing in the United States.

1st . Jewish Power and Influence

Dr. Kellogg says :—"Everywhere in Europe is noted the extraordinary tendency of capital to concentrate in Jewish hands ."

A writer in the *Nineteenth Century* makes the following statements :—

" **The Influence of the Jews** at the present time is more noticeable than ever . That they are at the head of European Capitalists, we are all well aware . * * * * The Jews are, beyond dispute, the leaders of the Plutocracy of Europe . * * * * In all the vast financial schemes of recent years, the hand of the Jews has been felt, both for good and evil . The Rothschilds are but the leading name among the whole series of capitalists, which include the great monetary chiefs of Berlin, Amsterdam, Paris and Frankfort . During the ten years, 1854 to 1864, the Rothschilds furnished in loans, $200,000,000 to England, $50,000,000 to Austria, $40,000,000 to Prussia, $130,000,000 to France, $50,000,000 to Russia, $12,000,000 to Brazil, in all $482,000,000.This, besides many millions loaned to small states ."

And this was twenty-four years ago, when these capitalists were comparatively feeble ! How many millions have they loaned in the last twenty-four years ? ! !

In Prussia, where the Jews are only two per cent . of the population, in 1871, out of six hundred and forty two bankers, five hundred and fifty were Jews ; *i.e*. about six-sevenths of the whole number—And this was seventeen years ago . How great has been the growth of Jewish capital in the interval ! !

In Austria, a similar state of things exists . One of the religious papers of Berlin makes the statement that “The Bourse of Vienna actually lies 'wholly in Jewish hands .”

The petition of the Anti-Semites, circulated in Germany, in 1880, complains:—"The fruits of Christian labor are harvested by the Jews . Capital is concentrated in Jewish hands .”

2nd . These Jew Capitalists Are Taking Possession of the Business of Europe

So long ago as 1861, according to the Prussian official returns, out of seventy-one thousand Jews in Prussia, capable of work, thirty eight thousand, or more than half, were engaged in commerce ; while, at the same time, only one Jew in five hundred and eighty six was a day laborer.

In Berlin,—where the Jews were five per cent . of the population,—in I87I, while, out of every hundred Protestants, thirty nine were returned as “employers," out of every hundred Jews, seventy-one were engaged in commercial life : It is evident that the Jew merchants make at least five times as much profit as the Protestant “employers" engaged in various lines of business.

In Lower Austria, out of 59,122 merchants, 30,012 are returned in the last census as Jews.Over half the merchants Jews, while the Jews are less than five per cent . of the population ! And we know that the Jew stores are always extensive establishments ; while the native merchants have the small stores.—When the Jews are half in number of the merchants of our towns, what will have become of our merchants ? Where will they be?

In Algiers, even a worse state of things exists . According to *Le Telegraphe*, "Constantina, Algiers and Oran belong almost completely to the Jews . The whole trade of Algiers is in their hands ; and, in consequence of high and usurious rates of interest, a large proportion of the natives are fallen into the power of the Jews .” The writer adds, “Here is a dark point, full of danger for the future .”

3rd . These Jew Capitalists Are Devouring the Lands of Europe

The Jews have become to a vast extent the owners of the soil of Europe, and are rapidly becoming the owners of Europe in fee simple, as they are of the United States.

In a debate in the German Reichstag, on the famine of 1880, in Upper Silesia and Posen, it was said that one of the causes of the starvation of the people was the fact, that the lands of those countries had passed, by mortgage foreclosure, to a vast extent, out of the hands of the German Proprietors into the hands of the Jews . So far had this foreclosure of mortgages gone that, as it was stated, the German population were so stripped and impoverished that they were “almost incapable of raising themselves again .”—So will it be in this country, in a few years more . Thank God that it is not so yet.

A Berlin paper asserts, "It is a fact which can no longer be denied, that the population of the remote districts of Russia, Austria, Hungary and Roumania, are only the nominal possessors of the soil, and for the most part cultivate the land for the Jews, to whom they have mortgaged all the estates .”—One would almost suppose this writer to be speaking of farmers of Iowa and Kansas!

In Galicia, mortgages have, for several years past, increased at the rate of about eight million florins per annum ; and it is stated that one-third of the total amount has already passed, by foreclosure, into the hands of the Jews . The sheriff's sales of peasant land were one hundred and sixty-four in 1867 ; but, in 1879, these sales had risen to 3,164 ; “and it was almost exclusively the Jews who brought about these foreclosures, and acquired thereby the property .”

In the province of Berkowina, of the private mortgages registered in 1877, eighty-two per cent.,—according to the official returns,—were owned by the Jews.—In 1881, it was stated that already one-half of the real estate of that province, in town and country, had been taken possession of by the Jews, under foreclosure of mortgages . And Dr. Thaddeus Pilat, the Director of the Bureau of Statistics, expressed the opinion that “the remainder would, very shortly, go the same way .”

From Hungary, similar facts are reported In that country, in 1878, there were sixteen thousand sheriff's sales of property, far the greater part of which passed over to the Jews . The London Spectator stated, a few years ago, that the Jews had obtained possession of so many of the old estates of Hungary, “as to make a change in the constitution a necessity .”

In Roumania, the same authority says the gravest apprehensions were entertained that the Jews "would gradually oust the peasantry, till they possessed the whole land .”

In Russia it is said that, as early as 1869, seventy-three per cent. of the real estate of certain provinces in the West, where the Jews are the most numerous, had passed from the Russians into the hands of the Jews.

The Money Power is in a fair way to devour all the property of Asia Minor . Several years ago the New York Nation made the following statements :—

" Capital has fixed its eye on the magnificent region known as Asia Minor, and found it full to overflowing of material for handsome returns, which nothing prevents it from getting at, but insecurity and oppressive taxation . * * * * * * The Money markets of London and Paris, now that they will not lend the Sultan any more money, are beginning to insist, with a subtle, silent, but always in the end irresistible persistence, which unemployed capital knows so well how to exert, that he must at least give them a chance at his mines, and his minerals, and his wheat fields, olive yards and vineyards, must let them carry their own police with them, and fix their own taxation . * * * From this," the editor significantly remarks, "the Ottomans are probably in greater danger at this moment, than they have ever been from the armies of the Czar ."

In this dreadful state of things, can we wonder that the Jews are about, in every way, to dominate Europe ?

4th. The Jew Money Kings Are Menacing Europe,
as Well As America, with Domination.

M. De Lavileye, the eminent publicist of Belgium, has expressed the general uneasiness that prevails on this subject, in these words : — " The rapid rise of the Jewish element is a fact which may be observed all over Europe . If this upward movement continues, the Israelites, a century hence, will be the masters of Europe ."

The London *Spectator* says : — " The Jews display a talent for accumulation with which Christians can not compete, and which tends to make of them an ascendant caste ."

The New York *Tribune* quotes one of the German papers as saying, "The rapid rise of the Jewish nation to leadership is a great problem of the future for East Germany ." And the writer states in justification of this opinion that "All the lower forms of labor, in the work shops, the fields, and ditches and swamps, fall to the lot of the German element, while the constantly increasing Jewish element obtains enormous possessions in capital and land, and raises itself to power and influence in every department of public life ."

In view of all these things, the London *Spectator* gives utterance to the prevailing feeling of anxiety in the following editorial, which appeared some years ago :—

" The nations feel insecure, as if they had no defense ; the working population are distressed till their irritability shakes the governments ; there is deep unrest everywhere, a sense as of over-fatigue ; a popular looking forward, not for a millennium, but for some colossal catastrophe in which all prosperity shall be submerged ; a tension which half makes statesmen wish that the cataclysm would come and be over . And we see ahead no prospect of amelioration, no gleam of hope in the sky ."

5th. The Jew Money Kings Have Lately Secured a Most Extensive Control of the Press

Dr. Kellogg says : "The increase of Jewish influence is further illustrated in the extensive *control of the press* [italics his] which the Jews have lately acquired . This is much insisted on, and with good reason greatly lamented, by many of the most eminent Christian men in Europe . *The fact is to be observed in every country where the Jews exist in any number ."* [Italics his.]

In Dresden, in a gathering of the representatives of the press, twenty-nine out of forty-three were Jews.

Out of twenty-three Liberal and Progressive papers of the Berlin daily press, *there are only two which are not, in one way or another, under Jewish control.*

In Italy, the Jews have control of the *Liberal Press.*

The most influential paper in Spain is under Jewish control.

It is well known that the Jews have control of a great portion of the Metropolitan Press of the United States . They are always open to give the gloss to events, inspired by the Money Power.

It is a part of the astute policy of the Money Power, *to have Jews in control of the Liberal Press in Europe* . There are two advantages they derive from this :—

I.) **They keep up the agitation** keep it boiling all the while—*but keep it within limits fixed by themselves.*

2.) **The great advantage the Money Kings derive from the agitation** of so-called Liberals and Progressives, is this : they are afraid the nations will rise against their own outrageous monopolies . They are destroying the business men of all countries ; and

they are afraid the business class may rise up against them, and check their atrocious outrages in the business world . To prevent this, it is their policy to keep up an agitation of the working class, aiming at projects to which the business men are utterly opposed.

It is their policy to keep up a hot agitation for Communism and Socialism in the great cities ; so that the business men, in their antagonism to those ideas, will keep on the side of the Money Power . It is a significant fact that most of the agitators for Socialism are Jews, who are most probably the agents of the Money Power to keep up this agitation for their own purposes.

Thus, most of the Nihilists in Russia are Jews . Prof. Wassiljew of the Imperial University of St. Petersburg, in his testimony, given in the London *Times,* says, "It is an open secret that the Jews are among the leaders of the Nihilistic agitation ."

The London *Spectator*, in a review of Victor Tissot's *Russians and Germans*, says : "M. Tissot calls attention to the notable fact that the Nihilist ranks are largely recruited by Jews . * * * * * There are ten times as many Jews as there are Russians, Poles, or Germans ."

This shows that the Nihilist movement is largely an agitation against the Russian Government, started up by the Money Power through its Jewish agents . The Russian property class, in their horror of the Nihilists, keep in sympathy with the Money Power.

So, in this country, it is the interest of the Money Power to keep up the agitation of Socialism ; *so that the business class, in their abhorrence of Communism, may keep in sympathy with the railroads, and the other corporations of the Money Power* . It is a part of the consummate craft of these Money Kings.

No one can any longer doubt that these grand corporations are the agencies of the Money Power . The Scientific Proof is positive : and the Money Kings are doing in Europe what they are doing in the United States . Their movement in Europe, for the possession of all business and all lands, is even more advanced than it is in our own country.

V. Fifth Proof : Anticipation of the Evils the Money Power Has Caused in this Country.

There is no stronger evidence of the existence of a cause, than the fact that it has been traced to its effects before the effects were wrought out.

The Author of this work, twenty-three years ago, traced out in a published work the evils British capital has since wrought out in this country, and predicted its monopoly of our

industry, and its devouring of our property . In that work, he gave two chapters to the subject : one headed "*British Centralization of Commerce,*" the other " *British Centralization of Wealth* ."

Want of space forbids any extended quotations from the work . One passage must suffice, quoted from memory, as the work is not beside me :—

" The English cuckoo has no nest of its own, but lays its eggs in the nest of the hedgesparrow and the robin . When the young birds hatch, the intruder, by its larger growth, soon needs the whole nest ; and it throws out the young sparrows, one by one, upon the ground to die, while the stranger consumes all the food brought by the parent birds.—England is laying a cuckoo's egg in every nation's nest . It will not be long before the foreign egg will hatch, and, in its gigantic development, will need for its growth all the nation's wealth . Then, one by one, it will cast out of their nest the nation's young to perish, while the intruder will devour all the nation's wealth ." * * * * * * "It is the prosperity of England against the world : one or the other must go down ."

The Author, in that work, represents the American people as a prodigal heir, mortgaging his possessions to Moneybags . And he says that all would be pleasant, while Moneybags was accommodating ; but ruin would come when he insisted on having his own . Then the bankrupt prodigal would bewail his folly, too late.

All this has come upon us ; and worse than the Author anticipated . The Cuckoo's egg has hatched ; and the foreign intruder has already thrown most of the nation's young out of the nest, to perish . Manufacturers, wholesale merchants, oil men, dealers in wheat, cotton, hogs, beef, and all the products of the country have been remorselessly pitched out of the nest, to perish, while the intruder takes their place.

But the Author did not dream of the impudence of the Money Power, in daring to commit the ravages it has perpetrated in devouring the business of our country, step by step . He did not dream of its entering the country, and making Americans its agents to aid it in devouring their countrymen . He expected oppression, but he did not anticipate such mastery as it has achieved . He was expecting the money lender's harassments ; he did not realize the grasp of the mighty Imperialism, now throttling our country, and the world . He supposed they were merely English capitalists . He did not know that this Knot of Capitalists are the Great Red Dragon, the Seventh Head of the Beast, the mightiest Imperialism that has ever risen upon the earth ; which is now controlling all governments, devouring all property, and threatening to destroy all national life.[(3)]

1. The author will have occasion to quote further from this remarkable publication, later on.

2. This proves that the Rothschilds are the head of a syndicate . For that House loaned over $500,000,000 to national governments in the ten years from 1854 to 1864 ; besides all its other immense operations in the same time ; and all its previous loans . The House of Rothschild has loaned several billions of dollars . And yet the richest of the Rothschilds was worth only $17,000,000 . The House is evidently a syndicate loaning much money not owned by the Rothschild family .

3. Some may object that the Jews can not be the great Money Kings of London, because the great banking houses of Lombard street are not Jewish, but English banking houses—that the Jews are not on Lombard street, but on Threadneedle street, and others in the vicinity.

But this fact is merely a specimen of the habitual craft of the Jews . They habitually hide their operations behind other parties . Nothing is more in keeping with their policy than to hide their operations behind English banking houses.

Wherever the Money Kings break down a bank, or a business, it is their habit-to reorganize the establishment, take into their own hands a majority of the stock, give the original bankers, or business managers, the minority of the stock, and continue the business under the name of the old firm . They have done this repeatedly in this country.

In some of the many business crises of the past, the Jews may have driven these English banking houses to the wall, and subordinated them to themselves . Or, they may have entered into some business arrangement with them, and made them their agents . The fact is known that *the Jews are at the head of the head of capitalists of England, and of the world* . There is nothing that militates against their imperial position in the fact that a large part of the foreign business of London capital is done through English banking houses.

PART II.
THE GREAT RED DRAGON
A SYMBOL OF THE LONDON MONEY POWER.

CHAPTER I.

THE SEVEN HEADS AND TEN HORNS.

The Seven Heads and Ten Horns appear three times in the book of Revelation : 1) In the 12th chapter, upon the body of the Great Red Dragon ; 2) In the 13th chapter, upon the body of the Beast like a leopard, that rises up out of the Sea ; and 3) In the 17th chapter, on the body of the Scarlet-colored Beast, that has a Woman upon its back, called the Beast from the Pit .

In all cases, the seven heads have the same signification .

The following is the text of the passage where the Seven Heads and Ten Horns appear upon the body of the Dragon :—

"And there appeared another wonder in heaven ; and behold a great red dragon, having seven heads and ten horns, and seven crowns upon his heads ." *Rev*. xii: 3.

The following is the text of the passage where these Seven Heads and Ten Horns appear upon the body of the Beast from the Sea :—

"And I stood upon the sand of the sea, and saw a beast rise up out of the sea having seven heads and ten horns, and upon his horns ten crowns, and upon his heads the name of blasphemy ." *Rev*. xiii I.:

In the 17th chapter of Revelation, where the Seven Heads and Ten Horns appear upon the body of the Beast from the Pit, they are elaborately described by the angel to John . The following is the text of the passage:—

“So he carried me away in the spirit into the wilderness : and I saw a woman sit upon scarlet-coloured beast, full of names of blasphemy, having seven heads and ten horns .

“And the woman was arrayed in purple and scarlet color, and decked with gold and precious stones and pearls, having a golden cup in her hand full of abomination and filthiness of her fornication : and upon her forehead was a name written, mystery, babylon the great, the mother of harlots and abominations of the earth.

“And I saw the woman drunken with the blood of the saints, and with the blood of the martyrs of Jesus : and when I saw her, I wondered with great admiration .

“And the angel said unto me, Wherefore didst thou marvel ? I will tell thee the mystery of the woman, and of the beast that carrieth her, which hath the seven heads and ten horns .

“The beast that thou sawest was ;

“And is not ;

“and shall ascend out of the bottomless pit ;

“and go into perdition :

“and they that dwell on the earth shall wonder, (whose names are not written in the book of life from the foundation of the world) when they behold the beast that was, and is not, and yet is .

“And here is the mind which hath wisdom .

“The seven heads are seven mountains on which the woman sitteth .

“And there are seven kings :

“five are fallen ;

“and one is ;

“and the other is not yet come; and when he cometh, he must continue a short space .

"And the beast that was, and is not, even he is the eighth, and is of the seven, and goeth into perdition .

"And the horns which thou sawest are ten kings which have received no kingdom as yet ; but receive power as kings one hour with the beast .

"These have one mind, and shall give their power and strength unto the beast . * *

* * * * "And the woman which thou sawest is that great city which reigneth over the kings of the earth ." *Rev*. xvii: 3-13, and 18.

In each of the above instances, while they appear upon different bodies, the Seven Heads and Ten Horns are the same, and symbolize the same powers . In the 17th Chapter, the angel explains to John that the Seven Heads and ten horns symbolize "seven kings," prophetic phrase for seven kingdoms or empires . The angel says "*five are fallen ; and one is ; and the other is not yet come, and when he cometh he must continue for a short space*"

From this explanation, we are able to understand

The Appearance Of The Seven Heads And Ten Horns,

as they appear on the body of the Dragon . As the Dragon stands uplifted before the woman, five heads hang down dead, underneath its neck, symbolizing the five empires which had fallen at the time the Revelation was given . The Sixth Head is on the end of the Serpent's neck, and on it are ten horns . The Seventh Head is the Serpent's head, jutting out through the top of the Sixth head, and dominating all . Such is the appearance of the Dragon, with its Seven heads and Ten horns .

What is the symbolic signification of the Seven Heads and Ten Horns ? What power do they symbolize ?

Before giving the true exposition, it will be best to notice

1. the erroneous interpretation formerly given of the seven heads.

In former interpretations, the Headed Beast was interpreted as symbolizing the Roman empire, exclusively . This interpretation could be made, only by an entire misapplication of the facts of history . The Five Heads that had fallen at the time of the vision, have been interpreted as symbolizing the five forms of administration that existed under the Roman Republic,—Kings, Consuls, Decemvirs, Military Tribunes, and Dictators .

1st. I Object To This,

1 . **That there were only two forms of government in Rome** that had fallen at the time the vision was given,—the Kings; and the Republic .

The Republic was always a government of the Senate and the People, throughout its entire existence . And, during its entire existence, the Executive of the Republic was in the hands of the Consuls, except during brief intervals .

2. Again, I Object To The Interpretation, That

It is a violation of all the facts of history to call the Decemvirate, the Military Tribunes, and the Dictators, such forms of the Roman government as would be symbolized by "heads."

1) **The Decemvirate** was a brief rule of ten persons who had been sent to Greece, to obtain new institutions, and who ruled about a year, while they put the institutions in operation . They were overthrown in a popular uprising against the crime of one of their number .

2) **The Military Tribunes** were a temporary arrangement, that lasted only a few years . It was only another name for the Consuls ; and it was adopted, in order that one of the officers might be a Plebeian . It was merely a temporary expedient for a special purpose, and was soon set aside .

3) **The Dictatorship** only existed in times of great public danger when a Dictator was appointed, whose authority only lasted six months . It is absurd to call the Dictatorship a

"head" of the Beast . What sort of head is that, which comes on and falls of constantly ? Such a symbol is ridiculous .

4) **These forms of administration can not be called** "**heads**". The government of the Roman Republic was continuous all the while; and these changes of administration did not affect its identity in the least .

France, since the Revolution of 1789-93, has had nine different dorms of executive administration,—the Monarchy, Convention, the Directory, the Consulate, the Empire, the Monarchy again, the Republic, the Empire, and the Republic . All these were much more fundamental than those changes of the Roman executive . And yet, France has been the same power all the while .—Who would think of saying that any prophecy would represent France, during the last hundred years, by a beast with nine heads ? The idea is absurd . The French nation has been the same, all the while .

3. I Object To This Application Of The Symbol That

If the Different Forms of the Roman Administration Are to be Continued as Heads, then the Triumvirate of Octavius, Antony and Lepidus must be counted also; and it will make six heads that had lived, instead of five ! !

4. I Object To This Interpretation That

A Head, in Prophecy is Never the Symbol of a Mere Form of Administration . A head in prophecy, always symbolizes a kingdom, or an empire . The four heads of the Macedonian Leopard, in the second vision of Daniel symbolize the four kingdoms into which the Macedonian Empire was divided .—And these seven heads, in like manner, represent seven empires that have risen in the earth .

2nd. But The Greatest Absurdity Of This Exposition

remains to be stated .—By making the “Seven Heads” symbolize the seven forms of Roman administration, former expositors had to find fulfilment for the Seventh Head in some form of Roman power ; and they found it in the Heathen Roman empire .

1. But The Dragon Is A Power Of The Latter Days.

This is certain .

1) It is contemporary with the Beast from the Pit; and all expositors agree that the Beast from the Pit is a power that has not yet risen .

2) In the Great Final War of the Earth, just before the Millennium, the Dragon is engaged in the war, in alliance with the Beast from the Pit and the False Prophet .

3) And all the facts respecting the Dragon, in the Apocalypse, prove that it is a power of the Latter Days .

The idea of making the dragon symbolize the Heathen Roman empire is perfectly absurd . It is this kind of interpretation,—such a straining of all the facts of history, such a jumble of symbolism and imagery,—that has made of this grand symbol, the Beast with Seven Heads and Ten Horns, an epithet of contempt and derision, hurled by the scoffer against all prophecy.

ii. the true interpretation of the seven
heads and ten horns.

The Beast with Seven Heads and Ten Horns is a most remarkable symbol . It is so peculiar, so complex, and yet so simple, that it will not fit any powers but those it was intended to set forth .

As the four heads of the Macedonian Leopard, in the second vision of Daniel, symbolize the four kingdoms into which the Macedonian empire was divided, so here, the Seven Heads symbolize seven empires . But, as we might suppose, from the analogy of the vision of Daniel, that the seven empires were contemporary like those of the Macedonian Beast, it is expressly stated that they are consecutive .

The Seven Heads Symbolize Seven Empires having relations with the people of God, and existing from the earliest times down to a time yet future . Of these empires, five had fallen at the time of the vision .

1st. Exposition Of The First Five Heads.

The first Five Dead Heads hanging down under the neck of the Dragon symbolize five empires that had fallen at the time the revelation was given : "*five are fallen*" .

1. The First Dead Head Hanging Down

under the neck of the Serpent . Symbolizes the Egyptian empire; which under the Eighteenth Dynasty, as we learn from the records of the Egyptian monuments, recently deciphered, extended over Western Asia beyond the Euphrates and the Tigris . It was the Nineteenth Dynasty which persecuted Israel . The Pharaoh of the Persecution, under whom Moses was born, was the second king of the Nineteenth Dynasty . The Pharaoh of the Exodus died at Memphis, some twenty years after that event, with his Asiatic empire all lost, and with Egypt divided between himself and two rival kings, who reigned in the Delta . The great Egyptian empire fell before the judgments of God, visited upon Egypt for the deliverance of His people .

2. The Second Dead Head Hanging Down

beneath the neck of the Dragon is a Lion's head, and symbolizes the Assyrian empire, which carried away the Ten Tribes into captivity in Media .

3. The Third Dead Head Hanging Down

is also a Lion's head, and symbolizes the Babylonian empire, which carried Judah away captive to Babylon .

4. The Fourth Dead Head Hanging Down

is a Bear's head, and symbolizes the Persian empire, which restored the Jews to their own land, and always treated them kindly .

5. The Fifth Dead Head Hanging Down

beneath the neck of the Dragon is a Leopard's head, and symbolizes the Macedonian empire, which, under Alexander the Great, overthrew the Persian empire, and which, under Antiochus Epiphanes, afflicted the Jews with a grievous persecution . These five empires had fallen, when the vision of Revelation was given .

2nd. exposition of the sixth head,
with its ten horns.

The Sixth Head was the Roman Empire, which was then in existence, and of which the angel said "*One now is*". The Sixth Head, the Roman empire, was slain by the "sword" of the Northern Barbarians, in the year 476, a. d., at which time historians date the fall of the Western Roman empire .

The Northern Barbarians Planted Their Kingdoms in the territories of the Roman empire . In the year 476, a.d.,—the very year of the fall of the Western Roman empire,—we find, for the first time, Ten Kingdoms within its boundaries .

In the eye of prophecy, the Babylonian, the Persian, and Macedonian empires continued to *exist geographically, after their fall as political powers* ; just as Ireland and Poland are still recognized as having a geographical existence, after they have ceased to be political powers . According to prophecy, the Roman territory was that part of the Roman empire which was not covered by the Babylonian, Persian and Macedonian empires,—the territory extending from the head of the Adriatic to the Danube, and thence westward, within the Rhine and the Danube, to the Atlantic and the Mediterranean, and including England and a part of Scotland .

Within This Territory, We Find Ten Barbarian Kingdoms in the year 476, a.d. And there have been Ten Kingdoms in the territories of the Roman empire ever since that time .

Not always the same kingdoms : sometimes, some would fall, and others would rise in their place: sometimes, in eras of transition, there have been one or two more or less than ten kingdoms . But when these eras of transition were over, and Europe returned to its normal condition, there would be Ten Kingdoms again . There have been Ten Kingdoms in Southern and Western Europe, for thirteen hundred years : there are Ten Kingdoms in Europe now, within the limits of the Roman empire .

These Ten Kingdoms are fully set forth in my work, "*Key to Prophecy*," and it is not necessary to present them further here .

These Ten Kingdoms within the territories of the Roman empire are symbolized by the Ten Horns, which grew out of the dead Sixth Head . This Sixth Head corresponds with the fourth beast of the second vision of Daniel . That beast symbolized the Roman empire : so here, the Sixth Head . That beast had ten horns ; so, on the Sixth head here, are the same ten horns .

3rd. The Seventh Head.

The Seventh Head is the Serpent head,—the empire of the Dragon . It is the subject of this work to prove that the Seventh or Dragon Head symbolizes the London Money Power—the Imperialism of Capital centred in London . We will proceed in the next chapter to give the proof . At present we will proceed to the identification of

4th. The Beast From The Pit.

After explaining to John the Seven Heads and Ten Horns, the angel goes on to give an explanation of the Scarlet Beast,—the Beast from the Pit . The angel says of him : "The beast that thou sawest was, and is not ; and shall ascend out of the bottomless pit, and go into perdition ." And he says again : "The beast that was and is not, even he is the eighth, and is one of the seven ."

1. **This shows that the Beast from the Pit rises after** all the other seven empires have risen,—after the rise of the Dragon Empire, the Seventh Head . "He is the Eighth ."

After the rise of the Dragon empire, another empire rises, which is the Eighth in order of time, but which is actually not a new empire but is one of the first Seven Empires : that is, it is a new imperial power, in whose dominion one of the dead six empires comes to life again, and is re-established .

All expositors agree that the Roman empire,—the dead Sixth Head,—**is to be re-established** in the dominion of the Beast from the Pit . There are many other prophecies which foreshow this re-establishment of the Roman empire . The re-establishment of the Roman empire under the dominion of the Beast from the Pit is set forth with great clearness in the 13th chapter of Revelation, and also is the First and Second Visions of Daniel .

In the 13th chapter of Revelation, this re-establishment of the Roman empire is set forth . The context reads as follows :—

"And I stood upon the sand of the sea,

"and saw a beast rise up out of the sea, having seven heads and ten horns, and upon his horns ten crowns, and upon his heads the names of blasphemy .

"And the beast which I saw was like unto a leopard, and his feet were as the feet of a bear, and his mouth as the mouth of a lion .

"And I saw one of his heads as it had been wounded to death [or slain;] and his deadly wound was healed .

" And the Dragon gave him his power and his seat and great authority ."

"And all the world wondered after the beast . And they worshipped the Dragon which gave power to the beast: and they worshipped the beast, saying, Who like unto the beast? Who is able to make war with him ." *Rev*. XIII: 1-4.

I have, in one place, slightly transposed this passage, so as to give the proper order of sequence .

The Seven Heads here, as has been already explained, are I) Egypt ; 2) Assyria ; 3) Babylon ; 4) Persia ; 5) Macedon ; 6) Rome ; 7) The Dragon head; which I expound as the symbol of the Money Power . This is the point now being established .

2. It Is Important To Fix The Time

when the vision begins .

The Beast, in its first rise from the Sea, represents Medieval Europe, after the fall of the Roman empire, under the Ten Kingdoms . This is evident both from history, and from the symbolism of the Beast:—

1) **The Ten horns represent the Kingdoms of the Northern Barbarians** who overran the Roman empire . It is Europe under the Ten Kingdoms that is here represented . That the time is during the reign of the Ten Kingdoms is evident from the fact that the ten horns in the symbol are crowned ; which shows that they are reigning in the era set forth in the vision .

2) The Beast rises up out of "the Sea." The "Sea" is a prophetic image frequently employed, to represent a chaotic condition of society, in which all the elements of social life are unsettled . Such was the condition of the territory of the Roman empire after the fall of the Western empire . All the institutions of Roman civilization were broken down : society was dissolved by the Barbarians who overswept the Roman empire, ravaging, destroying, burning ; until the remnants of the Roman population were reduced to the condition of serfs, hoveled in the forests which grew up in the cultivated provinces that were reduced to desolation . Out of this chaos modern Europe emerged .

3) **When the Beast rose it had the Sixth or Roman head** "as it had been wounded unto death," that is, freshly slain . This was true of the Roman empire, which was just recently slain by the "sword" of the Northern Barbarians .

All the symbolism shows that the Beast represents Europe during the era of the reign of the Ten Kingdoms, after the fall of the Roman empire .

4) **The description of the Beast also** agrees perfectly with Europe under the Ten Kingdoms .

1] "*The Beast was like a leopard*."—In the Macedonian Leopard (*Daniel vii*), the spots indicate the great number of Grecian states that entered into the Macedonian empire . The Amphyctionic Council of the Grecian states made Phillip, King of Macedon, and afterwards Alexander, the head of Greece for the war with Persia, while each state continued to maintain its independence .

So here, the spots of the Leopard indicate the Ten Kingdoms of Europe, which have maintained a sort of loose combination through their community of religion and interest, but have always maintained their independence as separate states .—They were combined during the Crusades by a common religious enthusiasm ; and all through the Middle Ages, they were united in their allegiance to the Papacy .—In Modern Times, community of interest has caused them to combine against any preponderant nation, to maintain the Balance of Power . The ten crowned horns have thus been united on the head of the Beast from the Sea .

2] "*The feet were as the feet of a bear*."—The Persian bear was slow in its conquests; and these bear feet show that the states of Europe were, like Persia, slow in their military

operations . And indeed, the Ten Kingdoms of Europe have always been slow and sluggish in any military conquests, and generally close their slow wars with but little or no conquests on either side .

3] "*His mouth was as the mouth of a lion* ."—This lion mouth tears and ravages, and shows the ferocity of the European states in their furious and bloody wars .

There can the no doubt that the Beast from the Sea represents Roman Europe after the fall of the Roman empire, under the dominion of the Ten Kingdoms .

3. The Healing Of The Deadly Wound.

The Seer defers the mention of the deadly wound, until he speaks of the healing of the wound . The first act which John saw was the healing of the deadly wound . This symbolizes the Restoration of the slain Roman head to life,—the re-establishment of the Roman empire .

After the healing of the dead Sixth Head, that head, when restored to life, is the Beast from the Pit . This fully explains the symbolism of the Beast from the Pit :—

1) It shows the Beast from the Pit was the Eighth empire in the order of time, but was not a new head, but one of the seven heads, being the Sixth Head restored to life .

2) We also perceive how the Beast from the Pit might be called "The Beast that was, and is not, and yet is ." It is the Roman empire ; it is not, in its new form, actually the Roman empire but the German empire ; and yet, it is the Roman empire, re-established under a new form .

3) The Beast from the Pit is the Roman empire reestablished, under the imperial supremacy of Prussia over the kingdoms of Southern and Western Europe . The symbolism plainly shows that the power under which the Roman empire is to be re-established is Prussia:—

1] From the nature of the symbolism, none of the ten horns can be the Beast from the Pit . For a horn can not be a head, much less can a horn be a Beast . The horns are all on the Sixth Head of the Beast: they are all accounted for ; and none of them can be the Beast from the Pit .

This shows that none of the Ten Kingdoms of Western and Southern Europe can be the Beast from the Pit . This excludes all the kingdoms in the territories of the Roman empire, within the Rhine and the Danube, from the head of the Adriatic westward to the Atlantic, including England and part of Scotland . Neither France, nor Austria, nor Italy, nor Spain, nor Britain, can be the Beast from the Pit ; *for they are horns on the head of the Beast* . A common sense analysis of the symbol would have prevented all the blunders that have been made in expounding the Beast from the Pit as the symbol of the French empire .

2] The Beast from the Pit must, from the nature of the symbol, be some power in Europe outside of the Rhine and the Danube . It must be either Prussia or Russia .

But it is not Russia, because in prophecy, Russia is called by name as at the head of Europe, at an era after the Beast from the Pit has fallen .(*)

Hence, as the Beast from the Pit can not be any of the ten kingdoms of Europe within the Rhine and the Danube, on the one hand, and, on the other hand, can not be Russia, it must be Prussia .

The very nature of the symbolism demonstrates the fact that Prussia is the Beast from the Pit .

We will find that identifying Prussia as the Beast from the Pit is a strong point of the evidence in proving the Dragon to be the symbol of the London Money Power .

CHAPTER II.

MODE OF IDENTIFYING SYMBOLS WITH THE POWERS THEY SYMBOLIZE.

As I wish to set forth the evidence that the Dragon is the symbol of the London Money Power in regular order, I desire, in the first place, to show the method by which expositors of prophecy prove that the symbols of prophecy symbolize the powers which they set forth . This can best be done by means of illustrations .

To illustrate the laws of prophetic symbolism, I will take, as examples, the first two beasts of the second vision of Daniel .

In Prophecy, objects in the natural world are employed to symbolize or represent objects *which they resemble* in the *political world* .—Thus, an earthquake, which breaks down and destroys objects in the world of nature, is made the symbol of a revolution which breaks down and destroys political institutions .—A storm of lightning and thunder, the effect of conflicting winds and opposite electrical conditions, in the natural world, is made the symbol of a great war arising out of furious opposing elements in the political world .—Thus also, a wild beast, cruel, sanguinary, is a proper symbol of a political empire .

Thus, in the second vision of Daniel, four beasts which rise one after another, are made the symbols of the successive empires of Babylon, Persia, Macedon, and Rome . Upon this expositors are agreed .

1 . In identifying these beasts with the powers they symbolize, the first thing to notice is the historical order of succession . The first Beast that rises, of course symbolizes the empire that rises first in the order of time . No one would make the first Beast symbolize Persia, the second empire, or make the second Beast symbolize Babylon, the first empire .

Hence, any facts mentioned which enable us to determine the historical order of events may be very important elements in identifying the symbol with the power it symbolizes .—These identifying facts, for want of a better name, I term *Historical Marks* .

2 . Furthermore, in prophetic symbolism, symbols are chosen which resemble, *in character*, the power symbolized . Thus, a lion is made the symbol of the Babylonian empire, and a bear, of the Persian empire ; because those wild beasts resemble, in

character, the empires they symbolize . These resemblances in character between the symbol and the power symbolized, I term *Parallelisms of Character* .

But Historical Marks and Parallelisms of Character do not always sufficiently designate the power represented by the symbol .—And hence, in symbolic prophecy another means of identity is; also : employed certain facts are stated respecting the symbol, which represent corresponding facts that are true of the power symbolized . These points of resemblance in respect of facts, I term *Coincidences of Fact* .

Let us now observe the manner in which the Lion is identified with the Babylonian empire,—by Marks—by Parallelisms of Character—and by Coincidences of Fact .

1 . the lion with eagle's wings .

The following is the text :

“And four beasts came up from the Sea, diverse from one another .

“The first was like a lion, and had Eagle’s wings .

“I beheld till the wings thereof were plucked ;

“and it was lifted up from the earth, and made to stand upon its feet like a man, and a man's heart was given to it .” *Daniel* vii : 3, 4.

All expositors are agreed that the Lion is the symbol of the Babylonian empire . We will, by way of illustration, identify it by Marks, by Parallelisms of Character, and by Coincidences of Fact .

1st. Historical Marks.

First Mark :—There is only one important Mark which aids the expositor in identifying the Lion with Babylon . But it alone is sufficient . Babylon was the first of the four great

empires which arose in succession ; and we would naturally expect the first of the four beasts to be the symbol of Babylon .

It is apparent that this Mark alone would not be sufficient to identify Babylon as the power symbolized by the Lion . The evidence is cumulative . The Marks, the Parallelisms and the Coincidences, all go to establish the identity . And when all four of the beasts are thus identified with the powers they symbolize, the force of the Historical Mark becomes intensified . For we know that, if the other beasts symbolize respectively Persia, Macedon and Rome, then, most certainly, the first beast symbolizes Babylon .

In some of the symbols of prophecy, however, the Historical Marks are quite numerous .

2nd. Parallelisms Of Character.

There are several Parallelisms of Character between the Lion with Eagle's wings and the Babylonian empire :

First Parallelism of Character :—*The Lion is a ferocious carnivorous wild beast* .— The Babylonian empire, under its founder Nebuchadnezzar, was a sanguinary conquering empire, ravening and destroying among the nations, like a lion among flocks and herds .

Second Parallelism of Character :—*The lion is a magnanimous wild beast* .—Unlike the tiger and the leopard, which raven with the mere lust of slaughter, it only destroys to appease hunger .—The Babylonian empire only assailed and conquered the countries which resisted its possession of the great trade between the East and the West, leaving all other nations in peace . And Nebuchadnezzar sought, first, to treat the subject nations of the West with leniency, and was only provoked to severity by repeated revolts .

Third Parallelism of Character :—*The Lion had Eagle's wings* .—The lion lies in wait for its prey, and springs upon it from ambush . To indicate that this was not the case with this symbolic Lion, it was furnished with Eagle's wings .—These Eagle's wings show the rapidity of the conquests of Nebuchadnezzar . At the head of his Chaldean horsemen, the conqueror overran in few campaigns Syria, Palestine, Egypt, and North Africa as far as the Straits of Gibraltar .

3rd. Coincidences Of Fact.

Besides the above Parallelisms of Character, there are mentioned two Coincidences of Fact respecting the Lion with Eagle's Wings, which represent corresponding facts in the history of the Babylonian empire .

First Coincidence of Fact :—*I beheld till the Eagle's wings were plucked* .—The plucking of course prevented the Lion from sweeping on any longer in its career of conquest . Deprived of the Eagle's wings, the Lion henceforth would be like other lions, and lurk in its habitat, lying in wait for prey . The plucking of the Eagle's wings indicates a sudden event which stopped, once for all, the Babylonian career of conquest . The conquering career of Babylon was terminated by the madness of Nebuchadnezzar . That event plucked the wings of the lion; and henceforth, Babylon remained content in the enjoyment of the wealth and grandeur derived from its possession of the grand commerce between the Indian Ocean and the Mediterranean, which flowed through the city .

Second Coincidence of Fact :—"*It was made to stand on its feet like a man, and a man's heart was given it* ."—In some of the bas reliefs from Niniveh, we see the hunted lion rearing upon its hind feet, confronting the hunters, whose spears are transfixing it .—In its fall, Babylon was like the hunted lion . For years, it held the conqueror at bay behind its city walls, standing like a lion upreared against the hunters . During all the siege, Babylon had the man's heart, afraid to meet the foe in the open field . But it fell fighting, and hopeful of victory to the end .

Now, by this one Historical Mark, these three Parallelisms of Character, and these two Coincidences of Fact, all expositors agree that the Lion with Eagle's Wings is sufficiently proved to be the symbol of the London Money Power .

ii. the persian bear.

In the same way, the Bear is proved to be the symbol of the Persian empire .

The following is the text :

"And behold another beast, a second, like unto a bear .

"And it raised up itself on one side .

"And they said thus unto it, 'Arise, devour much flesh'." *Daniel* vii: 5.

1st. Historical Marks.

There is one Historical Mark which aids in identifying the Bear with the Persian empire :—

Historical Mark :—As the Persian empire was the second empire in the order of succession, we naturally are led to expect that the second beast is its symbol .

2nd. Parralelisms Of Character.

There are two Parallelisms of Character between the Bear and the Persian empire;—

First Parallelism of Character :—*The Bear is not an exclusively carnivorous animal* : it subsists largely on vegetables and fruits .—This shows the bear to be less ferocious than the lion and other carnivorous animals .—And the Persian empire was the mildest of all the empires of ancient times . It treated the conquered nations with greater leniency . It suffered the people carried into captivity by Babylon, to return to their own countries . It allowed the Phoenicians to resume their trade by way of the Red Sea . The countries desolated by Babylon resumed their prosperity under Persian rule .

Second Parallelism of Character :—*The Bear is a clumsy, slow moving animal* .—So, the Persian empire was slow and clumsy in its military movements . Great numbers of women and children accompanied its armies; and the officers carried with them all the appliances of luxury . All military movements were impeded by the vast quantities of baggage which were carried with the armies .

3rd. Coincidences Of Fact.

The Bear is also identified with the Persian empire by three Coincidences of Fact .

First Coincidence of Fact :—"*The bear raised up itself on one side* ."—Persia was on the Eastern side of the empire, and all the conquests of the Persians, in founding the empire, were made toward the West . The Persian empire, like the bear, "raised up itself on one side."

Second Coincidence of Fact :—*The Bear* "*had three ribs in its mouth between its teeth*."—These ribs indicate three victims fallen prey to the Bear .—The Persian empire, in its rise, overthrew three powers,—Lydia, Babylon and Egypt .

Third Coincidence of Fact :—"*It was said unto it, Arise, devour much flesh*."—The bear was thus indicated to be an animal very destructive of human life .—The Persian empire conquered many countries not under the Babylonian yoke . It extended its conquests far to the North, and East and South ; it subdued all Asia Minor ; and its invading armies penetrated into Greece, and the plains of Southern Russia .—And, during its entire existence, the Persian empire was convulsed with frequent revolts . The conquests and revolts occasioned very destructive wars .

By this Historical Mark, these two Parallelisms of Character, and these three Coincidences of Fact all expositors agree that the Bear is proved to be the symbol of the Persian empire .

CHAPTER III .

PROOF THAT THE DRAGON IS THE SYMBOL OF THE LONDON MONEY POWER .

By illustrations given in the last chapter, the reader can perceive the method by which the symbols of prophecy are identified with the powers they symbolize . We are now ready to proceed to identify the Dragon as the symbol of the London Money Power .

And here, I wish to say that, if there were not more evidence to prove that the Dragon is the symbol of the London Money Power, than there is to prove the identity of the other symbols of prophecy with the powers they symbolize, I should not venture to advance the idea at all, in this age of general scoffing of prophecy .

But there is about eight times as much evidence to prove that the Dragon is the symbol of the London Money Power, as there is to prove the identity of any other prophetic symbol with the power it symbolizes .—There is one Historical Mark, three Parallelisms of Character, and two Coincidences of Fact, to prove that the Lion with Eagle's Wings is the symbol of the Babylonian empire ; and one Historical Mark, two Parallelisms of Character, and three Coincidences of Fact, to prove that the Bear is the symbol of the Persian empire .—But, on the other hand, there are no less than six Historical Marks, twenty Parallelisms of Character, and twenty-two Coincidences of Fact, to prove that the Dragon is the symbol of the London Money Power . It seems as though divine inspiration had purposed to give such an array of evidence to establish the fact that the Dragon is the symbol of the Money Power, as would force conviction upon the most incredulous .

The Marks, the Parallelisms of Character, and the Coincidences of Fact, which prove that the Lion with Eagle's Wings is the symbol of the Babylonian empire, and the Bear, of the Persian, are not very striking ;—but the Historical Marks, the Parallelisms of Character, and the Coincidences of Fact, which prove the Dragon is the symbol of the London Money Power, are, all of them, striking, and some of them very remarkable-so remarkable, indeed, that no idea of a chance resemblance can be entertained for a moment . They prove that Divine inspiration intended thus to mark the Dragon unmistakably as the symbol of the London Money Power . It is evident that Divine Providence wished to make the proof of the identity of the Dragon with the Money Power so certain than none can doubt ; but that, as it is said in another prophecy of the Dragon

in the Old Testament, “He who runs may read”. The proof dispels all doubt, and compels belief .

As the world may be slow to accept the fact that the Dragon is the symbol of the Money Power, I shall array the evidence in regular order, even at the risk of seeming tedious .

i . first proof that the dragon is the symbol,
of the london money power :
historical marks.

1st . Recapitulation .

Let us now briefly review the facts respecting the Seven Heads and Ten Horns :

1 . **The angel says of the seven heads**, “*there are seven kings,*” that is, kingdoms or empires . Of these seven empires he says, “five are fallen”.—These are the Egyptian, the Assyrian, the Babylonian, the Persian, and the Macedonian empires, which had all fallen at the time the vision was given .

2 . **The angel continues**, “*And one is* .” This was the Roman empire, which was in existence at the time when the Revelation was given .

I) Immediately after the fall of the Roman empire, ten Barbarian kingdoms were planted in its territories, which have been in existence ever since . These Ten Kingdoms are symbolized by the Ten Horns which grew upon the dead Sixth Head of the Beast .

3 . **The angel continues**, “*And the other*, [the Seventh Head] *is not yet come ; and when he cometh he must continue a short space*.”—This is the Dragon head ; and, as I shall prove, it symbolizes the London Money Power .

4 . **The angel then proceeds to explain the Beast from the Pit as an Eighth empire, but not an eighth head**, being the Sixth Head come to life again, or the Roman empire re-established.—This Eighth empire, as we have seen, is the empire of Prussia at the head of Germany, extended over Southern and Western Europe .

5 . **The Dragon gives to Prussia its imperial dominion**, as we learn from the 13th Chapter of Revelation, “*The Dragon gave to the Beast his power, and his seat, and great authority*.”

6 . **And then the prophet saw that the Dragon and the Beast wielded a united imperial sway over the empire** : "they worshipped the Dragon which gave power onto the beast : and they worshipped the beast saying, who is like unto the beast ? Who is able to make war with him ? "

2nd . Six Important Historical Marks

are here found, which will go far toward enabling us to identify the Dragon empire :—

First Mark :—*The Dragon empire is the seventh empire in order of time* .—Hence it is an empire which rises after the fall of the Roman empire, 476 a.d.

Second Mark :—*The Dragon empire,* "*When he cometh must continue a short space* ."

I . Both of these marks prove that the Dragon empire is not the Papacy : for I) The Papacy rose in the Pontificate of Leo the Great (440 a.d.-460 a.d.) before the fall of the Western Roman empire ; and 2) The Papacy, instead of continuing "a short space," has been in existence more than 1,400 years .

Leaving the Papacy aside, what empire has risen since the fall of the Roman empire, 476 a.d. ?

2 . It can not be the empire of Charlemagne ; nor that of Charles V ; nor that of Napoleon I. For those empires were only the temporary rising into power of one of the horns ; and in each instance the access of power continued only for a generation . The nature of the symbol precludes the idea that either of these empires could be the Seventh Head ; for, as has been said, a horn can not become a head . The ten horns are all upon the Sixth Head : they are all accounted for : from the nature of the symbol, neither of them can be the Dragon .

3 . Aside from these empires and the Papacy, no empire has risen in Europe since the fall of the Roman empire, 476 a.d., except the Money Power of London . It is the seventh empire of the earth . It is the grandest Imperialism that has ever existed in the world .—This is especially an age of industry ; and it has established an empire over industry, of which it is the head . It is at the head of the mighty movement of the age in which the whole world is marching . The kingdoms of Europe are all dependent upon it for loans . They all truckle to it, and do its will . They are kingdoms : it is an empire .—Being the one empire that has risen since the fall of the Roman empire, it is the seventh empire : and this Mark proves it to be the power symbolized by the Dragon .

That the Dragon empire is the London Money Power is corroborated by the other Historical Marks mentioned of the Dragon :—

Third Mark :—*The Dragon empire a power of modern times* .—In the 13th Chapter of Revelation it is contemporary with the healed head, or Beast from the Pit,—the Prussian empire . And all expositors agree that the Beast from the Pit is a power that has not yet risen . In the 13th Chapter of Revelation, the Dragon is represented as aiding in the rise of the empire of the Beast from the Pit, and as wielding with it a partnership imperial sway .—The Dragon empire is certainly a power of modern times, existing contemporaneously with the Beast from the Pit, a power that has not yet risen . This agrees perfectly with the Money Power, which has also risen in modern times .

Fourth Mark : —*The Dragon is represented, in the 13th Chapter of Revelation, as attaining its highest power at a time yet future* .—This agrees with the Money Power, which is, in our time, rapidly rising in power, and will reach its highest point of dominion at some time yet future .

Fifth Mark :—*The Dragon empire is the Seventh head : the Beast from the Pit, or Prussian empire, is the eighth,* in order of time .—Therefore it rises after the Dragon empire ; the Dragon empire being in existence at the time of its rise, and aiding it to attain its imperial dominion . Hence, if the Prussian empire is about to be established in the near future, the Dragon empire is now in existence .—And as the Money Power is the only such imperial power now in existence, it must be the Dragon .

Sixth Mark :—*The Dragon empire was only to continue a short space*.—And, as it is in existence at a time yet future, according to prophecy, its rise to imperial dominion can not be very far in the past .—This agrees with the Money Power, which, as we have seen, rose to imperial dominion in the year 1757, A.D., and has now been in existence one hundred and thirty years .

The Dragon Agrees With the Money Power in all these particulars . There is no other power now in existence that agrees with these marks in any particular . The Historical Marks of the prophecies point unmistakably to the Money Power as the imperialism symbolized by the Dragon .

This Far, the Conclusions Reached Are Sure . It is impossible to dispute them . The clear statements of prophecy are irresistible .—1) It is certain that the Roman empire is not yet re-established .—2) It is certain that the Dragon empire is in existence before the re-establishment of the Roman empire, and aids in its re-establishment—3) It is certain that, if the Roman empire is about to be re-established at an early day, the Dragon empire is now in existence .—4) It is certain, as the Dragon empire is to “continue only a short space” that, as it is in existence at a time yet future, it has risen to imperial power in very recent times .—5) It is certain that the Dragon is a power of modern times .

On the other hand, the Money Power is the only great Imperialism that is now in existence .—The Money Power is an Imperialism that has not been long risen .—The Money Power is an Imperialism that is still rising .—The Money Power is an Imperialism which has, by its loans, enabled Prussia to crush Austria and France, and to become the first power in Europe ; and which, according to present indications, will soon, by its loans, enable Prussia and her allies, Britain, Austria and Italy, to crush Russia and France and attain to imperial dominion over Southern and Western Europe, and thus re-establish the Roman empire .—And just as the Money Power has wielded the power of Britain in the past, it will wield the power of Prussia, the Beast from the Pit, in the future .—All these Marks point unmistakably to the Money Power as the Imperialism symbolized by the Dragon .

CHAPTER IV.

PROOF THAT THE GREAT RED DRAGON IS THE SYMBOL OF THE MONEY POWER,

continued.

ii . second proof :—parallelisms of character .

1st . what is a dragon ?

A great error has obtained as to the personality of a Dragon . During the ignorance and superstition of the Middle Ages, the idea of a mythical Dragon arose, which resembled a winged crocodile . But the historical dragon of antiquity, which was the universal conception of a dragon prevailing at the time the Revelation was given, was a great serpent . A fact is mentioned in the early history of Rome which shows what was the classical and historical idea of a Dragon .—When the Roman army, under Regulus, invaded the Carthaginian territories in North Africa, a great dragon appeared in the neighbourhood of the Roman camp, and devoured a number of the soldiers . The Romans were greatly terrified, but finally killed the monster by hurling stones upon it with their *balistas* . This dragon was undoubtedly a boa constrictor, which had found its way across the desert from Central Africa . The Dragon of Revelation, then, was a great red serpent .

2nd . Parallelisms Of Character .

We have seen that certain things in the natural world are chosen by Divine inspiration, to symbolize the powers they set forth, on account of a resemblance in *character* between the symbol and the power symbolized .—Thus, the Great Red Dragon is chosen by Divine inspiration to symbolize the London Money Power, because, in all the realm of nature, nothing but a great serpent resembles the Money Power, in its character, and its modes of action . In its character, and all its activities and methods, the Money Power is

like a snake . The Great Red Dragon, like all great serpents, belongs to the constrictor species . We must, therefore, look to the Boa Constrictor for the points of character and action, in which the parallel is to be found . Prophecy represents the Money Power as a great Serpent, with its den in England, but its body extending in mighty coils all over the earth .

First Parallelism of Character :—*The dragon is a devourer* . The Boa Constrictor, when it has devoured a sheep or a deer, remains torpid until its meal is digested : then it lives for nothing else but to lie in wait, watching for another victim . Its whole sluggish life is absorbed in devouring . So the Money Power is a devourer of industry, commerce, wealth and property . It lives for nothing else but to accumulate . It differs from a Boa Constrictor only in its inordinate size . A Boa Constrictor, if it swallows a sheep, is torpid for a time, till its meal is digested ;—but give it a mouse, and it is still hungry and wants more . This Great Dragon, the Money Power, is so vast, that it can never be gored to repletion . It is devouring industry, trade and property, all over the earth, and it never has enough . The inspired prophet speaking of this Money power, says, "He enlargeth his desire as hell, and he is as death, and can not be satisfied, but gathereth unto him all nations, and heapeth unto him all people ."

We have seen how the Money Power is devouring all over the earth . It is devouring in Europe—in India, and all over Asia—in Egypt, South Africa, on the Congo, and wherever Africa is penetrated—in South America—in Mexico and Central America—in Canada—in the United States—in Australia, and the Isles of the ocean . Everywhere it is devouring the industry and wealth of the earth . It aims to devour all industry,—all manufactures-all banks—all shipping—all railroads—all commerce—all traffic, import and export, internal and foreign, wholesale and retail—all transportation—all mines, of coal and iron and silver and gold—all oil wells all city property—all farms—and all the wild lands of the world .

Besides the fact of its being a devourer, there is a certain method in its devourings that identifies the Dragon with the Money Power . These points of similarity I point out in the several Parallelisms of Character next following :—

Second Parallelism of Character :—*Unlike the lion or the tiger, which spring upon their prey with a roar*, so that all the neighbourhood knows when the victim is destroyed, *the Serpent steals secretly upon its victim, and seizes it noiselessly* .

So the Money Power is sly and secretive in its methods, and steals upon its victims secretly, and destroys them without noise or struggle . The secret sly methods of the Money Power are exemplified in every assault it has made upon our industries . Thus it

stole upon the merchants of New York City—the oil well owners of Pennsylvania—the operators in beef, pork, cotton and all the various business enterprises it has devoured . So silently, so stilly is it now stealing on the cattle ranches—the coal mines—the retail merchants—the breweries—the flour mills—the farmers—and all the business interests it is now devouring .

Third Parallelism of Character :—*The serpent charms its victims, and lures them to their doom* .

So the Money Power has charmed and is charming the world, with the lure of its money . It lures people from all over the world to its London den, to get money to build railroads, and water works, and gas works—and, in the end, all that was built with the money it devours .—It lures miners after money to develop mines : and it crushes the miner and devours the mine .—By starting a boom in cattle, it lures farmers, merchants, mechanics, to borrow money on mortgaged property and put it into cattle ranches : and then it devours the mortgaged property, and the ranches in which the borrowed money was invested—By starting booms in cities and towns, it lures all classes who have property, to borrow money on mortgage and invest it in town lots : and then it devours both the mortgaged property, and the boom investment .

Fourth Parallelism of Character :—*Unlike the lion and the tiger, and all other beasts of prey*, which rend and tear their victims in furious assault, the Boa destroys its prey by enveloping it in its coils, and crushing it .

So the Money Power always envelops the industry it assails in the coils of its capital, and crushes it by constriction .—Thus it enveloped the oil industry—the New England Mills—the New York merchants—and all the industries it has devoured . In every instance, it used its immense capital in such a manner as to crush the operators instantly, as the boa constrictor crushes its victim in its coil . —The method of the Money Power is identical with that of the Boa .

Fifth Parallelism of Character :—*The Boa constrictor crushes only to devour, and devours all it crushes* .—In this it is unlike the tiger or the leopard . The tiger will destroy forty sheep, and eat only one ; or will kill half a dozen bullocks, and devour only a part of a single carcass . In this they resemble political despotisms, of which such wild beasts are made the symbols . For such political powers wage grand and destructive wars, and in the end, the conquering state gains only a petty acquisition . Thus, all the grand wars of the first Napoleon ended in but small accessions of territory : Prussia, after crushing France, gained only Alsace-Lorraine .

This is unlike the Money Power which, like the serpent, attacks only to devour, and devours all it attacks . It never attacks any business interest, unless it means to devour it . It did not attack the New England Mills, or the iron interests of Pennsylvania, till the time came for them to be devoured . A caged Boa will leave the rabbits in its cage unharmed for days, till it is ready to devour them . So the Money Power will work side by side with business interests for years, without showing any hostility, till the time

comes when it is ready to take possession of them ; and then, it makes its attack suddenly, and crushes them inexorably . We find illustrations of this, in all the operations of the Money Power in this country . It has never assailed an American business which it did not devour . It is now assailing the cattle men—the lumber men—the wholesale merchants-the retail merchants- the farmers, and other business interests ; and is crushing them ; and, unless its career be arrested, it will devour them all, as it did the New York merchants and the oil well owners .

Sixth Parallelism of Character :—*The Boa always has to beslime its victims, before it can devour them* .—It pounces upon a deer and crushes it, bones, flesh and tissues, till all within its hide is perfectly soft . Then, before beginning to swallow the victim, it beslimes it from head to toe ; when it begins to swallow gulp after gulp, until the entire victim is engorged in its maw .

Thus the Money Power always beslimes its victims with the slime of its capital before devouring them . Thus it beslimed our railroads with construction capital—our mines with capital, to develop and operate them—blocks of city property and broad areas of farming lands, with mortgages .—The Money Power always beslimes everything with its capital, before devouring it ; and it surely devours all business, and all property, it is allowed to beslime .

Seventh Parallelism of Character :—*The Serpent's victims are paralyzed and powerless to resist* .

It is one of the most remarkable phenomena in the destructions of the Money Power, that none of its victims have ever been able to make the slightest resistance . There is always a conflict in ordinary trade contests, before one of the parties is crushed . But the victims of the Money Power never resist : they are paralyzed in the coil of the python, and submit quietly to their fate . Thus the New York merchants, the oil well owners, the mill owners of New England, the cattle companies, and all whom the Money Kings have crushed have submitted to their fate as quietly as a rabbit in the coils of a boa . This paralysis of its victims is one of the reasons why the destroying career of the Money Power has attracted so little attention .

Eighth Parallelism of Character :—*The Serpent swallows its prey whole* .—In this it is unlike all other beasts of prey . The lion, the tiger and all other beasts of prey devour their prey mouthful at a time, and leave the bones and horns and hoofs . And they always leave a portion of the prey to the jackals and other beasts that follow their footsteps .

The Money Power is like the serpent in this regard . It always takes entire possession of every industry it seizes upon . It did not content itself with dividing the business with the New York merchants, or the oil well owners ;—it devoured the entire business . So with every business : it never divides with previous competitors ; it devours the whole business it takes possession of .—It never will engage in any business, unless it is put into a joint stock company ; and it always demands the controlling interest in the stock, before it will invest . And then it is only a question of time when it will devour it all .

Ninth Parallelism of Character :—The lion and the tiger gorge their prey at once : unlike them, the serpent is a long time swallowing its prey : it requires many gulps before it is finally engulfed in its maw .

In this characteristic, the serpent strikingly resembles the Money Power . As has been said, these Money Kings always want a controlling interest in an enterprise before they will invest, and then they begin a systematic process of gulping down the remaining stock of the company . They never buy up all property in an enterprise at once . They begin with a mere start, as the serpent begins with the head of its victim ; and then they keep on devouring till they have swallowed the whole .—Thus, they began with a few wells in the oil region, to start the business : afterward, they kept on devouring till they had swallowed it all .—So in a gold or silver mine, they must always have a controlling interest in the stock ; and then they begin systematically to freeze out the other stockholders .—This small beginning and persistent continuance in devouring, till all is engorged, is not the least striking of the parallelisms between the Dragon and the Money Power .—Who can doubt that Divine inspiration meant by the Great Red Dragon to set forth the London Money Power ?

The Serpent is chosen by Divine inspiration to be the symbol of the London Money Power, because, in all the realm of nature, the serpent alone perfectly resembles the Money Power . In its character, as well as in its processes, and methods and modes of activity, the Money Power is like a snake .

We have seen the striking parallelisms between the Money Power and the Serpent, exhibited in its methods of devouring : let us now mark some of the parallelisms, in disposition and intrinsic character .

Tenth Parallelism of Character :—*The serpent is the synonym of worldly wisdom, craft and cunning* : "*wise as a serpent*".

The Money Power displays the wisdom of the serpent in all its policy—in its entire career . It never takes a step that is not thoroughly matured . It never alarms its victim by a premature attack . Its assaults are always made on a well considered plan, and have always been successful .—How skilful its attack on the oil wells ! first building a railroad, and then constructing a pipe line to it . How thoroughly matured the plan ! how skilful the execution ! Like the combinations of a great military genius, the movement was irresistible !—What consummate skill in its mode of getting possession of the railroads, by first mortgage bonds for the iron ! first furnishing the money to build the road bed, on city and county bonds that had to be paid ; then getting possession of the railroads upon first mortgage bonds for the iron !—How wise its attack on the New York

merchants ! by establishing branch houses, and then starting drummers to take away their trade !—How crafty their booms ! building up a city by lavish expenditure of capital, and getting multitudes to invest and make partial payments, and then stopping all investment and letting the boom collapse ; so that, when prices fall, they can take back the property for the remaining payments, and have it all ready for the next boom !—Still more crafty their booms in small towns, where they buy the land around a country village, build up the town to fifteen thousand in a couple of years, and so make the world believe it will be a city of one hundred thousand inhabitants ; and when the gulls have bought prairie lots at high prices, let the boom drop, pocket the money made, and take back the lots, for final payments !

But why particularize ? They never make a blunder . All their acts are marked by wonderful skill and wonderful wisdom . But if there is any act showing most consummate craft and skill, it is their wonderful attack on the New England Mills . We have a saying, "Sharp as a Yankee ." But these Jew Money Kings far surpass all American shrewdness . American wisdom had exhausted itself in devising measures for the protection of the New England Mills from the competition of foreign merchants . But these Money Kings found a flaw in our system of protection, through which they crept like a serpent, and enmeshed the New England Mills in the coils of their capital, and crushed and devoured them . And they did it all so skilfully, so quietly, so secretly, that, to this day, nobody knows it was done !

The serpent is wiser than all the beasts of the field ; and it only, is a fit symbol of this crafty secretive devourer . The Money Power is a veritable embodiment of the wisdom of the serpent .

Eleventh Parallelism of Character :—*The serpent hides in the grass* .

So the Money Power systematically hides its operations from the eyes of mankind, in such a manner that its path can hardly be traced . It always operates through joint stock corporations, in which its identity is concealed under the agencies it establishes . The stockholders of these corporations are the London Jew Money Kings . But they elect directors and officers in the country where the corporations are established ; and the people believe that the men who manage the corporations are their owners .—The Money Kings put a man at the head of a railroad system, as its ostensible owner, and the public does not suspect that the owners are in London .—They loan money by billions of dollars, on city property and improved farms, through their agencies, and make the public believe that it is American capital .—They ruin business, and own property all over the country, and yet manage to conceal their identity .

They have induced government to fix the laws of joint stock corporations, with the special purpose of concealing their identity .—All other real estate is transferred on record books open to public inspection . These joint stock corporations own real estate in railroads and city property, in business houses in which they transact their business, in improved farms, in wild lands ;—and yet the stocks which represent all this real estate are treated by the law as personal property, and are transferred like a horse, or any other

personal property . All transfers of stock are made on the books of the company, and the public is never allowed to know who the stockholders are . The whole system of laws regarding joint stock corporations has been devised for the special purpose of concealing the stockholders from the public .—As a snake hides in the grass, so the Money Power systematically hides its operations and its existence, behind the concealment of joint stock corporations .

Indeed, when this hiding secretive Money Power, always seeking concealment, is now presented as an Imperialism actually existent in the world, all are astonished, and wonder how such a terrible Imperialism could have risen in the earth, and mankind be kept in utter ignorance of its existence . It is now overshadowing the whole earth with its monopolies of trade and industry, and has almost ruined the world, and yet its existence is unknown . How strikingly like a serpent hiding in the grass !

The trail of a snake can never be found, except where it crosses a dusty road . So, it is only at death where evidence can usually be found that a man is the agent of the Money Power . If A.T. Stewart were still living, he would be universally believed to be worth over $100,000,000 . His death revealed him as the agent of the Money Power . The track of the serpent could only be found as it ran across his grave . So, the death of Jim Fisk revealed the fact that he and his partner, Gould, instead of being the owners of the Erie railroad, were the agents of the Money Kings .—The Money Power hides all its operations under the guise of agencies .

Who can doubt that it is the crafty, secretive hiding Money Power which is symbolized by the Dragon ?

Twelfth Parallelism of Character :—*The serpent crawls on his belly* . The curse of baseness was fixed upon it at the beginning .

The whole course of the Money Power is a tissue of fraud, falsehood, trickery and treachery, comparable to nothing but a serpent crawling on its belly . Its career is a living lie, as it systematically hides itself behind its agents, pretending that they are the owners of the business they control . Like the garroter, it throttles and plunders its victims in the dark . Like the gambler, it entices its victims to bet in its gambling hells, the Boards of Trade, upon the rise and fall of stocks, and the rise and fall of produce ; while it holds the game in its hands, and stocks the cards for the robbery of its victims . It is a slugger, whose purse, filled with gold, is its sandbag, with which it strikes down in the dark its victims, in all the busy avenues of trade . There is honour among thieves : the robber is true to his “pal;”—but the Money Power systematically plunders its partners, freezing out minority stockholders, and all men who take part in its enterprises .

It knows that if the world knew of its system of plunder, mankind would rise up against it : it therefore robs through agencies, and makes agencies the “cribs” where it hides its plundered goods . Its whole career, from the first, has been a tissue of lying, robbery, fraud and concealment . It has acted falsehood in the past, to hide its trail : And now that it is discovered, and exposed to the eyes of the world, it will no doubt attempt to escape,

like the scuttle fish, by making the waters around it inky black with falsehood, causing its minions to swear in the columns of the press, that its existence is a myth, that the discovery of it is a “mare's nest,” and that this exposure of it is all imagination .—The Money Power is always a snake crawling on its belly . Its whole life is a living lie .

Thirteenth Parallelism of Character : -*The serpent is a cold blooded malignant beast* . In this it strikingly resembles the Money Power, which is without either heart or conscience ; and which, in pursuit of its selfish aims, displays a cold blooded remorselessness, without a parallel in the history of the world .

The Money Power operates entirely through vast imperial joint stock corporations ; and, in such corporations, there is no place for human sympathy, or a sense of individual responsibility . Such a corporation has no conscience—no soul .—An individual is withheld from too flagrant wrong, by sympathy, by conscience, by a sense of moral responsibility ; but no one connected with the management of these grand Money Power Corporations feels any sense of personal responsibility . The stockholders feel none ; for they are away off in London, and do nothing but elect the directors . The directors feel no sense of personal responsibility ; for they are not principals, but only agents ; and they simply appoint the officers and leave the management to them . The officers feel that they have no individual responsibility, because they are under orders, like the officers of an army, and are not acting for themselves, but for the directors and the stockholders . They come to feel that their only duty is to take care of the interests of the corporation .—The management of these imperial corporations is utterly selfish, without a tinge of sympathy or generosity .

This does not apply to ordinary business corporations, where individuals incorporate themselves into a company for the transaction of business . There are many advantages in such an incorporation, and it is free from objection . In such corporations, conducted as individual enterprises, on a moderate scale, the sense of justice influences the minds of the stockholders, and pervades the management, as much as in the individual management of business .

But an imperial system of corporations, bent upon attaining a universal control of industry, and a universal monopoly of wealth and property, like an ambitious conqueror, is utterly selfish and remorseless . The cold blooded heartlessness of these Money Kings is glaringly displayed in the entire course of the Money Power . Its whole course is a black night of oppression, injury and wrong . It is as useless to attempt to particularize, as it is to seek the darkest cell in a dungeon, or the foulest corner in a lazar house . The Money Kings are bent on getting all the business, all the wealth, and all the property of the earth into their own hands : they can only do it by bankrupting all the business men in the world, and reducing the great mass of mankind to the condition of serfs, subject to their will, and dependent upon them for bread ; and they are pursuing their aim of the subjugation of mankind with ruthless energy .—The Money Power is as cold blooded, pitiless and malignant as a snake .

I have now presented thirteen Parallelisms between the Dragon and the Money Power :—

I.) I have showed that, **like the Boa Constrictor, the Money Power is a devourer** .

2.) **I have showed eight points of Parallelism** between the serpent and the Money Power, in respect of the manner in which they both devour their prey .

Both steal secretly on their prey, and destroy them silently ; and so secretly, that the world knows nothing of the destruction :—both charm their victims, and cause them to come to them, and place themselves in their power :—both crush their victims in their coils, the serpent, of its body, and the Money Power, of its capital which constitutes its body :—both crush only to devour, and devour all they crush :—both beslime their victims by their secretion before devouring them, the serpent with slime, the Money Power with money :—both paralyze their victims by their attack, beyond the possibility of resistance :—both swallow their prey whole, leaving nothing behind :—both swallow their prey gradually .—The devouring of the Money Power is, in all points, like the method of the serpent, and is like that of no other beast of prey on the earth .

I have showed four points of Parallelism in Character between the Money Power and the serpent .

Both have certain personal characteristics peculiar to themselves, among all the beasts of the earth, and all the powers that have ever risen .—Both are wise, and skilful, and cunning and crafty, beyond all comparison with others of their kind :—both are secretive, and habitually hide themselves from the eyes of men, the one in the grass, the other behind its joint stock corporations :—both are despicable, false and treacherous, habitually crawling on the belly :—both are cold-blooded, and malignant and remorseless .

But these thirteen Parallelisms do not exhaust the likeness between the Serpent and the Money Power . There yet remain seven other parallelisms to be mentioned . The proof already offered is sufficient to convince the most incredulous that the Dragon is the symbol of the Money Power . But the evidence is abundant even to nausea . I proceed to mention four other parallelisms between the Dragon and the Money Power, in respect of the modes of activity .

Fourteenth Parallelism of Character :—*It was a* "**Great**" **Dragon** .—The great Boa, unlike other wild beasts which appear in one spot, may stretch its long body afar .

Prophecy well chooses the python as the symbol of the Money Power ; which, while its head is in England, stretches its body all over the earth, embracing in its folds India, China, Africa, Australia, Europe, South America, Mexico, Canada and the United States . Everywhere, the body of the Boa appears . It is as active in Europe, and Asia and America, as in England . England is its den ; but the Dragon is, indeed, a *great Dragon* ; its body encircles the earth, and it has everywhere enveloped industry in its folds .

Fifteenth Parallelism of Character :—*The Boa, as it lies along, may throw its folds around many objects* .

So, the Money Power has, in its huge length, many folds, which encoil about many objects . We call these folds of the python "Rings," or Monopolies . Each monopoly is a "Ring," formed by a fold of the serpent, thrown around a branch of industry, or branch of trade . "The whiskey ring," "the railroad ring," "the oil ring," "the cotton ring," "the wheat ring," "the cattle ring," "the coffee ring," "the sugar ring," "the packing ring," and all the other grand monopolies are each only fold of the serpent thrown around the industry . Woe to the man who attempts to operate inside of one of these "Rings ." Instantly the coils of the Boa will be around him, and he will be crushed in its folds, and devoured .

Sixteenth Parallelism of Character :—*The grand Boa Constrictor habitually twines upon a tree*, while watching for victims which pass beneath .

So, the Money Power twines about the government, while plundering its people . The Money Power habitually twines about governments . The British government is its servile instrument : it sways India with autocratic rule : the European governments yield to its will .—In our own country, it too often controls Congress, and State Legislatures, by lobby influence . The lobby,—"the third house,"—controls all legislation that effects the interest of the Money Power ; procuring legislation to suit its aims, and preventing legislation injurious to it . Not only does the government leave industry defenceless in the grasp of the Money Power : it also, by vast land grants,* by paying interest on bonds in gold that were, by law, to be paid in paper, and in various other ways, gives to it immense bonuses . Our country is hardly in a less degree than England in the grasp of the Money Power .

Seventeenth parallelism of Character :—*The Boa Constrictor, waiting for its prey, hides in a tree, behind the green foliage* .

So, the Money Power hides its own bloated wealth under the guise of national prosperity . Thus, our people are deceived by the statement that the United States is now the richest nation in the world . The wealth consists, not so much in the wealth of the American people as, in the growth of the Money Power and its investments . The Money Power has built railroads, factories, and city improvements ; is opening up bonanza farms ; is

pushing forward with its capital many branches of production and trade ; but it owns them all . The American people are getting poorer : the Money Power has mortgages upon two—thirds of our farms : the Money Power alone is getting rich .

It is investing in our country the revenues it derives from its world—wide manufactures and commerce . These investments increase the amount of its wealth, located in this country . But it is not our wealth : it is not the green foliage of national prosperity . It is the body of the Boa ; and, instead of helping our people, its wealth is an engine of oppression, destroying Americans engaged in independent business, crushing our farmers, and devouring our national wealth .

Two oaks, standing in the forest, are alike vigorous and flourishing . A wild ivy vine twines around and around one of the oaks, and girdles it from bottom to top in its twining folds, and wraps trunk and limbs in a mass of most luxuriant foliage .—How gloriously the oak seams to flourish .—But soon it ceases to grow :—and finally, it begins to wither .—But the ivy vine flourishes more and more luxuriantly : its twining folds around the oak grow larger and larger ; until the tree is strangled in its clasp, and dies !—Our country is the oak ; the Money Power is the twining ivy vine . Already our oak is pining . Limb after limb has withered and fallen . The great farming branch, with many others, is slowly dying . But the twining ivy vine,—the Money Power, with its vast possessions,—is flourishing ; and it crowns our dying country with a greener foliage than in the days of our greatest and most real prosperity .—The serpent folds of the Money Power are throttling us .

Besides these Parallelisms, there are three others which show, especially, that

the money power is the enemy of the human race.

Eighteenth Parallelism of Character :—The serpent is the immortal enemy of the human race .

So also, a necessary antagonism exists between the Money Power and the human race .

The People Can Only Prosper by Doing the Business which the Money Power is doing, and covets to monopolize entirely . If the individuals keep the business, they prosper, and their countries flourish ;—but the Money Power, under such conditions, will languish . On the other hand, if the Money Power takes the business, those who had it before are reduced to poverty, just in the degree in which the Money Power flourishes . *The prosperity of the Money Power is the ruin of the human race .*

The Money Power is hostile to the well being of man beyond all despotisms that have ever existed . It is more oppressive than any national despotism . A despot rules by law, and makes specific exactions by taxation . No despot desires to break down people in business—to plunder them of their property—to reduce them to bankruptcy—and to appropriate their property to himself . No despot enters the home, to take it from the owner .—The Money Power does all this . It crushes individuals : it oppresses people *en masse* . It cheats : it swindles : it extorts : it plunders : it destroys : it devours .

The Minotaur, a monster which, every year, devoured a shipload of victims which Athens was compelled to furnish, is the most horrible monster of legendary antiquity . But the Money Power is worse than the Minotaur . That monster was kept in its den, and could only devour the victims brought to it . The Money Power is an immense Serpent, going at large, and devouring all the victims it can find . More, it is a Crowned Imperialism, which controls governments, and is above all law . It bankrupts the merchant, the manufacturer, the miner, the farmer ; and drives them and their families out from their homes into the world, beggared, and perchance to die heartbroken and despairing .

The Money Power is worse than any despot that ever reigned . The despot is restrained from excessive wrong and oppression, lest the prosperity of his people be destroyed .—But it is the aim of the Money Power to destroy the prosperity or all persons engaged in independent business ; in order that, amid the ruin it works, it may ravage, and devour industry and wealth .

The Money Power is worse than any monster that ever roamed the earth, or was conceived by human fancy . For the monster needs only to devour a few, to appease its hunger ;—but this Serpent is so huge, that it encircles the earth with its folds, and the ruin of nations can not appease its insatiable appetite to devour .

Were a wild beast abroad, destroying as the Money Power destroys, masses of men would gather to hunt it to death .

Were a despot to oppress and ruin his people, as the Money Power is oppressing and ruining our country, he would be blown up with dynamite, or his head would be brought to the block, in less than a year .—The Money Power, like the Serpent, is the Arch enemy of the human race .

Nineteenth Parallelism of Character :—*The color of the dragon is* red .—This is a *lusus naturae* . Nobody ever saw a red snake . There must have been a special appropriateness in the color here, for it to be applied to the serpent .

This color always, in the book of Revelation, indicates that the power symbolized by a red color is a cruel, bloody despotism . And indeed the red color was indispensable, in order to indicate the bloody character of the Money Power . For the Money Power is a great destroyer—perhaps the greatest destroyer of human life, of all the despotisms that have arisen on the earth .

But it does not destroy its victims on the battle-field . It is described in the third vision of Daniel, where it is said of it : "*In peace, shall he destroy many* ." *Daniel* viii : 25 . It does not strike its venomed fangs into the body, but the soul . It reduces its victims to want and beggary ; and multitudes of them, in utter despair, turn their faces to the wall and die . Its victims have died—are dying—all over the earth .

Great Britain is the seat of its power ; and there, by penury and want and vain longing and despair, it is, every year, crushing thousands of the poor into untimely graves . I saw in London such poverty, and misery, such utter wretchedness, that the constant spectacle of suffering I could not relieve broke down my health, and I was compelled to leave the country before I had intended, in order to save my life . Among the London poor, you hardly ever see a hoary head . Poverty and want and helplessness and despair drive them to untimely graves, long before time can furrow the brow or blanch the hair . The whole generation dies in the prime of middle life, destroyed by the conditions with which the Money Power surrounds them . They are as actually murdered as though the dagger were driven to their hearts . It is true, no blood is shed ;—but the Serpent never sheds the blood of its victims—they die a bloodless death, crushed in its oils . So the poor people of Britain die, every generation, crushed to death by the constricting coils of the Money Power—crushed into direst poverty and want, till death comes to their relief .

India is completely in the coils of the Money Power . The Monster killed five million Hindoos with Famine in order to compel them to become its serfs upon its plantations redeemed from the jungle . And now, under the control of industry in India by the Money Power, half a million Hindoos die of starvation, every year .—It is said that, in the wars of Napoleon, waged during twenty years, all over Europe, and in Egypt and Syria, two million men perished . In a time of profound peace, the Money Power, in a single country, *destroys as many lives every four years, as Napoleon destroyed in twenty years* ! !

In the United States, during the long oppression of low prices which it has maintained since 1820, with brief intervals, and in the terrible financial crises it has induced, thousands have died of heart-break, and multiplied thousands of penury . During its long continued course of conquest in this country, in which it has been engaged for the last twenty years, it has broken down one branch of industry after another, and devoured them ; and it has driven to untimely graves myriads of our countrymen .

There have been, for the last twenty years, about ten thousand failures, every year of prominent business firms . The men in moderate circumstances who have broke are a great multitude who have not been reported . Only the big fish caught by the Money Power are counted : the multitude of little minnows that it has cast out of its net to die, are left to rot in the sunshine without notice . Not to speak of myriads of small failures, in this country, caused by the Money Power, in the last twenty years, there have been, in the United States, two hundred thousand great failures, for the most part victims of the Money Power .

What became of those victims ? Alas, we know not . Some died of heart-break : many drag on hopeless lives in some subordinate position : the sons of ruined families have, many of them, swelled the ranks of the reckless, hopeless multitudes of our cities : many of the cultured daughters are teachers, or seamstresses, or clerks ; and many have sunk, through despair, into the great social deep lower than the grave ! !

All over the earth, the Money Power has its holocausts of victims . They fall in the midst of peace . They die, and make no sign .—Well is this bloody destructive Money Power represented by the Great RED Dragon .

Twentieth Parallelism of Character :—*Inspiration drops the symbol at last, and calls the Dragon the devil* .—The Devil was incarnate in the serpent, in Eden, to induce the fall of the human race . In the book of Revelation, Satan is represented as incarnate in the Dragon . The Money Power is an embodiment of Satanic selfishness, craft, cunning, skill, fraud, deceit, malignity and destructiveness . It constantly breaks down industry in its selfish greed : it destroys the prosperity of the whole earth, in the pursuit of gain : it crushes multiplied millions of the human race : it overshadows the whole age with darkness .

It would destroy the dawning era of liberty and advancement now rising upon the world, as the serpent destroyed Eden . It would break down our grand Republic, and establish upon its ruins a mighty Despotism, to overshadow the hopes of man : it would, with Jewish hatred of Christianity, break down our churches : it would destroy our rising civilization, and reduce mankind to the condition of serfs, without the possibility of education or enlightenment : it would arrest the progress of the world toward the Millennium, and grind mankind beneath the heel of a despotism worse than that of the Feudal Ages .

The Money Power seeks to destroy our Republican liberties, and to bring the world under a subjection to its own grand Imperialism of wealth and monopoly ; in which it, and its agents, will be the privileged Aristocracy, having all culture, and refinement and power ;—while the mass of mankind are its serfs, tilling its lands, and doing its work in the various departments of business life, and sunk into abject poverty, with all its concomitants of ignorance, vice and debasement .

Instead of allowing the human race to share in the benefits derived from the power of steam, it seeks to monopolize all those benefits to itself, and use them as a weapon to crush all individual industry, and to subdue the world beneath the imperial sway of its capital . It converts the blessings conferred by Divine Providence upon mankind into a curse . It seeks to introduce a new Feudal Era, in which it, and its agents, will parcel out the world anew, and bring back the wrong and oppression of the Dark Ages .

The iniquity of the Money Power surpasses human depravity . It is Demonic,—in its selfishness and greed—in its cold-blooded heartlessness—in its knavish trickery—in its bold robbery—in its cunning and craft and chicane—in its falsehood—in its lying concealment—in its malignity—in its murders of victims driven by ruin to despair and

death,—*in all this—and in its other unspeakable turpitude, and wrong and baseness, the Money Power is utterly satanic and devilish* .

Who can Doubt That the Dragon is the symbol of the London Money Power ? Let us briefly recapitulate the line of evidence :—

There are but three Parallelisms of Character between the Lion with Eagle's Wings and the Babylonian empire ; and only two, between the Bear and the Persian empire ; and none of them very remarkable .—But here are Twenty Parallelisms of Character between the Dragon and the Money Power ;—ten times as many, and far more remarkable .

Review the Entire Career of the Money Power as it has been presented, and its every trait, its every act reveals it as a gigantic Serpent .

1) **It is Like a Serpent** in being essentially a devourer .

2) **It is Like a Serpent in Its Method of Devouring Its Victims** :—it charms its prey, luring them to their doom—it seizes its prey secretly—it paralyzes its victims by its attack—it crushes its prey in its coil—it crushes only to devour, and devours all it crushes—it beslimes its prey before devouring it—it swallows its prey whole, leaving nothing—it swallows it by repeated gulps, and only after repeated efforts engulfs it in its maw .

3) **The Money Power is Like a Serpent in Its Characteristics** :—it is full of worldly wisdom and craft—it hides in its agencies, as the serpent hides in the grass—it continually grovels in debasement, lying, fraud and trickery, as the serpent crawls upon its belly—it is cold blooded, remorseless, cruel .

4) **The Money Power is Like a Serpent in Its Habitudes** :—like the serpent it stretches afar ; its head in England, its long body enveloping the whole earth in its coil—it throws many coils of its huge length around many industries, in various countries all over the earth, every coil a “ring”—it hangs on governments for support, as the Boa Constrictor hangs on a tree it hides its own bloated gains under the guise of national prosperity, as the Boa hides in the leaves of a tree.

5) **The Money Power is a Veritable Serpent in Its Relations with Mankind** :—it is the necessary enemy of mankind, because its interests are opposed to the well being of humanity, there being as natural an enmity between the Money Power and mankind as between the serpent and man .—The Money Power, like the Dragon, is RED with the blood of multitudes of victims, slain by it in its continual wars upon industry—finally, the Money Power is, indeed, the very embodiment of Satanic malignity toward mankind .

In Every Particular, the Symbol has Its Counterpart . Not one point of likeness fails . No other power can possibly be found that embodies all the characteristics of a serpent . In no other power that has ever existed can these characteristics be found . The Money Power is the only Imperialism that has ever risen on the earth, that is like a snake, in any particular . It is like a snake, in every point . And it is like nothing else .—These strange and startling resemblances cannot be fortuitous and accidental . They prove most indubitably that the Money Power it the Imperialism symbolized by the Great Red Dragon .

CHAPTER V.

PROOF THAT THE DRAGON IS THE SYMBOL OF THE LONDON MONEY POWER, CONTINUED .

III . Third Proof : Coincidences of Fact.

We have now seen the twenty Parallelisms of Character by which the Great Red Dragon is proved to be the symbol of the London Money Power . But these Parallelisms are only part of the evidence . We have seen that a symbol is also identified with the power symbolized, by Coincidences of Fact, where certain things are stated of the symbol, which represent similar things that are true of the power symbolized . There are twenty-two Coincidences of Fact, which prove that the Money Power is the Imperialism symbolized by the Great Red Dragon . These will now be presented :—

1st. The Dragon and Beast.

First Coincidence of Fact :—*In the 13th Chapter of Revelation, it is said "the dragon gave to the beast his power, and his seat and great authority ."* And again, "*they worshipped the dragon which gave power to the beast* ."

It has already been explained how, according to the 13th and 17th Chapters of Revelation, the Roman empire is to be re-established under the dominion of Prussia, extended over Southern and Western Europe . And it is here stated how the Roman empire is to be re-established under the headship of Prussia,—"the Dragon gave to the Beast [Prussia] his power, and his seat and great authority ."

This Establishment of the Prussian Empire over Southern and Western Europe by the aid of the London Money Power is not yet accomplished ; but it is so near in the future that we may now see the means of fulfilment . We know that the loans of the London Money Power to the nations of Europe enable them to keep up their standing armies, and to meet the expenses of war . No country in Europe can sustain a war without the loans of the Money Power . In the great war of 1870, between Prussia and France, all the

world thought France would be the victor, because she had the greater financial resources . But the Money Power gave to Prussia unlimited loans, and enabled her to put two millions of men into the field, so that she crushed France like an eggshell, in a campaign of only a little more than four months .

If we now observe the state of Europe, we shall perceive that its present condition indicates that the great nations are on the eve of a great war ; in which Prussia and her allies will triumph through the aid of the Money Power .

Europe is Now Divided Into Two Hostile Camps :

Russia and France, on the one side ; and Prussia and Britain, and Austria and Italy on the other . Of these two coalitions, Russia and France are, in respect of military force, much the more powerful . They are able to bring into the field, in round numbers, six million soldiers ; while Prussia and her allies can only bring into the field, in round numbers, four million men .

But the Money Power is a New Force in the Field . It alone has imperial power in our age, sustaining kings, and in war giving the victory by its loans, where it pleases . No nation in Europe can put forth all its strength in war, without the loans of the Money Power . And, in the great war now impending in Europe, the aid of the Money Power will be given to Prussia and her allies . Loans will be refused to France and Russia, and those powers will be unable, for want of money, to bring their vast forces into the field . Prussia and her allies will have unlimited loans, and will be able to equip and keep in the field all their forces : the sure result will be that Prussia and her allies will be the victors in the conflict ; and Prussia will become imperial over Southern and Western Europe .

In the New Era of the Imperialism of the Money Power, it needs a grand imperial government that can enforce its demands all over the earth . The British government is now its subservient instrument ;—but Great Britain is not sufficiently powerful to enforce its demands against the great nations of the earth . It needs a more powerful nation to be its instrument . And Germany, under the headship of Prussia, is the nation it has chosen .

The Pamphlet given me, in England, shows the desire of the Money Power to have a great Imperialism capable of ruling the world, to further and support its claims . The writer of the pamphlet said that, in order to support the claims of British capitalists, it was necessary for England to be the most powerful nation on the globe ; and that it was the policy of England, in order to this end, that the nations should be divided up into small states, so that England could subdue and control them .

In the Table of Contents of the pamphlet, appear the following headings :—**"England has a Money Interest in Every Nation ." "Every War a War upon England ."**

“England Should invariably Chastise .” “English Rule a Blessing to Foreign Nations .”—The writer proceeds :—

“ Having her property [the property of the Money Kings] dispersed all over the earth, England should, for her own protection, constitute herself the police of the world ; as she is the carrier, the banker, the merchant, the Annuitant, the post-office of the world . When the outrage of war is committed on England's commerce,—that is, whenever any war is undertaken,—it should be the standing order of the people of England to their public servants that, the instant any country marches an army across its own border, the English fleet in the district shall blockade every port of the offending power, and if necessary, bombard the maritime towns ; that the British fleet throughout the world shall seize upon and make prize of everything afloat belonging to the offender ; and further, that a British army shall, without a moment's delay, be sent to assist the nation invaded, and protect our property .”

The writer next proceeds to set forth the power of Great Britain to maintain this imperial position . He sets forth the resources of Britain under three heads,—“**Naval Supremacy** :” “**The Military Character of the People**” and “**The Wealth of England** .”—He says :—

“England is the only nation which has at all times maintained its army without a conscription . * * * * * No one doubts our means of supplying the waste of war . The cost [of the Crimean war] that has crippled Russia for twenty years, has never for a moment been felt by us . The large outlay during the Crimean war did not curtail the smallest luxury of the poorest Englishman . The war was thoroughly popular, as all wars are in England . There is no instance of public meetings to protest against a war ; for the people of England often urge a war, but never tire of one .”

The writer of the pamphlet advocates the breaking up of all the great powers (this was in 1864), into small states, which could not resist the power of Great Britain . He says :—

“A combination of such states as Denmark, Holland and Belgium would give us little more trouble than a Caffir war, or an attack by the Maories of New Zealand . * * * * * It is England's interest then that there shall be no large territories ; and, fortunately, nature has limited within comparatively narrow bounds the extent of country which can most beneficially embrace one community . * * * * * England can avail herself of these

natural limits without the slightest injury to mankind ; and should never fail to assist every people who are struggling for a separate existence ."

This writer represents the interest of the Money Power . His statements show that the Money Power feels the need of a great Imperialism able to dominate all nations, in order to further and guard its interest . This writer evidently hoped that Great Britain would become such an Imperialism, by breaking up the great nations of the earth, fomenting discontents, and supporting revolts .—But the tendency throughout Europe and America is toward the growth of great nations . It is now evident that Great Britain is not powerful enough to dominate the earth .

But the Money Power desires such an Imperialism as its agent, as is evident from the foregoing quotations . Such an Imperialism is indispensable to it . And as there is no hope of Great Britain becoming such an overmastering Imperialism, the Money Power has chosen Prussia to become its grand Imperial Agent in the future, and is raising Prussia to imperial power for that purpose . Hence it aided Prussia by its loans to crush France ; and it is now preparing, by its policy and its loans, to exalt Prussia to an imperialism over Southern and Western Europe .

Thus will be fulfilled the statement of prophecy :—*"The dragon* [the Money Power] *gave to the beast* [the Prussian empire] *his power, and his seat and great authority,"* i.e. imperial dominion .

Second Coincidence of Fact :—*We see from the Dragon giving power to the Beast, that the Dragon does not symbolize a political power* .

For one political power never gives power to another, but exercises it itself . Thus, France will not give political power to Spain, nor Great Britain to Ireland, nor Russia to Poland . Political powers always exercise their own political power, and will not give it to another state . If the Dragon were a political power, it would not give power to the Beast [the Prussian empire], but would exercise it itself .

This fact harmonizes perfectly with the Dragon being the symbol of the Money Power . The Money Power is not a political Imperialism . It needs some political government as its political agent, to legislate in its interest, and fight its battles .

The two foregoing Coincidences of Fact are already in part fulfilled . The Money Power has not yet raised Prussia to imperial rule over Southern and Western Europe . The work

is not yet completed . But it is begun, and is far on the way toward accomplishment . The Money Power, by its loans, enabled Prussia to crush Austria and France . Its loans have enabled her to re-establish the German empire, and from being the weakest of the five great powers, to become the mightiest power in Europe . It only needs one more step, which will be taken in the next war in Europe ; and then, the Money Power will have completed its work, and given to Prussia imperial power and dominion over Southern and Western Europe .—So much is already done, that we can readily see the way to the single remaining step .

2nd. The Two Horned Beast.

There is presented in the 13th chapter of Revelation, another beast, a Two Horned Beast, which is seen "coming up out of the earth ."

This Beast has been the *vix crucis* of expositors . No expositor has ever applied it to any power that has yet risen, to the satisfaction of himself, or others . This Beast is the Dragon .

John says of it :—"I beheld another beast coming up out of the earth . * * * * * And he spake as a dragon . * * * * * and he causes the earth, and them which dwell therein to worship the first beast whose deadly wound was healed ."

1. **I prove that the Two Horned Beast is the dragon by Three Marks**, mentioned in the above passage :—

I.) **The first mark that proves that this Beast is the Dragon**, is the manner in which John saw it "*coming up out of the earth* ."—This is the action of a serpent, not of a quadruped . When John saw the Beast rise up out of the Sea, the action was instantaneous : "I saw a beast rise up out of the Sea ." The beast rose out of the Sea, and that was the end of its rising . But it was different with this Two Horned Beast : John "beheld" it for a long time ; and all the time he "beheld" it, it was "*coming up out of the earth*,"—This slow crawl out of the ground is the action of a serpent crawling up out of its den, and of nothing else .

2.) **I identify this Two Horned Beast with the Dragon by its voice** : "*He spake as a dragon* ."—Now, we know a horse by its neigh, and a chicken by its crow, as well as by sight ; and we recognize a serpent by its hiss . In all nature, a serpent is the only beast whose voice is a hiss . If this beast spake as a dragon, it hissed ; for a hiss is the only sound a serpent utters . *The Two Horned Beast hissed : It was the Dragon* .

But we are not left to inference on this point .

3.) **That this Two Horned Beast is the Dragon, is established beyond the possibility of a doubt** *by Divine inspiration representing it as doing the same thing the dragon had just before, in the same Chapter, been represented as doing* .—It has just before been stated that the Dragon gave to the Beast whose deadly wound was healed "his power, and his seat and great authority ." And here, it is said, this Two Horned Beast "causeth the earth and them that dwell therein to worship the first beast whose deadly wound was healed ."—This is just the same thing the Dragon does : The dragon gave to the beast whose deadly wound was healed imperial power : this Two Horned Beast causeth all men to render to the imperial beast worship or homage .—*The act is the same in both instances : this Two Horned Beast is the Dragon* .

I have been careful to prove the identity of this Two Horned Beast with the Dragon, because,

2. **There are eight Coincidences of Fact** between this Two Horned Beast and the Money Power ; and all of them so remarkable as to make it absolutely certain that this Two Horned Beast is the symbol of the Money Power .

1.) The following is the text respecting this Two Horned Beast :—

"And I beheld another beast coming up out of the earth :

"And he had two horns like a lamb :

"And he spake as a dragon .

"And he exerciseth all the power of the first beast before him, ['i.e., in his presence']

"and causeth the earth and them which dwell therein to worship the first beast, whose deadly wound was healed .

"And he doeth great wonders, so that he causeth fire to come down from heaven on the earth in the sight of men .

"And [he] deceiveth them that dwell on the earth by those miracles [or wonders] which he had power to do in the sight of the beast ;

"saying to them that dwell on the earth that they should make an image to the beast which had the wound by a sword and did live .

"And he had power to give life unto the image of the beast, that the image of the beast should both speak and causeth that as many as would not worship the image of the beast should be killed .

"And he causeth all, both small and great, rich and poor, free and bond, to receive a mark in their right hand, or in their foreheads : and that no man might buy or sell, save he that had the mark, or the name of the beast, or the number of his name .

"Here is wisdom . Let him that hath understanding count the number of the beast : for it is the number of a man ; and his number is six hundred and three score and six . *Revelation* xiii : 11-18 .

2) Let us note the Coincidences of Fact, presented between this Two Horned Beast and the Money Power :—

Third Coincidence of Fact :—"*He had two horns like a lamb* ."—In prophecy, a horn is a symbol of a kingdom or political power . Thus, the ten horns symbolize the Ten Kingdoms of Modern Europe within the territories of the Roman empire . The two horns on the head of the Persian Ram, (*Dan*. viii,) symbolize the two kingdoms of Media and Persia, united in the Persian empire . So here, these Two Horns on the head of the Serpent, symbolize two kingdoms whose power the Dragon wields . The horns being *lamb-like* horns, indicates that the two kingdoms under the control of the Serpent are especially Christian kingdoms .

These two horns symbolize the two kingdoms of England and Scotland, which were united, in the reign of Queen Anne, into the United-kingdoms of Great Britain . Great Britain is the name, then established by law, for the two united kingdoms of England and Scotland . And these are the two most preeminently Christian kingdoms in the world .

Prophecy only recognizes England and Scotland as the two horns on the head of the Dragon . The Money Power rules Great Britain with absolute sway . The British Parliament always registers its will . No matter what party is in power, Great Britain always legislates for trade, and, when necessary, fights for trade . When the Landed Aristocracy ruled the country, they had Corn Laws, to keep up the price of grain for the benefit of the Land Owners . But when the Money Power wanted free trade in grain and provisions, for the benefit of manufacturers and merchants, Parliament submitted to its will, and threw over the policy of the Tory Landed Aristocracy .

The Tory party, representing the landed Aristocracy, has had to advance to the ground of the Money Power, and plant itself on the platform of the Whigs, in order to live . The British Parliament is now the creature of the Money Power . The Money Power rules Great Britain . Prophecy, with striking fidelity to fact, represents Great Britain,—England and Scotland,—as the two horns on the head of the Serpent .

Fourth Coincidence of Fact :*John saw this two Horned Serpent "coming up out of the earth* ."—He looked at it for a long time,"beheld" it,—and all the time he "beheld" it, it was still "coming up out of the earth ." It was always crawling up out of the ground, but never got entirely out . Though constantly crawling up out of the ground, a part of it

always remained in the ground .—This is a strange and, seemingly, impossible state of facts,—a snake always crawling up out of its den, and yet never getting entirely out . And yet this strange thing is true of the Money Power .

The Money Power always acts through joint stock corporations . The stockholders and bondholders of the various corporations all over the world, are in London . There is the Serpent's den . The stockholders are hidden from the world in their den . The world only sees the directors and the officers of the corporations, and their hired operatives .—But as the stockholders make more money, they organize more corporations, and elect more directors, and more officers, and employ more operatives . So that the Serpent is constantly growing greater in its den ; and as it grows in the den, more of its body crawls up out of the den, and becomes visible to the public eye .

What a strange astonishing similitude is this ! and yet it fits the Money Power perfectly . And it will not suit any other power that has ever risen upon the earth . God foresaw the action of the Money Power, and He chose a symbol that resembles it perfectly, and mentioned facts respecting the symbol that exactly suit the Money Power .—It must be a terrible monster which Divine Omniscience took such pains to point out, by making its symbol unmistakable .

Fifth Coincidence of Fact :—*The Two Horned Serpent "exerciseth all the power of the first beast before him,"*—or in his presence .—The first beast, as we have seen, is the Prussian empire ; and the statement in the text means that the Money Power will exercise all the power of the Prussian empire in the presence of the empire .

We can Understand how the Money Power will Wield the Power of the Prussian Empire, by observing the manner in which it is now exercising the power of the British empire . In Great Britain, the Money Power is the power behind the Throne, greater than the Throne . It wields the power of the British government by controlling the Parliament, and has been doing so for more than a century . It is avowed that the British government is administered in the interests of the manufacturing and commercial classes . No matter what party is in power, all parties alike do the will of the Money Power .

We had, a few years ago, a remarkable instance of the subserviency of the British government to the Money Kings . When Disraeli was Prime Minister, the Tory Administration entered upon a new career of bold imperialism, in its treatment of other countries . This imperial policy of the Tories was stigmatized by the Liberal party as "Jingoism ." Gladstone appealed to the moral sentiment of the Liberals, who are the most religious portion of the British population, against the "Jingoism" of the Tories, and unseated them from power on that issue alone . But immediately after the Gladstone administration came into power, it outjingoed Jingo .

It happened that the Khedive of Egypt was unable to pay the interest on his debt to the Money Kings . Those capitalists appealed to the British government ; and the Gladstone Administration at once proceeded to enforce their claims against Egypt . It did what had never been done before by the British government . It invaded Egypt, conquered the

country, discrowned the Khedive, and administered the government in the interest of the Money Power . The British government debased itself to become “receiver” for the Money Kings .

And this high handed outrage upon a weak state was justified before the world by the plea that it was necessary, in order that those imperial capitalists might receive the interests on their loans . And so thoroughly established is this grand Imperialism of Capital, that all the nations of Europe accepted this plea as perfect justification .

A Principle is Established in this Transaction that is full of Menace to the Nations of the Earth . It is now recognized as an established principle that the monetary claims of the Money Power are higher than the right to national existence ! ! So long as a country which the Money Power has ruined can pay the interest on its debts—well .—But when it is reduced to bankruptcy, and can no longer pay the interest, it thereby forfeits its national existence ; and the Money Power has a right to have it conquered, in order to secure its debt ! ! !

This is the logic of the conquest of Egypt ! It is well for the nations to ponder it ! ! !

The British Government also Conquered Burmah, three years ago, in the interest of the Money Power . The cause of the conquest was kept quiet until, last year, a Mr. Robert Sutherland, in making a trip from India to England, passed through the United States, and in an interview with the reporter of a New York paper stated the facts .

Mr. Sutherland stated to the reporter that he is “Resident Manager of the Burmah and Bombay Trading Corporation, one of the largest Trading Companies [of the Money Power] in the East .” Mr. Sutherland further said : “Burmah possesses the only Ruby mines in the world, and they are very valuable . The desire of the French in Tonquin to get control of these, and the Teat forests, led to the recent trouble with King Theebaw, and the overthrow of that monarch's rule . He repudiated a very large claim against him by the Bombay and Burmah Corporation, claiming that the agents had made false returns .”

And no doubt they did ; for they defraud and cheat everybody . But the corporation appealed to the British government . And, continues Mr. Sutherland :—“To prevent his trading with the French, the British government took up the claim of the Corporation, its members being British subjects, and the war over its enforcement led to Theebaw's capture, and the extension of the British protectorate over the whole of Burmah .”

In plain English, this statement means that this corporation of the Money Power claimed exclusive commercial rights in Burmah . They cheated the Burman Emperor, making false returns, and when the Burman government exercised its right to abrogate its trade relations with the corporation, the British government, at the instance of the Trading Company, invaded Burmah, dethroned the emperor and sent him prisoner to India, and annexed Burmah as a conquered province .

Some years ago, the British government invaded China, because the Chinese government excluded the opium which the corporations of the Money Power were producing in India, and forced China, at the cannon's mouth, to receive the opium and allow its people to be debauched, in order that the Money Power might continue to reap its profits !

If the British government had conquered China, and made its emperor a captive, and annexed the country to its dominions, the act would have been on a par with the conquest of Egypt and Burmah . The claims of the Money Power are advancing . Its imperial policy requires the conquest and complete subjugation of any nation that is ruined by it, or which attempts to resist its oppression !

If any have doubted that this London Money Power is a great Imperialism, they can doubt no longer . It may have seemed doubtful to some, while I stated its course in the United States, whether the picture of its imperial power might not be overdrawn . But when we see it reducing Egypt to bankruptcy, and plundering Burmah by fraud, and then having those countries conquered in order to enforce its claims, none can doubt its proud and haughty claims to imperial supremacy .

Great Britain can crush China, and conquer Egypt and Burmah, in the interest of the Money Power .

But Great Britain is not powerful enough to enforce its claims against the United States, or any of the great nations of Europe ; and hence the necessity, as already mentioned, of the Money Power raising Prussia to imperial dominion, in order to use its power for the enforcement of its claims . It will have need of the Prussian power to enforce its claims against every country on the globe ; for it is bankrupting all nations, as it is the United States ; and every country will have to take ground against it, as Burmah did, or be reduced to bankruptcy like Egypt . And the fate of resistance, and of bankruptcy, is the same,—the conquest and the annexation of the victim nation . In this way the Prussian empire would attain to universal dominion, by enforcing the claims of the Money Power .

If the Money Power is not checked in its career, it will carry out its policy to the full extent . It will bankrupt all the nations of the earth, and have them conquered, and their resources administered by a political imperialism in partnership with the Money Power, which will act as "**receiver**" for bankrupt nations, as England has done with Egypt .— The people of that empire would, in the end, become its grand agents, and share with it the plunder of the world .

Sixth Coincidence of Fact .—*This Two Horned Serpent is represented as "saying onto them that dwell on the earth that they should make an image to the beast that had the wound by a sword and did live ."*

For a long time, I was perplexed as to the meaning of this "image of the beast ." But the meaning is simple and plain .

We have here a remarkable prophecy predicting the representative form of government . In the age when the Revelation was given, the representative form of government had never been thought of . The state always acted for itself, through the Monarch, or a Constituent Assembly in which governmental power was vested . The idea had never occurred to any one to have a representative body in which the governmental power should be vested . Such a Representative Body, whether called Congress, or Parliament, or by any other name, is *the representation or the image of the State* . Each member is the representative or "image" of his constituents, and the whole body is the representative, or "image" of the nation . A Congress "representing" the nation would naturally, and with strict propriety, be called *the image of the nation* .

It is astonishing how perfectly all parts of this prophecy hold together . It is truly wonderful that we should have here, in Revelation, a plain and distinct prediction of the representative form of government, long before it grew up in modern times . This "Image of the Beast" is the Reichstag, or German Parliament, which will be extended over the states of Southern and Western Europe . All the states that become a part of the German empire will represent themselves in the Reichstag . This Reichstag will be the representative body, or "Image" of the empire ; and this "Image" will "speak," and govern the empire .

It is by means of this Parliament or "Image," that "the Dragon shall exercise all the power of the" Prussian empire in the presence of the empire . The Dragon will control the Parliament with its money, and will thus control the Prussian empire, as it has the British empire, during the last century .

Seventh Coincidence of Fact : *This Two Horned Serpent " had power to give life to the image of the beast [the imperial Parliament,] that the image of the beast should both speak, and cause that as many as would not worship the image of the beast should be killed ."*

1 . That is, the Prusso-German empire will aspire to universal dominion . Influenced by the Money Power, the Imperial Parliament will enact laws inflicting death upon all who refuse to submit to its sway . It will be the policy of the Money Power to have a grand universal empire, by means of which it will be able to plunder all nations, and get possession of all the property in the world .

2. But there is another fact indicated in this statement :—When the German empire shall first be established over Southern and Western Europe, the several nations which enter the empire will retain their independence in respect of all internal affairs, merely entering into a union for trade purposes, and for the administration of foreign relations .—But with the universal tendency of imperial power to centralize itself, the German Parliament will assume ascendancy over the subject states, and will compel all, under penalty of death, to submit to its sway .—And in this encroachment upon the rights of the subject kingdoms, the Dragon will be the active agent, furthering the aims of despotism .

Eighth Coincidence of Fact :—*This to Horned Serpent "doeth great wonders, so that he causeth fire to come down from heaven on the earth, in the sight of men ."*

This is a startling statement . I used to think that when the power symbolized by this Two Horned Beast should rise, and begin to "cause fire to come down from heaven," I would be sure to recognize it ; for, when it should "cause fire to come down from heaven," its identity would be unmistakable .

But the Money Power had been "causing fire to come down from heaven on the earth in the sight of men" for over forty years, before I recognized its identity . "Fire from heaven" is lightning : lightning is electricity . For more than forty years the Money Power has been "causing fire to come down from heaven in the sight of men," to run the telegraph . In all our Cities, it "causeth fire to come down from heaven," to run the electric lights . In all the cities, and many of the towns, "fire from heaven" runs telephones . And in many of the cities, electric motors run street cars by "fire from heaven ."

And the Money Power "causeth" all this "fire to come down from heaven ." As fast as any new electric invention is made, the Money Power buys the patent, organizes electrical companies all over the world, and sets the invention in operation . Edison is evidently its paid agent . He has spent over a million dollars in electrical experiments . He has in his laboratory forty assistants, and is expending at least $40,000 a year in his experiments . He can not personally afford any such outlay . He must be the agent of the Money Power ; and as fast as he makes a new invention, they buy it, and put it into operation . They only paid him $6,ooo a year, for seventeen years, for the telephone—nothing like the value of the invention ; but enough, seeing that they paid him while experimenting, and supported his laboratory .

The Money Power owns the telegraph lines, the electric light companies, the electric street car companies, and all the applications of electric force . All over the earth, it constantly " causeth fire to come down from heaven on the earth in the sight of men" ! !

Who can doubt that the Two Horned Serpent is the Symbol of the Money Power ?

Ninth Coincidence of Fact :—*The Two Horned Serpent "had power to do great miracles" or wonders .*

We live in an age of wonders . It is a common expression to speak of the "wonders of steam," the "wonders of electricity," the "wonders of mechanical invention ."

And all these "wonders" the Money Power has set in operation by its capital . It has built the steam ships—the railroads—the telegraph lines—the telephones—the electric railway lines—the water works—the gas works :—and it has set in operation, by its capital, the thousand mechanical wonders in use in every kind of manufactures .

Tenth Coincidence of Fact :—*The Two Horned Serpent "deceived them that dwell on the earth as to those miracles [or wonders] which it had power to do ."*

This is perfectly fulfilled in the Money Power, which is now deceiving mankind as to the wonders it is working with its capital . It lauds itself as a great benefactor of mankind . The blessings of Capital are constantly held up before the public . We are constantly told that Capital is necessary to our civilization—that it is beneficent in its operations—that Capital is indeed men's chief benefactor—that the world cannot do without Capital . It is triumphantly asked where would the world now be without the railroads, the telegraphs and the thousand inventions Capital has set in operation ? We are continually reminded that the human race ought to realize the benefits it derives from Capital, and ought to be profoundly grateful for them . And the inference is suggested that, in recognition of these benefits, mankind ought, in all things, to do the bidding and consult the interests of Capital ! !

By these self laudations put forth through the press controlled by it, the Money Power is deceiving mankind .

It is admitted that the wonders Capital has wrought have been of the greatest benefit to mankind . No one would be willing to go back to the old days of stage coaches and tallow candles . We can not do without our railroads, and steamships, our telegraph lines, our water works, our gas works, our electric lights, our street railways, and all the appliances of our modern civilization .—But there is a consequence of all this that the Money Power keeps out of view .

By Means of these things, the Money Power is Rapidly Bankrupting Mankind, and getting all wealth into its own hands . There is more work now being done by steam than could be done, with old methods, by five such races as now people the earth . The Money Power has taken possession of steam, and mechanical inventions ; and it is making all the profit derived from those sources .—Let a small knot of capitalists make all the profit on the labour of five such races as now people the earth—let them make it, not for one year or one generation, but for ages ; and let them constantly reinvest, and enlarge their operations ; and let them invest their profits, age by age, in property of all kinds :—and it is only a question of time, when they will do all business, and own all property .

We reach the same conclusion by another course of fact . When the Money Power began its career, 175 years ago, it is a moderate estimate to put its capital at $50,000,000 . The commerce of the world has always been needing capital ; and business has always afforded the best opportunities of investment . The capital of the Money Power would certainly double itself once in fifteen years . Then it has doubled 11 3/5 times since 1715 . If this is the case, the capital of the Money Power now amounts to $163,840,000,000 . This is probably below the mark . The wealth of the Money Power can hardly be less than $200,000,000,000 .

This is a vast amount ; but the facts bear it out . In the First Era of the growth of the Money Power, down to 1775, it had use for all its capital in extending its operations . In the Second Era,—from 1775 to 1830,—it had sufficient capital to make immense loans to the monarchs of Europe .—In the Third Era,—from 1830 to 1864,—it had money enough to make loans for building railroads, water works, gas works, &c.; but it waited for the people to come for the money .—But since 1864, in the Fourth Era of its growth, it has been going into all kinds of enterprises ; and now it is seeking new investments, and begging people to sell it their property all over the earth . The Money Power has so much money, now, that it can not find investment for it . In one more double it will about have all the property of the earth . In the beginning of its career, a double of its capital meant $100,000,000 . Now a double of its capital means $400,000,000,000 . And all the property of the world is less that $600,000,000,000 .

The labour wrought by steam and invention is too vast, for a few capitalists to be suffered to monopolize these grand agencies of industry for their own exclusive benefit . The monopoly of those appliances in the hands of a few capitalists is ruining the world .

The monopoly of steam industry must be stopped, and some way must be discovered by which the masses of mankind may be allowed a chance to share the profits derived from steam and invention .

How well Divine Inspiration foreknew the craft of the Money Power, and how thoroughly it has exposed it . In exposing the pretence of the Money Power as to the beneficent influence of capital, it has completely unmasked the deception of the claim that the operations of Capital, as now carried on, are beneficent to mankind . The exposure of its deception is the first step toward a new and better order of things, in which the operations of steam and invention, instead of inuring to the exclusive benefit of the Money Power, shall be used by the people of every country for their own national and individual prosperity .

Mankind is slow to accept a new thought, and some persons may be unwilling to believe that the Money Power is thus taking possession of all the property of the world . But divine Inspiration declares that such is its purpose :—

Eleventh Coincidence of Fact :—*This Two Headed Serpent "causeth all, both small and great, rich and poor, free and bond, to receive a mark in their right hand or in their forehead ; and that no man might buy or sell, save he that had the mark, or the name of the beast, or the number of his name ."*

This "mark" is the brand in the hand or on the body, by which slaves were marked, in ancient times . It is the aim of the Money Power to get all industry and all business into

its hands, and reduce all mankind to the condition of its paid servants, branded in the hand, or on the forehead, with the badge of servitude .

A very intelligent man, after hearing my lecture, suggested to me that the "mark in the hand" designates the multitude of operatives who render manual service to the Money Power ; while the "mark in the forehead" designates those who render to the Money Power brain service . This would include all great agents, having control of departments of industry or trade ; all editors who wield their pens in the service of the Money Power ; all lobbyists and legislator who sell themselves to promote the aims of the Money Power ; and all in any department of business,—lawyers and other professional men,—who render brain service to the Money Power .

The mind shrinks from the idea that a grand Imperialism of Capital should get every department of industry and enterprise into its possession, so that none except its paid agents can do any business . But we have seen how entirely the Money Power has obtained control of all business, in India . We have seen how it is monopolizing almost all business in the United States, except farming and retail traffic—and how it is rapidly getting possession of these . We have seen how one more double, which will only take fifteen years, will give it more than all the property of Christendom, and two more doubles will give it all the property in the world .

A.T. Stewart broke down one thousand retail merchants in New York City, so at they could not buy nor sell, until they failed in business ; then they took the "mark in the hand," and went behind his counters ; and they could sell all the goods the New York people wanted to buy .

Some time ago, Armour began a campaign against the butchers of Davenport, Iowa . He wanted them to sell his meats . They refused : they wanted to buy and kill their own cattle ; for there is a grand profit in buying and killing cattle and selling beef, at present prices . But Armour determined to coerce them : he began to sell dressed beef in Davenport so low that the butchers could sell no beef . They surrendered, and agreed to sell Armour's beef ; they took the "mark in the hand" ; and then they could sell all the beef the people of Davenport wanted to buy .

Business men are now being driven out, not of the beef trade only, but of many lines of business . The Money Kings have already obtained possession largely of the wholesale trade, and of all the great lines of business in the country . They have the import and the export trade : they buy all our products of every kind . They have almost everything except merchandising and the farms ; and, as we have seen, they are rapidly getting possession of the retail trade, by the retail stores which they are establishing throughout the country ; and will soon have possession of our farms, by their foreclosure of mortgages .

The New York *Times* **expects the Money Power to get possession of the farms** by foreclosure of mortgages, and in a leading editorial, published Aug . 12th, 1877, it anticipates this result, and prepares the public mind for it . It says :—

"There seems to be but one remedy, and it must come,—a change of ownership of the soil, and the creation of a class of land owners, on the one hand, and of tenant farmers on the other,—something similar in both cases to that which has long existed and now exists in the old countries of Europe . * * * * Everything seems ripe for the change .

"Then will begin a new era in agriculture, and one that seems very desirable . * * * * * Those farmers who are land poor must sell, and become tenants, instead of owners of the soil ."

The *Times* **regards the farmers losing their farms as inevitable**, and it looks forward with complacency to the time when all our farms will be devoured by the Money Power . When that event occurs, the farmers will be serfs upon the soil redeemed by their fathers from the wilderness .

In a few years more, if things go on in their present grooves, this prophecy will be fulfilled ; and no man in America can buy or sell, unless he is the paid agent of the Money Power . And if it is not checked, it will, ere long, extend its ownership over the whole world, and make all mankind its employees and servants, with its brand in their hand, or on their forehead .

Twelfth Coincidence of Fact :—*The number of the name of the Beast : "Here is wisdom . Let him that hath understanding count the number of the Beast : for it is the number of a man ; for his number is six hundred and three score and six ."*

The manner in which this number of the name of the Beast is mentioned makes it evident that the number of the name is a very important means of identifying this two horned beast with the power it symbolizes .

From a very early period, the Christian fathers turned their minds to the exposition of this symbolic number . Irenaeus, Bishop of Lyon, in Gaul, who lived in the Second Century, gives three names that have this number 666 .—The first name was Euatnhes, which he merely mentions, and passes by, with the remark, "but we affirm nothing respecting this ."—The second name he gives is Lateinos . This name has been very generally adopted by expositors, who supposed this Serpent to be the Papacy .

The third Name which Irenaeus Gives as Containing the Number 666, is Teitan ; and this name he himself adopts .

It may be that this is the Name intended by divine Inspiration ; and that, when this Dragon Imperialism shall be fully developed and known to the world, and its history be complete, it shall have a ruler or king in whose name the fated number will appear . But in the present state of our knowledge of the subject, I accept *Teitan* as the fated number ;

and it is my belief that this is the number that was intended in the text ; And for the following reasons :—

1. Titan Was the Great Legendary Giant

of the Olden Time . We still use the name to designate any colossal power . I believe that one reason why divine Inspiration called this Serpent Titan, was to indicate its immense power, its huge proportions, its Titanic strength .

1) The Money Power is the most colossal empire that has ever risen upon the earth . It is a *Titanic* empire ; the greatest that has ever existed . And the Serpent, its symbol, is a "great" Serpent, stretching its mighty folds all over the earth . It is a titanic Serpent .

2) In its relations with the Beast, the Dragon has all the power ; for "The Dragon gave power to the beast ;" and this Serpent "exerciseth all the power of the first beast in his presence ."

3) So, in the third vision of Daniel, the Little Horn which was the symbol of the Roman empire, grows so great, at last that its top stands up among the stars . It becomes a "titan" Horn . And the vision of it was so terrible that it entirely unnerved the prophet, so that he was sick for three weeks .

This horn became a Titan Horn only after the re-establishment of the Roman empire, under the joint rule of the Money Power and Prussia . The power of this Joint empire shall be so colossal that nothing can represent it but a titan Horn rising up above the earth, till its top is among the stars .—The fact that this "Little Horn" became a "titan" Horn has never been observed by expositors .

2. but the special reason why the dragon is designated
by the name "titan," is its antagonism to god .

1) The Titans, according to the Heathen legend, warred against Jupiter, and hurled their missiles against Olympus ; and they were only beaten, at last, by Jupiter smiting them with his thunderbolts . Titan according to the legend, was the king of the Titans, and was thus the Arch-rebel against the gods .

2) It is believed that the legendary war of the Titans against the gods, was the heathen mythological form of the rebellion of Satan and his angels against God . So that, the Satan of the Bible is the mythological Titan .

3) In the biblical idea, Satan is embodied in the serpent . And the Dragon, in the book of Revelation, is called the Devil and Satan . This indicates that the Dragon symbolizes that power which, in the political world, is the great antagonist of God, as Satan is in the spiritual world .

4) **The Dragon is the Great Antichristian Power of the Latter Days** . In its full development, the head of the Dragon power is the Antichrist .

1] We have seen how the Jews are even now hoping and expecting to overthrow Christianity . A very intelligent Jew once, in the heat of discussion, gave me the idea of the Christ which the modern "reformed" Jew holds . He said the *prosperity* of the Jews in the earth—he did not choose to say their *dominion*—is what is set forth in the writings of the Prophets under the figure of the Christ .

In the Jewish idea, the Dominion of the Jew Money Power is the Christ . And, at the least, I think that the head or king of the Money Power will claim to be the Christ .

Christ means "The Anointed One," in allusion to his being the promised royal descendant of David, the promised King of Israel . The Money Power, it seems, will at last choose a king, who is to be the acknowledged king of Israel,—the long expected, the long promised One,—the Christ . They will not claim that he is Divine or the Son of God . For they deny that, in the Deity, there is the relation of Father and Son . They deny the Divine Trinity . They "deny the Father and the Son ." They recognize only the unity of God .

The Jews have always expected a temporal sovereign as the Christ . They rejected the Lord Jesus, because He said "My Kingdom is not of this world ." They expect a Christ whose kingdom is of this world—who is merely a temporal monarch . The time will probably come when, in the plenitude of its power, the Jew Money Power will set up a king, and declare him the promised Messiah . They will declare him the founder of a new Dynasty that is to rule the earth forever .

They will proclaim him the first of a line of kings,—Anointed Ones,—who, in their expectation, will all bear the title of "the Christs" ; as the kings of Egypt were called "the Pharaohs," and the emperors of Rome, "the Caesars ."—The present attitude of the Jew Money Power is a stern menace to Christianity .

2] **The Jew London Money Kings would break down our churches** . In monopolizing the trade of our towns, and getting possession of our farms, the Money Power hopes to succeed in accomplishing the aims against Christianity which the Jews are known to entertain . If the Money Power should succeed in its aims, our churches will inevitably be broken down . Strike down our farming yeomanry and the tradesmen of our towns,

and who would sustain our churches ? our schools ? Our churches in town and country would be pastorless for want of support . Our school systems would fall into wreck in the universal poverty that would prevail . Our Christian civilization would lie in ruins .

It is well known that the Jews, in our day, entertain strong hope of overthrowing Christianity .—Prof. Godet, of Lausanne, utters the following warning of the danger threatening Christendom from the hostility of the Jews . He says :—

”On hearing this word 'Jewish,' many of you perhaps smile . That which bears that title does not seem to them very dangerous for the Church . They do not say, 'Can there any good thing come out of Nazareth ?' but 'Can anything dangerous to us come out from thence ?' To this contemptuous smile, I will oppose another, that of the Israelites themselves,—I mean the intelligent Israelites,—when they see us Christians bestirring ourselves for the propagation of the gospel, * * * * * and carrying the religion of the Bible to the ends of the earth . 'This religion,' they say quietly, 'is our religion . All these pains you are taking for us . * * * * * For the God of the Christian is the God of Abraham, Isaac and Jacob,—the God of the Jews . The doctrine of Jesus is none other than that of our prophets . One thing only separates us from these Christians,—the worship of the Christ . Let this absurd dogma of the divinity of a man,one that is contrary to the most elementary principles of Monotheism,let this last remnant of the ancient paganism living on in Christianity fall to the ground, and the gospel, thus purified, is Judaism . Christians, we are waiting for you ! It is not we who are coming over to you ; it is you who are coming over to us .' * * * * * So think, and so speak clear sighted Jews .” (1)

Inspector Lictor Platt, in a recent course of lectures before the University of Berlin, said :—

“Everywhere one thought rules the Jews—the thought that the Christian idea shall at last be vanquished by the Jewish ; and their common effort is directed to this end,—to supplant Christianity in the collective life of the nations .”(2)

The Christian Editor of one of the leading evangelical papers of North Germany writes in the same strain :

“Among the Jews themselves, the conclusion is reached, not that the Jews will have to return to Christianity, but that the Christians will have to be turned to the Jewish faith .”—*Neue Evang. Kirchen-Zeitung*, Feb. 4, 1882 .

A Jewish writer, quoted in the same paper, asserts with all assurance "Reformed Judaism is the confession to which the dominating church must return, if she will complete her reformation ."—*Neue Evang. Kirchen-Zeitung*, Nov. 19, 1881 .

I have taken the above quotations from Dr. Kellogg's book, *The Jews* . The author of that work says :

"This attitude of aggressive antagonism to Christianity, which the Jews are assuming, however little noticed by the unthinking many who never look behind acts and events for agents and causes, is a sign of the times as grave as it is remarkable . The confident expectation and determination of these enfranchised Jews, that not Christianity, but Judaism,—divested indeed of what was ceremonial and temporary,—shall yet win the world against Christianity, when we remember their control of the Capital of the world, their profits, and their confessedly marvellous success in modern life, acquires a serious significance ."—*The Jews*, page 210 .

The Jews are fully conscious of their Imperialism of Capital, and are looking forward to the time when, in full possession of all the industry, and wealth and property of the world, they can give entire direction to secular affairs, and form to religious belief . Let them get possession of our farms, and the business of our towns, and they will not hesitate to attempt to crush out our churches, by reducing their members to such poverty that they will be unable to sustain the expense of public worship .

If the Dragon empire, in its ultimate development, is the Antichrist, there is a peculiar fitness in Divine Inspiration calling it "*Titan,"* the Satan of heathen mythology .

The Greeks had a well known method of expressing names by numbers . Each letter of the alphabet had as its equivalent a definite number . According to this system, the name Titan has the number 666 . The Greek spelling of the name was *Teitan* . The numeral equivalent of these letters are as follows :

T 300 + 5 + 10 + 300 + 1 + 50=666,

3rd . The Dragon and the Man-child .

We now turn to the symbol of the Dragon in the 12th Chapter of Revelation, where are presented ten other Coincidences of Fact . Until now, we were not prepared to take up the exposition of the Coincidences of Fact set forth in this symbol of the Dragon,

inasmuch as it was necessary, first, to understand the relations of the Dragon to Great Britain and the Prussian empire .

The following is the text in the 12th chapter of Revelation :

"And there appeared a great wonder in heaven ; a woman clothed with the sun, and the moon under her feet, and on her head a crown of twelve stars .

"And she, being with child, cried travailing in birth, and pained to be delivered .

"And there appeared another wonder in heaven ; and behold a great red dragon having seven heads and ten horns, and ten crowns on his heads .

"And his tail drew the third part of the stars of heaven and did cast them to the earth .

"And the dragon stood before the woman which was ready to be delivered, for to devour her child as soon as it was born .

"And she brought forth a man-child who was to rule all nations with a rod of iron .

"And her child was caught up unto God and to His throne .

"And the woman fled into the wilderness, where she hath a place prepared of God, that they should feed her there a thousand two hundred and three score days .

"And there was war in heaven : Michael and his angels fought against the dragon : and the dragon fought and his angels ; and prevailed not : neither was their place found any more in heaven .

"And the great dragon was cast out, that old serpent, called the Devil, and Satan, which deceiveth the whole world : he was cast out, and his angels were cast out with him .

"And I heard a loud voice saying in heaven, now is come salvation and strength, and the kingdom of our God, and the power of his Christ : for the accuser of our brethren is cast down, which accused them before our God day and night .

"And they overcame him by the blood of the Lamb, and by the word of their testimony ; and they loved not their lives unto the death ." *Rev*. xii : 1-11 .

In the remaining portion of the chapter there are other Coincidences of Fact, which prove that the Dragon is a symbol of the Money Power ; but, as they require, in order to bring them to bear on the question, a comparison with other prophecies not yet explained, they

are omitted . But, without them, there are, in the part of the chapter already quoted, ten Coincidences of Fact, which prove beyond the possibility of doubt that the Dragon is the symbol of the Money Power .

Before presenting these Coincidences, it is first necessary to give an

1. exposition of the other symbols .

In the 12th Chapter of Revelation, the scene is laid in

1) The Lower Aerial Heaven .

The Lower Aerial Heaven, in the Book of Revelation, is Always the Symbol of America, considered geographically as a country . The principle on which this symbolism is based is very simple and clear .

John received his Revelation on the Isle of Patmos, in the Aegean Sea . The Revelation, like all the other prophecies, was given by vision . The Isle of Patmos is in the Southeastern part of Europe .—As the Seer looked out toward the West, he beheld Europe spread out before his eye ; and, beyond it, was another country, up in the air above Europe ; and above this country was the highest Heaven, where the Throne of God was placed . Above the earth of Roman Europe was a sky, in which sun and moon and stars were held

This was the Apocalyptic Landscape which John beheld in his vision . He was, no doubt, familiar with the geography of his time, and recognized the outlines of Roman Europe, which he called "the Earth ." He naturally, in accordance with the ideas of his age, supposed the Eastern Continent to be the whole of the world, and that there was nothing on this earth beyond . He therefore called the country which he saw in the air, above Europe, "Heaven ." But that country was America ; and was placed in the Apocalyptic landscape above Europe, in the air, in perfect accordance with the laws of perspective .

In Accordance with the Laws of Perspective, the Foreground of a Landscape is always at the bottom of a picture, and the background, at the top . As John looked toward the West, therefore, he saw Roman Europe at the bottom of the landscape, as though on the ground, while America would appear above, at the top of the landscape .—But, with three thousand miles of perspective, America would be diminished to a point, and be invisible . In this respect, the law of perspective would have to be set aside ; and America would be brought into the foreground sufficiently to be clearly visible, and

placed above Europe, as though in air . In accordance with the law of perspective, America, in the book of Revelation, is always presented in the landscape in the lower aerial heaven .

2) A Glorious Woman

appears in the Lower Aerial Heaven,—America,—"clothed with the sun, and the moon under her feet, and on her head a crown of twelve stars ." Expositors generally agree that this Woman is the symbol of the Christian Church . The Two Witnesses, in the 11th Chapter of Revelation, are also the symbols of the Church . As the Two Witnesses prophesy clothed with sackcloth "one thousand two hundred and three score days," so the Woman is in the wilderness "one thousand two hundred and three score days ."

The mistake into which expositors have fallen, in supposing that the woman is presented here before she fled into the wilderness, has been the cause of much error in the interpretation of this vision . Owing to this error, expositors have looked for the fulfilment of the vision in events that occurred in the Early History of the Church .

But, in the sixth verse, where it is said, "The woman fled into the wilderness, where she hath a place prepared of God that they should feed her there a thousand two hundred and three score days," *it does not mean that the woman then fled into the wilderness for the first time* . Several considerations make this evident :—

I] The Greek verb rendered "fled" is not in the imperfect tense, so as to indicate action beginning and continuing ; but it is in the aorist, indicating completed action . The woman was not then making her first flight into the wilderness : she had been there for a long time, and only emerged from obscurity for a brief space, at this time, and now returned to it again .

2] The woman fled into the wilderness, "where," says the Seer, "she hath a place ." She had been in her "place" a long time ; she now returned to her "place ."

3] This return to her "place" is like her subsequent return, in the 14th verse, where the woman again flies to her "place" in the wilderness . In both instances, the woman flies to her refuge ; but it does not mean, in either case, that she flies thither for the first time . Hence, the woman flying to her "place" does not give us any clue to the era of the vision : that must be learned from other facts .

3) A Man-Child

was born of this woman,—the Christian Church,—in the Lower Aerial Heaven, “who was to rule all nations with a rod of iron .”

This Man-child is the symbol of the United States ; as is evident from the concurrent teachings of prophecy :—

I] The Man-child is born in the Lower Aerial Heaven, which is America as a country .

2] The Man-child is represented as born, the child of the Church . And the United States is, in a remarkable manner, the child of the Christian Church, as I have shown in my lecture on The United States in Prophecy . All the American Colonies were founded and settled by Christians seeking a refuge in the New World, where they might worship God according to the dictates of their conscience . There were the Puritans in New England, the Baptists in Rhode Island, the Dutch Calvinists in New York, the Swedish Lutherans in New Jersey, the Scotch Covenanters from New York to North Carolina, the English Quakers in Pennsylvania, the Episcopalians in Virginia, the French Huguenots in South Carolina, and the German Moravians in Georgia . The United States is emphatically the Child of the Church .

3] In the first vision of Daniel, the United States is represented under the symbol of the “Stone” which was “cut out of a mountain without hands” ; which is interpreted by the Prophet as a kingdom set up by the God of heaven . This is very similar to the representation of the origin of the United States,the Man-child,—in the book of Revelation . In Daniel, God is represented as the founder of the country, without anything being said of any human instrumentality : Here in Revelation, the human instrumentality, the Church, is especially mentioned . But the divine or Providential origin of the country is set forth in both instances .

4] The Man-child was “to rule all nations with a rod of iron .” And it is the accordant voice of prophecy that the United States is to be a world-wide Republic, ruling all the nations of the earth .

5] “The Man-child was caught up unto God and to His Throne .” This indicates the providential deliverance of our country in the War of Independence, and the providential protection that has kept us throughout our entire career as a nation .

Having identified all the other symbols of this vision of the 12th chapter of Revelation, we are now ready to identify the Dragon, beyond the possibility of doubt or question .— We have identified the Woman, the Man-child, and the place of his birth . This being done, we cannot mistake the interpretation of the Dragon .

2. coincidences of fact .

Thirteenth Coincidence of Fact :—*In the birth hour of The Man-child, "The Dragon stood before the woman, which was ready to be delivered, for to devour her child as soon as it was born ."*

The United States was born as a nation in the War of Independence . At that time, the Great Red Dragon attempted to devour the infant nation . Great Britain was the power which then attempted to destroy our national existence . We must, therefore, either identify the Dragon with the British government, or with some power in Britain, behind the throne, greater than the throne .

As we have seen, the Dragon is not the symbol of Great Britain . The Dragon is the seventh grand form of Imperialism in the world : Great Britain is no such Imperialism . England and Scotland are Two of the Ten Kingdoms of Europe . They are represented in prophecy as the two horns on the head of the Dragon . Moreover, Prophecy represents Great Britain and the United States as united in the great future war against the Dragon and the Beast .—The Dragon is not the symbol of Great Britain as a nation .

Hence, the Dragon must represent some power having its seat in Britain, and having the British government under its control ; and which influenced Great Britain to war against the United States, in our War of Independence .—This is just the historical status of the Money Power . It controls the British government with autocratic sway . It has controlled it for over a hundred years .

The Money Power was the prime mover in the oppression of the American Colonies, which drove them to revolt . The Landed Aristocracy, the Moneyed Capitalists, and the Mercantile Class of Great Britain were all united in holding stock in the British East India Company, which was then the Money Power ; and their combined influence had complete control of the British Parliament .

During the trial of Warren Hastings, there were, in the administration party, a large number of the stockholders of the East India Company who had seats in Parliament . But the Administration party was in a minority in the Company, which sustained Hastings against the government . Many of the Opposition in Parliament were, no doubt, also stockholders . The connection of the Company with the government was very close ; so that it would carry in Parliament any policy on which the Company was united .

In England, the Money Power is a Third Estate, greater than King and Parliament . In 1775, as now, the British Parliament was the pliant tool of the money Power, and registered its will . It was not yet the age of steam, and the Money Power looked to Colonial dependencies as the chief source of gain . With its experience in India, it naturally desired to make another India of the American Colonies ; and it derived great profits from their commerce, and great revenues from their taxation .

No sooner was the Seven Years War over, than the Money Power, impelled the British Parliament into a system of oppressive taxation and commercial restrictions, which drove the Colonies into Revolution . The whole question in dispute between the Colonies and the Mother country was taxation, industry and trade ; matters in which the Money Power was specially interested, and in which it wished to enforce the policy that would promote its interest . The tax on tea, which drove the Colonies to revolt, was enacted for the special benefit of a corporation connected with the East India Company, which had a great quantity of tea on hand . While the nominal tax was retained, the tea was made lower than before in the interest of the Company, so as to enable it to sell . The law of the British Parliament for the benefit of the East India Company was the special occasion of the Revolution .

The Money Power through its control of Parliament drove the Colonies to revolution ; and then, instead of attempting to allay discontent by concession, it attempted to destroy our national existence, by war .

There can be no doubt that the Dragon, which wished to devour our infant nation in the War of Independence, *was the Money Power*, which then ruled the British Parliament .

This Coincidence of Fact, alone, is sufficient to prove that the Dragon is the symbol of the London Money Power .

Fourteenth Coincidence of Fact :—*"On his heads,*" were "*seven crowns* ." The Seventh or Dragon Head was, at that time, a crowned Imperialism .

In 1775, the East India Company which was the head of the Money Power was a crowned Imperialism . According to history it became an imperial power in 1757, at the victory of Plassy . In 1764, it was ruling an empire in Bengal of forty million subjects, having greater revenues than the most powerful kingdom of Europe .—In 1775, the Dragon head had just become a crowned Imperialism .

Fifteenth coincidence of Fact :—*The tail of the Dragon "drew the third part of the stars* of heaven and did cast them to the earth ."

In the Revolutionary War, the British forces overran about one-third of the United States . In the latter years of the Revolution, the British forces held their headquarters in New York City, and broke down all organized resistance in North Carolina, South Carolina and Georgia, and overran part of Virginia . About one-third of the country was thus "cast down" by the invading forces . The tail of the Dragon "cast down one-third of the stars" that glittered on our flag .

Sixteenth Coincidence of Fact :—*But the Dragon did not succeed : "the Man-child was caught up onto God and to His Throne ."*

This catching up of the Man-child to the Highest Heaven, as beheld by John, symbolized the providential deliverance of the United States in the Revolutionary War, and the

Divine protection of our country ever since . Our Revolutionary fathers all recognized the hand of Divine Providence in the success of our country . Washington, speaking of the events of the Revolution, said :—

"The hand of Providence has been so conspicuous in all this, that he who lacked faith must have been worse than an infidel ; and he more than wicked who had not gratitude to acknowledge his obligations ."

Seventeenth Coincidence of Fact :—"*And there was war in heaven : Michael and his angels fought against the Dragon : and the Dragon fought and his angels* ." Here is a future war represented as occurring in America,—the Lower Aerial Heaven,—between the Dragon and Michael .

The place where this war occurs is clearly set forth : It is the same Lower Aerial Heaven where the Man-child was born . The Man-child is now grown up to man's estate, and is called Michael . In the fourth vision of Daniel, also, Michael is presented as the symbol of the United States .

I could not for a long time see the basis of this symbolism . I could not see the point of similarity between Michael and the United States, which always lies at the foundation of all symbolism .

But it is very plain . Michael is the Archangelthe Chief of the Hosts of God in heaven . Divine Inspiration always regards the United States from the standpoint of its future grandeur and glory, when it shall rule the whole earth in righteousness, for God . There is a striking fitness in the Leader of the Hosts of God in heaven being made the symbol of the United States, the great future leader of the Hosts of God on earth, during the grand millennial age .

Only the fact that there is to be a future war between the Dragon and Michael, between the Money Power and the United States, can be learned from this passage .

In the fourth vision of Daniel, there is a synchronous prophecy, which represents the Prussian empire as invading the United States . Speaking of the King who "shall do according to his will"—which is the Prussian empirethe angel tells Daniel that he shall overthrow many countries, and says :—"He shall enter also into the glorious land ." *Daniel* xi : 41 .

In Daniel viii : 9, it is said of the Roman empire, there presented under the symbol of "a little horn," that it "waxed exceeding great toward the South, and toward the East, and toward the glorious land ." As the Roman empire actually grew great toward the South, and East and West, it is manifest that its Westward growth is here set forth as a growth "toward the glorious land," the growth toward the East and South being previously mentioned . This shows that "the glorious land" lies toward the West of Europe . That designation can only point out the United States .

The Angel Called our Country "the Glorious Land," in view of its future destiny, as an Universal Republic, giving religion, liberty and civilization to the world throughout all coming ages . The warlike entrance of the Wilful King,—the Prussian empire,—into the Glorious Land, foretells a Prussian invasion of the United States .

Putting the two Prophecies Together, they Foretell an invasion of the United States, by the Prussian empire as the agent of the Money Power . In the future the Money Power will exercise the power of the Prussian empire, as it now exercises the power of Great Britain . As it influenced the British government to invade China ; and to conquer Egypt and Burmah, so it will influence the German empire when extended over Southern and Western Europe, to invade the United States .

Prophecy does not say what cause of quarrel the Money Power will have against our country . It does not say whether we shall be utterly bankrupted as Egypt was, and unable to pay the interest on our vast debt to the Money Power ; or whether we shall attempt to resist its encroachments before we are finally ruined, as Burmah did . Whatever its ground of umbrage, the Money Power will set the Prussian empire upon us .

And Prussia will not be reluctant to undertake the conquest . Our Republic is a standing menace to monarchy . We are the most powerful nation on the globe ; and our influence in the world is even mightier from our moral power, than from our national greatness . If things could go on prosperously with us for thirty years more, Europe would become Republican by the progress of liberal ideas . The despotic Prussian empire over Southern and Western Europe will never be safe while the Great Republic of the West stands . The stability of monarchical institutions requires that the American Republic shall be overthrown and subjugated .

The Invasion would not be Attempted with a small Army . Prussia, at the head of Southern and Western Europe, and backed by the unlimited loans of the Money Power, might easily put two million men in the field . It is probable that the army of invasion will reach that number . The British government, under the rule of the Tories, will give its support to the Prussian empire, and lend its fleets for the transportation of the invading army and its supplies . According to military probabilities, the line of invasion will be the St. Lawrence River and Lake Ontario, and thence down east of Lake Erie, in an attempt to take possession of the line of the Alleghanies, and cut off the Eastern and Middle States from the West and South .

And together with this, having command of the ocean the invaders will probably attempt to seize and capture New York City from Long Island, and renew the attempt of Burgoyne to cut off New England from the West, by taking possession of the line of the Hudson .

The statements of Prophecy indicate a conflict of unexampled magnitude . Prussia invaded France with one million men ; the rest of her forces being kept at home to guard the frontiers . And the invading army crushed France almost without a struggle . But

when Prussia shall invade America, it will be Greek meeting Greek, and the mightiest conflict will ensue on which the sun has ever shone .

Eighteenth Coincidence of Fact : "*The Dragon prevailed not ; neither was their place found any more in heaven . And the great Dragon was cast out, he was cast out into the earth, and his angels were cast out with him* ."

When this great future conflict comes, we shall understand the design of Providence in permitting the outbreak of the late War . It will then be seen that our Civil War saved our country and the world . If, when this future invasion comes, we were distracted by a sectional issue, and unarmed, as we were in 1860, our position in the face of a grand invasion would be hopeless . Before we could prepare for war, the heel of the despot would be upon our neck . But when the invasion comes we shall be thoroughly armed with the weapons of our Civil War ; and, all distracting issues past, North and South will present a solid front to the foe . We shall be fighting for religion and liberty, for home and property rights . The country will be fired with unexampled enthusiasm . The fiery valour of the South will be united with the cool stubborn courage of the North ; and together they will be irresistible . We learned in the late War the value of flanking movements, and developed a new arm of war in mounted infantry . When the invader shall march into the country, we will meet him in front, and envelope him with flanking movements . He must either fight or retreat . There will be quick, hard rapid fighting . Prophecy indicates that we press the fighting, and put the invaders on the defensive . We attack ; we defeat them ; We drive them out of the country .

Thenceforth, the Money Power has no place in the United States .

Nineteenth Coincidence of Fact :—*It is said that the Dragon "deceiveth the whole world ."*

The Money Power has deceived the whole world down to the present time . It has deceived the whole world as to its existence . It has hidden itself in its London den, and made the world believe that the agents it appointed to manage the companies it organized in the various countries, were the owners of the companies they manage . It has deceived the whole world as to the right laws of industry, making the world believe that the system of industry which is reducing the world to bankruptcy is beneficial to mankind . It has deceived and betrayed everybody who has trusted it, systematically "freezing out" those who have put money into enterprises controlled by it . It has deceived the whole world by booms in city property, and by booms in business enterprises, which it has started for the purpose of robbing the public of its money invested in them . It has deceived the whole world, and made it believe that prices should be left to regulate themselves by the law of supply and demand ;—when it constantly regulates prices, by the might of capital, through the instrumentality of Boards of Trade, which are absolutely controlled by it . It deceives the whole world in making people believe that Capital is beneficent ;—when it is using its capital to bankrupt the world, and reduce mankind to the condition of serfdom .—The Money Power is the Arch-deceiver .

Twentieth Coincidence of Fact :—*The Dragon is called "the accuser of our brethren ."*

This will probably be fulfilled in the future . When the Money Power shall be exposed, the people of God will denounce it from pulpit and platform . Then the Money Power, through the papers which it controls will denounce all who take ground against it with all manner of false accusation .

So fearful will be its accusations at only they will dare to assail it, who take their life in their hand, and "love not their lives onto death ." In many papers, the Jews a majority of the stock, and have them completely under their control . Others they will suborn with bribes . The Shimeis of the press will be manifest as the mouth-pieces of the Dragon, by their accusations of those who expose the Money Power .

Twenty-first Coincidence of Fact :—*But the accused overcame the Dragon, "by the blood of the Lamb, and by the word of their testimony* ."

God reigns . The Money Power shall fall, though all wealth and influence and power be on its side . They who expose it, though they be "the weak of this world shall confound the mighty ."

But they will "overcome him," not by human might, but "by the blood of the Lamb, and by the word of their testimony ." The "blood of the Lamb" has redeemed the human race from the thraldom of evil ; and He, unto whom "all power in heaven and earth is given," will not suffer the Money Power to deprive mankind of its promised Millennium of blessedness, and grind it down beneath oppression and wrong . He will guard His servants,—will give "the word of their testimony" power to rouse the people .—Let them present "the word of their testimony,"—the testimony of prophecy against the Dragon, which will be the power of God to overthrow this titanic evil .

Twenty-second Coincidence of Fact : *Divine inspiration here calls the Dragon "that old serpent called the devil and Satan ."*

The Jew Money Power is the embodiment of evil in the Latter Days . It is the enemy of God and man . The Jew Money Kings are infidels to a man . They embody the very spirit of Antichrist : holding only to the unity of God, they "deny both the Father and the Son ." They wish to break down all industry, as it has heretofore existed in the world : They wish to break down all business men, and reduce them to poverty, and dependence on themselves : They wish to break down society as it now exists, and reorganize it on the basis of their own ascendancy, and the subordination of mankind to them : They loathe Christianity, and wish to break it down and substitute for it an infidel Judaism . Hoping to establish a universal monarchy under the rule of a Jewish king, they are in principle opposed to Republicanism . Desiring, in this country, to take from the people all their property and reduce them to the condition of peasants, they know that they can not accomplish their aims while Republicanism exists . They know that a free people will not submit to such wrong, and that they can only establish their power by the overthrow of Republicanism .

Already from some of their agents we have ominous utterances of a purpose to subvert Republicanism . If the Money Power should get possession of our farms, and succeed in breaking down the business men of our towns, the days of the Republic will be numbered . Then we may fear that the state of things suggested in the following article in the Nevada Chronicle, will be inaugurated :—

"We need a stronger government ; the wealth of the country [the Money Power and its agents] demands it . * * * * * The Capital of the country demands protection . The wealth of the country has to bear the burden of the government, and it shall control it . The people are becoming educated up to this theory rapidly, and the sooner this theory is recognized in the constitution and the laws, the better it will be for the people . * * * * * To avert fearful bloodshed,—*a strong central government should be established as soon as possible* ."

The Money Kings will establish an empire in this country, if they get possession of all industry and property .

It will not be difficult for them to bring it about . With their absolute control of industry, they can make times so hard as to cause intolerable suffering . Stopping the construction of railroads, and city improvements, and manufactures and iron mills, they can fill the country with hundreds of thousands of starving tramps . They can then get their paid emissaries to pretend great sympathy for the people, as their emissaries lead the Nihilists of Russia, and the Liberals of Central Europe and Italy . And when they become popular leaders, they can easily excite the starving people to outbreaks and insurrections . Such outbreaks are always easily suppressed by military force ; and in the victory over the outbreaks, an Imperial government might be established . Such outbreaks are always suppressed ; and their suppression is the method by which Republics are converted into imperial despotisms .

Let the Money Power succeed in carrying out its aims, and our country is ruined . The grand yeomanry of our country is our pride and safety . It is the backbone of the Republic—the strong column that upholds the temple of our liberties and our Christian civilization . Let our farmers lose their farms, and our yeomanry become peasants, and all is lost .

This is the greatest crisis the world has ever known . Upon its issue depends the destiny of mankind forever . It will determine whether the world shall go on to a millennium of liberty, peace and blessedness, or be crushed by the triumph of the forces that are striving to arrest the progress of our age, and bring upon the world a new Feudal Era, in which the mass of mankind will be reduced to the condition of serfdom beneath the yoke of an Aristocracy of Jew Money Kings, who will grind man down beneath the heel of oppression forever .

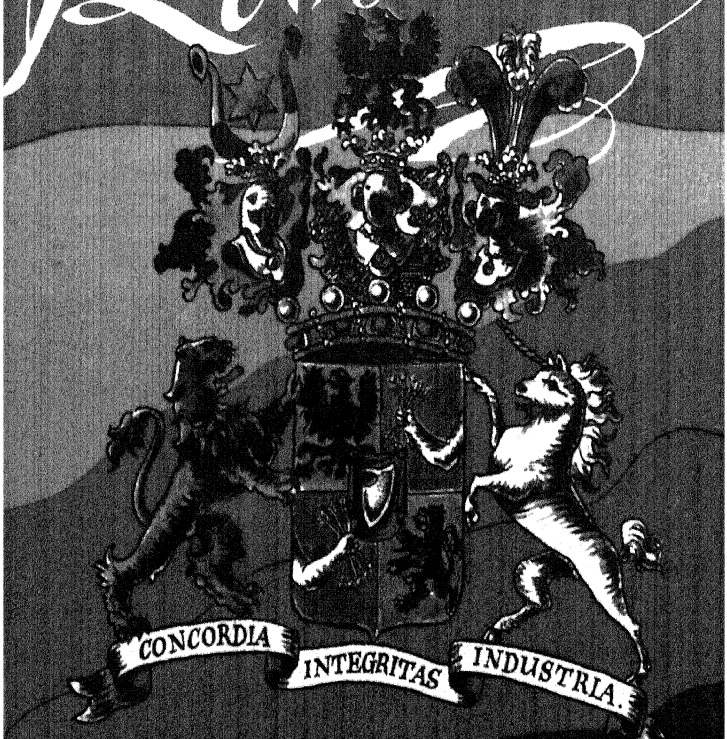
For, that yoke, once fixed upon the world, can never be shaken off . The Money Kings, with a mighty government under their control, would keep the masses of mankind reduced to the condition of peasants in hopeless bondage . In this age of warfare with cannon and gunpowder, an unarmed peasantry could never cast off the yoke of the Money Power, in control of the government, and having possession of all wealth .— There are two Millenniums before the world : one, a millennium of peace and blessedness, under the reign of Liberty and Religion ; the other, the reign of Oppression and Wrong, under the rule of the Money Power . The present crisis will determine which shall dominate the earth, from now to the end of time . The destinies of the Future are now hanging in the balance . Either the Money Power must go down, or the hopes of humanity must set in darkness .

Well is the Money Power called Satan, for it is the very incarnation of Satanic malignity and evil .

Who can doubt that the Great Red Dragon is the symbol of the Jew London Money Power ? Its identity with it is proved by six Historical Marks—by twenty wonderful Parallelisms of Character—and by twenty-two strange and startling Coincidences of Fact . There are thus forty-eight separate and distinct points of resemblance ; in respect of historical facts, of resemblances of character, and of coincidences between facts mentioned of the symbol and facts true of the Money Power . The proofs that the Dragon is the symbol of the Money Power are just eight times as numerous as those which prove that the Lion with Eagle's Wings is the symbol of the Babylonian empire, or the Bear, the symbol of the Persian empire ; and, in their strange and wonderful similarities, these proofs are a hundredfold stronger than those which identify any of the other symbols of the prophetic scriptures with the powers they set forth . Divine Inspiration has heaped proof upon proof, evidence upon evidence, until the mind almost wearies of it ; and until no dispassionate mind can resist the mass of evidence that forces conviction .

The proof presented in this work is not one-sixth of the evidence presented in the prophetic scriptures, that the London Money Power is the grand Imperialism so bitterly denounced in the Bible as the great Archenemy of God and man ; and which is foretold in prophecy, as destined to rise and be overthrown, in the Latter Days . When all the evidence is before the public, it will convince the most incredulous mind that God, in the inspired prophecies of scripture, has depicted the Dragon in this perfectly unmistakable manner, in order to save mankind from its power .

THE Rothschilds



A Family Portrait by

FREDERIC MORTON

PROBABLY no other family in the last two centuries has been so constantly in the center of Europe's great events as have the Rothschilds. Probably no other family has contained such varied and spectacular personalities. Surely no other family has had anything like their wealth, influence and prestige. In this book, Frederic Morton, one of our notable younger novelists, has written an intimate family portrait. Exercising the skill that Aldous Huxley has called "a gift for admirably vivid and complete characterization," Mr. Morton has re-created the men and women of six startling generations.

The Rothschilds' story begins at the end of the eighteenth century with Mayer Amschel Rothschild, a Frankfurt money changer. From a cramped house in Frankfurt's Jew Street he built a financial empire that his five sons carried to five European capitals and finally to world-wide power.

Mr. Morton dramatizes both the family solidarity and the bold flair that effected the dynasty's business triumphs. But always his emphasis is on the human aspect. Through anecdote and character portrayal, often using the main figures' own colorful language, he recalls legendary personalities: James Rothschild, who outwitted Napoleon's secret police; Nathan, who scooped the British government on the news of Wellington's victory at Waterloo; Baron Lionel, who bought

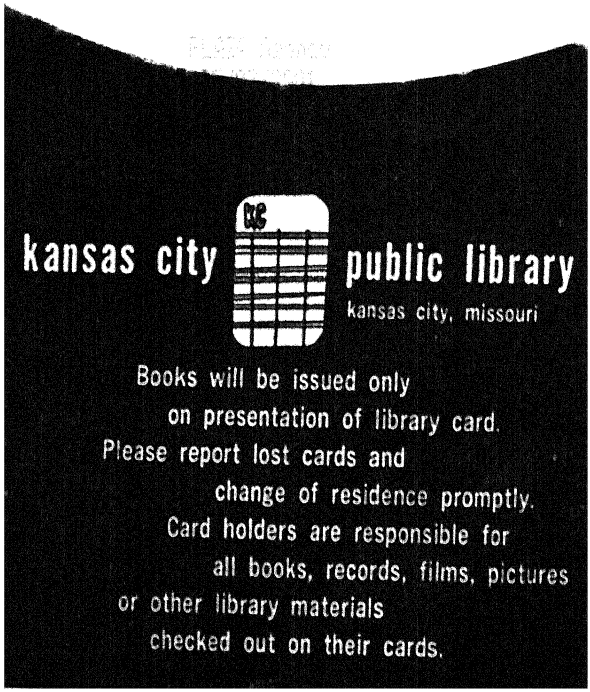
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With 38 illustrations in halftone, and a genealogical table.

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BY FREDERIC MORTON

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THE WITCHING SHIP *1960*

ASPHALT AND DESIRE *1952*

THE DARKNESS BELOW *1949*

THE HOUND *1947*

THE ROTHSCHILDS

THE ROTHSCHILDS

A FAMILY PORTRAIT

FREDERIC MORTON

NEW YORK
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1962

In different form some of the material in this book appeared in *Holiday*.

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PREFACE

FOR the last 150 years the history of the House of Rothschild has been to an amazing extent the backstage history of Western Europe. How the Rothschilds gained eminence and kept it to this day is a phenomenon that transcends business ability. It is rooted in the virtuoso use of the family as a power unit.

Being a novelist, I have an incurable interest in emotion. A money-changer becomes a great banker, not just because he is good at arithmetic, but because his impulses and reflexes are geared for success. The pages that follow, therefore, focus most closely on the "human" side of the Rothschild epic.

The importance of arithmetic remains. I am neither a trained economic historian nor a trained financial expert. I am aware, furthermore, that a team of scholars might have to spend years in the tremendous archives of the London and Paris banks to produce a detailed technical chronicle of the House. The aim of this book is different. It is to dramatize the personal, flesh-and-blood reality of the myth known to the world as "Rothschild."

Nonetheless, I have tried to provide the story with all necessary economic and historic underpinnings, and here as well as in other phases of the manuscript I have had the advantage of help from others.

I want to thank most members of the present-day Rothschild clan for the toleration and even encouragement of my curiosity in their offices and homes. Specifically, I am

grateful to Baroness Hilda de Rothschild for a general introduction to the subject; to Baron Philippe and his wife Pauline for directing my attention to numerous social and esthetic Rothschildiana; and to Baroness Elie for her information on family art collections. Much appreciated was the cooperation of Baron Guy, head of the French house; his sister, Bethsabée, and his mother, Baroness Edouard; Lord Rothschild; Mr. Edmund, senior partner of the English bank, and his wife, Elisabeth; and the dean of the family, Baron Eugene, and his wife Jeanne. Various members of the family have also provided me with portraits of their ancestors.

I am indebted to a number of Rothschild business associates, such as Mr. Leo Spitzer and Mr. Leonard Keesing of New York; Mr. Leo Kelly and Mr. J. F. Goble of London; Major Peter Barber of the Exbury estate; M. Robert Jablon of Paris. In Vienna, Ritter Wilhelm von Gutmann, Frau Clementine von Ruzicic and Herr Richard Karlberger have given me some valuable facts; as has Mr. Cecil Roth of Oxford, and not only through his excellent account of the Victorian family phase in England, *The Magnificent Rothschilds.*

For their advice and comment, I am also grateful to Mr. Cecil Beaton, Mr. James J. Rorimer (Director of the Metropolitan Museum of Art), Mr. Vincent Sheean, Mr. Peter B. Kenan, of Columbia University's economics faculty, and Mr. Gilbert Millstein.

Dr. Wilhelm Schlag, cultural officer of the Austrian Consulate General in New York, has been invaluable in procuring art material.

While everyone mentioned above has contributed to the manuscript, no one except myself is responsible for its inadequacies or mistakes.

This is the place to record my obligation to Ted Patrick

and Harry Sions of *Holiday*, who first presented me with the idea of the project. Sections of this manuscript in an altered form have been printed in their magazine.

And now I must admit the biggest debt of all. My wife, Marcia Colman Morton, has been an indispensable partner in this enterprise, from initial research to final revision. The writing of this book has constantly benefited from her editorial resourcefulness and her mysterious good humor.

F. M.

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Baron Guy de Rothschild
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Baron and Baroness Edouard de Rothschild and their daughter, Bethsabée
(Wide World Photos)

THE ROTHSCHILDS

I

ARE THEY STILL THERE?

1. *A Procession at Pauillac*

ON Saturday afternoon, March 4, 1961, an expectant crowd shifted its feet on the cobbles of a small village in southwestern France. Windows brimmed with faces, bristled with binoculars. Shortly after two P.M. a crimson-sashed band sent a fanfare across adjoining vineyards. A specially imported battalion of gendarmes took up positions along the curb. And slowly the fairytale came into view.

It was headed by a master of ceremonies with ivory staff, black garb and silk stockings and by two tiny pages in breeches. Behind them glided, at slow ceremonial pace, the presidential fleet of limousines usually reserved by the mayor of nearby Bordeaux for General de Gaulle. A splendor of orchids smothered the first car from figurehead to tail lights. It bore a princess on her wedding day.

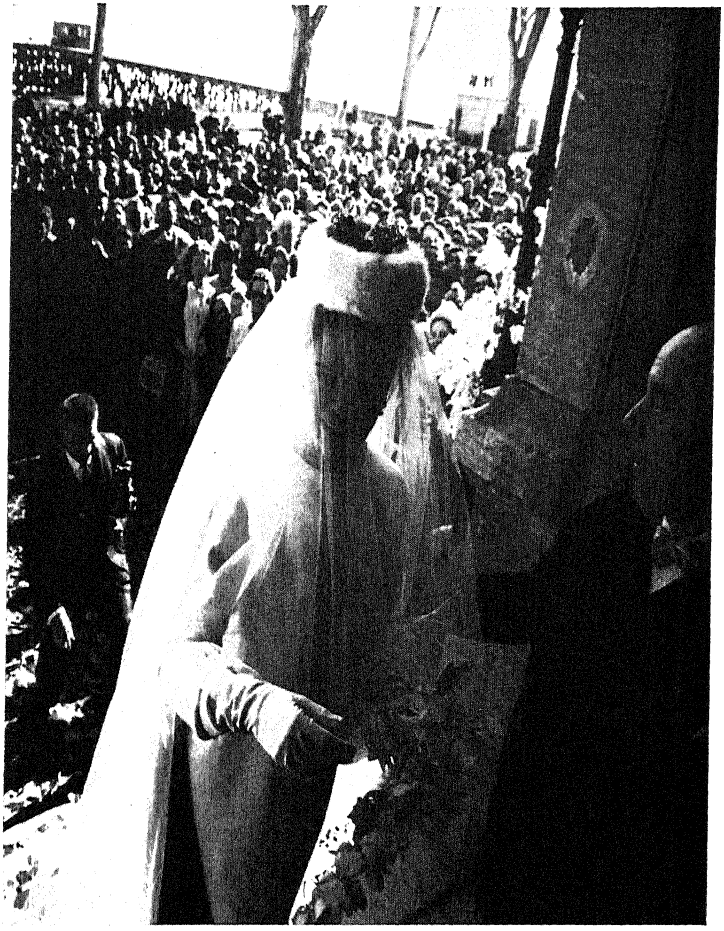
She was gowned in white satin (signed by that august overseer of contemporary idylls, Monsieur Balenciaga),

crowned with a diadem of white mink and diamond stars. Her hand held a spray of apple blossoms flown in that morning from Turkey. The bridegroom at her side was—with gratifying appositeness—a very handsome, very talented, very poor young man.

The guests riding behind them had been brought from Paris by a private contingent of Pullman cars added to the Sud Express. And since weddings must have picture-takers, this one had Cecil Beaton, on leave from his post at Buckingham Palace as her Majesty's official photographer. Here he attended to his duties in top hat, striped trousers and morning coat.

Still, any occasion can glitter for a hundred thousand dollars. It's not mere shininess that makes a fairytale, but the glow of familiarity; the magic comes not from telling, but from telling once again.

It was being told once again in the village of Pauillac on March 4, 1961. This was a Rothschild wedding. Baron Philippe of Château Mouton Rothschild was giving in marriage his daughter Philippine. Each tint making up the iridescence of the occasion had a tradition handed down by nanny, butler, dowager—by all the archivists with and without livery. Even as the procession still filed down the street, the service entrance of Château Mouton admitted a wedding cake nearly seven feet tall. In pure spun sugar it celebrated the five Rothschild arrows: the family escutcheon conceived a hundred and forty years before, amid Frankfurt pogroms, in the face of cross fire from Austria's College of Heraldry. And when the wedding limousines stopped before the great gates of the château, a troop of estate workers helped the gendarmes form a cordon; they all wore armbands of yellow and blue—the famous colors that had marked Rothschild couriers as they raced through disaster and triumph from Napoleon to World War I.



Baron Philippe de Rothschild and his daughter Philippine entering the church at Pauillac on her wedding day, 1961.



Baron Elie de Rothschild (left) with the late Aly Khan at the Chantilly races, 1951.

No modern name breathes a more storied eminence. No nonroyal family has held so much power so consistently, so peculiarly. Today many members of the clan cannot disguise a lordliness which has become exotic, if not downright exasperating, in our age. It would be insufficient to sum up the family as "still very wealthy." The Rothschild fortunes in England and in France are as ineffable as ever.

To the world at large, "Rothschild" means proverbial and rather dead money. But to the very rich, to those who actually know the clan or would like to, "Rothschild" conjures something very alive, something enviably, ridiculously, unattainably exaggerated; something like a gilt coach drawn by twelve white steeds.

In the private railroad cars that whisked the clan to the wedding, the Byzantine implications of the name were confirmed by a Byzantine amenity. Alexandre, the Dior of the world's coiffeurs, admits to his Paris establishment only Tout-Paris (as highest society in France is called) or certified Olympians such as Jacqueline Kennedy and Princess Margaret. Aboard the Pullmans scuttling to Bordeaux, Alexandre and selected stars of his staff waited, combs ready. Their presence was a prewedding favor from the host. Any Rothschild guest could have her tresses perfected by the master himself while white-gloved butlers offered her champagne and caviar. Alexandre well knows the splendor of the family. His own appointment book, a daily Almanach de Gotha, gives a clue. In that book, as in the imagination of the *haut monde*, a designation like "Comtesse Pierre" is meaningless if a surname isn't added. But "Baronne Elie" or "Baronne Philippe" can *only* mean "de Rothschild."

"They are the true successors to the Bourbons in France," an editor of the French *Vogue* sighed early this year. "There are no others where the first name is enough."

In fact, the celebrants at Pauillac and the people over at Buckingham Palace seem to be the only families left with great functioning kingdoms at their disposal. And for generations the people at Buckingham Palace have recognized the kinship: Queen Victoria often dined and slept in Rothschild houses; the Duke of Windsor fled to a Rothschild (an Austrian one) directly after his abdication. Where kings have vanished, presidents must suffice: the only time President Coty of France dined officially at a private residence was with Baron Philippe, the bride's father, at his Parisian duplex in 1952.

Like any child born at such an altitude, the bride inherited, in addition to everything else, history. It has been said that on the day of its birth the average Rothschild baby is 150 million dollars rich and 150 years old. The figures may be imprecise, but the idea is accurate. Over the past century and a half, a Rothschild personality has crystallized itself with such definition that no new bearer of the name can entirely escape it. The young Rothschilds today (there are over a dozen under the age of twenty-one) may discuss Sartre or dig cool jazz, but their lives are still part of an old genealogical design. This is due to inbreeding on a royal scale. It is also due to a formidable sense of the ancestral—a Jewish as well as an aristocratic characteristic.

Even the most shocking aspect of the event at Pauillac rested on family precedent. The village priest had solemnized Philippine's union with a Catholic (delivering a somewhat embarrassed sermon on the Old Testament and the virtues of the Jews). Actually he was only refreshing a venerable Rothschild scandal. From the very first this vehemently Jewish dynasty has permitted its daughters—not its sons—to marry Christians.

Also traditional was the confusion of the guest register at

Château Mouton. Seventy-odd Rothschilds signed it. And many of them, through many generations, have the same given names. By this the house emphasizes its unity and continuity, re-creates its ancestors and infuriates its biographers. There is nothing so confounding as the Rothschild family tree. The English branch, for example, began with Nathan Mayer; proceeded to Lionel and Nathaniel; went on to Lionel Walter, Lionel Nathan, James Nathaniel and Nathaniel Charles. Today it contributes to family reunions the present Lord Rothschild, named Nathaniel Mayer Victor, and a son of his, Nathaniel Charles.

Not content with the repetition of first names, the Rothschilds have evolved a lineage of pseudonyms—a peculiarity relevant to the nuptials at Pauillac. Henri de Rothschild, the bride's grandfather, wrote some successful dramas under the nom de plume of André Pascal. His son Philippe produced plays and motion pictures as Philippe Pascal. And Philippe's daughter Philippine, the bride herself, receives billing as Philippine Pascal at the Comédie Française. The fact that in Jacques Sereys she married a director of the Comédie shows how every Rothschild interest finds dynastic expression.

What would be a trifling inclination elsewhere becomes here a stately family landmark. The clan's sweet tooth has not only given the Rothschild soufflé to the world's menus; not only goaded the master chefs in family employ to push the art of pastry beyond its previous frontiers; not only produced a clause in the 1905 will of Baron Alphonse leaving 25,000 gold francs to his "dear son-in-law Albert . . . so that he may buy himself some chocolates"; but also engendered the delectable dogma that on all intra-family visits chocolate soufflé be served.

2. *Chutzpah and Orchids*

The orchids decking the bridal car manifested another Rothschild habit: impatience with imperfection, however slight. For the Rothschilds, sticking to the best is an obvious imperative, the equivalent of a shoemaker sticking to his last. More than any other group in the world, they have *chutzpah*. This is a Yiddish word related phonetically and philosophically to the Greek *hubris*. The latter term conveys uncompromising and in the end self-destructive pride. Achilles died of *hubris*, but Rothschilds positively prosper on *chutzpah*.

The orchids lighting up Philippine's limousine came from a giant estate in Exbury near Southampton. Here stand thirty hothouses, built of teak and putting nearly four acres under glass. They belong to Edmund de Rothschild, the present senior partner of the family bank in London; and the petals he breeds owe their queenliness to the imperious connoisseurship first instituted by his father, Lionel. During World War II, for example, much of the hothouse personnel was drafted. Lionel realized he could not provide for all his young seedlings. "Many, many hundreds were destroyed," Lionel's orchid man recalls. "Mr. de Rothschild did not feel inclined to sell them, thinking it impossible for another man to give them as much care as their quality required. . . ."

Turn to the rhododendrons, also very much in evidence among the floral garlands at Pauillac. They, too, had been imported from Exbury. Once Lionel de Rothschild's army of two hundred gardeners nourished and manicured his vast flower pavilions there. Today Edmund, his heir, owns a landscape which contains more hundreds of thousands of superb rhododendron plants than any other spot on

earth. This is due not only to care, but to a *chutzpah* unmerciful.

"Mr. Lionel," recalls the estate manager, Peter Barber, "developed over twelve hundred rhododendron hybrids. But he was ruthless with his burnings. He might watch a large batch of seedlings for ten years. He'd wait till they had all flowered in order to pick out the very best ones in the lot—and destroy all the rest. This was a strict rule. He wanted not one flower of merely good quality in his gardens."

In unpleasant contexts, too, the family remains addicted to the impeccable. During World War II Chaim Weizmann, the head of World Zionism, lived in London's Dorchester Hotel. The present Lord Rothschild had also moved there, since the drafting of male servants had made the maintenance of more elaborate households impossible. During a German raid Weizmann watched the young lord trying to calm his three tots in the bomb shelter—a vain occupation that lasted through the whole bomb-ridden night. At last Weizmann asked his Lordship why he hadn't sent his children to the United States, like so many other people of means?

"Why?" his Lordship said, squashing the pacifier in his fist. "Why! Because of their blasted last name. If I sent those three miserable little things over, the world would say that seven million Jews are cowards!"

Even in a frivolous milieu like Paris' Saint-Germain-des-Prés quarter, the family's consciousness of a special responsibility will not go to sleep. One evening last year three smart young couples sat on the sidewalk terrace of one of the more bohemian cafés. A hurdy-gurdy player came up with his cap. The three men in the group reached for some coins. "Merci," said the hurdy-gurdy player and was about to leave when in a twinkling the handsome girl called Phil-

ippine pressed a note on him. Nobody took much notice, except perhaps those knowing who she was: no longer just a girl on a date, but suddenly a Rothschild confronted by a beggar.

3. *A Golden Silence*

And yet a bourgeois practicality has always tempered such royal self-awareness, such imperial wealth. There is, for example, a curious garment of Baron Philippe's which may well have seen use that great day in Pauillac. A very early riser and therefore an early retirer, Philippe likes to be asleep as soon as the postprandial amenities are finished. And so his tailor must design a silken, soft-collared item which serves both as dress shirt under his dinner jacket—and as night shirt. A pleasant ingenuity, it lets him play the impeccable host in his pajamas.

The same spirit invests the dozen or so châteaux and mansions from which Philippine's relatives converged on Pauillac. These huge baroque bowers are studded with more Louis XIV, XV and XVI furniture than the three kings had together. For decades now, in interior decorators' argot the phrase "Rothschild style" has connoted Bourbon *meubles* sprinkled with Renaissance bibelots, an opulence of ormolu and *boiseries*—"the Rothschild grand French manner," Cecil Beaton terms it. But all this expresses delight in luxury, not distraction by it. In the midst of frank splendor sits a wholesome Jewish appreciation of the utilitarian. The great Paris town house of the Baroness Edouard, for example, has a master bathroom orchestrated in marble and silver. Only one element seems dissonant; on closer inspection it turns out to be a small telephone

switchboard. With it the Baroness can secure any number or extension quickly, discreetly, privately, without her usual secretarial apparatus.

But the clan keeps more than random switchboards secluded. It is no accident that Philippine's principal wedding banquet took place in the wine cellars of Château Lafite Rothschild, another family chateau near Pauillac. For all its matchless splendor and concentration of wealth, the feast was held underground in a remote corner of France. Rothschilds love to glisten. But to the sorrow of the socially ambitious, Rothschilds glisten only *in camera*, for and among their own kind.

Their penchant for reticence seems to have grown in recent generations. The founder of the house enjoined it a long time ago; but some of his sons, while storming Europe's innermost bastions of power, wrapped their hands around every weapon, including the rawest publicity. Today the family grooms the inaudibility and invisibility of its presence. As a result, some believe that little is left apart from a great legend. And the Rothschilds are quite content to let legend be their public relations.

The two big banks in London and Paris (probably the world's largest private financial institutions) and Baron Edmond's huge business headquarters in the French capital have not so much as a name plate outside. Though they control scores of industrial, commercial, mining and tourist corporations, not one bears the name Rothschild. Being privately held partnerships, the family houses never need to, and never do, publish a single public balance sheet or any other report of their financial condition.

On the social side "Rothschild" means Society with an S superbly, softly, capital. In Europe, where snobbery is measured on a more languid scale than on our side of the Atlantic, a mere four generations of wealth do not inevita-

bly entitle a family to a place at the very heart of fashion. Yet just here the Rothschilds are, barely glimpsed and rarely heard, behind the walls of the St. James Club in London, inside the hedges of the Comtesse de Paris; not so much partaking of the exclusiveness of such sanctums as confirming it by their presence.

The family's giant charities are also carried on quietly. Not too well known is the fact that Guy, the head of the French house, is president of the Fonds Social Juif Unifié (the name of United Jewish Appeal in France); or that a special department of the London bank draws up a monthly list of charities (Jewish and non-Jewish) to be dispensed by the senior partner; or that a very powerful—and very shy—B. de Rothschild Foundation, supervised by Bethsabée, Guy's sister, operates in New York, Paris and Tel Aviv. It sponsors (and houses) the Martha Graham Dance Company, supports French ballet and Israeli artisans, contributes extensively to the education of American Indian tribes, backs research into the arts of classical India—all under an umbrella of silence.

The clan, finally, abstains from press agentry in its maze of cultural and sporting endeavors. True, racing fans may know that the blue-and-yellow silks of Baron Guy, riding winners at Ascot, Longchamps and Deauville, are the same color as the banners over Rothschild castles on both sides of the Channel. Zoologists might be aware of an *ornithoptera Rothschildi* (a gorgeous "birdwing" butterfly in New Guinea) and a *Rhea Rothschildi* (a South American ostrich), both creatures found on Rothschild-financed expeditions. Wine drinkers may worship Mouton Rothschild and Lafite Rothschild as two of the world's supreme clarets. Botanists and garden lovers have benefited from the family fondness for thoroughbred flowers—the Rothschild supreme azalea, the many Rothschild-named rhododendrons

and the fantastic orchids developed at Exbury.

These golden footprints of the family are recognized, at least by specialists. But at the Louvre, at the British Museum, at a dozen other institutions, there are this very moment hundreds of researchers and art students bent over a cornucopia of treasures without knowing that once all this glittered in Rothschild libraries and drawing rooms. The Rothschild donations *in toto* make the Medicis' look meager.

In Vienna the House of Rothschild vanished under the heels of the Wehrmacht in 1938. Yet it survives, and not merely in the giant collections left to the Kunsthistorisches and the Kunstgewerbe museums. Its memory is literally fragrant: every spring the city floods its parks and squares with flowers which come from the former Rothschild hothouses in the Hohe Warte suburb.

Every day peasants from all over Austria pilgrimage to the Stefanskirche, the national cathedral. All Austrian provinces provided native materials for its reconstruction after World War II damage. The family, a province unto itself, contributed the stones from their principal *palais*. The residence in the Prinz Eugenstrasse was too monumental to find a new owner in 1956. It was demolished just when the Stefanskirche needed a transfusion of precious marble. And so the stones from the Jewish dwelling were brought directly to the Catholic cathedral.

There is only one crucial Rothschild city which bears few palpable imprints of the clan. Frankfurt does have a Rothschild Park; its municipal archives contain some yellowed clues to the family's beginnings. But the bombed ruins of the original Rothschild house were cleared away four years ago to make way for a new office building. Not many Rothschildiana survive by the Main River.

Yet here, in a cramped ghetto dwelling, the great Pauil-

lac wedding had its roots. Here, with a yellow star pinned to his caftan, Mayer Amschel Rothschild kept a small store two centuries ago, and married Gutele Schnapper, and raised with her those five incredible sons who conquered the world more thoroughly, more cunningly and much more lastingly than all the Caesars before or all the Hitlers after them.

Here their story—and their name—entered history.

II

JEW STREET

1. *Little Orphan Mayer*

IT IS almost impossible to meet a present-day Rothschild without first meeting his forefathers. The hall of his house and the anteroom of his office invariably teem with paintings, busts, reliefs, sometimes even small monuments, of ancestors. All these Valhallas are curiously incomplete: of the dynasty's founder no likeness is known, although Mayer Rothschild could have afforded, toward the end of his life, the finest brush strokes money can buy.

Still, the very absence of a solemn portrait fleshes out the impression contemporaries have handed down. It is a picture quite different from those of the squat, relentless, monstrously practical geniuses he fathered. The patriarch was a tall, gentle person with a scholar's hunch to his narrow shoulders. In his smile there hovered a not very businesslike twinkle.

A strange dream must have stirred inside the man; something prompted him to consistently peculiar choices. The

most peculiar of all resulted, one spring day of 1764, in his return to his native Frankfurt on the Main.

Mayer's ancestors had long been small merchants in the town ghetto. But his best prospects lay elsewhere. As the brightest in a brood of children, he had been sent to a Yeshiva near Nürnberg to become the family pride—a rabbi. He studied well, but briefly. Both his parents died, and with them the source of tuition. Luckily some relatives secured for young Mayer an apprenticeship in the Jewish banking house of Oppenheimer at Hannover.

Another lad in his position would have clung to just that city. Germany was still a patchwork of principalities, each with laws unto itself. In contrast to Frankfurt, Hannover tolerated Jews—tolerably. Mayer did well. His path was clear: to stay at Oppenheimer's; to advance; to become chief clerk; and, with God's help, possibly even to die a partner. Instead, Mayer went home. He did the wrong thing and became immortal.

Yet when he re-entered Frankfurt that spring day, not a shred of grandeur greeted him, only petty humiliation. Crossing the river Main, he had to pay Jew toll. From afar he could see, and smell, the quarter where he had been born twenty years earlier. The ghetto brimmed along a single dark alley, just twelve feet broad. It stretched, as Goethe later said, "between the city wall and a trench."

On his way Mayer could not escape the street urchins whose favorite amusement was to shout, "Jew, do your duty!"—whereupon the Jew had to step aside, take off his hat, and bow. Having thus entertained the local children, Mayer reached the heavy chains with which soldiers manacled the Judengasse (Jew Street) every night.

Inside, the ghetto was not very encouraging either. Shops spilled heaps of secondhand clothes and soiled household goods into the alley; this welter reflected an ordinance

that barred Frankfurt Jews from farming, from handicrafts, even from dealing in nobler goods such as weapons, silk or fresh fruit.

And the young Jewish girls Mayer encountered—they, too, were subject to the stern hand of the gentile. Another city edict limited the Jews to five hundred families and to no more than twelve marriages a year.

Even when Mayer reached his own block and an old friend hailed him with "Heh, Rothschild!" that very word could only be a reminder that he really had no family name at all. It was a privilege his race did not possess. To invent some sort of identification, Jews often used the house signs which predated numbered addresses. Mayer's ancestors had once lived in a house with a red shield (*Rothschild*) at the more prosperous end of Jew Street. The name still stuck, though the family had declined to a danker, humbler place behind the Sign of the Saucepan.

It was at the Saucepan that Mayer finally turned in. He walked through a gloomy and littered court to the back-yard quarters where his brothers Moses and Kalmann ran a secondhand shop. It was here that he reached the end of his journey and the beginning of an epic.

2. *A Dreamer in the Ghetto*

In the damp quarters of the Saucepan, Mayer Amschel proceeded to toil patiently for years. And at this point we must ask: Did he really foresee the advantage of sacrificing a bright and orderly progress in a Hannover counting house for the sake of a dark hole in Frankfurt's Jew Street? Had he understood the opportunity sleeping in his native city? Did he know that the local lord, young Prince Wil-

liam of Hesse-Hanau, was a plutocrat among princes; that at William's court a financial empire was being built which would need financial viceroys? Did the dream really descend through the narrow roof and touch Mayer's thought at night?

But in daylight—what a distance between Mayer and a prince! In the daylight he was one of three brothers in caftans, rooting about among old chests, hip-deep in high-grade junk and low-grade antiques. He couldn't have afforded one horse of the many splashing mud against ghetto walls as they sped to William's castle at Hanau.

As time went on, it appeared that Mayer would not even be able to afford a saddle. He had begun to develop, with more enthusiasm than profit, a new department in the secondhand store: he traded in old coins. The years in the Yeshiva still lived in him. He was a rabbi *manqué* and carried on his bent back old racial longings for poetry and lore. The dinars and thalers he now bought up; the obscure mintages from Russia, from the Palatine and from Bavaria; these he could analyze, annotate, interpret, explain, describe, relate—but not sell.

Or so it seemed at first. In Jew Street there was too great a need for current money to bother with the retired kind. Nor were Christian burghers more receptive to such trinkets. It was necessary to go farther, into the manors and castles around Frankfurt. Mayer ventured forth. After all, he had the shadow of a connection; back in Hannover he had run errands for a General von Estorff, now attached to the court of Prince William at Hanau.

And the General deigned to remember. Mayer found that the General's courtier friends showed a nice interest in his quaint coins and heirlooms. They listened to his surprisingly learned numismatic chatter. They were amused by the ghetto music with which he celebrated his wares.

They fingered the catalogue written with such loving flourishes. And then they bought!

They bought again from time to time. Mayer, emboldened, sent his curlicue-embellished catalogues to princes and princelings all around. One day he was ushered into the presence of William himself. His Highness, legend claims, had just won at chess and therefore regarded the world kindly. Mayer sold him a handful of his rarest medals and coins. It was the first transaction of a Rothschild with a chief of state.

He returned to Jew Street, triumphant but not rich. He had thoughts of marriage, but the upkeep of his family could not depend on random euphoria in high places. So Mayer instituted in the House at the Saucepan a *Wechselstube*—that is, a rudimentary bank where the multifarious currency of the Germanies could be exchanged. The fairs held in Frankfurt brought all sorts of ducats, florins, carolins and what-nots into town. From this diversity Mayer now steadily profited.

He became good son-in-law material. One began to see him quite often over at the home of Gutele Schnapper, a small but energetic seventeen-year-old, whose father kept shop at the good end of Jew Street. The dowry here promised to be fair. Gutele was sweet, her beef stew excellent. Could a nice young Jew ask more?

Mayer did. Those old coins and the high gentlemen who bought them. . . . Again the dream stirred *sotto voce* and further bent his shoulders. Again he rejected the sound bourgeois way to merely sound success. He did not use the exchange profits to enlarge the *Wechselstube*, his primary source of income. The money was invested in the numismatic trade.

Mayer bought out some needy coin collectors. With his newly bolstered line he attracted the Duke Karl August

(Goethe's patron at Weimar) and other spectacular customers paying drab prices. He sold consistently, if sparsely, to his lord, William. And he enjoyed himself.

His brothers—who pursued the solid, stodgy used-goods department of their common business—could never quite fathom that persistent smile in Mayer's beard. They watched him, puzzled. How he hovered over his catalogues! How carefully he had them printed now, in complicated Gothic letters! How he kept revising their elaborate title pages, how he worked on their phrasing which, even for those days, seemed a bit odd and archaic. He was, the brothers thought, like a Talmudist writing a book.

And indeed, Mayer really began to write. They were letters of practical import, petitions to various local princes. Yet their convoluted charm and their painstaking love of formalities, sometimes lapsing into ghetto idiom—all that seemed typical Mayer.

"It has been my particular high and good fortune," he would begin, "to serve your lofty princely Serenity at various times and to your most gracious satisfaction. I stand ready to exert all my energies and my entire fortune to serve your lofty princely Serenity whenever in future it shall please you to command me. An especially powerful incentive to this end would be given me if your lofty princely Serenity were to distinguish me with an appointment as one of your Highness' Court Factors. I am making bold to beg for this with the more confidence in the assurance that by so doing I am not giving any trouble; while for my part such a distinction would lift up my commercial standing and be of help to me in so many other ways that I feel certain thereby to make my way and fortune here in the city of Frankfurt."

And sure enough, one day, on September 21, 1769, passers-by in the poor end of Jew Street had something new to

look at. A stooped young man with a black beard was nailing a sign onto the Saucepan house. It bore the arms of Hesse-Hanau, and underneath proclaimed in gilt characters: M. A. ROTHSCHILD, BY APPOINTMENT COURT FACTOR TO HIS SERENE HIGHNESS, PRINCE WILLIAM OF HANAU.

Now, a factorship was a commonplace honor. The appointment only confirmed publicly that the appointee had done business with the court. It carried no obligations on the part of the prince, gave no magic fillip to Mayer's career.

Yet it created a certain excitement in the neighborhood. The Saucepan landlord was impressed and agreed to sell a quarter-share of the house to the three brothers—something Mayer had long wanted. Gutele's father, hitherto reluctant, let her become the new dignitary's wife. The title also exempted its owner from a few of the disadvantages from which Jews suffered; a kind of passport, it made traveling a little easier.

Whenever Mayer passed the front of the Saucepan, he lingered for a moment and played his odd smile over the plaque. Gutele began to bear him children, and he even held his babies up to the sign, explaining the escutcheon and the lettering. His brothers smirked. His wife was busy cooking and washing. But the tots in his arms stared at the plaque with serious eyes. They seemed to recognize it as the first fragment of an enormous fulfillment.

3. *Mayer's Serenity*

The young prince who conferred the distinction—a supporting player in the Rothschild drama—was an interesting

man. Despite the relatively small size of his domain, William had blood as blue as any monarch in Europe. A grandson of George II of England, a cousin of George III, he was also a nephew of the King of Denmark and brother-in-law of the King of Sweden. Obviously his relatives were doing well. What made them even more important to William—and what gave him a signal part in Mayer Rothschild's story—was the fact that just about the entire collection of majesties owed money to little Hanau.

When it came to money, this nabob, whose crest had been famous in Germany since the Middle Ages, was sharper than next year's parvenu. He was the first great royal burgher. Like his father, Landgrave Frederick of Hesse-Cassel, William trafficked in valor. But the son squeezed out of this commodity a good deal more than had papa. William conscripted his male subjects and processed them for the auction block. He refined and perfected his troops; he shined and sharpened them on the parade grounds; he made sure of the officers' pigtails and the enlisted men's muskets. And when a batch was ripe and enticingly packaged, he sold the lot to England, which used "the Hessians" to keep peace in the Colonies.

William's merchandising of the peacekeepers brought him enormous wealth. Every time a Hessian was killed, the prince received extra compensation to soothe him for the victim's trouble. The casualties mounted, and therefore his cash. This he loaned out, with shrewd lack of prejudice, to just the right people—candlestick makers with impeccable credit ratings or kings who paid interest in the form of favors. Between the influx of royal dispensations and bourgeois thalers, he became the richest ruler in Europe. Quite probably he amassed the greatest personal fortune between the Fuggers and—the Rothschilds.

In a life so austerely filled with business, William knew

only one avocation: adultery. Even to that enterprise he applied himself with, one might say, touching conscientiousness. In addition to the three children by his official wife, the Princess Royal of Denmark, he sired at least twenty-three illegitimate offspring by other consorts. They were all very *soigné* bastards, with patents of nobility purchased by William from his august debtor, Emperor Francis of Austria.

An indirect consequence of one of Serenity's liaisons helped strengthen the so-far tenuous bond between him and Mayer Rothschild. The eight children of Frau von Ritter-Lindental, one of his fertile mistresses, had a tutor named Buderus; and Buderus' son Carl attached himself to the court as a treasury official. Young Carl, whom we will encounter again, soon endeared himself to the prince's thriftiness. According to a chronicler, he conceived a plan "for increasing the milk profits from one of the prince's dairies by the simple expedient of forbidding the practice . . . of omitting fractions of a heller [penny] in the accounts. Young Buderus showed that this would increase the revenue by 120 thalers. This discovery appealed so strongly to the prince . . . that he entrusted Buderus with the accounts of his private purse in addition to his normal duties."

It was Buderus who helped invent the Hanau salt tax, out of which Serenity's multitudinous progeny was supported. And it was Buderus who began to be quite interested in Mayer Amschel, appearing at Hanau every so often with quaint wares. Buderus liked the Jew. He liked, as well, the rare coins he got as holiday presents. There were many holidays in the year. Through Buderus, Mayer's *Wechselstube* was given a few of Serenity's London drafts for discount—that is, for cashing. Rothschild had at last broken into state banking.

But in a tiny and insignificant way. Prince William was

not at all aware of Jew Mayer. He just liked to scatter his foreign bills of exchange among as many discounters as possible; a concentrated dumping might depress the exchange rate. Buderus could help Mayer to a few further footling transactions; then the flow seemed to stop altogether. An event occurred which made even greater the gulf between low little Mayer and the high prince.

William's father died. In 1785 his Serenity succeeded to the immense possessions, to the palace, and to the title of Landgrave of Hesse-Cassel. William's retinue—complete with wife, mistress, scions, bastards, courtiers, and all—left Hanau and thus the vicinity of Frankfurt. The whole splendid court settled into the great palace of Wilhelmshöhe at Cassel.

That same year Mayer and his wife Gutele pushed their pots and barrels to a somewhat larger ghetto house, this one with a green shield: an obscure, cluttered, piddling migration within Jew Street, worlds below the princely progress from Hanau to Wilhelmshöhe. Yet it was Mayer's, not William's, journey that ended in a landmark meaningful to our day.

4. *A Dynasty Aborning*

In his old age Mayer looked back on his life and confessed that the 1780's were his favorite years. He was in his own forties then, and the decade had a kind of homey, cheerful cast. On the one hand, the fury which was to raise the Rothschilds to *The Rothschilds* still bided its time. On the other hand, they had shaken off the ghetto's more soiled and naked exigencies.

The ugly back yard at the Saucepan lay behind them.

The Green Shield was a much finer house. It fronted the street, rose three stories high and expressed Mayer's standing as an established merchant. True, here as everywhere in the ghetto space was scarce. The Green Shield, though tall, was narrow, its rooms small and dark. Two bedrooms must serve the parents and their constantly growing brood (twenty children were born, ten survived). Cupboards had to be wedged under the steep, creaking staircases, and a few were built into the wall.

It was not a quiet existence, either. Outside, Jew Street surged and screamed. Inside, staircases and flooring, both venerable, groaned. Every time the front door opened, an ancient bell clanged. It had, during its lifetime, warned not only of customers but also of pogroms and police.

The bell sent Mayer scuttling a hundred times a day. He was busier than ever. To maintain the house, to support the family, he had added a dry-goods counter to his regular business—the coins, the *Wechselstube*, and the secondhand trade. No one shared the burden, for brother Kalmann had died in 1782, while brother Moses had withdrawn. Mayer sweated through all these struggling departments and smiled his odd smile.

Indeed, he found increasing cause for contentment here. The store, with its more spacious quarters, invited more attractive customers. Schönche, the eldest child, who sat behind the cashier's desk, was given a new dress. Mayer soon rid his place of the disorder of the used-goods trade. Eventually he dealt not only in cotton but also in wine and tobacco, and the dignity as well as the aroma of these wares pervaded the whole building.

Also on the ground floor was the kitchen, a mere twelve by five feet large and with a hearth just big enough for a single pot. Next to it stood—extraordinary luxury!—a pump. The Rothschilds were among the blessed few in

Jew Street who needn't leave their four walls to get drinking water.

The kitchen, of course, constituted Gutele's province as mistress of the house. So did the carefully kept living room upstairs. (Many years later it was to be called "The Green Room" because of the color of its faded upholstery and because Gutele stubbornly persisted in living and sitting in state there while her sons reigned over Europe from their palaces.)

On Saturday evenings, when prayer was done at the synagogue, Mayer liked to inveigle the rabbi into his house. They would bend toward one another on the green upholstery, sipping slowly at a glass of wine, and argue about first and last things deep into the night. Even on work days, when Mayer had finished with his coins and cottons and drafts, he was apt to take down the big book of the Talmud and recite from it in happy Hebrew singsong while the entire family must sit stock-still and listen.

But Mayer was not just bookish. The Green Shield had a kind of terrace looking out on the back yard. Since Jews were not allowed to set foot in public gardens, this served as the family recreation ground. Here Mayer played with the children while Gutele, like the good Jewish wife she was, sat quietly in the background, knitting, sewing, crocheting, mending. On the terrace Mayer showed his daughters how to tend some grass and flowers and talked in fanciful tropes about the various plants—almost as though they were old coins. Here, too, he celebrated the Feast of Tabernacles (which must not be held under a roof) beneath pine twigs through which the ghetto stars were shining.

The building had another feature to which he resorted just as often but much more circumspectly. On the other side of the small yard lay the counting house—the first, primitive Rothschild bank, covering all of nine square feet.

It contained a large iron chest with a mechanism so contrived that it could not be opened on the side with the padlock but only by lifting the lid from the back. Yet the chest served largely as decoy. The walls were riddled with secret shelves, and a trap door led down into a hidden cellar which was quite separate from the "official" house cellar. Equally separate was the purpose of this second cavern. In it were stored documents, contracts, deeds and, after a while, strange papers relating to his Highness, Landgrave William of Hesse-Cassel—seemingly so distant.

Invisible bonds began to connect an underground hole behind the Green Shield with the great towers of Wilhelmshöhe. Few knew of the tie while it was being forged. And no one suspected that the tycoon prince would be eclipsed by the ghetto peddler; or that the Jew Street family would, within Serenity's own lifetime, surpass by far his own fabulous wealth; would drown the fame of his ancient name with their own; would, in fact, reduce him to a thoroughbred steppingstone.

III

FIVE FLYING CARPETS

1. *The Boys Erupt*

NO TRUMPETS announced the Rothschild accession to world power. At the end of the 1780's Mayer Rothschild meant little or nothing to Prince William in his high castle at Wilhelmshöhe. Mayer's name remained entirely inconspicuous in the Frankfurt ghetto itself.

The premise of the family's conquest lay in the very unobtrusiveness of their crouch and the silence of their leap. Their aim was so high; compared with it, their position so low; their first foothold so precarious, their resources so feeble; any alerted rival could have destroyed them with a single stroke.

Yet the three puissant devices by which Mayer's house was to overwhelm a continent were already doing their work in miniature.

1. The Rothschild clientele consisted, to a calculated degree, not of other bourgeoisie but of some of the noblest personages in Germany—and never mind if their high posi-

tions exacted low profits.

2. Rothschild courted the Landgrave with low prices (thus faithfully imitating William's own tactics with the imperial palace in Vienna). This earned Mayer the increasingly crucial cooperation of Buderus who, as the prince's financial lieutenant, exerted influence over the greatest money hoard in Europe.

3. Mayer had sons.

Here was, and is, the simplest, most important power instrument of all: to have sons. In essence the dream poem in Mayer's soul was dynastic. All the connectionmaking, the storytelling and charming, the bit-by-bit selling he did at local courts was dynastic investment. Had he not been a father, it would have been vain gesticulation; he would have died unknown, a species of feckless Semitic troubadour. But since he had sons, he became a mover of mountains. All his travail turned out to be the perfect seed for his children to grow and pluck; and all their tireless harvesting toil would be but new sowing for *their* children and their children's children.

Perhaps the early Romans were the most successful nation we have known; perhaps Napoleon the most formidable individual. It is quite possible that the people still bustling obscurely at the Green Shield were the family par excellence in modern history. As long as Mayer lived alone with his wife, he was just another Jew—or, if you will, a Caesar without centurions. But soon those boys marched out of Gutele's womb like so many dauntless legions.

First came Amschel, future treasurer of the German Confederation. Then Salomon, who in the end achieved exactly the exalted station in imperial Vienna that remained Landgrave William's perpetual daydream. Then Nathan, who rose to more power than any other man in England. Then Kalmann, who wound the Italian peninsula around

his hand. Then Jacob, who was to lord it in France during Republic and Empire.

In the beginning, of course, those five, together with their five sisters, were just an eager litter of ghetto apprentices, taking the load off Mayer's stooped shoulders. They ran errands, manned counters, added figures.

But swiftly their characters became plain. They were quite different from old Rothschild. When Mayer talked Jewish history (would one of them perhaps go to the Yeshiva?) or spun yarns about his coins, their eyes, while obedient, turned blank. They became alive at the market place. They vibrated at the *Wechselstube*. They were fiendish calculators. They came running into the house with something—often cotton cloth—they had snatched up for a song and which they sold dearly, with an astounding pressure and speed, a few hours later.

Success itched in their bones. Yet their gentler father was needed to release it. A precedent established itself to pattern the future: in the House of Rothschild, brilliance may be individual but accomplishment is joint. Brothers and cousins complement each other, and so do generations.

The harsh, tremendous new energies in the House of the Green Shield might have foundered if not for Mayer Amschel. He softened them. He supplied graciousness, the one thing the brothers would always lack. He put forward a pleasant face at a time when the skill of pleasing was still more useful than the ability to negotiate. In other self-made success stories the more polished sons build from the spadework done by the father. Here the father put the subtle touches on the sledgehammer schemes of his boys.

The first scheme consisted of a complex and ingenious putting together of two and two. On the one hand, there was the Rothschild cotton-cloth line, paid for with money going *to* England—that is, to textile jobbers in Manchester.

On the other hand, his soldier-vending Serenity, the Landgrave, got money *from* England in the form of drafts. On the third hand (Rothschild reasoning is usually octopus-armed), those English cotton jobbers could be paid directly with the Landgrave's London drafts—and the discount fees pocketed both ways—if only William would give Mayer such discount business again and in more generous quantities. On the fourth hand, why couldn't Mayer show up at William's new court in Cassel right now, with some good stories and a do-me-a-favor-priced collection of fine old coins?

"Right now" meant 1787, two years before the French Revolution. Mayer packed his velvet case of numismatic treasures. Shortly afterwards the Landgrave acquired very cheaply a score of rare items, together with a petition from M. A. Rothschild recalling Mayer's Court Factorship and some of the minor discounting he had done in years past.

The court took its time. At last, in 1789, drafts worth 800 pounds sterling arrived at the *Wechselstube*. It was a first trickle that became steady and strong and hugely profitable.

But this new income did not nearly satisfy the dynamic new impatience at the Green Shield. What was draft-discounting—which was really just check-cashing—compared to the handling of bonds in which the Landgrave invested much of his gigantic income? And who did the handling? Wasn't it those big Frankfurt bankers, Bethmann Brothers and Rueppell & Harnier? Weren't there spats between court and counting house?

Suddenly the Rothschild boys stood, hat in hand, before the big bankers. "Please," they said in their funny Jew Street German, "let us be go-betweens between you, the dignified financiers, and him, the difficult William."

The bankers looked amused at these eager, uncouth ap-

paritions. Yes, in them there wasn't an iota of dignity to be hurt, and maybe they had just the raw vitality to satisfy Serenity's "mach' schnell" needlings. Established Frankfurt agreed. It paid those young ghetto louts a small commission for being its messengers and William's butts.

Established Frankfurt was served well. William liked the way the youths snapped to. And his treasurer, Buderus, became a secret partner in the *Wechselstube* now turned regular bank.

Soon Salomon was an almost daily fixture at Cassel, incorporating Rothschild into the financial apparatus of the court. Soon Amschel was arranging—and participating in —some of the Landgrave's mortgage business. Soon Nathan, who had quarreled with an English textile salesman over prices, found himself in Manchester; soon he sent directly discounted cotton right through the French Revolution to the Rothschild store, just as prices started rocketing. Almost by accident the family had taken its first step toward forming an international network.

Soon the Green Shield team fanned out in all directions. In every stagecoach a young round-faced Rothschild sat, portfolio wedged under one arm, eyes avid but impenetrable. And Mayer himself followed, soothing where there had been too much sharpness, conciliating and smiling as consummately as his sons had argued and promoted.

Soon the Jewish community at Frankfurt took a surprised look at the phenomenon in their midst. For over twenty years Mayer Amschel's tax assessment had been the same, a moderate figure of 2,000 gulden. Abruptly in 1795 the amount was doubled. The next year his official worth reached 15,000 gulden, the highest possible fiscal category in the ghetto.

This change did not constitute a world-shaking event, like some others about to take place. Napoleon was invent-

ing imperial France. Corsican thunder rolled down the shores of Europe. But in Frankfurt another brand-new power reached beyond national borders. It marched on tiptoe, and not with hobnailed boots. Mayer Rothschild executed in total secrecy his first important loan operation involving a foreign state.

2. *Something Rotten in Denmark*

Someone once said that the wealth of Rothschild consists of the bankruptcy of nations. There is more to it than that, of course. But certainly the family's initial international coup took place in 1804, when the entire treasury of Denmark consisted of a deficit.

Mayer, kept *au courant* by Buderus, knew the fact well. He knew furthermore that Landgrave William suffered from an almost unbearable surplus. Highness, therefore, was beyond doubt willing to help out Denmark—particularly since a kingdom makes pretty good collateral. Only, the Danish monarch was Highness' uncle. It's always bad business to show poor relations how rich you are: loans within the family can easily degenerate into gifts.

The thing to do was to make the loan incognito. Not through Bethmann Brothers, of course, or through Rueppell & Harnier, or any of the other big banks identified with his Highness. Why not use an obscure but efficient outfit; an outfit which would turn the trick for a smaller commission, yet with guaranteed anonymity; an outfit—well, let's see now . . . an outfit, say, like Rothschild's?

Mayer just dropped his intricately wrought hint to Buderus. Buderus redropped it into Highness' ear. Highness smiled. From Frankfurt to Copenhagen the stagecoaches

began to swarm with Mayer's boys.

Bethmann Brothers and Rueppell & Harnier, the big Frankfurt bankers, did not notice anything at first. After a while, though, they could not help wondering. The Rothschild outfit seemed so awfully preoccupied each time they asked it to do some menial brokerage chores. Furthermore, quite some time had passed since the Landgrave had last asked them to arrange foreign loans.

Inquiries directed to his Highness' treasurer, the Honorable Herr Buderus, received polite impassive answers. Questions put to Copenhagen met with a most curious statement: all Danish loans, replied the finance minister, had been handled by people acting for some nameless but terribly nice millionaire.

"What people?" exclaimed Bethmann Brothers.

". . . schild something." These people moved so fast it was hard to catch their names.

". . . schild?" Rothschild? *Rothschild!* Bethmann Brothers were in an uproar of investigation. And the cat was out of the bag. Those ghetto hawkers! Daring to undercut the most powerful and long-established bankers in Germany!

Furious appeals went out from Bethmann and Rueppell & Harnier to the Danish government, to the Landgrave, even to Buderus—flaming statements about Mosaic presumption and Christian loyalty. Patrician Frankfurt was up in arms. Broadside after broadside crashed against the Jew Street schemers, who were still, after all, chained in at night.

The court at Cassel hemmed and hawed. In the end the shouting did no more than make the shouters hoarse. That family was simply too useful to his Highness. Buderus said so, and the prince knew it for the truth. Their energy, their funny accents, their ubiquity had become indispensable.

The last quality was decisive. They were everywhere. One father and five sons had become a preternatural force that devoured distance, precedents, limits and frontiers.

Old Mayer now gave this new force formal status. In 1800 he entered into a partnership with his two eldest sons. He established rules which became pillars of a dynastic constitution. All key posts in the firm were manned by members of the family—luckily a large one—not by hired hands. (To this day, only Rothschilds are partners or owners of the great Rothschild banks.) When Schönche, the eldest daughter, married, her husband was not employed in the business; but when Amschel wed a year later, his wife promptly received a position. (To this day the female line is as rigidly kept out of Rothschild affairs as the male line is included.) Mayer also began a system of secret bookkeeping in addition to the official one. (Today Rothschild business is "secret" to the extent that it consists, despite its immense size, of private partnerships which need publish no balance sheets or other information.)

Family and business were welded into one formidable machine. Daily the Rothschilds exerted smoother and greater power. They still lived in Jew Street, but their commercial quarters expanded to offices and a stockroom outside the ghetto. In the subterranean passages under the Green Shield counting house the gold mounted, together with packets of securities.

Above all, the Rothschilds' position with the Landgrave was supremely entrenched. Mayer had been appointed Oberhofagent (Superior Court Agent); the two eldest sons could now call themselves Hessian Pay Office agents. Daily their influence over the Hessian court, and over its income of a million thalers per year, was widening. They loaned money to the Landgrave's son, in loyal imitation of the Landgrave, who loaned to the royal dukes of England. They were on the point of becoming chief bankers to Wil-

liam, one of the world's richest monarchs.

And then, in the year 1806, when Mayer's dream almost became substance, Napoleon seemed to sweep it away. He was sweeping away everything else. Prince William, like the cautious billionaire he was, tried to straddle the fence between Bonaparte and the Austro-British alliance. But the French Emperor had small patience with vacillators. When the Grande Armée came down on Prussia in October, 1806, it came down on Hesse as well.

It appeared to be all over. Frankfurt suffered occupation. The lines of international commerce were shattered. Nathan, the Rothschilds' foreign bastion, looked marooned in England. And in the wee hours of the morning of November 1 Prince William himself panted into his carriage and had the horses goaded northward to Schleswig.

The next day French troops flooded into his castle, Wilhelmshöhe. "My object," read Napoleon's order, "is to remove the house of Hesse-Cassel from rulership and to strike it out of the list of powers."

Thus Europe's mightiest man decreed erasure of the rock on which the new Rothschild firm had been built. Yet, curiously, the bustle didn't diminish at the House of the Green Shield. The clouds which the great Emperor had blown so grandiosely across Europe were joined by smaller but no less portentous counterparts. Dust whirled behind the carriages in which those round-faced young Rothschilds still sat, avid and impenetrable, portfolios wedged between body and arm.

They saw neither peace nor war, neither slogans nor manifestoes nor orders of the day, neither death nor glory. They saw none of the things that blinded the world. They saw only steppingstones. Prince William had been one. Napoleon would be the next.

IV

ROTHSCHILD VERSUS NAPOLEON

1. *Round One: Contraband*

IN THE predawn blackness of November 1, 1806, there was a glow of muffled lanterns in the secret back-yard cellar of the Green Shield. Mayer Rothschild buried as quickly as he could a cartful of documents—minutes of Prince William's Privy Council. Those weren't the only things William wanted hidden from Napoleon's troops; that same hour some trusted footmen shoveled a hoard of jewels beneath the staircases of the prince's various castles.

Unlike the dossier entrusted to Mayer, the jewels were found. Thereupon Carl Buderus, now William's undercover representative in occupied Hesse, called for his carriage. He had tea with the French governor-general, La Grange. Subsequently, about a million francs dropped into La Grange's palm. This brilliant interpretation of the law of gravity had brilliant results. The greater part of William's bright treas-

ure was permitted to move out of the staircases, beyond musket reach of the French, into the hands of the evicted prince.

Still, jewelry made up only the merest fraction of the prince's wealth. As Europe's most blue- and cold-blooded loan shark, William had huge debts maturing in his favor all over the continent. In addition, there were his British investments that paid him dividends of nearly 2,000 pounds * (18,000 dollars) a month. And now he sat in Denmark, exiled, cut off from the administration of such affairs. For the stewardship of much of William's vast and complicated riches Carl Buderus chose Mayer Rothschild.

Of course, corporatively speaking, Buderus himself had become a quasi-Rothschild. A secret contract signed in 1809 confirmed the old verbal agreement that gave the prince's treasurer a certain share in the Green Shield business. But was this vested interest enough cause to hand a ghetto merchant such enormous responsibility? Wasn't Buderus pressing his luck too far? Who were the Rothschilds, after all? Without great financial or noble antecedents; as Jews, without civic status; without protection now that Serenity had been cast beyond the frontier—they seemed no different from the mass that thrashed about helpless on the tidal wave of Napoleon.

Yet they *were* different, as Buderus knew. Theirs was a wonderfully lopsided knack. A heroic energy drove them. But since they lacked the heroic imagination to go with it, they were never driven too far. This gained them a thing rarer than triumph then: survival.

In those seething teens of the nineteenth century, millions of men were undone by the history which a few

* This translation into today's dollars—like all others in this book—is necessarily a rough calculation; the establishment of exact dollar equivalents is in most cases impossible.

grandly made. The victims were pushed into disaster. The victimizers strutted into it in regal uniform. Rothschild & Sons juggled ledgers quietly, unrelentingly, through ruin and havoc. Their limitations were as miraculously appropriate as their talents. It was an unconquerable combination —the steady-eyed sobriety of the burgher, powered by a demonic drive.

Napoleon's finance ministry could not cope with the family. The ministry was declared by the Emperor the legal successor to William's exchequer. It thoroughly canvassed all princes and potentates who owed William money. It tried every device, from threats to rebates and easier terms, to direct all due sums into the Emperor's purse. It toiled in vain. Mayer's boys skimmed through Europe in their coaches and scooped up the debts as they flew by. During their years in Highness' employ they had acquired connections, knowledge, persuasiveness and momentum—all irresistible.

They were impossible to stop or to get hold of. But their father at Frankfurt was a more stationary target. Yet when the French police swooped down on the House of the Green Shield, all they found was a careworn old Jewish couple trying to run a store, with most of their grown sons gone—ach! scattered by the brutal war. Their books appeared to be in order. Pro-Serenity or un-Napoleonic activities? Hardly a trace of them.

The moment the boots died away, old Mayer descended into his back-yard cellar to resume work with his real books and his real correspondence.

Before long this correspondence was conveyed in the private Rothschild coach. The coach had a false bottom, and the letters a secret language consisting of a jumble of Hebrew, Yiddish and German and a code system of pseudonyms. English investments were called "stockfish." Old

Rothschild turned into "Arnoldi," as if he were the hero of an Italian romance; whereas His Serene Highness, Prince William, was Judaized into "Herr Goldstein."

The care and feeding of Herr Goldstein became Mayer's province. Not an easy job, because Herr Goldstein kept throwing fits over a certain embarrassing circumstance: the Rothschild boys were collecting whole fortunes of Hessian moneys, but only a trickle reached Herr Goldstein, and no precise accounting whatsoever.

Old Mayer, a genius when it came to cajolery, explained, appeased, pacified. Buderus helped as well as he could. But sometimes old Rothschild had to do his tranquilizing in person and undertake the seven-days journey over rough roads to William's exile near the Danish border. He reported how closely the awful French were breathing down his neck and his boys'; how often he had been searched and questioned, harassed and fined; how it became daily more arduous and dangerous to play games with Napoleon. Was it any wonder, then, that the swift transmission of debt collections or accounts thereof had grown impossible these days? Downright suicidal for his boys and himself? Let it please his Highness to content his Serene Self in patience. Nothing was surer than the fact that his Highness would get his money.

Mayer was right: his Highness did get every last penny —eventually. Meanwhile . . .

Meanwhile it just so happened that Nathan in London found himself in possession of very considerable funds. He happened to buy not only cotton—his original line—but foodstuffs, colonial wares and every other kind of goods which Napoleon's blockade had declared contraband on the Continent.

Nathan's bales and boxes then happened to vanish, to reappear shortly on Hamburg docks. Here Amschel and Salo-

mon happened to hover. And then fresh wares happened to materialize on starved store shelves everywhere: in Germany, in Scandinavia, in the Lowlands, in France itself. Cotton goods, yarn, tobacco, coffee, sugar, indigo—there it was at last, at famine prices gladly paid. Who cared if somebody made a famine fortune?

Napoleon's one-track-minded police cared. After a while the constabulary became downright obsessed with the quaint idea that there was a connection between such widely separated things as contraband, Prince William's debts, and old Mayer of Jew Street.

On October 30, 1810, two French infantry regiments combed Frankfurt's warehouses, especially the Green Shield establishment in the ghetto. There they found nothing, for a better reason than usual. The Rothschilds' hands were really clean. Toward the end of 1810 they had gotten just about all they could out of smuggling.

On September 27 of that year a printed letter had gone out to all business friends of the family. Mayer (said the announcement) was changing the name of his enterprise to "Mayer Amschel Rothschild und Söhne." The firm's shares were now held not only by himself, but also by Amschel, Salomon, Kalmann and even Jacob, at that time seventeen years old. Of Nathan the announcement did not say one word. Nor did the official new partnership contract allot him a single share. Yet, as usual, the officially omitted was really the most important. Nathan, who lived in England and therefore in enemy country, did more crucial work than ever in Mayer's business. It was he who had organized the smuggling. And it was he who conceived the family's next strike, beside which contraband would look like an outdated trifle. It had been just the beginning.

2. *Round Two: A Million-Pound Idea*

In 1804 Nathan Mayer had moved from Manchester, the textile center, to London, the hub of the world. Here the cotton merchant turned merchant-banker, a designation under which N. M. Rothschild & Sons are listed in the London telephone book even today.

All the early English merchant-bankers began as traders with wares and credits everywhere; eased naturally into trading-*cum*-financing; and wound up as the first great international financiers of modern times. Among these *condottieri* Nathan ranks first. Through him the Rothschilds stopped buying and selling goods, even profitable contraband. Through him they switched to the ultimate commodity. From 1810 on, and to this very hour, the family would buy and sell money only.

Nathan sized up the opening provided by Napoleon, that unruly but on the whole useful market factor. And Nathan's secret letter put it to the Green Shield in Frankfurt: Bonaparte had now swallowed up nearly all the countries in which Prince William had once put his idle millions out to pasture—right? Only England was left to loan to—right? England, that rock against Napoleon. And consols (English state bonds), the Gibraltar among European papers. His Highness had invested in them in times past—right? Wasn't it time his Highness invested in them again, thoroughly, and through the good offices of Nathan Rothschild, who was so chockful of connections, willingness and go?

Mayer and Buderus laid the suggestion at Prince William's feet. Highness, however, felt a reluctance. There had been all those debt-collecting troubles with the family. On the other hand, the collected moneys *were* coming in by and by, adding to an already vast hoard.

Those countless thalers itched. Father Mayer charmed and blandished under a fine new wig and three-cornered hat. The old man's accent remained unchanged, as did his synagogue-going. Yet he had bloomed from a hustling tradesman to a full-fledged courtier. He now not only sold old coins to the Landgrave, he also bought them from him for his own private collection. He put his coach (with those secret compartments) at the disposal of the Landgrave's mails. He helped arrange Serenity's sundry exiles in Schleswig, Denmark and Bohemia.

If his Highness trusted him that far, why not entrust to his son Nathan the purchase of consols? Particularly since the dear boy was willing to waive commission and only asked the teeny brokerage fee of one eighth of one per cent?

At last William agreed. Why not, indeed? Between February, 1809, and December, 1810, Nathan received 550,000 pounds sterling with which to buy consols for the prince. It was, and is, a breathtaking sum, the equivalent of some five million current dollars. It dwarfed all the Landgrave's loans and dividends which had so far passed through Rothschild hands.

The moment it touched Nathan every farthing became a shilling, every shilling a guinea. The dear boy struck with such bull's-eye intuition, so powerfully, so fast, and at the same time so discreetly that no lucid records have survived. We do know that the agreement with William called for a purchase of consols at an average price of 72. Nathan did not buy at 72. He invested the money for his own account, took a rapid profit, and then took a second profit when he bought the prince's consols. These had meanwhile dropped to 62, just as he had foreseen. The saving in price, of course, went into his own pocket.

At the same time he harnessed his infallibility to another chance. With stunning spunk, precision, speed, he specu-

lated on the rise of gold bullion. Daily he leaped in and out of the market with tens of thousands of princely pounds, never missing a beat, never too early or too late.

After a while, of course, William began to fidget. So little news was forwarded to him from London, and not a single bond certificate. Mayer went to work, conjuring all the difficulties of communication Napoleon interposed between Dear Boy's London and Serenity's Prague. Serenity subsided. He even released further substantial funds.

Then, in 1811, young Kalmann Rothschild smuggled himself in and out of England to present the prince with his first consol certificates for 189,500 pounds sterling. William was relieved. But he had had enough of nervous exertions. "I am getting sick of my investments," he wrote to Buderus. "I really prefer to have my money lying idle."

In 1811 this decision no longer bothered the Rothschilds much. Another, a last, milestone had been turned.

Nathan, the milestone specialist, was the first to round it. Seven years before, he had come to London as a raw-tongued foreigner. Now, barely thirty-four, he enjoyed a preternatural reputation. All purchases he had made on behalf of the Landgrave had been registered in the name of Rothschild. Few suspected that the torrents of capital coursing through Nathan's office weren't necessarily his own. His actual wealth, though, had mushroomed as explosively as his credit. It waxed so huge that even William, the richest prince on the Continent, became too puny to be the chief account in Rothschild's book. He was just the beginning. Something still bigger had to be found.

3. *Round Three: The Giant Gold Smuggle*

"The East India Company," Nathan would reminisce at a dinner party near the end of his life, "the East India Company had 800,000 pounds' worth of gold to sell. I went to the sale and bought it all. [Nearly eight million dollars!] I knew the Duke of Wellington must have it. The government sent for me and said they must have the gold. I sold the gold to them, but they did not know how to get it to the Duke in Portugal. I undertook all that and sent it through France. It was the best business I have ever done."

This sums up rather gruffly an enormous, incredibly cunning operation. Basic to it is the fact that Napoleon played handmaiden to the family one more time.

In 1807 he had produced for them an ideal goods shortage; in 1810, just the perfect kind of poor investment situation. Now he obliged with an exquisitely placed front line. The Emperor's marshals were fighting Wellington behind the Pyrenees, far away from English supply lines. To feed his army, the Duke had to issue drafts on the English treasury. A whole mob of Sicilian and Maltese financiers cashed these at outrageous discounts and pushed them along laborious paths to London for redemption. Sporadically the Rothschilds had participated in the traffic. But until 1811 this had been a sideline.

Now 800,000 pounds' worth of gold waited for Nathan in a vault. What scores of bankers had done by way of IOU's and notes seeping toward London, he and his brothers wanted to accomplish alone by hard money seeping to Spain. By profitable commission from His Majesty's Government, Nathan became, in effect, chief broker and paymaster general to England's most important army.

There was only one way to route the cash: through the

very France England's army was fighting. Of course, the Rothschild blockade-running machine already had superb cogs whirring all over Germany, Scandinavia and England, even in Spain and southern France. But a very foxy new wheel was needed in Napoleon's capital itself.

Enter Jacob—henceforth called James—the youngest of Mayer's sons. On March 24, 1811, he registered with the French police on his arrival in Paris, his domicile being 5, rue Napoleon. Undoubtedly he was helped by Grand Duke von Dalberg, a high Napoleonic dignitary who had just been given a most advantageous loan by old Mayer. Probably James knew Paris a little from some previous visits. But he was only nineteen. He had lived in the ghetto most of his life; he spoke only German and Yiddish. Yet he moved through the sleek, treacherous ground of French high finance with a blinding speed and a sure-footed virtuosity that matched any exploit of Nathan's.

Two days after his official arrival, Mayer's youngest was already the hero of a report by the French finance minister to Napoleon. "A Frankfurter named Rothschild," wrote the minister, "is now staying in Paris and is principally occupied in bringing British ready money from the English coast to Dunkirk. He is in touch with bankers of the highest standing in Paris. . . . He states that he has just received letters from London . . . according to which the English intend to check this export of gold. . . ."

In fine, the minister had been fed some very carefully edited gossip, which gave away the existence of a gold stream but kept him in strict innocence of its destination. He had swallowed James's "letters" and other custom-tailored evidence showing—the exact opposite of the truth—that Britain feared being weakened by the outflow of money.

James calculated well. What the British enemy seemed

to fear, Monsieur le Ministre automatically desired. In the space of a few hundred hours Mayer's youngest had not only gotten the English gold rolling through France, but conjured a fiscal mirage that took in Napoleon himself. A teen-age Rothschild tricked the imperial government into sanctioning the very process that helped to ruin it. What had happened to Bethmann Brothers would now happen to an empire.

The family machine began to hum. Nathan sent big shipments of British guineas, Portuguese gold ounces, French napoleons d'or (often freshly minted in London) across the Channel. From the coast James saw them to Paris and secretly transmuted the metal into bills on certain Spanish bankers. South of the capital Kalmann materialized, took over the bills, blurred into a thousand shadowed canyons along the Pyrenees—and reappeared, Wellington's receipts in hand. Salomon was everywhere, trouble-shooting, making sure the transit points were diffuse and obscure enough not to disturb either the French delusion or the British guinea rate. Amschel stayed in Frankfurt and helped father Mayer to staff headquarters.

The French did catch a few whiffs of the truth. Sometimes the suspicious could be prosperously purged of their suspicion. The police chief of Calais, for example, suddenly was able to live in such distracting luxury that he found it difficult to patrol the shoreline thoroughly. On the other hand, the commissioner of the Paris police proposed more than once that young James be arrested. But the protection of the finance ministry proved stronger.

While Napoleon struggled his might away in the Russian winter, there passed through France itself a gold vein to the army staving in the Empire's back door.

Soon the Rothschilds became England's lifeline not only to Wellington but also to her allies. During the final years

of the Napoleonic war, Britain appropriated immense subsidies for Austria, Prussia and Russia. Yet she had no convenient means with which to effect payment. The shipping of bullion involved a prohibitive risk. Issuing single huge drafts on the British treasury would ruin the sterling rate. John Herries, the Exchequer officer in charge of foreign financing, knew one sure answer: let Nathan do it.

Nathan and his brothers did it by operating simultaneously from their variously shifting bases. Between them, Mayer and boys established the first great international clearinghouse. They expedited most of the fifteen million pounds Britain advanced to her friends. With so light a touch were these stupendous transactions juggled, with such soundless grace, that the sterling rate never suffered a dent. The only perceptible commotion was the abacuses clicking in the counting houses. To this day the Rothschild commissions are unknown and incalculable.

But even all that was just the beginning.

4. *Round Four: The Scoop of Scoops*

The Battle of Waterloo established England as the foremost European power. To the Rothschilds, her chief financial agents, Waterloo brought a multimillion-dollar scoop. The fame of that scoop has endowed it, in later years, with carrier pigeons and other legendary appurtenances. But like most family feats, it was based on very hard work and very cold cunning.

The hard work had started a long time before. As soon as the boys had fanned out from Frankfurt, they had started sending each other industriously, endlessly, items of commercial or general interest. Soon a private news serv-

ice developed. (At the London house it survived down to World War II in the form of a dozen blue-clad couriers ready to fly off at a moment's notice to Rio, Melbourne or Nairobi.)

Rothschild coaches careered down highways; Rothschild boats set sail across the Channel; Rothschild messengers were swift shadows along the streets. They carried cash, securities, letters and news. Above all, news—latest, exclusive news to be vigorously processed at stock market and commodity bourse.

And there was no news more precious than the outcome of Waterloo. For days the London 'Change had strained its ears. If Napoleon won, English consols were bound to drop. If he lost, the enemy empire would shatter and consols rise.

For thirty hours the fate of Europe hung veiled in cannon smoke. On June 19, 1815, late in the afternoon a Rothschild agent named Rothworth jumped into a boat at Ostend. In his hand he held a Dutch gazette still damp from the printer. By the dawn light of June 20 Nathan Rothschild stood at Folkstone harbor and let his eye fly over the lead paragraphs. A moment later he was on his way to London (beating Wellington's envoy by many hours) to tell the government that Napoleon had been crushed. Then he proceeded to the stock exchange.

Another man in his position would have sunk his worth into consols. But this was Nathan Rothschild. He leaned against "his" pillar. He did not invest. He sold. He dumped consols.

His name was already such that a single substantial move on his part sufficed to bear or bull an issue. Consols fell. Nathan leaned and leaned, and sold and sold. Consols dropped still more. "Rothschild knows," the whisper rippled through the 'Change. "Waterloo is lost."

Nathan kept on selling, his round face motionless and

stern, his pudgy fingers depressing the market by tens of thousands of pounds with each sell signal. Consols dived, consols plummeted—until, a split second before it was too late, Nathan suddenly bought a giant parcel for a song. Moments afterwards the great news broke, to send consols soaring.

We cannot guess the number of hopes and savings wiped out by this engineered panic. We cannot estimate how many liveried servants, how many Watteaus and Rembrandts, how many thoroughbreds in his descendants' stables, the man by the pillar won that single day.

5. *Round Five: Conquering the Victors*

The climax of Waterloo was followed by peace—and a bleak surprise. During the war the Rothschilds had been irresistible. Now a snag developed, perhaps because someone indispensable had passed from the scene.

On September 16, 1812, on the Day of Atonement, old Mayer prayed and fasted the entire day in the Frankfurt synagogue. The next morning an old wound from an operation broke open. He had barely enough strength to dictate a new will, which placed his business exclusively in his sons' hands.

> . . . my daughters, sons-in-law and their heirs having no part whatsoever in the existing firm M. A. Rothschild und Söhne . . . nor the right to examine the said business, its books, papers, inventory etc. . . . I shall never forgive my children if they should against my paternal will take it upon themselves to disturb my sons in the peaceful possession of their business.

Any violator of family harmoniousness was to be limited to the legal-minimum share of a total estate probated at far below its real value.

Then, the last dynastic chore completed, initialed, notarized, at 8:15 P.M. on September 19, 1812, he died in Gutele's arms, the last truly Biblical patriarch of our time.

What he could not bequeath to his sons was his personality. They had no pliant dignity, no easy graciousness, no *savoir-vivre* with which to beguile a prince or flirt in a salon. Their fortune was the product of elemental vigor and precision-timed craft. These had served them well during the urgencies of war. But now older values resumed their accustomed place. One didn't smuggle at the Congress of Vienna. One danced. The Rothschild boys were not dancers; *ergo*, they would not do as bankers.

The economics of post-Napoleonic Europe centered largely on the efforts of various countries to tap financial resources from within; that is, to float national loans. Here the Rothschilds, with all their immense new capital, found themselves treading air.

Only little Prussia let them handle a loan. Austria, the big plum, preferred more genteel company. Its ancient court lived on precedent and punctilio. Already back in 1800 there had been a brush with those pushy Frankfurters. They had signed a letter "k.k. Hofagenten" (Imperial-Royal Court Agents) when actually entitled to merely one "k." (Imperial only). Now in 1816 the brothers were multimillionaires. Yet only after the strongest pressure from John Herries, their particular supporter in the English treasury, would Vienna accept an English subsidy managed by these grabbers of the extra "k."

The boys, trying hard for a good impression, acquitted themselves with special subsidiary brilliance. By devising ways of waiving commissions and interest charges, they

saved the Austrian treasury several millions. As a result, in 1817 Vienna threw them the little "von," much as one throws a dog a bone.

But the Rothschilds were not the kind to be fobbed off with a distinction by no means singular even for Jews. Nathan asked for the honorary Austrian consulship in London. He was answered by evasions. The five brothers together worked out far-reaching and favorable propositions. There was no real reply at all.

In France the situation seemed even worse. Here Louis XVIII had literally borrowed the splendor of the Bourbon restoration from Nathan and James Rothschild. They had advanced him British drafts to finance his magnificent entry into Paris. But that had been in 1814, with cannonades still a palpable memory. Now, three years later, the old patrician bankers were back, calling the tune from their drawing rooms. Compared to their manners, any move from the Rothschilds sounded like a hopelessly rude noise.

The new French government prepared a great loan of 350 million francs and entrusted it to Ouvrard, a distinguished French financial name, and to Baring Brothers, fashionable English bankers. To these, Mayer's sons were "simple coin changers." The loan, sans Rothschild, became a huge success.

In 1818 negotiations began for an additional issue of some 270 million francs. Again Ouvrard and Baring were front runners; the Rothschilds, futile haunters of the finance ministry. This loan, though, was to liquidate the French war indemnity. Its ultimate disposition would take place at a conference with the victorious powers at Aix-la-Chapelle.

In terms of family history, the forgotten congress at Aix is a much more important landmark than the still notorious scoop of Waterloo. Aix marked the first social confrontation between the great world and the newly great Roth-

schilds. It began as a round of banquets and soirees à la Congress of Vienna, with the Rothschilds fascinated and frozen out like children before a Christmas window. It climaxed with a furious thunderclap. And when the roar subsided, the children were in possession of the store.

Nobody foresaw this development during the first week, possibly not even Salomon and Kalmann, who attended as family representatives. To begin with, England had sent Lord Castlereagh instead of John Herries, their old friend. Salomon and Kalmann must have felt at sea in a world so charged with antique protocol, with such finely beveled compliments. Their natural habitat was the stock exchange, not the ballroom.

Still, the most expensive tailors had fitted them vests and cravats of the finest material. Their coaches glittered. Their horses shone. What if their grammar was a little primitive? Furthermore Kalmann had just married Adelheid Herz, of the most *soigné* Jewish family in Germany. The bride was to spearhead the family's bon ton.

Yet it was all no use. Whenever the brothers wanted to see Prince Metternich, he was just being feted by the Duke de Richelieu. Lord and Lady Castlereagh could not be found, since they kept driving about with Prince Hardenberg. The Rothschilds were left out of all these cordialities. Baring and Ouvrard, their rivals, seemed included everywhere.

Only secretaries were available, and the secretaries smiled coolly: Yes, negotiations with Baring and Ouvrard were proceeding toward a conclusion. Why change partners in midwaltz? Hadn't Baring and Ouvrard succeeded with the 1817 loan? Weren't the bonds of the 1817 loan rising on the Paris bourse that very moment?

The Rothschilds decided to try once more. They completed their purchase of Friedrich von Gentz, a brilliant

publicist, friend to Metternich, and man-about-congress. They took a big option on David Parish, a stylish young banker sporting good connections with Baring. They bought every buyable social grace in sight. They checked and rechecked the impeccability of their trousers and frocks, of the servants' livery. Everything was in order.

Nothing worked. In the salons, one was amused by the puzzlement in Kalmann's face, by the Levantine frowns of Salomon. Unnoted in the general merriment went another circumstance: the couriers who entered and left the brothers' residence with growing frequency.

Through October, 1818, Aix bowed, gamboled, promenaded and ignored those Rothschild clods. On November 5 something strange happened. The French government bonds, the famous loan of 1817, began to fall after a year's steady rise. Day after day they dropped more steeply. And not only that—other securities wavered. Tempests came down out of a blue sky. A crash loomed, not just in Paris, but in bourses all over Europe.

The music stopped at Aix. The noble gentlemen stood about dazed in the suddenly suspended splendor. After all, one had made one's little investments.

It was the princes who frowned now while, curiously, Kalmann and Salomon smiled. A rumor shivered through the drawing rooms. Could those Rothschilds have . . .

Those Rothschilds had. With their boundless reserves they had bought the rival-issued bonds for weeks and weeks, bulling the paper while secretly cornering it. And then, in one relentless swoop, the boys had dumped the whole appalling load. Across the entire Continent the underpinnings of finance groaned. The great world knew now what it meant to cut a Rothschild.

Metternich, the Duke de Richelieu, Prince Hardenberg did what must be done. A stern interview ensued between

them and Ouvrard and Baring, in whose (as yet unborn) new loan they had already reserved parcels on their own account. One talked; one parted; the loan-to-be dissolved into nothing.

Then Salomon and Kalmann were bowed into the presence, and lo! their clothes were now the very eye of fashion, their money the darling of the best borrowers.

And as the music began again, and two princesses obediently took the arms of two stout, round-faced men, everyone knew that it had happened at last. Europe had become richer by a great name. The boys had become *The Rothschilds.*

V

THE MISHPOCHE MAGNIFICENT

1. *By No Other Name as Great*

ON THE last day of May, 1838, a weird battle took place in Bossenden Wood near the village of Dunkirk in England. The Forty-fifth Regiment came down on a band of insurrectionary mystics and in a bayonet charge killed their leader, John Nicols Toms. Half visionary, half charlatan, Toms had whipped up the countryside with his messianic tirades. Until the army made an end of him, he was receiving veneration as King of Jerusalem, Prince of Arabia, King of the Gipsies—and Count Moses S. Rothschild.

His last claim seems the most remarkable. The name Rothschild had been prominent for barely two decades. The five brothers wearing it were the sons of a curio dealer in Frankfurt's Jew Street, their origin branded unmistakably on their manners and their speech. What moved the popu-

lar imagination to invest "Rothschild" with a lure as shimmering as "Prince of Arabia"?

Money is part of the answer. Of money the brothers now had unimaginable amounts; or rather, amounts rendered imaginable only by comparison. Lytton Strachey, considering Queen Victoria "exceedingly wealthy" even among great reigning monarchs, put the maximum value of her fortune at five million pounds. Poor Victoria. A shopping spree involving almost her Majesty's entire worth could be managed by one family branch effortlessly, at a moment's notice. This the Suez Canal purchase was to prove.

The total wealth encompassed by the clan during most of the nineteenth century has been estimated at well over 400 million pounds (6,000 million dollars). No one else, from the Fuggers to the Rockefellers, has come even close to that hair-raising figure.

But it takes more than a vast fortune to create the myth that celebrated Rothschild. It takes, above all, a compelling air on the part of the celebrity itself. After Aix the five brothers walked in the sober and unshakable belief that the divine right of kings had been overthrown by the divine right of money and that Amschel, Nathan, Salomon, Kalmann and James *were* money. The doubts and hesitations to which other *nouveaux riches* are heir did not trouble the five brothers much. A story goes that Nathan was once asked by his small son how many different nations there were in the world. "There are only two you need bother about," Nathan is reported to have answered. "There is the *mishpoche* [Yiddish for family] and there are the others."

No matter how apocryphal this conversation, it reflects a real attitude, which has survived to this day. It still puts subtle, superb capitals on two common words the Rothschilds use when speaking of their clan. They say: "The Family"—which is quite different from the family of other

people. The birth of those capitals can be read plainly on the Family tree.

Starting at the topmost branch, we find that of old Mayer's five sons, the two oldest married solid, simple German-Jewish girls. The next wedding took place in 1806, when "Rothschild" already signified a comer to insiders. Nathan brought home Hannah Cohen, daughter of Barnett Cohen, the richest Jew in England. Next it was Kalmann's turn in 1818. By then it was natural that any Family member could option the very pick of brides. Kalmann chose Adelheid Herz, the Herzes being the cream of cultured Jewish society in Germany.

Finally James, the youngest, took a wife. The Austrian Emperor had already created him and his brothers barons, and they themselves the world's wealthiest family. At the previous celebration they had been very important. Now they knew themselves unique. July 11, 1824, expressed that uniqueness forcibly. James walked under the *chupah* (the Jewish wedding canopy) with Betty, his own niece, child of his brother Salomon.

It quickly became a dynastic dogma that, as in the case of the Habsburgs, the most brilliant possible match for one member of The Family was another. Of the twelve marriages consummated by the sons of the original five brothers, no less than nine were with their uncles' daughters. Of fifty-eight weddings contracted by the descendants of old Mayer, exactly half took place between first cousins.

What caused so many intramural infatuations? For one thing, there was the fact that only a Rothschild father could afford a dowry worthy of a Rothschild son-in-law. There was also a desire to consolidate, not dissipate, fortunes; and, perhaps most important, not to squander the name on strangers.

The name was the thing. The growth of the myth con-

sisted largely of the nurture, breeding and thoroughbreeding of the name. In 1836 an incident made plain just what those two magic syllables signified to the men who bore them. At that time one other family meant still more to Jewry. The Montefiores, of ancient, most aristocratic Jewish stock, had long been the standard-bearers and great philanthropists of their faith in England. Sir Moses Montefiore had been knighted long before a grandson of Nathan was. Now a young Montefiore, himself extremely wealthy and closely allied to The Family by marriage, approached his aunt, Nathan's wife, about the possibility of a partnership in the Rothschild bank.

A long, shocked silence ensued at the Rothschild offices in New Court, St. Swithin's Lane. At last the answer came forth: ordinarily, New Court would never entertain the admission of an outsider (as a matter of fact, no Family house ever did again, to this day). However, they might be willing to create young Montefiore a junior partner, in view of his close relationship and the exceptional patrician luster of his name—provided, of course, he change that name to Rothschild.

2. *The Crest*

Montefiore (who decided to remain Montefiore) would have been less surprised at this pronouncement had he looked into the records of the Heralds' College of the Austrian Empire. This office, charged with the correct preparation of patents of nobility, was the first to feel the almost engagingly naïve hauteur with which the brothers imposed their favorite ten letters, Rothschild, upon the world.

Early in 1817 the College's collective patience was tried

by a communication from The Family. The boys had just performed their standard miracles in the transfer of British subsidies to Vienna, had whisked more money sooner and cheaper than other bankers, and had promptly insinuated that they were ripe for an honor or two. Privy Councillor von Lederer, who sat at the Austrian distinction-conferring desk, felt that a gold snuffbox, bearing his Majesty's monogram in diamonds, would be in order.

The finance minister, Count Stadion, like finance ministers everywhere, was more sensitive to Rothschild expectations. He thought the privy councillor's proposal painfully inadequate. After all, the five wizards in question had the same relation to diamonds, however arranged, as Newcastle had to coal.

At last a compromise was achieved between his urgings and the privy councillor's frosty mention of "the special consideration that the brothers Rothschild are Israelites." Austria raised the brothers to the bottom level of minor nobility, with the right to carry the simple prefix "von." The Rothschilds were requested to devise a coat of arms consistent with their rank.

This is where the letter to the Heralds' College came in. Enthusiastically it set forth the boys' idea of their escutcheon:

> First quarter . . . an eagle sable surcharged in dexter by a field gules * (having reference to the Imperial and Royal Austrian Coat-of-Arms); second quarter . . . a leopard passant proper (a reference to the English Royal Coat-of-Arms); third quarter, a lion rampant (with reference to the Hessian Electoral Coat); fourth quarter, azure, an arm bearing five arrows (a symbol of the unity of the five brothers) . . .
>
> * *Gules* is the heraldic word for red.

The heraldry office choked. People who were barely "vons" thinking they could get away with a positively ducal inventory of honor symbols!

And still their impertinence continued:

> In the center of the coat a shield gules. Right-hand supporter, a greyhound, a symbol of loyalty; left supporter, a stork, a symbol of piety and content [*content!*]. The crest is a coronet surmounted by the Lion of Hesse.

This from persons who even with their "von" would, strictly speaking, not even be truly noble, but merely members of the gentry! The College drew a deep breath and composed a report to the court.

> They ask for a coronet, a center shield, supporters, the Leopard of England, and the Lion of Hesse. . . . Their suggestion is entirely inadmissible . . . the gentry are entitled only to a helmet . . . otherwise there would be nothing to distinguish the higher ranks, as coronets, supporters and center shields are proper only to nobility. Moreover, no government will grant the emblems of other governments, as nobility is conferred for services to one's prince and one's country, but not for services to other countries. The lion is a symbol of courage only, which does not apply to these petitioners.

The College then got out its knives and cut presumption down to its proper size. It slashed away until the seven-pointed coronet—consonant with a baronial dignity at least—became a poor little helmet. Almost the entire honorary fauna was slaughtered, pious storks, loyal greyhounds, sundry lions and all.

Only a fraction of one bird survived: half the Austrian

eagle. The arm holding the arrows was also spared; but even here the College wrenched away one in the bunch, so that only four arrows remained (the fifth brother, Nathan, was not officially involved in the money transfer). This sadly plucked crest became the Rothschild escutcheon on March 25, 1817.

Not for long. For then came the Congress of Aix; and after Aix, a personal loan of 900,000 gulden obtained from the House of Rothschild by Prince Metternich, his Majesty's almighty chancellor. It was, on the one hand, a perfectly straightforward transaction, fully repaid seven years before its due date. On the other hand, it was contracted on September 23, 1822. And six days later an imperial decree raised all five brothers and all their legitimate descendants of either sex to the rank of baron.

At the Heralds' College the teeth that daren't bite now gnashed. The Rothschilds' armorial headgear bloomed into the very seven-pointed coronet the brothers had first proposed, attended now by three plumed and truly splendid helmets. The center shield was restored, the illustrious beasts resurrected in a form even more magnificent and allusive than the erstwhile version had intended. In place of the loyal greyhound reared the brave Hessian lion, while the pious stork had been transfigured into nothing less than a prancing unicorn. The half-eagle now shone whole, and a second royal bird raised its wings among the helmets. *Concordia*, *Integritas*, *Industria*, proclaimed the scroll upon which the entire splendor was pedestaled.

But most gratifying seemed the lower left and upper right panels of the crest. Each contained the full, unstinted, intrinsic symbol of The Family. In each, a hand grasped not four but *five* arrows.

If you hold up against the light the present-day stationery of N. M. Rothschild & Sons, London, you will see, under

the contemporary typeface imprinted by the latest electric typewriters, this same old escutcheon. Amid all the heraldic opulence, those five arrows glow the brightest, representing the five demon brothers who, having conquered, now began to reign in five different capitals as five great unofficial kings.

3. *The Five Dynasts*

(a) *Mr. Nathan*

It seems a paradox that Nathan Rothschild, for whose sake The Family had sneaked that extra arrow into the crest, never displayed that crest; never used the baronial title or let himself be thus styled; and never wore any of the various medals bestowed on him in the course of his life.

Actually, his behavior conformed exactly to the clan's dynastic logic. Every brother settled in the country most fitted to his temperament, or else he fitted his temperament to the country. Nathan sensed that liberal England would take poorly to a baron manufactured by absolutist Vienna. As a naturalized British citizen, he was wary of foreign honors. More importantly, he disdained fanfare, flounce and flourish. His forte was not manner but power. Like the English, the master race of shopkeepers, he pocketed continents while grunting dryly about the weather.

Of course, he grunted with a ghetto accent. But that did not keep him from becoming the greatest and most phlegmatic of Whig tycoons. He knew even before Heinrich Heine phrased it that "the main army of Rothschild enemies is made up of have-nots: they all say to themselves, 'What

I have not, Rothschild has.' "

Nathan sensed that the kind of envy his kind of wealth excited could not be smiled or bowed or entertained away. And so he dealt with it through the loaded pistol that always lay under his pillow. He dealt with it through gruffness and bluntness. The Austrian Empire appointed him consul general in London for his enormous influence, not for his diplomatic tact.

Almoners, particularly those acting on behalf of the poor Jews of London, reported that they got thousands, even hundreds of thousands, of pounds out of Mr. Rothschild, but hardly a word and never a courtesy. Other rich men could enjoy their charity. It is, after all, an honor to give much. But not for Nathan Rothschild. He was so renownedly rich that all he could ever give was not enough.

In his own fashion he liked to revenge himself on paupers for giving him such trouble. "Sometimes," he said to his good friend Sir Thomas Buxton, the antislavery leader, "sometimes to amuse myself I give a beggar a guinea. He thinks I have made a mistake, and for fear that I should find him out, off he runs as hard as he can. I advise you to give a beggar a guinea sometimes; it is very amusing."

But he did not shed gold coins on those who knew who he was. A predatory light gleamed in the eyes of porters and footmen as soon as they recognized the stocky, thick-lipped Rothschild silhouette, and this always irritated him. To a bootblack who asked why his tip consisted of a penny when his son always dispensed a shilling, he answered, "The boy has a millionaire father. I don't." The Rothschild penny was the ancestor of the Rockefeller dime.

Art dealers, thriving on millionaires with one tenth of his fortune, had little luck at Mr. Rothschild's house. "Can't throw away money on paintings," he said. And when Nathan said something, no argument, snobbish or esthetic,

could unsay it. The world of beauty was irrelevant to him. And snobbery—a fine imitation of self-esteem for those who can't afford the real thing—meant nothing to a man who let a baronage lie fallow. Once an art dealer, equipped with a letter from the Chief Rabbi of England, did make something of a dent. "All right," Nathan said, "give me a thirty-pound picture. I don't care which one. Good-bye."

To the top echelons of society he was not much more suave. "Yesterday," wrote Wilhelm Humboldt to his famous naturalist brother, Alexander, "Rothschild dined with me. He is quite crude and uneducated, but he has a great deal of natural intelligence. He scored off beautifully Major Martins who was being fatuously sentimental about the horrors of war and the large number who had been killed. 'Well,' said Rothschild, 'if they had not all died, Major, you would presumably still be a lieutenant!' "

The Duke of Wellington made a habit of the Rothschild house, and though his Grace could be a magnificent boor himself, he brought along some of the most exquisite gentlemen, and ladies, of the realm. None could ameliorate Nathan's manners. Talleyrand, France's ambassador to the Court of St. James, often visited Rothschild, delighting Nathan's wife with his *ancien régime* courtliness, enchanting the children with the miniature statuary he could fashion from bread lumps. Nothing rubbed off on Nathan.

At a ball given by the Duke of Wellington, the Duke of Montmorency appeared to talk rather pointedly of his long line of ancestors. "So you are the first Christian baron," Nathan rasped before the whole assembly. "I'm the first Jewish baron. That's more interesting, but I make less fuss about it." The ladies blanched. The orchestra quickly struck up a minuet. The Iron Duke smiled.

When Nathan did make a fuss, the Bank of England trembled. He once presented for payment there a draft he

had received from his brother Amschel. The bank returned it on the ground that it cashed only its own notes, not those of private individuals.

"Rothschilds are not private individuals!" the banker thundered. His revenge is legendary. He appeared in Threadneedle Street next morning and asked that a ten-pound note be exchanged for gold. An astonished teller complied. Nathan repeated the request all morning, all day long; and so did nine clerks of his, with nine other equally swollen purses at nine other windows. In one day he reduced the bank's gold reserves by almost 100,000 pounds.

At the opening hour of the next day the stout, relentless man was back again with his note-laden clerks. A bank executive appeared and asked, with a nervous laugh, how long this jest was to be kept up?

"Rothschild will continue to doubt the Bank of England's notes," said Nathan, "as long as the Bank of England doubts Rothschild notes."

At Threadneedle Street a directors' meeting was hastily convoked. It declared that henceforth the bank would be pleased to cash any check of the five brothers.

By that time Nathan had already moved his family from New Court, St. Swithin's Lane (now completely absorbed by his offices) to the great mansion at 107 Piccadilly. Informed that his younger daughter, Hannah, possessed musical gifts, he gave her a harp of pure gold, and Rossini and Mendelssohn taught her to pluck sweet sounds from the instrument. His wife filled the halls with treasures, gathered great people around the table. They all came to see this phenomenon which had soared out of the Frankfurt ghetto to the summit of the British Empire. They admired the queer marvel. Some fawned, and more than one became a sincere friend.

Inevitably, sniggers hid beneath certain smiles. It was

then that the ambiguity of his eminence stirred in Nathan. On one such occasion a great violin virtuoso had finished a private recital at 107 Piccadilly. It was the host's duty to pronounce a few words of thanks. "You made beautiful music," said the man with the Jew Street accent. There seemed to be an imperfectly suppressed laugh. Nathan stopped. He jingled some change in his pocket. "That's my music," he then went on. "People listen to it just as carefully. But somehow they don't respect it as much."

In one very practical way (the way he preferred) Nathan was wrong. The most practical form of respect is memory. Today we remember the virtuoso only as background to a Rothschild bon mot. As for Nathan, not only his words but his works endure into our time. The English state loans he issued, to the tune of twelve million pounds, tied his house to His Majesty's Government for generations to come, so that even today the bank at New Court is still gold broker for the Bank of England. He founded the Alliance Insurance Corporation, a giant that still flourishes mightily and is still headed by the London Rothschilds. And the three-million-pound loan with which he saved Brazil's finances still has its repercussions. New Court, in 1962, clips more South American coupons than any other private bank.

A cold self-confidence, a lightning-quick astuteness marked each of his ventures. "I'm an offhand man," he once said to Buxton. "I never lost any time. I came prepared for everything and closed bargains on the spot. . . . I always said to myself, what another man can do, I can do too."

The fact was, of course, that other men could not do what he did. The stock exchange has never known his like before or (with all due respect to Bernard Baruch) since. His darts and feints and intricate ferocities there are about as hard to trace as tracks in a jungle. But we do know

that he practiced upon his rivals the gambit of Waterloo with an invincible variety of wiles.

Say, for example, that his brothers' couriers brought him news likely to produce an eventual rise in stock X. By some unostentatious purchases he would accumulate a moderate quantity of the stock. At the same time word would go out from him to each of a number of secretly commissioned agents: buy a bit of X. Then Nathan would suddenly sell his holdings. The mass of speculators, always on the lookout for a bellwether, would begin to watch X worriedly. Whereupon, at a predetermined signal, all Rothschild agents would rid themselves of every X share they had. The speculators would panic. The sudden rush knocked even professionals off their skeptic stance: Nathan's infallibility was once more proved. *Everybody* dumped his X shares. Meanwhile another set of Rothschild agents bought up all the X available at a very depressed price—just prior to the general release of the news that raised the stock higher than ever.

The next time the competition prepared itself for that kind of Nathan trick—only to fall into a trap constructed of opposite elements. You couldn't stop or even comprehend Rothschild, nor even the reason why he, having so much, wanted to conquer more. How many yellow stars imposed on how many ancestral caftans, how many flinchings and humiliations on Frankfurt sidewalks would this man avenge today after driving from New Court to the bourse?

Napoleon on the battlefield was clad in no more dread mystery than Nathan Rothschild on the Royal 'Change. Like Napoleon, he always materialized in the same pose: he leaned against the "Rothschild pillar" (the first on the right as one entered from the Cornhill entrance), hung his heavy hands into his pockets, and began to release silent,

motionless, implacable cunning. An anonymous contemporary has described it well:

> Eyes are usually called the windows of the soul. But in Rothschild's case you would conclude that the windows are false ones, or that there was no soul to look out of them. There comes not one pencil of light from the interior, neither is there one gleam of that which comes from without reflected in any direction. The whole puts you in mind of an empty skin, and you wonder why it stands upright without at least something in it. By and by another figure comes up to it. It then steps two paces aside, and the most inquisitive glance that you ever saw, and a glance more inquisitive than you would ever have thought of, is drawn out of the fixed and leaden eye, as if one were drawing a sword from a scabbard. The visiting figure, which has the appearance of coming by accident and not by design, stops just a second or two, in the course of which looks are exchanged which, though you cannot translate, you feel must be of most important meaning. After these the eyes are sheathed up again, and the figure resumes its stony posture.
>
> During the morning numbers of visitors come, all of whom meet with a similar reception and vanish in a similar manner. Last of all the figure itself vanishes, leaving you utterly at a loss. . . .

This sovereign calm never left Nathan. It was his armor against the high world over which he was a ruler without ever having been its equal. The story goes that one day there swept through Nathan's offices in London an august ducal personage. He wore a visage of such fury that no clerk dared stay him. He broke into Nathan's private chamber and shouted his grievance. Nathan, not lifting an eye

from his ledger, said, "Take a chair."

The personage, purpling, roared his ancient lineage at the Jew, his illustrious connections, and slapped down a crested card before the banker's nose. Nathan glanced at the card for a fraction of a second.

"Take *two* chairs," he said and continued writing his accounts.

(b) *Beau James*

If the classic English backdrop of the nineteenth century is the counting house, the classic French one is the drawing room. If Nathan Rothschild became Britain's most formidable business myth, his small red-haired brother, James, cast the longest shadow through the best French salons.

This youngest of Mayer's boys had come to Paris early enough to speak quite well the language in which he loaned. Soon he joked, laughed, and almost scintillated in it. Before long he became an odd but triumphant combination of beau and octopus. His red hair was always carefully curled in the latest dandies' fashion. In 1817, when he was less than twenty-six and had hardly washed the gold dust of the Wellington smuggle off his hands, he already knew how to throw a dinner that included the Austrian ambassador and Paul von Wurttemberg, one of the gayer princes of the blood. Four years later, at the age of twenty-nine, he was considered for the general consulship of the Austrian Empire in Paris—an honor coveted by some pedigreed grand seigneurs.

A confidential report to the Austrian Emperor was decisive:

> It is true that in the decision regarding the appointment of the London Rothschild as Consul . . . your

> Majesty expressly laid down that it would have to continue to be the rule that no Israelite be appointed Consul. Yet if the exception made by your Majesty in favor of the London Rothschild has proved in the highest degree beneficial, it is likely to be no less so in the case of the Paris Rothschild. . . . He is a young man of parts, who is intimately acquainted with several members of the Polytechnical Institute in Paris and of the Conservatoire des Arts et Métiers, as well as with many of the most cultured French manufacturers and businessmen. . . . I cannot suggest a more suitable person for his Majesty. . . .

On August 11, 1821, our young man of parts received the appointment. To house his dignity in style, he bought the magnificent Palais Fouché in rue Laffitte. Formerly occupied by Napoleon's police commissioner (the very one who had once tried to arrest James), it now opened its portals to the finest and most expensive paintings, sculptures, *meubles*—and guests. The youthful Baron could even afford what George IV of England kept trying, vainly, to lure away from him: the ineffable, the historic, the by-ordinary-millionaires-quite-unattainable chef Carême.

But James did not truly begin to reign until he had found a consort. Betty Rothschild, his niece, became not only his bride but his foremost social engine. She was a dark beauty in the grand manner. Ingres painted her in a famous portrait. She excited gallantries in breasts as different as Heinrich Heine's—who immortalized her in a poem called "The Angel"—and General Changarnier, commander-in-chief of the National Guard, whose *sentiment de coeur* for the Baroness furnished some luscious Paris gossip.

At rue Laffitte, Belle Betty and Beau James held a con-

tinuous glittering levee. Heine and the general were not the only attendant luminaries. Rossini came almost daily and composed little musicales for Rothschild receptions. Meyerbeer was a close friend. Honoré de Balzac quaffed James's coffee by the liter. The writer had noticed Rothschild at Aix-les-Bains, and made his acquaintance and borrowed his money at almost the same time. The debt was repaid with an amusing story about the creditor, "Roueries d'un Créancier," dedicated to James. Another tale, "L'Enfant Maudit," Balzac inscribed to Betty. At the great novelist's funeral Baron James was among those walking immediately behind the coffin.

Relations between James and George Sand were somewhat more acidulous. At a charity bazaar he kept avoiding the perfume booth manned by the author in her renowned trousers. Finally she left her station to waylay the rich man: Baron James simply must buy a bottle for 5,000 francs.

"What would I do with perfume?" James grinned. "Give me your autograph. I'll sell it and we'll split the proceeds."

Sand wrote a few words on a sheet and handed it to James. It read, "Receipt for ten thousand francs for the benefit of the poor oppressed Poles. George Sand."

Heine, who was watching the baronial face that moment, put his arm around his friend's shoulder and said with mock emotion, "For a great sorrow it is always difficult to find words."

James did not really grieve. His social standing gained if he lost interesting amounts in interesting ways to interesting people. It was his policy to figure in chic anecdotes connected with the *beaux arts*. When Eugène Delacroix wanted to paint him as a beggar, he agreed instantly. The following morning a pauper in rags rang the bell of Delacroix's studio. A disciple answered, looked at the pitiful

creature, and sent it away with a franc piece. He thought no more of the incident until twenty-four hours later a liveried servant handed him the following letter: "Dear Sir, You will find enclosed the capital which you gave me at the door to M. Delacroix's studio, with the interest and compound interest on it—a sum of ten thousand francs. You can cash the check at my bank whenever you like. James de Rothschild."

The story enriched his pleasant notoriety. So did the fact that he bought the great Lafite vineyards (for four million francs, or 1,540,000 dollars) merely because their name resembled his Paris address.

For all his Bohemian dalliance, James never forgot to be the richest man in France. His bank, de Rothschild Frères, outpaced every rival. His wealth was estimated at over 600 million francs, or about 150 million francs more than all other French financiers put together. He loaned the King of Portugal twenty-five million francs. He increased the five million francs the King of Belgium had left in his safekeeping to twenty million. He became one of the principal creditors of the French treasury.

Heine wrote:

> I like best to visit the Baron in his office at the bank, where, as a philosopher, I can observe how people . . . bow and scrape before him. It is a contortion of the spine which the finest acrobat would find difficult to imitate. I saw men double up as if they had touched a Voltaic battery when they approached the Baron. Many are overcome with awe at the door of his office, as Moses once was on Mount Horeb, when he discovered that he was on holy ground. Moses took off his shoes, and I am quite certain that a lot of these financial agents would do the same if they did not fear that the smell of their feet would be unpleasant

to him. This private cabinet of his is a very remarkable spot, inspiring one with lofty ideas, as the sight of the sea or the starry heavens does. Here we see how little man is and how great God!

The passage suggests Heine's ambivalent thoughts about his friend. This German Byron realized he was just another exotic item in the great Rothschild collection. Once, when James threw a great feast for a select company of bankers, the poet was invited to brighten the dessert with intellectual display. Dessert arrived, but not Heine. A footman, sent to his lodgings, brought back Heine's regrets to James: "M. le Baron, I usually take my coffee where I have had my dinner."

In the same mood he would write: ". . . I went to see M. de Rothschild, and saw a gold-laced lackey bringing the baronial chamber pot along the corridor. Some speculator from the bourse, who was passing, reverently lifted his hat to the impressive vessel. . . . I have committed the name of the man to memory. I am quite sure that he will become a millionaire in the course of time."

There were commentaries still sharper than that. Ludwig Börne was, like Heine, a prominent German writer resident in Paris; like James, he had been brought up on Frankfurt's Jew Street. He bore down sardonically on those other local boys made good:

Would it not be a great blessing for the world if all the kings were dismissed and the Rothschild family put on their thrones? Think of the advantages. The new dynasty would never contract a loan, as it would know better than anybody how dear such things are, and on this account alone the burden on their subjects would be alleviated by several millions a year. The bribing, both active and passive, of minis-

ters would have to cease; why should they be bribed any longer, or what would there be to bribe them with? All that sort of thing would be ancient history, and morality would be greatly promoted.

In point of fact, all French kings after Napoleon (except Louis XVIII, who died in office) *were* dismissed. James participated crucially in every reign. But as each ruler toppled, the Baron emerged more powerful than ever. He and Betty ran a salon so lavishly balanced that it always rode the crest, no matter what the wave.

On July 31, 1830, for example, the rule of Charles X suddenly collapsed. It seemed only logical that Baron James would harmoniously collapse with it. In many ways he had been the monetary arm of the regime. The Bourbon had entrusted to him the conversion of a series of 5 per cent state loans into 3 per cent—a gigantic deal. He had financed the Bourbon side of the Spanish civil war of the 1820's. The badge he wore of the Legion of Honor was pinned on him by a Bourbon. To all intents and purposes, he was an integral part of the Bourbon plague.

At any rate Rothschild appeared quite unprepared for the change that threatened in July, 1830. His rivals took obvious precautions, but Beau James gave balls attended by the Duke of Chartres and the Duke of Brunswick. He seemed to sleep through the summer dawn while barricades mushroomed in the streets, the old king fled and the people cheered into power Louis Philippe, son of the famous Philippe Egalité of the Revolution and himself a supposedly zealous proponent of liberal ideas. Conservative Rothschild seemed in for a brute awakening.

Then—surprise!—a month after the overturn a deputation called on the "Citizen King" to congratulate him on ascending the throne. And who should be among them but Baron Rothschild? Who was signaled to remain behind

after the ceremony was over, who was given the honor of a long, intimate chat? James, that Bourbon conspirator, turned out to be a long-time friend, dinner companion and financial advisor to the newest Majesty.

Louis Philippe was even more *nouveau* to the purple than James to multimillionairedom. Out of this fact Rothschild welded a powerful camaraderie between two self-made men. Under his flatteries the new king's reign turned into a paradise for the *haut bourgeoisie*. The Baron's star shone high. De Rothschild Frères was given a virtual monopoly on all state loans; it handled Louis Philippe's private investment accounts. James became a shaper of French foreign policy. The royal presence often graced Betty's parties. Her husband now received the Grand Cross of the Legion of Honor.

Eighteen years later the barricades were up again. Again James, apparently unconcerned, seemed to dance into the very muzzles of the revolution. On February 23, 1848, he attended a ball at the Austrian ambassador's. On February 24 the Citizen King fled. Mobs began to loot the Palais Royal, to destroy the royal castle at Neuilly and to burn capitalist pleasances like the Rothschild villa at Suresnes.

James sent his wife and daughter to the safety of London. He also paid 250,000 francs to M. Ledry-Rollin, Interior Minister of the Revolution, "for patriotic purposes." Furthermore he wrote and publicized a letter to the provisional government which today hangs in the office of Baron Guy de Rothschild. In it James offers to give 50,000 francs to those wounded in the street fighting. The letter is dated February 25—the very first day of the post-Louis Philippe era. He was still the old magician. He had lost nothing in speed, calm and efficiency since the days of the Wellington gold smuggle. And he still came out on top. After a few weeks, even fanatical republicans con-

sidered him indispensable.

The editor of the radical *Tocsin de Travailleurs* wrote:

> You are a wonder, sir. Louis Philippe has fallen, the constitutional monarchy and parliamentary methods have gone by the board. . . . But you have survived. The banking princes are going in liquidation and their offices are closed. The great captains of industry and the railway companies totter. Shareholders, merchants, manufacturers and bankers are ruined en masse; big men and little men are alike overwhelmed; you alone among all these ruins remain unaffected. . . . Wealth fades away, glory is humbled and dominion is broken, but . . . the monarch of our time has held his throne; but that is not all. You might have fled this country where, in the language of your Bible, the mountains skip about like rams. You remain, announcing that your power is independent of ancient dynasties, and courageously extend your hand. . . . Undismayed you adhere to France. . . . You are more than a statesman, you are a symbol of credit. Is it not time that the bank, that powerful instrument of the middle classes, should assist in the fulfillment of the people's destiny? . . . After gaining the crown of money, you would achieve the apotheosis. Does that not appeal to you?

It did not—once more for shrewd reasons. The ministers whose ranks James had been invited to join were replaced in turn. Louis Napoleon swept them away when he was elected President of France in December, 1848. Four years later he proclaimed himself Napoleon III, by the grace of God and the will of the people, Emperor of the French.

But now James really seemed stranded. He had no positive connection with *this* new power. Quite the contrary.

Everyone knew how he and his brothers had made their first great fortunes at the expense of Napoleon I, the present Bonaparte's uncle. And as if that were not sufficient, Louis Napoleon's favorite financiers were James's worst rivals.

The Baron, however, was his usual unfazed self. "Ah," he is reported to have said with a smile when the news broke that Achille Fould, his archenemy, had been appointed the new Napoleon's finance minister. "I think I smell a new Waterloo."

It was a premature remark. The battle into which he launched now was so long and so intricately vehement that a separate chapter must accommodate it. And yet the long run proved Beau James right. The history of Rothschild is the history of other people's Waterloos.

(c) *King Salomon*

Quite early in the nineteenth century his Highness, Prince Metternich, Chancellor of Austria, had some public thoughts about bankers who interfered in matters of state. "The House of Rothschild," he said, "plays a much bigger role in France than any foreign government. . . . There are, of course, reasons for it which seem to me neither good nor gratifying: money is the great motive force in France, and corruption is quite openly reckoned with. . . . Among us [in Austria] this commodity finds but few friends."

For the *mishpoche* those were hardly hospitable words. Austria still maintained an anti-Semitic hauteur. In contrast to England and France, the Jews were not permitted to own land anywhere in the Habsburg domains. They could not serve in the government or the courts of justice.

The practice of law was closed to them, as was the teaching profession or any kind of political function. Jewish marriages, restricted in number, required special permission. A Jew must pay poll tax and report regularly to the "Jewish Office." If he was of foreign nationality, he was given a residence permit good for a short period only. In fact, the Austrian police bore down so conscientiously on aliens of the wrong religion that the clan did not risk sending a representative to the Congress of Vienna. Waterloo came and went, and no Rothschild had got within earshot of an Austrian minister.

But after the explosion at Aix, the Danube became ripe for The Family. It acted with its usual dynastic prudence. The precisely most suitable brother assumed charge of the Habsburg department. He was not an ill-humored daredevil like Nathan; not a luxuriant dandy à la James. Those two would not have done nearly so well in the lofty shadows of the Hofburg. No, it was Salomon who went forth. Among all Mayer's sons, he most favored the father. A courtier by temperament, his specialty was ingratiation. He could talk to Austria's hallowed nobility as though they all sat perched in a splendid forest of family trees. Last, not least, he was a diplomat.

No foreign minister could have planned his first move toward Vienna better. Casually he hinted to an Austrian official that the entire House of Rothschild might shift the center of its worldwide operations from Frankfurt to a more congenial place elsewhere. This inspired a confidential report which shortly afterwards reached some exalted desks. On September 26, 1819, the minister of the interior of the Empire, asked to comment on the matter by the finance minister, replied:

> Your Excellency must be aware that foreign Israelites may reside here only on obtaining the special

"toleration" permit . . . special exceptions can be made only with the personal approval of the Emperor. Meanwhile your Excellency may rest assured that we are far too well aware of the advantages that would in many respects accrue to the Imperial State of Austria through the settlement of such an eminent firm within its borders not to advise his Majesty most emphatically to give his consent as soon as a formal application in this matter is received.

The house *in toto* did not move, of course. Salomon journeyed alone to Vienna, where he received a residence permit in expectation that the entire business of all the brothers was to follow. And though he only opened a firm of his own, disappointment never had a chance to set in. Salomon had a way with negative sentiments. Before the government could catch its breath, he floated an Austrian state loan of some fifty-five million gulden as an Austrian loan had never been floated before.

It took the form of a lottery, an unusual and attractive feature. But that was just the beginning of Salomon's wisdom. He released only a fraction of the issue. Not a word was said about there being much more to come. The thing was to appetize, not to gorge, the Viennese investing public. And he made the hors d'œuvre even more palatable by anticipating the mouth-watering arts of Madison Avenue. A public-relations campaign began. Articles in newspapers praised thrift, advised the investor, broadcast the meaning and the rewards of high finance. The issue rose mightily. When Salomon announced another thirty-five-millions worth of bonds, there was surprise, anger—and finally a rush to buy.

Everyone who got hold of the issue gained; most of all, Salomon. The operation, he was to confess later, had

netted him six million gulden. Such profits, of course, were apt to produce a little indignation. But it was not easy to stay indignant at the man. He bore himself so simply and modestly. Since he could not own a house, he rented a single room at the Römischer Kaiser, one of the city's better hotels.

True, he soon rented another room, and then another, and then an entire floor, until—by accident, as it were—he had hired all of the hotel. The parties he gave here were terribly pleasant and *sympatisch* to a select roster of guests that soon included Metternich himself.

In an unpretentious way Salomon's inn radiated amusement, advice, even practical help. The Rothschilds' early Frankfurt rival, Moritz Bethmann, visited Vienna in the early 1820's and came away amazed. "Salomon has won the people's affection here," he said, "partly through his general modesty and partly through his readiness to be obliging. Nobody leaves him without being comforted."

The persons Salomon comforted became steadily more important and profitable. In 1825 he was called upon to finance Europe's most delicate *affaire d'amour*. It involved no less than the Archduchess Marie Louise, daughter of the Austrian Emperor and wife of the exiled Napoleon. The Congress of Vienna had considered her victimized by an errant deportee of a husband; as compensation, she got the dukedoms of Parma, Piacenza and Guastalla. For additional relief Metternich provided a manly young majordomo named General Adam Albert von Neipperg. The General wore a black eye-patch (the result of a sword thrust during the war), had considerable social gifts and diverted the Archduchess so well that on May 1, 1817, and again on August 8, 1819, two events took place, both blessed.

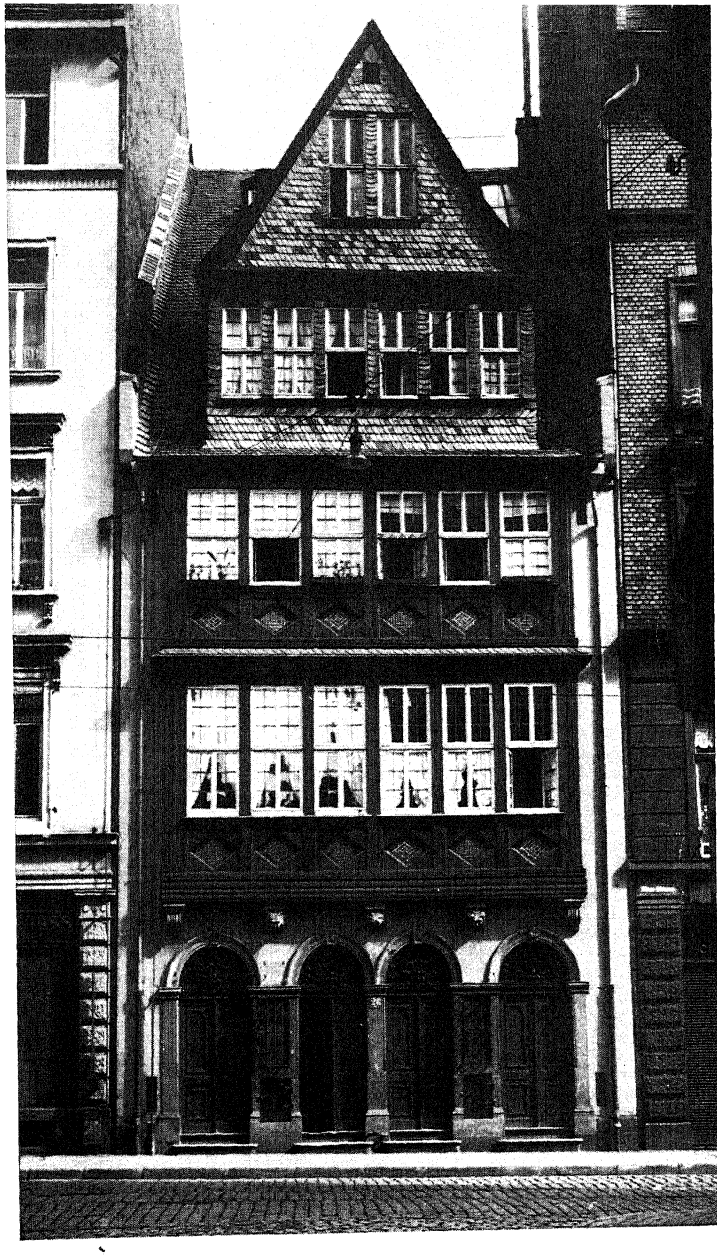
Both were also clandestine, because Napoleon, far

away on St. Helena while being fruitfully cuckolded, did not die until May, 1821. The children of so august a womb had to wait many months before they came into anything like an official life. Their births were not registered. Their nannies nursed them in closed-off castle halls. Until Marie Louise's secret morganatic marriage to the General in September, 1821, she pretended even to her imperial father that little Albertine and little William Albert simply did not exist.

The tots were the bastard offspring of an adulterous union, but they were also the grandchildren of the Emperor of Austria. His Majesty created them the Counts von Montenuovo, this name being the Italian equivalent of Neipperg (Neu-berg, or "new mountain"). Besides a name, they also needed a fitting inheritance. Their mother's dukedom—a kind of hardship grant—was not hereditary. Something had to be done, in a soundproof way.

Something was. Salomon Rothschild tiptoed into the picture. It became his assignment to conjure a safe, no-risk patrimony for the Montenuovos without selling any of their mother's lands; without an unpopular increase in Parma's public debts; without raising an undue commotion.

At the Römischer Kaiser the hotel tenant got busy with his army of clerks. As usual, he found an ingeniously comfortable solution. Marie Louise was to declare that she had spent much of her private revenue on an itemized list of public buildings in Parma; that as reimbursement she took some ten million francs of state funds for herself, a sum to be instantly converted into bonds by Rothschild and sold on Marie Louise's behalf to a great number of different people in different countries. Some four of the ten million would be reapplied for public purposes, so that, as Salomon stated, "any bad impression . . . would be counteracted by the argument . . . that the proceeds went to projects bene-



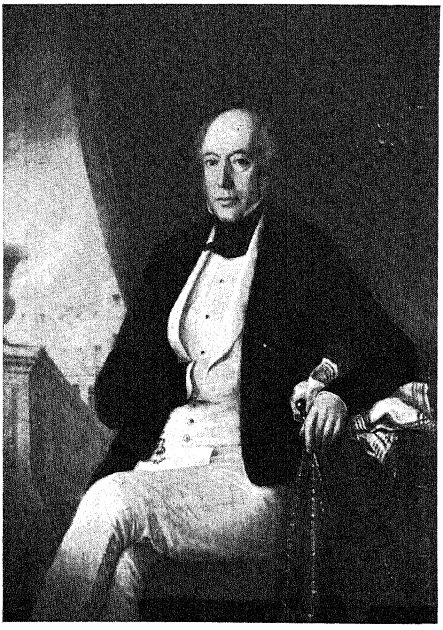
The Rothschild family's original house
in the ghetto of Frankfurt on Main.



Gutele Rothschild
in old age.



Nathan Rothschild,
founder of the London branch.



Salomon Rothschild,
founder of the Vienna branch.



James (Jacob) Rothschild,
founder of the Paris branch.



Amschel Rothschild,
of the Frankfurt branch.



Carl (Kalmann) Rothschild,
founder of the Naples branch.

ficial to the community. . . ." The rest of the moneys would be the little Montenuovos' legacy, secure from anybody who might question their right to it or their ticklish genealogy.

"It is quite important," wrote Salomon to Metternich, ". . . that the claims of the Archduchess' legal heirs cannot be disputed. The preparation of bearer bonds (issued by an eminent firm like Rothschild's), the holders of which will be constantly changing, seems to me to meet any possible eventuality." A weapon more modern and more powerful than a great army's ten thousand muskets would prevent seizure of such bonds or of the money received for them —the Rothschilds' hell weapon: loss of international credit standing.

"All governments," Salomon continued, "who have an interest in maintaining an inviolate credit system would use their influence to prevent such a thing from being done. . . . I am pleased to say that I am confident of arranging this matter to the full satisfaction of her Majesty the Archduchess and of his Majesty the Emperor and King."

When it came to investing the sum thus produced, Metternich extended to the Archduchess "the guarantee that your Majesty cannot do better than act in accordance with Rothschild's suggestion."

Was this the same lofty prince who had once sniffed at a Rothschild's interference in France?

Now the first minister of the continent's first empire went to great lengths to avoid crossing the Jew Street boy. The year of the Marie Louise affair, Salomon intimated that he would like to have a decoration conferred on his coreligionist and executive employee, von Wertheimstein. A *démarche* from a great kingdom could not have aroused more wary diplomacy from Metternich.

To Marie Louise's husband he wrote:

> Herr von Rothschild wants a little St. George (of the order of Constantine) for his managing clerk. . . . I feel that it is not in the best of taste . . . that such an order be conferred upon a clerk, and I suggest that you reply that the order of Constantine constitutes a genuine religious brotherhood, and is not simply a distinction, and, as the Jewish religion forbids its adherents to take the statutory oath of the order, the chancellor of the order would not be able to confer the cross. Temper your refusal with appropriate expressions of your extreme regret, and the matter will be disposed of. Write to Herr Salomon on these lines, but do not mention me, as nobody can take offense at a statutory provision, while a single personal remark can do untold mischief, and I myself have committed the great offense of making it impossible for the Rothschild family to obtain an Austrian decoration. If he thought I was implicated he would regard me as a positive cannibal.

The Metternich-Rothschild alliance endured. In 1835 a deathbed intrigue in the Imperial palace welded it still closer. During the early March days of that year, old Emperor Francis was bled three times, and still his fever increased and his lung inflammation grew worse. Not only the life of a man but the future of the Empire trembled in the dark halls of the Vienna Hofburg.

Chancellor Metternich was the dying Francis' strong man. Ferdinand, his heir, had somewhat less-than-normal brains and seemed likely to be influenced by his uncles, Archdukes Joseph, Carl and John—all Highnesses of a not necessarily pro-Metternich bent. Count Kolowrat, the chancellor's opponent, began to loom large in the hushed proceedings by the Emperor's bed. On the bourse the sud-

den uncertainty produced a panic that rattled the economic foundations of Metternich's government.

Chancellor and banker bestirred themselves. Metternich summoned Bishop Wagner, the Emperor's confessor, to his office. Here a will was drafted containing the provision: "I hereby name ——— as the man whom I most emphatically commend to my son as a loyal counselor worthy of his fullest confidence." The Bishop took the paper to Francis' chamber, and the failing Emperor inserted with his own hand the right name in the right space just before he died at midnight on March 2, 1835.

Not only that: speaking about advice within the family, the imperial will took the extra precaution of passing over the Archdukes Joseph, Carl and John; and instead enjoined Emperor Ferdinand to resort to his youngest uncle, Archduke Ludwig—who was almost as weak and malleable as Ferdinand, the ultramalleable, himself.

While Metternich put things in order at the palace, Salomon (who was kept *au courant* on the latest developments) sped to the bourse. He announced that he had the greatest confidence in the continuity and prosperity of the government. He went further and lined up James in Paris. Both brothers made a radical offer. If anyone wanted to sell any Austrian securities, they would buy them instantly, at the top price of the day. The market listened. The market calmed. The pro-Metternich investors carried the day.

"I must admit," reported Metternich's ambassador from Paris, "that the enormous influence exercised by the House of Rothschild succeeded in immediately curing the panic which had begun to affect nervous spirits."

Some spirits did remain a trifle fidgety. "It is quite well known," a high government officer wrote in his diary, "that the new Emperor's illness has made him feeble-minded. He is prepared to sign anything that is put before him. We

now have an absolute monarchy without a monarch."

There was an absolute chancellor, however, in the form of Prince Metternich. And there was Rothschild, his absolute banker. Nothing withstood Salomon. David Parish, that most fashionable of Central European bankers, with whom The Family had been thrilled to conclude an alliance a few years earlier at Aix—David Parish went bankrupt and jumped into the Danube. Other great Viennese banks, like that of Geymueller, crashed. Salomon survived at their expense and waxed.

Through a complicated series of transactions he obtained the lease of Austria's huge mercury mines in Idria. The only other known mercury deposit was in Spain, with whose government Nathan happened to be negotiating at the moment. Couriers careered between the brothers' offices, and soon the House of Rothschild exercised a world monopoly in a key metal, whose price they fixed at will.

Salomon was also the chief banker behind Lloyd, Austria's big steamship line. He financed the first important Central European railways, a quaint and important event of which more in a separate chapter. He became as dazzling a myth as James or Nathan. His first two initials, S. M., happened to be the same as the Austrian abbreviation for his Majesty ("Seine Majestät"), and a popular saying spoke of two local suzerains, Emperor Ferdinand and King Salomon. It was more than a joke. Among the people besieging Salomon's office were those who begged a royal "laying on of hands." King Salomon only had to touch his palm to some bond or stock, and its owner went away certain of its rise.

And yet he knew no rest. After all this he was still a Jew in a very gentile Austria. He was still a hotel guest, although a most glorified one. His brothers luxuriated in castles, and he, who was as infinitely rich as they—was he

to leave behind a dynasty living on room service?

By immense charities (from the erection of whole hospitals to subsidizing the municipal water supply) and by immense pressures, he forced Vienna to make him the legal equal of his valet. He became a full-fledged citizen. Now he could *buy* the Hotel Römischer Kaiser. But he was a Rothschild. His retinue would not fit into a single building. He could easily afford a domain on a par with those of the greatest princes in the Empire. By way of the next step he first coleased and, once more by special permission, subsequently bought outright the immense coal and iron works of Vitkovitz in Silesia. Under Hitler and even in our day this purchase was to produce dramatic repercussions. In the second quarter of the nineteenth century Vitkovitz meant to Salomon the possession of industrial real estate—which was almost, but not quite, as good as being a regular landed magnate.

Yet no less than a regular landed magnate Salomon burned to be. Soon a brief was brought before the Emperor for the acquisition of a Rothschild demesne in Moravia. Instantly the nobles of the province were up in arms. Their privilege to be shared, and thus defiled, by a Jew!

Salomon sighed. It would have to be the old room-by-room technique of the Römischer Kaiser all over again. He smoothed the jeers off noble lips by putting something pleasant into noble hands. From Prince Esterhazy on down, practically every other aristocrat began to enjoy his loans. He made himself more serviceable than ever to his old friend Metternich. In the vivacious Countess Melanie Zichy-Ferraris, the Chancellor married his third wife and a Rothschild debtor. There was now a great deal of just plain social entertaining back and forth between the Metternichs' Schloss Johannisberg and Salomon's house in Vienna; "our Salomon" Melanie did not hesitate to call him

even before the Emperor. Baroness James de Rothschild of Paris got Melanie frocks; Baroness Kalmann in Naples sent Melanie picturesque scarves; from London came Rothschild gifts in the form of exquisite plant cuttings. There were all these pleasant things. There were Salomon's incomparable philanthropies (the governor of Silesia reported that the institutions set up by Salomon in Vitkovitz were "a blessing and model for the whole country"). And there were unobtrusive but unflagging hints.

In 1843 it came to pass. The last bulwark of prerogative opened. Salomon received permission to purchase inheritable agricultural real estate. He bought, almost at once, four huge and splendid demesnes in Moravia, Prussia and Silesia, all complete with castles, moats, waterfalls, lakes, swans, peacocks, cattle, grottoes, kennels, stables, stud farms and game preserves. Abruptly he had become one of the largest landed proprietors of the realm.

He became more. During the sudden drop on the Vienna bourse in October, 1845, he happened to be attending a Family conference in Frankfurt. An express message conveyed through the Austrian minister begged him to return. The Chancellor cried that it was essential for the state's finances that either Salomon or a deputy in the form of another Rothschild be in constant residence in Vienna. Salomon's bodily presence had grown indispensable to Austria.

That is, to Metternich's Austria. But what if the time of the absolute chancellor were drawing to an end? What would then become of the absolute banker?

In February, 1848, Louis Philippe fell off the throne of France, to the temporary discomfiture of his friend James de Rothschild. Salomon was not pleased, either. The clangor from the Paris barricades rose with such sudden democratic fury that it was heard in Vienna's innermost drawing rooms. His Majesty's first minister was now in his

seventy-sixth year, but his ear remained acute. "If the devil fetches me," Metternich said to old Salomon, "he will fetch you too."

At eight o'clock in the evening of March 13, his Highness was fetched. All day long the citizenry marched through the streets, burning the Chancellor in effigy. Metternich resigned. Twenty hours later the bearer of Europe's most formidable name fled to Frankfurt with a thousand ducats' cash loan from Salomon plus a Rothschild letter of credit.

The financier's turn came in a few months. On October 6 another insurrectionary mob broke into the Römischer Kaiser to besiege the nearby Arsenal. S. M. took flight to Germany and never came back, even after order was restored.

Yet the devil could fetch him only as a person, not as a Rothschild. First and last Salomon incarnated the clan, which continued the Vienna house in the resplendent incarnation of Anselm, his son. Great families are not nearly so perishable as great men. The absolute chancellor, too, had descendants. Each year the present Prince Metternich sends a case of his Schloss Johannisberg wine, the Rhineland's greatest vintage, to Baron Elie de Rothschild of Paris. Each year Elie reciprocates with a choice shipment of his Château Lafite, one of the great Bordeaux labels. Each year the two families visit each other's palaces.

So far, at least, the nobs have outlasted the mobs.

(d) *Carl, the* Mezzuzah *Baron*

"Rothschild has just kissed the Pope's hand," wrote a nasty pen in 1832, "and at his departure expressed his satisfaction with the successor of St. Peter in the most

gracious terms. . . . Others must bend down to the Holy Father's toe, but Rothschild is given the finger."

The most interesting feature of the event in question was not the fact that Rothschild kissed something better and more expensive than common mortals could, but that the Rothschild so honored was called Carl—a name hitherto not prominent among the stars of The Family.

Carl (known as Kalmann in the early phases of his career) was slow to develop the worldly fluency, the incisiveness and dispatch of Nathan, James or Salomon. Quiet in manner, almost awkward in speech, paunchier even than the Rothschild norm, he clung most strictly to Jewish observance. Before the ceremonial kiss at the Vatican, Carl's Family nickname was "*mezzuzah* boy"—*mezzuzahs* being the miniature Torah scrolls affixed to doorways. The faithful Jew kisses them at the start of a journey, and Carl's early life consisted of traveling. He acted as the clan's chief courier. Until March, 1821, he remained without portfolio. Then, when The Family had too many satrapies and not enough satraps, the brothers resorted to him.

It all began with the Congress of Laibach, a political festival characteristic of the period, attended by Europe's greatest sovereigns. At Laibach it was decided to restore the absolutist, therefore "legitimate," Bourbon kingdom in Naples. The assembled monarchs authorized the intervention of an Austrian army for that purpose. Naturally the Rothschilds were asked to handle the military subsidies.

But which Rothschild? Nathan of London showed little gusto for an antiliberal venture; besides, he was deeply involved in negotiating several million-pound issues. James of Paris happened to be busy propping up the French Bourbons with mountains of francs. Amschel of Frankfurt could not get away from financing postwar reconstruction

in German lands. As for Salomon of Vienna, he was up to his neck in his lottery loans, which gave him as much work and publicity as he could handle.

"I feel it my duty to avoid anything which could attract attention," he begged off to Metternich. "A journey to Laibach at this time would arouse such attention."

Only one brother was left, about whom nobody much knew or cared. *Un petit frère Rothschild*, the Austrian finance minister called him, though he was actually four years older than James. Did The Family, on delegating him, realize that it was creating the financial overlord of the Italian peninsula? For that is precisely what he became. As soon as the *mezzuzah* boy was given a challenge of Rothschild proportions, he unleashed a Rothschild performance. At Laibach he quickly worked out the main features of the subsidy: Vienna was to advance a loan to Naples, which would defray with it the costs of the Austrian occupation.

Rothschild, in brief, went about its usual task of converting crises into bonds. But this time Carl was to man the controls. He began to lay the groundwork and did a neat extra chore on the side. Before their parting, the King of Naples borrowed a few thousand gulden from the Emperor of Austria. Carl expedited the fancy transaction. No less than his brothers, he was now a banker to monarchs.

No less astonishing than his brothers' was his agility. Right after Laibach, a semi-Jacobite uprising broke out in a northern Italian state. Carl flew to his Neapolitan Majesty, who was jittering in Florence. Carl had always been fast for a man of his heavy contours, but now the heat of the job was rapidly thawing a heretofore dull tongue. All eloquence, he predicted that Austrian dragoons would soon trample this sedition underfoot. They did.

All firmness, he pushed his uncertain Bourbon southward.

He was all strength when he reached Naples. He had to be. An Italian money syndicate claimed it could bring off the military-loan operation at a smaller expense to the kingdom. Carl had prompt recourse to the commanding Austrian general—and emerged as sole floater of the loan.

By 1827 Carl's new-founded bank had become a Neapolitan institution that paid the troops that kept the king in power. Carl spoke with a powerful voice to, and for, the local court. Earlier, he had been Austria's monetary arm in Naples. Now he turned into Naples' most important advocate with Vienna. After the royal position had been fortified, it was Carl's argument which moved Metternich to evacuate the kingdom.

Inevitably, Carl's counting house became the greatest in the land. He affixed his *mezzuzahs* to the finest palace on the Vesuvian shore. The native aristocracy repaired here for his lavish entertainments. The Duke of Lucca, Leopold of Saxe-Coburg (afterward the first king of Belgium), and every visiting grand seigneur drank and feasted with the newest Rothschild: the Italian one. His money flowed through the treasuries of most Italian states. It helped the Grand Duke of Tuscany drain the Tuscan marshlands. It went to the Kingdom of Sardinia in a series of thirteen state loans amounting to over twenty-two million pounds. And it fertilized the Pope's domains.

To be sure, Carl insisted on the official promise that the Vatican's anti-Jewish attitude would be reformed. And even in some contractual documents he could bring himself to speak of the Holy See only as "the Roman State." Nonetheless, his unbaptized ducats were not disdained. On January 10, 1832, the event came to pass with which his story started here. Pope Gregory XVI received Carl von Rothschild, gave him his hand rather than the cus-

tomary toe to kiss, and pinned the order of St. George on the lapel of the Kosher Baron.

(e) *Amschel of the Flowers*

The four brothers discussed so far shared certain characteristics: a steaming commercial libido; a leaping, grasping vibrancy. Until their death they possessed—or rather, were possessed by—relentless youthfulness. Amschel was different, and not only because he was a thin man. His image comes down to us redolent with the musky air of an old high priest's chamber.

When patriarch Mayer died, Amschel, as his eldest son, inherited the bank in Frankfurt, the position as head of the family and his father's curious ways. To each of these legacies he did justice.

He remained in the native city though it was soon overshadowed by his brothers' great capitals, though "Hepp! Hepp!"—immemorial cry of the German pogrom—kept crashing through the streets. With a snap of his finger Amschel could have raised palaces in more genteel lands. But he stayed and patiently picked up the stones which shattered his windowpanes.

Once an anti-Semitic mob gathered before his great house, now far from Jew Street. Amschel appeared on a balcony to face them. "My dear friends," he said, "you want money from the rich Jew. There are forty million Germans. I have about as many florins. As a start, I'll drop a florin to each of you." The mob cupped hands, caught and went.

In some ways, Amschel spent the rest of his life telling the mob to go home. He became the grand almoner and grand protector to the German Jews; he helped sweep

away the chains of Jew Street; he pressed, in the end successfully, for the Jews' enfranchisement as free citizens of Frankfurt.

Amschel was the first of the Rothschilds. It was his chore to apply for honors and consulships on his brothers' behalf; to condole or congratulate emperors and kings; to be spokesman for the Great Five. There is a poetic fitness in the fact that the formal head of the family should be the most ancestral of them all. In Amschel (he would not tolerate the compromise which changed Jacob to James and Kalmann to Carl) the medieval vein of the ghetto ran strongest.

Long after he had under his command a whole battery of literate clerks, he insisted on composing letters laced with archaic figures and Yiddish misspellings. His habit of addressing the British Commissary General as "the most High Herr Comishair" amused his brothers and the Comishair as well. It was, underneath all courtesies, his way of being himself. Later, as Rothschild communications reached the imperial level, he had to filter this self of his through scribes and calligraphers. Nevertheless, congratulating Chancellor Metternich on the recovery of Emperor Francis from illness, he ended, ". . . and may it ever be my fortune in deepest reverence to call myself your Highness' most humble and obedient servant . . ." —which recalls his father's flourishes and also, perhaps, old Mayer's secret grin.

Amschel continued still another tradition of Mayer's: the bond with the House of Hesse. Once the connection had consisted of the fortune entrusted by Landgrave William to Mayer. Now the money streamed the other way. Mayer's son financed William's son. Often Amschel would walk the streets in his ghetto dress—his favorite form of exercise—and suddenly drop in at his Serenity's palace

for lunch. His Highness and family were always prepared, with special kosher dishes. "They would," an astonished city chronicler states, "take their midday meal quite *en famille* with their business friend."

Other German princes also held out their hands to Amschel, palm upward. He became treasurer of the German Confederation meeting in Frankfurt, and thus in a sense the first finance minister of the Prussian Empire ultimately born of the Confederation. As the giant among German bankers, he had his finger in every investment pie east of the Rhine and north of the Danube. Hundreds of German factories, railways, highways began with a ledger calculation in his offices at Frankfurt's Fahrgasse.

He lived, as it behooved him, on a princely scale. He had a number of titles and decorations, though as a rule he wore only the ribbon of the Court of Hesse and liked to be addressed simply as "Herr Baron." All foreign visitors to Frankfurt, including the diplomats accredited there, treated him with great distinction. They flocked to the great dinners he gave, honored him at banquets in return. But Amschel ate only kosher food, and he had no flair for social enjoyment.

"A strange man," said one of his acquaintances, "a person of thoroughly Oriental physiognomy, with old Hebrew manners and habits. His hat is usually pushed back onto his neck, his coat is open and falls negligently over his shoulders. . . . Like a chief dervish he sits on a raised platform among his clerks, his secretaries at his feet, and his agents bustling about him. . . . No one is ever allowed to speak privately to him about business; everything is discussed openly in the office, as in the old Rhine courts."

Amschel's business hours were as long as his clerks', his leisure time less. Even when he went to the theater,

he was often called away to hear the report of a courier freshly arrived in Frankfurt. At night he would be wakened in his bed to read and answer dispatches from Vienna, Paris, London, Naples; he had a bedside desk for the purpose. Being a business genius of the first rank, he could decide instantly on any offer, oral or written, giving his opinion in a few words. When once he had uttered his brief decision, nothing ever induced him to say another word on the matter.

Unlike his brothers, Amschel wore his wealth and power in a crotchety, joyless, somehow monkish way. "I have never seen any man so distressed," commented a contemporary, "beat his breast so much and implore the mercy of heaven, as Baron Rothschild on the long day [Day of Atonement] in the synagogue. He often faints from the strain of interminable prayer, and strong-smelling plants from his gardens are then brought and put under his nose to bring him around. In earlier years he inflicted severe mortification on himself in order to prevail upon heaven to grant him a child, but it turned out to be in vain."

There was the rub; there throbbed the pain. A love-parched, child-parched marriage weighed Amschel down. Of the five Rothschild branches, the central house in Frankfurt would not continue in the direct line.

Amschel beat his head against his sonlessness. He tried prayer, he tried endless good works. His official charities—over 20,000 gulden yearly—amounted to nine times the total annual income of Goethe's very well-to-do family. The Jewish Hospital in Frankfurt lived on his contributions, and so did most of the poorer families in Jew Street.

But apart from his regular largesse, he gave away unnumbered small sums at all hours of the day, particularly when walking or riding through the city. His bene-

factions continued even while he ate. More than one guest reported how a begging letter would sail in through the window and land on the table; how the Baron would, almost automatically, wrap a gold piece in it and throw it back with a practiced curve; and how a footman had to report whether the missive had reached its recipient.

None of these good deeds kindled his wife's womb. To distract himself, Amschel tried to learn the foreign languages his brothers spoke. But all that would stick in his mind were prayers and figures. He even tackled horseback-riding. People, though, always seemed to hold their hands to their mouths when they saw the Baron astride a thoroughbred in his caftan. He gave that up, too. Only the synagogue remained—and the gardens. Those gardens were his greatest worldly joy. He filled them with the rarest, finest blooms and with graceful animals. Here, at least, he could make young things grow. And here he received a young Prussian who was to become the legendary Iron Chancellor of Germany—Otto von Bismarck.

In 1851 Prussia appointed Bismarck its representative at the German Confederation meeting in Frankfurt. Old Amschel, with his sharp eyes, was not long in picking out a comer. The young man seemed about the same age as his phantom son might be, and soon Prussia's new delegate received a card asking him to Rothschild's house. As usual, the Baron had a very crowded schedule, and so the invitation was for a considerable time later. Bismarck replied that he would come if he were still alive. A letter to his wife shows, inadvertently, how pleased he was with the famous Jew's reaction.

"My answer," he wrote, "affected Baron Rothschild so strongly that he has told everybody about it, and goes about saying, 'Why shouldn't he be alive? Why should

he die? The man is young and strong!'. . . I like the Baron, though, because he's a real old Jew peddler and does not pretend to be anything else; he is strictly orthodox and refuses to touch anything but kosher food at his dinners. 'Take thome bread for the deer,' he said to his servant as he went out to show me his garden, in which he keeps tame deer. 'Thith plant,' he said to me, 'cotht me two thouthand gulden—on my honor it cotht me two thouthand gulden cash. You can have it for a thouthand; or if you like it ath a prethent, the thervant will bring it to your houthe. God knowth I like you, you're a fine handthome fellow.' He is such a short little thin person . . . childless, a poor man in his palace."

Yet Bismarck was proud of his friendship with the piteous Jewish oddity. In the same letter he enclosed two leaves from Baron Rothschild's garden and instructed his wife to save them with care.

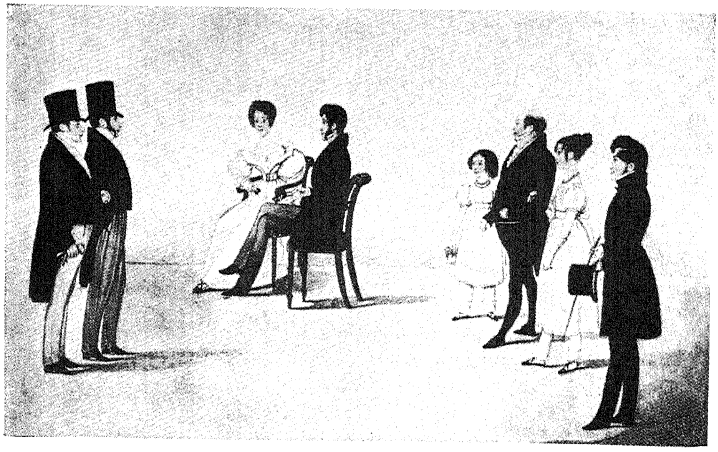
There were other youths to whom Amschel paid even greater attention. He cast an envious but loving eye on the offspring of his brothers. The young Rothschilds interested him most at the crucial point of the dynastic process—their marriages. He supervised The Family's mating policy: boys must choose other Rothschilds, or at least other Jews, for their brides; the girls were sometimes allowed Christian aristocrats. (Nathan's daughter Hannah accepted, against some rather temporary family resistance, a son of the Baron Southampton, the Hon. Henry Fitzroy. Of Hannah's nieces, her namesake, Hannah Rothschild, wed the Earl of Rosebery, later prime minister of the Empire; Annie Rothschild became daughter-in-law to Lord Hardwicke; Constance Rothschild, the wife of Lord Battersea. On the Continent, one of Carl's grandchildren became the Duchess de Gramont, while her sister married the Prince de Wagram.)



Early 19th-century caricature of Nathan at his "Rothschild pillar" on the London Exchange.



"The Peddler on Horseback," an early 19th-century caricature of the House of Rothschild. The placard on the horse reads: "Blueshield, Traveling Salesman for Merchants, makes deals in all branches of commerce."



"A Rothschild Wedding," an 1826 water color by Richard Dighton, depicting Nathan of London (bald man), his son Lionel (extreme right), his daughters Hannah and Louise, and (seated) the bridal couple: Anselm of Vienna and Nathan's eldest daughter, Charlotte; at left, two unidentified wedding guests.



Carl Rothschild's wife and child in an early 19th-century Italian portrait.

To the end of his eighty-one years Amschel insisted that all nuptials be celebrated at Frankfurt. He did not always succeed, but he did compel all new Rothschild spouses—including the gentile bluebloods—to submit to a peculiar ritual. Even if the wedding were not held in Frankfurt, they must immediately proceed there in full retinue. They stopped briefly at Amschel's mansion. In his best caftan he emerged and headed the stately procession moving toward the ghetto. It reached a street too narrow for the splendid carriages. One had to disembark and make one's way across cobbles to a cramped, weathered house. The ladies, in their grand toilettes, could barely squeeze through the small doorway.

In this ghetto cavern Gutele Rothschild, the dowager empress of world finance, lived on—forever, it seemed.* No newcomer, no matter how noble, received full admission to The Family before being introduced, appraised and approved at Gutele's. Here, at the Green Shield, one did her homage.

Here, as a young coin merchant's wife, she had once boiled beef, scrubbed walls, washed shirts, while her husband and five sons attained legend. From here she would not move. And since there was hardly a palace west of the Urals that would not gladly claim her as guest, the palaces came to her. Here, in medieval dusk, the duchesses curtsied. Here the mighty, peacocked with decorations, bent over the rough old hand. They admired obediently Gutele's bridal wreath, which had been withering under glass for much more than half a century.

The ancient woman, covered in stiff lace, moved little. Her face under the *sheitel* (the wig worn by an orthodox Jewish wife) hardly smiled. But her tongue was hu-

* She died, at the age of ninety-six, when Amschel was seventy-five.

morous, sharp, alive. When a grandee observed that Frau Rothschild would probably outlive all her guests, she answered, in arch imitation of her sons' stock-market language, "Why should God take me at a hundred when he can have me at ninety-four?" When another Highness offered her his personal physician, a wizard guaranteed to make his patients twenty years younger, Frau Rothschild said, "People always think I want to grow younger. I don't. I want to grow older."

At Amschel's signal, the state visit departed. Later Frau Rothschild's words would be retold in the best drawing rooms. But her most famous phrase was spoken just after one of those splendiferous assemblies had vanished into its equipages. A ghetto neighbor ran into the house, worried about her sons who had just come of military age. She asked Frau Rothschild if there had been any news from the great personages? Would there be peace or war?

"War?" Gutele said simply. "Nonsense. My boys won't let them."

As usual she was right. "My boys won't let them" summed up much of the invisible politics of the nineteenth century.

VI

RUNNING EUROPE

1. *The Peacemongers*

GUTELE'S sons had soared during Napoleon's wars. But now that they had so superbly ridden a tiger, they proscribed tigers. Upheavals are exhilarating for ambitious youths, not for established men. Rothschild was now banker to empires and continents—to all the principal European countries, to Eurasian Russia, to the Americas, to the Indies. It has been estimated that the London house alone placed 6,500 million dollars' worth of foreign loans during the first ninety years of its existence. In Paris, in Vienna, in Frankfurt and Naples, the titanic brother branches were just as busy. Upon Rothschild vaults converged the credit of the Western World.

Quite naturally, the investments of Gutele's boys depended on the stability of nations. "We have a holding of 900,000 *rentes* [18 million francs nominal]," wrote James to Salomon in 1830. "If peace is preserved they will be worth 75 per cent, while in case of war they will drop to 45. . . ."

Thus the brothers became the most militant pacifists ever. Of course, it takes a great deal more power, ingenuity and statesmanship to promote peace than to preach war. The Family needed all the strength it had. While the ladies glittered in manse and park, while their sons rode to hounds with the finest lordlings in the land, the men worked as hard as ever, intercepting lightning bolts from the chancelleries.

They were helped by their astounding, unshakable solidarity. The Yiddish-German code they had used as five striplings working under father Mayer was the code that now flitted back and forth between the five great national institutions. (Just as Landgrave William of Hesse had once been called "Herr Goldstein," so the Chancellor, Prince Metternich, was now termed "Uncle.") The common-courier system carrying their messages had grown into a mighty continental network operating by land, sea and air. Waterloo was not the last, but the first, of the system's big scoops.

On February 13, 1820, the Duke de Berry, heir presumptive to Louis XVIII, was assassinated outside the Paris opera. Instantly James triggered messengers to London, Vienna, Frankfurt. Long before their governments or their stock-exchange rivals got wind of it, the Houses Rothschild knew that the Bourbon hope was dead. In 1830 James's carrier pigeons outraced any other newsbearers of the July Revolution. And Nathan appears to have been the first man in London to know of King Louis Philippe's ascent to power.

If the breeze didn't carry Rothschild pigeons, it pushed Rothschild sails. "The English ministry," wrote Talleyrand to Louis Philippe's sister, "is always informed of everything by Rothschild ten to twelve hours before the dispatches of the British ambassador arrive. This is neces-

sarily so because the vessels used by the Rothschild couriers belong to that house; they take no passengers and sail in all weathers."

The Family developed a dispatch organization even more reliable than that of other great powers. Various countries began to use its international postmen. A rather piquant situation developed. In the nineteenth century, as in our own, the mails were not only an instrument for carrying letters but also for inspecting them. The Austrian postal service showed a special inquisitiveness. A detective postmaster wrote to Vienna: "I have often noticed that the Rothschild couriers who travel from Naples to Paris . . . take with them all the dispatches of the French, English and Spanish ministers accredited in Naples, Rome and Florence. In addition, they also deal with the communications passing between the courts of Naples and Rome and their legations throughout Europe. . . . These Rothschild couriers travel via Piacenza. As we have an Austrian garrison there . . . it might be possible to *induce* one or another of these clerks to hand over their dispatches for our perusal. . . ."

The matter was deemed important enough to be brought to the Chancellor's attention. A most delicate dilemma confronted Metternich. On the one hand, it would be delicious to read not only foreign diplomatic mail, but, particularly, the confidential exchanges of his dear, inscrutable friends the Rothschilds. On the other hand, the Chancellor himself often used The Family's blue-and-yellow-capped supermessengers. His own high secrets might be revealed to a subordinate postal official.

Metternich was not for nothing Europe's most intricate diplomat. He issued the following order:

"The couriers of the House of Rothschild passing through Lombardy between Naples and Paris are to

> be regarded and treated as official Austrian couriers when carrying dispatches with the [Austrian] Imperial and Royal seal. . . . If, however, they should be found carrying letters which have nothing to indicate that they are of an official [Austrian] nature, such letters shall be subject to the usual regulations in force."

But The Family outfoxed the fox. It knew that some of its mail was being tapped. It also realized that Metternich would believe some otherwise unconvincing statements if he thought he was not meant to read them. The brothers, of course, had a vested interest in peace, especially between Austria and France. And so there would travel from Paris to the Vienna house an intrafamily letter of supposedly "strictest secrecy" which went on and on about the flattering remarks the French King had made about the Austrian Chancellor: The Family had certain messengers who were excellent at being intercepted.

The Family also had a marvelously changeable shape. Its couriers bound it tightly together; but when it received an awkward request—say, for armament funds—it could sprawl on the instant into five widely separated and quite disorganized brothers. "Your Excellency," the reply of spokesman Amschel would read, ". . . your Excellency will be graciously aware that I can act in this matter only in consultation with my absent brothers . . . and will therefore attempt to inform them of your request." Unfortunately, it would develop that Salomon was deep in the toils of a health cure; that communications to Carl had been cut off by an Italian mutiny; that James was traveling, and Nathan bedded by the grippe.

The five could play infinite tricks with their fivefoldedness. Bismarck discovered that his gardening friend

Amschel had the nerve to support Austria financially against Prussia. He protested. Amschel became unwell—that is, inaccessible. Bismarck remonstrated with the other Rothschilds, and the other Rothschilds declared themselves ever so astonished, perplexed, puzzled by misguided, senile old Amschel.

Then there was the case of Nathan, who backed the liberal, and therefore anti-Metternich, party in the Spanish civil war. Metternich fumed. Thereupon James complained to Salomon, in a neatly intercepted letter, that Nathan had been led astray by his radical wife and father-in-law, and how such transgressions must be prevented in future. Metternich forgave.

No maneuver was too devious for The Family to force the peace. During the tension between quasi-liberal France and ultraconservative Austria, it hatched pacifist plots in most of the government palaces in Europe. Its pipelines reached everywhere. Nathan in London was very close to the Duke of Wellington and to the innermost British circles. Salomon had the eye, ear and purse of Metternich. James saw the French King every few days. Carl kept check on the masters of Italy, from Naples to Sardinia. Quite often it happened that the chief executive of an important power wanted to convey some crucial thoughts to his counterparts elsewhere without committing himself officially. The five brothers were perfect vehicles—if such transmission suited their purpose. After talking to friends in Downing Street, Nathan would send off certain observations, which James produced at St. Cloud, Salomon cited in Vienna's Hofburg. . . . Ostensibly, these were scribblings from Rothschild to Rothschild. Actually, they had the force of privy communications between governments.

At one point Nathan opined that "if France takes action

against the Austrian side, we in England shall join the Austrians. If the Austrians take action, we shall join France." That little Family chat made an enormous impression by the Seine and by the Danube. It helped leash the two empires for the time being.

The brothers knew that sometimes it was not diplomacy they must wield, but unvarnished power. In 1831 Louis Philippe, the semirevolutionary King of France, persisted in abetting the semirevolutionary new Italian states against the Habsburg Empire. Austria talked about defending legitimacy to the last drop of blood. France swore to die for freedom. James in Paris seized on the one chance for peace: Casimir Périer, a prudent financier like himself, must be premier. "I informed his Majesty," James wrote to Salomon, "that if he took Périer into his ministry, his credit would rise."

Périer received his appointment. Austrian troops, however, marched into Bologna. The French government, under strong popular pressure, was about to express itself in perilous language. The credit of France now intervened directly. "Yesterday," James wrote Salomon, "the note was drafted which France is about to send. It contained the phrase: 'évacuez immédiatement Bologne.' . . . I shall see that this is left out."

It was. France made do with Platonic indignation, and war was staved off.

On other occasions the brothers Rothschild waxed blunter still. In 1839 King Leopold of new-born Belgium wanted to wrest by force the provinces of Luxembourg and Limburg from the Netherlands. Gutele's boys would not let him.

"The Belgian government," Salomon declared openly, "will not get a half-penny from us, although they have been begging for money for months. Difficult though I

found it to keep refusing, I shall feel compensated if Belgium yields and peace is restored."

Belgium yielded. Rothschild loaned.

"It is in the nature of things," Bismarck advised an aide who was trying to get Prussian armaments financed, "that the House should do everything possible to prevent war from breaking out. This fact shows how delicate one must be in dealing with Rothschild."

2. *Short-Term and Long*

Bismarck, not ordinarily a delicate type, did at last get some wars in against Austria and France. But in the end, as another chapter will show, the Rothschilds gave him their own brand of comeuppance.

Just the same, Bismarck had his way. The Family's international veto power waned in the second half of the nineteenth century. In part this must be ascribed to The Family's own success. It had helped to stimulate the economy of the various countries so briskly that they were now beyond dependence on any one group of financiers, however powerful.

The boys' ultimate historical performance proved what any stock-exchange connoisseur knows: short-term consequences of a Rothschild move are usually the very opposite of its long-term effect. The immediate impact of those five brothers was neither sweet nor happy, nor anything but ruinous to competitors. The quintet was not the kind to bother about the social good. They were called Jews of the Bourbons, Coffers of the Reaction, Usurers of Metternich. Some of those epithets seemed hard to refute. And yet all that unprecedented ruthlessness and

craft had an eventual positive result.

The efficiency which powered Mayer's sons brought on enormous economic spring cleaning; a sweeping away of fiscal dead wood; a renovation of old credit structures and an invention of new ones; a formation—implicit in the sheer existence of five different Rothschild banks in five different countries—of fresh money channels via clearing-houses; a method of replacing the old unwieldy shipping of gold bullion by a worldwide system of debits and credits.

One of the greatest contributions was Nathan's new technique for floating international loans. Before, the English investor had been hesitant about foreign projects. He didn't much care to receive dividends in all sorts of strange and cumbersome currencies. Now Nathan attracted him—the most powerful investment source of the nineteenth century—by making foreign bonds payable in pounds sterling.

Altogether, the Rothschild work and the Rothschild name (with Napoleon's, the greatest self-made image) served to supplant the era of title and pedigree with the era of money and ability. In one of his more dined-and-wined moments at rue Laffitte, Heine would think of the five brothers as great revolutionaries: Hadn't they usurped the last pretensions of feudalism? Hadn't they abolished the stiff, stagnant pre-eminence of land ownership? Hadn't they created instead the investor's domain of money, capital and state bonds which anyone could possess at any time? Weren't these the most flexible, equitable, productive ruling instruments yet invented? And weren't the Rothschilds the archdemons of progress?

We needn't be so carried away as Heine to concede a fact: Mayer's boys helped abolish the very absolutism which had at first used them for its tool. However un-

wittingly, the Rothschilds supplied more soil for the flowering of bourgeois democracy than any other five individuals in Europe.

Railroads were a case in point. The Family, more than any other group, brought the locomotive to Europe. As usual, what they saw was the income promised by those shining rails. At the same time, the iron tracks were to become the lifeline of commerce. Hitherto travel had been the privilege of aristocrats and soldiers; now worker and peasant gained a mobility they had not known before.

Yet the Rothschilds practically had to force railroads on a suspicious continent. It was to be the most hotly contested venture in Family history.

3. *The Railway Madness*

(a) *Austria*

The railways were born in England, as George Stephenson's "steam-coaches," right under Nathan's nose. But by the time he began to smell the lucre in their soot, they were no longer buyable. Other bankers had gotten there first. Nathan, of course, would not touch what he could not own or control. He contented himself with alerting his brothers on the Continent.

In Vienna, Salomon picked up the idea. It was a brave move. Austria, the most dashingly backward empire of its time, thought that horseless carriages were almost as weird as socialism. To prepare a more hospitable climate, Salomon dispatched a fact-finding committee to England; it was composed of von Wertheimstein, his general manager, and Professor Franz Riepel of the Vienna Polytech-

nic Institute, an early advocate of the horseless madness.

The two returned a report full of technical and financial enthusiasm. Nevertheless, they could not very well overlook the resistance to the chimneyed freaks even in liberal Britain. In some English counties a postillion had to ride fifty yards ahead of the locomotives to warn local inhabitants, with cries and trumpet blasts, of the approaching abomination. The gentry, who were fond of their horses, thought it was all a horrid bore. One of Nathan's best friends, the Duke of Wellington, remarked that "railroads will only encourage the lower classes to move about needlessly."

Salomon read the report and paused. In 1830 the July Revolution in Paris produced business vagaries which needed all his attention. But in his mind the conviction grew that enormous profits could be made with a North Austrian railway transporting Galician salt and Silesian coal to Vienna.

Business settled down in 1832. Salomon struck formidably and quietly, as was his wont. For a closer introduction to the transport business he bought the horse-tramway network (operated by Emile Zola's father, of all people) in the Austrian provinces. He also hired a battalion of expert engineers who surveyed, foot by foot, the whole route of the projected line.

Soon afterward (in April, 1835) a great poetic and public-minded document reached the desk of Ferdinand II of Austria. It began with "Most Excellent and Most Puissant Emperor! Most Gracious Emperor and Lord!" and sang ardently the "benefits to the state and to the public weal" a railroad between Vienna and Galicia would bring, begged his Majesty's most gracious sanction and ended, "your Majesty's most true and humble servant, S. M. v. Rothschild."

Prince Metternich favored the application. And since his Most Puissant Majesty was a signature-writing device operated by the Chancellor, the application received All-Highest approval. On November 11, 1835, Rothschild pocketed the concession to build the European Continent's first sizable railway—sixty miles of track from Vienna to Bochnia in Galicia. (The Imperial Postal Service exacted a clause from Baron Rothschild insuring reimbursement if his iron beasts ate up too much mail business.)

The project was estimated at twelve million gulden, and Salomon immediately proceeded to provide it. He issued 12,000 shares at 1,000 gulden each—retaining 8,000 for himself, offering 4,000 on a first-come, first-served basis. Attracted by the confluence of two myths, *Rothschild* and *railroad*, the investing public came in droves.

But a general public existed, too. If the railways caused resistance in top-hatted England, they provoked revulsion in shako'd Austria. Salomon was broadly damned for foisting twentieth-century fiendishness on a peaceful eighteenth-century state. The Vienna press began to seethe with terrors and prophecies. Experts proved the madness of Rothschild's scheme. The human respiratory system, they said, could not stand a speed exceeding fifteen miles an hour. The lungs were likely to collapse, and the organs of circulation jolted out of place. Blood would spurt from the travelers' noses, eyes, ears and mouths. Any tunnel more than sixty yards long would suffocate all the riders in all the carriages; the train would rush out at the other end, a driverless berserk hearse. Certainly no passenger should take a steamcoach trip without being attended by his personal doctor who could intercede with the engineer at the throttle.

And all sorts of doctors did come to the fore—of the front page, that is. So-called neurological experts sounded

the alarm. According to their articles, the human psyche, already overburdened by newfangled stimuli, would completely run amok once subjected to the stress of railroad travel. The speed of the machine might drive men to suicide, women might lapse into sexual orgies. There were reports from England that innocent passers-by had been driven jabberingly insane by the mere sight of one of these zooming, smoking serpents. And Rothschild was now given license to finance such savagery in gay Vienna?

There were other reports from England, financial ones, issued by the early railway companies. These were not at all gruesome. Salomon's rivals, particularly the banking house Sina, found them positively mouth-watering. Sina let Rothschild bear the brunt as disturber of North Austria's peace. Meanwhile it unobtrusively applied for, and finally got, a license to build a southern track from Vienna to the Adriatic Sea.

Thus Salomon saw himself attacked on two fronts. Usually he could count on some very well-greased connections with the Vienna press, but his journalist friends were impotent at the height of the outcry. Through Chancellor Metternich he enjoyed the loftiest possible support within the government, but Sina was a power, too, and there was no way of invalidating a rival license once the administrative machinery had ground it out. In fact, when he proposed a concession for a northeastern branch line to his own railway, he was reduced to a competitive basis on a par with Sina.

A Rothschild, however, has not only more money but also more ideas than the next fellow. To handle the impasse, Salomon arranged for another patriotic prose poem to float onto Kaiser Ferdinand's desk. It was a preliminary but resounding progress report on "the great national work,

namely the Vienna-Bochnia railway." It culminated in a masterful paragraph:

> The most obedient and loyal servant of your Majesty feels that he may venture in all humility most respectfully to request your Majesty that you may be graciously pleased to permit that the Vienna-Bochnia railway shall be allowed to bear the auspicious name of "Kaiser Ferdinand Nordbahn."

Simultaneously, Prince Metternich received a letter which proposed that his Excellency the Finance Minister and his Excellency the Lord President of the Council "place themselves at the head of this national undertaking" by becoming its patrons, to be so handed down to posterity on all the railway's plaques, scrolls and documents. His Princely Highness, Chancellor Metternich himself, was asked to accept the office of the railway's official High Protector.

As always, Metternich came through. He and his several Excellencies agreed to endorse the Rothschild railway with their names. Indeed, the finance minister advised the Emperor in the warmest terms to do the same.

"This undertaking is on a colossal scale," he wrote, "such as has never been contemplated in Europe before . . . and will remain as an everlasting monument to your Majesty's reign."

On April 9, 1836, an imperial decree promulgated his Majesty's gracious decision to let Rothschild's track be known henceforward as the "Kaiser Ferdinand Nordbahn" (Emperor Ferdinand Northern Railway). With one stone, Salomon had killed two great birds: the Austrian government had identified itself with the fate and prosperity of *his* project, not Sina's; and the renown of the House of

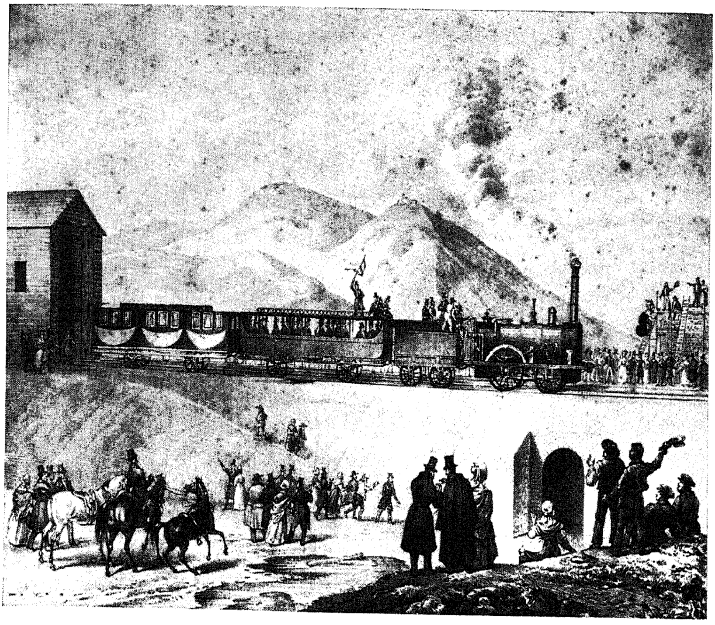
Habsburg now sanctified the railway madness. In the face of such overwhelming auspices, the protests died away. Apparently it was all over but the building.

To that task Salomon now applied himself. Two weeks after the Emperor's grant of the name, he called the first of a series of shareholders' meetings. He transferred his building concession, hitherto held personally, to the company. He saw to the appointment of a provisional board of directors, submitted estimates, blueprints, proposals—and was told he was a cheat and a fake.

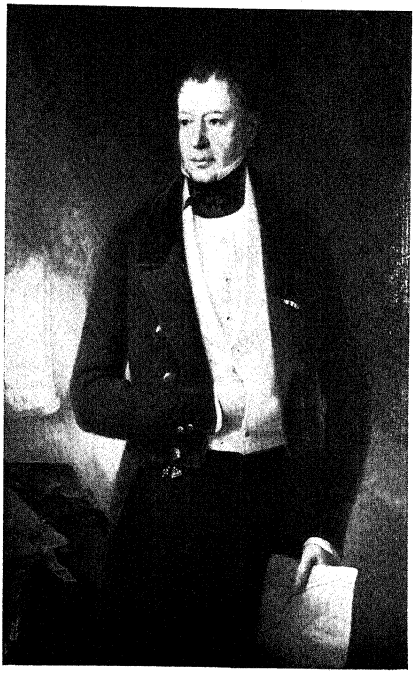
Suddenly, within the company and without, a different kind of opposition flared. Secretly sponsored by Sina, a memorandum went from hand to hand. The railroad idea as such was not attacked (after all, Sina had one on the fire), but the arrant misuse of august names was implied. All planners of the Nordbahn stood accused of the grossest scientific blunders. The memorandum set forth its charges in impressive scientific language. It went on about gradients and the relationship of rail curvatures to steam traction, and about the scandalous inability of the Rothschild people to meet any such problems. Last, not least, figures were cited that made the financial future of a *northern* railroad look disastrous.

The memorandum caused so much talk that the court began to prick up its ears. The Emperor forsook his usual existence as a signing machine. "Dear Prince Metternich," he fretted. ". . . Numerous unfavorable rumors are abroad about the railroad which I have permitted to be associated with my name. . . . You will report to me whether difficulties have arisen in the further progress of the work on this railway, and, in that case, what these difficulties are."

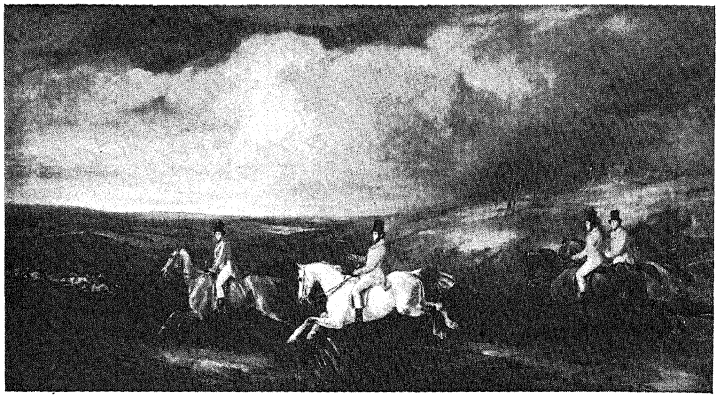
Salomon was still Salomon. Again his parry hit home better than the enemy's thrust. He instantly commissioned



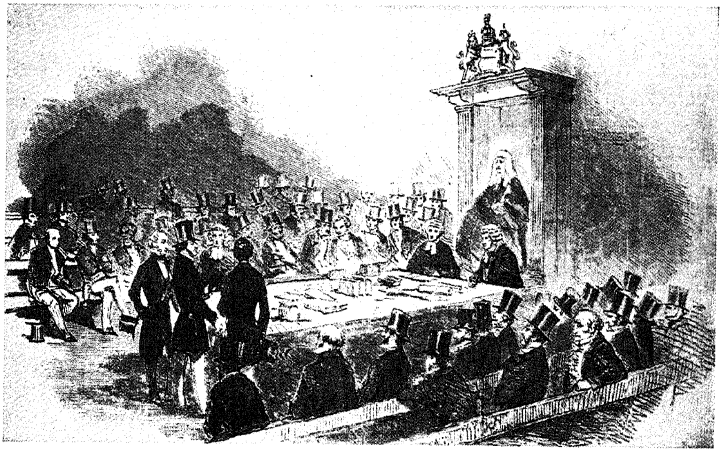
An experimental ride on Salomon von Rothschild's Austrian railway, 1839.



Salomon with a rail map of the project.



"Full Cry," an 1855 painting by Sir Francis Grant, showing Baron Lionel (on white horse) and his three brothers hunting with the Rothschild Staghounds in the Vale of Aylesbury.



Baron Lionel de Rothschild (top hat) takes his seat in the House of Commons, 1858. (From a contemporary magazine drawing.)



Contemporary Austrian caricature showing Napoleon III (right) and Baron James de Rothschild on the occasion of the Emperor's state visit to Ferrières in 1862. The word "Anlehen" on the money bags means "loans."



The Ingres portrait of Betty de Rothschild, (daughter of Salomon of Vienna) who married James of Paris in 1824. (From the collection of Baron Guy de Rothschild.)

the authoritative Professor Riepel of the Polytechnic to compose a polemic which met "this insult with the contempt it deserves" and demolished the technical details of the opposition memorandum point by point. Then he summoned the shareholders to a dramatic showdown forecasting the proxy battles of our day. He offered to repurchase all certificates not held by himself, and thus to repossess the building franchise he had transferred to the company. He would proceed as the project's sole owner and director if the shareholders did not give him their full confidence as well as authority to commence construction forthwith.

He got their authorization. He received their full confidence. A landslide vote removed his enemies from the board. Not content with that, Salomon turned the Emperor's note to Metternich from a liability into an asset. He publicly interpreted it as a sign of warm solicitude. In an official letter the House of Rothschild expressed appreciation of this "further proof of his Majesty's gracious concern for the prosperity of the Kaiser Ferdinand Nordbahn."

Thus S. M. reversed public opinion into the Nordbahn's favor. The greatest engineers in the state service were given leave to work on the construction, which started at last. Salomon even managed to borrow the Crown surveyor. The track grew with comparative speed, even though the original cost estimate proved, as original cost estimates will, too low. On July 7, 1839, Austria scooped the rest of the European mainland by opening the first section of the first major railway line. And on the following day it became the first Continental nation to have anything as modern as a train collision, happily a trifling one.

The passengers did not run amok—but the shares, after some initial vagaries, rose madly.

(b) *France*

The Austrian Rothschild had made a great contribution to the general progress and to his own wealth. The French one did not want to lag behind. James Rothschild opened his Paris–St. Germain railroad in 1837 and the Paris-Versailles line in 1839. After these two successful experiments, he began to create the Chemin de Fer du Nord—for those days, a gigantic project, which connected the capital with the industrial regions of the north.

But his first tracks, too, were not exactly strewn with roses. France also had transport experts who produced headlines dripping with doom. They saw forests and crops set afire by sparks from the trains; inhabitants driven from the countryside by the shrieks and the clangors; cattle stampeding; grass, flowers, bushes withered by soot. France would be streaked with deserts.

In Austria the government had stood up against such rantings. Not here. In 1835 the French Parliament had been presented with the idea of a state-owned steamcoach system and had thrown out the idea as utopian and ridiculous. Now Rothschild's pressure for a private license became irresistible. Thiers, the King's first minister, yielded. But he was no Metternich. "We must give the Parisians this as a toy," he said. "But it will never carry a passenger or a parcel."

There were less highly placed but equally dangerous forces to contend with—a certain Jules Mires, for example, a man of peculiar brilliance. He had begun his career in Bordeaux, where he had published a boulevard paper featuring an exhaustive list of obituaries. With each death he printed the name of the doctor who had failed to save the deceased. The physicians of Bordeaux saw reason. Mires stopped publication, and went to Paris a rich man.

Here he started another paper along similar lines, but focusing on a different subject. The *Journal des Chemins de Fer* vividly pictured rail mishaps, rail frauds, rail atrocities. Its voice grew louder and louder, and Mires grew richer and richer, selling his selected silences.

Over all these stings and yawps Beau James rode in customary grandeur. He floated his Chemin de Fer du Nord with a stock issue worth 150 million francs. Fully seven and a half millions' worth of shares were distributed free of charge (or of noise) to ministers, deputies and journalists. Suddenly the guardians of the public weal began to see the benefits of the Rothschild railroad. Construction proceeded apace. On June 15, 1846, representatives of the Crown, of Parliament and of the press joined to hail Baron James on the opening of *his* northern railway.

He was not yet out of the woods. Locomotive engineers, in the infancy of their profession, had much to learn about curves. Three weeks after the opening, a train rounded a bend too quickly and killed thirty-seven people. The accident stunned France. A virulent anti-Semitic storm broke out against the president of the line. It vented itself primarily in the form of pamphlets, of which "The History of Rothschild I, King of the Jews" became most famous. Afterwards there appeared a counterpamphlet, "Reply by Rothschild the First, King of the Jews, to Satan the Last, King of the Slanderers."

The interesting point about the latter publication is that it was written on speculation. James had not commissioned it, and when he was approached, he did not pay the author. To get a thing done he would bribe, befitting his status, on a munificent scale. Petty graft disgusted him. Besides, the track was completed. The kinks were being worked out. The Northern Railway could stand and succeed on its own merits.

It did. Le Chemin de Fer du Nord became as great a national asset as the Kaiser Ferdinand Nordbahn. No less than the Austrian Rothschild, the French one had captured for himself a great new source of income and given the industrial revolution a big push forward.

A fly—or rather, a vulture—remained in the ointment. After all, non-northern rail lines were possible, too. There were three other directions, and several other men who thought their brains and mercilessness a match for The Family's. Out of the railway competition arose a rival syndicate which overflowed all national borders and challenged almost every department of every Family bank. This enemy severely tested the Rothschilds' invincibility. Another, moving still faster, had already proved them mortal: when the international onslaught was unleashed, the biggest brother was no longer there to meet it.

4. *Il est Mort*

In the middle of June, 1836, the city of Frankfurt witnessed an unparalleled assembly. Its greatest family was celebrating its greatest wedding. Lionel Rothschild, Nathan's eldest son, espoused Charlotte Rothschild, Carl's eldest daughter.

From London and from Naples, carriage after carriage thundered into the town, bringing not only parents but also dowries and gifts. From Paris, James arrived in almost imperial pomp, with Rossini among others in his retinue. From Vienna came Salomon in a castlelike coach. Amschel presided, and Gutele, the eighty-five-year-old matriarch (and far from the end of her tether), left her ghetto house to crown the occasion with her presence. It is doubtful that

any emperor or chancellor could have matched the total power congregating here.

Yet even The Family must in turn bow to a superior force. Right into the middle of the celebration it reached, and it plucked the most formidable Rothschild of them all.

It began with a carbuncle on Nathan's skin. On the very day of the wedding the inflammation grew oppressive. Nathan refused all entreaties and insisted on standing beside his son while the rabbi pronounced the nuptial blessing. At the feast the bridegroom saw his father shiver with high fever. He was taken to bed. The next day he became delirious. German doctors were consulted; couriers sped to England for Nathan's personal physician, the famous Benjamin Travers. Travers arrived at last—too late. The poison had spread through Nathan's system.

Towards the end his mind cleared. He called his children around him and dealt with death in all his usual shrewd, powerful confidence. Salomon reported to Metternich:

> He told his sons that the world would now try to make money out of us, so that it behooved them to be all the more careful. And he remarked that whether any son had 50,000 pounds more or less was not important to him. All that mattered was that they should all hold together in unity. . . . As he received the last consolations of our religion he said, "It is not necessary that I should pray so much, for believe me, according to my convictions I have not sinned." To my daughter Betty, as she took leave of him, he said in the truly British manner, "Good night forever."

On the afternoon of July 28, 1836, Nathan Rothschild died, not quite sixty years old. At midnight pigeons were released that flew to Rothschild offices and agents all over

Europe. They carried a brief message:

Il est mort.

Those three words stirred the world. The London *Times* gathered itself up for one of its rare superlatives. "The death of Nathan Mayer Rothschild," an editorial said, "is one of the most important events for the city and perhaps for Europe in a long time. . . . No operations, comparable to his, have existed in Europe to this time. . . . Mr. Rothschild, like the rest of his brothers, held a patent of nobility with the title of Baron, but he never assumed it and was more justly proud of that name under which he had acquired a distinction which no title could convey. . . ."

London produced a funeral worthy of a royal dying. The body was brought up the Thames by special steamboat. Then it was conveyed, not to his house but—significantly—to his business palace at New Court, where it lay in state. The procession from the Orthodox synagogue to the East End Cemetery blackened the streets. Never had such numbers and such dignities followed a private individual. A group of Jewish orphans whose institution the dead man had subsidized led the cortege, chanting psalms. Behind the coffin walked his sons and brothers (strict Jewish ritual bade the women remain behind in the darkened house), the top echelons of the City, the Lord Mayor of London and sheriffs, a large contingent of the nobility, and the ambassadors of Austria, Prussia, Russia, Naples and virtually every other accredited power.

And yet his tombstone says nothing of his wealth, his honors or his titles. It reads: "Nathan Mayer Rothschild: born at Frankfurt on the Main 7th September 5537 [the Jewish year for A.D. 1777] third son of Mayer Amschel Rothschild, a man known and venerated throughout Europe, whose virtuous example he followed."

In life as in death, this greatest single Rothschild was only a fragment of The Family. In life as in death, he remained an instrument of the dynastic principle laid down by his father, the patriarch. As in old Mayer's last will, so in his own, Nathan charged his sons to remain partners and to preserve at all costs and by every means the unity of the house. As in Mayer's last will, so here the sons were sole inheritors of the firm; the daughters and their husbands would have no part or say whatsoever in their brothers' affairs. (The four girls did receive, in addition to the dowries and huge sums given to them during Nathan's lifetime, a lump sum of 100,000 pounds—over a million dollars—each.)

Like Mayer's will, so Nathan's pointedly avoided any concrete mention of his endless assets. Not only the continuity but the privacy of the fortune must be maintained.

"I would request," said Nathan's last document, "that the executors of the Will as well as any relations in Frankfurt or London unnamed, confine their efforts simply and solely to the due execution of this my Testament and, since it does not pertain to their office at all, not to ask for any further information, or for the production of any books or accounts."

In a letter, Salomon reported how Nathan's sons had pledged to keep the example of solidarity and mutual affection which their father and uncles had set. ". . . there will be no change of any kind."

Inevitably, there was some. The clan closed ranks even more tightly as it moved toward its goals; only the goals grew a little different. For the first four decades of the nineteenth century the Rothschilds had been great conquerors. Afterwards, and into our time, they became great lords. Three of Nathan's brothers belonged to the older school. They were better at swooping than at possessing or

savoring. James, the fourth and youngest brother—only ten years older than his eldest nephew—combined both phases and was conqueror and lord in one. Tacitly, but not accidentally, Family leadership now fell to him.

As it happened, shortly before Nathan's death James had built himself a palace befitting the doge of the golden clan. On March 1, 1836, Heine wrote:

> For the beau monde of Paris, yesterday was a remarkable day; we had the first performance of Meyerbeer's long-awaited "Huguenots" at the Opera, followed by Rothschild's first ball in his new house. As I did not leave until four o'clock this morning, and have not been asleep yet, I am too tired to give you an account of the scene of this festival, and of the magnificent new palace built entirely in the style of the Renaissance in which the guests wander, expressing their admiration and astonishment. The palace unites everything which the spirit of the sixteenth century could conceive and the money of the nineteenth century could pay for. Two years have been spent in constant work on its decorations. It is the Versailles of the financial absolute monarch. . . . As at all Rothschild receptions, the guests were chosen strictly for their social rank, the men distinguished for their great aristocratic names or positions, while the women were distinguished for their beauty and elegance. . . .

If amid all this select splendor the Baron ever forgot his Jew Street scrabblings, the world was there to remind him. The rough, rabid urgencies that had shaped his rise remained—in other men. From James's own realm, forces emerged which proved that even for Rothschilds life was not a ball but a jungle.

5. *The Grandest Larceny Ever*

A saying claims that great champions breed great contenders. James, improving the wisdom, didn't stop at breeding them; he employed them. The French founder, as Heine remarked, had a rare gift for taking a lease on the talents of other people. But like other first-rate users of people, Rothschild failed to recognize that the human means he hired were, as far as they were concerned, ends in themselves; that a man's ability is more easily put on the payroll than his ego—that, in fact, ego may subvert ability, to result not in talented loyalty but in accomplished revolt. Within a decade James found himself ambushed by two topnotch mutineers.

The first posed the lesser threat, but he struck the lower blow. Among James's protégés a slender young man named Carpentier ranked high. He had a lightning mind for figures and a pleasant, humorous, yet efficient manner which earned him the chief-accountancy of the Chemin de Fer du Nord. Soon he managed to become part of the Baron's personal entourage, or at least the lower fringes thereof. James took the bright youngster along on some of his travels and even invited him to the less exclusive receptions at the Palais Rothschild. In front of ledgers, across the table, during a dull journey, in fact everywhere, Carpentier performed well and looked lively. He could write a balance sheet or crack a joke with equal finesse.

One afternoon in September, 1856, he applied for a four days' leave. James granted it readily. The two had an agreeable chat which has come down to us because the occasion became historic all too soon.

In an expansive mood James remarked that he had just succeeded in clearing the rights for an additional branch

line to his railway. When the news became public on the following day, he said, everybody would no doubt assume that Rothschild was now another hundred million richer.

"Monsieur le Baron, a proposal," said Carpentier with his special blend of respectfulness and banter. "Of that mythical hundred million, let me have just thirty real ones."

The Baron laughed, and on the pleasant impulse of the moment gave Carpentier his heavy golden watch chain as a memento of the day. The young man thanked him profusely and went on his leave.

He did not return. At first his absence was not taken too seriously. Then pay day came. Company employees queued up for their wages—and Carpentier had the keys to the safes. The executive in charge sent a messenger to the chief accountant's lodgings. The messenger reported that they were empty. A swift inquiry at Carpentier's brother's brought out that he, too, was puzzled by the sudden disappearance—and by something else. In the mail the brother had received the baronial watch chain, as though it were Carpentier's farewell present.

Now the Baron was notified. He alone had a duplicate set of safe keys. James arrived. With grim foreknowledge he opened the strong boxes. Gone were the entire cash assets of the company, some six million francs.

The Baron, his aides said later, turned pale. But his sangfroid did not leave him for one second. He turned around, issued a two-sentence public statement that a robbery had occurred, then placed a complete embargo on all further details to the press.

The details had only just begun. James ordered a roll-call, and found that five other members of the bookkeeping staff seemed to be missing, too. So were a great many documents. The Baron sensed that this was a conspiracy too big for even six million francs. It took days of concentrated

searching to track down all its aspects. Carpentier had been a flawless embezzler. But finally James discovered that his protégé had made the major killing in stock certificates, his own favorite medium. Except that Carpentier's approach was a little different: he didn't bull or bear; he stole.

The company's shares were kept in bundles of a thousand each. Carpentier & Accomplices had removed two to three hundred shares from the middle of each packet, leaving the top and bottom politely undisturbed. After the dainty despoilment of all bundles, the gang sold the stocks in small quantities over a long period of time. This, in the best Rothschild fashion, avoided attention or price fluctuation.

The stock-certificate aspect of the larceny amounted to some twenty-five million francs. If we add the cash booty of six million, we arrive at more than the thirty million Carpentier had asked—not so jocularly, after all—of James. The pleasant young man towered over the greatest robbers of his time. His total haul came to over fifteen million dollars.

James struck back in the only way he could. An unlimited credit was opened for the private detectives who joined the national police forces in the big hunt. But Carpentier had prepared his flight as scrupulously as his crime. A whole year before he struck, he had already started investing in it—with the company's money, of course. The gang had bought an ocean-going steamer for two million francs. Next, under assumed names they had obtained a house somewhere in the United States. When the time came, in September, 1856, Carpentier applied for his four-day leave. He lifted the cash and traveled from Paris to Liverpool. There the get-away ship waited in the harbor. His accomplices had the engines running. His mistress, a certain Mlle. Georgette, waited, smiling, on

the gangplank. And so he recedes out of our ken in his own luxurious stateroom, champagne on his lips, Georgette on his lap—uncaught.

James personally absorbed the entire loss. No other man in the country could have survived the sudden disappearance of thirty million francs without even beginning to strain his reserves. For the Baron, the timing of the blow seemed more harmful than its size. The House of Rothschild just then was locked in a desperate struggle with the second ingrate. For the first time since its rise, The Family had to stoop to a fight for life.

6. *Monsters' Duel*

Antagonist number two was far more ambitious and dangerous than Carpentier. But at first he was also far more useful. Jacob Emile Pereire, a Jew of Portuguese origin, began his career as a journalist collaborating with his brother Isaac. In the early 1830's he poured out articles on advanced social ideas, on new engineering fields like railroads, and on financial matters. Beau James's first railroad project was running into heavy reactionary weather. He bought up every prorailroad force in sight, including M. Pereire, that fountainhead of progressive energies. The man proved himself powerfully competent during the building of the Paris–St. Germain line.

When James went on to lay a track between Paris and Versailles, he put his find in charge of the entire construction. This line, running along the right bank of the Seine, was also successful. But, alas, it no longer had a monopoly on cattle scaring. Achille Fould, another big financial gun, built his own railway to Versailles on the *left* bank. As a

result, Heine began to speak of Rothschild as the Chief Rabbi of Rive Droite, and of M. Fould as Chief Rabbi of Rive Gauche. The rivalry between the two financiers created irreverent thoughts in another mind as well. Emile Pereire, who was now acting as James's proconsul in the creation of the gigantic Northern Railway, always found time to cast glances across the Seine.

There was much to look at in that direction, especially if you had your eyes on the main chance. The 1830's had gone. The 1840's were waning, and so was King Louis Philippe, whom Rothschild owned. Louis Napoleon was waxing, and after the old king's flight he became President in 1848. Rothschild didn't own Napoleon. Achille Fould did. James's rival had lent the new ruler money during his adventuring and playboying years; now Fould was Napoleon's closest financial adviser. On October 31, 1849, the President appointed M. Fould finance minister of the Republic.

Not much later, Louis Napoleon, James Rothschild and Emile Pereire sat in a flower-wreathed steamcoach. The occasion was the opening of the Northern Railway extension line to St. Quentin. "Vive l'Empereur!" shouted the people, anticipating the coronation of the President, which was indeed soon to come. "Vive Rothschild!" they cried, hailing the enlargement of the financier's empire. And yet, as everyone remarked, only Napoleon and Pereire smiled. James remained grave. By then he knew that his chief executive, beaming so sweetly at the populace, was filled with treason. Pereire had deserted to the enemy.

To be more exact, he was about to become *the* enemy—the most vicious, the most determined, the most powerful one The Family would have to face until Hitler's advent. Pereire was no glorified pickpocket, like Carpentier. Nor did he simply switch from a master called Rothschild to a

master called Fould. He became a full-fledged partner of Fould's, and soon more than that. The two founded a huge new company, whose specific aim was the slaying of the so-far indestructible giant Rothschild.

Fould supplied his wealth and his status as finance minister. Pereire, assisted by his brother, furnished the fury that drove the thing. He was a veritable whirlwind of schemes and angles that used everything in his experience, from the progressive politicking of his early journalism to the high-powered gimmicks he had learned under James.

His main idea was a marvelous synthesis of socialist sentiment and financial piracy. Why, Fould's propaganda asked, should the credit of the nation be the playground of just a few? Why not democratize it? Didn't a butcher have as good a right to loan a thousand francs to the fatherland as Rothschild with his thousand million? Why not create a people's bank, gathering a myriad tiny trickles into a huge reservoir which would use its power in the common interest and not in favor of one bloated individual?

On December 2, 1852, Louis Napoleon became Emperor. Almost at the same time Pereire's people's bank electrified the national scene. Called Crédit Mobilier, it issued 120,000 shares at five hundred francs each, so that not only the butcher but even his thrifty delivery boy could become a financier. That was the democratic feature of the enterprise. For aristocratic decoration, the names of the Princess von Leuchtenberg and the Duke of Galliera embellished the founders' list. Because of his official position, Finance Minister Fould could not participate in name, but he backed the issue fully. And Pereire sat at the controls. He had created France's most politically lovable profit institution.

The value of a Crédit Mobilier share stayed at 500 francs for only half an hour. At the end of the first day it

was quoted at 1,100. Within a week it rose to 1,600. There had been nothing as sensational on the Paris money horizon since the advent of James Rothschild himself. The nation showered its savings on the new bank, and Napoleon III his patronage.

Beau James became Quick James. He appeared in Vienna, where brother Salomon rushed him into an audience with Francis Joseph. The Austrian monarch gave James, his consul general in Paris, a very pleasant courtesy message to Louis Napoleon. It was conveyed, together with the implication that, in contrast to Pereire, Rothschild was a Continental power of the first order; a house through which flowed the good will of the greatest *legitimate* sovereigns; and that this had better be kept in mind by anyone setting himself up as authentic Emperor.

The hint, while pointed, did not have any real effect. More and more of the state's financial business went to the Crédit Mobilier. Meanwhile the Baron had been trying another maneuver, by way of his salon. The drawing rooms of Paris became a theater of war.

A young Andalusian woman named Eugénie de Montijo began to be a frequent guest at James's and Betty's best parties. At first nobody quite understood why. True, she was beautiful. And society gossip knew that Napoleon had tried, unsuccessfully, to invade her bed. But her antecedents were mixed. Her mother, loser in a Madrid palace intrigue, had been forced to resign as lady-in-waiting to the Spanish queen. Eugénie herself had arrived in Paris only in 1850, with few important social credentials. Why, then, did the Baron insist on making her the belle of his receptions?

The answer began to emerge on December 31, 1852. At a secret cabinet council Napoleon III confided his intention of marrying Eugénie de Montijo. He complained of

being treated like a parvenu emperor—the great *legitimate* houses prevented him from bringing home a princess worthy of his eminence.

"If I can't contract a political marriage," he said, "I shall at any rate have the comfort of being able to contract a *mariage d'inclination.*"

A number of French ministers considered this pronouncement only a maneuver against the foreign diplomats who had thwarted Napoleon's dynastic wedding plans. This Eugénie What's-Her-Name, this upstart hussy, to be empress? How *ridicule!* And how typical that Rothschild, the upstart of upstarts, should be her sponsor! No, Tout-Paris thought it was a decoy. Why else did his Majesty refrain so carefully from any public display of his so-called intentions?

An anti-Eugénie movement crystallized among the older upper crust. Pereire abetted and financed it. James led the pro-Eugénie forces. The war between Rothschild and the Crédit Mobilier now had a front line running through the finest Empire furniture and the lushest carpets of France. At the Tuileries Ball on January 12, 1853, battle was joined.

Scene: the marshal's room, which only the most privileged were allowed to enter. As usual, Baron James escorted Mlle de Montijo, while her mother leaned on the arm of one of his sons. The younger Rothschild thought he could find room for the two ladies on some settees. Whereupon Eugénie and the wife of an "enemy" minister headed for the same upholstery.

To the tune of a waltz, brief intense hostilities commenced. Eugénie, a tiny bit faster, was gathering up her skirts to sit down when Mme. la Ministre announced, loudly and curtly, that these settees were reserved for ministerial families only. The Spanish lady stood painfully

suspended while the ministerial matron took her seat. Even the Rothschilds shifted, pale, from one leg to another.

And then something historic came to pass. The skirmish had been observed from the corner of an imperial eye. Napoleon suddenly interrupted the small reception of which he was the object twenty yards away. In a spectacular breach of protocol he hurried to the embattled settee, offered Eugénie and her mother his arms, and led them to the taborets meant exclusively for the All-Highest family. The waltz kept on playing, but a hush fell over the ball. When the talk resumed a moment later, the whole world knew who had won the palace war.

Eleven days afterwards, the Emperor in a message to the people of France declared that in Eugénie he had "chosen the woman I love and honor."

For once a Rothschild victory was Pyrrhic. James thought he had countered the Crédit Mobilier's fury at the bourse with an attack through the imperial boudoir. But though January 30 marked the Emperor's formal engagement to Eugénie, the ceremony brought an entirely unexpected humiliation for Baron James.

Again the masterful chicanery of the enemy was at work. Pereire had kept his eyes not only on the stock market but on the subtlest nuances of the Paris *haute volée*. For a while now he had watched, and nurtured, a small drama enacted between James Rothschild and Graf Hübner, the new Austrian envoy to France. Hübner did not possess the means of his predecessor. James, still Austria's consul general in Paris, lived on a far more ambassadorial scale than any ambassador. Hübner made futile attempts to treat Rothschild as his subordinate. James sniffed—audibly—that an ambassadorship was meant for a grand seigneur, not a puffed-up little man. This set Hübner seething, and Pereire encouraged him to seethe

effectively. When Napoleon's betrothal celebration at Notre Dame was planned, Baron Rothschild naturally figured in the guest list. His invitation was sent in care of the Austrian Embassy. It was not forwarded. Every dignitary in France, including the entire diplomatic corps, appeared at the ceremony, with the blatant exception of Baron James de Rothschild.

Pereire's work was lightning-swift, using one triumph as a steppingstone for another. He already came close to being the financial czar of France. From the Rhine to the Pyrenees he swept everything before him. Yet he well knew the difference between thwarting James and destroying him. Rothschild was a titan straddling five countries. If he was to be annihilated, he would have to be annihilated internationally.

James's failure at Notre Dame did have some international echoes. The ambassadors, ministers and consuls assembled in the cathedral could observe an ugly gap in the hitherto unfailing armor of the house. Pereire considered this a good climate in which to make his first move beyond the border.

And so that very January of 1853, the Crédit Mobilier, barely two months old, wound a tentacle around The Family's Italian fief. The rising Kingdom of Sardinia had concluded one loan with James and was about to contract a second. Pereire distributed some insidiously phrased hints about the clan's decline (*vide* the debacle at Notre Dame). His Crédit Mobilier made a subterranean offer. Possibly he could have clinched the deal—if Fould, in a personal encounter with James, had not boasted of a great Mediterranean coup about to break.

James instantly smelled the correct rat and dispatched his son Alphonse to Italy. The fight for the loan now went on in broad daylight. Young Alphonse Rothschild won it,

at a great cost. "You will appreciate," wrote the Sardinian minister Cavour to a friend, "that this competition has been worth some millions to us."

But Sardinia was just a minor prize. All the Italian states together, as a matter of fact, were chicken feed compared to the stakes for which Pereire and Rothschild were now jockeying. The next assault of the Crédit Mobilier focused on nothing less than the Austrian Empire itself.

Again Pereire's timing was ferociously precise. With Metternich's downfall in 1848, The Family had lost its most powerful advocate. Salomon was entering his seventy-ninth year; his grip grew uncertain. Queasy about returning to Vienna, he governed the bank by remote control from Frankfurt and Paris. And because of a new affront, the Austrian ambassador in Paris had reached a serviceable boiling point regarding the Rothschilds.

James still lacked real influence at court, but he had a kind of voluptuous complaint box affixed to the Emperor in the form of Eugénie. Through her, Baron Rothschild stated his grief about the treachery at Notre Dame. In the course of the next court ball, held on March 3, his Majesty went up to James and expressed regret at not having seen the Baron during the betrothal. Napoleon engaged him in warm conversation, all the while ignoring, and thus publicly mortifying, his Excellency, Graf Hübner. Which was exactly grist for Pereire's mill. He knew that the Ambassador, who had more genealogy than money, disliked credit virtuosos like himself. Until now their association had been limited to isolated anti-Rothschild forays. But after this new outrage, the Ambassador was ready for bigger things. Why not form a really important alliance to demolish those archbankers of all time, the Rothschilds?

Pereire and Hübner had a long talk. Both came away edified. Pereire learned what he had vaguely suspected: a

huge railroad opportunity was brewing in Vienna. Austria now had an extensive network of tracks, all of which were state-owned except for Salomon Rothschild's line in the north and the Sina road in the south. But the government was again in financial trouble, and one solution lay in the sale of its railroads. The buyer of such assets might well come to dominate transportation and possibly all commerce in Central Europe. Hübner also learned something. Pereire's Crédit Mobilier wanted to help the Sina group purchase the Austrian railways.

A great many negotiations began to sneak and simmer between Pereire in Paris and Sina in Vienna. Conscious of the threat, the Rothschilds tried to counter with purchase offers of their own. They protested that it was they, after all, who had made the first Austrian steam track possible. They argued in a void. Their Metternich had returned to Vienna but not to power, and he was no longer allowed to operate the All-Highest signing machine. The Pereire-Hübner-Sina team forged ahead smoothly. Guided by Ambassador Hübner, a key representative of the Sina interests began to work in the French capital so secretly that not even James knew of his presence, so efficiently that even the imperial family was drawn into the Pereire-Sina net. On the board of the organization which made the railway bid there now appeared not only the two Pereires, Fould and Sina—but also the Duke of Morny, Napoleon's half-brother.

On New Year's Day, 1855, Pereire struck. His outfit bought a great chunk of the Austrian State Railways for a huge but comparatively advantageous price. The Crédit Mobilier, which supplied the money, had won a most powerful stronghold in Austria.

Pereire did not waste one second before trying to convert stronghold into stranglehold. He started negotiations for

the two remaining tracks under government control—the Southern Railway, leading from Vienna to Trieste, and the Lombard-Venetian line. At the stock exchange he loosed a series of destructive maneuvers against the Rothschild rail company. His agents separately bought quantities of the enemy stock, then unloaded them together, in a concentrated action to depress the price. Actually it added up to an old trick of The Family's. But now all the cunning and ferocity seemed to be on the anti-Family side.

The black year of 1855 found the Rothschilds as fragile as ordinary human beings, and just as mortal. During that crucial twelve months, three of the four remaining brothers followed Nathan into the grave. Carl of Naples died; then Salomon, head of the beleaguered house in Vienna, and Amschel in Frankfurt. The brothers who had worked and fought together now died almost as one. The cantors wailed burial rites, the women hooded mirrors, during the very months when the *mishpoche*'s strongest foe stalked them in board room and bourse.

Only James, the Parisian, was left—James, and a phalanx of heirs. The year 1855 constitutes a number both funereal and evergreen in The Family's history. It proved what the world had nearly forgotten: that brilliance was the smaller part of Rothschild power; that their greatest talent was (and therefore *is*) iron continuity; and that the dread weapon used by patriarch Mayer would also be handed down to the brothers, to become most potent after their deaths—the weapon called sons.

Pereire was a great expert on, and copyist of, the Rothschild arsenal. But he had forgotten the sons. In particular he had overlooked Anselm, Salomon's boy. Almost by way of camouflage, Anselm presented no very striking figure. By the time he assumed the reins of the Vienna house, he was past fifty. For decades he had led the life of

a financial Prince of Wales, with a playboy's escapades in Vienna, Paris, Copenhagen and Berlin, and finally Frankfurt where he had his old orthodox Uncle Amschel for a duenna and the dignity of the Austrian consulship to keep him off the streets at night. What threat could he be to Pereire in full career?

Pereire's Crédit Mobilier now ruled as the financial arm of the French Empire, in the 1850's the first power on the Continent. He had stalemated James, had grabbed the concession for building Russia's railways, had captured most of the Austrian ones and would probably conquer all of them. To cap it all, Pereire was about to launch his own bank in Vienna, based on the triumphant example of the Crédit Mobilier.

Or was he?

Here he received his first shock. When the project reached the pertinent Habsburg ministers, they revealed that an Austrian company of that kind was already being called into existence. It, too, was a "people's bank." It, too, boasted a princely array of names, such as Fürstenberg, Schwarzenberg and Auersperg. It had even had the nerve to borrow the very name of the Crédit Mobilier: it was called the Creditanstalt. And it was organized, led, and primarily financed by—Anselm von Rothschild.

Overnight the spoiled princeling emerged a beast of prey, as shrewd, as swift and hard as any of his forefathers. His company issued no less than a half million shares (compared with Pereire's 120,000). And though the Creditanstalt throve as mightily on the bourse as the Mobilier, it was managed more sharply and yet more circumspectly. It would never, like its rival, hang on the tender mercies of the speculators.

But for the moment Pereire was less concerned with stocks than with rails. Suddenly, Rothschild triggered a

counteroffensive in this department too. And "Rothschild" did not mean just Anselm. Lionel had succeeded Nathan in London; Alphonse, James's eldest, was coming to the fore in France. The three cousins constituted the same indivisible crew the five brothers had once been; all three had a hand in the Creditanstalt. Early in 1856 the new trinity made so stunning an offer to the Habsburg government that the finance minister could not turn them down. In return for a hundred million lire (almost fifty million dollars), they received, lock, stock and barrel, Austria's Lombard-Venetian railway tracks.

With one stroke they had outpaced Pereire's gains. At the same time their men began to attack the Crédit Mobilier in all the principal bourses of Europe. While Pereire was kept busy countering dagger thrusts at the stock exchange, the three abruptly came down on him with yet another horde of locomotives: Anselm, Lionel and Alphonse bought the concession for the Austrian Southern Railway and united it with their Venetian-Lombard lines into one formidable system.

Pereire had not yet reached the end of his tether. The Crédit Mobilier could still command large reserves of money. In international credit operations it kept undercutting The Family. During 1859 the Rothschilds were on the verge of a loan to Sardinia, but the Crédit Mobilier smothered the negotiations with its offers and campaigns. The Sardinian prime minister, Cavour, made a famous statement: "If after divorcing the Rothschilds we marry Messrs. Pereire, I think we shall get on very well together." As it turned out, the loan was floated by the Sardinians themselves. The Crédit Mobilier had foiled the Rothschilds in Italy.

But Pereire was running out of ammunition. Those damnable Rothschild sons spearheaded a dozen varieties of

assault against him. They kept their big guns booming on the financial and industrial fronts. They also sniped in the diplomatic field. Anselm developed into an insidious puller of Habsburg wires; in 1859 Hübner was replaced as Austrian ambassador in Paris by Prince Richard Metternich, son of The Family's great friend.

The Crédit Mobilier had to fall back from its Austrian and Italian outposts to France alone. Even here the Rothschilds presecuted Pereire without let-up. They pushed him onto slippery ground by a diabolic tactic: on sound investments they leveled a murderous competition of low bids; but when it came to more dubious loans, The Family, after whetting the rival's appetite with a show of fight, always contrived to be nosed out. The financing of Maximilian's doomed empire in Mexico was only one such poisonous plum, gently dropped into the enemy's mouth. Pereire choked, cursed, had to swallow it.

By 1860 the Crédit Mobilier was quoted at 800, a sad descent from the peak of 1,600, yet above the price of original issue. To maintain confidence, it paid large dividends, which came out of capital, not from current earnings.

The Rothschilds kept moving in.

In 1861 the harbingers of Pereire's final doom began to run through Paris. Jules Mires, his indirect ally, fell. This highly gifted charlatan (we have met him before) had gone beyond the wholesale blackmail of doctors or railways. Now he was a member of Louis Napoleon's councils and, by his daughter's adroit marriage, father-in-law to Prince de Polignac. He enjoyed a business alliance with the Duke of Morny, Napoleon's half-brother, and through him with the Crédit Mobilier. The Rothschilds decided to pick off Mires first. Paris' yellow press, with which Mires still worked, could not save his tinselly stock holdings when a

billion francs worth of pressure was turned on against him at the exchange. In 1861 the police arrested him for fraud.

The Mires scandal corroded still further the credit health of the French Empire, which had been at a low ebb for years—one might almost say since Baron James had been eased out of the heart of the picture. Napoleon III took a cold look at the money men in his palace. When he had finished looking, Achille Fould, his finance minister and the governmental cornerstone of the Crédit Mobilier, resigned.

A year later Fould regained the ministry. Pereire thought the tide had turned, rushed to his friend and asked for a monopoly on the state credit business. He found that Fould was a friend no more. M. le Ministre seemed very cool and negative and busy. At the same time French government bonds, which had been cutting a sorry picture at the exchange, perked up somewhat through huge anonymous purchases. But France possessed only one force capable of bringing life into so depressed an issue: the Rothschilds.

The Rothschilds helping—that is, conspiring with—Fould? Was it possible? A dozen years ago Pereire had deserted The Family for Fould. Would Fould now desert Pereire for The Family? And could the Emperor, for so long on the Pereire side of the financial front—could he be going over?

He went over indeed, with fanfares, flags and footmen. On February 17, 1862, Napoleon III paid a state visit to Rothschild I, King of the Jews. The spectacle unrolled at Ferrières, James's stupendous new estate.

At the Emperor's entry, the imperial banners were hoisted together with the Family colors on all four towers of the château. Surrounded by a liveried army of lackeys, pedestaled on a thick green-velvet carpet embroidered with

gold bees, old James de Rothschild greeted the monarch. He led his Majesty through Renaissance pavilions hung with Van Dycks, Velasquezes, Giorgiones, Rubenses; studded with treasures gathered around the world.

According to Family custom, all visiting crowned heads were asked to plant a young cedar in the gardens. After doing his duty, Napoleon ate off Sèvres porcelain painted by Boucher, listened to music specially composed for the occasion by maestro Rossini, and then went off to hunt in the immense shoots of the Rothschild park—the total score of the party being 1,231 head of game killed on the grounds in one afternoon. When the guests returned to the château, the choir of the Paris opera vocalized a hunting song while a buffet of rarest delicacies was served. And when the Emperor left at night, his coach rode through an espalier of Rothschild torches lighting up the sky to the very edge of the estate.

The British and Austrian ambassadors participated in the festival; so did the Emperor's ministers of the interior and foreign affairs; and so did Achille Fould, in charge of France's finances.

As for Pereire, he sojourned not at the imperial table, but before a judge. The thousand-franc butchers, for whose sake he had launched his bank, had begun to sue him. The full consequences of the Mexican loan disaster were hitting home. Yet a last resort was still open. Pereire and his brother made a desperate appeal to their former friend and protector, Louis Napoleon.

"I shall do everything," the Emperor said, "to support them, because the Empire is deeply indebted to them; but I cannot afford to impede the course of justice or to come into conflict with it."

This was very frigid comfort. By December, 1866, the shares of the Crédit Mobilier stood at 600. In April, 1867,

the company had to report a loss of eight million francs. The shares dropped to 350. In October they tumbled to the incredible low of 140. The Crédit Mobilier collapsed.

Emile Pereire, the great financial star, sputtered out into obscurity. As ruthless as the clan, and as well-connected, he had not had their endless solvency nor their instinct for distinguishing between finely calculated risk and florid overspeculation. Achille Fould, despite all recantations, had to resign again, irrevocably this time.

As for Napoleon III— Another Tuileries Ball came along, late in the 1860's. "Entendez vous," said James while the orchestra played still another fateful waltz, "pas de paix, pas d'Empire" (No peace, no Empire).

It became a famous prophecy. James died in 1868 at seventy-six, too soon to see it come true. Two years later Louis Napoleon launched his disastrous war against Prussia. The Germans captured him at Sedan. The French deposed him in Paris. Ironically enough, he was held prisoner of war in Wilhelmshöhe, the very castle which had catapulted Mayer and sons into their enduring power.

Throughout all upheavals, the peacocks, Giorgiones and royal cedars went on multiplying at Ferrières, the Rothschild château. The Third Empire was just one phase in the progress of The Family.

VII

THE MISHPOCHE JUNIOR

1. *Inside Society*

(a) *Anselm*

THE long-drawn-out vendetta with the Crédit Mobilier obscured another important Family development. Most Rothschilds were getting to be truly at home in palaces. The founders had been, as founders often are, pirates. The founders' sons could, if provoked, let loose some lethal swordplay. But that was a faculty incidental to the fact of being a gentleman. Each Rothschild generation pursued its vocation uncompromisingly. The *Mishpoche* Junior and the *Mishpoche* III gained ultimate chic with the same élan that had gained the dynasts ultimate wealth.

In Austria, where society was most difficult for Jews, the social breakthrough was most significant. Salomon's son Anselm began his reign over the local branch in 1855, not long after Francis Joseph started his over the Habsburg realm. The young Emperor—a strong, aloof person-

ality—was nobody's signing machine. His Majesty brooked no absolute chancellor like Metternich and certainly no absolute banker like old Salomon Rothschild.

Anselm's office, therefore, could no longer use all the bellpulls which had once set off such effective ringing in the Kaiser's Hofburg. But Anselm devised his own forms of power—less direct, more velvety, and as useful in the end. His father had been a court Jew. *He* was a courtly Jew. When Francis Joseph returned after a long journey, Anselm made a gracious gesture, almost, one might say, from one great nobleman to another.

"My dear minister," he wrote to the minister of the interior, ". . . our hearts go out to meet the Father of our country. As some satisfaction to my feelings, I would like to make a small contribution to ease the sufferings of the needy in Vienna, to the amount of the enclosed five thousand florins . . . of which you will make such use as may seem best to you."

We note a significant difference of tone between father Salomon's febrile servilities and this rather elegantly tossed-off largesse. Old Salomon, despite all his colossal wealth and power, had to intrigue for his Viennese citizenship. Anselm, wealthier still, was inscribed in the golden book of the capital and in 1861 became a member of the Imperial House of Lords. He had a perfect, pungent command of the ghetto tongue, but his natural language was Schönbrunner Deutsch—the soft, musical drawl native to Austrian nobility, and by far the silkiest form of spoken German.

Anselm's residences, like his charities, were overwhelming; his vengefulness, on at least one occasion, fragrantly awesome. A casino club near Vienna blackballed him for the usual anti-Semitic reason. By way of reply, Anselm bought a modern sewage-disposal unit for the adjoining

village and installed it within sight and smell of the overly impeccable casino. He was quickly sent a membership card. Sanitary construction went right on, however. And the card came back by return mail, scented with the most expensive perfume.

(b) *Lionel and Brothers*

The most vivid and varied conquest of Vanity Fair took place in England. It was not an instant affair. Nathan had died so suddenly, and comparatively so early in the clan's total rise, that the London heirs had to reconfirm their business eminence before essaying society.

Lionel, as the eldest of Nathan's three sons, assumed his father's place in New Court. But the stock exchange saw his agents rather than young Rothschild in the flesh. The "Rothschild pillar" remained untenanted. Rivals took optimistic note of this and of the fact that, like most upper-class Englishmen, Lionel indulged in a certain amount of education (at the University of Göttingen), in patriotism, and in *noblesse oblige*. Redoubtable Nathan hadn't been handicapped by such distractions. The monster tribe, London division, seemed to be declining into mere virtue. Would it be outpaced by its rivals?

The question soon received conclusive answers. One of Lionel's legacies had been an uncompleted twenty-million-pound government loan reimbursing slave owners in the British dominions after the abolition of slavery. The young man in New Court managed the transaction with the smoothest skill. He was instrumental in raising the eight million pounds with which the British government relieved the Irish famine in 1847. And in 1854 he floated the sixteen million pounds that enabled Great Britain to prose-

cute the Crimean War.

All these operations still had certain political overtones, masterfully modulated by Nathan's successor. The first item underscored the "sensibly liberal" antislavery stand of the House. The Irish deal constituted a form of very illuminated good works, further spotlighted by the fact that Lionel waived his commission. The Crimean loan deliberately broke with the antiwar policy of the House; to fight the Czar's anti-Semitic government, the Rothschilds shed their pacifist scruples.

Other business was done more strictly for the money. Many of the eighteen government loans brought out during Lionel's career—totaling the vertiginous sum of 1,600 million pounds sterling (almost 25,000 million dollars)—were in this category. New Court played a key part in consolidating the *mishpoche*'s control of Europe's mercury mines. It reached down to South Africa, where Cecil Rhodes was beginning to build a kingdom made of diamonds. It financed vast copper and nitrate enterprises overseas.

The new generation began to play down the habit of clawing wealth directly out of the political arena. The trend was toward more purely economic and therefore less exposed endeavors. In the best circles one does not make history by the sweat of one's own brow. One hires the makers. And meanwhile one rides to hounds.

Lionel knew that well. He tempered supremacy with dignity, a nuance New Court had not stressed before. His younger brother Anthony sat smashingly on horseback and was knighted by the Queen. Mayer, the youngest, bred fine horses, cut a figure at the Jockey Club, and became the first Rothschild to win the Derby. The three—patrician banker, baronet, and sportsman—needed one more elegance to complete the aristocratic gamut. This the fourth

brother, Nathaniel, provided. He was an esthetic invalid, living in Paris. Despite a partial paralysis (the result of a hunting accident) he collected masterpieces, kept a brilliant salon, and, since it pleased him to have his own wine label, bought the renowned Mouton vineyards near Bordeaux.

Each of the three brothers resident in England headed a part in the Victorian pageant. To begin with Lionel, we must begin with Gunnersbury Park. In 1835, shortly before his death, Nathan Rothschild had bought the domain as a suburban pleasance. Once Princess Amelia, daughter of George II, had lived there. But the estate did not come into its own until Lionel inherited it and, in the course of years, decked it with such splendors as were unknown in England outside her Majesty's own grounds.

Gunnersbury encompassed, besides the obligatory lakes and swans, a resplendent Italian villa, exquisitely illuminated walks, huge flowerbeds landscaped in the form of baskets and rimmed with heliotropes, climbing rose trees, pergolas and latticed benches. It had an enormous Japanese garden, complete with giant cane, rivulets, stone bridges, palms and temples. "Marvelous," said the Mikado's ambassador on his first visit. "We have nothing like it in Japan."

Lionel's parties were worthy of such backdrops. "The banquet," Disraeli wrote of one, "could not be surpassed in splendor or recherche even at Windsor or Buckingham Palace."

A *fête champêtre* held in July, 1845, in honor of the Duke and Duchess of Cambridge and the Duchess of Gloucester became the social event of the season. Dukes royal and nonroyal, princes, diplomats and the sachems of the City, as well as five hundred other selected guests, sat down to dinner in tents laid out in the huge parks; strolled under the lights of thousands of multicolored

lamps; listened to virtuosos, prima donnas and artistes proffering the best music from five capitals.

After the Revolution of 1848, the most rarefied French aristocracy—such as the Duchess of Orleans, the Duke of Chartres and the Comte de Paris—would sweeten their exile here. (Everything and nothing changes. Five months previous to this writing, the present Comtesse de Paris attended a great garden fete given by Baroness Edouard de Rothschild.) Cardinal Wiseman readily accepted an invitation by way of protesting, it was rumored, the law in the Papal States that still confined Jews to the ghetto. The Cardinal, innocently enough, created the one crass outburst of religious prejudice in this Jewish palace: a Protestant refused to share the table with his Catholic Eminence.

In 1857 Gunnersbury saw the nuptials of Lionel's eldest daughter, Leonora. She had, as one commentator put it, "lovely . . . liquid, almond-shaped eyes, the sweet complexion of a tea-rose," and ranked among classic English beauties of all time, like the Duchess of Manchester, Lady Constance Grosvenor and Mrs. Bulkeley. Her bridegroom was, in Family terms, the one young man in the universe worthy to raise her bridal veil: Alphonse, her cousin and future head of the French house. The band of the First Life Guards serenaded the two at their wedding breakfast. All the great world flocked to the ceremony where, under a *chupah* held by her brothers, Leonora de Rothschild became Baroness Alphonse de Rothschild. The French ambassador lifted his glass and his voice in honor of the bride. One past and one future prime minister of the Empire (Lord John Russell and Benjamin Disraeli) followed with toasts.

"Under this roof," said Dizzy, overdoing things with his usual felicity, "are the heads of the name and family

of Rothschild—a name famous in every capital of Europe and every division of the globe—a family not more regarded for its riches than esteemed for its honor, integrity and public spirit."

Eight years later Lionel married off his other daughter, Evelina, to the one young man in the universe worthy of the prize: Ferdinand de Rothschild, her cousin and son of the head of the Austrian house. Among the fourteen bridesmaids were included such lofty names as Montgomery, Lennox and Beauclerk. The First Lord of the Admiralty proposed the health of the Rothschild family, and Dizzy, toasting the bride, again overdid things with his usual felicity.

Some piquant overtones distinguished this wedding from the first one. Ferdinand's mother, a British Rothschild (Nathan's eldest daughter), was back in England for good. She had left Anselm because the Austrian chief-of-clan kept collecting railroad networks and mistresses with equal zest. The marital rift failed to diminish the dynastic solidarity, as was shown by the presence of the Austrian ambassador and the Austrian branch.

A second example of Family insouciance materialized in an incident much relished by Jews all over England. Benjamin Disraeli, later Lord Beaconsfield, was a baptized Jew. The father of the bride could not help joshing his friend a bit as the cantor was about to pronounce his benedictions.

"Ben," Lionel called out before the great assembly, "there are so many of you Christians present that our *chazan* [Yiddish for cantor] wants to know whether he should just read the prayers or sing them as in the synagogue?"

"Oh, please let them sing it," Dizzy said. "I like to hear old-fashioned tunes."

What made the second wedding most different from the first, however, was its scene: not Gunnersbury Park, but Lionel's new-built town mansion at 148 Piccadilly. It stood next to Apsley House, the Duke of Wellington's residence, and soon rivaled its neighbor in fame. Six stories tall, this Victorian monster had a tidal wave of a white marble staircase; a ballroom as big as the royal yacht; lusciously embroidered satin curtains the size of mainsails; whole coral reefs of salons and drawing rooms glistening with marble, gold and scarlet. Each chair offered, to quote a contemporary wit, gilt-edged security. The furnishings included, among a host of ineffabilities, a silver table service by Garrard weighing nearly ten thousand ounces; and the famous apple-green service of Sèvres china partly painted by le Bel, a counterpart of which The Family gave to the present Queen Elizabeth for her wedding. The top of the mansion commanded a majestic view of Hyde Park and Green Park—and of the Duke of Wellington's iron chair, placed on the roof of *his* house so that he could sit there and watch the troops march by without being himself observed.

At Lionel's house, Disraeli ate what he gladly admitted to be "the best dinner in London." And it was Lionel's hospitality that brought this high-colored genius some of the greatest private and professional moments of his life.

"Mr. Disraeli," said Baroness Lionel one evening, "will you take Mrs. Wyndham Lewis in to dinner?"

"Oh, anything rather than that insufferable woman!" muttered Diz, and did take in Mrs. Lewis, and repeated the sacrifice during subsequent Rothschild soirees, and married her when she became free, and found in her the indispensable support on which to rest a high career.

A memorable climax of that career also began by way of a Rothschild meal. It was eaten, to be precise, on Sun-

day, November 14, 1875. Disraeli, Prime Minister by then, was supping with Lionel at 148 Piccadilly, as was his week-end wont. During the main course the butler approached with the telegram salver. The instant Lionel reached for the slip of paper, an episode unfolded which, for concentrated drama, approaches the Waterloo chapter in The Family's history.

The message was from one of the Baron's Paris informants. Rothschild paused for a moment after he had read it, then summed it up aloud: Egypt's debt-ridden Khedive had offered his Suez Canal shares to the French government but had become impatient with France's terms.

Rothschild and Disraeli looked at each other with the same thought. The Suez Canal was one of the world's great commercial and strategic assets. Britain had long wanted to lay hands on it, without being able to pin the Khedive down to a negotiating position. Apparently he was now in such desperate money straits that he would sell his 177,000 Suez shares to anyone who could pay a big enough price fast enough.

At last the Prime Minister said a two-word sentence: "How much?"

Lionel instantly sent a telegraphic query to Paris. The meat grew cold, but neither guest nor host had much of an appetite. Dessert came and went untouched, though Lionel was ordinarily a great lover of sweet fruit. By the time the brandy arrived, the telegram salver made another appearance. The answer was: one hundred million francs, or four million pounds, or forty-four million current American dollars.

"We will take them," said the Prime Minister.

"Ah . . ." said Baron Lionel. For him the suspense was over, though for the world it was about to begin.

At Downing Street the following Monday morning,

Rothschild's information was confirmed by other sources. Both the Prime Minister and his aides agreed that England must strike while the iron was hot. She had to realize her chance before other countries learned of its existence. Speed was as essential as secrecy. Parliament happened to be in recess and therefore could not appropriate the sum. Nor could Disraeli rush off to the Bank of England; a law forbade it to loan money to the government while the House of Commons was not in session. In any case, the Old Lady of Threadneedle Street could not have gathered so many millions so quickly without upsetting the money market. As for the joint-stock banks, their chairmen were empowered to dispose of such a giant amount only after a laborious summoning of the board of directors.

"We have scarcely time to breathe!" Disraeli exclaimed in a note to Queen Victoria.

All this, of course, added up to one inevitability, already implicit in Baron Lionel's "Ah . . ." Disraeli called his ministers together, received their authorization, then stuck his head outside the Cabinet chamber to speak a single prearranged word: "Yes." His secretary leaped into a waiting coach, to be ushered shortly afterward into the Partners' Room at New Court.

There, at the very desk where Edmund de Rothschild sits today, his great-grandfather Lionel reclined, eating muscatel grapes. He went right on nibbling as he was told that the British government would very much like to have four million pounds sterling by tomorrow, please.

For two seconds Lionel chewed a grape. "I shall give them to you," he said, and daintily spat out the seed.

Within forty-eight hours the London *Times* announced that N. M. Rothschild & Sons had credited to the account of the Khedive the sum of four million pounds, and that all the latter's shares in the Suez Canal Company had

passed into possession of Her Majesty's Government. These, together with a small lot of stocks already under British ownership, gave England a majority voice. Now she controlled the globe's new lifeline.

"It is just settled!" Disraeli wrote on November 24, 1875, in a jubilant letter to the Queen. "You have it, Madam. The French Government has been out-generalled. . . . Four millions sterling! and almost immediately. There was only one firm that could do it—Rothschilds."

In 1935 the holdings acquired at that price figured in the national assets at more than ninety-three million pounds. And the dividends England received, almost from the start, more than matched the low 3 per cent interest charged by Lionel. In 1936–1937 alone the Canal earned England 2,248,437 pounds, a rate of 56½ per cent on the original purchase money.

Disraeli's evening meal, then, included a uniquely nutritious bite. Even before the occasion, though, Dizzy had thanked the clan for this and other entertainments with a bread-and-butter letter such as only he could write. In *Coningsby*, his most successful novel, the "Sidonias" figure prominently as a rich, powerful, admirable, intelligent, and easily identifiable Jewish family. In fact, they contain—and this always constitutes supreme tribute—some elements of the author's own personality.

(c) *Country Squires*

Lionel's house at 148 Piccadilly was not the only Rothschild residence in the neighborhood where a prime minister could get a good dinner. At 143 Piccadilly, Ferdinand Rothschild had his Louis XVI *palais* with an exquisite white ballroom. His sister lived magnificently at 142. At

107 Mayer moved into the pioneer West End mansion that Nathan, the founder, had taken. Nearby, Nathan's middle son, Anthony, maintained a ducal household at Grosvenor Place. Not much more than a diamond's throw away, at Seamore Place and Hamilton Place, Lionel's boys began to erect their great establishments. Before long the region was tagged "Rothschild Row"—a fairy-tale re-creation of Frankfurt's Jew Street.

But a Rothschild Grove also came into being as an enclave in greenest Buckinghamshire. It was started by Mrs. Nathan. Like a good Jewish mother, she thought her boys were overworking themselves in the soot of the city. Consequently, she bought some hunting country in the Vale of Aylesbury. Mayer, the youngest, soon caught the bucolic spirit and hired the same Joseph Paxton who had created Prince Albert's Crystal Palace at the London Exhibition. Paxton built for Mayer an Anglo-Norman supervilla called Mentmore Towers, which he filled with several museums' worth of inlaid furniture, tapestries, vases, carpets and *objets;* surrounded it with gardens, parks, pastures, racing stables and a stud farm; and caused Lady Eastlake to exclaim that "the Medicis were never lodged so in the height of their glory."

Thus Mayer, out of devotion to a worried mother, became not a pale pavement-bound clerk but the huntingest, shootingest, ridingest, merriest baron in England. One of the most hospitable, as well. At Mentmore Towers, Delane, the editor of the London *Times*, would volley brilliant dialectics at the above-quoted Lady Eastlake, a famous bluestocking who would volley right back. Prime Minister Gladstone would moderate, Matthew Arnold make measured interjections, and William Makepeace Thackeray sit by silently and politely, as writers will, and occasionally venture a *mot juste*. One of these was so *juste*

that it entered public domain and became associated with Talleyrand, who is supposed to have delivered it at a *French* Rothschild dinner. But it was Thackeray's utterance, and it occurred during one of Lady Eastlake's tirades on fashion.

"Female dress," said Thackeray, "is often like a winter's day. It begins too late and ends too soon."

Another Rothschild country house filled Thackeray with a more tender inspiration. Mayer's elder brother, Baron Anthony, had developed an estate at Aston Clinton (just outside Aylesbury), as lush and more tasteful than Mayer's. Its long house parties would attract Robert Browning, Lord Tennyson, Gladstone and Disraeli (the two prime ministers who kept succeeding each other), as well as Matthew Arnold and Thackeray. Baron Anthony's little daughters could take a survey course in nineteenth-century English political and literary history by just walking through their father's drawing room.

To return to the tender inspiration. Heine's infatuation with Baroness James de Rothschild in Paris was no stronger than Thackeray's with Baroness Anthony at Aston Clinton. He sketched this touching portrait of her in *Pendennis:*

> I saw a Jewish lady only yesterday with a child at her knee, and from whose face toward the child there shone a sweetness so angelical that it seemed to form a sort of halo round them both. I protest I could have knelt before her too, and adored in her the Divine beneficence.

Being immortalized is delightful, but when you're in your teens getting gifts is nicer still. And what kind of gift does a Rothschild daughter get? Constance, Sir Anthony's older one, had a passion for teaching. Quite natu-

rally, Daddy gave her—a school. Constance was approaching sweet sixteen when, as she wrote in her journal, ". . . my father asked me what I should like to have for a birthday present. I boldly answered 'an infants' school.' My request was granted and I was allowed to lay the first stone of the new building."

All these splendors were outdone in the end by Baron Lionel's rusticities. Since he already had No. 148 and suburban Gunnersbury Park, he took to the country late in life. But when he made his move, it was on a scale behooving Nathan's eldest and his chief heir. As a start he bought Tring Estate in Hertfordshire, adjacent to the Buckinghamshire properties of his kin. Exclusive of furniture and pictures, the deal cost him a neat quarter of a million pounds (three and a half million dollars), for good reason. Over 3,500 acres surrounded Tring Manor, a lovely seventeenth-century mansion. Sir Christopher Wren, the architect of St. Paul's Cathedral, had designed it, and Charles II had presented it to Nell Gwynn. At Tring, the former orange-seller of Drury Lane, latterly risen to be Britain's Madame Pompadour, had sat and danced and drunk in state.

Here Lionel Rothschild now held his country fetes, with the initials N. G. still blazing from cornices and ceilings. It is reported that the new owner was not always pleased with these curlicued grimaces of England's raffish past. Quite addicted to dignity, Lionel had assumed—and had made his brothers assume—the title of Baron which Nathan had so gruffly ignored. He also converted the Teutonic von Rothschild into the more *soigné* French de Rothschild. Old Nathan, as we have seen, had had himself buried without nobiliary adornment, but his son found a way of ennobling him after death. On the tombstone of the founder's wife Lionel put, "Baroness Hannah de

Rothschild, relict of the late Baron Nathan Mayer de Rothschild."

It is quite natural that such a man would gather around his fireplace fewer of the esthetic types often found at his brothers', and more of Disraeli and Gladstone in their official moods, as well as the greatest magnates, financiers and politicians of the age. And yet those Nell Gwynn initials seemed to sow, now and then, Restoration gremlins in the Victorian grandeur. A story has it that at one Tring stag dinner two cabinet ministers sat next to each other, one bald, one blessed with a full though artificial head of hair. While serving, a footman caught his sleeve button in the toupee and saw it drop to the ground. With more speed than discernment, he picked it up at once to replace it —on the wrong pate. The bald Excellency had suddenly become hairy, the hairy Excellency bald, and the entire dinner company a good deal merrier.

In addition to Tring, the Baron acquired great seats at Halton and at Ascott Wing. All these Rothschild settlements shed on Buckinghamshire a great anecdotal renown. Under the Family touch the livestock of the region throve as never before. Venery flowered: Anthony's partridge shoots and the princely stag hunt at Mentmore became proverbial.

Still, one thing bothered the local gentry at first. Weren't those Rothschilds de-Christianizing Buckinghamshire? Would a velvet Judea displace the Anglican arcadia? Our rich infidels soon dispelled this doubt by restoring churches, installing organs, endowing vicarages more opulently than preceding owners had. When the Bishop of Oxford went confirming in the neighboring countryside, he and his entire retinue were put up at Sir Anthony's Aston Clinton.

Yet what would perfect and confirm Rothschild supremacy in the end was *not* their gestures to the majority

faith. In a rather fascinating way, the opposite process turned the trick. An Israelite family clinched pre-eminence in a Christian world by becoming more Jewish than most Jews.

2. *Kings of the Jews*

The same Lionel who had so carefully rebaronized his family branch lost all interest in Anglo-Saxon hauteur when it came to his religion. At the Feast of Tabernacles he personally hammered palm branches onto the very gentile architecture of New Court. Let any rabbi marry in London, and a Rothschild wedding gift arrived, usually by truck. At the Jewish New Year great baskets of flowers and fruit were delivered to synagogues "With the compliments of N. M. Rothschild & Sons." New Court, of course, remained closed on Saturdays and often used Yiddish dialect as a kind of code in its cables. (Once one of Baron Lionel's agents, having gotten wind of an impending truce in a South American war, sent a telegram reading, "Mr. Sholem is expected soon"—*sholem* being Hebrew for peace.) Baroness Lionel edited and collected a volume of Prayers and Meditations.

The Baron himself went much further. We will soon see him fighting a dogged and seemingly hopeless battle for Jewish privilege in Parliament. And having wrested, against all odds, a decisive bit of Jewish emancipation out of the Commons, in 1869 he limped, already half crippled by gout, onto the dais of the new Jewish Synagogue, exclaiming, "We are emancipated, but if our emancipation should damage our faith, it would be a curse instead of a blessing!"

He was only following dynastic precedent. His Viennese Uncle Salomon of the founding generation, for example, was an expert lobbyist who knew exactly how much pressure to apply at what governmental level. But on the point of aiding his coreligionists he became almost irrational with solicitude. On one occasion a fellow Jew named Roquirol had brought a fine flock of Merino sheep to Vienna and had asked Rothschild to help him in their sale. Salomon deemed the matter too urgent for mere livestock jobbers, and instantly dashed off a letter to the Chancellor of the Empire.

"I humbly request your Highness," he wrote to Prince Metternich, "to put in a word for Herr Moses Roquirol when there should be an opportunity for doing so, as there is sure to be in the salons of your Highness, which are the meeting place of brilliance and fashion."

It is a little difficult to visualize the Prince promoting a herd of sheep through a drawing room thronged with brilliance and fashion. But it is not easy, either, to imagine Nathan, a tycoon in full career, suspending his conquest of foreign markets to announce that he would honor no bills drawn on any German city which denied Jews their treaty rights. This is just what N. M. did in 1820. Two decades later James Rothschild was embroiled in his great railway duel with Achille Fould. Yet he even interrupted this fight to campaign against sudden anti-Semitic persecution in Syria.

"M. Fould, the chief rabbi of Rive Gauche," wrote Heine, referring to Fould's Left Bank railway, "delivered with the calm of a sage an excellent speech in the Chamber of Deputies while his coreligionists were being tortured in Syria. We must give the chief rabbi of Rive Droit [Rothschild] credit for showing a nobler spirit in his sympathies for the House of Israel. . . ."

Carl von Rothschild would not conclude a loan to the Pope without badgering his Holiness about the abolition of the Roman ghetto in 1850. In 1853 Austria imposed a new restriction on the Jews that kept them from buying real estate. The law didn't touch privileged exceptions like the Rothschilds, yet The Family instantly formed a coalition on the bourses of Paris and London (with the tacit connivance of the Vienna branch) in order to punish Austrian credit. James, in person, tore into the Austrian embassy with such ferociousness that the ambassador (then the not particularly Jew-loving Graf Hübner) advised Vienna "to soothe the children of Israel."

"He is, in a word, beside himself," the ambassador reported of James.

That same year Bismarck, still a Prussian career diplomat in Frankfurt, reported on the same subject to Berlin. "The efforts . . . which Austria made . . . to secure the emancipation of the Jews seems attributable to the Rothschilds. . . . The attitude a government brings to bear upon the Jewish problem . . . profoundly affects the house. . . . There are occasions when other than purely business considerations determine the policy of this family. . . ."

Bismarck did not realize how right he was. Soon after his memorandum, Berlin decided to honor Mayer Carl Rothschild, Amschel's nephew and his successor-elect as head of the Frankfurt house. The Prussian king appointed Mayer Court Banker and awarded him the Order of the Red Eagle, Third Class. It was, however, a Jewish Red Eagle. The normal form of the medal, a cross, had been redesigned especially for Baron Mayer into an oval badge. Evidently Prussia did not think a Jew fit to wear a cruciform emblem, even if it was of honorific and not religious significance.

The Baron hinted his feelings to Bismarck: wasn't it strange to honor a man and at the same time to discriminate against him? The thought did not get through to Berlin. In 1857 the Prussian government imposed on Mayer another segregated Red Eagle, this time of the Second Class, in the form of a second oval. It was like being awarded the Order of the Yellow Star. Obviously Berlin considered Rothschild a very important but not particularly equal person.

Now the Baron's feeling about those ovals was made plain. Pointedly he acted as if he didn't have them. He found flagrantly bad excuses to escape occasions when he would have to wear them and made rather free with his irritation.

At last Berlin woke up. The Prince of Prussia ordered Bismarck, who had other things to do, to compile a detailed report on Baron Rothschild's behavior with his individualized medals.

Bismarck's answer read in part:

> In accordance with the Royal Command of the 27th instant, I have the honor dutifully to inform you that I have not seen Court Banker Mayer Carl von Rothschild wearing such a decoration, since he does not go to big functions, and when he does wear orders, prefers to wear the Greek Order of the Redeemer or the Spanish Order of Isabella the Catholic. On the occasion of the official reception which I myself gave . . . which he would have to attend in uniform, he excused himself on the ground of ill health, it being painful to him to wear the Red Eagle decoration for non-Christians, as he would have to do on that occasion. I draw similar inference from the fact that whenever he comes to dine with me, he merely wears the ribbon of the Order in his buttonhole. . . .

Prussia never desegregated its Red Eagles, and the Rothschilds never forgave—a fact which may have played a part later on, when the Kaiser asked them in vain to establish a Berlin branch of The Family. Nor did they stop expressing and defending their faith in ways Jewry had not known since the Book of Kings.

Ferrières, the French Family's great country palace, featured a private synagogue. The principal Rothschild town mansion in London, Lionel's 148 Piccadilly, had an unfinished cornice to commemorate the destruction of Jerusalem. In imperial Austria the social fall season was marked by the Rothschild stag hunts, which, however, always suffered abrupt interruption on one afternoon. The sundry high-born Christian guests were reduced to chess-playing while the hosts left for the Vienna synagogue. There they fasted and prayed through the Day of Atonement before resuming horse and hound again.

All over Europe the greatest chefs began to learn, if not a downright kosher, at least a baconless cuisine. And a curious new custom began to spread from the Family fetes to great soirees in a dozen countries: after dinner the gentlemen did not adjourn from the smoking room to join the ladies in the salon; instead, the ladies had to come to the gentlemen. Rothschild practices were often followed before they were understood, and many people failed to grasp that this arrangement was the elegant outcome of a male-centered patriarchal philosophy.

And of course the clan took great care to implant Judaism in the young, often through full-time religious tutors. The result was more than a formalistic respect for Hebrew tradition. A child's diary has preserved how aristocratic English diction, naïve misspellings, a Talmudic delight in soul-searching, leaping high spirits and grave religious devotion were spontaneously intermingled in a

Rothschild girlhood. Annie, Sir Anthony's younger daughter, wrote in her journal:

> How I should like to paint like a genius. . . . To have an innate genius, to be selftaught, to see masterly drawing developed under my own pencil. Yes, I should like it, but it is good that I have not been thus favored, that I have only a little natural talent, for it does not give rise to the love of superioty [*sic*] characteristic of me. I like to show my superioty in playing some pieces of brilliancy, my superioty in my little knowledge of Hebrew, my superioty of reasoning powers in geometry. It is a very difficult fault, this, to cut out, so difficult do I find it not to exult in the little I know. . . . But with all my faults I have an innate respect for love for religion and enthusiastic adoration for the holy creed of Judaism. May God forgive me, but even in this I did not wish to be inferior to anyone. I heard with envy of Clemmie's [her cousin, the daughter of Mayer Carl Rothschild] sudden [religious] zeal. Is that the way to show my reverence to him who hath said Love Thy Neighbor Like Thyself? Oh Almighty God, hear my prayer, make my heart soft and charitable to all those around me, then I may be worthy of being one of those chosen ones, for Thou hast said through thy prophet Moses that we shall love our fellow creatures. . . .

The little enthusiast grew up to write, with her sister Constance, a stately tome called *The History and Literature of Israelites*. At twenty-nine she became the wife of the Honourable Eliot Yorke, M.P., son of Lord Hardwicke and prominent member of the Church of England. A generation earlier, her Aunt Hannah had also married a

high-born Anglican. But whereas Hannah's union had once pained Jews, Annie's now scandalized Christians. For the first time a British aristocrat took as his wife a girl who remained after the wedding exactly what she had been before—a practicing and pious Jew. Quite contrary to the usual process, the Rothschilds embraced their faith more firmly with each generation.

Lionel himself set all old and new members of The Family an example with the single most dramatic adventure in his life.

3. *Storming Parliament*

By the middle of the nineteenth century most of the restrictions on British Jews had been done away with. One remained: they were permitted to obey the law, to practice it, but not to make it. They were not admitted to Parliament. The vanguard of English Jewry, including the Rothschilds, had long chafed under this disability. Petitions were submitted, the sympathy of leading journals enlisted, press and pamphlet campaigns conducted. Parliament would not be moved.

The head of the English Family then took prejudice by the horns, a decision that could not have come easily to a man of his rather prim and sedentary bent. Since he did not have the legal qualifications to run for Parliament, he began to storm it. In August, 1847, Lionel de Rothschild mounted the hustings as Liberal candidate for the City of London. The City, being the capital's financial district, had long stood for freedom of trade, a principle to which Rothschild astutely added freedom of religion.

"My opponents say that I cannot take my seat," he told

the voters. "That is rather my affair than theirs. I have taken the best advice. I feel assured that as your representative, as the representative of the most wealthy, the most important, the most intelligent constituency in the world, I shall not be refused admission to Parliament on account of any form of words whatsoever."

The "form of words" became critical before long. Lionel was elected. Prodded by this *fait accompli*, the Commons passed a bill permitting the seating of a Jew. But the House of Lords rose in revolt. Many of the usually absent peers rushed to London. From the remotest demesnes of Cornwall and Wales, viscounts and earls hurried to vote down Hebrew insolence. Lionel, accompanied by his brother Anthony, stood in the august chamber, listened grimly to the wrathful speeches, would not withdraw even while the division was taken—and saw himself defeated.

But his grandfather, the patriarch Mayer, had been no more stubborn in stalking the Hessian court than Lionel was in besieging the Mother of Parliaments. He formally vacated his seat, thereby forcing another election in his constituency. In 1849 Rothschild's renewed candidacy was broadcast in handbills and advertisements.

"I do not hesitate again to solicit your suffrage," he said, "because in my person a principle can be vindicated and because I believe that you are prepared to maintain the great constitutional struggle that is before you with the same vigour and earnestness that you have heretofore evinced. . . ."

Once more he was elected. Once more the Upper House cast him out. Lionel determined that the time had come for a direct and personal assault. He would take physical possession of the seat for which his constituents had chosen him, and to which he had every moral right.

On July 26, 1850, his wife leaned forward in the gallery

of the Commons and watched the House simmer with excitement. The Sergeant-at-Arms announced that a new member wished to take the oath. Lionel advanced to the Table of the House. The clerk rose to administer the Oath of Admission in the usual form and with the usual book, the Holy Bible.

"I desire to be sworn on the Old Testament," Baron Lionel said in a loud, clear voice.

The House exploded. "Sir," thundered Robert Inglis, leader of the opposing faction, "from the time that this has been a Christian nation and that this house has been a Christian legislature, no man—if I may use the word without offence—has ever presumed to take his seat here unless prepared to take it under the solemn sanction of an oath in the name of our common Redeemer. I for one will never give my sanction to his admission."

After a long heated debate, an adjournment and three divisions, the Commons at last permitted Lionel to be sworn on the Old Testament. The following day he stood again before the Table. Now the battle of the "form of words" was properly joined. Among the admission ceremonies was the so-called Oath of Abjuration, with which the new M.P. must renounce all allegiance to the long defunct Stuart dynasty. A historical leftover, the Oath constituted the chief instrument of the anti-Jewish party because it ended with ". . . upon the true faith of a Christian."

From gallery to front bench a hush fell over the House as Lionel repeated the formula after the clerk. Everybody waited for the last phrase. Here Lionel said, "I omit these words as not binding upon my conscience," and concluded the Oath in the Jewish fashion, using the Hebrew formula and covering his head. He was about to sign his name on the members' roll when, pen in hand, he was arrested by

a voice from the dais.

"Baron Lionel de Rothschild, you may withdraw," the Speaker said, and a moment later Lionel had to leave the House amid an uproar.

But the Baron was only warming up. At the next general election, in 1853, the City of London doggedly returned him as its member. Again the House, after violent controversy, passed a bill to remove the oath difficulty, and again the Lords threw it out. The argument engulfed the nation.

"If you destroy the groundwork of Christianity upon which this legislature is based," inveighed the Bishop of London, "in order to gratify for a time a handful of ambitious men, you will destroy Christian England."

An Anglican M.P., on the other hand, said that "he should be sorry to have so indifferent an opinion of his religion as to suppose that the introduction of a Jew into Parliament would weaken or affect the principles of Christianity."

Henry Drummond, a famous sectarian leader, railed against the election of a Jew "by the rabble of London, acting partly out of love of mischief, partly from contempt of the House of Commons, and partly from a desire to give a slap to Christianity."

It was whispered that Rothschild money had paid for the election of Lord John Russell, the Prime Minister, to win him as a friend. The Bishop of Oxford and other ecclesiastics dignified the rumor with their names, whereas a number of eloquent voices within the Church championed the Rothschild party nobly.

"We may guess," said one of these, ". . . how many of the clergy will spend Christmas . . . the sacred time petitioning against Jews. Two courses will be served before the mince pies: the roasted heretic and the disen-

franchised Jew. We shall be told of angels singing peace on earth by those who would prolong the reign of discord and persecution. Whose birth is it that the church commemorates? Is it not the birth of a Jew?"

And the London *Times* declared in a leader: "If the qualities of any single candidate must, perforce, be associated with the merit of the principle he maintains, we think that those of Baron Rothschild will bear the comparison as well as any that are now before the public. . . ."

The peers of the realm did not see it that way. Altogether Lionel was elected six times by his stalwart constituency. Six times he marched up to the Table, demanding to be sworn according to the tenets of his faith. Ten times the Liberals introduced a bill revising the Oath of Abjuration. Ten times Disraeli crossed his own party, the Conservatives, and unsheathed his oratory in the revision's favor. Ten times it was passed in the Commons, and ten times the Upper Chamber tore it up.

The eleventh time the Lords had to relent. In 1858 they consented to a bill allowing each house to modify the oath for its own members. On July 26, 1858, Lionel went through the old dramatic scene with a new ending. He stood before the Table and took the oath with his head covered according to Jewish tradition, then signed his name to the rolls and proceeded to his seat unhindered.

For eleven years this pampered nabob had chosen to live outside the palatial seclusion to which he was born. For eleven years he had made himself the butt of national argument, of caricature, scurrility and abuse, and possessed no martyr's nature with which to absorb it all—only the gouty, crotchety temper of a multibillionaire. "For eleven years," the Baroness is reported to have said, "we've had the M.P. question screaming in every corner of the house."

For eleven years he had fought the good fight, disarrayed his emotions, snapped at his butlers, spent huge sums on electioneering, stirred up England to the far corners of her Empire. And after he had finally, painfully, moved the mountains that barred his way to parliamentary privilege, he gained it—to do nothing. Not a single speech or overt action was recorded during his entire tenure of over a decade and a half. It seems, in his case, a logical paradox. He was no more a simple politician than a mere capitalist. He was a Rothschild, *ergo* a living principle. The principle had wanted vindication, as he had said in his early election appeals. Vindication had been achieved. That seemed enough. The main thing was that he had thrust the gate open to others of his creed.

Inevitably, however, the door of the Commons must lead to the portal of the Lords. If a Jew was good enough for the Lower House, was he not fit for the Upper? Gladstone thought so in 1869, and the Jew he had in mind was the same Baron Lionel, M.P. But now only one elector figured: the Queen. In this matter, as in several others, she chose to be more Victorian than her age. To Lord Granville, her Lord-in-Waiting, she wrote a letter bristling with italics.

"To make a *Jew a peer*," she said, "is a step she *could not* consent to. It would be ill taken and would do the government great harm."

At the Prime Minister's suggestion, Lord Granville prepared another brief. "The notion of a Jew peer is startling," he conceded to her Majesty, ". . . but he represents a class whose influence is great by their wealth, their intelligence, their literary connections." He then went on to the real reasoning behind the suggestion: the government felt that Rothschild's appointment would check republican sentiment, which seemed to be developing in

some powerful financial circles.

Her Majesty, though, thought the monarchy could survive *without* help from the grandson of a Jew Street peddler. Thereupon Gladstone made a personal attempt to disarm those royal emphases:

10, Downing Street
October 28th, 1869

> . . . As the head of the great European house of the Rothschilds, even more than by his vast possessions, and his very prominent political position . . . Baron L. de Rothschild enjoys exactly the *exceptional* position, which disarms jealousy, and which is so difficult to find. . . . It would not be possible, in this view, to find any satisfactory substitute for his name. And if his religion were to operate permanently as a bar, it appears that this would be to revive by [the implication is, royal] prerogative, the disability which formerly existed by statute, and which the Crown and Parliament thought proper to abolish.
>
> Mr. Gladstone has now troubled Your Majesty to the full extent incumbent upon him, and will not think of pressing Your Majesty beyond what Your Majesty's impartial judgement may approve.

Victoria sat tight. It was not until Suez had become British through Jewish money; not until Disraeli, baptized in faith but very unbaptized in sympathies and passions, had won her heart; not until Lionel had died in 1879; that she yielded to Lionel's weapon, that same old Rothschild weapon, his son.

On July 9, 1885, Nathaniel Mayer de Rothschild walked into the great house in Westminster and did in the Upper Chamber what it had once forbidden his father to

do even in the Lower. The new Lord donned the Jewish ceremonial headgear, the three-cornered hat, and on a Hebrew bible swore his holy Jewish oath.

"It was the first time," an awed historian noted, "that the Peers of the Realm had looked on while one of their number took the oath covered, or on another book than that which Christian practice and English tradition prescribed."

But there was a second unique feature attending the ritual, which pertains to the uniqueness of the new Lord's generation, the next one.

4. *Three Suns at Noon*

Of Nathaniel, Lionel's eldest, the story goes that he once met at the stock exchange a fellow banker puffed up with pride. The man had just received a patent of nobility from the Italian king, in return for a favor, presumably financial. Natty listened to him go on and on about his new distinction, took a good look at the lire exchange rate—which had been especially favorable to the pound that week—and then, as usual, spoke his mind. "Congratulations, Baron," he said. "I knew you wouldn't fail to pick up a bargain."

It is interesting that in the second half of the nineteenth century a Rothschild was already in a position to jest at the *nouveaux* riches of somebody else. It is even more significant that Lionel's three sons ignored their own baronial distinction and chose to become misters. The very title from which their grandfather had so warily kept his distance, and which their father had been so careful to use, *they* let lapse out of indifference. It became immaterial in the face of their prestige.

The three brilliantly illustrated an old truth. Wealth or honors may be achieved in a lifetime, but, due to some perverseness in human nature, social position cannot be conquered by *one* man. It must be inherited several times over before it truly begins to exist. Society, like virginity, may be lost at any moment but will be gained only at birth.

Natty, Alfred and Leo had the right kind of birth. In the case of another family the question might be asked: was it right enough? They were, after all, only two generations removed from the ghetto. In their case, no doubt ever arose, not only because of their incomparable fortunes, but also because of their superb casualness. It was this last flair which exempted The Family from the awkward stage of the *arrivé*.

An *arrivé* is a clumsy imitation of the long-arrived. There is nothing more vulgar than trying not to be. But the Rothschilds, with their Yiddish jests framed in Cantabrigian flawlessness, with their proud observation of Sabbath on Buckinghamshire lawns, with their pictures of old Poppa Jews plastered across manor walls—the Rothschilds were always strictly themselves. They conformed to no earl, duke or marquis. They sported the kind of free-swinging eccentricity, the self-indulgent truthfulness unto their basic fiber which comes to another family only after five butler-born generations—assuming the basic fiber hasn't been refined away by then.

In the instance of the Rothschilds, the basic fiber was (indeed, still is) remarkably sturdy. But some special factors set apart the trio of scions who made up the third generation in England. Of Lionel's brothers, only Nathaniel, the Parisian invalid, had sons, and they chose to become French Rothschilds, a somewhat different regal tribe. Lionel's three boys were, therefore, in complete possession not only of the London bank but of all the vast

Family domains in Great Britain.

In terms of time, they occupied a double zenith: no one before them had been as rich as they; no one after them who was as rich could escape the egalitarian fervor or strangling taxes of the leveler known as the twentieth century (in which, as a matter of fact, they had to spend their last years). In terms of place, the three scintillated among English nobility—an élite which has survived into the space-age culture more intact than its counterparts on the Continent. Natty's, Leo's and Alfred's universe, while exotic in its lushness, has come down to us with many of its trappings and meanings still present.

(a) *Natty*

When good Queen Victoria raised Lionel's eldest to the dignity of a Baron of the United Kingdom and thus to a peerage in 1885, she came up against something of a surprise. It was an almost invariable custom that all men so honored abandon their names for a different, more lordly and, of course, Anglo-Saxon style. Benjamin Disraeli became Lord Beaconsfield. Marcus Samuel became Lord Bearsted. But Nathaniel Mayer Rothschild elected to be Nathaniel Mayer Lord Rothschild in the simplest, haughtiest fashion of all.

His choice is a clue to his whole life. He inherited not only limitless wealth but also the accumulated supremacies of three generations. Plain old-fashioned loftiness was so much his natural element that it strikes us today almost as an endearing quality, the way noble savagery does in *The Last of the Mohicans*. Lord Rothschild wore his top hat and boutonniere no less convincingly than Chingachgook once did his feathered headdress and tomahawk.

Victoria did not initiate "Natty" into public life. That began in 1865, when he ran for Parliament. But he refused to electioneer in a business district after the manner of his father. No, he picked the countryside, the very best gentlemen's pleasance—namely, Aylesbury in Buckinghamshire, whose importance was certified by the fact that The Family owned most of it.

Needless to say, he carried the district. Needless to add, he was victorious in contest after contest, the voters offering him their ballots as yeomen had once offered fealty to their suzerain. Later, of course, he relinquished the Commons for the Lords. But no matter what his title, he was Parliament's most qualified, most impressive, most ornamental spokesman of reaction. He sniffed at social services, suffragism, old-age pensions, and everything else malodorous with progress. His speeches on the subject were not only immaculately phrased but well fortified with reason and example, proving that there was an inordinate amount of mind under the top hat.

"Whenever I want to know a historical fact I always ask Natty," confessed Disraeli, himself one of England's most retentive brains.

But Natty could do more than speak. He put up formidable opposition to politically forward legislation.

"I ask you," cried Lloyd George in 1909. "Are we to have all the ways of reform, financial and social, blocked simply by a notice board: 'No thoroughfare. By order of Nathaniel Rothschild'?"

His grandfather, Nathan, had favored the liberal wing of the Liberal party. Lord Rothschild, though nominally Liberal in party affiliation, was actually the showpiece and often the moving force of the Right. The same evolution took place at the Rothschild bank. Under its founder New Court had been the boldest organization in the City. Under

Natty it became, and could easily afford to be, the most conservative, exclusive and selective. His one innovation was aristocratic. He began the practice of stationing the visitors of the day in various anterooms. He would enter the first one, watch in hand, announcing the number of minutes at the interviewer's disposal. He listened and replied courteously enough for the stated time, but not a second longer; then he moved on to the next audience in the next chamber. His own office was reserved for the highest personages in the land. As a result, the Partners' Room in New Court retains the incensed air of an inner sanctum even today.

He was truly the King of the Jews. There is the anecdote of the emigrant from Poland who, shortly after his arrival in London, spent the Day of Atonement in the East End synagogue. Suddenly he heard all prayer stop, and an unearthly hush fell over the congregation. "The Lord has come!" whispered a neighbor to the Pole, who prostrated himself instantly before the Messiah. But then he saw a famous top hat and realized it was human divinity in the form of Lord Rothschild, awing the flock with his appearance.

On June 23, 1897, Cardinal Vaughan congratulated Queen Victoria on her Diamond Jubilee in the name of all the Catholics in her Empire. It was Natty, naturally, who did the same on behalf of the Jews. And when he came through Baghdad on one of his great tours, the Jews there received him with the same honors their forefathers had once accorded the Exilarch, that legendary, long-extinct sovereign over all the Israelites of the Diaspora.

Indeed, Natty watched over his people the whole world 'round. No persecution or pogrom occurred anywhere without thunder from New Court against the oppressors, without aid to the victims. To cite only the most impressive

example: Because of Russia's cruel attitude toward her Jews, she was usually turned away from New Court's doors when she came asking for money. In 1891 a special financial mission from St. Petersburg did sit down with a New Court delegation for some serious negotiating. But at a new outburst of government anti-Semitism, Natty dispatched a runner, and the Rothschild people, who had warned the Russians of just such an eventuality, walked out without so much as a word.

Virtue is its own reward. In 1917, when the Czarist treasury defaulted because of the Revolution, the Rothschilds were not as hard hit as other banks. And virtue is not always its own reward. When the short-lived democratic government floated a "Liberty Loan" in St. Petersburg, New Court immediately telegraphed one million rubles, and naturally was never repaid a single one from Lenin, whose government followed.

Natty was buried by then, but had he lived he would have written off that million as intended good works. His charitable donations were of nothing less than imperial dimensions. To handle them, he developed a special, amply staffed department at New Court. He was the chairman of three London hospitals, the treasurer of a fourth and, for good measure, the chairman of the British Red Cross. His specifically Jewish charities were legion. A single one of them, the upkeep of the Jews' Free School, cost him a reputed hundred thousand dollars a year.

Natty's manner, even in the very act of benefaction, was consistently gruff. His grandfather, we recall, used to make beggars run by giving them a guinea. Natty never refused beggars, either, but was sometimes noticed to run himself, for fear he'd have to hear their thanks or form his lips into a smile.

With larger philanthropies he could be proportionately

more acrid. At the turn of the century many thousands of Russian Jews came to England, where their coreligionists facilitated further emigration to the United States. Natty and other money men took care of these displaced masses. But one day there was such a desperate overflow from the docks that all communal resources of the East End seemed exhausted. Hermann Landau, a philanthropist specializing in the problem, found the streets filled with homeless families. They would need instant help on a scale generous beyond his own means. Landau drove straight to New Court. The Partners' Room, taboo to many business people, opened readily to him, as it did to others on charitable errands. Landau explained that 25,000 pounds were needed immediately for the construction of temporary shelters. Before he could finish his plea, Natty pushed toward him an order he had just written. It placed 30,000 pounds at his credit.

"You didn't understand me," Landau said. "I only need twenty-five thousand."

"Listen to him, Leo," Lord Rothschild said wrathfully to his youngest brother. "Landau is having *rachmones* on us!" (*Rachmones* is Yiddish for "pity," something Lord Rothschild was accustomed to give, not receive.)

But Landau got better treatment than some of Natty's social equals. There was one duchess whom the Baron heartily disliked and whom he persecuted by inviting all her friends but not herself to his best parties. When that couldn't reduce the enemy to tears, he conceived a strategem diabolical enough to be worthy of his demon grandfather. He held a banquet in his mansion at 148 Piccadilly and seemingly honored her Grace by seating her on Gladstone's right and his own left. These were the sides on which the respective men were deaf. The lady had to spend hours between two table companions who would

not respond to a word she said.

Natty seldom bothered to be so wily. At Tring Park, his country estate, another distinguished person, Lady Fingall, dared to pick one of her host's famous muskroses without asking his permission. Before the entire company of guests, Lord Rothschild gave her hell. Later he apologized indirectly by placing an enormous bouquet in her carriage. Yet the saying remained in force that Lord Churchill and Lord Rothschild were the two rudest men in England.

(b) *Sweet Leo*

The youngest brother balanced the eldest beautifully. Natty was a haughty lord; Leo was a kind sport. Not that he forgot the implications of his name. He maintained no less than four palatial residences. At 5 Hamilton Place—back of Rothschild Row at Hyde Park Corner—he built himself a town house with the following conveniences: a hydraulic lift which was so expensive to operate that it cost more to go from the first to the second floor than to travel by horsecab through all of London; for those who wanted to save money, a serpentine staircase completely hand-carved and perhaps the finest of its kind in all of England; a huge library, also entirely hand-carved, in maple and mahogany, on which forty imported Italian artisans worked for two years; a kitchen that could roast a whole ox on a spit; conduits under every windowsill and table surface to keep the food warm; and a great number of barely credible etceteras. The whole marvel survives intact as the plushiest private club in London.

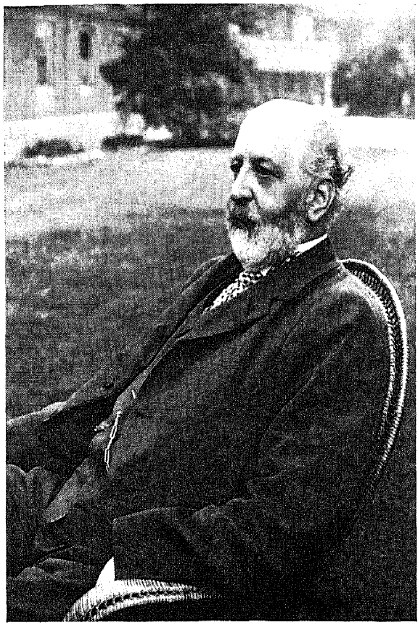
Another Leo household was many-splendored Gunnersbury Park, inherited from his father. In addition, he bought Palace House near the racing course at New-

market, where the King of England and similar types were glad to be his guests. Finally, he owned an estate at Ascott Wing, a lovely country manor with miles of gardens and views. This, by far the most tasteful and probably the most pleasant of all Rothschild realms in Buckinghamshire, is the only one inhabited by The Family to this day.

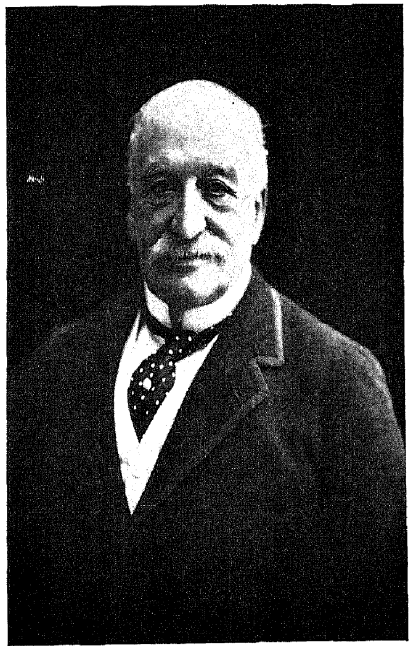
Ascott abutted on South Court, his stud farm and dearest passion Racing was handed down to him as a legacy from his Uncle Mayer. Leo bred horses ingeniously, without regard to expense, and cheered them on without regard to English reserve Sometimes it was hard to choose between spectacles: Mr. Leo's blurring thoroughbreds on the track, or his Oriental exuberance in his box. Uncle Mayer had won the Derby once, Leo won it twice, in 1879 and in 1904. In between, he led into the paddock literally hundreds of champions.

That he did not win the Derby three times may be laid to *rachmones* of a very rarefied kind. The Prince of Wales, Leo's good friend, entered the Derby of 1896 with a virtually unknown animal named Persimmon. The blue-and-yellow Rothschild silks were represented by St Frusquin, possibly the greatest four-legged celebrity of the *fin de siècle*. Leo had once been offered sixty thousand pounds for this horse, which had walked away with almost every important turf event in England. But in 1896 His Royal Highness happened to have rather more mistress trouble than usual. He stood in need of cheer. Somehow it happened that Persimmon came in first

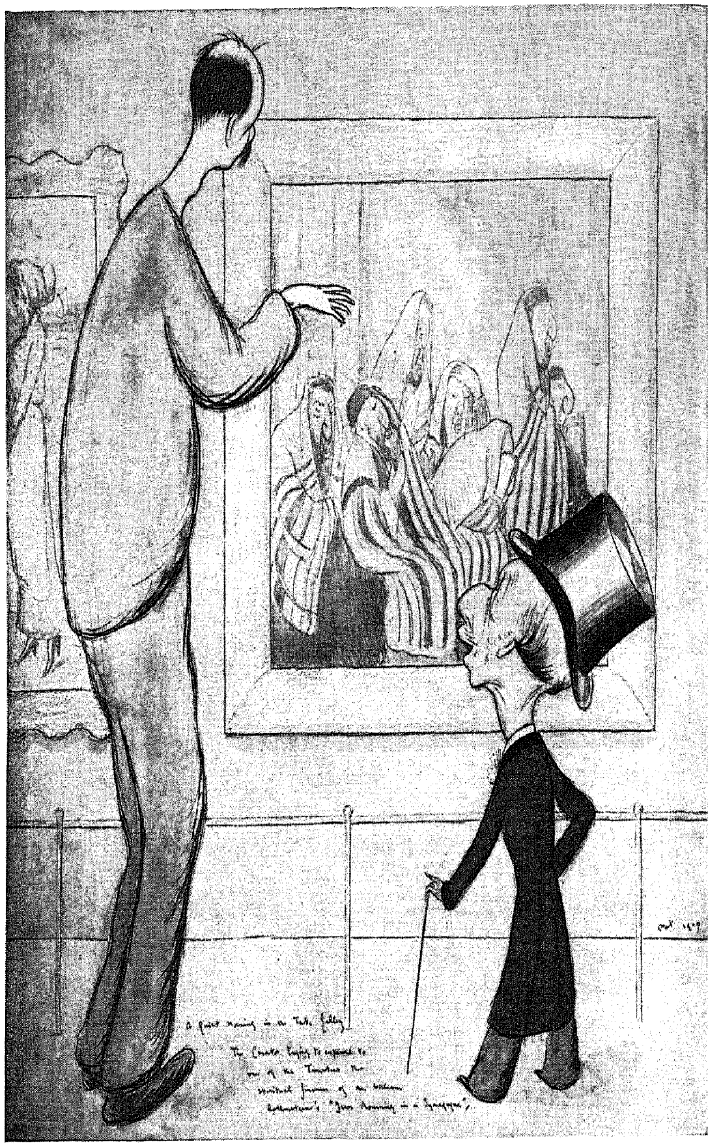
Leo's compassion, if it was a factor here, extended to the humblest citizens as well. It was said of him that the more races he won, the more money he lost. To celebrate, he gave away not only the winner's purse but its multiples. Often he would gain a cup—and some hospital an entire wing.



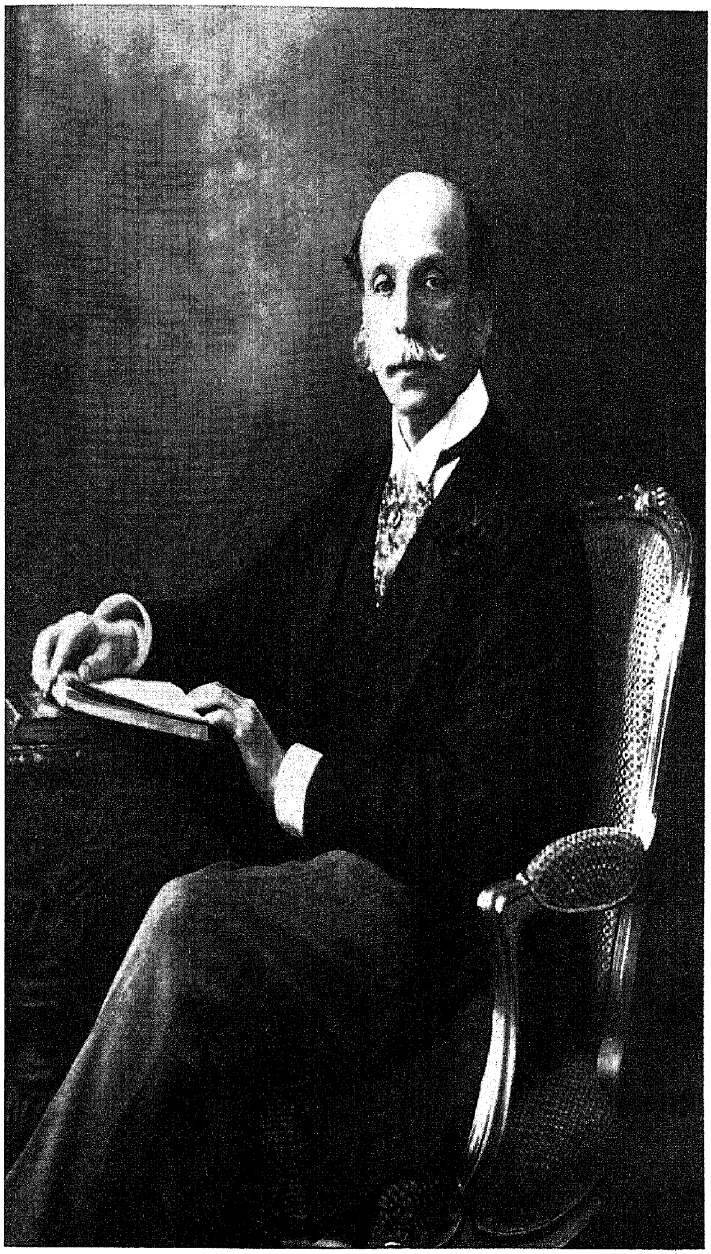
Nathaniel,
the first Lord Rothschild
("Lord Natty").



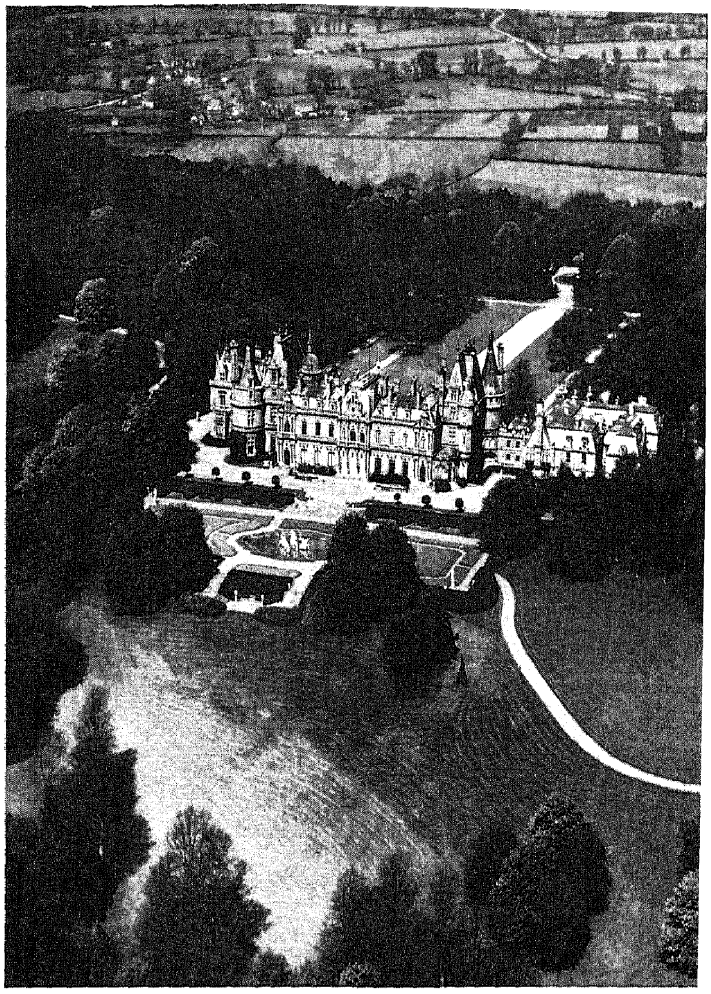
Leopold de Rothschild.



Max Beerbohm caricature of Alfred de Rothschild, 1907. Sir Max's caption reads: "A Quiet Morning in the Tate Gallery. The Curator trying to expound to one of the Trustees the spiritual fineness of Mr. William Rothenstein's 'Jews Mourning in a Synagogue.'"



Alfred de Rothschild.



Waddesdon Manor.

Off the track his benevolence was no less active. Petitioners who did not dare come near Natty, or were fazed by Alfred's peculiarities, sidled up readily to Mr. Leo. He became the welfare minister of New Court. A cold day would, for some reason, give his openhandedness a special impetus, and he was especially touched by children One winter Sunday, when he took a somewhat absent-minded stroll on Natty's lawns at Trıng, he notıced a lıttle shape before him. Instantly, automatıcally, he reached into his pocket. Only the frantic intervention of a butler saved him from a transcendental *faux pas:* he had been about to press a half crown on one of the royal dukes of England.

Mr. Leo became a byword of spontaneity and goodnature. In a clan that, for all its remarkable qualities, has never been notorious for sweetness, he stands out as a kind of darling mutation.

Of men like you
Earth holds but few:
An angel—with
A revenue.*

(c) *The Incomparable Alfred*

In the manor of Edmund de Rothschild's great estate at Exbury today there are hundreds of family heirlooms Visitıng Famıly members, though generally quite inured to that sort of thing, never tire of asking for one specific item—"Alfred's baton." This is a staff of pure white ivory banded with a circlet of diamonds. The instrument had a very solid, practical use. Alfred needed ıt to conduct the symphony orchestra he kept as a private hobby.

* A quatrain taken from Cecil Roth's account of the three brothers.

The baton is symbolic of a way of life unique even among Rothschilds Alfred, in age the second of the triumvirate, never married, and by his bachelorhood alone he departed from clan tradition. (Natty had wedded Emma Louisa, a Frankfurt Rothschild, Leo, an Italian-Jewish beauty named Marie Perugia) Alfred's physical appearance was even more radically different In the English *mishpoche*, Jewish genes carefully interbred, and an ancestral sense solicitously nourished, produced generation after generation of the same portly, generously nosed, Frankfurt Semitic type. Alfred, however, was a slim, blond Ariel, of a dainty countenance delicately shrubbed with sideburns.

His brothers' indulgences were properly luxurious. His were dizzily sybaritic. Often he had a personal train standing by for him in full steam. He maintained the private Philharmonic mentioned above, whose concert master submitted each morning the selections to be rehearsed for dinner music that night. He also had a private circus to which—beautifully accoutered in blue frock coat, whip and lavender kid gloves—he would play ringmaster, to his friends' amusement. And he simply adored driving his zebra four-in-hand.

Small wonder that he rusticated not like a squire but like an emperor. His Halton House was a vast pile of the most expensive ornamentation hundreds of thousands of pounds sterling could buy It clashed luridly with the simple glory of the Buckinghamshire beeches around it, exciting outrage and, just possibly, envy, among various sensibilities. One spoke of "an exaggerated nightmare of gorgeousness and senseless and ill-applied magnificence." "A combination of French château and gambling house!" cried another.

Notwithstanding such towering excess, Alfred had flair.

In the country, where an exquisite would feel out of his depth anyway, he didn't bother with esthetic harmonies and let the zebras caper. In the city his connoisseurship came into its own At 1 Seamore Place, a renowned (now razed) London address, he built a suitable roof over his head. It, too, constituted an immense grotto matted and jungled with treasures A single mantel would hold 300,000 dollars' worth of objects. And yet there was rhyme, reason and rhythm to it all, if a number of stunned witnesses are to be trusted. Seamore Place confirmed Lady Dorothy Neville's edict that Alfred was "the finest amateur judge in England of eighteenth-century French art."

Lord Beaconsfield thought so, too. A widowed ex-premier, he moved out of 10 Downing Street into Seamore Place in 1880. "The most charming house in London," Dizzy said, "the magnificence of its decorations and furniture equalled by their good taste."

Alfred's taste was most dextrously exercised in his favors and hospitalities To his very good friend, Lord Kitchener of Khartoum, he presented two items, both masterpieces of resourceful giving. The first was a replica of Reynolds' "Lady Bampfylde" (one of Alfred's most cherished possessions) executed so well that it could hardly be told from the original, the second, a parade set of ornate saddle steels made for Philip III of Spain.

He was not only the most lavish giver, but the most cunning impresario of parties. Friends often wondered why he bothered to subscribe to his great box at Covent Garden, when all the stars appearing there also performed for his private soirees. Rubinstein, Liszt, Melba (whose financial affairs he managed), and Mischa Elman (whom he discovered) enchanted his music rooms The moment they entered his house they were talented friends, not professional artists—a convivial impression he could create

with the utmost deftness. He never seemed to realize that the jeweled trifle with which he thanked them for their courtesy was worth far more than the highest concert fee.

This was his forte and made him the greatest host of the era: unparalelled attention to the visitor's well-being. Cecil Roth recounts the breakfast ritual, which began with an infinitely capacious dumbwaiter standing at the ready in the guest's bedroom, and the footman announcing the menu: "Tea, coffee, or a peach off the wall, sir?"

Let us assume that the guest, unprepared for such unprecedented matitutinal variety, chooses tea.

"China tea, Indian tea or Ceylon tea, sir?"

"China, if you please," decides the stranger.

It is poured out. The litany continues "Lemon, milk or cream, sir?"

The guest indicates that he will take milk.

But the inquisition is not yet over "Jersey, Hereford or Shorthorn, sir?"

The day passed in this fashion. When the company repaired to their dressing rooms toward evening, they found baskets filled with a rainbow of sprays from which to select boutonnieres or corsages for dinner. If the burden of choice engendered a headache, a delightful remedy was at hand; throughout the night broughams and drivers waited to soothe insomniacs with a moonlit ride. If the chill of dawn gave them a cold, they could resort to a medicine chest as magnificently stocked as the wine cellar. And when they had to go home at last, their luggage would be larded with little mementoes of their stay. The men would find boxes of the host's famous guinea cigars (that is, fifteen-dollar cheroots, which became so renowned among gourmet smokers that at least one manufacturer tried to exploit the cachet with a brand called Alfred de Rothschild cigars). The ladies came away with such perishable treas-

ures as chocolates, exotic fruits and hothouse blooms.

A specialty of Alfred's was the "adoration dinner." This was a miniature banquet, attended by only one woman—the lady in whose honor the affair was given—and three or four men "she might like to meet." A beautiful actress of turn-of-the-century London—Lily Langtry, for example—would be "adored" in the lushest possible circumstances by, say, the current Prime Minister, the world's foremost tenor, and a legendary general like Lord Kitchener. This function, too, culminated in a "little" present which the gentlemen joined in laying at her feet (the choreography here must have been interesting). The male guests were consulted on the gift beforehand, but its purchase was the host's monopolistic privilege.

Alfred, the most urbane and delightful of men among inhabitants of his own stratosphere, always acted a little awkward before the lower classes. He seldom mixed with his beneficiaries (as Leo liked to) or with the common ruck of tycoons (as Natty did). Aloofness only added to his aureole. Inevitably he became one of the favorite targets of Max Beerbohm's pencil. And yet, dandy, fop, dilettante though he was, he remained a Rothschild. He was not an idler. With all his many silken divertissements, he still found time for the three Family vocations: business, Jewry and charity.

Of course, he interpreted all three his own way. Even Natty, the despot of the City, could not get him to show up at New Court on time. He came late and stayed late, and instituted a whole "Bohemian shift" of clerks to be his staff. At twenty-six he was elected the first Jewish Director of the Bank of England. The job is not a sinecure. Even a Rothschild needed both ability and application to keep on being re-elected for twenty-one years. When he resigned in 1889, a bit precipitously, it wasn't lack of financial gifts

that had tripped him up, but excessive curiosity as a collector. He had paid a great deal of money for a picture he had long wanted. The dealer in question banked at Threadneedle Street, and the profit he had made could be gleaned from his account. Alfred gleaned. Alfred cried out, a bit too loudly. The dealer lost a client, and Alfred his directorship, but London gained another first-rate Rothschild story.

No such mishap occurred when he performed his Jewish duties. He attended synagogue as punctiliously as his brothers, though Natty often had to make sure his boutonniere was properly subdued And despite his strong inclination toward the decorative splendors of Renaissance paintings, he disciplined himself not to buy them, because of their religious content (another proof of how hard it is to be a Jew)

Also in a Judaic context, Alfred is associated with a deathbed mystery about Disraeli The great statesman had been baptized at the age of twelve but never hid his racial pride He claimed descent from the Marranos, or secret Israelites of Spain, whom fifteenth-century terror had forced into an artificial Christianity but who redeclared their faith at the final hour. Now, Disraeli's dying words, according to some biographers, resembled the phrase "*shema Yisroel*," the Jewish deathbed confession of faith. And Alfred de Rothschild was among those in charge of the last rites over the body. It all added up to a rumor which has been neither proved nor stopped.

To the public, Alfred's name blazed most brightly in connection with philanthropic fetes. Here he was an endlessly industrious and accomplished impresario. No other man could have masterminded the unique gala night in Covent Garden on behalf of the Boer War charities For his sake alone, the great Patti abandoned her iron prejudice against performing at benefits, and with Alvarez

—imported especially from New York—she sang the great duet from Gounod's *Romeo and Juliet*. Only Alfred could have managed to book the massed bands of the Queen's Household Cavalry and the Brigade of the Guards. Only at his bidding would the *haut monde* of London pay such exorbitant prices: 250 pounds (or four thousand dollars) per box, fifteen pounds (or 230 dollars) per seat. And this particular affair aside, it is probable that mainly he, the most magnificent of the three magnificos, animated the august friendship on which the triumvirate based much of its eminence and to which we will turn now

5. *At Marlborough House*

The greatest social triumph of The Family came to pass—by now a traditional irony—through their stubborn Jewishness. During a good part of the nineteenth century the two major British universities did not care for foreign faiths. They required that every academic candidate declare allegiance to the Church of England. At Oxford one had to do so before matriculation, at Cambridge not until the awarding of a degree. Therefore Natty, Leo and Alfred attended Trinity College, Cambridge, to study though not to graduate. Even today, long after the removal of religious restrictions, the Rothschilds read at Trinity as a result. In the 1850's this circumstance brought them together with a chubby, merry Cambridge boy named Bertie. He was also known as the Prince of Wales.

The friendship between the future King of England and the grandsons of a ghetto apprentice was instant and intimate. It remained permanent and astounding. Bertie's chumminess with Natty, Leo and Alf—and, before long,

with Ferdy (the Austrian Rothschild, Ferdinand)—was unheard but not untalked of. It produced newspaper headlines, upset court chamberlains, and roiled protocol. Some of her Majesty's ministers worried lest the heir apparent pass on state secrets to a commercial firm. As it turned out, his Highness, primed by the Rothschild information service, often knew more than the fretting ministers. But generally the friendship intrigued every walk of life and thrilled Jews all over the world.

Day after day the court circular announced that the Prince of Wales had stayed with Lord Rothschild at Tring Manor, joined Mr. Leopold at the Rothschild shoot in Leighton Buzzard or yachted with Mr. Ferdinand at Ramsgate. It was the Rothschilds, more often than the oldest ducal clans, who could send out cards with the magic phrase, ". . . to have the honor of meeting Their Royal Highnesses, the Prince and Princess of Wales." On a darker occasion, after Bertie's appearance in the witness box of a divorce court, it was Alf's piano that beguiled the Prince through a sleepless night at the Amphytrion Club

More usually the friends sojourned at Marlborough House, where Bertie held his un-Victorian court; where one toasted, waltzed, placed bets together, occasionally lent one another money, and made the silkiest whoopee in the Empire. The "Marlborough Boys," of whom the Rothschilds were a vital part, became *the* set in Europe. A motley galaxy, the set was not without a certain historical impact. It did something about Lytton Strachey's complaint that royalty had been unfashionable in England since Charles II. The Hanover line had put a beery vein into Majesty. Victoria—respected, revered though she was—could not be admired as the quintessence of chic.

But long before he became Edward VII, her son managed even his naughtiness with an Edwardian flair. At Marlborough House Bertie reigned more smartly and practiced a much more democratic snobbery than Mrs. Astor did on Fifth Avenue. Society went through a healthier house cleaning than anywhere else on either continent.

Let the courtiers raise their eyebrows sky-high—joviality began to outrank genealogy in London, wit took precedence over etiquette, the colorful over the emptily decorous. The Rothschilds scored on every count. In addition, they were always ready to help a chap out with a few thousand pounds, even if his Mater's name was Victoria. Natty, Leo and Alfred played their part in running the wax figures out of Mayfair, in revitalizing the élite and thus adding to the viability of the country, in glamorizing the Crown.

The Queen herself came to recognize this, despite her rather ingrained earlier thoughts about the place of Jews. However, it took more than the combined luster of the three brothers to sway her Majesty at last. It was a fourth Family personage who induced her to make the initial public move.

Ferdy, the Austrian, turned the trick. We must go into his history a little to understand how. He had married Evelina, a sister of the three brothers, in the 1865 wedding described earlier. Eighteen months later she died in childbed. Ferdy decided to remain in England. He became an English Rothschild in residence, maintaining at Rothschild Row that town house with the famous white ballroom; English in political allegiance, becoming a subject of the Queen and, when Natty left the Commons for the Lords, taking over The Family's parliamentary fief by becoming the new M.P. for Aylesbury; English in his

charities—he founded the Evelina de Rothschild Hospital for Sick Children in London and the Evelina de Rothschild School in Jerusalem. At Christmas he sent a brace of pheasants to every busman in London; as acknowledgment, the drivers ribboned their whips in yellow and blue, the Rothschild racing colors. And Ferdy was English in his eccentric willfulness. He would give a ball at such short notice that his female guests would not have time to prepare their dresses, whereupon the hasty host made amends by ordering them new couturier creations at his own cost for the next function.

A typical Ferdy whim produced one of the greatest sights of southern England. In 1874 magic began to transpire at Lodge Hill, as desolate and deserted a spot as could be found in Buckinghamshire. Ferdy had bought it and 2,700 acres of environs from the Duke of Marlborough for some 200,000 pounds. Ferdy happened to like the view. To make the vantage point habitable, the entire top of the hill was sliced off. Water must be hauled from fourteen miles away. A special steam tramway with a track fourteen miles long had to be built to transport materials from the nearest rail station. Numerous driveways with a manageable gradient were hewn into the slopes Teams of Percheron mares, imported for the purpose from Normandy, toiled up the rise with building stuff.

A wilderness was coerced into a park through topographical surgery, drainage, irrigation, and the wholesale planting of shrubberies. Acres of flowerbeds were sown. Since Ferdinand placed his woods as conveniently as other people place their ashtrays, he had hundreds of trees transplanted. Since he liked large chestnuts, sixteen horses were needed to move each one, the telegraph wires by the roadside must be lowered for their passage. The whole

thing was rounded out with the customary terraces, aviaries, rookeries, fountains, and groups of seventeenth-century statuary by Girardon, an important Versailles sculptor.

What house could fit such an estate? Ferdy decreed a select anthology of his favorite French castles Into his mansion of mansions he incorporated the two towers of the Château de Maintenon, the dormer windows of Anet, the chimneys of Chambord, two versions of the staircase of Blois (slightly smaller, and glazed to fight off the English climate)—all "suitably combined, edited and improved," one expert thought.

As to interior decor, Ferdinand sometimes had the paneling specially carved to accommodate outsize paintings like Guardi's two vast views of Venice. More usually he contented himself with ready-made wares—that is, with the finest *boiseries* (decorative paneling), extracted from the most luxurious Louis XV and Louis XVI Hôtels in Paris, brought across the Channel, and integrated artfully into the various apartments. The furniture consisted largely of peacock pieces made for the royal family in France. The carpeting constituted the world's largest collection of Savonneries, so named after the workshop of their origin, whose products went exclusively to the Bourbons. The ceilings, Beauvais tapestries, Sèvres porcelain, and *objets* (including a big musical elephant) matched the foregoing and each other. Canvases by Reynolds, Gainsborough, Cuyp, Pater, Van der Heyden—not to speak of those by Watteau and Rubens later added by heirs—were almost legion.

After more than a decade of creation there rose above the English countryside an immense French Renaissance mirage, glistening in white marble, resplendent with 222

rooms Ferdy rested, and thought it good. He called it Waddesdon Manor. To this day it remains an absolutely stunning circumvention of coziness.

All the world came to see and to gasp. At his Saturday-to-Monday parties (the week end was practiced but not yet invented in the *fin de siècle*) the host would entertain the Shah of Persia, the German Emperor, Henry James, Robert Browning, Guy de Maupassant. (*The* Agha Khan and a series of prime ministers from Balfour to Winston Churchill are also found in the guest book.) Bertie honored one of the Blois staircases by breaking a royal ankle on it.

Rumors of the phenomenon reached Victoria's ear. On May 14, 1890, Her Majesty did a nearly unprecedented thing She called on a private individual. She had to see for herself what this Rothschild had wrought out of a bare hill. A small incident marred her reception. Lord Hartington, later Duke of Devonshire, committed the inexplicable gaffe of shaking Madam's hand instead of kissing it. As a result she kept it to herself during the rest of the introductions. But after a pony had driven her about the grounds in a Bath chair, after she had strolled through the galleries, vestibules, drawing rooms, she couldn't help agreeing with all other visitors. "The host was delightful," she said, "as the place was beautiful"

The day warmed her heart toward the Rothschilds. When on the Continent, she began to drop in familiarly at the French estate of Alice, Ferdy's sister. She even used Rothschild couriers for some of her private mail, finding it a more discreet channel than the diplomatic pouches. (The extent of Family discretion became evident after her death, when Natty, appointed trustee of the Disraeli estate, discovered a number of "very private" letters from the Queen to the very dearest of her prime ministers. Natty took one look at them and sent them to King Edward, who

for once expurgated his mother and not vice versa: he had the letters burned)

Even this supernal fellowship the Rothschilds conducted without damage to their Jewishness. On the contrary, sometimes the Church of England seemed in greater danger. On January 19, 1881, the Prince of Wales drove through a horrendous blizzard to appear at the Central Synagogue in Great Portland Street for Leo's wedding He loved the kosher food served at the reception. He roared at the Jewish jokes. These gradually became his passion. Since Natty shared the weakness, the House of Rothschild became a great international center not only of finance but also of stories about Moe and Ike.

"At least one foreign diplomat, Baron von Eckardstein," reports a biographer, "had standing orders from the Rothschilds to collect and report all good Jewish jokes he heard abroad—especially stock-exchange puns from Berlin. On more than one occasion . . . he even dispatched bon mots by wire to New Court whence they would find their way before long to Marlborough House."

The archivists at the London bank today, who guard so many secrets, also guard a treasury of Jewish jokes relayed in telegram language by a Prussian nobleman.

Later the Jewish theme would emerge more seriously on a more august level. By 1908 Bertie had become His Britannic Majesty. The Rothschilds had long fought for the betterment of their coreligionists in Russia. And now that the King was to meet the Czar in Reval, there ensued a correspondence between the members of the Marlborough set on what exactly could be done about Russian intolerance.

Something was done. Jewish persecution became an important item on the Reval agenda. "From my report," the British ambassador in Petrograd wrote to Natty shortly

afterward, "you will see that the Russian Prime Minister contemplates amelioration for the lot of the Jews in Russia."

It was about this time that a London rabbi is supposed to have said that the Jews, unlike the Christians, did not yet know a Messiah—but they did have a holy family.

They had, if his simile be accepted, more than one. There were other Rothschilds in the world just as Rothschildian as the English ones. It is the only rich clan without poor relations. To round out the splendors of the *mishpoche*'s *fin de siècle*, we must travel to France and Austria.

6. *Naughty Bismarck*

In France the clan's social eminence was perhaps most easily established Eighty years of intermittent revolution had demolished the Bourbons, dethroned the Orleanists, discredited the Bonapartists Only the Rothschilds kept their scepter. After the smoke of the Paris Commune cleared in 1871, Baron Alphonse emerged as the head of the family with the most unbroken ruling record.

Genealogically, the French branch was the closest of all to the ghetto. It skipped a generation. James, the dynast, was the youngest of the five founding brothers and did not have offspring until comparatively late in life. His children were the contemporaries of his brothers' grandchildren The four sons—Alphonse, Gustave, Salomon and Edmond—cut as luminous a track through the social history of their country as did their counterparts across the Channel. But of the Paris quartet, the first- and the last-born left the strongest impress.

Alphonse, as small and stout and cannily relentless as *père* James, was even more suave and *comme il faut*. It was said of him that he owned the best pair of mustaches in Europe Altogether he made an awesome, handsome standard-bearer of the name.

A railroad journey with a fabulous mishap conveys something of the aura of that name in France. One of Alphonse's clients, the King of Belgium, had asked him to a strictly private dinner at the Belgian capital. To avoid publicity, Alphonse took a simple first-class train ticket to Brussels. But a few miles from the border the express stopped and rolled to a siding. Inquiries revealed that the main track had to be cleared for a private train.

Now, the Baron was not accustomed to being on the short end of someone else's priority. Furthermore, he arrived in Brussels too late for the royal soiree. The telegraph wires between France and Belgium quivered with his wrath. Finally, sheepishly, they disclosed the root of the trouble. Alphonse's valet, having forgotten to pack the baronial dinner clothes, had used the master's name to send them after him via private train. His own dinner jacket had shunted the Baron to a side track.

On more important occasions Alphonse managed to be in the right spot at the right time. His career intertwined with a great French cataclysm—the destruction of Louis Napoleon and the violent birth of the Third Republic. Through it all, Alphonse manned the traditional Rothschild station: right behind the scenes.

On July 5, 1870, an imperial adjutant summoned the Baron hastily and brought him to the palace at St. Cloud The Emperor was deeply disturbed. He explained that Prussia had overdone it at last. She had made one long sore out of the Franco-German border, and now she was foisting a Hohenzollern onto the throne of Spain, to get at

France from the back. Her persistence must mean war. Only England might be able to restrain Bismarck, and England must be asked to act immediately But since the English happened to be without a foreign minister—the incumbent Lord Clarendon having just died, and a new one (it was to be Lord Granville) not yet appointed—Napoleon wished to make use of Rothschild channels.

Alphonse read between his Majesty's words. An official French request for British mediation might smack of French weakness. In this case, a discreet Rothschild hint would be more diplomatic than a diplomatic move.

The Family, of course, was an old hand at this sort of thing On the same afternoon a cipher telegram flew from rue Laffitte to New Court. The same night Natty decoded Alphonse's message. The next morning he reached the Prime Minister's residence just as the P.M. was about to leave for Windsor Castle and an audience with the Queen. The two drove together to the station, and Natty conveyed the message from Napoleon. Gladstone listened, pondered. Finally he said he did not think his government was in a position to influence Prussia.

With that brief conversation Napoleon's empire began to fall. Again the wires buzzed between New Court and rue Laffitte. Hours later the Emperor knew that his bid to save both face and peace had failed. Bismarck had his way. Twelve days afterwards, on July 19, France unmuzzled her feeble cannon against Prussia. On September 1, Napoleon capitulated at Sedan.

Within a week the monarchy was erased, the German armies ringed Paris, and the House of Rothschild prepared for the next round with history. The Family was about to play a particularly neat trick. It had failed in its intervention on behalf of the victim. But it was to best, rather entertainingly, the victor.

By the middle of September the siege of Paris began in earnest. On September 19, Wilhelm I, General Moltke and mighty Bismarck established their high headquarters at Ferrières, the principal *mishpoche* country seat. The Prussian monarch wandered through the Renaissance vasts of the château, admired the thoroughbreds teeming in the stables, smelled a lake of orchids in the hothouses, tasted the Goshen-sized fruit, surveyed a whole private landscape of parks and gardens—and was frank enough to be thrilled.

"Kings couldn't afford this," he said to his staff. "It could only belong to a Rothschild"

Bismarck did not feel quite so exhilarated. It was his misfortune that King Wilhelm regarded Ferrières' owner as a very powerful colleague. His Majesty therefore refrained from commandeering Baron Alphonse's munificent bedroom, using a modest chamber instead. Wilhelm issued, besides, a strict edict to the General Staff, who were billeted with him: even touching the various art treasures was *verboten.* And Bismarck—Bismarck himself!—received orders not to indulge his hunter's passion in the gorgeous shoot.

Baron Alphonse's chief steward, as the enforcer of these nasty prohibitions, was the bane of the Iron Chancellor at the hour of his triumph. Today, in the château's blue drawing room, Baron Guy still keeps a copy of the steward's report. The stout fellow refused to serve Bismarck, who wanted to mitigate his annoyance with a few good drops, any bottles from the famous Rothschild cellar. When Bismarck, enraged, forced the steward to sell him a case for good payment, the latter lodged a complaint with his master in Paris.

Baron Alphonse was amused by the German bogyman who must fight for his wine at Ferrières while the rest

of Europe cowered before him. The Rothschild amusement became the property of the *haut monde* in besieged Paris. In December the Prussians shot down a balloon containing a letter to the Countess de Moustier with the following words: "Rothschild told me yesterday that Bismarck was not satisfied with his pheasants at Ferrières, but had threatened to beat his steward, because the pheasants did not fly about filled with truffles."

These lines, relayed to Prussian headquarters, upset the Iron Man no end. He saw in them a hint that he had breached the King's proscription. And, to be petty about it, he *had* sneaked a tiny bit of pheasant shooting on the sly.

"What will they do to me?" he is quoted in his collected works. "They won't arrest me, for then they won't have anybody to arrange peace."

They did have him to arrange the peace. They also had, on the French side, the eldest Rothschild brother, who would not stop trying the Chancellor's nerves. For one thing, Alphonse consistently scooped German news services on the armistice by sending pigeon post from rue Laffitte to New Court; thus the Rothschild system overcame even the rupture of telegraph connections. When it came to actual negotiations, he was not easy to deal with, either. The little Jew squared up very calmly to the huge Prussian. He even insisted on speaking French, though Bismarck reminded him angrily of the German origin of The Family and harped on his own friendship with old Amschel of Frankfurt.

Alphonse, adamant, stuck to his guns, his language, and his indispensability. No one but Rothschild could guarantee a food supply to starved, beaten Paris (in London Alfred, Leo and Natty headed the French relief efforts). No one but Rothschild could underwrite the five-

billion-franc indemnity to Prussia. No one but Rothschild, aided by his foreign cousins and the bankers in his group, could have paid off this monstrous sum so much less ruinously than Bismarck expected—and two years ahead of schedule.

It was this performance, above others, which assured the continued eminence of the Paris house throughout the newest French republic. Bismarck ruled and thundered, receded and departed. Rothschild ruled and whispered—and remained. Ferrières still stands as the mightiest Family château.

7. *The Plushiest Pilgrim*

The youngest sons of great European families often resort to the army, where they make do with colonelcies, or to a church career sans true vocation, or to an untalented expatriatism. The Rothschilds know no such case in all their ranks. Their youngest sons get so much more to start with, and, as Edmond's example shows, they can make so much more of what they get.

This baby brother of Alphonse (he died only in 1934, at the age of ninety) engaged in the customary activities on the Family program. He sat behind his desk in the Partners' Room at rue Laffitte (his specialty was dividing the world's oil with Shell and Standard Oil); he built a great town house, he married another Rothschild, Adelheid of the German branch, in a round of festivities which were both religiously orthodox and religiously splendid. He had powerful cultural interests. If his brother Alphonse gathered rare goldsmith work of the Renaissance, if his cousin Willy in Frankfurt became a celebrated bibliophile and

cousin Nathaniel in Vienna specialized in late eighteenth-century bijoux—he, Edmond, assembled a sumptuous collection of engravings and left no less than twenty thousand of them to the Louvre

But Edmond also turned to an interest that gradually consumed his long and characteristically energetic life. It began as charity and ended, in our time, as history. It can be summed up in one word: Palestine.

The story starts on September 28, 1882, with an incongruous interview in Edmond's office. Behind his desk sat the Baron with his manicured imperial, his velvet bow tie and fragrant buttonhole. A strange apparition faced him, wreathed in wild prophetic whiskers. The Grand Rabbi of France, who acted as the Baron's appointment secretary in such matters, introduced the man as Reb (Rabbi) Samuel Mohilever, and endorsed his mission: to raise money for the support of new Jewish colonies in Palestine. Reb Mohilever did not look like a fund raiser, though, he certainly didn't act like one.

The conversation began with an inquiry. Would the Baron mind if he, Reb Mohilever, did not discourse in the modern manner, but employed the tone of voice used by a rabbi in front of the congregation? All right, to the first main point. Why was Moses, who was tongue-tied and stuttered—why was he picked to be the leader of the Jews and to take them from Egypt to the land of Israel?

After discussing the pros and cons in the Talmudic manner, the Reb disclosed to the astonished Baron that the reason lay in this: God deliberately avoided a smooth talker for the revelation of His word. He chose a stutterer to show that what was so compellingly convincing in Moses' mouth was not a clever tongue but the Voice of the Lord.

A series of similar sing-song reasonings led Reb Mohilever to the conclusion that he, too, was a poor speaker; but that perhaps his smallness had been chosen to demonstrate the greatness of his cause: to show that the soil of Zion was the one haven for his persecuted brethren in Eastern Europe He had come to Paris hoping to commit to Palestine the innermost fiber of Baron Rothschild's soul.

Edmond answered that he was prepared to contribute the necessary sum—which his visitor had not even mentioned. But Mohilever's Talmudic dialectics steered the interview straight back to the soul again. The Baron, not prepared for a spiritual set-to, kept stressing his willingness to give money, the Rabbi would not let go of the innermost fiber. At last the deep black eyes of the old man won out. Edmond promised ". . . to consult myself and make a trial to see what will result from it."

Grand Rabbi Kahn, who played interpreter whenever the Baron's Yiddish gave out, has handed down the phrase. It turned out to be no mere politesse. For the remaining fifty years of his life Edmond made a trial of the question, and it made a trial of him.

He became the greatest activating force in Jewish colonization prior to Zionism. He began by financing the settlement of exactly one hundred and one Russian Jews not far from Jaffa. Gradually he went on to subsidize needy Jewish colonies and to create others. His funds drained swamps, dug wells, ploughed land, built houses, surveyed terrains. Of the seven new Jewish agricultural communities existing in Palestine in the middle 1880's, three escaped bankruptcy only through Rothschild. A fourth was altogether of his own making. The rest benefited vitally, if more indirectly, from his help. The initial

colony of Rothschild-propelled emigrants was soon followed by many hundreds and later thousands of such settlers.

All that constituted Edmond's outward involvement. It didn't really harmonize with a rather fastidious, saturated, retiring inner nature. Gladly he would have let just his checks speak for him. In fact his first contribution was signed "Nadev Hayeduha," the Hebrew term for "anonymous benefactor."

A contradiction developed in the man. Chaim Weizmann noted it the first time he met him. "Everything about him was in exquisite taste," Weizmann recalled later, ". . . his clothes, his home—or rather his homes, his furniture and paintings. . . ." And yet there he was—this aloof, immaculate dandy—hip-deep in the economics of irrigation, manure and soil rehabilitation.

Apparently the eyes of Reb Mohilever remained fixed on him, demanding the innermost fiber of his soul. Some force always pulled him out of the drawing room into the heat of the Jewish battle. His princely reserve, fostered by secretaries and assistants, always lost to the Rothschild drive that must conquer definitely whatever it casually touches

Before long Edmond found himself intervening with the Turkish government, at that time in control of Palestine, in favor of Jewish colonization. He did diplomatic backstage work. And he was sucked into the internecine strife among the settlers. The distant donor changed into the querulously loving father and finally into the fond, familiar tyrant.

When a deputation of Russian Zionists called on him to discuss the need for reform in some of his settlements, he grew purple like David mortified by Absalom's treason: "These are *my* colonies, and I shall do with them as I like!"

Few of his friends in the Jockey Club would have recognized M. le Baron.

It was an awful spectacle, this combination of paternal ire and Rothschild autocracy. Often he threatened to withdraw his immense subsidies and thus to wither all Jewish Palestine with one stroke. How seriously he meant such threats became plain later on, when some other Rothschilds began to show a tentative interest in Palestine.

"What!" he said furiously to Weizmann. "After I've spent tens of millions on the project, while they made fun of me, they want to come in now with a beggarly few hundred thousand francs and share the glory? If you need money, you come to *me!*"

The degree of his embroilment reached touching and tragicomic heights in 1889, a so-called Sabbatical Year. (Orthodox Jewish law, based on certain passages in Leviticus and Deuteronomy, forbids the tilling of Jewish land during every seventh year.) Edmond thought that idleness for so long a period would ruin most of the young settlements. He remonstrated with the rabbis of Jerusalem, who remonstrated right back. Edmond flew into a fatherly Jewish fit, the worst fatherly fit there is. He forsook racing, banking, collecting and all his other superb leisures. To combat one fanaticism, he had to assume another.

For months on end he plunged into ferocious theological maneuvers. He convoked a series of secret conferences of rabbis friendly to his position. It was decided that the Sabbatical Year must be worked through, but without breaking orthodox tradition Edmond's counselors devised a method to have this kosher cake and eat it too: all the Jewish land in Palestine had to be sold, for that one year only, to people of another faith. In the eyes of God the settlers would then be working for non-Jews—which was

permissible—and not for themselves.

The rabbis of Jerusalem cried out at this as a blasphemous fraud upon the Eternal. They threatened to excommunicate anyone caught working. They promised to take up collections to support all those who abstained.

They were dealing with a Rothschild. Edmond laid a powerfully worded brief of his argument before Rabbi Isaac Elchanan of Kovno, Lithuania, famed throughout the world as the greatest orthodox authority. After considerable coaxing on the Baron's part and deep study on the part of the savant, Reb Elchanan issued his verdict: under such safeguards as Edmond's rabbis proposed, the soil of Zion could be tilled during the Sabbatical Year.

Thus Edmond won another victory. But the innermost fiber of his soul was sore. The very man who had first sensitized it, Reb Mohilever, had not spoken up for Rothschild's side of the controversy.

A remarkable document survives from that time. It is a letter written by Edmond to the Grand Rabbi of France but meant for Reb Mohilever. The Baron, too hurt to address the Reb directly, asked the Grand Rabbi to bring the letter before the true object of his emotions. Edmond's indignation was such, in fact, that he even abstained from French. He wanted to berate Mohilever in Mohilever's own idiom. And so this outburst is innocent of the polished perfections of the secretariat usually in charge of the Baron's correspondence Composed by Edmond himself, it consists of Jew Street jargon, a sort of Yiddish. And Edmond's halting Yiddish seems a good deal more pathetic than the primitive German once used by his ghetto-dwelling grandfather. With his poor German old Mayer Amschel pursued the success he fully achieved; while with his beginner's Yiddish the baronial grandson reached for a folk identity he could never quite attain. The missive,

scrawled painfully in Hebrew letters, is an explosion of fond disappointment, overflowing with fury and love, and culminating tremulously: ". . . Herr Oberrabiner, do you know what I think? I will tell you the truth. . . . These colonists want to take the land and the houses away from me and then scoff at me. . . . Let Rabbi Mohilever know that I will send the colonists . . . and all their families back to him and then we will see what he will do with them. And besides traveling expenses, I will not give them a cent."

Needless to say, the threat was never carried out. Reb Mohilever could conclusively prove that he had worked undercover for Edmond against the hostile rabbis; had, in fact, clinched the supertheologian's favorable decision He and Edmond resumed their curious friendship. The colonists did work through the Sabbatical Year and, for all their spasmodic rebelliousness, came to regard Edmond as their protector-king His name merged with the designation "Nadev Hayeduha" under which he had first given money for their cause. At the end of the nineteenth century, Jewish Palestine knew him as Baron Rothschild, the Anonymous Benefactor.

This particular wound healed. But there was another Palestinian problem Edmond could never quite resolve. The Rothschilds, in all their branches, kept their distance from Zionism. Official Family policy held that they and their coreligionists were European citizens of the Jewish faith, who must refrain from anything that might jeopardize emancipation. Most of the *mishpoche* looked at Edmond's Palestinian obsession with what was at best astonishment.

Theodor Herzl, the political founder of the Zionist movement, sensed an opening. He considered The Family "the most effective force our people have possessed since

the dispersion." If only it were a force sympathetic to his aims! Albert von Rothschild, head of the house in Herzl's native Vienna, had not even deigned to answer a request for an interview. But perhaps this Paris Rothschild, this Palestine-prone Baron . . .

Herzl pulled a hundred wires to achieve an appointment with so great a prize. But Edmond closed his doors. His activities in Palestine were a matter of philanthropy, not of nationalist politics. Thereupon Herzl, in a letter to the Grand Rabbi of France, declared that he would resign Zionist leadership in favor of the Baron the moment he turned Zionist. Edmond agreed to a meeting It took place on July 18, 1896, and ended fruitlessly. For the Baron, Palestine was a refuge for oppressed brethren, period.

When Herzl met Lord Rothschild and his brothers later on, the encounter turned out even less happily. Natty, Leo and Alfred liked the man (they even helped to support his family after Herzl's death), but they were impervious to most of his ideas. "How is one to negotiate with this collection of idiots!" Herzl exclaims in his diaries.

New Court, in fact, launched the bitterly anti-Zionist League of British Jews. Nothing seems odder, therefore, than the following letter by the British foreign minister, a letter known to the world as the Balfour Declaration.

Foreign Office
November 2nd, 1917

Dear Lord Rothschild,

I have much pleasure in conveying to you, on behalf of his Majesty's government, the following declaration of sympathy with Jewish Zionist aspirations which has been submitted to, and approved by, the Cabinet:

"His Majesty's government view with favour the

establishment in Palestine of a national home for the Jewish people and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country "

I should be grateful if you would bring this declaration to the knowledge of the Zionist Federation.

Yours sincerely,
Arthur James Balfour

The Lord Rothschild apostrophized here is, of course, no longer Natty but Lionel Walter, his heir, in The Family's eyes a dangerous maverick because of his weakness for Herzl's dream. Yet not even he approached one tenth of Edmond's ostensibly non-Zionist efforts toward the realization of Israel. Thus the historic strangeness of the Balfour Declaration and the paradox of Edmond's own position.

In his memoirs Chaim Weizmann, Israel's first president, recalls a remark by the "Nadev Hayeduha": "Without me, Zionism wouldn't have succeeded, but without Zionism my work would have been struck to death." A pregnant statement, it contains both the implied separation between Edmond's "work" and Zionism and his crucial connection to a cause he could never quite bring himself to espouse formally. (To Edmond is ascribed the saying that a Zionist is an American Jew who gives an English Jew money to get a Polish Jew to Palestine) He considered Palestinian Jewry not as a polity but as his own obstreperous yet passionately loved family, whose duty it was to love him, its father, in return. But Zionism?

The national goals, the propaganda apparatus, the official trappings of a political organization? That sort of thing dismayed him. After all, he, Edmond de Rothschild, was there, ready to take care of it all benevolently and privately.

"Why must you people go around making speeches and attracting attention?" he once asked Menachem Ussishkin, a Russian Zionist leader

"Baron Edmond," the man answered, "give us the key to your safe, and we promise not to make any more speeches."

Actually the Zionists had it both ways. They went on making speeches. And they did get the key to the Baron's safe, at least to one of his larger ones. The money went on flowing throughout the Baron's long life.

In 1931, at the height of the depression, Zionism was out of funds. Dr. Weizmann was dispatched to the Baron. As soon as the Jewish leader reached Paris, the grippe struck him down. This most chronic of Zionist speech-makers was flat on his back when, surrounded by a panic of bellhops and concierges, the eighty-six-year-old Baron came in. In his hand he carried a check for forty thousand pounds.

"This should help bring your temperature down," Edmond growled, put the piece of paper in Weizmann's hand and stalked out again.

Never has an ideological shirker been more generous to the cause he shirked Palestine flourished in a hundred places under his touch. His money helped start new soil cultures in the Holy Land: almond trees, mulberry bushes, jasmine, mint, tobacco He not only pressed the introduction of viticulture, but guaranteed its financial survival by purchasing the entire grape crop of all Jewish settlements year after year—and at a higher price than the quotation on the world market.

He also sparked the industrial development of Israel-to-be. His funds facilitated the formation of the Palestine Electric Corporation Ltd., the Portland Cement Company's "Nesher Ltd.," the Palestine Salt Company and the Samaria Water Company.

And still this was not the end. He even made sure that the colonies he bought clustered strategically across Judea, Samaria and Galilea, to serve as strongholds in time of need. The time of need came, four decades later.

At one point it puzzled Weizmann why Edmond spent such huge sums of money on excavating and exploring the Mount of Zion. The Baron claimed he was interested in finding the Ark of the Covenant.

"I asked very seriously," Weizmann says, "what he hoped to achieve with the Ark. He answered, '*Les fouilles, je m'en fiche: c'est la possession.*' Excavations be damned, it's the possession that counts"

The Arab armies can deem themselves lucky that there weren't more such non-Zionists as he.

Following Edmond's money came Edmond himself. The Baron and Baroness began to visit Palestine, perhaps the plushiest pilgrims the Holy Land had ever seen. The couple liked to travel in their own yacht, weighing anchor in Marseilles and docking at Jaffa.

It was on May 5, 1887, that the "Nadev Hayeduha" first walked on Zion's soil. That day marked, in an observer's phrase, "the historical meeting between a prince and his people." Trailed by a great following, he prayed at the Wailing Wall and—he was, after all, a Rothschild—quickly undertook to buy it from the Arabs. Not only that, he aimed at the conversion of the surrounding neighborhood into one huge Jewish shrine. To meet Moslem objections, he made a second commitment: he would purchase another, equivalent plot of land; here he

would accommodate, in much more comfortable houses than they had near the Wall, all the Mohammedans who must be evacuated.

Edmond appropriated three quarters of a million francs. The Pasha of Jerusalem had already given his approval. Yet the whole scheme died mysteriously of the opposition from Jerusalem's Chief Rabbi.

Nevertheless, this and subsequent baronial visits were splendid occasions. The velvet bow tie was seen everywhere—in hospitals, schools, farms, industrial installations, workshops. Naturally Edmond took a *cognoscente*'s interest in things familiar to him—the wine cellars, for example, or the perfume factories, or the display of horsemanship by young colonists. (Today his grandson, the present Baron Edmond, and England's Lord Rothschild jointly continue the administration of his huge Israeli interests. They also continue the tradition of pet luxuries: their special hobby is the development of Caesarea into a fashionable golfing resort.)

No matter how occupied, Edmond did not forget the innermost fiber Once, at Tel Aviv, he said publicly and bitterly, "Never before did I regret so much as now that I cannot speak Hebrew."

Another time—it seemed the eyes of Reb Mohilever, now dead, would never release him—he called out his conviction "that if you abandon Judaism, all our people will suffer shipwreck . . . for you are the pride and hope of Jewry . . ."

Two days after this speech, settlement leaders were invited to dinner on the Rothschild yacht. They found great wonders there. The ship had a complete, specially fitted kosher kitchen, and a kosher Escoffier who created meals such as Solomon must have served Sheba. The satin-lined cabin used as a prayer room was in the stablest part of the

ship. And all the doors of all the sumptuous staterooms had *mezzuzahs*

The story goes that one of the settlement elders, greatly taken with the prodigies of the vessel, kept walking its decks and almost missed the tender that took his colleagues back to shore.

"Don't you want to return to Zion?" one of them twitted him

"*You* go to the Promised Land," he is supposed to have answered. "*I'll* stay on the Promised Yacht."

8. *Hoffahig*

In Austria, Salomon's grandchildren had come of age and helped to spangle the evening of the Habsburg Empire Of this *fin-de-siècle* generation we already know Ferdinand, the Anglicized lord of the palazzo at Waddesdon and member of the Marlborough House gang. Ferdy's two brothers administered the Family fortunes along the Danube. Both covered Vienna with their philanthropies. They founded, among many other things, a General Hospital, an orphanage, an Institute for the Blind, an Institute for the Deaf Mute, a neurological clinic and hospital, and a botanical garden.

Both brothers raised Rothschildian palaces. Albert, the youngest (chosen by his father to take over the bank), conjured up an enormous Louis XVI mansion on Prinz Eugenstrasse. Inside, the "Albert Memorial," as some of the English Family dubbed it, teemed with magnificences; we will mention only the silver dining room and the gold ballroom, with their heroic chandeliers of over half a thousand candles each.

As for Nathaniel's *palais* in the Theresianumgasse, it

ran the gamut from four Van Loo paintings commissioned by Madame Pompadour to a unique porphyry table of Marie Antoinette's, and held the clan's most extensive collection of Louis XIV, XV and XVI treasures anywhere. When this building was demolished after World War II, both principal art museums in Vienna had to rearrange their collections thoroughly in order to absorb the massed gorgeousness given them by Baroness Clarice.

The care of such treasures demanded regiments of servants. Among the endless personnel of the Rothschild households were the hereditary positions of silver-polisher and marble-polisher. These functionaries consecrated their entire lives to caressing Rothschild cutlery and stroking Rothschild stone and jealously handed on the privilege to their sons

Baron Albert savored the rugged side of life as well. A dedicated mountaineer, he was the seventh man to climb the Matterhorn, and neither he nor his brother neglected the chief bucolic pleasure of the aristocrat. At Schloss Langau, at Enzesfeld, and particularly at the castles in Schillersdorf and Beneschau, the great Rothschild hunts were staged. Here the poorer of the major nobility would sometimes arrive with suitcases full of dirty laundry. Two good reasons accounted for this habit: 1. It increased the bulk and weight of one's luggage, bringing it in line with that of other guests, 2. One unpacked one's clothes and left them casually about one's room, as though they had just been soiled. The maids picked them up automatically and brought them to the Rothschild laundry, 130 men strong, which washed thousands of garments without asking a single question. In the end, alas, Baron Albert stopped the practice. Instead, boxes of brown soap were put in the luggage of his unlaundered friends on their departure.

In Vienna, the height of the spring season was the Derby held on the first Sunday in June (here, as in England, the *mishpoche* won it three times), the social highlight of the day being the Rothschild tea given after the race But the greatest show was the Family progress along the Hauptallee, the long tree-lined avenue connecting city and race course A mechanical wonder figured in the procession: the Rothschild electric auto. All of Austria-Hungary hardly knew its like. Gliding along silently in the Family colors of blue and yellow, it was a final landmark of *Alt Wien* But on the Hauptallee it always suffered a jovial indignity. Frank, one of the most famous *Fiakers* (horsecabbies) in town, would overtake it; youthful Rothschilds leaned out of the galloping cab, hooting at the slow galvanic monster.

Fiaker Frank rates an explanation. He was the living badge of nabobery. Old Vienna's other immortal horsecabbie, *Fiaker* Bratfisch, was Crown Prince Rudolf's. Both the Habsburg and Rothschild families had fleets of their own vehicles, but, in addition, each hired a special independent taxi for its exclusive use and for the whole season. The Crown Prince always had Bratfisch ready to take him to tender appointments best concealed from the regular servants manning Habsburg carriages.* The *mishpoche*, acting with less amatory enterprise but with equal lavishness, engaged Frank because of his celebrated speed.

In *Fiakers* and in some other respects Rothschild and Habsburg ran parallel. But to many it seemed impossible that the two should ever meet. Rothschild doing business with a cabinet minister, or even Rothschild entertaining a duke—well, all right, it couldn't be helped. But Roth-

* It was Bratfisch who discovered the bodies of Rudolf and his mistress after they killed themselves at Mayerling.

schild breaking bread with Habsburg, Europe's greatest imperial symbol—*Himmel!*

In 1887 *Himmel!* happened. Emperor Francis Joseph "by a special act of grace" forgave the Rothschilds for not being descended from four lines of high-grade nobility and for being unbaptized They were declared *Hoffahig*, or courtworthy. The dispensation admitted them to levees, receptions and private gatherings attended or given by the imperial family. Henceforth the *mishpoche* moved among a circle boasting a longer continuity of rule, and a far haughtier inaccessibility, than the courtier society surrounding Queen Victoria or the Prussian Kaiser.

Francis Joseph himself was correct—no more, no less—to the people he had just appointed his friends Every Rothschild funeral or wedding received an All-Highest personal telegram To one Family party the Emperor lent the Court Opera ballet and permitted it to dance through the torchlit Rothschild gardens in the Theresianumgasse—a singular imperial favor Yet the sovereign's private exchanges with Rothschilds seldom went beyond comment on the weather or common health problems.

A story, perhaps apocryphal, suggests reasons for this attitude. Once, when his Majesty had involved Baron Albert in longer conversation than usual, the *haut monde* swiftly teemed with the rumor that the monarchy was in need of a new loan Perhaps his Majesty felt that such intimacies were too damaging to Habsburg credit.

His wife Elizabeth, Austria's strangest, loveliest and most intellectual empress, didn't have to bother with such considerations. She liked the female members of the clan, with their many esthetic interests. A close friendship began between her and Albert's sister Julie, a cosmopolitan Rothschild, sumptuously typical of the *fin-de-siècle mishpoche*. Born of the Austrian house, married into the Naples one

(Adolph von Rothschild was her husband), living in Paris and a frequent visitor to her brother Ferdy's English splendors, Julie had her favorite residence in Switzerland—a fairytale villa in Pregny on the shores of Lake Geneva. On September 9, 1898, she and the villa became linked with a dark hallmark in Habsburg history.

That day the Empress of Austria came to visit, not in an Austrian vessel of state, not in the Rothschild yacht Julie had offered, but by ordinary steamer. She arrived in her customary deeply veiled, discreetly hatted, strictly incognito fashion (she traveled as Countess Hohenembs), attended by a single lady-in-waiting.

As so often, Julie managed to cheer her high guest The magnificent dinner was served with subtle regard for the dietary laws of both ladies: Julie ate kosher, while Elizabeth was the first low-calorie Empress, with *Vogue* cheekbones and, despite her sixty years, an infinitesimal waistline. The concealed orchestra played a sweet Italian air. The hostess steered the conversation to Heine, her guest's favorite poet, and before long the All-Highest lady proposed a champagne toast, a levity rare in her melancholy later years

Afterwards the ladies adjourned to the gardens and then to Julie's hothouses. Arranged by countries and climates, the plants constituted the finest private conservatory in Switzerland. As an exquisite bouquet of petals and aromas enveloped the Empress, she brightened still further. All was smiles until the time of departure Then Elizabeth signed the visitors' book and, still in her pleasant mood, turned it a few pages back. She stopped, pale. There was the signature of Crown Prince Rudolf. Her son, too, had been a guest at Pregny, shortly before his suicide at Mayerling

When the Empress left, Julie noticed tears in her eyes.

And later the lady-in-waiting recalled that on the way back, again by ordinary steamer, Elizabeth had talked about nothing but death. The subject was apt. Less than fifteen hours afterward, in front of her Geneva hotel, she died of an anarchist's dagger The Empress of Austria had spent her last full day in Julie von Rothschild's home

Happily, most fraternizings between royalty and the Austrian *mishpoche* were not ominous Other sisters of Albert and Ferdy had other friends with scepters. Mathilde, who had married Wilhelm von Rothschild of Naples, is one example One day her husband's namesake, Wilhelm II (grandson of the admirer of Ferrières, and Kaiser Bill of World War I), invited Mathilde to dinner. The occasion almost induced apoplexy in the court chamberlains at Potsdam and inflicted a historic *Schrecklichkeit* on Prussian protocol. For Mathilde von Rothschild refused to touch a morsel on his Majesty's table. The Kaiser had forgotten to cook kosher.

Last, not least, there was Alice, youngest of Albert's sisters, who lived until 1922. She and Lord Natty were beyond doubt the most formidable individuals yet produced by the House of Rothschild. Alice never married (an even greater rarity among Family females than among the males), perhaps because a lady so overwhelmingly independent in income and mind wasn't fit for mere wifehood. Who was man enough for the woman who cowed Victoria, Queen of England?

By way of introduction to this feat it should be said that Alice inherited miscellaneous Austrian fortunes, including Ferdy's Waddesdon Hall. But the apple of her eye was her great estate at Grasse in the South of France. Here she, too, kept elaborate gardens. In contrast to Julie, however, she wielded one of the gruffest green thumbs in horticultural history.

Victoria, after her first taste of Rothschild hospitality at Waddesdon, became a frequent, often daily guest at Grasse during every royal stay in southern France. These visits put Alice into her fiercest fettle. The memoirs of Lady Battersea (née Rothschild) vividly described Cousin Alice ". . . walking miles up and down hill, giving orders to the Inspector of Police, the royal coachmen, the foremen and workmen, with the manner of Napoleon As a surprise to the Queen she ordered a mountain road to be levelled and widened, and this had to be done in *three* days which means building small walls, picking out huge stones, covering small ones with macadam, turning a stream. . . ."

Alice never failed to welcome Victoria with courtesies such as custom-made landscapes. She even beguiled her august friend into throwing flowers from a hidden villa window at passers-by, and almost changed the venerable monarch back into the tomboy princess she had been three quarters of a century before. But when the Hanover heel trod on a Rothschild petal, all bets were off. A dread moment saw Victoria trespass on a newly planted flower bed.

"Come off at once!" Baroness Rothschild thundered at the Queen of England and Empress of India.

The Queen came off. After that she referred to Alice, perhaps only half in jest, as "The All-Powerful One." Their friendship endured. So did the epithet. "The All-Powerful One" became Alice's nickname to her kin.

But weren't they really *all* all-powerful, all-enduring? The Family colors fluttered from the finest towers in Europe. It seemed impossible that they should ever be hauled down.

VIII

NO MORE PLUMED HATS

1. *Two Kingdoms Resign*

THE mathematically inclined reader may have noticed that recent chapters spoke only of three Rothschild banks—in London, Paris and Vienna. But the five founders established five houses; which leaves us, at the beginning of the twentieth century, with a deficit of two.

The disappearance was not accompanied by convulsive changes In fact, the two casualties managed to dismantle themselves with the same stately *savoir-faire* with which the other branches flourished. In 1861 Garibaldi's Red Shirts stormed southern Italy. What had been the Kingdom of the Two Sicilies became part of unified Italy. The Rothschild bank at Naples closed its portals because there was no longer a Neapolitan monarch to loan to. Adolph, son of the founder, Carl, did not care to do business with lesser principals and followed the royal family into France. A nice difference obtained between the two expatriates. In Paris the king became an ex-king, but Rothschild was not

an ex-Rothschild. His exile proved no less noble than his former native household. The Empress of Austria (who became so intimate with his wife Julie) was only one of many illustrious guests in his several residences.

But Adolph had no children. His brother Wilhelm had three; brother Mayer, seven. All ten were—supreme frustration—girls. In this unrelieved femininity lay the demise of the Italian branch and, as a matter of fact, of the German as well.

Strictly speaking, the Frankfurt house had stopped with the death of Amschel, who was not blessed with offspring. After him the excess boys of the Naples branch, Wilhelm and Mayer, assumed the Frankfurt reins. Yet the river Main, by whose shore the original patriarch had sired those five titan scions, seemed to have bedeviled the newer Rothschilds They had daughters, daughters, daughters only! The lack of sons soured and withered Mayer and Wilhelm, just as it had once withered and soured Uncle Amschel. Like Amschel, they buried themselves in orthodoxy (Wilhelm wouldn't shake a man's hand unless assured his fingers had not touched pork that day) and in collecting (Mayer's silver collection and Willy's library represented Frankfurt's greatest private treasures). To business the two didn't pay much more than mechanical attention. Why should they, with no young men to carry it on?

In Berlin the government tried to provide incentives. The Kaiser's newly constituted Reich wanted to benefit, as had the other great European powers, from a thriving Rothschild House. Mayer was appointed to the German House of Lords. Bismarck forgot the confounded cheek of Ferrières' wine steward and attempted several times to lure spare Rothschild sons from other capitals. The *mishpoche*, however, was, and is, a hard family to beguile. One cannot promise the moon to people who own the

moon. The Frankfurt Rothschilds stayed sonless. The foreign Rothschilds stayed put. The inevitable came to pass.

In 1886 Mayer was found dead, his head sunk across a column of figures. In January, 1901, Wilhelm was buried. Three months later Edmond (son-in-law of Wilhelm) and Natty (son-in-law of Mayer) sent out a historic announcement to all friends and business acquaintances of the original House in Frankfurt:

> It is our sad duty to inform you that in consequence of the decease of Baron Wilhelm Karl von Rothschild, the Banking House of M. A. von Rothschild und Sohne will go into liquidation. The liquidators are 1) The Right Hon. Nathan Mayer, Lord Rothschild, London, 2) Baron Edmond de Rothschild, Paris.

There are two postscripts to this ending. Until the advent of Hitler, the Family name survived in Frankfurt in hyphenated form. Minna, Wilhelm's youngest daughter, married the banker Maximilian von Goldschmidt and for a dowry brought him not only a fortune but the ten magic letters. After his wedding and until his death her husband was known as Maximilian von Rothschild-Goldschmidt.

The second postscript concerns an interesting nautical vignette. According to the diary of the then French ambassador to Berlin, it occurred on the blue Mediterranean in April, 1908. Two luxury vessels happened to be anchored in the harbor of Palermo. One was the *Hohenzollern*, Kaiser Wilhelm's great seagoing limousine; the other, the yacht of "a young French Rothschild" (possibly Edouard, Alphonse's son). The imperial ship signaled an invitation, and soon afterwards the young Baron was piped onto the Emperor's deck. His Majesty greeted his guest with warmth and almost instantly launched into the argu-

ment for a Rothschild return to the *Vaterland*. The Kaiser praised the greatness and fruitfulness of The Family; asserted that he had no racial or religious prejudices, nor would he tolerate any in his court, and pledged that a revived German house would enjoy a position actually superior to the London, Paris or Vienna branches.

Though it provided a pleasant occasion, the Kaiser's cordiality was no more successful than Bismarck's. The Paris, London and Vienna branches were too busy being their refulgent selves, too occupied with enjoying and radiating the ultimate splendors of an age that died of shellshock in 1914.

2. *The Golden Momentum*

All the balls and soirees did not stifle a fundamental Rothschild instinct. Bismarck had called it "the absurd desire to leave to each of their (often numerous) children as much as they themselves inherited."

Business was business, and business continued to be prosecuted by the three remaining houses. In England, N. M. Rothschild & Sons invested hugely in Indian mines; it financed Cecil Rhodes' diamond dominion in South Africa (a burly uncut diamond still lies on the mantel of the Partners' Room in New Court, and the house is still connected with de Beers); its banking and loan operations covered most of South America. In France, de Rothschild Frères went into electrical industries, developed the Mediterranean Railway, branched out to North Africa and exerted such control over the Baku oil fields in Russia that the French Family was for a number of years a principal competitor of the Rockefeller trust. In Austria, S. M. Roth-

schild und Sohne extended its scope into Hungary through the famous 6 per cent Gold Loan of 1881; the Creditanstalt, invented as weapon against the Crédit Mobilier, grew to be a species of giant subsidiary of the Family bank and became a financial force in every corner of the Habsburg realm.

Thus the *mishpoche* maintained a good deal of the octopus tradition. It also retained, and much more painstakingly, a much more fundamental habit. Take Anselm's testament, written in 1874 by a sophisticated, cosmopolitan Viennese grand seigneur In its instructions and emotions it is still an exact echo of the first patriarch's will composed under a ghetto roof nearly three quarters of a century before. Anselm wrote.

> I charge all my dear children to live constantly in perfect harmony, not to allow family ties to loosen, to avoid all disputes and unpleasantness and legal actions, to exercise forbearance and tolerance to one another and not to let themselves be carried away by angry passions; . . . let my children follow the example of their splendid grandparents, for these qualities have always insured the happiness and prosperity of the whole Rothschild family, and may my dear children never become unmindful of this family spirit. In accordance with the exhortations of my father, the grandfather who so sincerely loved them . . . may they and their descendants remain constantly true to their . . . Jewish faith

Then follows a refrain common to so many Rothschild testaments, from Frankfurt Jew Street onward:

> I forbid my children most explicitly in any circumstances whatsoever to have any public inventory made by the courts, or otherwise, of my estate. . . . Also I

> forbid any legal action, and any publication of the value of the inheritance. . . Anyone who disregards these provisions and takes any kind of action which conflicts with them shall immediately be regarded as having disputed my will, and shall suffer the penalties for so doing.

In London, Natty went his father one better and resurrected his grandfather's custom of leaning against the "Rothschild pillar" at the 'Change. It was purely an ancestral ritual.

Not that Rothschild had stopped being the great specter of Europe's bourses. But now The Family usually bulled or beared by messenger and telegraph. Its name was still a thunderclap. In 1873 the Vienna stock market ran wild with shares issued by imitations of the successful Creditanstalt. Prices rose with speculative passion—then fell with dangerous speed. Finally a Rothschild agent appeared on the floor. A broker, anxious to sell, made a beeline for him and asked whether he was interested in acquiring half a million's worth of bank securities.

"Half a million!" the Rothschild man said within hearing of a crowd. "All your banks together aren't worth that much today!"

This single remark, uttered with Family authority, massacred prices, mowed down a dozen pseudo-banks, and helped set off the crisis of 1873.

But the name could enchant as well as terrify. In 1889 the London house made available for public subscription shares of its Burma Ruby Mines operation. The day after the announcement, Lord Natty's carriage could not enter St. Swithin's Lane. This rather narrow street leading to New Court was choked, wall to wall, end to end, with people. It was the first time the bank had offered sub-

scriptions to a mining enterprise, and from all over London investors had rushed to sink their savings into a Rothschild project.

Natty's driver and footman formed a prow through this veritable overflow of confidence. His Lordship followed, swearing into his buttonhole. Matters got worse at the bank building proper. The crush blocked access to every door. Finally a ladder was lowered from the first floor, and Lord Rothschild—top hat, beard, watch chain, morning coat, carnation and all—clambered up the wall and through the window, like a thief in the night.

Natty's dislike of ladders stopped him from getting into many more such public share offerings. The Rothschilds were (still are) big individualistic operators, who would rather do business with their own kind. Kings do not as a rule clog St. Swithin's Lane, and the *mishpoche* preferred one monarch to a hundred thousand grocers. (The classically favorite money customer in Family history remains Leopold I of Belgium. In 1848 he entrusted the French house with a nest egg of five million francs When he died in 1865, they had parlayed his worth—for appropriate commissions—into over twenty million)

Alas, the nineteenth century grayed into the twentieth. The kings dwindled, while the shopkeepers multiplied. On this increasingly important clientele the joint-stock banks battened. And while The Family controlled at least one important grocer-conscious institution in the Creditanstalt, neither their hearts nor the core of their business went out to the idea.

And so gradually, and in full panoply, they seemed to retire toward the sidelines After all, they could afford everything even a Rothschild could want. Their fortunes grew automatically even while they slept or danced or missed chances. They were bored by risk. Not long after

his climbing tour at New Court Natty confessed his philosophy on all kinds of speculation: "When I say 'no' to every scheme and enterprise submitted to me, I return home at night carefree and contented."

On another occasion a royal duke asked him if there was a certain technique for making money on the 'Change. "There certainly is," Natty answered. "It consists of selling too soon."

In Vienna, Albert kept quoting the advice of his grandfather, the founder Salomon: "One must go into the market as into a cold shower—quick in and quick out."

The showers, it appeared, had become a lot colder lately. The next generation showed signs of not wanting to get their feet wet at all. They had other interests, such as animals Lord Natty's eldest, Lionel Walter, established the great Tring Zoological Museum on the Family estate. Eventually the museum held—mounted, arrayed and captioned in exemplary fashion—more than a quarter of a million birds and over two million insects, including specimens not found in any other collection. Walter, a Cambridge-trained natural historian of the first rank, financed a number of expeditions, he published several important scientific papers as well as *Novitates Zoologicae*, a periodical highly regarded in the field.

The flea collection at Tring was particularly famous and intrigued not only scientists. A wag claimed that the most precious specimen in the collection had cost the owner ten thousand pounds but, on nearer examination, turned out to have escaped from the Family bank.

Another, more authenticated, development made the incongruity between bugs and business painfully clear. Walter, of course, had his bank duties to perform. But the museum began to engulf his energies, his time, and finally his pocketbook. The allowance he received from his father

was fittingly generous Still, it did not quite cover the stuffing of several hundred thousand animals Hopefully he speculated on the market But he did not know how to sell too soon The money vanished. After that he knew only one resort—to borrow a large sum and secure it with a life-insurance policy for 200,000 pounds made out, secretly, on his father. Unfortunately his scientific ardor outran his commercial circumspection He had forgotten that insurance companies often divide their large risks with other firms. In this case the other firm happened to be the Alliance Insurance Corporation, founded by N. M. Rothschild, with Lord Rothschild as chairman of the board.

One day milord looked at recent accounts of the corporation, and discovered the munificent policy on his life, contracted by his own son. From that moment on, Walter was excused from all further work at New Court. Yet in the end The Family had reason to be proud of Walter's taxidermist career; he became the first of several important Rothschild scientists.

Other members of his generation ended tragically, however. Walter's brother, Nathaniel Charles, died by his own hand, as did his Viennese cousin Oscar; while Oscar's brother, Georg Anselm, spent his final years in a private asylum. Family rivals wondered whether the fiber of the *mishpoche* was weakening. Some thought that Rothschild, the erstwhile lion, had become a dozing decadent. They began taking liberties with him—and reeled back, bloodied. The lion could leap from his cushions to kill as competently as ever.

In France a former right-wing Deputy named Bontoux was the first to rediscover the Family claws In 1876 he invented the Union Général, a shrewd combination of bank and anti-Semitic crusade. The incorporation prospectus announced the intention "of grouping and trans-

forming into a powerful lever the capital of Catholics. . . ." Wasn't it time to make an end of the republican finance system sucked dry by Hebrews? All the moneyed Christians who detested the palatial Jewry in their midst were attracted to the concept. Each reactionary element paid Bontoux its dues. Soon he had coined four million francs out of prejudice—sufficient initial capital. The Union Général allied itself with the powerful Banque de Lyons et de la Loire, floated shares which rose from 500 to 2,000 to a great deal more, and promptly spread the holy war on Rothschild to Austria.

Here Bontoux closed ranks with the Landerbank, a rival of the Creditanstalt. And here he followed the ominous precedent set by Pereire's Crédit Mobilier. As with Pereire, the Rothschilds gave way to Bontoux for months, even years. Grimly the clan watched him overextend himself.

In 1881 all Rothschild banks began to strike back in their orthodox, irresistible fashion. They acquired scattered piles of enemy shares, then rid themselves of everything at once, with one single price-depressing blow. The first big slash of the Rothschild paw brought down the Banque de Lyons Bontoux cried out. He invoked the mercy and the money of all Catholics against the enemy—to no avail. Between January 5 and January 20, 1882, the Union Général fell 2,090 points from a high of 3,050 to 950. On the so-called Black Sunday at the Vienna bourse, Bontoux and most of the banking houses allied with him were wiped out.

The panic that ensued on Europe's money markets could be stopped only by the force that had started it: Rothschild. And Rothschild was the first to buy again. Bontoux perished, but the *mishpoche* and Christendom survived together.

Eight years later this Continental spectacle repeated itself, with some modifications, in the British Isles. The rival in London was the House of Baring, not a fly-by-night like Bontoux, but the oldest and—next to the Family house itself—the biggest merchant bank. Lord Revelstoke, head of the firm, had long wanted to show those New Court parvenus where to get off.

The great Argentinian boom of 1886 seemed to be an excellent opportunity. He excluded the Rothschilds from this bonanza by summoning all Baring reserves, or, rather, oversummoning them There was, for instance, a port-construction project billed at ten million pounds, underwritten by Baring but despite all efforts unsubscribed by the investing public.

This time The Family didn't have to slash. It just bided its time. In the autumn of 1890 the Bank of England received news that Baring had accumulated liabilities to the tune of twenty-one million pounds sterling and saw no way of covering them.

The importance of the firm was such that its fall would drag with it much of the credit of London. Something had to be done. The merchants and financiers of the City began to raise a guarantee fund for Baring creditors. No less a sponsor than the Bank of England provided the auspices for the scheme. And yet it was doomed without the help of the biggest private money power in the Empire.

All eyes turned to the Partners' Room in New Court. Would The Family come through to help its own worst competitor?

The Family came through, not only on one but on two vital levels. It added the name of Rothschild, plus a Rothschildian sum, to the guarantee (The exact amount of the various private contributions was never revealed in this ticklish affair.) It also exercised its incomparable for-

eign connections in favor of the failing rival. Through Natty's intervention, Alphonse in Paris was alerted; and through Alphonse, the guarantee fund picked up an additional three million pounds, in gold, from the Bank of France.

London's credit remained unblemished. On November 15, 1890, the Governor of the Bank of England could announce that Baring would be in a position to liquidate all its commitments.

"When you thank the Bank of England," he said, "it is very important to bear in mind the willing and cheerful aid we have received from others, in the first place from Lord Rothschild, whose influence with the Bank of France was of such assistance without which . . . we could not have rendered the aid we were enabled to give."

In brief, the clan continued as a paramount presence not only in the drawing rooms but also on the money markets of the world. Until the shots of Sarajevo, it remained almost majestically unchanged.

3. *The Great House and the Great War*

(a) *Peacemongers Again*

There is a difference between stately old-fashionedness and utter ossification. The house took powerful pains to stay itself, but it was not insensitive to the drifts of history. From 1850 on it had recognized the awakening new national identities in Europe and made gradual, probably unconscious adjustments. Once upon a time the *mishpoche* had stationed members in England, Austria and France. Over the decades these turned into very English Roth-

schilds, very Austrian Rothschilds, very French Rothschilds.

In France, Baron Edouard (Alphonse's son) built a typical Frenchman's daydream. As companion piece to his Versailles at Ferrières, he thought he'd like a Petit Trianon, a small and playful country palace His Manoir Sans Souci at Chantilly (today still one of the residences of his widow) therefore has a mere ten guest rooms and requires a gardening staff of only three. There is no mistaking its Gallic quintessence, from the *chaises percées* in the powder rooms to the Picasso drawings along the corridors to *objets de frivolité*, such as ostriches made of downright feathery porcelain and fluffy tortoise-shell bureaus with twinkling rubies for drawer pulls. The squat concrete swimming pool scooped out by Goring during the occupation only points up the manor's Frenchness by contrast.

As for the Vienna house, it has loved music with a profligacy distinguishing Austria even today (The budget slice spent in another country on missiles is spent here on Mozart.) The most lavish entertainments by the Danubian part of The Family were the musical soirees Footmen in knee breeches and powdered wigs ministered to these affairs into the teens of the twentieth century. And, as we have noted, through the Rothschild garden there would dance the Vienna Opera ballet.

And in England? Constance Rothschild perfected in her butler the reflexes of immaculate Anglo-Saxon understatement. During the bombings of World War I he would enter after the first detonations and say boredly, as though announcing the arrival of a tedious ducal couple:

"The Zeppelins, my lady."

Well before 1900 the Rothschilds had divided into three separate groups that never for a moment forgot their common connection, yet whose first allegiance went to the

countries of their birth. Such allegiance became more urgent. While the several houses lived more nationally, Europe smoldered more nationalistically.

Of course, The Family tried as hard as ever to preserve or at least to finance peace. Each year this became a harder task. A great state no longer need rely on some few big financiers—a war minister could simply tax an army into existence. But when Prussia and Austria went to war in 1866, the *mishpoche* applied every form of pressure. At one point the Paris house even descended to returning the Austrian ambassador's check for a mere five thousand francs, on the grounds that his Excellency did not have sufficient funds to his credit. The *haut monde* gasped. Wasn't the ambassador a Metternich and therefore perforce an old Family friend? Rothschild's slap at Habsburg diplomacy became the talk of Central Europe. Nevertheless, the war went off on schedule.

It was a comparatively brief and small clash. But the *mishpoche*, into whose very nerves was bred a dynastic hatred of cannon, smelled a much larger conflagration far ahead, long before the smoke began to bother other nostrils.

That same year, on September 12, 1866, Anthony de Rothschild (Lionel's brother) expressed a heavy premonition. The jockeying among the powers over colonial aggrandizement weighed on his mind. "The sooner we are rid of all our colonies," he said, rather remarkably for a man with a bankful of overseas investments, "the better for England. We want peace at any price. . . . What do we care about Germany or Austria or Belgium?"

The key word here is Germany. After its triumph over Napoleon III, it had become a burgeoning bullying empire of Prussians. Each year the sabers of Berlin were heard more loudly in the capitals of Europe.

In 1911—four and a half decades after Anthony's warn-

ing—his daughters, Constance (Lady Battersea) and Annie (Mrs. Yorke), cruised together in the latter's yacht, *The Garland*. Sailing through the Baltic, whom should they run into—it's a peculiarly small world if you are a Rothschild—but the Kaiser in *his* yacht, the *Hohenzollern?* As in the harbor of Palermo, so here Wilhelm made a great show of hospitality. Constance's journal describes, with a wary and prophetic eye, the lunch his Majesty served them.

"He sits on a raised seat in the officers' mess," she observes. "We listened to his band of forty strong he had on the yacht with him. . . . He spoke quite respectfully of Grandmamma *. . . He said: 'We should remain friends, but don't like our toes trodden on.' . . . I hope we see him again, but not as our conqueror."

The threat was plain—and The Family was not the kind to just sit and sigh. Random yachting encounters would not avert a global conflict. Bald pressure could not be used as in the old days. But perhaps one could catalyze preventive negotiations?

It was only logical that England, the inveterate intermediary, should have had the Rothschild house most keenly sensitive to the handwriting on the wall. The surprise lies in the particular Family member who was most actively and ingeniously pacifist. Not until it was all over and the memoirs, often the secrets, of statesmen and politicians saw print, did the public discover the identity of the Rothschild who made such remarkable attempts to arbitrate among the powers.

Who would have suspected that Alfred, the most eccentric of sybarites, the driver of zebras, ringmaster of his private circus—that just he, the hothouse flower of the mauve decade, would turn out to be a very quiet, subtle,

* The Kaiser is speaking of Queen Victoria, his grandmother.

efficient diplomat on the sly?

He was, let it be remembered, Imperial and Royal Austro-Hungarian consul general in London (The dignity, like so many others embellishing the *mishpoche*, was an heirloom handed down through three generations. Nathan Mayer had been the first to receive it. From him it had descended to his son Lionel, from Lionel, after his conquest of Parliament, to his brother Anthony; and from Anthony, who had no sons, to his nephew Alfred) But Alfred's consulship was almost as purely honorary as his knighthood of the French Legion of Honor It served only as the vaguest framework for the efforts he began in the 1890's Possibly he deployed his Austrian office as counterweight to the fact that his first loyalty went to the English Crown. For Alfred made a soundless art out of being impartial and yet solicitously agile, out of being a private individual who commanded resources and connections matching a prime minister's.

His base of operations was his great town house at Seamore Place. Here, at cunningly composed dinners, German dignitaries and British statesmen mingled without the encumbrances of protocol or official implications. Here, under the influence of the rarest vintages, the best cigars, the choicest food, they could warm to each other's jokes, each other's wives—and, just possibly, each other's viewpoints.

It was on the nap of Alfred's sumptuous carpets that an early English-German crisis subsided. In 1898 Berlin and London were at loggerheads over the ownership of Samoa in the South Pacific. Alfred, a good friend of Count Hatzfeld, the German ambassador, received word that the Kaiser wanted to thrust a very bluntly phrased note at Whitehall. The public effect of such truculence was incalculable. Rothschild undertook to furnish a more civil channel. At Seamore Place shortly afterwards Ambassador

Hatzfeld and Joseph Chamberlain, Her Majesty's Secretary for the Colonies, sat next to each other in great soft leather armchairs. They drank demitasses and clicked crystal cognac glasses. Then the German informed the Englishman, in terms as pleasant and elegant as the setting, of the gist of the complaint. Later Chamberlain conveyed it, in similarly courteous form, to Lord Salisbury, the Secretary for Foreign Affairs. Salisbury could then respond, without losing an ounce of British dignity, to the Kaiser's satisfaction.

Alfred was equally adept when it came to sweetening London's tone toward Berlin. In 1900, after the outbreak of the Boer War, the German steamer *Bundesrat* was detained by British naval craft and thoroughly searched A violent German protest followed. It evoked a no less violent reaction from British newspapers, particularly the anti-Teutonic *Times*. Berlin flew into an uproar. The situation bordered on the critical until Seamore Place resumed its sumptuous arbitration. Over some five-star bottles, Alfred found a way of letting the Germans know, discreetly, that the prime minister neither shared nor necessarily approved of newspaper passions in London. Her Majesty's Government was unable to strong-arm a free press, but conveyed its position through the good offices of Alfred.

"Baron Rothschild," reported the acting German ambassador, "has confidentially informed me that this journalistic attack has displeased the Foreign Office. . . . A Cabinet minister has urged him to make every effort to bring pressure to bear on the *Times* in this affair. Baron Rothschild was shortly to meet Mr. Buckle, the editor-in-chief of the *Times*, and he told me he would speak to Mr. Buckle very strongly on the matter."

Victoria died shortly thereafter, which made Alfred's ticklish task somewhat easier. Now his good-fellowship with the new king could be enlisted. He would get

Edward VII to agree with his desire for a less irascible press, then have the *Times* chaps to dinner and impress on them the viewpoint "of an august person."

About this time the Boxer Rebellion broke out in China against Shanghai's European settlements. An international expeditionary force was dispatched to suppress it Alfred, in shrewd estimation of the Kaiser's military pride, moved every lever at his disposal to give Germany the ceremonial honor of the top command.

It seems strange that the Rothschild who lived most glitteringly distant from the world's daily cares was also the Rothschild most concerned about war, the greatest daily care of all One of his letters sums up the constancy, the tact and the doggedness of his conciliations. It was written by him to the German diplomat von Eckardstein for transmission to Count Bulow, the Kaiser's chancellor. Essential extracts read as follows:

> Your friends (my dear Eckardstein) know from experience that I have had the interests of the two countries at heart for many many years, although during this period various subjects of discussion have arisen between the two Governments . . . great good will has subsisted with regard to Germany in the highest circles, in the Ministry and in the country itself. . . . I can prove personally that this is the case, for I have always been more or less behind the scenes, and I have always done my best to produce satisfactory results. When Prince Bismarck was Chancellor he wanted to have representatives on the Egyptian *Caisse de la Dette*, and this was immediately agreed to; later he embarked upon a colonial policy which was also approved by the British government (on the Samoa question an agreement was reached in accordance with Germany's wishes, and

quite recently . . . British troops in China were placed under the supreme command of Count Waldersee). In a word, as far as I can recollect, the British government has always done everything possible to meet the wishes of the German government.

What is the position now? For some months, it might indeed be said for some years, the German press has constantly written against England, indeed, to such an extent that authoritative circles are beginning to wonder what is the aim of this aggressive policy, and whether Count Bulow or the German government cannot do something to prevent it. I am well aware that the Press in Germany is free, as it is in England, and that it will not have its policy prescribed . . . but when the Press of a country spreads rumors about a friendly Power that are absolutely false, the Government could well have taken the first convenient opportunity of stating how much it regrets that such false statements have been given such currency

. . . Such allegations have not merely made the Germans resident in this country indignant. . . . People here would have been glad to hear that the caricatures of our royal Family, which were sold in the streets of Germany, had been confiscated by the police. In a word, of recent years Germany's policy toward England has been a kind of "pinprick" policy, and, although a pin is not a very impressive instrument, repeated pricks may cause a wound, and, since I hope and pray with my whole heart that no serious wound may result, I am venturing to address these lines to you in the hope that you will clearly explain to Count Bulow how difficult my position in this matter has become with regard to the British government,

since I have done everything possible over such a long period of years, and that I feel now that you do not fully appreciate the great advantage of a genuine understanding with England. Possibly Count Bulow does not know that various German Ambassadors have often met famous English statesmen at my house, and it is not very long since the deceased Count Hatzfeld frequently met Mr. Chamberlain at my house, and they both shared absolutely identical views regarding the general policy of the two countries, in their mutual interests.

In referring to these details in a very private way, my dear Eckardstein, I do so in order to show that I am not speaking *sans connaissance de cause*, and I should be infinitely sorry if the small *refroidissement* which at present obtains and has absolutely no *raison d'être* should continue and possibly increase. . . .

Possibly you can prevail upon his Excellency to send me a few lines in reply to my observations; I would naturally show these only in the highest circles, and make the most discreet use of them; I am convinced that a friendly *éclaircissement* would produce the most satisfactory result—and immediately. If you should have the opportunity, my dear Eckardstein, assure the Emperor of my complete devotion; you know how greatly I esteem His Majesty.

Yours,
Alfred von Rothschild

This sensitively worded, delicate reproach was reinforced by more open displeasure from Alfred's brother, Lord Natty. How important Rothschild sentiments were to the Wilhelmstrasse, how close The Family may have come —during one phase of the early crisis, at least—to avoiding

the great catastrophe, may be gauged from a subsequent communication between Chancellor Bulow and the Kaiser.

"I venture most submissively to suggest for your Majesty's consideration," Bulow wrote to Wilhelm, "whether your Majesty's Ambassador in London should be specifically asked about any possible action to be taken with a view to dissipating any ill feeling that the Rothschilds may have, or about any other points arising out of the Eckardstein report"

And yet in the end it all came to nothing The velvet suasions of Seamore Place, Alfred's *soigné* French diplomatic locutions, his expert soothings—even his tiny ingenuity of changing the Family particle from "de" to "von" in his signature on the letter to Eckardstein—they were all blasted by the explosion at Sarajevo in July, 1914. The Kaiser moved from yacht to battleship. It would have been better for him, for the Rothschilds and for the world if Alfred's noblest pursuit had not been a lost cause.

(b) *The War*

The holocaust spread from the Austro-Serbian border across the world. Not since the Napoleonic campaigns had the world found itself in so great a war This time the Rothschilds were the losers, not the gainers. For one thing, the front line split the Austrian branch from the English and the French; theoretically a Vienna Rothschild in uniform was obliged to shoot his poilu or Tommy cousins.

This possibility, though chilling, was small. Another factor grew more important. A century before, during the forging of their greatness, the Rothschilds had been a tough, hard-fisted, fireproof band who waded in and out of the heaviest odds. Now success had smoothed the calluses

away. For many decades The Family's favorite arena had been the board room or the salon conference. There its means and its mettle found few peers. But at a time when nations ripped and starved one another to death, it was the machine gun in the trench that did the most effective negotiating. A few pages—and a whole world—ago Alfred was still writing his suave peacetime prose to Eckardstein. The difference between that communication and a wartime letter of his two years later dramatizes the clan's alienation from the raw new realities.

The supply of pit-props for dugouts had become desperately short. Alfred, now seventy-five, tethered to his fireside at Seamore Place, thought of the glorious beeches on his country estate and, a little confusedly, tried to help. His message really belonged on some assistant's desk in the War Ministry. But Alfred had no connections on such a level, and therefore addressed himself to his Majesty's first minister.

"I am not an expert," he wrote Mr. Asquith on February 28, 1917, "as regards what sort of timber would be suitable for 'pit-props,' but I cannot help thinking that, as there are so many fine trees in my woods at Halton, some of them at least would be suitable for the purpose May I ask you very kindly to send down your expert who would very easily be able to report fully on the subject, and I should indeed be proud if my offer should lead to any practical result."

The Family of a hundred years before had stormed through Armageddon in great forays of self-aggrandizement. Now they were encumbered not only with wealth but with scruples. War had become more a matter of service than of profit. Each Rothschild gave his flag whatever the flag demanded of him.

Alfred donated all his most beautiful trees. Natty

sacrificed some treasured animosities. An old political enemy, David Lloyd George, was chancellor of the exchequer at the outbreak of the war. Among his key duties figured the prevention of a financial panic, and without advice and help from Lord Rothschild he would not easily succeed. Accordingly, his Lordship was asked to come to the treasury. Lloyd George looked forward with some twinges to the meeting. After all, he had once publicly included Natty "among Philistines, not all of whom are uncircumcised" He had called him still other words which were, as he himself later admitted, "not of the kind to which the head of the great House of Rothschild had hitherto been subjected." That Jewish peer would not be an easy visitor.

"Lord Rothschild," said the Chancellor of the Exchequer as they shook hands, "we have had some political unpleasantness . . ."

The other man brushed that aside with his celebrated curtness. "No time to bring up such things. What can I do to help?"

"I told him," the statesman recalls. "He undertook to do it at once. It was done."

But Natty did still more He let many of his staunch prejudices go up in smoke. Natty, in his middle seventies, the rudest, deafest opponent of social service, of suffragism and of every other kind of progressive flim-flam, Natty the most gorgeous avatar of reaction—Natty instantly suppressed every impulse which might obstruct England's victory. How could His Majesty's Government best raise money for the war effort? "Tax the rich!" snapped milord. "And tax them heavily!"

To the end Leo remained the most charitable of the three brothers. He contributed his son. On November 17, 1917, Major Evelyn Achille de Rothschild fell fighting the

Turkish army in Palestine Leo himself died the same year; and before the war ended, Natty and Alfred lay buried in the Jewish cemetery at Willesden.

In France, the Paris clan's loyalty to the cause produced an unexpected result. After spending some intensive months nursing the wounded in a hospital carrying her name, Baroness Maurice de Rothschild took a few days' leave She called one of her favorite hotels, the Palace at St Moritz, to ask if there were any Germans there. The manager swore that nothing Teutonic would offend her eyes. Yet the first sight that greeted the Baroness was a well-known German champagne manufacturer. Mme. la Baronne turned on her heel.

When the Rothschilds are disappointed with a resort, they do not simply patronize another; they create their own Baroness Maurice embraced a cause with a determination recalling her father-in-law, Edmond, in Palestine Single-handedly she developed the village of Megève into the most chic French winter playground. (Today her son, Edmond de Rothschild, is the principal owner and controlling power in the resort; it admits very rich champagne manufacturers of any nationality.)

Megève notwithstanding, the great war was a grim affair for the Rothschilds too. Everywhere the Family branches enlisted their great fortunes and their young men Major Evelyn de Rothschild did not remain the only casualty. On the Austrian side of the front, his cousin Eugene had his leg shattered by a Russian bullet. When the last gun ceased in 1918, nothing was the same, not even the Rothschilds.

4. *Aftermath*

It is reported that in the bad fall days of 1917 an English Rothschild chatelaine approached her chief gardener, whose staff had been decimated by the draft boards. She asked him, with an innocence no less sublime than sincere, how he had managed to scatter so many fine-colored leaves all over the walks this year?

In postwar autumns the exotic litter reappeared and remained in many Rothschild bowers Now their budget kept the chief gardeners short of help; here and there the gardens themselves began to fray away. Suddenly the world turned into a meaner place. How simple being rich had been! Suddenly it was complex and so expensive. Taxes rose, rocketed, became murderous in the *mishpoche*'s bracket. Revenue officers assaulted the Family safes far more successfully than the most vicious rivals. It became increasingly difficult to live like a Rothschild.

"I've got to keep on breathing," Natty is supposed to have said in his last year "It'll be my worst business mistake if I don't " One of his characteristically rough jokes, characteristically true Being completely Family-owned, the Rothschild banks rested not on the money of a hundred thousand stockholders, but on the private fortunes of the partners These became subject to immense death duties. Natty did make the mistake of dying. Within two years, as we know, both brothers repeated it. Thus the state tore three consecutive, titanic chunks out of the clan's assets.

The loss was compounded further by Alfred's testament. As a bachelor without commitments to wife or children, he had left a fortune still larger than his brothers'. Even after taxes a great estate remained, but the major part of it—Alfred steadfastly non-conformed, down to his last will—

did not go to other Rothschilds. It was left to Almina, Countess of Carnavaron. With part of the money, his heiress financed a great archeological venture in the Nile Valley; at Thebes this expedition made the momentous discovery of the grave and the treasures of Tutankhamen. Alfred's testament upset two dynasties. It disturbed the sleep of the Pharaohs and, even more, the reserves of the Family bank at New Court.

Ultimately, though, it was not exterior inclemencies which made the 1920's and 1930's the feeblest phase of the house; it was a matter of internal poise. The Rothschilds had played so triumphant a part in the *fin-de-siécle* idyll that they could not quite adjust to the new backdrop which history had slammed so boorishly over the old Some of their best friends had lost crowns, courts and kingdoms. Some of their best servants seemed to have socialist afterthoughts. Some of their best balls began to be haunted by a horrid cacophony called jazz. And of course much of their best income fell to the government.

For a while they stood uncertain amid the shambles of a world they had helped create. Quite a few among them turned inward. Particularly in England, they seemed to use their hobbies as hiding places. Two pairs of brothers replaced the three British magnificos, and with one exception they did not possess the hardy business energies of their forefathers. Lord Lionel Walter, Natty's first son and successor, became immured in the Zoological Museum at Tring. It developed, at a cost of more than half a million pounds, into one of the finest of its kind in the world. Walter's brother Nathaniel was also a gifted natural historian. Conscientiously but unhappily, he performed his duties at the bank until his suicide in 1923.

Leo's elder boy, Lionel, surrounded himself with the vast rhododendron and orchid pavilions at Exbury, "a

gardener by profession, a banker by hobby" His younger brother Anthony, excellent scholar though he was (he took a Double First at Trinity, Cambridge), stood out as the most practical and forceful of the current Rothschilds. For him attendance at the Partners' Room in New Court was neither perfunctory nor painful. But he was the youngest, and for a long time his voice remained small.

The aggressiveness of the tax, and the passivity of the taxed, brought about a great dying of palaces Founder Nathan's West End mansion at 107 Piccadilly succumbed to the demolition squad. The huge estate at Gunnersbury turned into a public park. Alfred's famous manse at 1 Seamore Place died literally of the twentieth century: to ease Mayfair traffic congestion, it was razed so that Curzon Street could have direct access to Hyde Park.

The magnificence of these mortalities is best dramatized by the demise of 148 Piccadilly, where Baron Lionel and Disraeli had once plotted the purchase of the Suez Canal over dinner. In 1937 the great town house expired, with a lush art book of an auction catalogue whose 250 pages included sixty-four plates and gatefolds. A single item of furniture—a tulipwood *secretaire* with Sèvres porcelain panels, made especially for Louis XIV—fetched fifty thousand dollars.

And the revenue department reached out to the Family demesnes in Buckinghamshire. In 1932 the second Lord Rothschild had to sell his collection of over a quarter of a million birds to the New York Museum of Natural History; on his death Tring Park became empty and the museum public property. Aston Clinton lapsed into a hotel. In Alfred's gorgeous manor at Halton a great training center for the Royal Air Force was installed.

The important French Rothschilds had sense enough not to die in the years after World War I, and thus



Baron Alphonse de Rothschild of Ferrières,
at the turn of the century.

Baron Louis de Rothschild,
last head of the Austrian house.



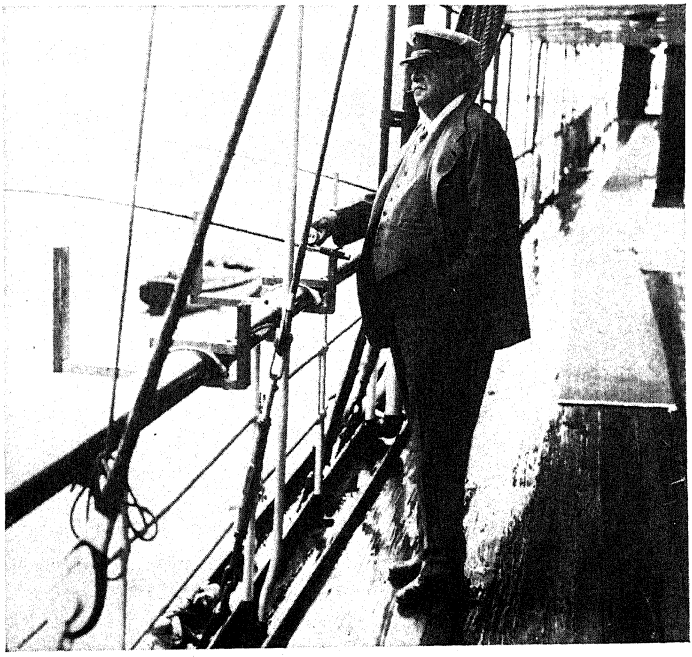
James Armand ("Jimmy")
de Rothschild,
mounted for the Whaddon Chase
point-to-point race, 1939.





Baron Edmond de Rothschild,
from a picture postcard sold
in Palestine in the 1920's.

Baron Henri de Rothschild
on his 1,000-ton yacht,
the *Eros*, in 1934.



Baron Maurice de Rothschild with Dolores del Rio at Santa Barbara, California, in the early 1930's.



Baron Eugene de Rothschild, dean of the family today, with his wife, the former Jeanne Stuart, at their home in Long Island after their wedding in 1952.

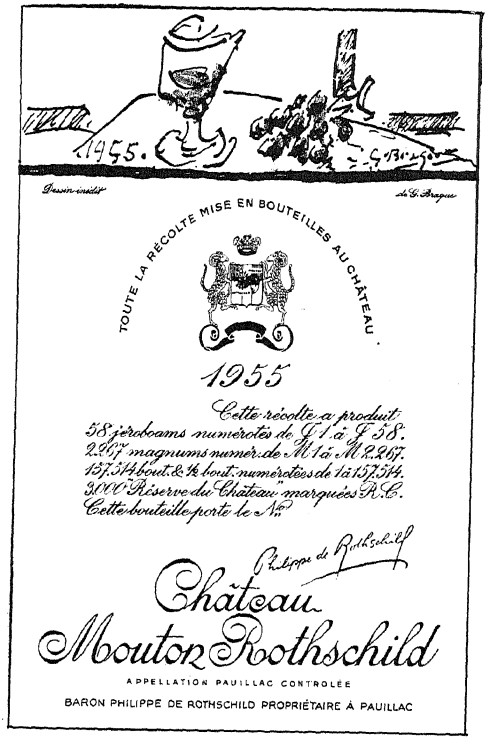




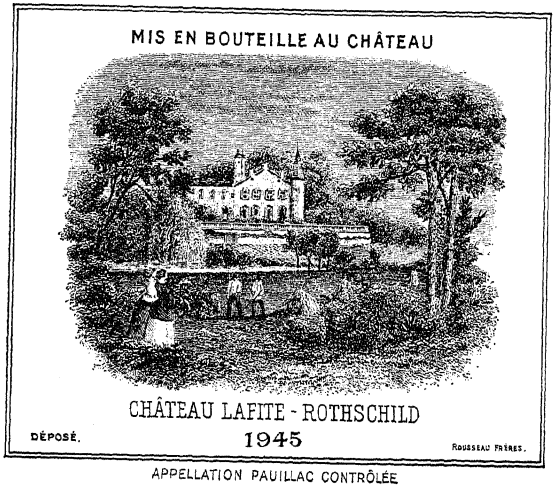
Baroness Philippe de Rothschild,
the former Pauline Potter,
at Chateau Mouton, 1961.



Baroness Louis de Rothschild,
the former Countess Hilda
von Auersperg, 1961.



Above a label designed by Georges Braque for Baron Philippe's Mouton Rothschild wine, and below the Lafite-Rothschild label showing the chateau.





Christopher Fry (left) with his French translator,
Baron Philippe de Rothschild, 1960.



Two Rothschild arrivals in New York: Below, Baron Edouard, head of the French house, reaches America in 1940 after a flight from Lisbon with his wife, Germaine, and his daughter, Bethsabée, all refugees from Occupied France. Right, Baron Edouard's son, Guy, lands at Idlewild Airport in 1957. He is the present head of de Rothschild Frères, once more the paramount private bank in France.



postponed the fiscal penalty for being flesh. But if their substance didn't shrink, their manner stiffened. Baron Edouard had been in charge of the house since the demise of his father Alphonse in 1905. Under his aegis the family fortunes were phlegmatically administered rather than actively deployed.

The same stasis appeared to apply to the clan's social life. It was a time when the Jazz Age jangled down on the world's drawing rooms, when wealth began to shimmy and shake off inhibition, when the upper class in one sleek swoop jumped out of the landau into the sports car. "The very rich are very different from you and me," Scott Fitzgerald wrote, tremulous with glamor. But for a while the Rothschilds seemed very different from the very rich. They had become "old money" at a moment which did not value age of any kind. This dazed them still further, and further removed them from the new diversions of their peers. They looked quite rigid, odd, venerable.

Then a few among them remembered that being modern was one of the Family traditions. Suddenly some of the younger Rothschilds became expertly wild. Henri (the invalid Nathaniel's grandson) began to cruise through the 1920's in his yacht *Eros*, whose passengers often did honor to her name; wrote smart plays under the pseudonym André Pascal; built the Theatre Pigalle; and gave some of the most glittering and curfew-defying parties on the Côte d'Azur.

James Armand popped up—a top-hatted, monocled cross between Fred Astaire and Charlie Chaplin, almost as intriguing a dissonance as jazz itself. To begin with his national disparateness: "Jimmy," as the son of Baron Edmond, was French by birth; as the principal heir of his eccentric Viennese Aunt Alice, largely Austrian by fortune and by monocle; by citizenship and membership in the

House of Commons, English. He was also a frail man. His left eye had been knocked out by a golf shot of the Duke de Gramont. He went through so many abdominal operations that The Family came to believe he grew a new gall bladder as soon as the old one was removed. And as he was not an especially fortunate rider, the saying developed that "whenever Jimmy has time between surgery, he sneaks in a quick fall." Yet he practiced sports, politics, philanthropy and art collecting up to the age of seventy-eight with great vigor.

And with a contradictory élan. His frock coat, stiff collar, sideburns, Tout-Paris inflections combined with Oxford accent, made him the almost clownish epitome of Anglo-French elegance. At the same time he had an accomplished career as a Liberal in the Commons, was often seen with labor leaders like Aneuran Bevan, and talked fluent Hebrew to workers in Palestine, where he carried forward the colonization projects of his father.

At the racetrack he resembled a Damon Runyon caricature dolled up in spats and monocle. And he had priceless hunches. A typically incredible Jimmy performance took place at the Cambridgeshire Handicap in 1921. Minutes before post time he began to rage up and down the line, putting bets on a 100-to-7 shot called Milenko until the bookies refused to accept any more. The grandstands laughed. Milenko won by a length and a half. Jimmy made some 200,000 pounds that afternoon.

With women, too, Jimmy had a bizarre but felicitous way. At thirty-five he suddenly decided to marry and inquired about a suitable bride at—where else?—the secretary's office of one of his golf clubs. The secretary glanced over the golf scores of various members. What about young Miss Dorothy Pinto, who had been making such good progress on the links? Soon afterwards a rabbi

solemnized a union which lasted forty-three happy years, through all the many-faceted phases of Jimmy's career, until his death in 1956. Today Mrs. Jimmy administers capably her late husband's philanthropies in Israel.

Jimmy's brother Maurice was a wild Rothschild in a somewhat different way. Apparently Maurice realized that The Family, great as it was, had not yet produced a single decent black sheep. To the filling of this gap he dedicated himself with huge and by no means untalented energies. In his spare time he played banker. It also pleased him to be a senator in the French parliament. But mainly he excelled in being a black sheep. His bite, it might be added, was just as bad as his bleat. Some people went so far as to claim that, to count in the *haut monde* of the 1920's and 1930's, one had to be seduced or at least pinched by Baron Maurice if one was a woman, or affronted by Baron Maurice, if a man. No other personage surpassed him in enriching the delicious scandal of his times.

Among the more mentionable highpoints of his career figures an interlude at the Hotel de Paris in Monte Carlo. The hotel quite justifiably considers its cuisine one of the finest in the world. The day came, however, when a dish displeased M. le Baron. He promptly rented an apartment with a huge kitchen, summoned his chef from Paris and installed him there. Maurice himself kept his suite in the hotel, but repaired demonstratively to his "eating apartment" in town during mealtimes.

He could behave quite differently when seriously crossed. In Cannes a haberdasher sold him a pair of bathing trunks which, on their first immersion, turned out to be most scratchy. M. le Baron stopped swimming and abandoned them to the fish. He walked on shore exactly as God made him. In the immense uproar that ensued, he told press, police and anyone else who cared to listen the name

and address of the culprit haberdasher and the quality of the trunks which had led him to expose his grief in so natural a fashion.

Of course he was best (or worst) known as Don Juan de Rothschild. His favorite fields of operation, apart from the dressing rooms of Paris theaters, were Deauville and Biarritz during their respective seasons in August and September. It was in Biarritz that a particularly illustrative event transpired.

One of the great *femmes fatales* began to hold court there in the middle 1920's. Every man who enjoyed her favors she subsequently either survived or divorced, or at any rate relieved of most of his worldly goods. A number of people thought her to be quite worthy of Maurice. They arranged an introduction. The lady was achingly beautiful and glitteringly poised. The Baron appeared to be agog and quickly undone. He lost all his proverbial rudeness. Smitten, he danced with her all evening at the Hotel du Palais. He drenched her in roses. Again and again he declared in the presence of the whole table that he must bring together the most beautiful neck in France—he bowed before the minx's decolletage—and the most beautiful necklace in Biarritz. Everyone, including the neck's owner, considered this an adorably phrased pledge.

Against her usual C.O.D. practice, the lady became Maurice's that night. On the morrow he ushered her into his most impressive car and drove straight to the resort's leading jeweler. In the window hung a necklace worth 300,000 dollars. Maurice escorted her up to the plate glass.

"Voilà, ma chère," he said, kissed her hand and, having brought neck and necklace quite close together, turned on his heel to drive away, alone.

While the Family banks receded into the background,

Henri, Jimmy and Maurice kept impressing on society the continued presence of the clan. The three showed that the old dynamism, however oddly expressed at the moment, was still there. Perhaps they were an intimation that the clan would survive in style even what was to come. For the House of Rothschild, which had started as epic and continued as extravaganza, was approaching tragedy.

IX

HITLER VERSUS ROTHSCHILD

1. *The Depression and Baron Louis*

SHORTLY after the turn of the century, a story goes, two hoboes went walking through Vienna's Stadtpark. There was a click-clack of hooves, and one asked the other who that tiny tot was, being driven about in a huge carriage all his own?

"Look at the livery," the second hobo said. "That's little Baron Louis taking the air."

"So young!" the first hobo said admiringly. "So young—and already a Rothschild!"

Neither he nor anyone else knew it, but that golden coach drove toward the depression, toward the Anschluss, toward a Gestapo prison and World War II.

Little Baron Louis grew up. He was twenty-nine when his father Albert died, shortly before World War I. Now, it is a peculiarity of the Austrian house to invest all busi-

ness authority not in partners (the usage at New Court or rue Laffitte), but in a single person. Alphonse and Eugene, Louis' brothers, dedicated themselves to their high leisures. Louis assumed the helm of all Rothschild affairs in Central Europe. And so a rather poetic appositeness came about, the kind in which Family history abounds. The Austrian branch, more than any other, was to be battered by the vicissitudes of the new century. Louis, more than anyone else in the whole *mishpoche*, was the classically polished foil to all the brute newfangledness.

The mettle of the man became apparent quite early, through an incident with, curiously, a Manhattan background. It seems that the New York agents of The Family participated in the financing of the New York Interborough Rapid Transit Company. Young Louis, who had been sent over to soak up America, had a hand in the project and helped inaugurate it by going on one of the earliest subway rides. This particular journey ended with a breakdown of motor and ventilation systems. When the sweating, choking passengers were finally helped out into the fresh air, there was one odd bird who had kept on not only his jacket but his overcoat. In fact, rescuers swore that he emerged with not a bead on his brow: the Baron.

Others who came up against Louis' inviolable composure often didn't know what to make of him. Icy insouciance or simply cold fish? At any rate, the young head of the Vienna house matured into the silkiest, most stoic, most smoothly and untouchably finished grand seigneur yet sired by The Family. There had never been a Rothschild quite like this one before; circumstance made sure there would never be one in his image again. He himself apparently refused to marry, and neither of his married brothers produced surviving sons. He was the last head of the Austrian Rothschilds.

This helped cast an extra glow over a life all the more romantic because of the reticence of the man who lived it. The Manhattan accident—that strange confrontation between a last Rothschild and a first subway crush—contained prophecy. Other distempers of modernity were in store for him, much more vicious ones, and he would face them with the same spectacular tranquility.

Nature had equipped Louis well for his role. Slim, blond, handsome, the image of the Anglo-Saxon aristocrat for all his synagogue-going, he could give his spareness of speech a disarmingly simple or forbiddingly aloof nuance. Despite a minor heart ailment (what's a thoroughbred without a small, piquant complaint?) he had extraordinary energies, extraordinarily if frigidly groomed. A fierce polo player, a formidable huntsman, a rider of the famous white Lipizzaners of Austria's "Spanish" State Riding School (even under the Republic, a privilege granted only to the best horsemen of the best circles), he was also an acute scholar in anatomy, botany and the graphic arts.

Last, not least, he was a lover accomplished and discriminate. To his great bachelor *palais* in the Prinz Eugenstrasse, or to his Renngasse office, wallpapered in dark red silk, Vienna's loveliest women came calling. It may be a measure of the man's discretion that this private office had three entrances, one camouflaged so well that only he, his secretary and selected visitors knew its location.

But it wasn't only luscious ladies that came toward Baron Louis. Often it was black news. He steered his house through an increasingly ugly era. Before 1914 the Vienna bank had been the chief financier of a great imperial realm, prime mover in the financial nerve center of Southeast Europe. After 1918 Austria dwindled to a pauperized fraction of its former self. Inevitably, the Aus-

trian Rothschild firm diminished as well.

As the leading, almost "official" private banking institution, S. M. Rothschild und Söhne was tied to the fortunes of the faltering little fatherland. Loyally it had bought state securities by the million and saw inflation devour its investment. In the mid-1920's it could not, like its great Viennese rival Castiglione, undermine the government by speculating on the fall of the Austrian Krone. The Krone fell, of course. Castiglione towered and threatened to overshadow Rothschild.

Castiglione went on to speculate on the fall of the franc. His allies dumped and dumped French currency on the market. Down plummeted the franc, up zoomed pound and dollar. And Rothschild? Experts began to write off The Family's Central European pre-eminence. It had grown very quiet in the silken study at the Renngasse. Then, all at once, the franc backed up startlingly, began to rise, in fits at first, then with an absolute fury that put Castiglione out of business. The financial world was stunned. Baron Louis, with a cool smile, went to Italy for a bit of polo.

What had happened? Actually an old, old Rothschild story which unrolled once more in 1925. The various *mishpoche* banks in England, France and Austria had secretly realigned their tentacles. With the French house in the lead (Baron Edouard was a director of the Bank of France), they had organized a noiseless international syndicate that reached from J. P. Morgan in New York to the Baron Louis-controlled Creditanstalt in Vienna. Everywhere, at a prearranged signal, the Rothschild syndicate began to depress pounds and push up francs. As in the past, nobody could withstand such wealth juggled with such split-second skill. Baron Louis returned from his Italian polo tanned and barely smiling.

There were further trials in store for him. The 1920's

had been tricky. The 1930's were treacherous before they turned tragic. In 1929 the depression broke out. The fragile young republic was least equipped to deal with it. It toppled Austria's business. It undermined Austria's banking. And it began to move toward the Family palace.

In 1930 the Bodenkreditanstalt—the country's key agricultural credit institution—was in desperate straits. Louis, panicproof as usual, demonstrated calmness by hunting deer at one of his game preserves. The government was much more excitable. The federal chancellor entrained personally to the Rothschild estate. As he himself later put it, "I aimed a gun at the Baron's chest." He forced Louis to bail out the failing bank. "I'll do it," Herr Baron said, "but you'll regret it."

The Creditanstalt, Austria's greatest public bank (Louis von Rothschild, President), took over the liabilities of the agricultural credit institution. Austria regretted it. As a result of this overextension, the Creditanstalt, too, had to suspend payment one year later. Now the financial structure of the entire country tottered. It was the government itself which must come to the rescue, with funds drawn from the state treasury. And the House of Rothschild contributed thirty million gold schillings to help the Creditanstalt back on its feet.

Mitigated though it was by considerable subterranean help from the French Rothschilds, this was a cruel drain on the Family reserves. The Baron sold some of his country places and moved from the huge mansion in the Prinz Eugenstrasse to a somewhat smaller residence nearby.

He was still the richest man in Austria. His own bank, S. M. Rothschild und Söhne, stayed intact, a giant in Austrian terms. He remained one of the large landed proprietors in Central Europe, retained control over immense in-

vestments in textile factories, mining industries and chemical companies.

To the north the storm troopers began to beat their drums, but he kept dictating in his red-silk office, into the teeth of fate.

2. *Windsor at Enzesfeld*

So came Louis von Rothschild's final years as the last great gentleman of Central Europe. Between 1931 and 1938 the Baron's life unrolled like the final act of a sumptuously produced suspense play. The initial shock had been shaken off. The dark climax lay still veiled. A brief calm reigned, ornamented with butlers and enlivened by a glamorous intermezzo.

In 1936 Edward VIII abdicated for Mrs. Simpson. On the day before his momentous act the King talked on the long-distance wire to the world's most favous divorcee. The British government had arranged a haven for him at a Zurich hotel, but Wallis strongly opposed the choice. A hotel was much too fragile a shelter against incursions of the insatiable press. And so was, for that matter, the telephone connection between his London and her Cannes.

"David," Mrs. Simpson said, wary of eavesdroppers, "why don't you go to the place where you had that cold last year?"

"The place" was Schloss Enzesfeld near Vienna, a castle belonging to Eugene von Rothschild, Louis' brother and a good friend to the two parties involved. Here David could enjoy complete seclusion; here he could play his beloved golf on the Baron's private links; here he could speak

Austrian German, his favorite foreign dialect; here, where he had gotten rid of a minor cold the previous year, he might best survive the major crisis of his life.

"Indeed I will," said the King.

The next day, December 11, he was king no more. Less than forty-eight hours later the gates of Rothschild's estate parted to admit, in a black limousine, the man who had just renounced the crown of the greatest monarchy for the most romantic possible reason. The curiosity of five continents converged on Eugene's house. Enzesfeld became as famous a word as Mayerling.

A garland of fables was quickly woven around it, some of them quite amusing. For example, one claimed that the newly created Duke of Windsor tossed incredibly luxurious parties behind those castle walls; that the bills for all such entertainments were sent to the host; that the Barons Eugene and Louis, tired of the elongation in their accountants' faces, had resorted to a typically ingenious Rothschild device: that through the village council they had the Duke elected "Master of Enzesfeld" and then instructed all tradesmen to direct their bills to the personage so honored.

Actually the Duke lived—and golfed—very quietly on the estate. The day was organized around six thirty P.M., when Eugene had the telephone room ready and all local lines cleared so that David could call Wallis long distance at Cannes.

Nonetheless, the stay of so mythic a personage had its effect on the Central European landscape of manners. When the Duke joined the Rothschilds and their other guests for dinner, it was discovered that he wore his black tie with a soft, not a starched collar—a fact which fomented something of a sartorial *Putsch* in Austrian society. David was also responsible for another innovation. In the

words of Baron Eugene, "he invented brunch." That is, the Duke favored a late and rather heavy breakfast, which often led to the omission of the midday table. This meal, too, found its place in the repertoire of inside sophisticates.

For the last time Austria enjoyed something of the imperial glow it had once radiated. And for the last time ever, an Austrian Rothschild exercised a hospitality commensurate with his name.

3. *The Ides of March*

The Enzesfeld interlude was a loud contribution to The Family's social éclat. Meanwhile Louis' career continued to embody the quietly seignorial. In 1937, not long after the Duke's departure from Enzesfeld, the Baron attended a dinner party at a friend's home. A mewing was heard outside the window, and before anybody could stop him, Rothschild had opened the window, stepped out onto the sill, edged along a crevice of the wall, retrieved the kitten and jumped back into the room.

This sort of thing had happened before. Louis always had a remarkable physical as well as emotional sense of balance. Like his father Albert (the Matterhorn pioneer), he had climbed many peaks and, if no peaks were at hand, even buildings. But in 1937 he was fifty-five years old; the night was dark, and the apartment five stories high.

"Baron!" said one of the guests. "This is a job for the fire brigade. Why risk your life?"

The Baron replied with one of his cool smiles. "I suppose it's become a habit," he said.

Everyone knew what he meant. The German armies were massing at the border. Most people in his position

found travel attractive. His brother Eugene had moved to his Paris residence. Alphonse, the eldest, went back and forth over the Swiss border. But Louis stayed put in the Austrian capital.

Calmly, almost dashingly he draped the cape of doom about him. His secretaries still worked away in the silken suite at the Renngasse. In fact there was, rather inexplicably, more activity in the bank than ever. Each Wednesday the curator of Vienna's Kunsthistorisches Museum still came for breakfast at the Baron's house and held with him a sort of two-man art seminar. Each Friday morning a professor from the Botanical Gardens still appeared to bring and discuss interesting new specimens. Each Sunday the head of the Anatomical Institute dropped in with charts and books. Twice a week Herr Baron still rode the great Lipizzaners. Life went on as usual though friends at the Jockey Club shook their heads. As the chief of the Austrian house, as the epitome of the Jewish capitalist, Rothschild was the Führer's favorite abomination. Why must just he remain? Why provide so inviting a target in such a parlous area?

Two good reasons accounted for his obstinacy. Both were dynastic. One remained secret, revolved around the muffled hubbub in Louis' office and would not emerge until many months later. The other reason was public and obvious. As head of The Family, Louis moved in the Austrian limelight. Any motion smacking of flight would upset still further an already wobbly ship of state. The head of a Rothschild house (we have encountered instances of this before) is a human being second, a principle first.

In the cool perfectionism of the Baron's mind, principle congealed to dogma. He did not go near the border. When the Austrian chancellor was summoned before Hitler in Berchtesgarden, Louis left Vienna—for a bit of skiing in

the Austrian Alps. And when on March 1, 1938, a courier from the French house knocked at his door in Kitzbühel with an urgent warning, he did not hurry away to Zurich. He put away his skis—and returned to Vienna.

On Thursday, March 10, a last alarm was telegraphed from Switzerland. The following morning German troops flooded across the border. The ship of state had sunk. The presence of principles could no longer save it. On Saturday afternoon Louis had himself driven to Vienna's airport along with his valet Edouard, their ostensible destination being Louis' polo team in Italy. At the barrier, a short distance from the plane, an SS officer recognized the Baron and confiscated his passport.

"After that," recalls the valet, "we went home and waited."

It did not take long. In the evening there appeared before the Rothschild *palais*, as before hundreds of other Jewish homes, two men with swastika arm bands.

The butler, however, would not tolerate the unmannerliness of an arrest. He first had to see whether the Herr Baron was at home. No, he told the callers two minutes later, the Herr Baron was not. The two bravos, stunned by this ambush of etiquette, retreated first into a stutter and then into the night.

But on Sunday they were back with six steel-helmeted daredevils, all drawing pistols against further high-society tricks. This time Herr Baron received the senior henchmen. He accepted an invitation to come along—after lunch, which was about to be served. A confused consultation ensued among the steel helmets. The upshot was: Well, eat.

The Baron ate, for the last time in full baronial splendor. While the gang dandled their pistols two yards from the table, the butlers bowed and the dishes filled the room

with the scent of sauces. The Baron finished in leisure; used, as always, the finger bowl after fruit; dried, as always, his hands on the fresh damask napkin held out for him; enjoyed his after-dinner cigarette; took his heart medicine; approved the next day's menus; then nodded to the pistols and departed.

Very late that night it became plain that he would not return. And so, in the small hours of the morning, the good valet Edouard packed his master's special bed sheets, his toilet kit, a careful selection of outdoor and indoor clothing, some books on art history and botanical lore—in fine, the customary assortment for the more tiresome sort of week-end invitation. Soon afterwards he presented all these items at police headquarters enclosed in a crested pigskin case. He was sent away amid furious laughter.

But the valet's performance made the Nazi police commissioner become even more intrigued with his prisoner. Louis' first interrogations were designed to satisfy perfectly understandable curiosities.

"Well, so you're Rothschild. Just exactly how rich are you?"

Louis answered that if the entire staff of his accountants were summoned, and provided with up-to-date reports on the world's commodity and stock markets, they might come up with a reasonable answer after a few days' work.

"All right, all right. How much is your palace worth?"

Rothschild gave the inquisitive gentleman an ever so slightly amused glance. "How much is the Vienna cathedral worth?" he replied, quite accurately.

"*Impertinence!*" roared the commissioner. From his viewpoint, he was perhaps not wrong.

Guards pushed the Baron down into the cellar. There Louis carried sand sacks beside the Communist party chiefs who happened to be fellow inmates. "We got on

rather well," Louis recalled later. "We agreed that this was the world's most classless cellar."

Other unusual things occurred. Odd letters reached a Rothschild executive in Switzerland. The authors were three of Central Europe's foremost whores, who enjoyed excellent rapport with the Nazi police in Vienna. The ladies offered themselves as middlemen in ransom discussions. The Rothschild houses—traditionally adept in extraordinary negotiations—might have come to terms even with these partners, if not for a sudden but actually inevitable turn of events.

4. *Hermann Göring Says Hello*

At the end of April Berlin began to pay attention to the importance of the prisoner. Overnight Louis was separated from the Communists and the sand sacks and found himself at the Vienna Gestapo headquarters in a cell next to the deposed Austrian chancellor. His case had been lifted from the local police level to the highest and most conspiratorial circles of the Reich. Now he had twenty-four guards—a booted, belted horde, "my grenadiers"—whose familiarities he quashed by teaching them, like a bored professor, geology and botany.

As successor to the foremost whores, a new emissary appeared in Switzerland: A man named Otto Weber identified himself as an "associate" of a Dr. Gritzbach, who in turn was personal advisor to Hermann Göring. Slowly it became evident who was calling the tune now. Slowly, after many shadowy precautions, the terms emerged. Herr Baron would go free if Marschall Göring were given 200,000 dollars for his trouble and the German Reich got

every remaining asset of the Austrian house, particularly Vitkovitz, the largest iron-and-coal works in Central Europe, located in Czechoslovakia.

This was stern news. It involved the highest ransom in the history of the world. But Eugene and Alphonse, who did the negotiating in Zurich and Paris, had a trump of their own. And it was a beauty: Vitkovitz, though owned by Austrian Rothschilds, had by some queer magic become English property. In the prewar days of 1938 that meant it was immune to Göring's claws.

All the tiptoe hurly-burly in Louis' office during 1936 and 1937—just before it was too late—had centered around this transformation. Together with a canny old banking executive named Leonard Keesing, Louis had sneaked the Union Jack around some twenty-one million dollars. It was financial cloak-and-dagger in the best Rothschild tradition.

How had Louis Rothschild done it? His underground work had started with one paramount fact: plants of such enormous size could not change citizenship without consent on the highest governmental level. Therefore the Czech prime minister was persuaded very discreetly, in 1936, that continued Austrian control of Vitkovitz would constitute a danger to Czechoslovakia in the event that Vienna fell under German domination. Simultaneously, and under separate secrecy, the Austrian chancellor received intimations that the anti-Austrian and anti-German bent of the Czech authorities might lead to a seizure of Vitkovitz as long as it was Austrian-owned. Thus both Vienna and Prague, for opposite reasons, assented to the change.

Next came the transfer itself—an intricate, accomplished exercise in fiscal and legal craft. It made expert use of the fact that the Rothschilds were not the exclusive but only the majority stockholders in Vitkovitz. The minority owners, another great Austro-Jewish family named von Gut-

mann, had recently become depression-ridden. To pay their debts, the Gutmanns must sell their shares; and to do that, a revision of Vitkovitz' corporate structure had become necessary. Under cover of this reorganization the nationality of the multimillion-dollar enterprise was incidentally transmuted.

All that sleight-of-hand, however, would have been useless without an additional precaution. If Louis had consigned the Rothschild shares directly to an English holding company, the advent of war might well have made the German-tainted property forfeit to Britain's trading-with-the-enemy act. Louis, foreseeing this even during the peacetime years of the 1930's, had first done some shunting onto Swiss and Dutch financial grounds. From these countries—which were to be neutral or Allied soil in World War II—the final transfer was effected.

Vitkovitz became a subsidiary of Alliance Insurance. But Alliance was, and is, a prominent London corporation, registered under British law, protected by His Majesty's Government, yet largely owned—and this, of course, is the point and joke of the whole matter—by the very Rothschilds who had sold it Vitkovitz.

Napoleon and Bismarck had come up in vain against The Family. Göring, though not the greatest, was certainly the clan's heaviest antagonist. *He* did not do any better. The Reichsmarschall had to retreat, not only before Jewish guile, but before an Aryan comrade. Heinrich Himmler began to muscle in.

5. *Heinrich Himmler Says Hello*

Early in 1939 Otto Weber, Göring's man, was arrested. Apparently the Nazis were settling an internecine conflict

over Rothschild loot. Berlin shifted commands. German ransom negotiations now seemed to receive their impetus from Himmler rather than Göring. The Family, unmoved by the change of venue, stuck to their terms: all ordinary Rothschild assets in Austria to be exchanged for the safety of Louis' person, but control of Vitkovitz to be surrendered only after Louis' release—and for three million pounds.

Berlin stormed. Berlin threatened. In fact, after the rape of Czechoslovakia, German troops occupied Vitkovitz. But German lawyers knew that the British flag and international law still stood between them and legal ownership.

And so a new tone was tried. While Nazi newspapers fumed against Rothschild as the scourge of mankind, a curious event transpired in Louis' cell. The door opened. Heinrich Himmler appeared and wished the Herr Baron good morning; offered the Herr Baron a cigarette; asked whether the Herr Baron had any wishes or complaints; and, as celebrity to celebrity, tried to settle whatever trifling differences might be between them.

However the Herr Baron, a lifelong smoker, did not feel like a cigarette just then. His briefness of speech grew particularly acute. He appraised the dread face coldly. "The fellow," he said later, "had a stye in his eye and was trying to hide it." When Herr Himmler had bowed himself out, the Rothschild position on Vitkovitz had not altered by a particle.

Whereupon new blandishments spilled into Louis' bare little cubicle. One hour after the chief's departure a detail of "grenadiers" staggered in under an enormous, blowsy Louis XIV clock; returned with a vast, nonmatching, Louis XV vase; covered the prison cot with a thick orange-velvet curtain upon which they scattered multicolored cushions. Finally came a radio, around whose base a silk skirt had been sewn.

It was a Himmler attempt to make a Rothschild feel at home. It produced results. For many weeks Louis had remained stoic in the face of ugly things. Now he lost his temper. "The place looked like a Cracow bordello!" That recollection, often repeated in the years to come, carried one of Louis' rare exclamation marks.

All the garishness (with the exception of the radio, which the Baron defrocked himself) was removed at the prisoner's insistence. Quite possibly the fiasco made the SS give up. A few nights later, around eleven P.M. Louis' chief guard announced that the Rothschilds' terms had been accepted and the Baron was free to leave.

As thanks, Louis visited upon his jailers a farewell confusion. The hour was too late, the Baron said, to expect any of his friends to put him up. After all, servants were in bed by now. He would much rather leave in the morning. Since in all the Gestapo dossiers there was no precedent of an application for a night's lodging, Berlin had to be consulted by long distance. Louis' last night at headquarters was on the house.

A few days later he landed in Switzerland. And two months after that, in July, 1939, the Reich undertook to buy Vitkovitz for 2,900,000 pounds sterling.

Since the war broke out almost immediately, the contract was never consummated. But the technically English ownership of Vitkovitz remains pertinent to this day. After assuming power, the Czech Communists nationalized Vitkovitz. In 1953, however, London signed a trade agreement with Prague. One clause stated that the seized-property claims of British nationals, among which Vitkovitz figured most prominently, were to be satisfied. Prague followed through. Thereupon Parliament passed a law enabling an English corporate agent (like Alliance Insurance) to collect compensation on behalf of non-English

owners (like the ex-Austrian Rothschilds, now of American citizenship).

Today The Family, still the world's greatest capitalist name, receives from a Communist government restitution that will finally amount to one million pounds.

Louis lived out the life of a storybook prince after the dragon has been slain. He settled in America. The Viennese Baron became a Yankee nob (no more subway rides); the silken bachelor, a belated but happy husband. In 1946 he married the Countess Hilda von Auersperg, one of the most attractive women of the Austrian aristocracy.

The couple visited Austria during the hungry years following the Nazi collapse. Word of the Baron's return quickly spread. A crowd formed outside his hotel, begging Rothschild for bread. With a lavish gesture Louis gave it to them: he turned over to the Austrian government all his Austrian properties. The government, accepting the condition that accompanied the gift, created a special law. It converted the Rothschild assets into a giant, state-administered pension fund. This provides for each of Louis' former domestic and business employees the same security and income as that enjoyed by retired civil servants.

Then Louis returned to his spacious farm in East Barnard, Vermont. The New England highlands evoked the Alps. The tart reserve of the Vermonters matched his own temper well. Professors of art and botany came to visit from Dartmouth. His brother, Baron Eugene (surviving today and the husband of the English stage star Jeanne Stuart), often came to visit from his Long Island estate. Baroness Hilda created a beautiful garden on the grounds, as well as something Louis had never been sure he would like: a family home. He liked it. In the last years of his life the Rothschild folks even gave open-air barn dances, and the Baron do-si-do'd with the same cool grace with

which he had once waltzed on Vienna parquets. He died, in his seventies, the way a grand seigneur should—swimming in Montego Bay, under a blue and perfect Caribbean sky.

6. *A Dynasty Enlists*

World War II, of course, greatly affected The Family in England and France as well. When German tanks rolled into Paris in 1940, the French Rothschilds were in grave peril. The older ones, Edouard, Robert and Maurice (all grandsons of founder James), managed to escape. They ended up, by sundry paths and stops, in the United States or England.

Maurice showed himself as good a businessman as he had been an efficient scamp. On his flight to Britain he had salvaged a satchel of jewelry worth, it is said, about a million dollars. A good part of it he sold; then he began to phone his investment broker, steadily, for a few years. When he returned to France after the war, he had parlayed his satchel into a new fortune, impressive even by Rothschild standards.

The old clan members got the best of the war. The young ones, who helped wage it, saw the raw side like soldiers everywhere. Robert's sons Elie and Alain were among those manning the Maginot Line, and both became prisoners of war in Germany. Possibly because of Louis' awesome career as a hostage, no special pressure was applied to them. During the Fall of France, Edouard's son Guy was caught in the Dunkirk trap. He escaped; managed to reach New York in 1941; went to England when the Free French formed, was torpedoed while crossing the

Atlantic, swam for three hours, and was rescued by a British destroyer; executed a number of confidential missions for de Gaulle (and ever since has had close ties with the General); participated in two months of front-line fighting after D-day; and finished the war as adjutant to de Gaulle's military governor of Paris.

Not much less picturesque, but more indicative of the Family temper, were the war adventures of other Rothschilds. "We know how to run things," Baron Philippe* of Mouton Rothschild says when on the subject. "We run things all our lives, and we use unconventional short cuts—boom!—which upset the military bureaucrats."

Philippe takes his text from life. When he recovered from a severe skiing injury in 1940, Paris was swarming with Germans. He fled to Morocco, where the Vichy government arrested him at the request of the German armistice commission. In prison he began to manage things by organizing language schools and gymnastic sessions; among the fellow inmates he put through knee bends was one named Pierre Mendès-France. Brought back to France, he was released; fled to Spain by way of a forty-two-hour walking tour across the Pyrenees with smugglers (incidentally suggesting some improvements in smuggling technique); survived, and helped run several Spanish jails; sneaked into Portugal, and thence by ship into England. There he joined de Gaulle and was quartered at the Free French Officers' Club at 107 Piccadilly. This, of course, was his Grandaunt Hannah's mansion. Familiar with every nook of the place—boom!—he set about reforming the entire billeting set-up in the house. He didn't bother to inform the CO. The French brass were not pleased by such chronic enterprise. On D-day Phillippe found himself

* Philippe is a great-grandson of that English Nathaniel who moved to France. Thus his descendants are English by family tree but French by citizenship.

shunted to a dull job in the rear. The British, however, had their eye on the managerial Baron and shunted him right out again. He was put in charge of civil affairs in the critical Le Havre area during the early months of the invasion. Today he has the Croix de Guerre and is an *officier* of the Legion of Honor.

Among the English Rothschilds, Edmund (sweet Leo's grandson) and Lord Victor (Natty's grandson) were of military age. Each had inherited a handsome portion of the Family willfulness. Edmund, today head of the English bank, took part in the Italian and North African campaigns as an artillery major. The most characteristic account of a Rothschild embroiled in military hierarchy revolves around him. "Eddy," recalls a wartime pal, "made one of our keenest officers. But he never got the hang of going through channels. Anytime any of our men had an emergency—say their mother died and they needed a furlough and money—they wouldn't go about it the regular way. No, it was straight to Eddy, even if they were from a different outfit. They knew he'd pull that Rothschild checkbook out of his pocket, or he'd be on the phone—about any old hardship case—he'd be on the phone to Buckingham Palace. 'Eddy,' I used to say, 'Eddy, you can't do that. You've got to fill out a form about the bloke, and send it on with your recommendation to the CO.' 'What's the CO got to do with it?' he used to ask. The moment he did something civilian, he just couldn't understand what a superior was."

"On the command level they are superb," said another wartime observer of The Family's warriors. "Below that they can be nuisances. They are born and brought up as field marshals, you know, and it's a real problem for them to be just majors. We'd save ourselves a lot of trouble if a high enough rank would come automatically with that name."

At one point this tribe of obstinate field marshals got a dose of its own obstinacy. The scene was Robert de Rothschild's resplendent residence at 23, Avenue de Marigny in Paris, today inhabited by his elder son Alain. In contrast to all other Family palaces by the Seine, it survived the occupation virtually intact. Göring was always eager to have his boys crash the Rothschilds', and he put into the mansion the commander of the Luftwaffe in France. Surprisingly, the Kommandant left the house more or less as he had found it. Göring himself, as a rule a fond looter of Rothschild palazzos, often visited but never despoiled 23, Avenue de Marigny. It was even spared during the skirmishes accompanying the liberation.

The trouble began afterwards. A young English lieutenant-colonel moved in, bringing with him a perilous laboratory. In the immediate neighborhood of rare furniture and priceless paintings began a series of experiments with high explosives. Baron Robert had not yet returned. His servants trembled through their tasks, helpless before the flare and boom of the colonel's apparatus. The man was no idle prankster, and he was hard to dislodge. One of Britain's most successful and audacious bomb-removal experts, his work had earned him the George Medal (a very high English decoration) as well as the U.S. Bronze Star and the U.S. Legion of Merit. But what intimidated Baron Robert's retinue most was the fact that the colonel went by the name of—Victor Lord Rothschild.

The billeting authorities had thought it a charming idea to accommodate the colonel in his cousin's home; they had not considered the zeal with which Family members pursue their objectives. It took the combined efforts of the British High Command and the Monuments, Fine Arts and Archives Section of the American Army to move his Lordship's endeavors into a more suitable milieu.

7. *The Palace as Souvenir*

Lord Rothschild's tenancy at Avenue de Marigny was a postlude to an unprecedented situation in the art world. Like many Jews on the run after the fall of France, the Rothschilds had to leave behind most of their material possessions. Principal among these were their immense art collections, worth many millions of dollars. How could they be defended against the Nazi looters?

Actually, the defense of Family treasures had begun, with typical Rothschild far-sightedness, generations earlier. Back in 1873, after the Paris Commune, Baron Alphonse decided that his immense art properties needed fitting protection. For each painting, sculpture or *objet* a custom-tailored, specially upholstered and easily portable case was made. Since every new acquisition received its proper sheath, the private Rothschild museums vanished smoothly during World War I and during the Front Populaire crises in the 1930's.

But these early alarms were only dry runs. When the German tanks came down on Paris in the summer of 1940, a systematically rapacious enemy began to grasp at Rothschild canvases and Rothschild marble.

Occasionally he was fooled. A number of paintings were quickly spirited into foreign embassies, such as the Spanish and the Argentinian, and faithfully preserved there for the duration. A few very valuable pieces spent the war in a secret room at 23, Avenue de Marigny. The servants who knew about the room never breathed a word, and the Germans never got wind of it. Göring himself often walked right past the bookcase which stood between him and the portraits for which his agents were combing all of France.

But for the majority of Rothschild treasures, all precautions did not suffice. A whole list of important items, for example, was turned over to the Louvre, to receive protection as French national property. A useless ruse. The Family possessions were so well known, and the German dictator so art-loving, that Hitler issued a special directive bearing on "nationalized" Rothschild art. In a document later captured, the chief of the German High Command, Keitel, instructed the Nazi Military Government in Occupied France as follows:

> In supplement to the order of the Führer to search . . . the occupied territories for material valuable to Germany (and to safeguard the latter through the Gestapo), the Führer has decided:
>
> Ownership transfers to the French State or similar transfers completed after September 1, 1939, are irrelevant and invalid (. . . *for example possessions of the Palais Rothschild* *). Reservations regarding search, seizure and transportation to Germany on the basis of the above reason will not be recognized.
>
> Reichleiter Rosenberg has received clear instructions from the Führer personally governing the right of seizure; he is entitled to transport to Germany cultural goods which appear valuable to him and to safeguard them there. The Führer has reserved for himself the decision as to their use.

Alfred Rosenberg, Hitler's specially deputized pillager-in-chief, did his work well. Baron Edouard concealed most of his art works on the grounds of his stud farm at Haras de Meautry in Normandy. Baron Robert hid many treasures, particularly from his Château Laversine near Chantilly, at Marmande in the southwest of France. Rosen-

* Italics mine.

berg discovered both caches, as well as a number of others. Soon whole trains filled with precious Rothschild stuff rolled toward Germany.

After the liberation of France the Rothschild châteaux and town mansions, with the exception of Avenue de Marigny, were found to have been thoroughly emptied. The process of recuperation which began instantly and lasted years makes one long detective story.

The Sherlock Holmes of the operation was James J. Rorimer, then Fine Arts Officer attached to the American Seventh Army, now Director of the Metropolitan Museum of Art in New York. He arrived in Paris soon after the liberation and immediately interrogated a great many people on the whereabouts of looted art. From a horde of self-styled insiders, each of whom claimed to have the key to a hundred secreted Goyas, he picked out a girl named Rose Valland. A young art scholar, she had helped the Germans classify their booty. But as a member of the underground, she had also kept a sharp eye out for the destinations of the loot. It was her opinion that the Castle Neuschwanstein, near Füssen in Bavaria, was Hitler's main collection point for Aryanized masterworks.

Some nine months later Bavaria fell, and Rorimer drove in a jeep up to the castle. Neuschwanstein, built by Mad Ludwig of Bavaria in pseudo-Gothic style and perched like an evil phantasm on top of a crag, furnished a picturesque backdrop to what he was about to find. Rorimer traversed two courtyards connected by an intricate flight of steps, negotiated a spiral staircase ideal for tumbling masked conspirators. Finally he reached the room he wanted. Here was the nerve center of the entire Hitler looting project.

The Germans had lived up to their fine reputation for being methodical. Row upon row of filing cabinets filled the office. The Nazis had carefully kept, and used, the

catalogues of each of the 203 private collections they had abducted. It took Rorimer, one of the great experts in the field, a whole day to take in the rough scope of what was recorded there: 8,000 negatives and individual catalogue cards for nearly 22,000 itemized major confiscations. The Rothschilds, with nearly 4,000 major items, towered far over every other name on the list.

Another crucial discovery was made in the same room. Rorimer sifted some objects out of the soot in a coal stove: the remains of a Nazi uniform, a half-consumed document with Hitler's signature, and some rubber stamps. These charred stamps proved to be the key to the world's greatest organized art theft; Rorimer noticed that they bore ciphers indicating the location of all other hiding places. A small chamber in an Alpine castle held the secret to countless and immeasurable treasures. To prevent the entry of unauthorized persons, Rorimer sealed the door with an antique Rothschild seal saying "Semper Fidelis."

Now a concerted search was on. Behind the stove of the castle kitchen Rorimer found Rubens' "Three Graces" from the Maurice de Rothschild collection and other chef-d'oeuvres. But not all Family items were so deviously concealed. In one hall at Neuschwanstein stood rows of the rarest tapestried fire screens, taken from Rothschild homes. Elsewhere Rothschild furniture, usually Louis XV and XVI, was stacked to the ceilings in specially constructed racks. There was box after box of Renaissance jewelry and eighteenth-century snuffboxes from Maurice's collection.

At other places there were other treasures. In the Carthusian monastery of Buxheim the chapel was inundated knee-deep with rugs, tapestries and textiles largely of Rothschild origin. In a salt mine near Alt Aussee in Austria investigators came upon huge accumulations kept in the name of the Führer, and containing, among others,

sculptures, libraries and paintings owned by the Rothschilds.

Some of the caches, of course, had been shifted just before the collapse. Specific searches often turned into protracted, difficult or altogether futile affairs. But by and large, the great Family collections began the trek back from all corners of Germany into France. They converged on a central station for recovered art works in Paris. Here a coordinating committee of Rothschild butlers sat for weeks, identifying this Watteau as Baron Guy's, that Picasso as Baron Elie's—and was that Tiepolo Baron Philippe's or Baron Alain's?

It seems a reassuringly esthetic note on which to end the Rothschild side of World War II.

X

A DYNASTY TURNS JET

1. *Decline and Rise*

THINGS were getting back to normal in 1945. But what, in Family terms, was normalcy? Would it be the grandiose decay that had set in during the 1920's and 1930's? Would the Rothschilds, like the Habsburgs, begin living purely in, and on, the past?

For a while it almost looked that way. The Austrian branch had emigrated and would live, sonless, on estates in Long Island (Baron and Baroness Eugene) and Vermont (Baroness Louis). The English branch was in the throes of the austerity program. The French house, partly liquidated by the Nazi occupation, had its hands full with its own convalescence. Taxes waxed more cruel than ever. And more great Rothschild mansions succumbed.

The house at Hamilton Place, built by Leo, became one of London's most luxurious clubs (Grandees of the Expense Account now lean against the hand-carved balustrade down which Edward VII used to slide). Another Roth-

schild residence, in Kensington Gardens, now constitutes —*O tempora! O mores!*—the Soviet Russian Embassy. Buckinghamshire's Waddesdon Hall, inherited by colorful Jimmy de Rothschild, was rendered even more palatial by the additional French masterworks he showered on it. But when he died childless in 1957, death duties took more than twenty million dollars out of his fortune. No one inside The Family or out could provide fitting upkeep for so luscious a palazzo. Jimmy left it to the National Trust, together with 750,000 pounds (two million dollars) to defray at least part of the maintenance cost. Now sightseers aim cameras at the staircase on which Edward VII broke his leg. Mrs. Anthony de Rothschild still lives at Ascott Wing, bought by her father-in-law Leo; but this house, too, with its masses of Dutch masters and the world's greatest collection of Oriental pottery (and a parrot that announces with great majesty, "I-am-Jack-O'Rothschild!") has been made over to the National Trust.

And in France? The titanic manse at 2, rue Florentin on the Place de la Concorde has gone the way of all titanic manses. Talleyrand had lived there before Edouard de Rothschild moved in. When Edouard put it on the market, only one customer could afford the price—Uncle Sam. It became the European headquarters of the Marshall Plan and today is tenanted by the United States Mission to NATO and to European regional organizations. Henri de Rothschild's huge place at 33, rue du Faubourg St. Honoré now houses the Cercle Interallié, a fancy international diplomatic club. On the same street the United States Embassy has taken over No. 41, built by the first Baron Edmond. The Rothschild monograms still crown the great portals of both houses.

Last, not least, Ferrières, the crown jewel among Rothschild possessions: no one was rich enough to buy it, nor

did the French branch want to part with such a symbol. The fifty-nine cases of rare books which the Germans had taken away came back again, as did the trainloads of looted Italian faïences and master paintings. They remained in their crates. The château was kept shut and uninhabited; it was less of a drain that way. In 1949 an American visitor walked through the dismantled palace. At first he found himself in a golden thicket of clocks. He thought he had stumbled into a clock museum until the caretaker explained that this was merely the room where the château's timepieces were stored. Next the visitor came upon a huge, glorious array of Louis XIV and XV chairs. In still another chamber there was a dazzle of tables. Finally he saw a number of objects adorably wrought out of rosewood and flowered antique Chinese porcelain. He puzzled, looked again—and understood the caretaker's smile. Here stood scores of the world's most exquisite bidets.

Year after year Ferrières signified luxury in mothballs. The existentialist era apparently did not encourage the functioning of fairytale castles. In fact, the existentialist era seemed on the point of equalizing and taxing The Family to pieces, as if it were just another collection of fustian has-beens.

But the Rothschilds did it again. Astonishingly, they became themselves once more. An old, cunning indestructibility began to reassert itself. In 1949 it became visible in traditional fashion at a traditional place: the stock exchange.

On June 30, 1949, strange things were happening on the Paris bourse. As soon as the bell signaled the start of business, Royal Dutch, the global oil company, began to fall. A great metal combine, Rio Tinto, declined steeply. There was absolutely no reason for such misbehavior; both companies were in excellent shape. Still they kept weaken-

ing. Sell orders swamped other issues as well. Le Nickel, a giant mining corporation, melted with each twitch of the ticker tape; so did the diamond trust of de Beers. Bewilderment spread, nervousness outran it, panic flooded all. Most investors joined the rush to sell. Prices reached their deepest low in months.

Few people isolated the factor common to all four slipping issues: The Family was a heavy stockholder in every one. Only other important holders of these same shares knew of Edouard de Rothschild's death that day, at the age of eighty-one. They realized that the enormous death duties would decrease the Baron's estate and thus the potential of the companies he backed. The minimization of the death levy was the call of the hour.

Next morning, of course, everyone read the Baron's obituary on the front page. Financial columns, discussing the death duties involved, stated that the tax on the dead man's stock holdings would be based on the closing price of his securities on the day of decease. And while funeral arrangements were being completed, brokers received buy orders from the same sources which twenty-four hours ago had instructed them to sell. The so-called Rothschild papers rose as punctually as they had fallen.

Suddenly there occurred without warning, though with ample precedent in Rothschild history, one of those leaps which lifted the clan off the downhill side and placed it back on the accustomed position at the top. In 1855 it had risen to crush its tormentor, the Crédit Mobilier. Some hundred years later it woke up, to turn twentieth-century with a vengeance. Almost overnight it caught on to the smallest gray practicality of our times. One day in that same year, 1949, the head of the London bank sent his butler out to buy a map of the London Underground. This plebeian item became as integral a part of Anthony de Roth-

schild's belongings as his checkbook. Within the city he dispensed with chauffeur and limousine, thereby avoiding the delays of midcentury traffic and contributing to subway revenues. By tube he often managed to arrive on the spot long before banking rivals who had themselves driven all the way.

It was this recrudescent ability to move in fast on the newest that got Anthony the exploitation rights to 50,000 square miles in Canada. Through a string of holding companies, New Court could now tap monumental lumber, power, mineral (particularly uranium) resources. Newfoundland's Prime Minister Smallwood called the transaction "the biggest real estate deal on this continent in this century"; and Winston Churchill, appreciative of the scale of the thing, termed it "a grand imperial concept."

After Anthony's death his two nephews, Edmund and Leopold, took over together with Anthony's son Evelyn. Under these young triumvirs the pace has increased still more; their new Canadian empire (bigger than England and Wales) is rapidly being developed. Edmund, the senior partner, struck out in still other directions. Recently he has taken a hand in the future of British pay-television. At the same time he is consolidating still further New Court's position as a key bullion broker in the English Commonwealth, as owner and operator of the Royal Mint Refinery, as gold agent to the Bank of England and as merchant banker extraordinary.

But the French Rothschilds are richer still. And they have become richer faster since Baron Guy assumed the reins at the death of his father Edouard. Guy, too, wields the accelerated energies of the present-day clan, even when it comes to his horses. He brought to an end a humiliation —and price depreciation—they had suffered for years. During the occupation the Germans had crossed Roth-

schild mares with the stallions of Marcel Boussac, France's textile king and Rothschild's greatest rival at Longchamps. Afterwards, Monsieur Boussac pronounced these unions unauthorized and irregular. Old Baron Edouard de Rothschild could not get his colts registered in the Stud Book, the equine Almanach de Gotha. But when Guy took over the stables, he applied a pressure so relentless that the French Stud Book did a very rare thing: it changed its mind. Today all Rothschild horses have been fully legitimized.

With similar aggressiveness Guy has fortified the position of de Rothschild Frères as the largest private bank in France. His main instrument here is the Compagnie du Nord, the railroad network which became Family property after the dynast James financed it into existence. Like all French lines, the Compagnie du Nord was nationalized in 1938. In return, Rothschild received 270,000 shares of the French State Railways and a seat on the board. But the government took over only physical assets, such as track and rolling stock. Subsidiary and affiliated firms of the Compagnie du Nord, as well as the corporate apparatus, remained in Rothschild hands. Through it The Family controlled—and, after the Nazi nightmare, controls again—great interests in metal, mining and chemical industries.

And yet it was not until Guy took over that these powerful levers began to show their full potency. Since 1950 the Paris house has performed brilliantly in the forefront of the European boom.

"He has started a new concept here," said a high aide at the bank. "Formerly Rothschild used to be the sole investor in a new enterprise, developed it alone, and *then* sold some shares of it while keeping control. Today we are a bigger bank than ever, but the funds required to start a major new company are so much bigger still that no single

private outfit can finance all of it. That's why Rothschild's used to stay aloof from some new developments after the first big war. Now they are in the thick of it. Guy uses the concept of participation; he accepts other people's money from the very start; he acts as initiator and packager—and as guarantor. Apart from his share, he invests the unique moral capital of his name. And of course he keeps strictly in control."

Then there is Guy's cousin Edmond. His father Maurice, that black sheep par excellence, handed down to Edmond all his money, initiative, informality and none of his naughtiness. Edmond inherited tremendously and tremendously expanded his inheritance. Unaffiliated with the Family bank, he is faithful enough to Family discretion to keep the portals of No. 45, rue du Faubourg St. Honoré signless and anonymous. Here the young, shirt-sleeved Baron directs a staff of 150 executives and assistants, "my main business den." From this headquarters he runs the Compagnie Financière, a worldwide organization which builds villas, hotels, pipelines in Israel; throws up giant housing projects in Paris (over one thousand apartments so far); backs *Continent*, the international European news weekly; finances banks and car factories in Brazil.

It was Edmond who led The Family into fields hitherto seldom associated with its name. If Rothschild could cope with the tax-oppressed, traffic-ridden, television-happy and radioactive aspects of the midcentury, why not also deal with the new travel mania? It will be remembered that Baroness Maurice's pet project had been the development of Megève into France's most elegant Alpine resort. Her properties here included the Mont d'Arbois, a hotel of Rothschildian sumptuousness. In the 1950's her son Edmond decided to turn hobby into industry. He greatly en-

larged the Family holdings on the slopes of Mont Blanc, and is now building an ultrachic new pleasure landscape complete with ski lifts, swimming pools, tennis courts and night clubs. He also underwrites and develops not merely hotels but entire new tourist regions in Martinique and Guadalupe in the French Caribbean. With Lord Rothschild as partner, he is responsible for the flowering of Israel's luxury golf resort at Caesarea.

To put it crassly, Edmond is the richest Rothschild and probably the most multiple millionaire in Europe. This amiable young carrot-top (remember his redheaded great-grandfather James?), who can choose to rusticate in either of two fairytale châteaux—one in Switzerland and one in France—and who numbers among his town residences Rubirosa's former house in Paris, is creating still another splendid roof for himself at rue Elysée.

There is more evidence that today the *mishpoche* is not selling but acquiring mansions. In the rue de Courcelles Edmond's cousin Guy has just remodeled an eighteenth-century house into a new Rothschild palace. Lord Rothschild will shortly move into a new house at Cambridge. London's N. M. Rothschild & Sons has grown too big for the big old edifice at New Court; just recently the firm has taken over a floor in a new office building to accommodate the dividend department.

And the rosewood-and-flowered-porcelain bidets of Ferrières have come into their own again. Guy has done more than reconnect the plumbing, though. After six years of renovation, he has restored this foremost tower of the clan to its full anachronistic glory. The dimensions of the demesne are as exorbitant as ever. It still covers nearly 9,000 prime suburban acres, with a farming population of 600. Twelve highly motorized gardeners supervise a horizonful of parks and pleasure lakes. Five full-time forest-

ers patrol the shoots. The private zoo is gone because the Germans kidnaped the animals. Gone, too, is the train which brought food from the kitchen building to the château through an underground tunnel; our spoilsport century moved the chefs into the main building.

But otherwise this incredible pleasure dome is once more itself. Even the cloakroom by the entrance has recovered its frivolity: cartoons of the current *mishpoche* paper its walls. Other lampoons, mainly familial (with notable exceptions, such as a ruthlessly faithful portrait of Elsa Maxwell), decorate the adjoining silk-lined lavatory where, as a Family member put it, "they can be perused in comfort and leisure."

Inside the château itself the age of Watteau reigns unstinted. The landscaped succession of imperial salons; the chandeliers, hanging gardens made of crystal and fretted gold; the panoramic expanses of jeweled guest suite after guest suite; the profusion of precious textures: Gobelin, gold inlay, ivory, tortoise shell; the luster of the walls alternated by the idyll beyond the windows—swans rippling fountained lakes; the bathroom faucets of solid silver. . . . Did Robespierre ever live? Was the Bastille really stormed?

2. *The* Mishpoche *of the 1960's*

In June, 1959, as the premier event of the premier summer social week the French call "la grande semaine," Guy de Rothschild reopened the clan's principal rustic palace. All of the Paris Family attended the palace-warming at Ferrières. An observer would have noticed that not only the château but also its owner possessed the qualities of the

French branch to a heightened degree. The *chef de famille* —just a bit more than his cousins Elie, Alain and Edmond— is slim, swift in movement, marked by the handsome bold-nosed profile frequent among the descendants of James. At fifty-two the eldest, Guy is also boyish, urbane, inscrutable, impeccable, baronial and sloe-eyed all at once. Though a bit cool, after his Viennese cousin Louis' manner, he conveys a piquancy recently enriched by a sensation.

It was, of course, a well-bred sensation. He divorced his first wife, Alix, to marry a divorcee, Countess Marie-Hélène van Zuylen Nicolai, herself the descendant of a controversial Rothschild union a few generations ago. In both cases the controversy centered around the Catholicism of the Rothschild's spouse. Guy had to resign the presidency of the Jewish Community in France. And Countess Nicolai needed a papal dispensation—a privilege always reserved for the most exalted mismatings—to annul the bond that stood between her and marriage to a Jew. For the first time in French Rothschild history, the head of a house married a woman outside the faith. From the viewpoint of orthodoxy, however, there are some extenuating factors. Edouard, the son of this second marriage, receives a Jewish upbringing, and Guy's own religious identity remains unscathed. He still occupies such posts as the chairmanship of the United Jewish Appeal in France (Fonds Social Juif Unifié).

He and his cousins divide between them the labors and leisures of aristocracy. Guy, a highly polished Family delegate to all state occasions, keeps up the racing tradition with his stud farm in Normandy and stables at Chantilly. As head of the French house, he is in natural rapport with the head of the state. General de Gaulle has used Georges Pompidou, Guy's right-hand man, as one of the republic's

key financial advisers. And there are strong personal ties between France's greatest general and her most influential banker. In Guy's photograph album one hunt tally card records that not long ago Baron Rothschild bagged forty-nine pheasants at Marly de Roi, de Gaulle's personal shoot.

Guy's partner and cousin, Elie, is probably the fiercest, most imperious *mishpoche* member since the first Lord Rothschild. "Oh, he is a Berber!" one of the belles of his bachelor days once said admiringly, and the epithet seems apt, if only because he has skillfully supervised the bank's Sahara oil ventures. On the private side he represents *la vie sportive* with his almost weekly polo forays to England and Spain, his shoots in France, Austria and Africa.

His brother Alain is the current Family's yachtsman. A quiet, very baronial baron, Alain is at the same time the president of the Jewish Community in Paris and *très St. Germain*—a phrase connoting the most muffled, conservative, impenetrable sector of French society. The combination of two such roles is uniquely Rothschild.

The English house, being English, makes a point of being pale. While the Parisians personify the glamorous, athletic *haut monde*, the London branch seems to feel that perhaps that sort of thing would not quite do for them. Even their chromosomes appear a great deal more tradition-minded. The Parisian Rothschilds look as slender and dashing as any drawing-room-comedy marquis; but the Londoners tend to be a stoutish Savile-Row-tailored, Cambridge-accented version of the German rabbi old Mayer wanted to become.

They like their sports, of course. Of the three running the London bank, Edmund (the senior partner) has fished in the best waters of four continents. His brother Leopold sails. Cousin Evelyn has a polo team, "The Centaurs,"

whose puissance is known to the teams of both Prince Philip and Cousin Elie.

But their athletics and sociabilities have a very quiet, almost introspective note. For someone of his eminence as the head of the house, Edmund lists few clubs (White's and St. James's) and is not a conspicuous member in either. He, his brother and cousin have the same right to the baronial title as the French but choose to be Mister. Their cars are very carefully medium-priced, quietly driven by the best chauffeurs in London. All the "bank" Rothschilds in England are part of a finely turned understatement. They may know the board chairman of Britain's greatest tabloid, but they are not aware that the thing also has reporters. In brief, they take their Society without Café. The result is a prominence felt all the more because it cannot be seen or heard. And the fact remains that on Mr. Edmund's piano at Exbury there stand, among snapshots of other visitors, pictures of Elizabeth and Philip.

At the same time—and this is just as distinguished—the English branch provides a whole dynasty's worth of eccentricity. It is from the London house that the so-called "nonbank" Rothschilds issue, with their astounding array of vocations.

The ranking member among them is the present Lord Rothschild (Victor), the first of his title to forsake finance altogether. A Labor peer, a swing disciple of pianist Teddy Wilson, and last not least a biologist, he has gathered pioneer insights into the sex life of the bedbug, the love technique of the spider and procreation among leeches. His elder sister Miriam is coauthor of *Fleas, Flukes and Cuckoos*, an important book on parasitology. And Miriam's twelve-year-old son recently arrived at the house of a friend in Austria accompanied by an intricate apparatus topped with a blue lamp. It was his own invention and, he ex-

plained, the most efficient instrument yet devised for the trapping of young female moths.

His aunt, Kathleen Nica Rothschild de Koenigswarter—Lord Rothschild's youngest sister—has different though just as unlikely interests. She lives in Weehawken, New Jersey, had the Nica Blues named after her by a grateful composer, and was recently convicted of possessing ten dollars' worth of marijuana.

Also of the English branch, though born and domiciled in France, there is Philippe de Rothschild.* For his Mouton Rothschild wines Picasso, Braque and Dali have created some of the wildest bottle labels ever. He owns a planet named Philippa, sold to him by the hungry astronomer who discovered it. His mongrel dog answers to "Bicouille," an unmentionable name in French, but sups out of a silver dish served by a white-gloved butler.

Yet with the possible exception of the late Maurice, the Family character has not permitted a single genuine playboy. Even among the above outré personalities there runs a strong streak of purposefulness. Lord Rothschild, for example, has the record of a war hero (see Chapter IX). He is now Assistant Director of Research in the Department of Zoology at Cambridge and one of Britain's most eminent scientists. When it comes to Jewish matters, this Family maverick turns tribally orthodox. In 1938 he composed a letter in Latin to the Pope, fiercely urging him to protest against the Nazi persecution of the Jews. He received an answer, also in Latin, as well as the satisfaction of the Pope's compliance. In recent years he has administered, together with Jimmy de Rothschild's widow and young Baron Edmond, the unpronounceable EJRMG (Edmond James Rothschild Memorial Group) Foundation. EJRMG contributed one million dollars to the Weizmann Scientific

* See footnote page 266.

Institute in Tel Aviv, gave three million dollars toward the construction of the Knesseth and foots the bill for many of Israel's archeological expeditions.

His Lordship's sister, the jazz baroness, has been thumbs up—financially and morally—to many good musicians to whom the commercial world was thumbs down. She is the Rothschild foundation for the needy cool. Thelonius Monk has figured among her beneficiaries; Charlie "Bird" Parker, perhaps the greatest genius of the New Sound, died in her apartment.

As for Baron Philippe, his preposterous little Bicouille has witnessed some momentous meetings. The Baron is a Grey Eminence of professional skill. Late at night, when the servants have been sent away and weighty heads bend over old brandy, Philippe's Paris dining salon at Avenue d'Iéna becomes a political crossroads of the nation. It was here that a French foreign minister changed Henry Luce's mind on Algeria, here that the head of the Socialist party patched up a quarrel with a key commentator. At Mouton, Philippe ripens his famous wines in cousinly rivalry with Baron Elie's adjoining and equally famous Lafite Rothschild. And at Mouton he and his American wife Pauline have created France's greatest wine museum.

Philippe has three huge, specially constructed beds—one in his Paris duplex, one in the castle he rents every summer at Hesselager, Denmark, and one in the château among the vineyards. His dynamism is huge—and horizontal. He not only sleeps but eats, presides, instructs, phones, telegraphs, and above all writes, propped against his pillows.

Christopher Fry asked him to render his plays, and therefore an enormously difficult style, into French. With typical Rothschild *chutzpah* the Baron went, or rather lay down, to work. After five years of labor the first volume

appeared in 1960, to extraordinary critical approbation. A second volume is on the way. It is not the Baron's only connection with the theater. A few years ago he published a book-length fairytale called *Aile d'Argent.* It was dedicated to his daughter Philippine, now a prominent young actress in the Comédie Française, who married her director in the celebration that started our story.

Which brings us to the distaff side.

3. *The Ladies*

All the literally and figuratively rich energies of the average clan member demand equally diversified kinds of élan from his wife. To keep her husband, a Rothschild wife must often keep half a dozen households and be at home in ten different fields.

"Philippe always says that women and jail [during the Nazi era] taught him most. Well, I am *the* woman. But I also know that I am *the* jail. It's my job to make the cell comfortable." This is one of Baroness Philippe's recent reflections. As a matter of fact, most Rothschilds find their "cells" remarkably snug. On the whole the clan has married well, though not necessarily the first time around.

Philippe himself makes an appropriate example. His first, not particularly felicitous, union ended with his wife's death during the war. His second marriage is something of a triumph. In her pre-Rothschild career the Baroness, known then as Pauline Potter, was Hattie Carnegie's top designer and a New York society hostess of the first water. The formidable talents she developed are used to constant full capacity now. When the couple resides in Paris, she supervises *two* ménages—her garden apartment at rue

Méchain, his immense duplex at Avenue d'Iéna. (Philippe feels that in the absence of a full-blown town house there isn't enough room to accommodate them both.) When summering in Denmark, she renders a huge sixteenth-century castle habitable. (Philippe's standard of minimum habitability may be roughly defined as the Garden of Eden.) When living at Château Mouton, as she and her husband do for most of the year, she runs the two manors Petit Mouton and Grand Mouton.

Of course, there is more. There is the wine museum, a joint creation of Philippe and herself, that is still growing toward Louvre proportions. There is the comprehensive translation of Elizabethan lyric poetry into French, an unprecedented arduous undertaking which has engaged the two for years. There is an enormous amount of esthetic spadework done by her on behalf of his "Christopher Fry madness." There are charity stints, particularly those connected with running the Mathilde et Henri de Rothschild Hospital (named after Philippe's parents, who founded it). There is her social work, which in this context can mean up to twenty highly spoiled house guests.

In the course of a single day the Baroness may be called upon to decide the placement of a Picasso in the museum; wrestle with the translation of a John Donne sonnet; plan the next ten five-course dinners with her two chefs; whip her house servants, including four butlers, into line; thumb through two sample books—one containing swatches of her sixty tablecloths; the other, photographs of some seventy different sets of her table services—to select the absolutely right plate matched to the absolutely right cloth pattern and to the absolutely right centerpiece; plot the table seating so as to alternate male with female, art with politics; attend to her own simply spectacular as well as spectacularly simple Balenciaga or Dior toilette; and then sweep

down the staircase as if she had only been lolling on the sofa all day—a delicious blend of Madame Pompadour and Madame de Staël.

The precious vines of Mouton Rothschild abut on those of Lafite Rothschild. Château Lafite is owned jointly by the entire French branch, but its management is the province of Baron Elie. The copper-encrusted mahogany table—once at Ferrières, where Bismarck wrangled with Elie's grandfather Alphonse across its expanse—stands in one of the drawing rooms, surrounded by similar showpieces. Lafite is a standard Rothschild castle, complete with the inevitable baroque splendors and *fin-de-siècle* bibelots. Yet it is lived in just one week out of every twelve months, when the Elies and their three children visit it at Eastertime.

To keep this château "alive" the year round without running into expenses ridiculous even by Rothschild standards is one of the chores of Liliane, the Baroness Elie. She is also chief executive of two other households: 1. their huge Paris town house at 11, rue Masseran, formerly the Comte de Beaumont's Hôtel, with its historic ballroom, sumptuous furnishings, and whole galleries of Rembrandts, Watteaus, Ingres, Fragonards, Picassos; 2. the Elie country seat at Royaumont near Paris.

In addition, Liliane exercises another function. She takes a vital part in Elie's office as the French Family's chief patron of contemporary art. On an upper floor of rue Masseran lies the big "modern room," filled with Klees and Ernsts, with oddly magnificent "abstract furniture," with tables, chairs and even fire dogs created by leading contemporary sculptors on commission. Elie plays Medici to new Cellinis of sufficient talent, and Liliane edits and harmonizes their inspirations—a delicate job. Liliane serves as a calmly balanced counterpoise to her super-

charged husband. The vans keep driving up to the gates of rue Masseran with the fruits of the Baron's swoops on art auctions and studios. The Baroness takes charge from here on, absorbing new acquisitions into one of the finer contemporary collections in Paris. Some pieces she absorbs so well that, rumor goes, they are never seen again.

Elie's wife is also one of the archsoothers and goodfriendship genies within The Family. The Rothschilds, after all, number several dozen supremely rich and superbly willful absolutists. If they mesh, even today, into a single consolidated clan, their consolidation is due to an instinct most obviously embodied by Baroness Elie. She displayed it only a few months ago in one of her own backyards, Château Lafite.

Elie's Lafite and Philippe's Mouton, as two equally famous Bordeaux clarets, are perforce in commercial competition. The rivalry is accentuated by the official classification of Bordeaux wines, made over a hundred years ago; it lists Lafite as *premier cru*, or first-category, and Mouton only as second. Yet today both the opinions of wine experts and the prices of wine merchants place Mouton Rothschild in fully as exceptional a class as Lafite Rothschild. Baron Philippe has launched a complicated and characteristically volcanic campaign to have the old classification officially rewritten. That kind of revisionism cannot delight *premier cru* vintners like Baron Elie. Inevitably commercial problems will have private reverberations. Yet when Philippine married, Baroness Elie did the Rothschild thing. She staged the Mouton girl's wedding feast in the vaulted cellars of Lafite. Here all lifted glasses to bride, to groom, to *both* Rothschild vineyards, and to Liliane, the hostess and *mishpoche*-mender.

Liliane shares two characteristics with Elisabeth, the wife of Edmund de Rothschild, senior partner of the Lon-

don bank. Both women were born in Vienna, of distinguished Jewish families. (Liliane's maiden name was Baroness Fould-Springer, which conveys a pedigree second only to Rothschild's.) And both Liliane and Elisabeth have a strong taste for the graphic arts.

Elisabeth, a textile designer before her marriage, occasionally must put this faculty to semiofficial use. Edmund's main residence at Exbury near Southampton is no longer a pure pleasure haunt, but an agricultural and horticultural paying proposition. Yet not a square foot is rented out to tenants, which makes it an exception among large English estates today. All of its 2,600 acres are held "in hand." That is, Mr. Edmund owns directly not only the sea of hothouses, the endless flower beds with their more than a million blooms, and the farming areas—but also the inn, the general store, the schoolhouse, and every brick in the village of Exbury. To be Mrs. Edmund at Exbury is to be queen consort of a small kingdom. Vicar, schoolmaster, innkeeper may bring their sundry problems to the manor threshold and expect to take them away solved. At the annual harvest supper on the great manor lawn, yeomen and overlord feast together in the merriest medieval manner, modernity manifesting itself only in the movie show of the current year's Rothschild travels. Mr. Edmund always excels at calling hundreds of Exburyites by their first names. Mrs. Edmund does well by an equally difficult job: arranging the décor, the viands and the ambiance of the whole fete.

Like any wife carrying the Name, Elisabeth thus administers the domestic and esthetic aspects of a principality. Often this involves humanizing outsize proportions. At Elisabeth's initiative, the Rothschild household at Exbury lives not in Exbury House with its fifty bedrooms, but in Inchmery, the smaller mansion, where the Cuyps, the

Romneys, Reynolds and Cellinis can be enjoyed within cozier perspectives. She even insisted on placing a fine bronze cast of St. Amant, the Derby winner owned by her grandfather-in-law Leo, in the cathedral augustness of the partners' waiting room at New Court. For months old New Court retainers trembled inwardly at the daring of this act. It seemed like planting a tree in the middle of Westminster Abbey.

The greatest task for any Rothschild wife is simply to *be* a Rothschild first and last, to be instantly responsive to every dynastic need and impulse. Item: a small incident at Mouton last year. A big, heavy piece of wrapped cement arrived at the Bordeaux customs office, sent by the London bank and addressed to Baron Philippe. The customs people were puzzled by such peculiar traffic among Rothschilds. Philippe happened to be away; his secretaries could recall no correspondence with London on the subject of cement. The shipment was on the point of being returned to London when word of it reached Baroness Pauline. And she was Rothschild enough to remember. Two months before, during one of Edmund's visits at Mouton, he had admired the many snow-white doves ornamenting the park and the air of the estate. But Pauline had complained that, for lack of the grit necessary to their gizzards, the birds pecked little holes into the manor walls. Edmund had mentioned a specially manufactured grit, and this cementlike material—a hunk big enough to serve a whole château—was exactly what the odd parcel contained. Pauline had been a clan member for less than six years: sufficiently long to know that the paramount Rothschild instinct is to preserve and defend the Family substance in every way, even against tiny beaks.

4. *The Hush at New Court*

A concrete CARE package traveling from New Court to Mouton is not without symbolic overtones. It seems only fitting that the most sophisticated of Family châteaus should still receive incidental protection from the oldest Family bank.

Such protection, in moral form, is constantly forthcoming to the most scattered corners of the *mishpoche*. The solid, pragmatic pulse of the counting house still beats in every Rothschild, steadies his feet on the ground and, no matter what his calling, sets his shoulder to the wheel. This is the source which gives The Family a hard cutting edge, an evergreen drive—rare assets among multibillionaires who could flirt their lives away on Riviera balconies and still leave their children and their children's children enough to do the same.

In the "bank" Rothschilds the drive to work can amount to obsession. Week ends and holidays are devoted to divertissements exquisite and exclusive. Baron Guy's Sunday problem, for instance, has to do with the tactics of pleasure commuting: Ferrières lies in the east of Paris, while Longchamps is inconveniently placed in the west. The twain are to meet in a private helicopter, if landing permission at the racetrack can be worked out. Frivolity, too, has its efficiencies. And yet—

"We are bankers by trade," Guy said recently. "We work at our trade sixty hours a week. Some time ago I went to watch one of my horses on a Thursday. I won't do it again soon. I can't seem to enjoy it weekdays."

The chronic industriousness of the Rothschilds derives in part from the peculiar structure of their business. Through its railroad-turned-investment trust, the French house

controls mining corporations, metal plants, oil interests, chemical industries and many others. Upon the daily staff meeting, held at de Rothschild Frères at 10:20 A.M. sharp, there converge myriad data which must be understood, absorbed, and processed into decisions at the desks of Barons Guy, Elie and Alain.

This "must" can be taken literally. At Rothschild the concentration of authority is as total as the breadth of scope. In the secretarial departments of 21, rue Laffitte, IBM machines whir and electric typewriters whisper. But the front office, paneled with stern old Rothschild portraits, is redolent of a venerable autocracy. The hierarchy of butlers and carpets which culminate in the Empire leather armchairs of Baron Guy's suite are no hollow trappings. An old-fashioned prerogative still lives beneath the old-fashioned pageantry. Most other business giants are run by hired managers on behalf of absentee owners. But here the bosses aren't chairmen by the grace of a board, nor presidents dependent on shareholders' proxies, nor corporate servitors obliged to publish a yearly balance sheet. The three cousins possess outright, and command directly, one of the world's most powerful banks.

Their responsibility, as private partners, is just as great as their power. "If I pick up the phone now," said one of their executives, "and order Detroit to make us half a million five-wheeled Cadillacs, I may be fired. But the partners would be answerable for this stupidity—and for much less obvious ones too—with their private fortunes."

This sort of setup requires a feudal allegiance on the part of the employees. On the part of the employer it predicates a patriarchal solicitude that goes beyond maximum salaries and social benefits. There are whole families that have been on the Rothschild payroll for over a century. Just after the war a new clerk was welcomed by the

staff with the question, "Who is your father?" It was naturally assumed that, as usual, the young man had been born into his job.

"The young chaps nowadays . . ." a Rothschild administrator mused. "At first they can't understand the atmosphere here. But after a few months they realize this is Rothschild's—and they catch on."

An inheritable but otherwise not very accessible distinction is being a Rothschild customer. Each year hundreds of people knock on the doors of the English and French banks, bringing hundreds of thousands of francs, dollars and pounds. They want their money to be invested by Rothschild or to enjoy the prestige of a Rothschild account. Many are asked, with great politeness, to carry their coffers home again. Officially, any reputable businessman can open an account at de Rothschild Frères with a minimum deposit of five thousand francs. Unofficially, a little phrase is added: "—if he is a friend." Typical depositor friends of the two houses have been Sir Winston Churchill, several royal houses, and the more stable South American governments.

"I guess," Baron Guy will say when pressed about this point, "we are a bit choosey about who is going to sign his name on our checks."

As for the checks written by the house itself, some of them are never presented for payment. Their recipients prefer to keep them as souvenirs. They are the direct dividends of legend.

The Name, creating a thrill in the Rothschild patron, inspires almost eerie respect in Rothschild personnel. "You don't just work for the partners eight hours a day, and they don't just hand you a check once a month," said a third-generation Rothschild man in London. "You ex-

change loyalties with them that go on to your sons and their sons."

A romantic statement. But the English house is even more romantically ancestral than the French. The long-distance wires and intercoms of the London bank may be buzzing with its newest atomic investments, but that doesn't keep the derby-hatted doorman in St. Swithin's Lane from a perfect nineteenth-century salute. Inside the courtyard one already feels a hallowed hush. It grows in the partners' waiting room: silence here, except for the occasional swish of a butler's tailcoat, the quick tread of a messenger, the lisp of three teletypes (one for stocks, one for news, one for races) all in Edwardian casings. This could be the antechamber of a fine old prince.

And it is. For the next station is the Partners' Room, an institution left over from the *condottieri* days of merchant banking. It is so antique that even the French house has abandoned it. Only the Messrs. Rothschild work here —Edmund, Leopold and Evelyn. Their privacy is undiluted by secretary or assistant; the atmosphere conducive to privy consultation and secret decision. This massive Victorian parlor is the throne room of London finance, and above all a genealogical shrine. Ancestors crowd the walls. Mementoes and milestones stud mantel shelves and tables: a receipt for two million pounds for paying Wellington's army; a fist-sized South African diamond next to a chunk of North American uranium ore; the founder's sample book of cotton cloth that started his English business career; some boll weevils that crept into a bullion sack and now lie, turned to gold, upon a salver.

Nobody knows who placed them here. Nobody is left to tell why a small office in the east wing is called Lord Beaconsfield's room. Nobody is sure how the ritual was

developed which occurs in a chamber on the second story. Here the Rothschilds, acting on behalf of the Bank of England, meet with four other major bullion brokers. Each day they fix the price of gold for the United Kingdom by standing up or laying down miniature English flags.

Everyone does know why the top echelon of executives must never lunch out but must eat in their own oak-paneled dining room. They must be at the instant disposal of the partners, who are served a floor higher amid mahogany and Russian leather. But just why must this meal begin at one P.M., a bit later than the usual lunchtime?

At New Court, St. Swithin's Lane, one shrugs. It is a traditional mystery which has lasted generations. Not long ago an archivist claimed to have found a parallel in the eating habits once prevalent in some German ghettos. The relationship would not be surprising. An unforgotten presence directs the uranium financiers and board chairmen, the Lords and Barons and Derby winners who today make up the House of Rothschild. It is a patriarch on a makeshift ghetto terrace, explaining plants to his daughters. Somehow he is still listened to by the great Brahmins who survey their rare orchids in the hothouses at Exbury, raise precious vines in the Medoc, breed thoroughbreds in Normandy. The same man's voice, now sounding from a cramped counting house, can apparently be heard by the monarchs of New Court and rue Laffitte. It seems to remind them that all greatness begins with a dream—and that their dream began two centuries ago, with old Mayer smiling at his coins in Frankfurt's Jew Street.

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FREDERIC MORTON

Born in Vienna, Austria, in 1925, Frederic Morton, with the advent of Nazi power, left his native country in 1938 and came to New York. He received his B.S. degree from City College of New York and his M.A. from the New School in New York, and has lectured at the Universities of Southern California and Utah, and the New School. In 1947 Mr. Morton received a fellowship for the Breadloaf Writers' Conference and the same year was awarded the Intercollegiate Literary Fellowship Prize by Dodd, Mead for his first novel, *The Hound.* He received Yaddo residence fellowships in 1949 and 1952, and a fellowship from Columbia University in 1955. Mr. Morton has written for *The Nation*, *The Reporter*, *Esquire* and *The Atlantic* and is a regular contributor to *Holiday*. In addition to *The Hound*, he has published three other novels, *The Darkness Below*, 1949, *Asphalt and Desire*, 1952, and *The Witching Ship*, 1960. Mr. Morton and his wife divide their time between Europe and New York City.

(contir · front flap)

the Suez Canal for his country over a bowl of grapes; Baron Louis, who faced down Heinrich Himmler in a Gestapo prison cell.

In their climb from ghetto to all-but-royal eminence, the Rothschilds became bankers to empires, creators of the modern concept of international finance, builders of the European continent's first railroads. They made social history as well. In England there was Baron Lionel's ten-year battle to enter Parliament as a Jew. In France there was the poignant story of Baron Edmond, who left the salons of Paris to pour his fortune and his passion into the colonizing of Palestine. And it was a Rothschild to whom the Balfour Declaration personally promised the formation of modern Israel. By their very existence –and by their decisive actions–the family became the great protectors of their people.

In the drawing rooms, the Rothschilds began by being snubbed and ended by dazzling the snobs. The book follows them as they turn into barons of the Austrian Empire, lords of the English nobility, confidants of kings in France and Italy. From Metternich to Balzac, from Queen Victoria to the Duke of Windsor (who retired to a Rothschild estate immediately after his abdication), the people whom the Rothschilds knew–and who were proud to know the Rothschilds–constitute a gallery of Europe's great in the last two centuries.

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D'EDMOND BARON DE ROTHSCHILD

CÉLÉBRÉ AU GRAND TEMPLE ISRAÉLITE DE PARIS

LE SAMEDI 24 TISCHRI 5619

(2 Octobre 1858.)

PARIS

IMPRIMERIE CENTRALE DE NAPOLÉON CHAIX ET Cie

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1858

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D'EDMOND BARON DE ROTHSCHILD

CÉLÉBRÉ AU GRAND TEMPLE ISRAÉLITE DE PARIS

LE SAMEDI 24 TISCHRI 5619

(2 octobre 1858.)

Depuis les temps lointains où Dieu parlait aux hommes,
Depuis cet âge d'or — jusqu'au jour où nous sommes,
Sur tous les points du globe, au rivage africain
Comme aux confins glacés du monde américain;
Sur tous les continents, Europe, Océanie,
Partout où l'on rencontre, au foyer réunie,

La famille — partout, le dernier des enfans
De sa mère adoré, dès ses plus jeunes ans,
Voit son père lui-même, acceptant ce caprice,
D'un partage inégal consacrer l'injustice.
Pourquoi le dernier fruit des heureuses amours,
A ce doux privilége est-il admis toujours?
Autour de nous, pourquoi tout n'est-il que mystère,
Secret impénétrable, au ciel et sur la terre?
La nature le veut. Et le livre divin,
Que Moïse écrivit sur des tables d'airain,
Montre Dieu, pour fêter sa gloire souveraine,
Choisissant le dernier des jours de la semaine.

—◊—

Ainsi que Benjamin, toi, le dernier enfant,
Dès ton aurore, EDMOND, cet amour triomphant,

Te fit le bien-aimé, te combla de caresses,
Et réserva pour toi les suprêmes tendresses.
GUSTAVE, ALPHONSE, et vous, SALOMON, ses aînés,
Respectez cet amour, n'en soyez point peinés.
Le cœur de vos parents est à vous sans partage,
Mais EDMOND a les droits que lui donne son âge ;
Et vous-mêmes, plus tard, vous comprendrez la loi
Qui fait du dernier-né le seigneur et le roi —
Lorsque, dans son berceau, pleins d'une joie étrange,
Vous entendrez la voix de votre dernier ange.

Voici l'aurore blonde et rose
Qui dore l'horizon lointain ;
Voici que le vent du matin
Murmure à la fenêtre close.

Aux premiers feux du jour dans ce palais brillant
Le bonheur souriant
De fleurs, à pleines mains, sème une large voie
Qu'illumine la joie.

Quelle est donc cette fête aux apprêts merveilleux,
Qui surpasse déjà les fêtes des aïeux ?
Quelle est donc cette fête à laquelle le père
Apporte le concours de son esprit sévère ?
Pour laquelle la mère, heureuse du bonheur
Autour d'elle épandu, prodigue tout son cœur ?
Dans ce moment pourquoi donne-t-elle aux prières
Plus d'amour qu'autrefois aux grands anniversaires ?
Dans l'opulent palais, pour qui donc ces festins
Splendides comme ceux des empereurs romains ?

Dans le temple paré, quelle cérémonie
Aux pieds de JÉHOVAH amène réunie
Cette noble famille, aussi riche qu'un roi,
Et dont l'or a courbé l'univers sous sa loi ?
Pourquoi tous ces amis sont-ils pleins d'allégresses,
Et ces pauvres comblés d'abondantes largesses ?
Pourquoi tous ces enfants, des cantiques sacrés
Font-ils monter au ciel les rhythmes vénérés ?

—◊—

JÉHOVAH, créateur de l'immense nature,
Toi qui diriges tout par ta volonté sûre,
Et qui, maître de tout, dans tes divines mains
Tiens le bonheur, la vie, et le cœur des humains ;
C'est toi seul, Tout-Puissant, que l'illustre famille
Vient fêter en ces lieux où ton grand nom scintille.

C'est à toi, qu'aujourd'hui, de son fils dernier-né
Elle apporte l'hommage à toi seul destiné.
C'est aujourd'hui qu'EDMOND voit sa treizième année
Plus un jour s'accomplir : l'enfance est terminée !
Désormais il n'est plus exclus du nombre *trois* (1);
Pour prier en commun, selon tes saintes lois,
Il fera le *dixième* (2), et son œil pourra lire
Les décrets qu'à ta voix Moïse dut écrire :
« En signe, sur vos bras, vous porterez ma loi,
» Toujours entre vos yeux vous la mettrez pour moi.
» Ce sera le contrat d'alliance éternelle,
» De vertu, de justice et de grâce fidèle,
» Que je passe avec vous ; en tout vous m'aimerez
» Et mes commandements sans cesse observerez. »
De cette *paracha*, tel est le sens pratique :
Voir toujours clair et juste, avoir pour but unique

(1) Mésoumin.
(2) Minien.

Dans le cœur, dans l'esprit, la volonté de Dieu ;
Travailler à sa gloire, en tout temps, en tout lieu ;
Assister son prochain et l'aimer comme un frère :
Voilà pour obéir ce que nous devons faire.
Les THÉPHILINES saints dont va se revêtir —
Dans ce jour solennel où s'ouvre l'avenir —
EDMOND, fils de JACOB, comme tous les fidèles,
Sont le symbole clair de ces lois éternelles.
— « A partir d'aujourd'hui, tu réponds de tes fautes, »
Dit le père à son fils ; « par ton âge tu m'ôtes
» Ce poids qui me chargeait depuis ton premier cri.
» Du bien que tu feras tu jouiras aussi. —
» Comme un chêne, grandis en vigueur, en sagesse,
» Sois ferme en tes propos, fidèle à ta promesse,
» Obéis au devoir, et souviens-toi toujours
» Que tout sera compté par l'Auteur de tes jours. »

À ces graves conseils sortis du fond de l'âme,

Le dernier-né répond par un regard de flamme;

Doucement il s'incline, et son front vient s'offrir

Aux baisers paternels qui le font tressaillir.

Plus doucement encor devant sa tendre mère

Il vient se prosterner comme pour la prière.

« Mon cher enfant, dit-elle, objet de mes doux soins,

» Sois juste et bon, apprends à fournir aux besoins

» De chaque être souffrant; que ta main libérale

» Soulage constamment la pauvreté fatale,

» Sans demander jamais d'où vient l'infortuné,

» Quel est son nom, son Dieu, sous quels cieux il est né.

» Il souffre, c'est assez : comme nous, fais largesse :

» Donner au nom de Dieu, c'est la sainte richesse ! »

De tes nobles parents sois la joie et l'honneur;
En suivant leurs conseils tu verras le bonheur,
Cher EDMOND, couronner le cours de ta carrière
Et combler tous les vœux que fait pour toi ta mère.
C'est là notre souhait et Dieu l'accomplira
Et par nous imploré, sa main te bénira.

LÉON HOLLAÉNDERSKI.

Paris le 4 octobre 1858.

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ROI DES JUIFS

ET

SATAN DERNIER

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DEVANT LE TRIBUNAL DE L'OPINION PUBLIQUE.

ARRÊT

Donné en Forum en faveur de J. Rothschild, se disant roi des Juifs, ci-devant huissier des cours d'Europe, fermier général des travaux publics de France, d'Allemagne, d'Angleterre, etc., etc., suzerain de l'escompte, de l'usure, du prêt sur gages (1), *de l'agiotage, etc., financier-industriel, décoré de l'ordre du Christ, de l'ordre de la Légion-d'Honneur, etc., etc., etc., etc.*

Pour le maintien des priviléges légitimes, monopoles, omnipotence universelle de la maison Rothschild, et en particulier dudit James Rothschild Ier.

(1) Lisez *l'Époque*.

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CONDAMNATION de Satan dernier. — Pénalité scientifique, littéraire et pécuniaire. — Suppression des trente mille exemplaires de l'histoire *édifiante* du roi des Juifs, indûment livrés au public. — Inhibitions signifiées aux valets de plumes chargés de la défense de Sa Majesté juive. — La dynastie Rothschild, assez riche pour payer sa gloire. — Les royautés officielles, *l'Epoque*, la gendarmerie et autres agents de la sûreté publique, chargés de l'exécution du présent Arrêt. — Prochain *triomphe* de Sa Majesté juive. — Son intronisation à Constantinople. — Conciliabule de Thiers, septembriseur en chef, Rothschild Ier, roi des Juifs, et Ossat, porte-ciseaux en chef.

CAUSERIES DE LA MINORITÉ.

Engouement de l'Opinion. — Les Juifs, Rois de l'Epoque, par Toussenel. — La vertu persécutée en civilisation. — Les prophéties de Charles Fourier. — Petit bout de loi *liberticide* de lord Guizot. — Les Juifs exploités ou persécuteurs. — Enfantin et Péreire. — La fraternité *juive*. — La *grève* anglaise et la fraternité *chrétienne*. — Ingratitude des Juifs envers Napoléon. — Le journal des *Débats*. — Trois milliards d'impôt indirect. — Les œufs à trois sous et la viande moyenne à seize sous. — Expropriation des chemins de fer pour cause de *sûreté publique*. — Appel à la presse *non vendue*. — 1815, Waterloo, Fampoux. — Irresponsabilité individuelle. — La véritable mission des écrivains progressifs. — Lisez la *Critique*. — Le dieu Rothschild et son vice-dieu Enfantin. — Une liste civile de quelques milliards. — La hiérarchie féodale. — Le Messie des Juifs. — Les *derniers* seront les *premiers*. — 10,000, 15,000, 30,000 actions de chemins de fer. — L'usure juive. — Trahison financière. — Vénalité de *la Presse*. — La dénonciation du *Corsaire-Satan*. — Lisez *l'Epoque*. — Le dernier mot des saint-simoniens. — La fausse industrie, par Charles Fourier. — L'apothéose de Claude Tillier. — Un bon mot. — L'autocrate russe et le prêt sur gage (lisez *l'Époque*). — Un *oukase* fouriériste. — Qui vivra verra. — Les néo-israélites et la circoncision. — Enquête sur la catastrophe de Fampoux.

ARRÊT.

Vu par le Tribunal de l'Opinion la Requête publiée par James Rothschild, sous le titre de *Réponse de Rothschild I^er^, roi des Juifs, à Satan dernier, roi des imposteurs*, tant en son nom que comme défenseur et représentant des ayant-causede la féodalité financière, et en particulier de ses grands *vassaux* :

Salomon Rothschild, chef de sa maison de *Francfort ;*

Anselme Rothschild ; chef de sa maison de *Vienne ;*

Lionel Rothschild, chef de sa maison de *Londres ;*

Charles Rothschild, chef de sa maison de *Naples ;*

Contenant que ledit Rothschild I^er^, roi des Juifs, cite à comparaître devant le Tribunal *suprême* un sieur Benoît-Louis-François Macaret, pamphlétaire de son métier, sous l'inculpation d'avoir publié un écrit mensonger et diffamatoire ayant pour titre *Histoire édifiante et curieuse de Rothschild I^er^*, etc., etc., et ce, dans le but de contester auxdits

Rothschild et consorts les priviléges légitimes, monopoles, et omnipotence universelle qui leur ont été concédés par toutes les *royautés officielles* d'Europe, du plein consentement de ces dernières, qui n'ont pas réclamé avant prescription (1) ;

Ouï le réquisitoire de JUNIUS, *Rapporteur général*, poursuivant d'office par le motif que *le Dieu des Juifs aime mieux la miséricorde que le sacrifice*, et qu'il y a lieu de présumer que Rothschild 1^er^ a lancé, *ab irato*, cette citation, qui pourrait lui préparer des regrets mortels dans le cas où *son frère en Adam*, ledit pamphlétaire Macaret, viendrait à comparaître *à bref délai* devant le Juge éternel ;

Considérant, en outre, que *toute puissance est établie de Dieu sur la terre* ; que l'œil multiple du gouvernement affecte de se fermer sur le délit de Macaret, et que tous les hommes, voire même les rois, ressortissent de notre juridiction ;

Adoptons les conclusions de JUNIUS, en ce qui touche les nécessités de la *vindicte sociale*, et la compétence du tribunal de l'Opinion publique ;

Et attendu, d'ailleurs, que les philosophes modernes ne sont autres que *des aveugles*

conduisant des aveugles; que, par leurs doctrines d'égalité absolue, ils ont introduit le chaos dans la société et l'ont organisée pour se conserver en chaos ;

Qu'en effet les plus grands rois-philosophes ont confessé hautement la perversité de l'espèce sophiste, en déclarant que *s'ils voulaient châtier une de leurs provinces, ils la donneraient à gouverner à des philosophes;*

Qu'ils ont imaginé, (les philosophes non les rois), que *l'ordre ancien* étant usé, ayant fait son temps, tout *ordre* quelconque était incompatible avec la *liberté;* qu'ayant été en demeure d'expérimenter leurs *théories sociales*, ils ont enseigné qu'il fallait briser tous les *liens* sous le prétexte qu'on avait brisé toutes les *chaînes ;*

Attendu qu'ils en sont venus à reconnaître la folie de leurs doctrines et à renier tout leur passé révolutionnaire, témoin le philosophe-doctrinaire, Guizot, qui, se jetant imprudemment dans les extrêmes, soutient qu'il faut abrutir le peuple par un travail incessant, et se dispose à faire disparaître jusqu'aux derniers vestiges du *droit d'association* (2);

Qu'en vain ils s'imaginent pouvoir arrêter le mouvement progressif de la société; que la vraie sagesse politique consiste à réorganiser le corps social au moyen de combinaisons industrielles

en rapport avec les besoins nouveaux ; qu'ainsi *Nos Seigneurs financiers* ont parfaitement compris que dans un monde privé de lien moral, et livré à l'indifférence politique, la *hiérarchie sociale* ne pourrait transitoirement se recomposer qu'au moyen de la grande puissance des temps modernes, l'argent, ou, si vous aimez mieux, le *capital ;*

Que James Rohstchild et consorts ont donc fait sagement de s'emparer de la puissance qui fait fléchir toutes les puissances, puisque d'ailleurs des symptômes significatifs attestent que leur arrière-pensée est de la faire servir au bien général des peuples (3) ;

Attendu qu'en effet, de l'aveu même des socialistes, il résulte que des banquiers, *hommes d'esprit*, ont déclaré hautement qu'ils ont suivi dans leurs entreprises les données du grand publiciste qui voit le salut des sociétés modernes dans le développement rationnel de la *féodalité* financière et la constitution régulière des grands monopoles *industriels*, AGRICOLES, *commerciaux*, etc., etc. ;

Qu'en effet, le développement méthodique de ces monopoles amènera un si prodigieux accroissement de la fortune des classes élevées, et en particulier de *Nos Seigneurs* de la finance, qu'ils seront les premiers à garantir

aux prolétaires le *minimum* de nourriture et d'entretien, et la *participation aux bénéfices* de leurs vastes entreprises, dans la proportion du *travail* et du *talent* de chacun d'eux ; trop heureux d'arrêter à ce prix l'invasion du paupérisme et des idées communistes, qui conduisent tout droit à *l'abolition du capital et de la propriété ;* qu'ainsi, il est aisé de concevoir que, lorsqu'ils seront rassasiés de richesses et de gloire industrielle et financière, ils songeront à régler équitablement les rapports des maîtres et des salariés, et à prévenir ainsi ces révolutions *sociales* dont les menacent des alarmistes malencontreux ;

Attendu que déjà James Rothschild I^er^ l'a implicitement promis en mettant en relief les paroles formidables du grand dénonciateur des *tyrans industriels* (4);

Attendu que *tous les hommes sont frères en Adam*, et que l'exhortation de l'apôtre révolutionnaire s'adresse évidemment aux victimes de l'oppresseur de ses frères, de celui qui ne reçoit de nom qu'aux enfers ;

Que le Suzerain de la féodalité industrielle est trop avisé pour se poser comme *oiseau de proie*, et *se séparer* de *ses frères en Adam*, car il les exhorte à prendre exemple sur le faible passereau, sur l'hirondelle désarmée, et à le plumer et le chasser en se rassemblant au-

tour de lui et le poursuivant ensemble;

Qu'il est trop absurde d'imaginer qu'un homme, si fort, si habile qu'il fût, pût afficher la prétention d'opprimer des millions d'hommes fraternellement unis, s'appuyant, s'abritant, s'*éclairant* mutuellement;

Que puisque la *Royauté industrielle* vise surtout à l'augmentation du *produit net*, il est d'une évidence niaise que son illustre représentant a tout intérêt à *améliorer* la masse de *ses frères*, voire même à l'*engraisser*, si vous voulez admettre cette supposition monstrueuse qu'il ne voit en eux qu'un troupeau de bétail humain;

Qu'en effet, nul n'a pu savoir mieux que lui, notamment par les *expériences du système anglais*, que mieux est entretenu le producteur, homme ou animal, plus la part du capitaliste, le *produit net* est copieux;

Attendu que s'il était assez aveugle pour penser autrement, il pousserait fatalement les amis du peuple à détourner les coups qui menacent incessamment la *royauté officielle*, et à diriger l'orage contre les puissants seigneurs de la féodalité nouvelle, qui seraient alors *les véritables ennemis de la liberté*;

Attendu que de pareilles absurdités ne supportent pas une minute d'examen;

Qu'il est donc déraisonnable, impolitique,

inconvenant aux pamphlétaires acariâtres et autres démagogues, de taquiner, chicaner, tarabuster *Nos Seigneurs* de la finance, dont ils sont incapables d'embrasser les profonds desseins ;

Attendu qu'il est plus convenable, plus habile, plus avantageux aux serfs de la féodalité nouvelle, de se borner à suivre le bienveillant *conseil* de Rothschild Ier; de s'unir, de s'appuyer, de s'abriter sous sa fraternelle égide ; de travailler à *éclairer* leurs Maîtres et Seigneurs, puis de se lever avec calme comme leurs frères d'Outre-Manche(5), et de réclamer des promesses, des chartes d'affranchissement gradué, *un système de garanties*, qui mettent un frein aux mauvais désirs, aux tentatives d'envahissement des libertés industrielles et sociales; que le *Suzerain Rothschild Ier* sentira bien que *les temps sont venus*, et ne manquera pas d'appuyer la requête de *ses frères* auprès des *grands vassaux* récalcitrants qui croiraient pouvoir imposer des *devoirs sans droits*, ou exercer des *droits sans devoirs*;

Considérant que la *royauté Rothschild* ayant imposé des lois à ces *royautés officielles* qui prétendaient naguères ne relever que de Dieu, du peuple, ou de leur épée, il n'y aura pas de puissance au monde qui puisse résister à cette *royauté individuelle*, appuyée

des masses de prolétaires qu'elle aura entrepris d'affranchir par des voies exclusivement *pacifiques*; qu'en suivant ces errements le *Suzerain Rothschild* marche droit à la conquête de l'amitié du penple, amitié glorieuse s'il en fût, car c'est de cela qu'on a toujours flatté les anciennes royautés;

Attendu, d'ailleurs, que Rothschild I^er^ ne saurait refuser à *ses serfs* ou *sujets* des chartes industrielles, puisque les *rois féodaux*, ses prédécesseurs, en ont accordé aux vilains et aux *communes* de tout pays; qu'il y a lieu de mettre un frein aux empiétements de ses subordonnés, qui feront retomber sur le nom de sa dynastie tout l'odieux de leurs infâmes transactions; qu'en effet, notre Rapporteur général, incité par des bruits populaires, et son ardeur peut-être indiscrète, a déjà dénoncé les attentats commis par les varlets de la nouvelle féodalité, qui,assure-t-on,préludent au rétablissement des droits du *seigneur féodal* de l'ancien régime, en contraignant les femmes et les filles à solliciter le travail pour leurs parents mâles dans les mines houillières, usines, manufactures et autres centres d'exploitation de la *féodalité industrielle*; que la notoriété de ces sales intrigues atténue considérablement l'essor de la bienveillance des masses provoquée par l'établissement des colonies

agricoles, industrielles, salles d'asiles, crèches, et autres institutions de bienfaisance, que l'*Aristocratie du Coffre-fort* se propose, dit-on, de fonder à profusion sur tous les points du pays afin de disposer les masses à accueillir *sa domination*;

Qu'il est sage de se prévaloir des enseignements de l'histoire, de ne pas perdre de vue que les pouvoirs sans contre-poids sont soumis à des chances périlleuses qui ne sauraient atteindre ceux qui admettent volontairement une sage pondération des forces sociales; que notamment, pour ne parler que de l'objet qui nous occupe, les flatteurs d'une royauté universelle précipitèrent sa ruine en proposant de lui attribuer *sur toutes les femmes* des droits qui font frémir la pudeur; que c'est évidemment à un autre titre que *Rothschild I*^{er} entend être proclamé le *père de la grande famille universelle*, dont il revendique généreusement la fraternité, bien qu'il soit le plus illustre représentant du *peuple élu* de Dieu, ainsi qu'il est prouvé par la couleur dorée de sa chevelure, nuance caractéristique de la tribu *royale* de *Juda*;

En ce qui touche plus particulièrement les Français, considérant que la France est le *premier* peuple qui ait *émancipé* les Juifs de leur ilotisme séculaire et leur ait conféré les

droits civils; qu'il est impossible d'admettre qu'aucune pensée d'ingratitude ou de trahison ait jamais pu germer dans le cœur royal de S. M. Rothschild I^er^ (6); que, bien au contraire, nous le voyons, dans toutes les occasions, *solliciter* avec ardeur *le privilége de se ruiner* dans la seule vue du bien public (7); que, notamment dans une circonstance récente, il a décelé toute sa magnanimité en laissant mettre en adjudication d'immenses travaux publics que la munificence *ministérielle* voulait lui concéder à titre *gratuit*; qu'il a eu la générosité de prêter à l'Etat, moyennant intérêt *légal*, les sommes nécessaires pour construire la partie des travaux qui lui était attribuée par acte législatif; qu'à la vérité l'Etat, sous l'impression d'une vive reconnaissance, a cru devoir *reprêter* à Rothschild I^er^ des sommes égales et *sans aucun intérêt*; mais que c'est par un échange actif de bons offices et de généreux procédés que la France établit et maintient avec les puissances cette *entente cordiale* qui est le gage de ses prospérités; que les FRANÇAIS ne peuvent en prolonger plus sûrement le cours qu'en se plaçant directement sous la protection du Roi des JUIFS, qui ne saurait jamais manquer de leur en tenir compte *aux mêmes conditions*;

Attendu qu'il se dispose à leur administrer

de nouvelles marques de sa faveur spéciale en se préparant à poursuivre à outrance les *oiseaux de proie* dont la voracité anarchique a déshonoré le commerce français (8) aux yeux de l'étranger; que, dans cette vue d'intérêt *général*, il va s'emparer, à l'exclusion de tous autres commerçants, du monopole des accaparements des denrées de première nécessité, qui le rendra maître de la vie des citoyens (9), — du monopole des salines, — du monopole des tabacs, — du monopole de la fabrication du sucre de betteraves et autres produits soumis au régime de la protection;

Que, déjà, et dans un but d'intérêt humanitaire, il a étendu sa sollicitude cosmopolite sur le monopole du mercure, de l'agio universel, et de l'affinage de l'or, dont il a délégué la régie au *vice-roi Poizat*; — le monopole de la fabrication des monnaies françaises, qu'il a confié au *vice-roi C.*; — le monopole de la houille et de la fabrication des fers, qu'il a mis sous le nom du *vice-roi Z.*; — le monopole de l'opinion commerciale et de la publicité, si habilement conduit par le *vice-roi Duveyrier;* — le monopole de l'agio-boursier et des emprunts nationaux; — le monopole des dépêches et des échéances; — le monopole de la puissance administrative, qui le fera échapper à toute répression (10); — le monopole électoral; — le mo-

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nopole des transports, organisé par le *vice-dieu* Enfantin (11); — enfin le monopole universel de la haute banque, dirigé par ses grands vassaux *Anselme* de Vienne, *Lionel* de Londres, *Charles* de Naples, et *Salomon* de Francfort;

Attendu que ces monopoles et leurs moteurs s'aideront, s'abriteront, s'appuieront merveilleusement pour plumer et chasser l'*oiseau de proie* de la concurrence anarchique (12); qu'en effet, par le monopole *pivotal* de la banque universelle et des transports, il obtiendra fatalement tous les monopoles *subordonnés*; qu'évidemment, par le monopole de la haute banque, il maîtrisera la puissance administrative et se mettra en possession des monopoles du crédit et des emprunts nationaux; par le monopole des emprunts, il exercera sans contrôle le monopole de l'influence dans les congrès européens, et sera le souverain arbitre de la guerre et de la paix; par le monopole du crédit, il accaparera le monopole des annonces et de l'opinion commerciale; par le monopole de la puissance administrative, il arrivera au monopole électoral qui lui livrera à discrétion le pouvoir législatif; par le monopole législatif combiné avec le monopole de l'opinion commerciale, il emportera sans coup férir le monopole des travaux publics: par le monopole des transports et des li-

gnes télégraphiques, il aura sans conteste le monopole de l'agio-boursier, — le monopole des sels et des houilles, et partant de la prospérité agricole et manufacturière des localités ;— le monopole de l'accaparement des comestibles de première nécessité et des grands mouvements insurrectionnels qui en dépendent ; — le monopole des dépêches et des échéances, — le monopole de l'honneur et du crédit privé, etc.;

Attendu que l'affiliation hiérarchique de ces innombrables monopoles enlacera, enchevêtrera toutes les classes, toutes les contrées, tous les individus, toutes les positions, dans les liens inextricables d'une invisible vassalité ;

Attendu que le commerce ou la distribution des richesses est la principale fonction de l'*Etat*, et qu'il y a *abdication réelle* dans le fait du souverain qui se laisse enlever le monopole *pivotal* de la banque et des transports ;

Considérant que Rothschild Ier a su rallier, discipliner, organiser hiérarchiquement (13) les compagnies financières en général, et en particulier les banquiers cosmopolites qui ont la haute main dans la direction des affaires politiques de l'Europe ;

Considérant en outre que ces coalitions déguisées ont déjà accaparé le monopole du crédit public, et sont entrés forcément en partage de la puissance souveraine ;

Attendu, d'ailleurs, que la civilisation de troisième phase a fait son temps ; que cette société n'est autre chose que *le jeu des dupes et des fripons* ; que l'on ne peut entrer en contact avec cette odieuse agrégation sans y rencontrer des coalitions de *gros voleurs ligués pour faire pendre les petits voleurs* ; que l'égoïsme, la duplicité, la divergence des intérêts, n'ont cessé d'y engendrer *l'indigence, la fourberie, l'oppression, le carnage, les intempéries outrées, les maladies provoquées* ; que les sociétés qui s'obstineraient à y croupir seraient les premières victimes des fléaux de toute sorte qu'elle doit successivement enfanter ;

Considérant en outre qu'il est écrit « que le Dieu d'Abraham, d'Isaac et de Jacob a promis de livrer *à leur postérité* le globe entier avec ses habitants, afin qu'*en elle* soient bénies toutes les nations de la terre (14) ; »

Qu'ainsi ce serait vanité de lutter contre les décrets de l'Eternel, et qu'il n'y a plus qu'à se laisser aller tout doucement au mouvement de civilisation qui emporte la société moderne vers la féodalité industrielle et financière ; qu'en conséquence, Dieu a réservé au *Suzerain Rothschid* l'honneur insigne de faire entrer la société européenne en *quatrième phase* de civilisation ; qu'il y a donc lieu de donner

les mains à la constitution de la *Suzeraineté universelle*, qui établira sur des bases solides et durables le système de *la paix à tout prix*, et fera réduire l'effectif militaire de *la paix armée*, qui écrase les gouvernements et les peuples européens sans compensation suffisante;

Attendu, enfin, pour ce qui touche l'inculpé, que les agents de sûreté de Rothschild Ier ont indignement fourvoyé Sa Majesté; qu'ils lui ont donné pour un libelliste stipendié un pamphlétaire indépendant, dont tout le crime a été de dire audacieusement à *S. M. Rohtschild Ier*, comme il a dit au *Citoyen-Timon* et à *Lord-Guizot*, comme il dira aux puissants du jour, ce qu'il croira être la vérité; que, Dieu aidant, les pamphlétaires, valets de plumes, agents de chantage, écrivassiers, arriveront à s'instruire et à comprendre que, dans le milieu *civilisé*, qui a la propriété de fausser les instincts natifs de l'homme, de développer les passions en essor subversif, il est fatalement impossible qu'une *royauté universelle*, fût-ce la royauté de César, ne s'établisse au moyen de manœuvres infâmes en rapport avec le milieu impur qui les produit; qu'en conséquence la politique de S. M. Rothschild Ier sera loyale, généreuse, débonnaire, paternelle, en un mot, véritablement *édifiante*, aussitôt qu'il aura conquis la puis-

sance universelle, aussitôt que les royautés politiques auront officiellement reconnu sa *Suzeraineté;*

Vu le libelle intitulé : ***Histoire édifiante et curieuse de Rothschild Ier, roi des Juifs***, signé *Georges Dairnvæll*, même la *Seconde réponse du prince des Israélites*, signée *de B.;* la *Guerre aux Juifs*, signé *A. D.*, etc.

Ouï le Rapporteur général en ses conclusions *non conformes;*

Ensemble la dénonciation de ***Junius et consorts*** contre les compagnies financières en général, et en particulier contre leur Suzerain Rothschild Ier (1);

Tout considéré :

PAR CES MOTIFS :

Le TRIBUNAL DE L'OPINION, ayant égard à la requête dudit Rothschild Ier, le renvoie de l'accusation de tyrannie industrielle, usurpation et empiétement diplomatique, improbité boursière, exploitation, corruption politique, trahison, tendance anti-française, cruauté spéculative, vol aux actions, ladrerie, juiverie,

(1) Publiée textuellement dans le *Corsaire Satan*, la *Démocratie Pacifique*, etc. — Se trouve chez Albert frères, éditeurs, rue Richelieu, 67. — Prix : *quinze centimes*.

charlatanisme philanthropique, implicitement émise contre lui dans le libelle ci-dessus visé, rejetant sur l'influence du *milieu social* et la *force des choses* la fatalité qui condamne tous les *souverains parvenus* à gagner leurs épe-rons, cordons, écussons, *per fas et nefas ;*

Vote audit *Suzerain Rothschild* des remer-ciements pour les puissants services industriels, politiques, et contre-revolutionnaires qu'il a rendus, bon gré mal gré, à l'Europe civilisée, et notamment aux rois officiels, aujourd'hui *ses grands vassaux* ;

Par provision, l'institue Fermier-général des monopoles présents et futurs de toutes les nationalités des *deux mondes*, n'en exceptant les archipels y annexés ;

En particulier, enjoint aux archipels anglais, japonais, malgaches, et autres extorqueurs et accapareurs présents et futurs du *commerce anarchique d'Europe*, *d'Asie*, *d'Afrique*, *d'Amérique*, *d'Océanie et autres lieux*, d'avoir à livrer audit Suzerain, dans un bref délai, les détroits maritimes et monopoles insulaires dont ils sont provisoirement en possession, et de contribuer par là au prompt établissement de l'*Unité administrative du globe* ;

Donne les mains à l'entente cordiale déjà ébauchée entre la féodalité juive, les saint-simoniens et les fouriéristes, et les requiert de

concourir au développement rapide de l'organisation du monopole universel ;

Ordonne aux corporations administratives, législatives, et autres, d'accepter les gratifications, agios, épingles, pots-de-vin, et autres bribes ou munificences qu'il leur allouera de son plein gré en pareille occasion ;

Le maintient dans la possession et jouissance paisible des monopoles de la Banque et des transports, et des innombrables monopoles qui leur sont *subordonnés* ;

Emet le vœu qu'il use de tous ses monopoles dans l'intérêt du consommateur et du producteur ; que notamment, il établisse des *tarifs* équitables, basés sur la moyenne des récoltes et des prix de revient ; qu'en particulier, il admette les classes laborieuses à jouir d'un *tarif spécial* en rapport avec les variations du taux des salaires ; qu'il institue un système de *garanties* universelles constatant l'origine, la qualité, et la quantité des objets de consommation ; qu'en un mot, il abolisse la coutume établie par les *oiseaux de proie,* de rançonner producteurs et consommateurs, et qu'il fasse bientôt participer le travailleur à ses bénéfices dans la *proportion* du travail et du talent de chacun ;

Le supplie, et au besoin le requiert, de solliciter à toujours le privilége de se ruiner par amour du bien général ;

Promet solennellement d'obliger l'Etat, de lui emprunter à intérêts usuraires (15) les sommes dont il aura besoin pour exécuter les travaux d'utilité publique; s'engageant implicitement, au moyen de certaine *clause secrète*, à lui faire *reprêter* lesdites sommes à titre *gratuit;*

Enjoint aux journaux monstres, revues, et autres plumes damnées du monopole, d'avoir à continuer de *vendre leurs questions* à la féodalité banquière, *sans toutefois se laisser marchander* (16);

Emet le vœu qu'il soumette l'*aristocratie nouvelle* à une sévère épuration; que notamment il en exclue les *aigrefins*, les *gens tarés*, les *banqueroutiers de profession*, les *chevaliers d'industrie*, les *parvenus sans éducation*, les *détrousseurs d'actionnaires*, et autres malfaiteurs du commerce anarchique, auxquels *Junius* a appliqué le fer rouge de sa *Dénonciation* (17); le conjure de préserver intactes nos glorieuses traditions nationales en n'admettant l'*ancienne* noblesse à *faire l'article* qu'après que la féodalité *nouvelle* aura passé au dernier creuset de ladite épuration; ose espérer que sa dynastie fera successivement l'acquisition de toutes les terres arables, en se souvenant que le Dieu de Jacob a promis de lui donner la terre sur laquelle il dort et de bénir *toutes les nations* en sa posté-

rité; en revanche, et attendu que les rois ont toujours été censés les pères du peuple, lui attribue *transitoirement* la charge de nourrir et d'engraisser, comme les aristocraties et les riches l'ont fait jusqu'ici (18), tous les pauvres et autres espèces moutonnières dénommées, *serfs*, *ilotes*, *parias*, *esclaves noirs ou blancs*, *prolétaires* et autres forçats des bagnes industriels;

L'adjure d'émanciper graduellement, de faire naître sucessivement à la vie sociale et politique, toutes ces catégories de bétail humain, parce qu'il sied à la grandeur, à la future illustration du *peuple élu de Dieu*, que la nouvelle dynastie règne sur autre chose que sur les esclaves, les fourmilières affamées, les brutes qu'enfante à foison la civilisation de *troisième phase*;

Le somme *transitoirement* d'imposer des règles de moralité à ses subordonnés, en accordant à ses serfs et sujets des chartres d'affranchissement qui déterminent d'une manière officielle les conditions d'admission et d'avancement hiérarchiques dans ses grandes exploitations;

Lui enjoint de sauver l'*institution de la famille humaine*, menacée par la *traite des blanches*, que pratiquent d'une manière ostensible les petits vassaux, les affranchis, les parvenus de la féodalité nouvelle sur la per-

sonne des sœurs, filles, épouses des travailleurs mâles qui leur sont subordonnés;

Lui donne humblement l'avis de se remémorer les causes de la grandeur et de la ruine des royautés et des aristocraties anciennes, de s'imposer spontanément le frein salutaire d'un système de *garanties générales* qui protégent la dignité humaine, qui acheminent à l'équilibre des forces sociales; d'aviser à ne pas faire comme le sauteur de la fable, un fou qui croyait pouvoir mépriser le balancier qui pondérait ses mouvements, et n'eut plus qu'à se précipiter au bruit des huées de la foule attirée par ses hardies manœuvres;

Enjoint formellement auxdits Rothschild, ses grands vassaux, et autres *parvenus* à la souveraineté financière, d'avoir à renoncer à tout jamais aux industries infimes qui entraînent *dérogeance*, telles que *chiffonneries en gros*, *habits vieux galons*, etc., etc., qui, selon *Satan dernier*, ont été avidement pratiquées, notamment à *Waterloo*, sur les cadavres de nos braves soldats, et ont servi de marche-pied à l'*aristocratie de la matière* dont nous réclamons l'*épuration* dans l'intérêt des alliances et de la renommée de la dynastie israélite;

En conséquence, émet le vœu que la Maison Rothschild rachète ses membres en état de *dé-*

rogeance en faisant un royal emploi de sa royale fortune, qui dépasse en importance *toutes les listes civiles réunies ;* que notamment elle établisse au centre du monde industriel un *Hôtel cosmopolite des Invalides de l'Industrie,* et contraigne ses vassaux de tous les degrés de la hiérarchie financière d'y entretenir confortablement, par voie de *souscription permanente et proportionnelle*, les serfs, prolétaires, parias, esclaves, ouvriers et autres salariés, ou non salariés, qui n'ont pas encore *participé aux bénéfices* des vastes entreprises de leurs maîtres, et dont le dévouement et les dangers ont servi de fondement à la puissance de l'aristocratie nouvelle ;

Et afin que la clameur populaire ne l'accuse pas de spéculer sur les catastrophes, lui donne avis de *se constituer* en compagnie d'*assurance universelle sur la vie humaine ;* notamment d'*indemniser volontairement* LES VICTIMES DE FAMPOUX, *en prenant pour base de l'indemnité l'état de fortune des personnes, leurs charges de famille, et leurs espérances;* promet de la rétablir en bonne fame et renommée si elle ne se laisse traîner par ses victimes devant les cours de justice des *royautés officielles* qui ont implicitement reconnu leur *vassalité ;*

En ce qui touche les opposants, fait injonc-

tions expresses à *la Réforme*, *la Démocratie*, *le National*, et autres révolutionnaires incorrigibles, d'avoir à cesser leurs stériles criailleries, à sortir de l'isolement qui se fait autour de leurs doctrines *négatives* et de leur *tableau d'abonnés*; d'accepter résolument Rothschild Ier pour chef légitime du gigantesque mouvement industriel et social qui s'opère autour d'eux et emporte la société dans un avenir inconnu; de le surveiller, *l'éclairer*, le guider, et, *au besoin*, de DÉNONCER ses actes à l'*Opinion* et aux masses populaires; de faire enfin, par dévouement social, l'office du balancier qui pondère les oscillations du sauteur en casse-cou; sur toutes choses, les prie de considérer que lui seul possède ou possédera les ressources nécessaires pour réaliser leurs rêves dorés s'ils parviennent, par les voies de bienveillance calculée, à modifier, *éclairer*, influencer les conseils dont Sa Majesté reçoit l'impulsion (19); en particulier, donne acte à Considerant et consorts de leur opposition *systématique* aux saines doctrines et au sens commun, en ce qui touche le développement régulier de la *féodalité nouvelle* et de la période de *transition*; commet Jules Lechevalier, Enfantin, Rigal, Rodrigues, Solar, et autres socialistes, économistes, juifs et saint-simoniens éminents des *Débats*, de *l'Epoque*,

de *la Presse*, et autres feuilles du monopole, pour mettre lesdits Considerant et consorts sur la voie de trouver la véritable interprétation des textes de Fourier sur la matière (20).

En ce qui touche l'inculpé G. Dairnvæl, se disant Satan dernier;

Ouï le *Corsaire-Satan*, *la Réforme*, le *Paris industriel*, et autres organes de l'*Opinion*, dans leurs critiques et dires contradictoires;

Sur le fond,

Le condamne à étudier sérieusement les doctrines socialistes, économiques, et autres antiquailles usées et nouveautés téméraires qui affichent la prétention d'avoir la haute main dans la direction du *mouvement social*; l'oblige en outre à se rendre compte, au moins approximativement, des conséquences *sociales* des vastes opérations industrielles conduites par la dynastie toute-puissante de Rothschild Ier; lui inflige la réprimande publique pour avoir négligé de se renseigner suffisamment à cet égard; le contraint, en conséquence, même par toutes voies coercitives et autres de droit, à supprimer les différentes éditions de l'*Histoire édifiante de Rothschild Ier*, voire de livrer audit roi Rothschild les trente mille exemplaires vendus au public avant la réception de la requête du plaignant, ou, à son

choix, d'y insérer, toute affaire cessante, les *cartons*, *errata*, et autres moyens de rectification nécessaires pour redresser les erreurs commises par ledit *Satan dernier;* et quant aux formes, convenances, procédés, moyens de style et de persuasion, le renvoie, *avec tous les pamphlétaires et libellistes présents et futurs,* à la lecture perpétuelle de Lucien, Rabelais, Pascal, Bussy, Voltaire, Montesquieu, Beaumarchais, Byron, Junius l'ancien, Paul-Louis Courier, Claude Tillier (21), et leurs pareils s'il en fut, l'autorisant, à ces conditions, à entretenir correspondance publique avec S. M. Rothschild I^er^;

Et statuant sur les écrivailleurs, valets de plumes, monopoleurs d'annonces, et autres agents de chantage chargés de la défense du *Prince des Israélites*, leur fait expresses défenses et inhibitions de salir de leurs esquisses profanes les traits de cette grande figure, de cette spirituelle intelligence, et leur rappelle que le plus grand roi de l'antiquité n'accorda qu'au seul Apelles le droit de reproduire l'image auguste du conquérant des peuples civilisés;

Et attendu que la dynastie Rothschild *est assez riche pour payer sa gloire*, laisse à sa charge les dépens, frais de réclames, placards, mémoires, et autres publications qu'entraînera le présent procès;

Enjoint aux *royautés officielles* qui prétendaient naguère ne relever que de Dieu, du peuple ou de leur épée (22), de se soumettre jusqu'à nouvel ordre aux lois que cette *royauté individuelle* jugera bon de leur imposer (23);

Ordonne à *l'Epoque*, à la gendarmerie et autres agents, docteurs, et suppôts de la police de sûreté et de la morale publique, d'endoctriner les mécontents, et au besoin de prêter main-forte et de courir sus aux contrevenants, à seule fin d'assurer par toutes voies l'entière exécution du présent; et afin qu'à l'avenir il n'y soit contrevenu, nous réservons d'intervenir par toutes voies de publicité et de coercition morale, telles que drames, satires, pamphlets, histoire, etc., si le roi des Juifs manquait à ses promesses solennelles; et finalement de décerner à sa dynastie le *triomphe omniarcal* si elle continue de jouer dignement le rôle de bienfaisance suprême que la Providence lui a assigné pour le bien de tous ses enfants;

Et sera le présent arrêt lu et publié à Constantinople, en congrès universel, le jour de l'intronisation définitive de Rothschild I^er^.

Collationné conforme sous le contrôle de

JUNIUS,

Rapporteur général.

NOTES

ET

CAUSERIES DE LA MINORITÉ.

Le Rapporteur général, tout en protestant de son profond respect pour la chose jugée, se croit tenu de faire connaître fidèlement les avis de la minorité, qu'il adopte pour la plupart. Il ne s'en est fallu que de peu de voix que les *Juifs* ne fussent mis en coupe réglée, les brillantes paroles de ces *Rois de l'Epoque* ne pouvant suffire pour atténuer leur passé : un Socrate, à leur place, n'aurait pas eu cette chance-là, je vous le jure. Voyez, pour vous édifier là-dessus, le livre de *Toussenel*, un brave et spirituel *africain*, qui a la loi punique ou juive en abomination. Il vous apprendra, cet homme de cœur, à ne pas céder à l'engouement de l'Opinion, un léger volatile qui, au lieu de se tenir à distance dans le calme de l'observation, *s'abaisse* insensiblement, continûment, et finit par se laisser absorber par l'être immonde qui l'a fasciné.

Note 1.

Les monopoles et *empiétements* de la féodalité nouvelle ont été prophétisés avec détails par *Charles Fourier*, il y a de cela plus de quarante ans. Et dire que les loups-cerviers d'Israël et d'Albion, qui affectent de ridiculiser les calculs *scientifiques* du Maître, ont assez d'esprit pour y voir ce qui convient à leurs égoïstes intérêts... rien de plus, rien de moins. Junius.

Note 2.

Il nous est revenu que *lord Guizot* tient en portefeuille un petit bout de loi qu'il glissera furtivement entre deux budgets, et qui soumettra les *sociétés en commandite* à l'ordonnance royale, aussi bien que les sociétés anonymes. C'est donc pour dire qu'il n'y aura que les ouvriers *bien pensants* qui auront le droit de former des associations commerciales. Encore un moyen pour organiser la *royauté juive*, et lui livrer pieds et poings liés la grande masse des salariés. On aperçoit de reste que les gérants de ces sociétés formeront *une nouvelle catégorie d'électeurs qui seront à la discrétion des ministres et autres vassaux* de la Suzeraineté financière. Gare la *Dénonciation* ; si lord Guizot fait passer cette loi *liberticide*, qui enlèvera aux masses toute

chance d'*émancipation* sociale et politique! C'est pourtant le pays qui a le premier émancipé ses *Juifs*, qui s'apprête à exploiter l'ignorance du peuple pour lui river les chaînes d'un ilotisme éternel! Et dire que des hommes qui lisent leur Bible s'avisent de faire une pareille faute, eux qui savent par l'histoire et la prophétie que les Juifs ne peuvent être qu'exploités ou persécuteurs.

DIOGÈNE.

NOTE 3.

On voit cela dans le fait de l'accession des saint-simoniens, ***Enfantin*** et *Péreire*, aux conseils de la *féodalité*, deux hommes *religieux* qui ont juré de consacrer leur vie à la destruction de César et à l'intronisation du Pouvoir pacifique. J.

NOTE 4.

C'est une longue tirade du *Croyant*, que le roi-pamphlétaire, en *homme d'esprit* (comme disent ses varlets), transporte de la fraternité *universelle* à la fraternité de la *famille*. On voit que le valet de plume use libéralement du droit de citation.

DÉMOCRITE.

NOTE 5.

On sait que nos frères, les prolétaires anglais, ont *organisé* la grève *universelle*, et qu'ils refusent de travailler pour le compte des Seigneurs du Capital. Voilà l'occasion belle pour Rothschild 1^er^ d'intervenir auprès de ses grands vassaux britanniques, et de montrer dans quel sens il a entendu les belles paroles du *Croyant*. *Id.*

NOTE 6.

Exténuez-vous à imprimer des myriades de volumes pour éclairer l'opinion publique, qui ne manquera jamais, en un besoin, de perdre de vue des faits comme ceux-ci : l'empereur Napoléon, — non la Convention, — est l'émancipateur des Juifs. Le peuple *élu*,

« ..... Ce peuple obscur, imbécille et volage,
« Amateur insensé de superstitions,
« Vaincu par ses voisins, rampant dans l'esclavage,
« Et l'éternel mépris des autres nations.. »

le peuple élu, disais-je, qui a toujours été ingrat envers son Dieu comme envers son prochain, n'a eu rien de plus pressé que de se mettre à la tête des accapareurs de subsistances, qui faisaient trembler l'Empereur, et qui ont fait avorter cette fameuse campagne de Russie, en retardant l'expédition de six semaines ; *indè* les désastres de la France et la chute du bienfaiteur des Juifs.

Satan dernier va jusqu'à dire, dans *Rothschild Ier*, *ses valets et son peuple*, que la maison Rothschild était à la tête de ces infâmes vautours mercantiles qui ont déterminé l'accaparement, et par suite la chute de Napoléon,— à qui Dieu pardonne de n'avoir pas continué ses relations avec Charles Fourier. On ne voit que des traits pareils dans l'histoire des Juifs. Et puis étonnez-vous, après cela, que la *persécution* politique ou religieuse les laisse dans la fange du mépris, ne soit pas pour eux un *germe d'ennoblissement*, comme elle l'a toujours été, par exemple, pour les Grecs modernes, les Polonais et les chrétiens. JUNIUS.

NOTE 7.

C'est le *Journal des Débats* qui a fait cette merveilleuse découverte, et l'a communiquée au public avec une naïveté qui n'est pas de l'Epoque, vous pouvez en être certain. J.

NOTE 8.

Voyez plutôt la *Fausse industrie* de Charles Fourier, qui établit que le commerce anarchique des classes moyennes et parasites extorque aux consommateurs et aux producteurs un impôt annuel de *plusieurs milliards*. J.

NOTE 9.

Que les classes laborieuses se tiennent pour dûment averties qu'elles paient *les œufs trois sous et la viande moyenne seize sous*, quand il convient aux *accapareurs* de la féodalité mercantile de faire la *hausse* sur les denrées de première nécessité. Vous verrez qu'ils seront bientôt les maîtres de l'hygiène publique, et qu'ils pourront, à leur gré, crétiniser, abougrir, *voire*, affamer en détail un peuple qui voudrait se remuer.—C'est à l'occasion de ces manœuvres d'accaparement que Nos Seigneurs du Trafic se permettent de retarder le service des dépêches, ce qui peut contituer le crime de *lèse-crédit privé*. — Oh ! si Louis-Philippe, ce prince que l'on dit perspicace, avait pu apercevoir les conséquences *politiques* de ce formidable pouvoir que l'on appelle le monopole des transports ! — A la première occasion des détails circonstanciés par des hommes *spéciaux*. J.

NOTE 10.

O Suzeraineté financière ! tu t'intronises sous de tristes auspices, si tu as besoin pour subsister de violer les lois aux dépens de la sûreté publique. Après tout, le *Roi des Juifs* pourra se vanter d'être le plus pacifique des conquérants, s'il se contente d'une trentaine de cadavres, par ci par là, pour marcher à la *domination universelle*. C'est débuter modestement en exercice du *monopole de la vie humaine*. Quelle est la royauté politique ou militaire qui pourrait en dire autant ! Au reste, on n'oserait penser

que cet homme a pu considérer la *catastrophe du chemin du Nord* comme un moyen de gagner des millions, par exemple, *en dissimulant l'horrible nouvelle pour vendre ses actions au pair, et en la publiant après coup pour les racheter en baisse.* Au moins a-t-il dû la regarder comme inévitable; puisqn'il a violenté les ingénieurs pour obtenir livraison du chemin prématurément. Il y a plus, des hommes *spéciaux*, QUI SONT AUX ORDRES DE LA JUSTICE, assurent que les commissaires royaux préposés *par la loi* pour veiller à la sûreté publique, *n'ont pas même la liberté de dresser procès-verbal du mauvais état des locomotives et des rails, quand il y a lieu.* Donc la catastrophe d'hier se reproduira demain, après demain, et périodiquement, ce qui sera une source intarissable de bénéfices pour les Suzerains de la Spéculation et de désolation pour les familles, ainsi que le dit avec raison *Satan dernier.* Si l'enquête judiciaire vient à constater ces faits odieux, il n'y a plus qu'à courir sus aux *Juifs* et les traîner en cour d'assises pour crime de *cruauté spéculative;* ou mieux, d'interdire la circulation par voies de fer, et contraindre les pouvoirs à les faire exproprier par l'Etat pour cause de *sûreté publique.* — Mais les victimes sauront que *Junius et consorts*, ces *Rapporteurs* impartiaux de l'*Opinion*, auront leur cent yeux ouverts sur la stricte exécution de la *loi*.—Nous comptons bien que les journaux démocrates et socialistes, *la Réforme, le National, la Démocratie, l'Alliance, la Quotidienne, la Revue indépendante, la Phalange, la Revue sociale, le Populaire, l'Atelier, la Fraternité, le Bien Public*, et nombre d'autres feuilles courageuses de France et de l'étranger, joindront leurs voix à la nôtre pour donner du cœur à la magistrature chargée de l'information sur l'odieuse spéculation qui a amené la catastrophe de Fampoux. Si, par impossible, la presse *non vendue* reculait devant le *devoir*, nous aurions à gémir sur la dégradation de l'Epoque, et nous nous écrierions avec le poëte :

Hæc fierint, si testiculi vena ulla paterni viveret in nobis!

— Nous désirons, pour l'honneur de la *royauté juive*, qu'elle puisse se laver de l'accusation ; nous n'en déplorerions pas moins la mystérieuse fatalité qui *subordonne* le développement de cette colossale fortune à l'importance de nos malheurs publics. Il faut que les Français gravent dans leur cœur ces trois termes néfastes de la puissance juive : 1815, — *Waterloo*, — *Fampoux!* — Au reste, il faut bien le dire, — puisque j'ai promis d'être impartial, — c'est une grande et une très-grande question de savoir si nous faisons *de notre mieux*, nous autres pamphlétaires, dramaturges, satiriques, feuilletonistes, etc., en lançant les flammes de notre sainte colère sur les individualités malfaisantes qui éclosent périodiquement au souffle impur de notre fausse civilisation. J'incline à croire que nous tous tant que nous sommes et nos illustres devanciers, Timon l'Ancien, Phocion, Socrate, Félix Pyat, Toussenel, Karr, etc., nous avancerions plus vite en besogne de *réformation*, si nous nous en prenions plus souvent au *mal*, c'est-à-dire

aux *causes* du mal, aux mauvais *principes*, aux fausses *doctrines*, aux *institutions* rétrogrades qui détériorent et pervertissent les individus. Vouloir chercher des types de moralité dans la société civilisée, c'est absolument comme si vous demandiez à l'Académie d'aller chercher des traits de *probité* parmi les forçats, ou des traits de *vertu* dans les mauvais lieux ; ou bien encore comme si vous demandiez au médecin du dévouement à l'hygiène publique, ou à M. l'avocat du roi des plans de réformation morale en faveur des criminels.

CHARONDAS.

NOTE 11.

Lisez *la Critique*, se disant journal du grand monde ; elle nous apprend que Rothschild Ier est plus que grand homme, ce qui doit signifier qu'il faudra bientôt le mettre à la place de *Dieu ;* d'où il suit que le père suprême Enfantin sera maintenu dans le grade de *vice-dieu*, qu'il n'avait abdiqué que temporairement.

DÉMOCRITE.

NOTE 12.

Il est aisé de concevoir que les *trois à quatre milliards* annuellement enlevés aux consommateurs et producteurs par le *vautour commercial* que poursuivent les *hirondelles et les passereaux coalisés* de la maison Rothschild ; ces *trois à quatre milliards annuels* rentreront, en partie, dans..... les coffres de Rothschild Ier, par le simple effet de l'organisation intelligente du monopole saint-simonien.

J.

NOTE 13.

Les choses se passent absolument comme au temps de la féodalité. A la première velléité d'une émission d'emprunt, on convoque les grands vassaux de la finance; ceux-ci en confèrent avec les comtes et les barons de la Bourse, lesquels, à leur tour, s'entendent avec les seigneurs de la spéculation, jusques et y compris les simples chevaliers de l'agiotage. Tous, couverts de pied en cap du crédit des grands vassaux, ils défont, dans une série de combats dont les agents de change sont les hérauts, les malheureux Gaulois de la Bourse, dont, nouveaux Francs, ils ont fait la conquête... La féodalité existe aujourd'hui, non-seulement dans la finance, qui est l'âme de tout, mais elle a pénétré partout, elle a soufflé son esprit hiérarchique jusque parmi les individus qui exercent la même profession.

(GRATIEN de Semur, *Erreurs et Préjugés.*)

NOTE 14.

Allez donc, après une pareille prophétie, dire que les gouvernements pourraient s'entendre, fût-ce au moyen d'un *appel au peuple*, qu'ils ont trompé, pour racheter, comme celui de Belgique, le monopole universel des transports, de la banque, des assurances, etc. Essayez de faire croire ces extravagances à MM. les

rabbins talmudistes, qui voient toutes les prophéties bibliques se réaliser à la lettre depuis quelque trois mille ans, et qui savent, de science certaine, que leur Messie politique, le libérateur des *rois de l'Epoque* et des nationalités opprimées, sortira de l'illustre Maison Rothschild. Allez, sublimes esprits, retournez sur les bancs méditer cette parole évangélique : « *Les premiers seront les derniers, et les* DERNIERS *seront les* PREMIERS. » — Et puis enfin, que voulez-vous que fassent des pouvoirs qui ont subi la munificence de leur suzerain, en acceptant qui des 10,000, qui des 15,000, qui des 30,000 actions de chemins de fer ! ! ! J.

NOTE 15.

Et n'allez pas crier à la calomnie ! Le roi des Juifs n'est pas assez naïf, vous le savez, pour stipuler dans ses contrats un intérêt annuel de 80 pour 100 ; mais il *intéressera* des personnages influents à des combinaisons *d'usure indirecte* si ingénieuses, à des manœuvres si savantes, qu'il arrivera, en quarante ans, à faire produire un intérêt de HUIT CENTS MILLIONS (nombres ronds), à la minime somme de 60 millions qu'il a prêtés à l'Etat pour monter le matériel du *chemin de fer du Nord*.—C'est entendre la multiplication des espèces un peu plus habilement que les exécuteurs testamentaires du *Juif errant*. — Si vous en doutez, voyez les preuves détaillées dans le livre de Toussenel qui a pour titre : *les Juifs, rois de l'époque*, etc., et dites après cela s'il n'y a pas félonie, complicité en trahison *financière*, dans le fait de ceux qui osent *inféoder* à un juif le produit des sueurs de trente millions de Français dont le lendemain n'est pas assuré.

DIOGÈNE P.

NOTE 16.

Doctriues économiques du journal *la Presse*, qui a pour gérants, comme chacun sait, M. le député Girardin et M. le professeur Boutmy, dont la candidature au conseil général de la Creuse est appuyée par *Démocrite*, un savant et spirituel confrère de *Junius*.

NOTE 17.

Publiée textuellement dans le *Corsaire-Satan*, la *Démocratie pacifique*, etc., de février 1846.

NOTE 18.

Lisez *le Globe-Epoque*.

NOTE 19.

On assure que nous n'avons pas le dernier mot des anciens chefs *saint-simoniens* dont s'est prudemment entouré *Rothschild Ier*. Un ouvrier fouriériste, qui a suivi toutes les phases de

la société saint-simonienne, assure avoir entendu un saint-simonien très-influent dire tout haut, avant de partir pour l'Egypte : *Aujourd'hui il n'y a plus qu'à mettre à l'étude la théorie industrielle de Charles Fourier.* Il est vrai qu'il avait promis de le faire dans les derniers numéros de son journal, que des circonstances regrettables l'ont obligé de supprimer. Aujourd'hui qu'il est entré en partage de l'influence sociale, il ne perdra pas de vue que *noblesse intellectuelle oblige*, aussi bien que *l'autre noblesse*, et que son ancien adepte, *Junius* l'industriel, à qui il a révélé sa verve satirique, s'attacherait, sentinelle vigilante, à tous les mouvements rétrogrades, pour les dénoncer au tribunal de l'*Opinion.*

NOTE 20.

Voyez surtout *Fausse Industrie*, 1er vol., pag. 30 *et suiv.*

NOTE 21.

Ajoutons à cette liste Andrieux le paysan, et Béranger l'horloger, deux éloquents pamphlétaires, deux hommes admirables, dont tout le tort est d'être *vivants*, et qui auront peut-être, comme Claude Tillier, l'insigne honneur d'être imprimés avec préface laudative et critique, quand ils seront *in manus*..... ce qui est encore une consolation. En attendant, la littérature *civilisée* les laisse, eux aussi, s'user à *corriger des thèmes* et à faire des *rhabillages de montre*, ou quelque chose de pis. — Je vous le répéterai, Nos Seigneurs de la presse, il est beau de rendre justice aux morts, il est plus beau de rendre justice aux vivants.

NOTE 22.

Bon mot, extrait de la biographie publiée sous les auspices de la Maison Rothschild. Pour plus de renseignements, relisez l'*Histoire édifiante et curieuse de Rothschild Ier*.

NOTE 23.

Réjouissez-vous, sujets du grand roi des Juifs, pleurez de joie, Anglais, Prussiens, Autrichiens, car un grand événement s'est passé dans le monde, quoique inaperçu. L'autocrate de toutes les Russies, mouche vigilante qui n'avait pas encore secoué la toile des araignées financières, a fait enfin son apparition sur l'inextricable tissu, sous le *prétexte* de faire incognito une visite *d'amitié* à S. M. Victoria, qui est, elle aussi, enchevêtrée à perpétuité dans le réseau. — On sait qu'il a été assez osé pour faire des ouvertures à des compagnies banquières de second ordre, et que les grands vassaux du suzerain de la finance ont eu le crédit de faire repousser les propositions de Nicolas. — Le féroce autocrate a

reçu là une leçon sévère ; et comme on ne recule que pour mieux sauter quand on est engagé dans la *voie industrielle*, nous apprendrons, au premier jour, la soumission de l'empereur de toutes les Russies qui viendra *mettre en gage*, dans les mains du roi des *rois de l'Epoque*, ses soixante millions de serfs et sujets russes, polonais, valaques, caucasiens, etc., etc., etc. Ce sera alors que S. M. Röthschild Ier sera proclamée *omniarque* du globe à Constantinople, sous le *pseudonyme* de Nicolas Ier.

P. S. Au moment de mettre sous presse, nous apprenons que S. M. I. entreprend de regimber contre la suzeraineté juive, en rendant un *oukase* très-progressif, je vous assure, lequel condamne les quatre-vingt-dix-neuf-centièmes des israélites à embrasser des professions *honorables* et *productives*, telles que l'agriculture, la fabrique, etc. Bravo ! Nicolas ; Charles Fourier n'aurait pas fait mieux pour moraliser le *peuple élu ;* ce sera un temps d'arrêt pour la *féodalité usurière et trafiquante*. Nous souhaitons de grand cœur que S. M. I. puisse achever ses grands travaux publics sans avoir à subir les fourches caudines des *traitants*. *Qui vivra verra*. J.

NOTE 24.

On sait que les Chambres ont voté, il y a déjà deux ans, des fonds pour l'amélioration de la basse Seine. Le Ministre des travaux publics *n'a pas encore osé* ordonnancer cette dépense de peur de nuire à la compagnie du chemin de Rouen, laquelle se trouve en concurrence avec la voie fluviale. — Il y a huit jours que le tribunal de Versailles condamnait ladite compagnie à 192,000 francs de dommages-intérêts envers les compagnies de la Seine pour délit d'infractions aux tarifs qui lui ont été imposés. *Honneur à la Magistrature, la dernière sauvegarde des libertés du pays !* J.

NOTE FINALE.

Il va sans dire, ou le conçoit de reste, que nous excepterions de l'anathème les *néo-israélites* d'outre-Rhin et d'outre-Manche, qui subissent la dure persécution *financière* du roi des Juifs et de ses grands vassaux, parce qu'ils repoussent la coutume, aujourd'hui barbare, de la *circoncision*. Disons bien haut, après la *Démocratie*, que ces *néo-juifs*, ces hommes de progrès, ces modèles d'urbanité, de loyauté, sont destinés à jouer un rôle important dans le *mouvement intellectuel et social*, qui se développe parallèlement avec le mouvement *transitoire* dont la *féodalité juive* et *saint-simonienne* a la haute direction. JUNIUS.

N. B. Les lettres et renseignements que le public désirerait faire tenir sur la catastrophe de Fampoux et autres opérations des rois de la banque, seront reçus *franco* chez M. Benjamin, rue Montesquieu, 7, à Paris.

PARIS. — IMPRIMERIE D'A. RENÉ ET Cie, RUE DE SEINE.

BIBLIOTHÈQUE ROYALE

LA SATIRE SOCIALE

OU VÉRITÉS SUR LA CIVILISATION

PAR JUNIUS ET CONSORTS.

..... L'homme social est arrivé à cet état de paralysie du sens moral qui l'empêche d'apercevoir sa dégradation et la rend presque incurable.... Tout ce qui peut le rappeler au sentiment de sa véritable situation est un acte de haute charité..... Nous mettrons en œuvre tous les procédés, toutes les nuances de la satire pour atteindre ce résultat....

(PROLOGUE DE JUNIUS.)

EN VENTE :

(PREMIÈRE LIVRAISON)

DÉNONCIATION EN COALITION contre les compagnies financières, et en particulier contre *leur Suzerain* Rothschild Ier, par Junius et consorts.

(C'est une société de gros voleurs ligués pour faire pendre les petits voleurs.
SAINT-SIMON.

(Ce pamphlet a paru dans *le Corsaire* et la *Démocratie.*)

(DEUXIÈME LIVRAISON)

GRAND PROCÈS ENTRE ROTHSCHILD Ier, roi des Juifs, et SATAN dernier, roi des Imposteurs. — ARRÊT rendu en faveur dudit Rothschild Ier.

Pour paraître prochainement :

RÉQUISITOIRE de Junius *en instance d'appel* sur l'*Arrêt* rendu en faveur de **ROTHSGHILD Ier.**

A MM. LES DÉPUTÉS DE L'ARISTOCRATIE D'ARGENT sur l'avantage qu'il y aurait pour eux à servir fidèlement les intérêts de la nation, par Junius.

PÉTITION AU QUATRIÈME POUVOIR, et en particulier à la *presse réformiste*, sur le danger des coalitions capitalistes, par Junius.

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(Ces trois derniers pamphlets ont été analysés par la *Démocratie pacifique.*)

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A M. VICTOR CONSIDERANT, par Junius.

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(Analysé gratuitement dans le *Journal des Débats*.)

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FIVE MEN *of* FRANKFORT

The Story of the Rothschilds

By MARCUS ELI RAVAGE

Author of "An American in the Making"

With Five Portraits by

KARL S. WOERNER



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PORTRAITS

By

KARL S. WOERNER

NATHAN VON ROTHSCHILD . . . . . *Frontispiece*

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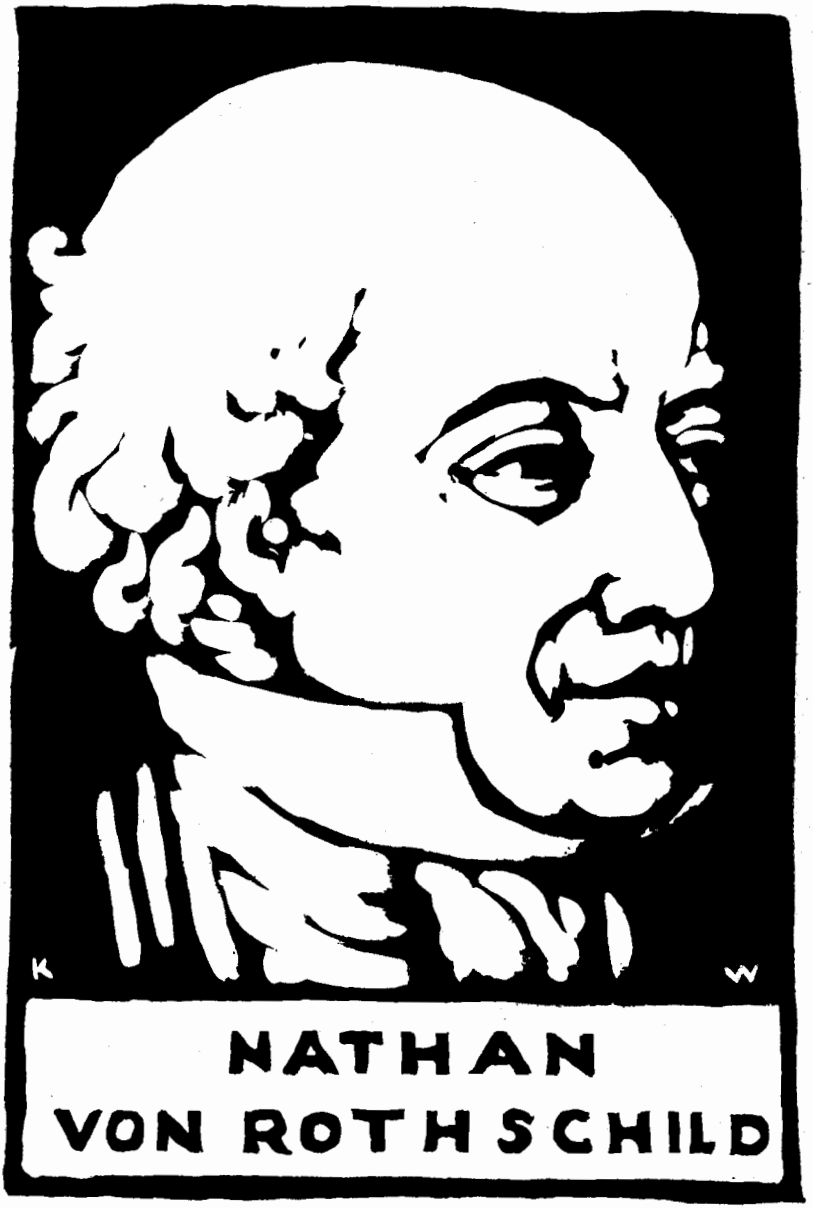
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K
W
NATHAN
VON ROTHSCHILD

FIVE MEN OF FRANKFORT

CHAPTER I

JEW MEYER, CURIO DEALER

ON a spring day in the year 1764 a young man was seen going up the narrow, cobble-stoned Jews'-Street of Frankfort-on-the-Main. Tradesmen and market women paused in their bargaining to glance at him, but did not recognize him. Tall and spare, with marked Semitic features, a short, pointed black beard, and a rabbinical stoop in the shoulders, he was clearly a son of the Ghetto. A certain good-humored look around the eyes and mouth suggested something familiar about him, and from the unhesitating manner in which he walked straight on before him he seemed to be at home in the teeming street. He had entered by the south end, the one nearest the center of town, and was proceeding steadily northward in the direction of the Bornheimer Gate, which was the poorer section of the *Judengasse*. Not far from the gate he turned right, halted before a house which had a sign with a crudely painted saucepan on it, and disappeared into the yard. Then only, the curious who had been watching him from their doorways remembered. Why, it was Meyer, "the little Bauer," the son of Amschel

and Schoenche, the unfortunate couple who had died within a few months of each other now more than eight years ago, leaving five young children homeless, parentless and with barely enough means for their rearing.

The young man's unheralded turning up reminded the neighbors of the sad episode. Meyer must now be just about twenty. When his father passed away in the High Holiday season of '55 the boy, then a little over eleven, was at school in the Yeshivah of Fuerth near Nuremberg. Poor Amschel had been ambitious for his bright first-born son, and had sent him up to the Talmudical college to make a learned man of him, perhaps even a rabbi. The boy was taking hold finely when the sudden death of first one parent and then the other had forced him, child though he still was, to go out into the world to earn his bread. His two older sisters and his two younger brothers scattered among friends and kin, in Frankfort and out. Meyer was taken in by relatives in Hanover, who secured employment for him in the great Jewish mercantile and banking house of Oppenheim in that city. In Hanover he had remained all these eight years, while the two smaller boys, Moses and Kalmann, after a meager schooling in the Jewish communal school of Frankfort and an apprenticeship in a Judengasse shop, had gone back to the ancestral home, the back-yard house at the sign of the Saucepan, to set up in trade for themselves. And now their elder brother was evidently coming back to join them. Their sympathetic neighbors wished them well. It entered no one's head that this quiet return of an unknown Jewish youth to his native street was the prelude to the most spectacular chapter in the financial history of Europe.

II

Among the boys of the Ghetto before he went to Fuerth Meyer had been nicknamed "das Baeuerchen." Now he was a grown man with a beard and a shop of his own, his former playmates dropped the diminutive ending and Meyer, like his father and his grandfathers for generations came to be known as Bauer. He had no notion why his people were called that way. The word meant "peasant," and generally those who were tagged with it were ambulant traders who bought and sold among the village folk. But his father and also his grandfather had kept shops in the Judengasse and both had been money changers in a small way. Some remoter ancestor, then, had been the man with the pack. In any event "Bauer" was obviously a trade by-name, just as "Rothschild," the other designation of the family, must have come from the house with the red sign down the street. As legal names neither had any standing. Jews were not allowed the privilege and managed somehow to get on without it.

As a boy Meyer had sometimes gone with his mother to the old Jewish cemetery during the month of Elul to pay homage to the dead, and while his parent knelt and prayed at the graves he amused himself with spelling out the Hebrew names on the tombstones. A bright youngster with a taste for such things, it had not taken him long to reconstruct the family descent. At first the absence of a uniform name had stumped him a little, but the Jewish practice of giving the name of the dead man's father was helpful. Seven generations, stretching back some two hundred years, he had thus contrived to identify. Then the thread broke off, or possibly his remoter forebears had

laid their bones elsewhere. The earliest of his fathers was one Elchanan, who had died in 1546. In those far-off days the family must have been much more important and prosperous than it was now; for Isak, the son of Elchanan, had built the big house with the red sign in the more fashionable southerly end of the Judengasse. But fortune did not smile on the family for long. Two generations later there was a marked decline. Isak's grandson Naftali Hirz had sold, or lost, the ancestral home, and had been obliged to move to the humble quarters in the rear of the Saucepan, where his descendants had continued ever since. Things dropped still another peg with Kalmann, in the next generation; it was he who was the first "Bauer;" and though there had been some slight upward movement since, the family had never again lifted itself to the level of old Isak.

On the whole, the Bauer-Rothschilds had been successful people. If none of them had ever amassed great wealth, neither had they quite sunk to poverty. Through all the ups and downs of two centuries they had remained independent merchants of the middle grade. Many of their neighbors, it was true, had soared away beyond them in riches and importance, but then equally as many had fallen below them. They had kept an even, if modest, tenor throughout. No scion of the Saucepan or of the Red Sign had even become a leader in the Ghetto, or intermarried with its first families, or got a foothold in the princely courts of the region; but on the other hand, none had ever fallen back into the classes that worked with their hands. Neither scholars nor rabbis nor great merchants distinguished the family. Plain, pious, substantial tradesmen, without influence or pretensions, sometimes more

prosperous, sometimes less—thus they had begun and thus they seemed destined to continue. Their fortunes were perhaps as low now as they had ever been. The sudden death of poor Amschel, before he had reached his full powers or provided for his dependents, had left his estate in chaos. It was for his sons to restore it to order.

III

Meyer's younger brothers, Moses and Kalmann, had been apprenticed to a second-hand dealer, and naturally when they launched out for themselves they followed the trade they knew best. They were already established when Meyer came back. He took on the business with a sinking of the heart. This was not at all what he had looked forward to. A litter of retired garments and superannuated household goods, dust and disorder, noisy bargaining with the poorest and humblest of the Ghetto, he had neither taste nor training for such commerce. For eight years he had longed and prayed to be home again, to be independent, and to see his own flesh and blood. Here they were, those little brothers whom he had idealized from far away, grimy, disheveled, rough men, rummaging in junk, vociferous in the jargon of the Ghetto. The scene shocked him. What a climb-down this was even from his father's shop, as he remembered it! To be sure, the money-changing on which his parent used to pride himself so had been more decorative than real. But the shop at least was trim and clean, with its neat cloth-shelves, its pleasant odor of tea and tobacco and wine, its solid custom. Unreasonably he had expected to find things the way he had left them, as if nothing had happened since he went away.

Indeed, his homesick imagination had played tricks on him and had led him to expect much more. In the English-owned city of Hanover Jews were so much freer, business was so much less hobbled, that he had almost forgot what the Frankfort Judengasse looked like, and had come to fancy it in Hanoverian colors. The House of Oppenheim, though his own functions in it were lowly enough, was a great export and banking firm. It occupied a dignified building. Its personnel, down to the humblest clerk, were decently dressed and well-groomed. Its business was for the most part with merchants, German and English and Dutch. Very little merchandise was actually handled on the premises; nearly all the trading was done with pen and paper. Yet he had thrown up that paradise and had come back here, because Frankfort was accounted the greater center, almost the leading commercial city of the Continent. He was horribly disillusioned.

It was some time before he could adjust himself and see a way of coöperating with his brothers. No team had ever been recruited out of material so ill-assorted. Their schooling, their ideas of business, their training, their very speech, were poles apart. He had come home with a vague idea of setting up an Oppenheim's of his own in Frankfort. That firm had also started with three brothers and had come up from small beginnings. But now he took stock of his resources and was profoundly discouraged. How was he even to make a start without capital or credit or connections and, what was worst, with such hopelessly crude assistance? When he came right down to it, moreover, his own knowledge and experience were distressingly limited. He made himself no illusions on that score. Held down by his Hanover employers, he had barely got a smat-

tering of the more vital phases of the business. He knew all but nothing of banking or the commission trade. His eight years of service had only taught him how complex the affairs of a great concern were, how involved was their technique, how vast were their capital and credit requirements. Of the general conduct of the house he had not even got a glimpse. Only toward the end he had been allowed to stand at what might be called a responsible counter, and then it had been the rare coin department, the most negligible of the firm's specialties. It had no more real bearing on his ambition than a beard and earlocks had on the rabbinate. What he had dreamed of was that his brothers would second him with at least as much training as he had. But alas! These raw old clo' men, with the speech, the manners, and the outward refinements of junk dealers!

IV

He went to work patiently to make the best of a bad situation. It was no good complaining. His brothers were not to blame: they were what circumstances had made them. Happily they and he were young men, and with energy and persistence the bad turn that fortune had played them might yet be repaired. For the moment common sense as well as necessity dictated but one course: to go along with their simple resources, work hard, not force things and keep an eye on the future. Moses and Kalmann had, after all, done the sensible thing when they had gone into a business that they knew. Meyer decided to do like them. He understood rare coins and allied trinkets—medals, curios, old jewelry, and a little of an-

tiques generally. Very well, he would start with that. When all was said, the two trades—his brothers' and his—were not so very far apart really. Curios and antiques were in fact nothing but a sort of gilded junk. There was not much more than a step from one to the other; he would groom his brothers to bridge it. At present they bought up the contents of Ghetto homes; they must gradually take to going out into the city and do the same with burghers' villas and the mansions of the gentry. Men who could appraise pine tables and earthenware dishes would learn readily enough to judge mahogany cabinets and feather-beds. No doubt, the city clientele would find Moses and Kalmann a bit unpresentable. Well then, he, Meyer, would do the talking, not only for the pictures and heirlooms and fine pieces but for the entire collections; the younger men would be coming along merely as his experts for the plainer things.

The plan, on being tried out, worked better than Meyer had hoped. The two trades dovetailed admirably. Householders in town who wished to sell out preferred to dispose of their goods to a single buyer; and the richer class of Ghetto dwellers, hearing that the rear-shop at the Saucepan dealt in high-grade stuff, soon crowded out the humbler custom. Meyer's presentiments, also, that the noble purchasers of his rare coins and medals would mix badly with his brothers' clients, proved groundless. For as experience showed, gentlemen rarely went bargain-hunting in the shops; they expected the dealer to keep them informed thru bulletins and to bring his wares to their homes.

The brothers thus found themselves running two separate businesses. Moses and Kalmann still operated a

Judengasse shop, except that the quality of both goods and custom were greatly improved. Meyer, however, was seldom about. His velvet-lined case filled with quaint jewels, old gold and silver medals, rare coins and kindred objects, he spent the better part of his time on the stage coaches between Frankfort and near-by places, following up inquiries elicited by his catalogues. The Saucepan shop with its living quarters in the back served him merely as a base and an address. A small display near the entrance, alone informed callers that the firm had interests of a nobler sort. Traveling about, too, enabled Meyer to keep abreast of sales, not only of the genteel and costly objects for his own trade but of the mundaner ones for his brothers as well. And as the younger men by degrees acquired an understanding of coins and curios, Meyer likewise learned to judge and evaluate house-contents, so that in time he became the exclusive buyer, while his brothers gave their whole attention to the inside trade.

Twice a year Frankfort had a great fair, which brought together merchants and holiday makers, Gentile as well as Jewish, from all parts of the empire. All these strangers had money to spend, and most of them had drafts or currency to exchange. For though nominally one country, Germany was at this time a riot of independent kingdoms, dukedoms, principalities, so-called free cities and every other species of petty state, vaguely held together by a common language and tradition, theoretically united under the decayed Holy Roman Empire (which was neither Holy nor Roman nor an empire) and in fact chronically at war with one another. The political confusion expressed itself in a tangle of frontiers, restrictions on travel and trade, and a chaos of monetary units. Each princeling

possessed, and most of them exercised, the right to coin his own money, which his neighbor felt free to, and usually did, declare unacceptable. Thalers of half a dozen different weights and values, as many kinds of florins, ducats, carolins and what not circulated in their respective and very narrow domains; and a merchant or a traveler going half-a-day's journey from home must convert his money into the legal tender of the "foreign" land in which he had arrived before he could have his lunch. In this state of things nearly every tradesman was a money-changer on the side. The larger the business, the bigger the "Wechselstube." Virtually all the bankers of the period began as merchants in goods, developing the two businesses simultaneously, and rarely divorcing the one from the other till half a century or more later.

The Frankfort fairs and the currency chaos and German disunity were not lost on Meyer. A smattering of finance he had brought with him from Hanover, capital was accumulating in his till, and customers from out of town were being turned away by his brothers at the shop for lack of local cash. So he hung out a "Wechselstube" shingle and initiated his partners in the mysteries of exchange and note discounting. Sooner than he had hoped on the day of his return home, the business began taking on the aspect of his late father's establishment. In the curio shop back of the Saucepan was laid the first stone of the banking house of Rothschild.

V

On taking their first annual inventory Moses and Kalmann discovered, what they had long suspected, that their

elder brother's combination was pretty largely decorative. The firm was kept going and thriving, not by the art and the antiquities, but by the lowly traffic with the inhabitants of the Ghetto. They did not complain; they were aware of the value of prestige; but they did submit the question to Meyer whether this commodity might not come a little too high. All told their balance sheet showed a net profit of some five thousand florins (about two thousand dollars) for the year, of which four-fifths had been yielded by the shop and no small fraction of the remainder by exchange operations. Considering that Meyer knew as much now as his brothers about the main business, and that the "Wechselstube" was his creation, would it not be at once more profitable and less laborious if he were to give up most of his traveling and devote his energies to the shop and the bank? What with his ability as a buyer, the connections he had established in the country around and the expansion of the exchange department, the business could easily double its earnings next year. Why not let the genteel trade go hang?

But Meyer was looking to the future, and there were aspects of the rare coin and medal business which his young partners overlooked. It was not merely immediate prestige he was thinking of; he was investing in a career for the years to come. Thus far he had made barely more than a start; the clientele he had gained was among the minor gentry only. But things were coming along nicely, and it would not be long before he planted a foot in the châteaus and palaces of the sovereign princes themselves. Within fifty miles of Frankfort lay half a dozen reigning courts, and each little monarch whiled away his boredom by collecting one thing or another. There was Hanau, just

a stone's throw away, and Cassel and Darmstadt and Weimar, and a number of others. He was even now sending them his catalogues; on some of them he had already called in person; at Hanau he was in touch with a courtier or two; soon the doors were bound to open. And then,—ah, then affairs would turn a corner and no mistake.

For selling curios to princes was no more than an entering wedge. Certainly no one got rich by selling anything to the highnesses. Yet every big Jew in the southerly end of the Judengasse, in Hanover and elsewhere had got his start as a court purveyor. For one thing, the Ghetto looked up to the court Jew; it saw in him a superior and cleverer member of the tribe, a man who shone in the reflected glamour of his prince. Moreover, his entrée to the seat of power made him a privileged person. He enjoyed the rights and exemptions almost of a Gentile. Functionaries treated him with deference; he could travel freely, trade without restrictions, marry and give in marriage with little regard to the law which limited Jewish unions to a stated annual number; in short, he was hardly a Jew at all, as far as disabilities went. Not only that; there was money in the high windows. The pettiest of the sovereigns had estates to manage, taxes to farm out, forests and mines and landed properties to exploit. They might not like the Jewish religion, but they had confidence in the Jew's honesty and ability. Nearly all of them had investments abroad, and the dividends on these must be collected and converted into the coin of the realm. When they were in funds they bought luxuries at high prices; and when they were financially embarrassed, they borrowed and paid interest. A Jew with a foot in the right kind of a court had little to worry about.

In June, 1765, little more than a year since his return, it looked indeed as if the opening for which Meyer had been longing had come. A windfall in the shape of a particularly choice collection of old coins fell into his hands; he hurriedly got out a special descriptive catalogue and sent it off to a select list of personages, big nobles and sovereigns to whom he had as yet gained no access. To his boundless delight he got replies from the Duke of Weimar (the celebrated patron of the poet Goethe), from the wealthy and powerful Prince Thurn und Taxis, the postal magnate residing at Frankfort, and from a General Estorff, a former client of his department in Hanover but now in the entourage of the little court at Hanau. Meyer attached especial value to this latter inquiry; he hoped that Estorff was writing not in his own behalf but in that of his master, the reigning count of the tiny dominion. A connection at that little court was, for any number of reasons, about the most desirable thing he could think of. For one thing, and by no means an unimportant one in those days of stage-coach travel, Hanau was the nearest sovereign capital to Frankfort. The young count, moreover, was a rare specimen of the genus princeling. Wealthy in his own right, thrifty, and with a head for business, he had a goodly sum invested in English government stock (his mother being a daughter of King George II) the interest on which came to him every quarter and afforded a profitable operation for some lucky money-changer. Lastly, he was the son and heir of the aging Landgrave Frederick of Hesse-Cassel, and would one of these days govern that very considerable principality as well as possess the immense fortune his father was said to have amassed.

So Meyer packed his case with the finest specimens out

of his newly-acquired collection and journeyed hopefully to Hanau, and the young Count William noted a few days later in his books: "To Jew Mayer, for medals, 38 florins, 30 kreutzers." Not as big a transaction as Meyer had looked forward to—in fact, the profit would barely pay his stage fare—but a beginning all the same. And highness must have been pleased, for he sent out word that the dealer was to call again; which Meyer did without waiting to be asked twice. Later endeavors, however, were rewarded with similarly meager purchases. William's business head was functioning much too efficiently for comfort; it knew precisely what it wanted, appraised values with the closeness of a Judengasse tradesman, and rarely let itself go. But Meyer was a man of patience, and bided his time. Presently his oft-repeated petitions to be given a chance at the English dividend-drafts were granted. His hopes whispered in Estorff's ear, he dropped a hint to one or two other courtiers whom he got to know—highness himself being invisible, of course—about his ambitions. Nothing happened; four years passed, and beyond an occasional sale and now and then a small English draft, nothing whatever happened. The gentlemen at court were friendly; they found "Jew Mayer" a likable if slightly ineffectual tradesman. But there were more hard-hitting Jews after the business, and Meyer had better not be discouraged.

VI

One rich prize he did carry off from his court dealings. The moment he got his foot inside he began begging for a bit of a title. In eighteenth-century Germany men did not modestly sit about for honors to come to them; they

pulled strings, and at need asked for them outright. What was the good of being a court-Jew, however diminutive the highness and insignificant the services, unless one's friends, neighbors and competitors could be made to see the distinction on one's shop sign, catalogues and the like? Glory aside, moreover, having one's palace connections bodied forth in some visible form was equivalent to a permanent passport and spared one annoyance at the hands of frontier guards and officials. Meyer, therefore, sought the aid of the friendly courtiers at Hanau, at Weimar, at all the courts where he made a sale, and on being told that a direct application to the sovereign lord was required by etiquette, he sat down and flourished off a letter to his noble patrons. It ran thus:

"It has been my particular and high good fortune to serve your lofty princely Serenity at various times and to your most gracious satisfaction. I stand ready to exert all my energies and my entire fortune to serve your lofty princely Serenity whenever in future it shall please you to command me. An especially powerful incentive to this end would be given me if your lofty princely Serenity were to distinguish me with an appointment as one of your Highness's Court Factors. I am making bold to beg for this with the more confidence in the assurance that by so doing I am not giving any trouble; while for my part such distinction would lift up my commercial standing and be of help to me in so many other ways that I feel sure thereby to make my way and fortune here in the city of Frankfort."

It was a form letter, and went broadcast to wherever it was likely to do good. Meyer rather believed and hoped that, with his reputation for munificence, it would be the Duke of Weimar that would grant his wish. Hanau might be richer in prospects and more conveniently located, but Weimar was a bigger palace and its badge would carry

more weight. But the Duke's eye noted the faulty grammar and the little Jewish touches that all Meyer's efforts could not prevent from creeping into the German, and did not reply; while the business-minded young monarch at Hanau considered that, as Meyer had naïvely blurted out, a humble title was a rather inexpensive way of buying the good will of a tradesman who might be grateful enough to shave down the note discount rate and the prices of medals in future deals. In any event, William graciously complied; and on the first day of autumn 1769, the Judengasse beheld a new sign hanging over the house at the Saucepan bearing the arms of Hesse-Hanau and underneath, in gilt letters, the German equivalent of "By Appointment." And Meyer invested in a wig and pig-tail, donned a three-cornered hat and pinned a lace-jabot under his coat-front.

It was not precisely a title of nobility, but the effect of it—on Meyer, on his brothers and on the community—was tremendous. The young men themselves saw in the portentous event so sure an earnest of greater things to come that they at once began negotiations for purchasing a fraction of the building in which their home and business was housed, and two months later actually acquired a modest quarter-share. Neighbors, friends and business associates were profoundly impressed, and came around to offer congratulations and assurances of future success. The Judengasse match-makers saw the light, and became active. Fathers (and especially mothers) with marriageable daughters, not all of them in the northerly half of the street either, took notice. Not only Meyer but his brothers also shone in the blinding halo. Matrimonial offers of an incredibly flattering nature were brought to Moses and

even to the youthful Kalmann, to say nothing of their distinguished elder brother. Wolf, son of Salomon, known by the by-name Schnapper, a solid merchant with a thriving shop near the southerly gate, thinking better of Meyer's long-standing attentions to his pretty seventeen-year-old Guetele, consented to the betrothal, and the wedding was celebrated before the summer was over. Shortly after it was the turn of Moses. The good people of the Ghetto stepped along. It was not every day young men of the street became recognized court purveyors. Whatever their past, the Rothschild-Bauer boys had a future. It was as well to snap them up before they got too big.

VII

Meyer led his bride back to the bachelor quarters behind the shop, and there Guetele kept house for her husband and her rapidly increasing family for sixteen years. Within the year their first child was born, a girl who according to the pious Jewish custom was named Schoenche after Meyer's mother (presently to be changed to Jeanette). Then followed in quick succession three sons—Amschel (the future Anselm) so named in memory of Meyer's father, Salomon (the later head and founder of the Vienna banking house) and Nathan, the genius of the family and the architect of its greatness—and two more daughters, Belche (Isabella) and Breinliche (Babette). Not till Kalmann's death, in 1782, when Meyer was left in sole possession of the shop and its adjoining living quarters—Moses having withdrawn at the time of his marriage—did the young Rothschild have enough space to breathe in. It was not only that Meyer's affairs failed to keep pace with the

growth of his progeny; the housing shortage in the rigidly circumscribed Jews'-Street was chronic. For ten years, by which time the family had increased to a half dozen, they must prepare meals and consume them, work and sleep and receive guests in those three rooms (counting the shop) which constituted the ground floor of the Saucepan rear-house; and after that all that Meyer could contrive to add was but a further eighth-share. Unless a family died out or emigrated (and that did not happen often) there was no leg-room to be had. Every inch of building ground in the Ghetto had been occupied a hundred years before Meyer was born.

But Meyer's affairs had begun to stagnate. The splendid promise of the year before his marriage remained unfulfilled. For nearly nine years the firm's income continued stationary, without Meyer's share rising above twenty-four hundred florins (less than a thousand dollars) annually. The shop held its own; the exchange counter spurted forward a bit; the coin and curio business declined decidedly. Was it Moses's defection and Kalmann's death that had sapped the concern's vitality? Doubtless Meyer was hampered for lack of his brothers' competent and reliable assistance. He had neither the energy nor the interest in the shop of his juniors. Still, the stagnation had set in before the separation. It seemed as if the firm had gone as far as it could, that it was running on as satisfactorily as it did on sheer momentum but would never make any further progress.

For Meyer's first choice of a calling was the right one. At heart a scholar, he had chanced to fall in with a business that tallied with his gift for learning. Rare coins, medals, heirlooms, curious jewels and antiques interested him quite

apart from their commercial possibilities. He loved and fondled them, studied their histories and vicissitudes and could talk about them so interestingly that buyers were moved to share his enthusiasm. But he lacked utterly the instinct for gain, the cupidity, the pugnacity and the flair of the salesman. A mild, kindly, rather shy man, he took No for an answer too readily, was prone to be upset by rebuffs, hated competition and ran away from a fight. He would have made an admirable rabbi, and had he but had the connections he would have been a successful court Jew. Intelligence, honesty, administrative gifts, willingness to work, and the humility demanded by princes, he possessed in ample measure. Where he fell short was in the initial driving power. The humdrum trade he had inherited from his brothers wearied him. He drifted away from it gradually, and by the time his eldest boy had grown up the place back of the Saucepan had taken on the aspect it had borne away back in the days when Meyer was himself a child. The used articles had gone entirely. In their place had come wine and coffee, tea and tobacco, cloth and ready-made garments. The Wechselstube flourished, and although the sign with the arms of Hanau still hung outside, Meyer rarely went voyaging with his velvet-lined case.

Guetele was not unhappy at the change. A warm-hearted, cheerful, affectionate young Jewish woman of the old school, she took great pride in the scholarly tastes and attainments of her husband. She loved having him near her, particularly in the long winter evenings after the shop was closed and the children were asleep. Then Meyer would take down a tome of the Talmud, and while he hummed the sacred words she would sit beside him knitting or

mending. Why strive and pursue after vain ambitions? They were better off than most people in the Judengasse. Meyer had started with empty hands, and here he was the owner of a thriving establishment—not certainly a bigwig in the Ghetto, but a substantial and respected merchant of the middle rank. Their children were bright and good and strong, a credit to their parents. What had they to worry about?

And then before their seventh child was born, the miracle happened: a family did move out of the Judengasse and Meyer bought an entire house for almost twelve thousand florins. It stood on the edge of the street, too, not in a court, about half way between the two gates. Four stories, a spacious shop, an enormous cellar under all, and ample elbow room, they were as comfortable as princes. In this house "At the Green Sign" (zum gruenen Schild) four more children were born to the couple, and though Guetele lived to see her sons richer than kings and the possessors of palaces in Frankfort itself and in several of the capitals of Europe she and Meyer spent here the remainder of their days.

There were times during these quiet idyllic years when Meyer, recalling the ambitions of his young manhood, grew restless and discontented. Slowly middle age was creeping up on him; his boys were growing up in the crude, untutored environment of the Judengasse. What were they going to turn into? Plain, humdrum tradesmen like himself, without even the meager schooling he had received away back in Fuerth. Frankfort, or at least the Jewish part of it, was all business, and he had not the means to remove them to some purer, loftier, more thoughtful atmosphere: there were too many of them.

Enough Hebrew for piety, a bit of commercial calculating, hardly enough German to write a respectable letter—it was all the *Talmud Torah* of the Ghetto had to offer. How far would they ever get with such an equipment? And what had become of his young dream to be the father of scholars? His efforts to supplement their teachers' instruction seemed to fall on stony ground. The boys had no taste for learning. Keen and alert at the exchange counter, their attention drooped over a page of Rashi, and a fine-spun casuistical argument from the Talmud put them to sleep. It was almost too late: the Frankfort Ghetto air had got into their bones.

At such times Meyer would shake himself out of his lethargy, fill his medal case after his family had retired for the night, and arising with the sun hop on the stage-coach and go haunting the palace gates of his neglected clients. It made him feel young and fiery again, to sniff the air of courts, to spread out his rare coins and curios, and discourse learnedly on the origin, the previous ownership and the strange destinies connected with each piece. He felt transported to a higher plane, to the world he belonged in. Now and then he would make a sale, and for a moment he would feel an inner excitement and resolve to throw up his cosy, stifling shop altogether and be on his travels once more. But he would return home wearier and more resigned than he had started. He had his escapade, had taken a draught of the stimulant he craved. But alas! there was no sustenance in it, and he was the father of ten children. To live and rear a family on the beloved trinkets was unthinkable; the great courtly business to which they were to open the way was a forlorn hope; it was useless.

The one prince from whom he once expected everything he had now cut from his itinerary altogether. Young William of Hanau was much too shrewd and trying a personage to do business with for Meyer's gentle temper. What vistas had not he opened up, away back in '69, when he so readily granted the title others had refused! But almost immediately disappointment had followed. For that sly serenity meant to be forever rewarded for his munificence. He expected dealers whom he had honored to sell him their goods at a loss, and he was not above having his courtiers say so outright. For the better part of twenty long years, therefore, Meyer had given Hanau a wide berth. And then, in 1785, William had succeeded to his father's throne in the somewhat distant seat at Cassel, and the once hopeful connection seemed broken for good.

And yet, had Meyer had the gift of looking into the future, he might have seen that his early vague intuition about Hanau was well-grounded, and that the young Landgrave was some day to make the fortune of his house. He had no such gift, and it was a long time before he could bring himself to approach the imposing palace on the Wilhemshoehe at Cassel.

CHAPTER II

PORTRAIT OF A PRINCE

NOTHING could have seemed more fantastic and preposterous, say about 1800, than that history would remember Landgrave William IX (later Elector William I) of Hesse-Cassel chiefly for his affairs with "Jew Mayer" and his sons. Meyer was an unknown tradesman of the Frankfort Ghetto, without antecedents or standing or prospects, the humblest petitioner at His Serenity's court; while William was one of the outstanding half-dozen reigning Princes of Germany, a hopeful candidate for the royal crown, and the richest man in Europe. Five centuries had travailed to produce his house, his name and his fortune. His family had been rulers since the middle ages; with him it was about to reach its highest pinnacle; a future, even more brilliant than the past, seemed to await his successors. Save for the imperial house of Hapsburg, there was scarcely a prince in the whole length and breadth of Germany who could venture to compare pedigrees with him. Son of Mary of England, he was a grandson of George II and a first cousin of George III; the king of Denmark was both his uncle and his father-in-law; Gustavus III of Sweden was his brother-in-law, and his son and heir was married to a daughter of Frederick William II of Prussia. To top it all, his enormous wealth, not all of which had come to him by inheritance,

had made nearly every sovereign in Europe, from Britain to Russia, his debtor.

Good fortune had begun to attend him in advance of his birth. He was actually a younger son. But an ancient curse which had been pursuing the family for generations had carried off his elder brother in infancy and had assured him the succession. When he was still a child, an estrangement over religion between his father and his grandfather had made him the independent ruler of the principality of Hanau. As the heir of the considerable and strategically placed Landgravate of Hesse-Cassel and of the reputedly vast fortune that went with it, his military talents had been flatteringly noticed by no less a personage than Frederick the Great, and the courtly match-maker of many an ancient and financially embarrassed kingdom had looked hopefully and indulgently toward an alliance with him. His choice had fallen upon the princess royal of Denmark. Educated in Copenhagen, whither his grandfather and his unhappy mother had sent him to escape the influence of his Catholic father, he had fallen desperately in love with his youthful cousin Caroline, and had married her before he was twenty-one. And then, in the prime of his youth, his father had died leaving him in possession of his millions, his throne and his unfulfilled ambitions. Shrewd to the point of sharpness, capable, autocratic, thrifty almost to avarice, he early set to work to augment his patrimony. While still Count Regnant of Hanau he had been the first to supply his English cousin with troops to combat the revolting American colonists, a transaction which had netted him several million crowns. By repeating the profitable operation whenever opportunity offered, holding his court down to an austere

Spartan simplicity, and astutely reinvesting his gains in safe British government bonds, he had succeeded in amassing the largest private fortune since the time of the Fuggers. With his money, his military prowess, his family connections and what he mistakenly took to be his political capacity, he was on the point of attaining the goal toward which his predecessors had striven in vain.

But there were contradictions in his nature and cross currents in the age, which were destined to thwart his desires. He came into the world either too late or too soon. If he had been born fifty years before his autocratic conception of the state would have fitted in with the age. In the nineteenth century he would have been a great captain of industry. As it was he swung uneasily between the era just passing and the one struggling to be born, an absolute monarch in an age of revolution and a man of business before commerce had either perfected its instruments or become quite respectable. He looked upon himself as the father of his subjects, and his Hessians were unbelievably loyal to him. He took men away from their homes and kindred, sent them to die in wars in which neither they nor he had any concern, appropriated the price of their blood to his own uses, and then generously compensated their bereft families by reducing their taxes. Yet he had no qualms over the rightness of his conduct and there was no revolution in Cassel or Hanau. He lent money out at interest, like a Jew, to kings and princes, to artisans and tradesmen, but demanded the respect due a monarch, and got it, too. In the age of Voltaire and the Encyclopedia, he was a devout conventional Christian. In the halcyon days of Versailles and Sans-Souci, at the crest of the most profligate period Europe had ever known, he strove to be

a self-contained model husband. He failed, and his failure destroyed his self-respect and the bases of his happiness. But worse things were in store for him. The kindling ambition of his career, the hope to wear a royal crown, which was the key to his toilsome, contradictory, pathetic and somewhat preposterous life, was never to be realized, and he died a disappointed man.

II

His marriage was his first misfortune. The moment his stormy courtship was over and he was left alone with his girl-wife, misery seized upon him and it became, as he confided to his diary, "positive torture to play the tender spouse." Poor Caroline was a cold, unmatured child of the North, who was repelled and frightened by her cousin's ardent advances. Seeing his mistake, he tried to woo her with patience and gentleness. It was too late. And then a year after he had brought her in triumph to Hanau, she was taken ill with a dreadful malady. She survived it; but when she arose from her sick-bed, her beauty was gone and she was pock-marked for life. After that for four years William faithfully kept his marriage vows. They had several children together; it was, he felt, his duty to his country, his throne and his line. Through all this time he fought bravely against temptation, but in the end he succumbed. His first liaison—with the pretty young wife of his own Master of the Horse—nearly shattered him, and he recoiled from it in utter dismay. It was not the affront to Caroline, but the sudden collapse of his ideal of himself, that hurt him. He had wanted so much to be a noble example to his subjects! The undignified slinking

in the dark, the compromises, the deceptions, humiliated him. He made a clean breast of it to his wife. There were tears, mutual forgivenesses, reconciliations. But presently he slipped again. His susceptible nature craved beauty and affection, and his timid, melancholy, passionless, disfigured wife was unable to give them to him. He had four children with his new concubine—a robustious daughter of the people who had known how to "spread her net" for him. He hated her and himself; she was "common, ignorant and vulgar;" their relations were "loveless and wholly carnal;" and after repeated resolutions and backslidings, he cast her back into the obscurity whence for a period he had raised her up, and nothing more was heard of her.

He believed he was cured, but within the year he was in the toils of a new and violent passion. Rosa Wilhelmina Dorothea Ritter was educated, well-born, clever, and she demanded that her status be recognized without ambiguity. She was offering up her girlhood, her beauty, her future, and she must have something in return. He bought her an estate, he conferred a title of nobility upon her and their eight children, he gave himself wholly to her and neglected Caroline utterly. It was not enough; he must put her right in the eyes of the world. She bobbed up suddenly at an officers' ball, and made her lover acknowledge her publicly. When he did that none too graciously, she insisted on being received at court. He yielded again, and the Princess was outraged. There was open talk of a separation, the palace buzzed with rumors and alarms, a clique formed to champion the affronted wife. By this time, however, William's conscience had adjusted itself and his self-approval returned. He saw himself as no longer a sinner, but as a much-tried unloved husband who had

a right to live his life and seek happiness where he could find it. Once and for all his wife must understand that it was she who was to blame for their ship-wrecked love. He came down in shining armor upon her and her defenders, scattered the clique and forced her to accept the situation. Thereupon calm was reëstablished. Caroline must take what satisfaction she could as the official consort and the mother of His Serenity's legitimate issue. And then, just as everything began going smoothly, Frau von Lindenthal (née Rosa Wilhelmina Dorothea Ritter) had the effrontery to cast lustful glances upon a young officer in her lover's employ. William's long-suffering patience snapped. He deprived the ungrateful hussy of her estate, her title and her children, and banished her forever from his sight.

Within a few months came the grand passion of his life. He was by this time a man of forty-four, while Juliane Albertine von Schlotheim was only nineteen. For a space this thought made him hesitate. "I had nothing to offer her but the heart of a married man twice her age;" but his scruples soon vanished when "my love and the dear creature for whom I felt it met in a devotion so tender, so true and so enduring as I had never known before." Enduring it certainly was, and William at least never questioned its depth and sincerity. Insofar as a woman's love could satisfy his restless, ambitious soul, he was happy with her to the end of his life. Toward no one else, surely, was he so generous and so trustful as toward her. He suspected and quarreled with his father, his wife, his son, his ministers, his financial advisers; but the radiant beauty who filled his prime and his old age with joy, who stood by him in his misfortunes and followed him into exile, had his whole heart and his unreserved confidence. Without her

asking it, he established their relationship from the outset as a *mariage de conscience;* her own tact and modesty made it easy for the Princess to receive her; and when the first of their nine children was born he settled her in a palace of her own and gave the emperor no peace till she was made a countess.

It has been said that William did not know himself the exact number of his offspring. As a matter of record, there were four by the first *liaison,* eight by the second, and nine by the Countess von Schlotheim, in addition to the three legitimate children of the Princess. Each of his families had its own name and title, and for each he provided as befitted his station. An augmented tax on salt enabled him to meet the extraordinary burden, and gave his subjects the opportunity to share it with him. The daughters born without the law married almost as well as their princely sisters; of the sons many lived to be generals and ministers in the service of numerous German states. The notorious Austrian General Haynau, the suppressor of revolts in Hungary and Italy, who as the "Hyena of Brescia" narrowly escaped mobbing in London, was the most noted of them.

III

Comfort, delight, even ecstasy, his concubines and their prolific progeny gave William. They did not fill his heart. Women were the playthings of life, the rewards and relaxations of a busy man. He would have despised himself as an idler and a fribble if he let them absorb him. He was an ambitious monarch, and he wanted to be king over a greater Hesse than his predecessors had left him. Even his enormous wealth, its administration and expansion,

were a secondary concern, a means to the supreme end. His late father had striven to prepare the way for him, alas! in vain, and he must begin at scratch. Before a mere landgrave could touch the regal crown he must secure the Electoral hat. Seven princes, temporal and spiritual, wore that dignity and enjoyed the privilege of choosing an emperor. William was prepared to abase himself before them, to join with them in their wars, even to lend them money, if only they would vote him into their company. For fifteen years he pulled strings and danced attendance on them. He was mistrustful and jealous of the king of Prussia; yet he hung about the court in Berlin, flattered Frederick William II and his successor, took service as a field-marshal in the Prussian army—a step which almost cost him his freedom later on—all to win that monarch's support for his ambition. His ego was lacerated whenever he must play second fiddle; yet, with the same end in view, he busied himself with the military ceremonies at Frankfort when Leopold II came to be crowned there in 1790, and again at the accession of Francis II, entertained the assembled magnificoes at lavish cost, erected a memorial arch in honor of the event, only to be rewarded for his pains with an empty letter of thanks from Imperial Majesty.

The French Revolution came, and three years later the leading German princes met in conclave to free the imprisoned Louis XVI and crush his rebellious subjects. William had no stomach for the enterprise; but if he was to participate, his vanity demanded that he be made commander in chief, and his avarice that the Hessian troops be paid for. He yielded on both points because the king of Prussia and the Emperor agreed to do their part toward

winning him the coveted hat. Five years later he allowed Prussia with his eyes open to outmanœuvre him in the secularization and partition of the spiritual princes' dominions, on the same ground. Time and again the exposed position of his country and prudential regard for its interests bade him go over to the side of France, especially after the advent of the Consulate; but he dared not displease the Emperor, lest he endanger his chance for the electorship and the grand goal toward which it was the stepping-stone.

Finally in 1803 he bagged it. And then to his vast disappointment and disgust, it turned out that he had labored and intrigued in vain. One year later Napoleon proclaimed himself the successor of Charlemagne, and the Holy Roman Empire—after existing for a thousand years—was abolished. The new Elector William I of Hesse-Cassel never voted for an emperor at all.

IV

This evil turn from the master of Europe was but an earnest of future incompatibilities. Worse was to come. From the first William was outraged and scandalized by the high-handed doings in France. The Revolution burst rudely upon all his hopes and schemes, violated everything that he cherished and believed in, and encouraged everything that was obnoxious to him. At heart he still thought of himself as an old-fashioned husband and father, and the rebels flouted the sacredness of the family. He dreaded and detested the new abhorrent fashions in theology, in government, in costume and hairdressing. Nor did the monstrous business stop there. In 1792 a French army

led by General Custine bombarded Frankfort and in the very shadow of his palace launched a proclamation to his subjects calling upon them to cast off the yoke of "the tyrant, the tiger who sells your blood to fill his purse," and describing his subsidy transactions with England as "this commerce in troops." The abusive phrase caught on and popular discontent rose to a high pitch, so that he was obliged to adopt counter-measures. He commanded the pastors to preach in their churches the virtues of docility and obedience and the holiness of the "good old German traditions" of absolutism. By way of ridiculing the new modes he ordered that the jail population be shorn of their pig-tails and, accoutred in pantaloons and stiff round hats, set to sweeping the streets. And when next year he again sold twelve thousand soldiers to Britain he voluntarily decreed a general reduction in taxes.

Not for a moment did he believe but that the upheaval was a passing mania, engineered by crazy agitators, without roots in history, without social significance and without a future. The advent of the Consulate only confirmed this opinion. Not that he perceived the genius of Napoleon. From first to last he saw in him nothing but a lucky adventurer. But he felt sure that "so despotic a general" could not bring the misled French people to their senses and make them wish their old rulers back. Even the long series of brilliant victories culminating in the proclamation of the empire did not sober him. Geography and the logic of events and the timid hints of his advisers impelled him into an alliance with the new powers, but he could not and would not conquer his aversion for "the usurper" and went on putting his trust in blind Prussia and bankrupt Austria.

By a curious irony Napoleon took up, shortly after his coronation, a favorite scheme of William's for a union among the Rhenish princes. In September 1804 the Emperor came in person to Mayence to preside over the assembled sovereigns. The Elector of Hesse-Cassel was invited to the conclave, but failed to put in an appearance, offering as an excuse a sudden attack of the gout. It was not only that with the Corsican's finger in the pie, the dish had lost its savor for him; he deemed it shrewd diplomacy to keep Napoleon guessing. The Emperor was hinting broadly that he was prepared to reward William for his adherence with Britain's Hanoverian possession as well as with the title of majesty. That was cruelly tempting; but England, on the other hand, was dangling fresh subsidy contracts before his nose. Too bad that he could not be friends with both parties and fulfil all his ambitions at one stroke. The moment he threw in his lot with one camp or the other, he would be obliged to give up for good some of his dreams. Temperamentally he very much disliked making up his mind anyhow. Moreover, coming out openly for France meant breaking with all his friends; it meant probably that the powers in London would confiscate his very large investments there; and it meant almost certainly that he would have to fit out an army and go to war at his own expense.

So, without positively declining either offer, he decided to steer a middle course. Neutrality had its joys as well as its dangers, and it appeared likely to be the most remunerative policy to boot. In the back of his head the notion that Napoleon was a bird of passage had taken firm root. Who knew? Perhaps by the time he had come to a decision the struggle would end and he would gain both worlds. In

the meantime it was most agreeable to have the two great coalitions sitting on his doorstep and bidding against each other for his friendship. In the meantime, too, however, Napoleon's scheme for the confederation of the Rhine principalities prospered apace, the two Electors of Bavaria and Wuerttemberg became kings, and both England and the Emperor were becoming ever more irritated with William's dilatory tactics. Still he hesitated. Austria was knocked into the dust, the Napoleonic steam-roller flattened out Prussia, all Europe hurried to fling itself either at the "usurper's" feet or to join the alliance against him; but William still hoped for miracles. The wolf was at the door, and he proceeded to charm him off by tacking signs up around the frontiers of Hesse-Cassel asserting his neutrality. At last both England and France lost patience. London confiscated his investments; and Napoleon, having gobbled up bigger fry, swooped down upon his capital with fire and sword, ordered him taken prisoner as a Prussian field marshal, and occupied the country. By the sheerest piece of luck William managed to escape. For seven long years he wandered in exile, a suppliant at strangers' doors.

With one exception, nothing so auspicious had yet occurred for the future of the Rothschild family.

CHAPTER III

THE BOYS

THE exception was the sudden departure of Nathan, Meyer's third son, for England.

The family had not been long in the house with the Green Sign than Meyer was obliged to take stock of his situation. By and large, the inventory was not encouraging. The purchase of the home had made a deep hole in his capital. His responsibilities were increasing, while his affairs barely held their own. A seventh child had come, an eighth was expected, and space was once more becoming a problem. What with the shop occupying the street floor, the growing family had all it could do to keep up appearances, without so much as thinking of comfort. What he ought to do, what was sorely needed, was to separate residence and business altogether. It was not a question of luxury. Poor, tired Guetele had not a fit place to do her work in. At night, after the children had gone to bed, she must mend and darn in the shop. And that was not all. Schoenche, their eldest, was seventeen, nearly eighteen, and should marry. The match-makers of the *Gasse* were busy with offers; but there was not a proper sitting room in the house to receive either them or the young men they proposed bringing around. What was more, marriage meant a dowry. Where was it to come from?

Finally, there was Amschel, the eldest of the boys. Not

that *he* was a problem exactly. The youngster was alive with energy; and he had brains. Long before he had been confirmed, he had begun turning his hand to things. At first it was helping in the shop; then he took to running out into the market on his own, buying and selling whatever came along, cotton-cloth for the most part. It was good business, too; the difficulty was capital. If he had money or credit, it might really be a big thing. As it was, he could only make commissions, middlemanning for those who had.

But the boy did have brains; or at least he kept his ears open. Out among the tradesfolk he had heard talk: to wit, that the *Poritz*, the Landgrave at Cassel, was handing out English drafts—interest on securities he had there—to various merchants he trusted; some of them were Jews even; and he did not want them cashed right off, for fear of depressing the exchange rate; so he left them with the merchants till Frankfort Fair time, which might be six months off, free of interest. Now this Landgrave, wasn't he the *Poritz* father knew, the man who gave father a title once, twenty years ago, because he had sold him some coins and trinkets? He was, indeed! Well then, it was like this: the free use of capital was one thing; but besides, there were the cloth dealers from Manchester. They had to be paid in drafts on London. Why not pay them with the Landgrave's interest checks, and save the discount both ways?

If only father would take a trip down to Cassel and warm over the old connection!

So Meyer packed his medal case again and hopped on the stage that went from Frankfort to the Hessian capital.

The boy was right: it was an idea. Why hadn't he thought of that himself all those years? It was better than all the court-business he had been angling for and never got. With his past services and his Court-Factorship for prestige, he ought to get a chance easily. And then the dowry for Schoenche and the launching for Amschel and the younger boys!

It did not go quite so fast as all that. His Serenity—without, of course, admitting the tradesman to his presence—did surely enough take the trinkets Meyer brought down for his inspection. The prices were too temptingly low. He even made a shrewd guess why the Jew was so generous, and sent out word that the next time he had checks to cash he would see to it that Meyer was remembered. But that, for the time being, was all. Meyer went back to Frankfort and sat down hopefully to wait. He waited for an entire year, but the court did not remember.

It was risky, but Meyer saw no other choice than to remind Highness of his promise. So he wrote him a letter recalling the services he had rendered back in Hanau, the low discounts he had been content to work for, his punctual payments, and his loyalty and devotion. He was, he declared, again prepared to match the highest bidders, to be grateful for the most modest credit allowance, and to be in all ways His Serenity's most faithful humble servant. After all, he concluded, I am not exactly a stranger to Your Princely Serenity, having these many years enjoyed the distinction of being a Hessian (which sounded better than Hanau) Court-Factor. Upon all these asseverations "the records of the Most-High Princely investment

office and state treasury department will not fail to bear me out, and I have no hesitation in referring myself to them."

It seemed, however, that the Landgrave had completely forgotten Meyer's constancy and services. Moreover, the officials at Cassel knew nothing of the affairs in Hanau. Therefore the references (which poor Meyer had given more for their sound than for their substance) were very thoroughly looked up; and it being found that the transactions at the little capital had been few and of the most passing and trifling nature—of English check discountings not a trace could be discovered—the inquiry was extended to Frankfort. From the business community there the reports were equally unimpressive. Among the great firms no such person as Meyer Rothschild was known at all, favorably or unfavorably; the others, while giving him a good character as a reputable and honest tradesman within his sphere, were in no position to state anything definite about his financial standing or responsibility. The only safe guide as to that might be the assessment lists of the Jewish community; which being consulted, showed that Meyer Rothschild was paying taxes upon a fortune of two thousand florins, and that this rating had remained stationary for fifteen years!

The upshot of all this research was that the court, after months and months of further delay, graciously resolved to redeem its promise by authorizing for the petitioner a credit allowance of one thousand pounds sterling—the next time a batch of drafts arrived from London. In the closing months of 1789 checks in the amount of eight hundred pounds actually were turned over to him. It

was by that time nearly two years since the hopeful transaction with the medals.

Matters went along at the same snail's pace for over a decade. The following year when Meyer applied to have his credit raised to ten thousand pounds, Highness munificently doubled his previous allowance, making it two thousand at the same time that a Cassel Jew named Feidel David was put down for twenty-five thousand. But Meyer, egged on and abetted by his boys, hung on; so that, little by little, his credit increased. The French Revolution came, and cotton cloth rose into the luxury class; but what with Amschel's device of paying the Manchester dealers direct with the Prince's drafts on London, the firm of Rothschild obtained first choice. The shop grew and prospered. A bombardment of Frankfort by French Revolutionary troops in 1796, doing great damage to the Ghetto street and resulting in the City Council's granting Jews the right of free domicile, had given Guetele and Schoenche their long-desired sitting room. The "Green Sign" had, as it happened, been barely struck; but the shop was now in rented quarters on the centrally located Schnurgasse nevertheless. And (as the surest measure of the family's prosperity) the Jewish community for the first time in nearly a quarter of a century raised Meyer Rothschild's tax-assessment.

II

But the greatest thing was yet to come: Two years later Nathan, the third of the boys, suddenly decided to go to England. It frightened Meyer at the time. He had

taken the young man with him to look at the Manchester dealer's samples; and before he knew what was happening, some hot words had been exchanged between the two, the Englishman had snapped his cases shut angrily, and was showing father and son the door. Lord, but this was serious! The family's whole prosperity and future was bound up with the textiles, and the dealer knew it—that, and also that he had the entire Frankfort market in his pockets; no competitor touched the town. The Revolution and the strained relations along the Channel made trade too hazardous for very many merchants to venture over to the Continent; with the consequence that the few who still did come across had things their own way.

But the high-spirited Nathan did not seem disturbed in the slightest.

To the salesman he flung back over his shoulder: "I don't want your shoddy anyhow. I know where to get stuff as well as you do."

Then he reassured his parent: "It is all right. I am going to England tomorrow. I'll send you all the cloth you want." And he kept his word.

That amazing youth of 21 had hardly had time to get his bearings in the alien land and to pick up the most fragmentary smattering of English—in all his forty years of residence he was never to lose his Judengasse accent—than he had begun showing what he was made of. In less than a year he had tripled the little capital he had brought with him. For the present he was confining himself to cotton cloth for export to Frankfort. But he was already looking beyond Manchester to London. There in the world's business and financial capital were opportunities worthy of his talents. His affairs with the Lancashire

weavers had progressed far enough to enable him to operate at a distance. But it was useless to go to London without money. The only place he knew of where big money was to be had was the palace at Cassel. His letters, piously addressed to his father but intended chiefly for his brother Salomon, begged for that money. Could they not somehow get nearer to that pig-tailed miser in the court of Hesse, and whisper in his ear? Was there not someone about the treasury who did have his ear? It did not matter in the least what his price was. Buy him at any price, and get the money, and send it to where it will do the most good. The Landgrave will lose nothing and we will become rich, richer than he. It is the opportunity of a lifetime. Get the money, the money . . . Nathan's letters became an insistent clamor, a bombardment.

It made the young men at home feel sick and helpless. Now they realized as never before how very little they had yet accomplished. They were nowhere at court; their credit was insignificant; and they had no friends, none at least of any consequence. The petty discount business they got from time to time was the barest beginning toward what Nathan had in mind; the really big affairs at Cassel they were not allowed to touch, and if they were they had not the experience or the education to carry them out. They were shopkeepers, not bankers. All that they had to recommend them was their energy, their ambition and their native gifts. But what good were these in face of the handicaps they must overcome? Their path to the Landgrave's treasure was barred as by a triple wall, of mistrust, jealousy, prejudice. The Prince was indeed not the man to let sectarian considerations conflict with a good bargain. Still, he was of his time and class. Everything

else being equal, he preferred to transact important business with German firms of patrician antecedents. His courtiers more than shared that sentiment. Naturally, the great bankers of Frankfort, like the Bethmann Brothers and Rueppell & Harnier, made the most of their advantage and jealously kept the prejudice at Cassel warm. To complete the encirclement, the Jewish merchants at the Hessian capital looked upon the court business as their special preserve and hounded their foreign coreligionists bitterly, relentlessly.

What were the young Rothschilds to do? Somehow or another, straight-forwardly or by indirection, by fair means or otherwise, the capital which Nathan clamored for must be secured him. Only one possible door was open. It was not the most promising approach, not the most dignified; it was, in fact, a back-door. Oh, well, they were in no position just now to consider dignity. It might, if successful, force them to be unfair to those who opened it for them. So be it; ambitious men could not, at this stage of their progress, afford to be over-scrupulous. It might lead to a fight; there was no choice but to risk it, and arm for it in the meantime.

The plan was as simple as it was ingenious. Those old established German banking firms, though they guarded their connections with the Landgrave jealously, heartily disliked dealing with him; and the Rothschild boys knew it. Cassel was, to begin with, in these days of stage coaches, a long way off. That, however, was a minor item. It was Serenity's business manners that tried the patience of a self-respecting banker. William was arrogant, petty, mistrustful, vacillating, greedy, exacting. One never could

be sure with him until he had actually signed a contract, whether a deal was closed or not. He dickered and haggled worse than a Judengasse shopkeeper, and then he stood off loftily and demanded special consideration for his rank and wealth. The smallest transaction necessitated repeated journeys and endless correspondence before Highness's doubts were dispelled and his cupidity appeased. And yet, with all his faults, no banker could afford not to reckon with him: he was one of the richest men in the world.

In these circumstances it was not surprising that Rueppell & Harnier and—after a good deal of persuasion—the Bethmanns gave serious attention to the proposal which the young Rothschilds brought to them. It was briefly this: You are great and important houses. You have your dignity and traditions to consider. The Landgrave is a big buyer of securities, but a trifle difficult. If we may put it that way, it sometimes wearies you so to do business with him that you are on the point of dropping the connection. That would be rather reckless, however; don't you think? Now, we are young men, without any particular antecedents or position to worry about. We are ambitious, we want to make more money, and we shall feel honored to work for such distinguished houses as yours. Well, let us be the buffers between Serenissimus and yourselves. We can handle him. His nonsense won't disturb us; we are used to tough customers. If you will pay us a small broker's commission, we will take the fuss and bother and haggling off your shoulders. In all honesty, we are moved to offer you our services by one consideration of which we have not yet spoken. For a number of years our father and ourselves

have been attending to little matters for His Highness—those English drafts, you know. But our coreligionists in Cassel are making trouble for us. If we can go to the palace as your brokers, it will make things a bit easier.

There were one or two other, even more moving, considerations, as will appear directly, which the keen young men omitted to name. Why overplay their hand unnecessarily? The plan was going over as it was. Ruppell & Harnier agreed right off; the Bethmanns seemed impressed. In the two years that followed both houses willingly turned over their court business to them. Again and again the Rothschilds sold the Landgrave parcels of Danish bonds issued by the Frankfort concerns; in one or two instances they were allowed to convert the interest coupons; once at least they arranged a partial Danish amortization for the Bethmanns. Everyone was pleased: Prince William was delighted to have his investments attended to by men to whom he could talk as he liked; the bankers were happy to be relieved of an irritating client while retaining his account; and the brokers were for the first time taking a hand in financial operations on the grand scale. The plan functioned without a hitch; there appeared to be no reason why it should not go on indefinitely. But just then a curious thing happened. Just as the German firms began congratulating themselves on having found a perfect instrument, the very men who had devised it withdrew from the arrangement. The Rothschilds ceased to wait on their patrons in Frankfort, for what cause they did not vouchsafe to explain. Rueppell and the Bethmanns were sorry and mystified, but they were too proud to ask questions. It was by that time the year 1804.

III

The Rothschilds had been as truthful as they had said they were when they named the opposition of the Cassel Jews as their motive for offering to act as the brokers of the two old Frankfort houses. They had merely not told the whole truth. Two further incentives spurred them on. Their ultimate goal was nothing less than to become the chief, if not the sole, bankers of the Landgrave of Hesse (the Elector of Hesse since 1803), so that by having his huge uninvested surplus on deposit they might supply their brother in England with the capital he required. To arrive at that goal they must learn a great deal more of banking than they yet knew, and—even more important—make friends at court. By 1804 both these objectives had been attained and passed. The Bethmann and Rueppell connections had served their purpose. It would have been idle to continue them, yes even risky. In the same year Nathan left Manchester for London.

So long as the Rothschilds remained on the outer fringe where their services were restricted to the trivial business of draft discounting, their opportunities either to make valuable contacts with the men close to the millionaire-prince or to gain anything like a comprehensive view of his affairs were almost nil. The English note transactions were a routine matter; clerks gave out the checks, clerks received the money. Bond-selling, more especially interest and capital collecting, were quite another thing. They came under the head of grand finance; they involved discussion and negotiation with high officials. Moreover, the brokers to some degree reflected the prestige of the great

houses in whose name they acted. Thus, without transition, the young sons of Meyer Rothschild suddenly found themselves translated into the innermost circle of the Prince's entourage, but one remove from direct contact with All-Highest himself.

It took Salomon, the diplomatic genius of the family, only a very little time to get the measure of William's men. All in all, he decided, the best choice he could make was Karl Friedrich Buderus. Buderus fulfilled all the requirements. He was still a young man, yet he had gone far and seemed likely to go very much farther still. Son of a schoolmaster, who back in Hanau had been tutor to some of Highness's numerous natural progeny, he had entered the Prince's service as a bookkeeper attached to the tax office of that little principality. He had risen gradually in his master's esteem, so that when the latter became Landgrave of Hesse Buderus was left in charge of the finances at the old capital. In '92 he had been called to Cassel, where his progress had been extraordinarily rapid. He now held the title of a War Councilor and was the Director of two of the state's four treasury departments, one of which—the so-called War Treasury—contained the fabled millions and handled the investments. As nearly as anyone could, Buderus enjoyed his master's confidence and was consulted by him in all the more important financial operations. Quiet, diligent, painstaking, reserved, his clerical exterior gave no hint of the man's real talents. Salomon saw in him a collaborator ideally suited to his purpose,—discreet, competent, dependable, a good soldier who in a scrape would know how to fight his way out, a courtier remarkably free from the sectarian prejudices of his class.

Terms were a detail. The Rothschilds needed protection

in the worst way; Buderus, if anybody, could give it to them; he should have whatever he asked. Of course, Buderus had his price; they all did. That was the standard, recognized method of doing business around courts. The highnesses themselves tacitly encouraged it; it enabled them to keep large staffs at small expense. The courtier, having come to a cordial understanding with one of the firms supplying his master, saw to it that as much trade as possible went to his friends and as little as possible to those of his colleagues. In return for his amiability, the merchants remembered him and his with suitable gifts at certain seasons of the year, and helped him out from time to time with a loan—which neither side, naturally, expected to be repaid—to enable him to meet extraordinary obligations for which Highness's salary scale made no provision. Even princes' younger sons and heirs to thrones themselves, when the parental allowance was not elastic enough, did not disdain mercantile gratuities in exchange for a bit of quiet support—as William of Hesse, recalling the lean years before his accession, was not unaware.

Salomon Rothschild and his brothers diligently cultivated the man Buderus. They found him a friendly soul, once his thin reserve was penetrated; he liked a chat, did not even mind exchanging confidences. Nothing uppish about him. And his conversations about the courtly finances were immensely instructive. They had had no idea until now of the real magnitude of the quarry they were after. The Prince, according to Buderus, was a fabulously wealthy man. His loans and investments were scattered all over Europe, from London to St. Petersburg, from Copenhagen to Vienna. Those stodgy old bankers in Frankfort had barely scratched the surface. If they had

been alert and energetic, if they had even halfway availed themselves of their opportunities—of their sheer geographical position, to mention but one—they could by this time have got exclusive control of the business. Why, William's income alone was more than a million thalers a year, most of which, under the frugal economy he maintained, had to be reinvested. Naturally mistrustful and suspicious, he parceled out his affairs to all sorts of people everywhere. There were, for instance, the Van Nottens in Amsterdam, with their branch in London—another petrified ancient house, of splendid traditions and moribund vitality. They handled the Dutch and English business. The Russian loans were attended to by a St. Petersburg concern, the Austrian by a Viennese firm, and similarly all the way through. It was all nonsense; a fortune, like a state, should be administered from a single, central point. He, Buderus, had been urging that policy for years. One sound bank, run by young and capable men, accessibly located for easy supervision, ought to have the entire thing in their hands. They could too, if they would go after it, and had the right kind of backing at court. . . . The hungry Rothschilds' mouths watered at the prospect. God himself had guided their footsteps when they chose this man for their friend.

The loans, now: there were a half dozen profits to be made out of each one, which under the existing system often went to as many separate firms. First of all the business had to be negotiated; a commission was paid for that service. The terms having been agreed upon, and the contracts signed, the funds must be conveyed to the borrower. For this there was a second fee. After a time the interest coupons began falling due. Somebody had to turn

them into cash, and naturally he must be compensated. The debtor paid, usually, either in foreign currencies or in notes. Bankers were needed to convert both into legal tender, at a discount, of course. Lastly, the loans themselves matured; which, again, involved deliveries, conversions, exchanges—and commissions. This entire gamut of operations was being performed at the Cassel offices almost daily, through a dozen hands or more. Buderus could see no reason why a single pair could not much more efficiently do all the work, and earn all the commissions.

But, upon being cautiously sounded, Buderus seemed to betray not the slightest interest in seasonal presents or periodic personal loans. That was rather astonishing, as well as deucedly inconvenient. Was it possible that he was that nine-days' wonder, a courtier unsusceptible to bribery? Bah, there was no such animal! One encouraging sign was that the diplomatic conversations were not broken off. Buderus continued friendly and talkative. Sometimes he discussed one thing, sometimes another; the important point was that he kept on chatting. Salomon was of the opinion that there was a sort of direction to these apparently aimless remarks, that Buderus was getting at something; only what that thing was, was not clear. Thus, for instance, Buderus occasionally alluded to the lack of generosity in his master's composition, his parsimony, and the way he underpaid his staff. But when Salomon, sensing an opening, tried to step in with a suggestion about how income might be supplemented, his friend hastily added that he was not thinking of himself, that he was interested merely in the general principle and in the efficiency of the service. As for himself, he had no cause to complain. He was a lucky fellow: he had begun at the bottom, here he

was at forty-two Director of two departments, and still rising. . . . Wasn't it perfectly dreadful how, with the disorders in France and the unceasing wars, the cost of living had soared? However, they, his family and himself, were people of simple tastes, who had learned how to restrain their wants. . . . Without being immodest, he was probably the most influential man connected with the Landgrave's financial administration. . . . It was fantastic how many petty houses Serenity insisted on employing. But some day he would see sense, and then the concern that had in the interval gained his confidence would have an account worth talking about.

His family—Buderus was like a Jew in his devotion to his own people. Just às one thought he was coming to the point, he suddenly waved his hand philosophically and wandered off to "more agreeable topics." He never wearied of telling one about his splendid children, his excellent wife, his happy home. And this would lead up to what seemed another small, uncertain opening. The dearest wish of his heart—he would confide—the one thing in life for which he labored and hoped, was that he might assure his children an independent income and a title of nobility . . . Then once, in an undertone, Salomon was sure he caught something to the effect that men of the world should understand. . . . That was enough. Salomon, being a man of the world, understood. He understood, namely, that a friend who had the will and the power to do for him what Buderus would do, merited something better than trivial gratuities. Why, he would not insult him by even suggesting such a thing. Buderus deserved a share in the Rothschild firm's earnings. He should have it, by all means.

Mutual comprehension having been achieved, Buderus

had an idea. There was a man he knew up Altona-way, in Holstein, a banker by name of Lawaetz—Johann Daniel Lawaetz. He was in excellent standing with the Danish finance authorities, had been doing business with them for a great many years. There was even talk of giving him a decoration of some sort. Also, he and the Landgrave were old friends, the Hessian ruler having been educated in Copenhagen and having married a daughter of the Danish king. Suspicious though he was of all the world, William had faith in Lawaetz. Well now, Buderus would approach this splendidly connected man, ask him how he would like to negotiate a Danish loan with the Landgrave's money, on the understanding, of course, that the Cassel end of the transaction be entrusted to the House of Rothschild. He would get a letter off to him forthwith.

IV

Lawaetz was willing. So, after a little dickering and hesitating, was Serenity. The royal Dane was more than willing. The Copenhagen exchequer, chronically at low ebb, was in the year 1804 more than usually dry. A loan was in fact at that moment being negotiated with the Bethmanns, who on the plea of the great money stringency, demanded the exorbitant interest rate of eight per cent; so that Lawaetz, acting for an "enormously rich capitalist in Frankfort who was uncommonly well-disposed toward the Danish court," and offering to take up the entire issue at four and a half per cent, seemed nothing less than a god-send. The Elector of Hesse was delighted not only because the transaction enabled him to dispose at one stroke of the greater part of his then very troublesome

surplus, but even more because by the Lawaetz plan the identity of the lender would be kept from his poverty-stricken relatives in Copenhagen. And the Rothschilds, in their turn, were not averse to screening themselves behind their Altona correspondent for reasons of their own. They had a presentiment that the good patrician bankers of Frankfort who had so lately initiated them into the mysteries of state loans might take it in bad part were they to learn that it was their protégés' competition that had caused their own eight-per cent offer to be rejected.

For more than two years, during which no fewer than four loans were arranged between Hesse and Denmark, the ingenious system worked without a hitch. The borrowers themselves did not know from whom the money was coming. Every so often an instalment of the bonds, made out to bearer, was forwarded to Lawaetz. Thereupon he notified Buderus of their arrival and total value. Buderus then sent on the money through one of the Rothschilds, who paid it over to Lawaetz, received the securities and returned with them to Buderus. Not a soul in Frankfort had any inkling of what was happening.

By this time it was early in 1806. In January of that year negotiations for still another loan were in progress. Whether by now the Lawaetz-Buderus-Rothschild consortium had become over-confident, or the Elector William had begun to fear that excessive secrecy might lead to detection, or the Danes had raised some objection, in any event the veil was now for the first time partially lifted. William's part in the proceedings remained as hitherto unrevealed, but Lawaetz did at last mention by name his "enormously rich capitalist" in Frankfort. It so happened that the firm of Bethmann Brothers were these days also

offering Denmark a loan of a half a million. They had been smarting under their repulse of two years ago, and were determined to win back their old clients from those mysterious competitors, whoever they were. Who those elusive people might be, had been bothering and puzzling the Bethmanns a good deal. There were circumstances, seemingly unrelated to that Danish defeat, which simply cried to be resolved. There was, for instance, the strange behavior of the Rothschild boys. Three, four, five years ago, they eagerly snapped up the smallest crumb which the great banking houses deigned to toss them. Now they were oddly indifferent, astonishingly busy. One or another of them was continually on the road; their affairs seemed to be prospering hugely, too. They had lately managed to secure a warehouse on the Kurtrierplatz, although Jews were expressly forbidden to take part in the bidding. Very remarkable, again, their father had in 1803 been appointed an *Oberhofagent* to the Hessian court, and the two eldest boys now bore titles of Hessian Pay Office Agents. It was all very, very odd.

Oddest of all was their coldness to the brokerage arrangement which they had themselves so recently pleaded for. The Bethmanns, counting on the Elector William to take up a portion of their forthcoming Danish loan, had had the young Jews approached, only to be put off with shrugs and excuses. It appeared that Rueppell & Harnier had had a similar experience. The Bethmanns had then addressed direct inquiries to the Cassel War Treasury (Karl Friedrich Buderus, Director). Would His Serene Highness be interested in investing a hundred thousand thalers or so in a Royal Danish loan about to be issued? To which the cool reply had been, in effect, that the

Elector of Hesse was not buying any Danish bonds today, thank you.

In the meantime, in Denmark those dark competitors were again busy. Once more they were offering easier terms, as well as a larger sum. Certain men in the royal finance department at Copenhagen were favoring their bid, and the Bethmann offer was again in danger of rejection. Thereupon vigorous measures had become necessary. Who, the Bethmanns demanded to know, were these people who had the effrontery to make offers to His Majesty without coming into the open? Oh, it was an enormously rich capitalist of Frankfort who was uncommonly well-disposed toward the Danish court. What was his name? Why, Rothschild! Or was it Gruenschild? Something like that.

At this the Bethmann agents laughed bitterly and uproariously. Rothschild! Did they say Rothschild? That was a pretty bed-time story. Did His Majesty's servants know who the Rothschilds were? The father was a petty curio peddler of the Frankfort Ghetto. His sons ran a shop, which until very lately had been housed on the street floor of their Judengasse home. Enormously rich capitalist, fiddle-sticks! Why, they were nothing but irresponsible, insignificant fly-by-nights, without capital or credit or connections, as anyone in the city on the Main would testify. Let the Royal Government take warning. It was quite out of the question for these men to market a bond issue of such magnitude. They might, relying upon an investing public which in the present disorder of Europe and Germany had ceased to exist, think they could. But the moment they went out and tried, they would strike the inevitable snag, and then they would simply leave His

Majesty in the lurch. They were that kind of men. Besides, there would really be no other choice for them. The ancient and honorable House of Bethmann, on the other hand, had great resources of its own, upon which it could count with perfect safety. Let Denmark consider ere she plunged!

Denmark, however, took the warning lightly, and closed with Lawaetz-Rothschild-Buderus. How should the Bethmanns know that the combine had in the past two years thoroughly proved its soundness by repeated loans successfully placed? On July 2, 1806, Lawaetz wrote Buderus:

"I am asking Rothschild to inform you that the new Bethmann Danish loan, which seems purposely to have been kept secret from me in Copenhagen is actually a fact. I am told in a letter at the same time that it was not possible to say No to this old Bethmann House, which felt rather humiliated; and I observe that those who are not well-disposed toward our good Rothschild have held out promises that the Bethmann loan would cost less and be more promptly liquidated than Rothschild's. In order to contradict this last to the best of my ability, I shall this very day take up the entire remainder of the loan out of my own resources, and relying upon your coöperation look forward confidently to the final remittances from you. . . . I hope people will finally become convinced that he (Rothschild) is a good man who deserves respect, let envy say against him what it will."

The result of Lawaetz's energetic procedure was that the snag which the Bethmanns had so confidently foreseen was actually encountered by themselves. That summer Prussia lay prostrate under the heel of Napoleon; investors throughout Germany ran to cover; and the surplus of the millionaire Elector of Hesse was, through the good offices of shareholder Buderus, at the disposal of the House of

Rothschild. Regretfully Bethmann Brothers found themselves driven to write to Copenhagen in November that in view of the terrible events of recent date, which no man could have foreseen a few months earlier, and the consequent ruin of the most prosperous German lands, they must ask to be released from their promise and for the return of their initial advance. The ancient, patrician firm did not easily forget the humiliation of this letter nor their erstwhile young brokers who had obliged them to write it.

Next came the turn of Rueppell & Harnier. The lifting of the veil on the Copenhagen mystery had given them an even broader peep at the proceedings behind the scenes than the other banking house had got. The Elector, as it chanced, wanted a portion of the 1806 loan to be paid in old Danish bonds which were due to mature that September. That loan, however, had been issued through Rueppell & Harnier—interestingly enough, it was the very one in which the Rothschilds had for the first time acted as their brokers—and, if it was to be called in, the notice to Copenhagen must go through those bankers' hands. This concern, naturally, had its own friends at court; wherefore, in the course of time, the news was brought to them that the purpose for which Serenity desired those securities was to convert them by way of part payment toward a new loan, which not only was being negotiated by the House of Rothschild but—in order to screen Highness's identity—actually carried the Rothschild name on each bond as the lender!

Rueppell & Harnier were a younger firm than the Bethmanns; that is, they had a great deal more pugnacity and considerably less business. They were, therefore, not going to take a thing like this lying down. For that matter,

as will presently be seen, neither did the Bethmanns. Unfortunately for the cause of both houses, there were several important details about the affair of which neither of them had the remotest inkling. They were not aware that in these two and a half years the Rothschilds had put through several loans between Cassel and Copenhagen (via Altona) and had made themselves extremely solid with the royal ministry of finance. They had never as much as heard the name of Lawaetz. Least of all did they know—at this time they did not even suspect—that the real villain of the piece was a gentleman named Karl Friedrich Buderus who, close as any man to the Elector, was even closer yet to the brothers Rothschild.

So, rather amusingly, Rueppel & Harnier opened hostilities by addressing a protest to the very man in Cassel who was the source of all their trouble. They Lordshipped and High-Well-Born-ed him all over the place—in point of fact, the modest schoolmaster's son was not even knighted till some months later—and begged him to consider how impossible it was for them to call in those bonds after the six-months' notice period had passed. But chiefly and bitterly they complained of the humiliating necessity of explaining to the Danish authorities that it was in order to make the Rothschild investment possible that these bonds must now be so irregularly amortized. "The conclusion which the Royal Finance Ministry might draw from this is that it is not the Danish state credit itself but solely the Jewish name of Rothschild which enables Danish state securities to find a market in Hesse; and this is surely so contrary to His Electoral Serenity's Highest intention that we account it a merit on our part to call your Baronial Well-born and High-Well-Born

Excellency's attention hereto" as well as to a counter-proposal of their own.

The plan suggested by Rueppell was, of course, not adopted. But the temper of the letter gave Buderus more than one sleepless night and frightened the Rothschilds greatly. A fight was clearly coming. They were not yet ready to join issue with the most powerful banking houses in Germany. Satisfactory though their progress had been these last two or three years, their position was not yet solidly intrenched enough for such a struggle. How would it end? And in an open break what would that incalculable man on the Hessian throne, the timid, suspicious, vacillating William do about it?

And then, just as things looked their darkest, came Napoleon, the man who was so often to smooth the path unconsciously for the Rothschilds, and saved the day. On the last day of October, 1806, French troops, heedless of the Elector's "no trespassing" signs, crossed the frontiers into Hesse. In the middle of the night of November first Serenissimus hurriedly clambered into his carriage, and fled from Cassel in a panic. His beloved Hesse was not to see him again for seven years. Karl Frederich Buderus, silent partner in the House of Rothschild, was left in all but complete control of the princely finances at home.

By an interesting coincidence, the years of the Elector's exile were also the decisive years in the rise of the Rothschilds.

CHAPTER IV

BATTLE

WILLIAM, after some breath-taking mishaps and after narrowly escaping capture at the hands of the invader, sufficiently recovered his composure to turn his horses in a northerly direction. Two weeks later he drove over the frontier into Denmark. There his younger brother, the Landgrave Karl, who like himself had married a daughter of King Frederick V, and who was now resident governor of the Duchies of Schleswig-Holstein, welcomed the bedraggled fugitive cordially enough and assigned him the royal suite in his palace at Gottorp as a temporary residence. The first man to visit him in his exile was the Director of the Hessian War Treasury. William was so happy to see him that he conferred upon him the title of Von Carlshausen. One half of Buderus's dearest wish was thus fulfilled: his children were nobles. All they lacked now was an independent income; the Rothschild connection would take care of that.

Buderus stayed with his master only a few days, noting down orders for the disposition of the great quantity of boxes and bundles of valuables left behind. Then he returned to Cassel with his newly-acquired halo to carry them out. William himself was too unhapy to remain long at Gottorp. To be at a court where others ruled and strutted while he was but a barely tolerated interloper, was

not his notion of princely grandeur. Every time the Crown Prince-Regent came down to Gottorp the aged Elector must clear out of his royal suite, gather up his boxes and papers, seek a corner in his brother's apartments, and listen to everlasting reminders about the kindness and hospitality he was enjoying. When, therefore, some two months later, the agreeable Countess von Schlotheim,—"my best friend for whom I wait yearningly" as his diary describes her—followed him with their children into banishment, he set up housekeeping first at Rendsburg and later—Lawaetz having secured a suitable place—at Itzehoe, where he "felt almost at home again."

Back in Cassel meanwhile events moved swiftly and tragically. The French troops had completely occupied Hesse. The day after the flight, Governor General Lagrange had taken possession of the Landgrave's palace, packed the frightened old princess off to her daughter at Gotha, and two days later issued a proclamation confiscating all the former ruler's possessions in the name of the Emperor Napoleon and ordering all the state's revenues to be paid into the imperial treasury. In a panic Buderus and the secret regency council which William had appointed before his departure made haste to get their master's remaining treasures into hiding. Truckloads of coffers and boxes were buried under the walls and stairways of the palaces of Wilhelmshoehe, Sababurg and Loewenburg, one cartful of securities and other valuable papers was dispatched in the dead of the night to a warehouse in Frankfort, a number of cases filled with records found their way into the basement of the Judengasse home of old Meyer Rothschild. Subsequently it transpired that Lagrange had an itching palm, so that the greater part of the

property safely reached its anxious owner at Rendsburg and Itzehoe, with the Governor General's connivance. The rest, consisting of eleven million thalers in bonds, coupons, cash, silver services and jewelry, including even William's prized rare-coin cabinet, which Meyer Rothschild had helped to fill, must be turned over to the imperial war chests. A round million francs went to Lagrange for his coöperation.

The Landgrave's sudden flight did not, as the Rothschilds had hoped, make an end of the bankers' war which had just previously broken out. It only delayed it for a space and shifted the fighting to another sector. Unquestionably the new alignment favored the Buderus-Rothschild side. So confident of this was Buderus that, far from endeavoring to pacify the enemy, he now boldly moved to eliminate the remaining competitors, all the way from the Jews in Cassel to the Van Nottens in London. On the very day of his master's departure he virtually appointed his associates sole bankers of the court of Hesse. They alone were henceforth to discount English and Danish drafts; they alone were to receive deposits of cash on hand. He instructed the Van Nottens to pay the interest on the Elector's English investments directly to Nathan in London. As everyone in Frankfort was aware that Buderus was in sole charge of his absent master's financial affairs, this practical Rothschild monopoly of the business could only come about through his orders. It was an open defiance of the great Frankfort houses, a frank avowal of his understanding with the Jewish concern, and a challenge to its competitors to do their worst.

The Bethmanns and Rueppell & Harnier accepted the challenge and carried the fight into Denmark, to the

Landgrave's exile. The older house deemed it beneath its dignity to do more than write; it wrote to Rendsburg often and vigorously; the other was not too particular to employ the same kind of weapons as their Jewish adversaries. Rueppell & Harnier, too, had friends at court. They were on the most cordial terms with a man—Lennep was his name—who stood as high in the Prince's esteem as Buderus. Lennep, too, was an honest courtier with a family to provide for. He had won the rank of War Privy Councilor long before Buderus had, and during those difficult days of the flight and the rescue of his master's possessions had shown the utmost courage and devotion. Best of all, he was now on a mission which carried him back and forth between Hesse and Schleswig-Holstein, so that he was in direct and frequent touch with All-Highest.

Early in March both partners journeyed to Rendsburg, accompanied by their friend Lennep, to lay their case before William. They brought with them an earful of news, part of it true, some of it fact grotesquely distorted, much of it pure gossip, all of it disquieting. Serenity's mistrust, never fully relaxed, was readily roused. He believed all that his visitors told him, and suspected a great deal more. So that was what his good man's much-made-of devotion amounted to! The moment his master's back was turned, he proceeded to rob him for his own enrichment. That was how he repaid his Prince for the faith reposed in him, for being raised from obscurity to titled rank, for the kindness and generosity shown him. Only lately he, William, had offered to double his Director's salary, notwithstanding the impoverishment that stared him in the face, though in truth Buderus had, out of regard for his

master's late misfortunes, declined it. Oh, there was no loyalty in the world, no appreciation, no gratitude. ("Oh, Hessians, in what a light you show yourselves," wrote the exile in his diary on another occasion.)

Prince William had from the start looked with distaste upon the evident alliance of his most trusted business adviser with the Jewish firm. That Buderus, like every one else, should have the customary ties with one or another of the court purveyors, his master took as a matter of course. But why those upstarts of the Judengasse? Weren't there enough high-grade houses who would gladly coöperate with a man of Buderus's position?—The high-grade houses might, to be sure, be unwilling to go so far as a share in their profits, or the idea might not occur to them; but William knew nothing of that arrangement.—And, of course, receiving favors, Buderus must necessarily earn them. That was all right. But, after all, his chief duty was to his Prince, to the man upon whom he depended in the first instance not alone for his living but for the power which made him valuable to the others. What was the fellow thinking of? Couldn't he see that by giving his friends a virtual monopoly, he was making enemies for himself and exposing his master to the gravest dangers? This was no time to stir up bad blood. With the invader in occupation of the country, with loyalist conspiracies continually hatching for his expulsion and the restoration of the rightful ruler, with scores of boxes of valuables still far from safety and the foe's secret police hunting for them high and low, Serenity needed,—oh, tragically—the goodwill of every man in Hesse, in Frankfort, everywhere.

Though this was the aspect of things which principally

worried the Elector, the tales he was listening to disturbed him most profoundly on another ground also. He had, indeed, always found his man Buderus honest, loyal, dependable. Still, how could one really know? He was the head of a large family; his income was quite modest; his temptations, now especially when there was no one on the ground to supervise him, were enormous.—It was that thought, among others, that had moved Highness to suggest the salary increase.—Suppose, in these demoralized times, under the influence of the dreadful ideas issuing from France, suppose he were not to resist! There was no limit to the things he might not do, to the loot he might not take. There were a hundred unliquidated affairs of every conceivable kind that he could by collusion with the debtors wipe off the slate. Hundreds of thousands of thalers flowed monthly through his hands. There were countless transactions of which he alone knew anything. Come to think of it, his accounting for January and February had not yet come in—and Buderus was usually so punctual! It made William suddenly realize how utterly he was in his Director's power, and the realization made him profoundly uneasy.

So, partly to pacify his visitors, partly to administer a gentle snub to Buderus—a severe one he did not dare risk—he promised to look into their complaints. He promised it, and he meant it. He really must pull Herr von Carlshausen up a bit. Meanwhile, as an earnest of his esteem for the House of Rueppell & Harnier and for his man Lennep, he would forthwith entrust the latter with a financial transaction in Cassel of considerable importance, which should serve the double purpose of salving their feelings and sobering Director Buderus.

The bankers and their friend went on their way rejoicing. Their triumph was to be of short duration.

II

The longer the Elector reflected on the tidings he had received, the more he was disquieted and the higher soared his temper. When, therefore, he presently took action he proceeded rather more precipitately than he had meant to and than appeared necessary. He was in very bad humor with the world. His luck had deserted him; none of his affairs prospered any more. A revolt of the Hessian soldiery, from which he had expected great things, had ended in bloody failure. His endeavors to placate Napoleon and regain his throne—with Majesty superadded, the rascally go-betweens whispered to him—were apparently futile and certainly costly. The boorish disregard of his high station by the Holstein peasantry, who never so much as dropped a curtsy or lifted a hat when he went riding in his carriage, chafed his noble spirit beyond endurance. The unspeakable French were despoiling him without mercy. And now this fellow Buderus too, scheming heaven only knew what with those Jews of his! Well, he would stop that at least.

The explosion came the last week of June. In a letter, which by a sort of poetic fitness was sent through one of the Rothschilds, William suddenly decreed that, effective at once, the English and Danish checks, hitherto cashed by Buderus via Rothschild on the spot, be forwarded untouched to the Reserve Treasury at Itzehoe, the new seat of the captivity. "I shall expect from you," thundered His Highness, "an immediate acknowledgment of this de-

cision and your compliance therewith (dass das Noetige besorgt ist)."

Coming thus without warning, this was an extremely unpleasant surprise. It not only knocked Buderus von Carlshausen's newly acquired knightly dignity askew, it struck terror and confusion into his and his associates' plans. Deliberate malice could not have chosen a worse time. A few months earlier such a blow, vicious as it was, might have been borne with resignation. But since the previous November things had been happening; startling, wonderful things. To continue happening, those English and Danish moneys of Serenity were absolutely indispensable. They were the concern's working capital. Their withdrawal spelled catastrophe.

The Elector had no sooner, by his sudden exit on the first of November, given the Rothschilds access to his money, than Napoleon, on the 27th, obligingly provided them with a profitable trade to employ it in. Having in the course of the summer thoroughly whipped Prussia and seized her coasts, the Emperor had on that day launched against Great Britain his memorable Continental Blockade. The Edict of Berlin, as it was called, prohibited all trade with England, declared all British merchandise contraband of war and closed the ports of the mainland to all ships arriving from the British Isles. This was the very thing that the Rothschilds needed. With Nathan in London to do the buying, with the Van Nottens handing him a monthly check for close to two thousand pounds, with Buderus in Frankfort supplying an equal or larger sum to the parent house, with cotton cloth and every other commodity from Britain or her colonies selling at famine prices, with four energetic, able-bodied, keen-eyed

but close-mouthed young men on this side the Channel, the business of smuggling was as if made for the House of Rothschild. Nathan's connections in Manchester, his recent marriage into one of the most influential Jewish families in London, his evident command of considerable capital and his own great gifts as a merchant, had served to enlarge his credit over there. The family opened a receiving depot at the port of Hamburg, which was put in charge of old Meyer and one or another of the boys. By the end of June the imports from England had become by far the principal activity of the concern. The little shop on the Schnurgasse was still kept going, largely as a blind for the French police. The Rothschilds were doing a thriving commission business not only in cotton cloth but also in yarn, tobacco, coffee, sugar, indigo and other colonial wares, reëxporting to every part of Germany, to Holland and the Scandinavian countries and even into France itself. Things were going along swimmingly, and Nathan was once again spurring on his brothers, as well as doing his own bit, to get hold of further capital from the Elector—when, suddenly, the thunderbolt fell.

Worse things yet seemed to be looming. Throughout the summer Serenity kept ceaselessly ordering his Director to present himself at Itzehoe and give an account of himself. There were so many things he could not understand; he was all in a muddle about his affairs; besides, he was lonely and homesick for old faces. Buderus assured him he would be delighted to answer any question, from a distance. But he begged to be excused from undertaking that journey just now. He pleaded urgent and heavy duties at home, the hardships and the dangers of travel, the suspicions his departure would arouse in the watchful

French police. But William insisted. So early in September, his arguments and resistance exhausted, Buderus packed his bag and mounted the stage coach for Itzehoe. On the evening of the tenth he stood before his quizzical master.

He stood in the little house in Holstein with hat in hand and trepidation under his tunic. Yet, now he was here, he was almost glad. At last the long-threatened storm was about to break. Let it break; he could weather it. What had he to fear? He had done nothing he could not defend. Any other man in his place would have done as much, if not more. He was making the most of his opportunities, as a responsible head of a family was in honor bound to do, without in the slightest degree hurting his master's interests or betraying his trust. What was more, he had the inside grip on the situation; it would take months and a staff of auditors to check up on him. Highness might thunder. But so long as he kept his head he, Buderus, would hold the upper hand. Whatever happened, he was confident of the outcome. None the less he could wish it were behind him.

In three days it *was* over, and he was returning home triumphant beyond his rosiest hopes. He had beaten them all—the Cassel Jews, Rueppell & Harnier, Lennep, and the mighty Bethmanns themselves. The future of his children was assured!

The first encounter, on the evening of his arrival, was at best a draw. William, lofty, overbearing, injured and fussy, led off by demanding why his Director was so thick with the Rothschilds and so distant toward the Bethmanns. Exactly what was the reason that he so invariably favored those Jews of low antecedents and doubtful re-

pute against the oldest and most honored Christian banking house in Germany? Buderus, a little disconcerted—he had expected a somewhat different opening—hedged and stammered. Why, there was no reason, other than the wish to do his best for His Electoral Serenity's interests. Devotion to his master was the tenderest, the only concern of his days and nights. William waved the generality aside with an impatient gesture. Then Buderus recovered some of his composure. The very superiority of the Gentile firms, he pointed out, counted against them at this time. Their high standards, their great past, prevented them from being useful in transactions which, since the French occupation, were necessarily of questionable legality. Indeed, the Bethmanns and the Christian houses generally, had shown little eagerness to risk their good name in the deposed ruler's cause. They were too much taken up with themselves to give a thought to Highness's misfortunes. The Rothschilds, on the other hand, precisely because of their humble origin, precisely because they had no ancient reputations to consider, were willing to do whatever was asked of them. They never refused a task, however difficult or dangerous, where his lordship was concerned. They were a god-send. He, Buderus, would hardly know what to do, or how to carry on his work, without them. They were Serenity's most loyal and devoted servants.

Buderus retired from the presence uncertain whether he had lost or gained ground. Alone in his chamber that night he went over the interview step by step. He decided that he had not acquitted himself as gallantly as he had expected. Without exactly losing the first round, he had let his master browbeat and confuse him. His choicest arguments were still unused. No, he would not risk another

personal encounter if he could avoid it. He was too easily put out of countenance. Here in the quiet of his room he could think of any number of things he ought to have said. He would say them, now, in writing, away from that irritating, suspicious eye. He got up and went to work. The next day he handed William a long letter, categorically explaining his position. It was in effect a brief for the Rothschilds; and while it was by no means the last word that was to be said, it decided the argument.

Buderus began by frankly admitting that ever since the day of his master's regrettable departure, he had, with one or two exceptions, let the Rothschilds convert all the drafts coming from the Van Nottens in London. It had seemed to him good to do so because working through a single house was always more efficient and in these cruel times the only safe way. There was no need to dwell on the danger of too many people knowing his master's affairs just now. He had picked the Rothschilds for the reason already mentioned, as well as for the following:

Firstly. They were punctual with their payments. With money nowadays going out faster than it came in, this was of first importance. Indeed, on more than one occasion when there were pressing bills to pay, the Rothschilds had cheerfully settled up in advance of collection.

Secondly. They could be trusted absolutely to hold their tongues. When some disgruntled individual, unmindful of the injury to Serenity's interests, had recently informed against them, the police utterly failed to get a word out of them—not even after examining their books!

Thirdly. They always paid the exact rate of exchange prevailing on the day of sale.

Fourthly. They willingly attended to certain payments which need not be named and which were he to handle them himself would expose All-Highest to very serious consequences.

There were many other advantages about the arrangements that he could easily point out. However, he had said enough to show that, unlike certain people whose church affiliations were doubtless more commendable, the Rothschilds were loyal, discreet, business-like, honest, dependable and tireless in the service of the Most-High.

"And since," added Buderus sweetly, "I am unable to discover the smallest difference between a florin of Rothschild and a florin of Bethmann, I thought that I was doing everything for the best. It hurts me, however, to observe that Your Prince-Electoral Serenity, to judge by yesterday's verbal utterances, does not seem graciously to approve. I should, therefore, like to ask for definite instructions as to how the English checks are to be disposed of in future."

It was to him, he repeated, a matter of complete indifference. Only he must say right now in advance that after punctually carrying out highest orders, whatever they might be, he would not hold himself in any way responsible for any untoward consequences they might have. And this reminded him of something. His P.-E. S. doubtless recalled the sudden fit of mistrust that seized him earlier in the summer, when he issued that ill-timed order about sending on the checks here to Itzehoe. Well, it was no use now dwelling on the mischief that resulted in—the unpaid bills, the want suffered by interned Hessian officers and his own wounded pride. The one thing he was in duty bound to say was this:

"Had Yr. P.-E. S. been most graciously content not to interfere in my business, I could have sold 20,000 pounds sterling at 141½. Today they are worth at least six thou-

sand florins less, and no human ingenuity on earth can now prevent that loss."

That thrust struck home. There was no fight left in William. He made a brave show of pretending that he was unconvinced at yet another conference. But he knew, and Buderus knew, that the battle was over. Serenissimus' religious preferences were not as extreme as all that. When it came to losing six thousand florins he was as open-minded as any French revolutionist. So he threw over Bethmann and the rest of them without much further ado. On the following day, amid mutual expressions of esteem and regret, peace was signed.

III

Returning home to Hanau—he had moved his head-quarters to the little old capital, so as to be more accessible to his Frankfort associates and less in the way of the French usurpers at Cassel—Buderus went methodically to work to consolidate his victory. The Bethmanns were out. Lennep, as might have been expected, had during the summer eliminated himself by making a fiasco of the commission entrusted to him at Rendsburg. The man was not a financier to start with. In addition, he had had the ill-luck to lose a parcel of his master's bonds, which he insinuated certain Jews, including the Rothschilds, had stolen from him. Lastly, he had attempted to execute that commission without saying a word about it to Buderus; and that misstep had only given the latter the needed opening to crush him. That had done for him and for his patrons Rueppell & Harnier. The Cassel Jews need not worry anybody. They had no channels worth mentioning

to Serenity's ear. They could be brushed aside without ceremony. So, competition all but wiped out, the Rothschilds had a clear field. The question now was, What were they going to do with their monopoly? No, even before that, the immediate problem was to see that they held it.

Buderus had from the beginning given much thought to that aspect of the situation. The Prince's flight, he perceived, was the greatest opportunity of his career and of his friends'. It not only made him all-powerful, so that he could put business into their hands to an extent which would have been out of the question in normal times; it enabled him and them to render services to the wealthy ruler in his hour of trouble and so to win his favor and gratitude, just when everyone was being cool to him. Before all else, then, there must be the strictest honesty and punctuality in money matters; everything they were entrusted with must be promptly and fully accounted for; he must never lose a penny through any fault of theirs. If losses occurred, they must suffer them themselves—and make them up in ways less obvious. But that was not enough. They must play the courtiers, wait on him and coddle him and cater to him in every way possible, regardless of time, effort or expense. They would find it worth their while. Highness loved flattery and attention; he was used to it and expected it; he would love it all the more now.

The keen young men knew wisdom when they heard it. It needed no urging from Buderus to tell them that this policy would be its own reward. All they required of him was a bit of prompting now and then as to the surest way to please the man he knew so well. When they opened their places in Hamburg that summer, they made the

most of their nearness to Denmark to lend a hand with the transporting of the exile's treasures. One or two of the precious boxes were obligingly taken care of at their Hamburg premises till they could be safely moved further. A number of the coffers and parcels were relayed through them to Lawaetz, who saw them to their destination in Gottorp, Rendsburg, Itzehoe and subsequently in Prague. From their home base in Frankfort they disbursed the salaries of Hessian agents, soldiers and others in the former ruler's pay, sometimes deducting the outlay from Buderus's deposits, often uncomplainingly advancing the money out of their own pockets. Loans undertaken by William just before his banishment and partly liquidated but now threatening to turn bad, were taken over by them, further payments stopped if necessary, and the irate borrowers faced. No charge was made for any of these ticklish services. They were the unselfish Rothschilds' contributions to the comfort and peace of mind of their noble patron in his misfortune. Buderus had hardly overstated the case when he had told his master that without their support he would be helpless.

Buderus, however, did not intend to recline on his laurels. His victory at Itzehoe was a justification of his good counsel. So far, so good. But he knew his Prince too well to assume that any understanding with him was final. There would be other fusses no doubt, as the Rothschild-Buderus program went on toward its fulfilment. Serenity was not likely to submit to the very next step without a struggle. The competitors, temporarily routed, were bound to reshape their lines and attack again. This was little more than a breathing spell. It was the part of prudence to utilize it in preparation for future trouble.

The votive offerings to Highness must not only continue, they must be increased.

Waiting on William became henceforth a regular feature of the concern's business. To facilitate the work—and also to escape the excessive curiosity of the Napoleonic police—the Rothschilds bought a coach of their own. In it one member or another of the family was constantly journeying between Frankfort and the cities of refuge. Kalmann, the least gifted of the five brothers, who was by now a young man of nineteen, did most of the traveling. The eldest, Amschel, often remained within call for months on end, buying and selling and running errands for the Prince and the Countess von Schlotheim, advising him on money matters, bringing him news of home, of political events, of the activities of the French in Hesse—performing in short the combined functions of an ambassador, a personal manager, a secret agent and a courier. When William migrated to Prague the next year, it was the Rothschilds who helped dispose of the house at Itzehoe and secured for him the Zatory farm near the Bohemian capital. Their carriage was equipped with a secret compartment, in which reports from the Hessian regency council, bundles of securities and other bulky articles could be conveyed. Ordinary mail was concealed on the messengers' person.

The personal ties with the Prince were knitted closer in other ways as well. Occasionally old Meyer, as the titular head of the concern, wrote the exile a cheer-up letter, assuring him of his loyalty "to the last drop of my blood," advising him not to take too high and mighty a line with the conqueror, volunteering to interpose on his behalf with the Empress Josephine on her expected visit

to Frankfort, and to use his influence with Governor General Lagrange by way of conserving the ex-ruler's property. The aged merchant knew, of course, that he was promising more than he could perform; but Buderus believed there was no harm in being hopeful. It would keep his master in good humor toward the firm; he rather liked feeling that people were exerting themselves in his interests, even if their efforts came to nothing. And it so happened that the Rothschilds did in fact play no small part afterwards in easing the rigors of the occupation for the Elector and his faithful. For that thanks to the interesting comradeship which grew up between a Catholic archbishop and the Jewish merchant family. Of the good prelate, more anon.

Just what use, however, all these ministrations were, is problematical. For the fact is that the peace made at Itzehoe did not last. Of course, renewed friction might have come sooner and gone further, had the Rothschilds been less thoughtful. There is no knowing. The Serene William was a difficult man, without a doubt. Hopelessly mistrustful certain people—Buderus, for instance—found him. He may have been. And then again, it is possible he was merely taking bankers' helpfulness and unselfishness at a discount. He had a shrewd and cynical streak in him. However all this might be, it was not many months after September 1807 that his suspicions woke again and the tension between Prince and Director quickly rose to the breaking point. And for this there appeared to be grounds.

Years and years ago it had become an established rule that Buderus render each month an account of his transactions. Upon William's precipitate exit there had followed such confusion, however, that Buderus was compelled to

depart from custom. This was one of the agenda, it would seem, at the Itzehoe conference. With a reduced staff, with the French police watching his every step, with the administration divided between Hesse and Denmark, with the mails in chaos and less safe than ever, Buderus argued that in the interests of prudence, if for no other reason, he should be permitted to lump the entire year 1807 in a single report. Highness, surprisingly, agreed. He had his reasonable moments, at intervals. He realized what difficulties his man was working under, and he was not disposed to add to them. But he assumed that as soon as the year was over the report would promptly follow. When, therefore, 1808 came round and month succeeded month without a scrap of an accounting reaching him, he was first surprised, then annoyed and finally indignant. He urged, he pleaded, he became dangerous and threatened, he resorted to reprisals; the report did not come. It never did come till October of 1810, and then it was so tangled-up as to be unintelligible to the auditors. Thereupon William ordered Buderus to present himself at Prague and explain it. Buderus refused, and William made unprincely insinuations and held up the clearances on all the other accounts. In retaliation Buderus threatened not to dip another pen in ink till his reports were duly and formally acknowledged. So menaced, Serenissimus mended his manners and assured Herr von Carlshausen of his complete confidence. Only why not come to Prague? Now Buderus's tone also softened: He would be glad to take the trip, as soon as the political situation permitted. But alas! Napoleon continued to make war. And so the report for the year 1807 remained undeciphered till that triumphant day when, following the Battle of Leipzig, the Elector was

carried into Cassel upon the shoulders of his jubilant subjects. Some of the clearances were still to be signed while the Emperor Napoleon was on his way to St. Helena.

There is no overwhelming reason for doubting Buderus's sincerity in this whole affair. There are only some remarkable coincidences. In the summer of 1808 when his master was becoming unpleasant, Buderus defended his delays quite convincingly. He must, he said, do every bit of writing and figuring with his own hands, attend to an enormous correspondence which in these times required the most painstaking care both in wording and posting, go on numerous journeys, carry on complicated negotiations with all sorts of people—and all this in the strictest secrecy. Besides:

"It is surely most graciously known that my papers are hidden away, so that I could not (even if I had the time) possibly work at my accounts. I trust I shall soon be able to fetch them again, and then by taking extra time at night I shall try to relieve Your Electoral Serenity of uneasiness on this score, and prove that I have not a single penny of Your Highest Self's money in my hands."

Could anything be more straightforward? And yet—

Napoleon had no sooner seized Hesse than he went vigorously to work to collect the deposed ruler's loans. In those three and a half years between the spring of 1807 and the autumn of 1810, while William was waiting for his Director's accounting, repeated and ever-increasing inducements were offered the debtors to pay up what they owed to the imperial treasury. Concurrently the exiled Elector took steps, through Buderus, to have his money returned to himself. A large number of the borrowers settled with the usurper; many others preferred to redeem

their bonds from the rightful lender. In some cases Buderus collected the sums in full, in others he must meet the terms offered by the French. Of all these complex transactions no accounting was rendered till three years later.

Interesting to note also is the fact that between 1807 and 1810 the contraband exported by Nathan Rothschild from England went on continually mounting. The biggest month was July 1810. By October of the same year Nathan had found more interesting ways to invest the Elector's funds, as well as other and larger ways of access to them.

Still it is not impossible that the two sets of occurrences have nothing to do with one another. The coincidences may be purely fortuitous.

CHAPTER V

POLICE!

THE French seizure of their country was accepted with resignation neither by the populace nor by its banished ruler. The Hessians were not exactly devoted to their miserly prince, but they loved the foreign usurper even less. Such is the curious sentiment of race. Napoleon and his royal brother Jerome and their lieutenants were no indulgent masters, it is true. They squeezed the last sou out of their German subjects, and carried the money out of the country, and in general conducted themselves as the victors in conquered territory always do. But the rightful and hereditary William and his predecessors, who had been governing Hesse for five centuries, had done precisely those things. The French made no abstruse distinction between public funds and the private purse of the chief of state, and governed by edict without so much as pretending to consult the pleasure of the governed, and when they wanted men for war, as they constantly did, they recruited every able-bodied male they could get their hands on and marched him off to wherever he was most needed, irrespective of his religious convictions on the subject. But it was by just such ideals of statecraft that the Landgraves had made William the richest money-lender that had ever sat on a throne. Nevertheless, the Hessians believed they could see a difference, and strenuously objected to the change. They addressed petitions to the Em-

peror for the restoration of their legitimate Prince, vowing that they had always been "completely happy under his rule;" and these being roughly dismissed, they took secret and solemn oaths to drive the foreigner out by force.

William's preference for the old régime is somewhat easier to understand. It was also rather more fervent and enduring. To exchange his lonely exile for dear, familiar scenes, the dethroned Elector shied at no weapon and scorned no ally. He prayed to heaven, to his subjects, to his supplanter. The most transparent charlatan could get money out of him by promising to use his influence at the Tuileries. Half a dozen such obliging diplomats were at one time exerting themselves in the cause. Simultaneously William, from his refuge, bombarded his accredited envoys at all the capitals, his poor wife, his daughter the Duchess of Gotha, the Austrian Emperor and no end of other people, likely and unlikely, to plead for him with Napoleon and to assure him of his loyalty and devotion. But as Napoleon had other plans in mind for Hesse, as he was, besides, more keenly interested in William's well-known millions than in his slightly tainted allegiance, and knew he could have only one or the other, he went after the cash and let the assurances go; so that nothing but snubs came of all these far-flung endeavors. The anxious Prince, for his part, was not quite so hopeful as to put all his wine in one vessel; wherefore, whilst his go-betweens were busy in Paris and elsewhere, he joined the various German liberation movements, went regularly to church so as to induce the Almighty to bless the hand of Napoleon's would-be assassins, and encouraged his agents at home to foment revolts which he undertook to subsidize, "in the event that they achieved their purpose."

It goes without saying that the imperial deputies and officials in Cassel, Hanau and Frankfort had more than an inkling of these latter enterprises, and kept a watchful eye open on all and sundry who still maintained contact, direct or indirect, with the absent monarch. And thus it came about that when the French, some two months after the occupation, upon ordering the Hessian military to don the imperial uniform and make themselves ready for service in Spain and upon being met with rebellious shouts of "Death to the invaders!" proceeded to ferret out the ringleaders and accessories of the plot, some good friend whispered to them that if they would go around to Number 148 Judengasse, to a house called "Zum gruenen Schild" but at present occupied by a family named Rothschild, they would probably find what they were looking for and maybe something more for good measure.

As a matter of fact, the information turned out to be mistaken. That is to say, the police did not find what they were looking for. They found, instead, a Jewish family of the middle class, consisting of an elderly pair, several daughters with their husbands, one or more married sons with their wives, and one or two unmarried younger members. The group was obviously worried and frightened; but, upon being questioned, gave what appeared to be a good account of themselves. They denied all knowledge of the soldiers' uprising and of the exiled ruler's affairs. They promptly, even cheerfully, produced their books when asked for them; and an examination of these seemed to prove that the family had told the truth. Not a trace of any dealings with the Prince or his agents could be found in them.

And that, for immediate purposes, was the end of the


AMSCHEL
VON ROTHSCHILD

first encounter of the Rothschilds with the Napoleonic authorities. All in all, it was the family's inning. They had had a scare, it is true; but even that was not an unmixed evil: it gave them confidence for future searches, if there should be any. Their skilful conduct throughout was, moreover, likely to avert suspicion later on. Most important of all, they had not slipped up on a thing. The police seemed to have gone away no wiser than they had come. His Serene Highness would be delighted when he heard that; it should strengthen his belief in their ability, their discreetness, their loyalty. He should hear of it, of course, at the first opportunity. The good Director Buderus must see to it.

This was in the summer of 1807. A month or so later, as might be recalled, Buderus was facing his master at Itzehoe. In defense of the Rothschilds and of his close relations with them, he did surely enough cite the incident with the French at Frankfort. It was one of the things that impressed the Prince and ended the discussion.

But the Napoleonic police, as it turned out, took a lot more convincing than that.

II

It would have been little short of a miracle if the curiosity of the occupation authorities had been appeased by that initial visit. Their failure on that occasion to connect the house with the Elector's plots had been disappointing, but it did not allay their doubts. They drew from it the simple enough conclusion—the firm was keeping a double set of books. It was an irritating device; however, there was no help for it; the merchants would use it, to es-

cape taxes and cover up doubtful transactions. The Jewish family's resort to it was anything but reassuring; it only indicated that there were aspects of their business which they wanted to keep dark. The house of the Green Shield with its dependencies on the Schnurgasse, the Kurtrierplatz and elsewhere would bear watching.

Exactly what those very busy young men were up to remained, for the time being, to be found out. Nor did it look as if it were going to be easy, even afterwards, to bring them to book. They were about as keen and tough and slippery and uncommunicative a lot as any police officer in His Majesty's service would care to meet. For all that, no amount of shrewdness could possibly keep their hand concealed forever. They were much too active, their enterprises were too varied and numerous, for that.

There was, to begin with, the refugee Prince with his millions. An undetermined but certainly a huge part of his fortune was known to have been left behind, in the form of outstanding local loans, in securities of every sort, in jewelry, silver and what not. Gossip had it that this entire treasure had on the night of the flight been rushed to the Rothschild premises and that it still remained in their care. However that might be, a lively commerce between him and them was obviously going on. For the longest time every one in Frankfort had been suspecting that Buderus von Carlshausen was on a certain footing of intimacy with the Jewish merchant family. After October 1, 1807, that suspicion had turned into fact. This Buderus was by common knowledge the man whom the exiled William had left in charge of his financial affairs. It was clearly his job to rescue his master's loans from the imperial grasp, to gather up the tangible property and get

it across the frontier to its owner, and in other ways to look after the ex-ruler's pecuniary interests. But Buderus was keeping mouse-quiet at Hanau and on his little country estate of Carlshausen nearby, while his associates the Rothschilds were working like beavers and their carriage was uninterruptedly on the road. It was as simple as two and two: The young bankers were the link between the flown Elector and his man on the ground.

That was one thing. Then there was another. William, as the police had long ago found out, had left behind him in Cassel a secret ministry, or regency council, to represent his political interests. It was they who directed the agents and conspirators in Hesse, who kept the communications open with the League of Virtue and other German liberation societies, who watched over the disbanded army chiefs and their subordinates, and who inspired the petitions and the popular patriotic fervor. The council, the agents, the old officers and soldiers must live. Their master, through orders on Buderus, saw that they did not starve. And the Rothschilds were Buderus's bankers.

Then, again, there was the Continental Blockade, which prohibited trading with Napoleon's arch enemy, England. The Rothschilds not only had a shop in which English cotton and English colonial wares, such as coffee and tea and indigo, were sold; one of their number was residing and doing business in London; his father and brothers on this side of the Channel kept in touch with him regularly both from Frankfort and from a branch office which they had latterly opened at the port of Hamburg. This absent member seemed in effect to be one of the firm, its representative in the enemy capital. And meantime the blockade was being patently violated by somebody; for

the Continent, notably Frankfort, was filling up with contraband. It looked rather as if the concern might be having a hand in the smuggling trade.

In sum, even without anything unusual happening, the sheer complexion of the Rothschild affairs and contacts had a suspicious color. In disturbed times like these, when extraordinary events were crowding one another off the calendar, when even the most peaceful citizen of an occupied country had all he could do to keep off the police blotters, a great firm on the make such as the House of Rothschild could hardly expect to escape attention. That first little episode in the summer of 1807 was nothing but a prelude. Between that year and 1811 no fewer than five actions were taken, four of them in their raids on the premises or summonses to headquarters. The French authorities had scented blood and meant to trail the quarry to its lair.

To make it easier for them, there were the coreligionists of the Rothschilds, to whom the progress of the brothers was not an agreeable sight.

III

On the 7th of July, 1807, Napoleon and the Tsar of Russia signed at Tilsit a treaty of peace and friendship, whereby the two emperors agreed to divide Europe between them. Five days later the Electorate of Hesse along with some other fragments of the Confederation of the Rhine was transformed into the Kingdom of Westphalia. At Cassel preparations were at once begun for the entry of the new monarch into his new capital. Two weeks before Christmas Jerome Napoleon I ascended the throne amid the cheers of his loyal Hessian subjects.

Governor General Lagrange, who had hitherto ruled the province in the name of the Emperor, and who had proved so obliging in the matter of dispatching Prince William's coffers out of the country, became Minister of War in the royal cabinet. He had hardly taken office, however, when rumors of the unkindest and most disquieting sort began reaching the palace on the Wilhelmshoehe. If they were to be believed, Lagrange had as Governor General not performed his duty as faithfully as could have been wished. Thus, among other things, he had confiscated eleven million thalers of the Elector's money, which had been duly delivered to the imperial exchequer in Paris. This he had reported to be the sum total of the former ruler's fortune still within reach. It now appeared, however, that at least an equal amount, consisting of negotiable securities and other things of value, had somehow slipped through the lines into the hands of their outlawed owner; that, in addition, a great assortment of loans to princes, merchants and others of the vicinity had by the General's indulgence been permitted to be repaid to the original lender, instead of being collected for His Majesty in accordance with the Decree of St. Cloud and other decrees; that a not inconsiderable number of such loans were still outstanding; and that, lastly, the grateful ex-Elector had rewarded the amiable Lagrange with a little gift of one million francs, besides gallantly presenting a memento to Madame Lagrange in the form of a necklace valued at 30,000 francs.

In view of these rumors, which inquiry showed to be not unfounded, it became the painful duty of King Jerome Napoleon I to offer the portfolio of War to some incumbent of sterner composition and to banish the good

Lagrange from his royal presence. It seeming improbable, moreover, that the negotiations between the refugee Elector and the late Governor General had been conducted without intermediaries on the ground, or that their execution had been effected without the aid of subordinate French officials, the inquiry was widened with a view to discovering such possible accessories. The trail led, on the French side, to certain of the former Governor's immediate aides, and, on the Serene William's, to Buderus, his preferred bankers and one or two others. Lagrange's dismissal occurred in January 1808, only a few weeks after Jerome's arrival in Cassel; the supplementary investigation lasted till mid-summer of the same year.

The upshot of it all was that Buderus as well as his old rival Lennep was arrested and taken under guard to Mayence. Buderus freely admitted his continued loyalty to his banished master and his concern with the latter's affairs, but no amount of grilling or threats would produce anything more. He was, he insisted, merely His Highness's bookkeeper and factotum; there was nothing illegal about that. Yes, he was sending reports and balance sheets and that sort of thing by post to Denmark, to his employer's present address. If the authorities had anything against his doing so, he would, of course, have to stop. No, the police were quite willing to have him continue. Only he must submit all papers, before posting them, to His Majesty's servants. With this warning, suggestive of future interviews, both men were allowed to go.

The Rothschilds' turn had come earlier. Old Meyer being ill in bed, Salomon responded to the summons by

appearing at the court house in Frankfort. He entered a sweeping denial, of course; his firm, he declared, had had nothing to do with the Lagrange bribery episode. It happened to be quite true. That entire affair had been handled by William's political representatives, not by his financial agent. The secret regency council had seen the Governor General, had come to an understanding with him as to terms, and had then merely asked Buderus to provide the wherewithal. Partly because Highness was just then in bad humor with the Rothschilds—it was the time of the Bethmann and Rueppell & Harnier insinuations—and partly because the Jewish bankers were likely to arouse jealousy in mercantile circles and suspicion in official quarters, the Prince's ministers directed that the payments be made through a concern of their own choosing. The Rothschilds' hands were thus clean. Salomon, however, could not deny that certain correspondence from Holstein reached Buderus through his address; and upon being ordered to deliver the same to police headquarters in future, he was excused.

No more enlightening was the examination of Bansa & Son, bankers, the concern above alluded to. They, too, entered a general denial, they likewise cheerfully submitted their records, and these, equally with the Rothschilds', contained not a solitary mention of Governor General Lagrange. The Frankfort schools of business taught double-entry bookkeeping as a regular part of the curriculum, clearly.

The Royal Westphalian police were sure they were on the right trail. Their failure to bag their game baffled them. Their doubts increased, and so did their vigilance.

IV

The erection of a kingdom upon the ruins of his beloved Electorate, the Majesty whereof adorned not himself but the son of a Corsican lawyer, was a cruel blow to William. "Most terrible of all days!" he moaned in his journal. "I am deposed. Hesse, my dear Hesse, knocked down to the Kingdom of Westphalia. . . . My house has reigned uninterruptedly for 542 years, since Henry the Child, through twenty-one rulers, attained with me its highest peak, and now has totally ceased to be! O God, give me strength to bear this misfortune as thou wouldst have me, without whimpering."

The prayer must have been granted; for though he never ceased complaining, his courage did return after a time. The wretched fiasco in which the Christmas soldiers' rebellion had ended had not disheartened him. It had on the contrary given him much hope. For the lesson which he drew from it was, not that the usurper was invincible, but that his people were ready to die for their Prince. Logically, therefore, he buckled on his saber for fresh efforts. How very much in earnest he now was may be judged from the fact he no longer insisted on bartering Hessian troops for English subsidies (as he had obstinately done before his flight) but volunteered to put an army corps of four thousand men into the field at his own expense, as his contribution to the anti-French war then brewing, and even to help with money in the ambitious plans for a general revolt in Northern Germany which were being fostered by the Prussian minister Von Stein. The corps, to be sure, subsequently shrank to thirteen hundred men and not quite three hundred horses; but he

did design the uniforms himself, and anyhow it was nobody's fault that recruiting was so slow.

The whole adventure misfired, unfortunately. A letter of Von Stein's dealing with the projected war and uprisings fell into the hands of the French, and this caused Napoleon to demand that the Prussian king dismiss and banish his minister. In April (1809) the Austrians were beaten at Eckmuehl, by way of a prelude to the crushing defeat at Wagram. On the same day French artillery scattered the premature rebellion of the under-armed and badly-led Hessian peasantry.

As might have been expected, the royal police at Cassel once again determined to hunt down the financial agents of the plot. Poor Lennep was at once taken into custody, and locked up in the fortress at Mayence where for weeks he was treated like a common criminal. Then, on the 9th of May, a detachment of soldiers commanded by a police officer showed up at Buderus's home in Hanau with a warrant for his arrest. Buderus happened to be with his family at his country place in Carlshausen that day. A sister of his was alone in the town house. Pointing a gun at her head, the officer demanded to know where her brother was hiding. After much rough-handling of the lady, breaking open of desk-drawers and rummaging through files, they were persuaded to leave. They then proceeded to Carlshausen, seized what papers they could find, and marched Buderus as their prisoner back to Hanau. There he was severely grilled for two days and finally released under bail.

The Rothschilds came off rather easier. Residing in Frankfort, they were not within the jurisdiction of Jerome's kingdom. To be sure, Frankfort was, like Hesse,

part of Napoleon's empire; it was, however, a separate unit, and was governed by a gentleman of quite another stripe. Archbishop Carl von Dalberg, sometime Elector of Mayence, had found favor in the imperial sight by doing the preliminary diplomatic work in the formation of the Confederation of the Rhine. A good Teuton, an easy-going, kindly man, an ambitious prelate, he was convinced that Napoleon was destined to do infinitely more for the advancement of German unity than all the petty, selfish, mutually distrusting native princelings. For his services the Emperor appointed him primate of the Confederation, and assigned him the City of Frankfort as his more or less sovereign domain. His bailiwick was left intact even after the anointed Jerome entered his kingdom. In 1810 Napoleon named him Grand Duke of Frankfort and gave him Hanau for his capital.

Thus the Rothschilds, though in fact subjects of imperial France, came directly under the allegiance of Archbishop Dalberg; and he and they were the best of friends. The Jewish firm had from the beginning made a point of cultivating the good prelate. His cloth notwithstanding, he was a man of the most liberal views; also, he was ambitious and hard up. The bankers, on the other hand, had ample funds, and their affairs just then were of such a nature that influence in high quarters was desirable at any cost. As time was to prove, Dalberg's friendship was decisive in at least one crisis in the family's history.

It surely was a life-saver in the spring of 1809.

Having disposed of Lennep and Buderus, the Westphalian Commissioner of Police, Savagner, gave his attention to the Jewish banking house. He made up his

mind, now once and for all, to finish with those bright young men. He had had enough of idle hearings and farcical examinations of their dummy books. He wanted the lot of them jailed. He wanted them jailed, and he wanted their places, all of them, thoroughly ransacked. Evidence that they had played any part in the recent revolt was, to be sure, lacking. No matter. It was manifest to everyone that they had their hands in a dozen unlawful operations. Well, this was the time to bring them to book. The late uprising was merely the needed pretext.

But Dalberg, it appeared, was of another mind. He was sorry to seem unobliging to a friendly neighbor state; but really he could not have his subjects annoyed, let alone imprisoned, on mere suspicion. He refused the warrants, therefore, for which Savagner asked. He did something more: he quietly let the Rothschilds know that trouble was brewing for them, and that though he was doing his best, he might be unable to avert it altogether. With this timely warning, the energetic young people set about preparing for the worst. The boxes of documents belonging to the Prince were during the night hauled out of their hiding place in the house cellar and laboriously transferred through a subterranean passage to the long-disused space underneath the court which in times gone by had served the dwellers of the Judengasse as a refuge from rioting mobs. Papers of their own which were likely to arouse embarrassing attention were similarly disposed of. The merchandise, which just at this time came in especially large shipments from certain countries unapproved of by the French, it was, of course, impossible to whisk out of sight. The most one could do was to re-

move tell-tale wrappers and tags. That done, the family carefully rehearsed the threatened interview, and sat down to pray for more power to the Archbishop's elbow.

Events showed the wisdom of these preparations. In the next day or two the good Dalberg was rather forcibly reminded that there were limits to his sovereignty. Pressure exerted from Cassel via the imperial envoy at Frankfort could not be ignored. A point had, therefore, to be yielded. Of the arrest of the bankers Dalberg still would not hear. With no more evidence than Savagner had to offer, it would be unconstitutional and outrageous. However, if the Westphalian authorities really believed it would be of any use to them, why, of course, they could have a search warrant. But propriety and due respect for the sovereign dignity of Frankfort demanded that an officer of the city state assist at the proceedings. He must insist on that, naturally.

So Dalberg's man assisted, and did what he could as public defender. None the less, the visit was by no means an empty formality. The search, begun at the house on the Judengasse, was carried into the merchants' dependencies in town. Old Meyer, though again ill in bed, was questioned and cross-questioned most thoroughly, and so was Guetele, his wife, their daughter Jettchen, who was in charge of the cash box, two sons—the others being on the road—and their wives. Perfunctorily, too, the visitors glanced at the books. They had learned by this time how little they must expect from that source.

A certain directness and self-assurance marked the authorities' conduct of the personal examinations. The questions had not only been written out in advance; they seemed to be based on information of a peculiarly inti-

mate nature, as if someone on the inside of William's affairs had had a hand in their preparation. It disconcerted the family not a little.

Old Meyer especially was upset by this unexpected development. The apparent omniscience of the police played havoc with his poise. A sudden question brought from him the admission that Buderus had earlier in the year deposited twenty thousand florins with the firm. It had been drawn out again, however, by checks payable to a number of persons. Who these persons were, he could not remember, nor anything about them. He was an ailing aged man, and his memory was not what it used to be. Could he at least explain how it was that the transactions had not been entered in the books? Yes, he could do that. The whole matter was in the nature of a friendly personal service, and Buderus invariably made good each disbursement; thus the account remained constant and did not have to be kept track of. Thereupon his inquisitor pounced on him. That being the case, Savagner demanded, was it not true that the bank still owed the ex-Prince's man the full twenty thousand florins? The confused old man conceding that it must be so, was commanded to hand the sum over to the imperial treasury, in accordance with the Edict of St. Cloud.

This, after all the warnings and rehearsals, was a sad slip. It hit Buderus particularly hard. Here he had been harping for three years on the discreetness and self-sacrifice of the Rothschilds, and now he must report that! He would have to do a deal of explaining, and stress the far greater losses which the faithful bankers had prevented.

The unerring intelligence that guided Savagner's men

in the questioning seemed also to inspire their search through the buildings. To the riot cellar, where William's boxes lay interred, they miraculously did not penetrate. But the way they hustled through the stores of merchandise and eyed each piece of English stuff betrayed a remarkable expertness. With every identifying mark removed, they could naturally do no more than think things. But their discoveries and the Rothschilds' halting explanations forebode trouble in the future. It came the following year, and hit many other people besides the Rothschilds.

Meantime it transpired by whose hand the police had been so ably directed on this occasion—as well as on some previous ones no doubt. The questionnaire had actually been prepared and the constables coached by one of the Rothschilds' old friends among the Jews of Cassel. The little group of merchants in the Hessian capital had never forgiven their Frankfort rivals for grabbing off Herr Buderus and his flesh-pots. When they saw, however, such powerful houses as the Bethmanns' going down in defeat before them, they abandoned all hope of redress through appeals to Highness direct, and adopted the purely negative tactics of trying to injure the upstart concern through the new régime. They were aware, of course, that by so doing they would strike quite as much at Buderus's master as at his Jewish associates. They did not mind taking that risk. They were, to begin with, half-convinced that the Electorate would never be restored, not at least in William's lifetime. The Bonapartes were growing stronger every day, and the exiled Prince was a gouty old reprobate. Besides, the more of his money fell into the hands of his conquerors, the less would there

be for the Rothschilds to play with. Lastly, though they were careful not to come out into the open, they rather felt that a bit of quiet intimidation would have the desired effect on the faint-hearted refugee.

A gentleman named Levi was especially active in the pursuit of this policy. Son of a merchant with whom old Meyer had clashed years ago, married to a daughter of Michel Simon (later M. S. Meylert), one of the leading bankers in Cassel, and associated with the latter's firm, he had good cause for viewing the rise of these once negligible competitors of both his houses with ill-feeling. With his knowledge of the Elector's affairs, his wide acquaintance in the Jewish community of Frankfort, and his former dealings with the Rothschilds themselves, he was in a first-rate position to help the police where the bright young brothers were concerned. He was a little too confident, however, this time; and his part in the proceedings, thanks to Archbishop Dalberg's good offices, became known. It helped Buderus to eliminate the house of Michel Simon from the Princely finances for good and all. Moreover, as this raid on the Rothschild premises led to much unpleasantness for other merchants in due time, Levi succeeded in bringing upon himself the execration of the Frankfort business community as well. It taught him to coöperate with the French authorities more cautiously in future.

V

The customs authorities in Paris had been aware all along that a lively trade in contraband was going on across the Channel and the North Sea. Some of Napoleon's ad-

visers had for some time, therefore, been in favor of modifying the Edict of Berlin. The blockade, obviously, did not prevent Britain from selling her own and her colonies' products on the Continent; it merely robbed the imperial treasury of much needed revenue. Would it not then be wiser to open the coasts to a limited list of articles, tax them heavily, and use the money to tighten the restrictions on the rest? The Emperor, being a soldier, not an economist, was not moved by this logic. He was determined to strangle the "nation of shopkeepers;" besides, though there was doubtless considerable smuggling, the extent of it was, he thought, much exaggerated.

The police news from Frankfort, however, in the summer of 1809, obliged him to change his views. It was not so much that the premises of a particular merchant family named Rothschild had been found to be crammed with goods of suspicious origin. It was the inescapable conclusion to be drawn from that accidental discovery that was disquieting. Frankfort was a great, bustling commercial center. People of all kinds were getting rich there every day. Never in all its history had it been as prosperous as in these last two years since the Continental Blockade. Was it not evident that others besides the Rothschilds were engaged in the forbidden trade? And Frankfort was only one town.

It was many months before this reasoning could reach the Tuileries. Napoleon was that year divorcing Josephine and marrying Marie-Louise, as well as winning fresh victories on the battlefield. In August of 1810, however, he took action. The Edict of Trianon, dated that month, left the restrictions on British manufactured goods unchanged,

but declared colonial products admissible under duties averaging about forty-five per cent. At the same time a secret agent named Thiard was sent up to Frankfort to see whether the suspicions about its merchants were justified. Early in October Thiard sent in his report. Its nature was such that Napoleon immediately framed a new decree especially addressed to the affairs of that city. It charged that Frankfort was full of contraband and ordered the unlawful goods seized. Though the document was at once communicated to the authorities there, it was not to be published for several days, lest the smugglers take warning. On the 30th two regiments of infantry marched into the city and began a general raid on shops and warehouses. No fewer than two hundred and thirty-four merchants were caught unawares. Several millions in taxes on colonial goods were collected by the French, and a quantity of English manufactured goods was seized and publicly burned. By a lucky stroke, however, the Rothschild stocks were just on that day all but depleted of contraband. Though Nathan had only some weeks earlier sent over from London his largest shipments, the raiders found no English goods whatever and a mere trifle in indigo and some kindred substances. On these they willingly paid the demanded imposts.

It is a fact, however, that from this time forth the smuggling of goods ceased to be a part of the firm's commerce. Whether this was because they had tired of being eyed with suspicion, or because the blockade was too efficiently maintained, or because they found some new outlet for their energies, remains to be seen.

Certain it is that the authorities, aided as usual by

jealous people in Cassel and Frankfort, continued to burden the house with its attentions. Indeed, the most irksome display of French mistrustfulness toward the family was not to occur till a year later. But of that in its place.

CHAPTER VI

THANK GOD FOR NAPOLEON

YEARS later—it was in 1834, to be precise—Nathan Rothschild told friends at a dinner party in London how he had got his start. He said, among other things:

"The Prince of Hesse-Cassel gave my father his money; there was no time to lose; he sent it to me. I had £600,000 arrive unexpectedly by post; and I put it to such good use that the Prince made me a present of all his wine and linen."

This bit of reminiscence has had a curious destiny. The many authors who have since written about the history of the family have treated it either as literal truth or as an out-and-out invention. It is really neither. It is simply fact, slightly embroidered. Nathan did receive £600,000 of the Prince's money—and a little bit over—and he did put it to excellent use. Only it came to him neither unexpectedly nor in a lump. Whether the Prince was so grateful for the *way* Nathan used it as to make him a present of anything, appears more than doubtful. Several barrels of wine from the palace cellars were during the exile actually stored with the Rothschilds, but His Highness not only asked them back on his return but was rather horrid about it. Of linen the records say nothing at all.

The plain truth of the matter is that Nathan begged and schemed for that money, and left no stone unturned to get it, for all of two years; that it was two years more

before he got anything like the entire amount; that, though he invested it so skilfully as to make the fame and fortune of his whole family, the Prince was so little pleased with the relationship that he threatened to withdraw from it altogether; and lastly, that while William lost little money by the transaction, he worried and fretted himself almost into the grave over it, and had to wait years before Rothschild even began to give him the accounting he demanded.

As far back as the spring of 1807 Nathan had begun casting covetous glances at the more substantial reserves of the Elector's fortune. William, as he knew, had many years before invested some half a million sterling in the British "Funds" or Consols. He knew it, because his father had away back in the 'eighties begun discounting the London dividend checks for the Prince, and because he himself was now collecting those same remittances for him through the London bank of Van Notten & Company. It occurred to him that perhaps the surest way to get access to those reserves would be to have his brothers persuade Buderus to induce Serenity to put through him, say, an equal sum into the same securities. There could not be a safer investment than Consols, and there could not be a better time to buy them than right now. What was more to the point, Nathan needed the money in the worst way. In London, where he had now been for three years, he saw men not half as clever as himself making fortunes every day on the bullion market, in the cotton trade, in war supplies, in stock exchange operations and what not. He could do as much and more; but his hands were tied for lack of capital. What, he asked, his brothers,

was the good of having Buderus in the firm if he could not do a little thing like that?

But the cautious Buderus, on being approached, counseled patience. Therefore Nathan was obliged to see what he could accomplish through other channels. In London was the Elector's chargé d'affaires Lorentz. Nathan secured an introduction to him; and so ably did he present the case for Consols and Rothschilds that the diplomat was won over, at least to the extent of conveying the idea to his sovereign. Unhappily, the démarche proved worse than useless. Nathan was no doubt right in thinking 1807 a good time to invest in the "Funds;" but he overlooked the fact that it was equally the worst possible time for any Rothschild to approach Highness with any proposition whatever. For it happened to be the inauspicious month of August, when the Frankfort rivals of the family were bombarding Itzehoe with rumors and insinuations, and when Serenissimus was peremptorily summoning Buderus to explain what in heaven's name he meant by being so thick with those unspeakable people of the Judengasse. So the upshot of Nathan's efforts was that William, replying to Lorentz, wrote that should that fellow again dare inquire about All-Highest's affairs he was to be unceremoniously shown the door. "For it is the farthest thing from My intentions to have any dealings with him."

Almost immediately after this cold rebuff, however, the prospect brightened. The very next month, as will be recalled, Buderus did journey to Itzehoe and succeeded in calming his master's fears. The effect of that reassurance was—not, indeed, to evoke the hoped-for half million sterling—but at least to dispose the Prince favorably toward the firm in case he should some day decide to put

more money into Consols. Hardly had that preliminary been disposed of than along came Napoleon to attend to the rest. In the ensuing fifteen months or eighteen, political and military events so shaped themselves as to destroy virtually every other investment market for the Prince's millions and to leave him scarcely any other choice.

II

The years 1806–08 were a period of uninterrupted catastrophe for the Electoral finances. One after another Prussia, Denmark, Austria, Russia—all the smiling lands where he had for long years been reaping such rich harvests—became submerged. The Bonaparte inundation gradually spread over and engulfed them. Some were conquered outright, others succumbed to alliances with the usurper, the rest were driven into bankruptcy.

The greatest of these calamities was, of course, the seizure of his own beloved Hesse and contiguous lands. Yet so long as the reasonable Lagrange Governor-Generaled it there, some hope remained of an arrangement whereby investments at least might be made secure. But then, with tragic swiftness, came King Jerome, Lagrange was bidden to go elsewhere, and Napoleon—whose inexorableness toward William was mainly an affection for his money—redoubled his efforts to collect the refugee's loans. By offering the borrowers increasingly tempting rebates, by threatening them with penalties if they failed to pay up, and by promising rewards to all and sundry for informing against recalcitrant debtors, the Bonaparte brothers succeeded in collecting a round six

million thalers, in addition to the much larger sum which Lagrange had previously been obliged to turn over.

That did for Hesse and vicinity. It did also for Russia. For the same treaty which had made Jerome king had tied the Tsar by an alliance to the Napoleonic chariot.

Next came the turn of Denmark. When William fled there in the autumn of 1806 that country was still neutral. A year later, however, England had in self-protection found it necessary to bombard Copenhagen and seize the little kingdom's fleet; with the result that Denmark was likewise driven into the arms of the enemy. Thereafter William's unhappiness over the Holstein peasantry's boorish manners was aggravated by a vague feeling that his continued presence on Danish territory was both dangerous to himself and embarrassing to his hosts. The king, who was both his nephew and his debtor, was polite to be sure, but in subtle ways he made it evident that his uncle's departure would be viewed with relief. So William found it prudent to collect his boxes and things and go wandering again.

At this juncture it was that Prussia too fell from grace. As a field for investment that kingdom had in fact hardly counted since she had been bagged by Napoleon at Jena two years before. But now she added insult to insecurity. At the time of his flight the Prussian king had invited the Elector to come and occupy one of the royal palaces as his guest. In his present quandary William bethought himself of that offer and reached out a feeler with the intimation that he might now be persuaded to accept; to which His Majesty replied that nothing would make him happier—if Serenity would first obtain the consent of the Emperor Napoleon! Surely no self-

respecting Prince could consider lending money on any terms to people who insulted one that way.

The Emperor Francis of Austria, it was true, had shown a more hospitable spirit, and had willingly let the homeless Prince find asylum in the capital of his Bohemian kingdom. But Austria was a bad risk. William had had no end of annoyance in his dealings with her. Already five years before her finances had come to such a pass that she must stop paying interest on her debt. Since then continuous war and invariable defeat had all but ruined her. The Austrian paper currency was almost worthless and the state was on the verge of bankruptcy.

The result of it all was that by the end of the year 1808 William found himself with money accumulating on his hands, loan after loan coming due, and no place to put a thaler safely out to interest. Next to the loss of his throne, this was about as distressing a situation as he could imagine. Then it was—but not till then—that Buderus came forward with a bright idea. Why not Consols? In these dreadful times, they had proved almost the only safe investment. They were now cheaper than they had ever been in their history or were likely to be at any time in the future. . . . And, in passing, why not commission the House of Rothschild with the deal? They were anxious to be of service, they were as always willing to work for less than others (like the Van Nottens, for instance) and they had a capable man right in London. The Rothschilds, like the Consols, had been a rock in adversity for Serenity. When fair-weather friends had run to cover, they had stood by loyally, dependably, unselfishly, without a thought of the risks to their own lives and fortunes.

III

For once William agreed promptly and without dickering. There was really nothing else to do. Those idle thalers were worrying him nearly as much as those much too active Bonapartes. He grasped at Buderus's suggestion gleefully. In the two years between February 1809 and December 1810 he authorized three purchases of "Funds" amounting in all to £550,000. As the accruing interest was also to be invested in the same security, the grand total came up to considerably more than the figure named by Nathan in his after-dinner reminiscence of 1834.

The Rothschilds, too, were as good as their word. They had said they were going to do this business for their noble patron without a thought of self, and they meant it. They waived commissions entirely. All they asked was a nominal brokerage fee of ⅛%, based on the face value of the bonds, to cover portage and incidental costs. They did not care to make any profit whatever. As the securities were bought at an average of 72, their services cost the investor the altogether negligible sum of a thousand pounds. A mere thank you. William was delighted.

To Buderus, likewise, the bankers behaved handsomely. They had intimated that if he would put through that long-coveted deal, they would show their appreciation in a large way. The very day the Prince's consent was received Buderus was presented with a generous block of stock in the concern and the old verbal understanding was formally reduced to writing. The document is dated February 17, 1809, and reads thus:

"The following agreement has this day been concluded between the War Privy Councilor Buderus von Carlshausen and

the mercantile firm of Meyer Amschel Rothschild in Frankfort:

First. Buderus has invested with the banking house of Meyer Amschel Rothschild the sum of twenty thousand florins and has promised to assist the said firm with counsel and in other ways to the best of his ability.

Second. The House of Meyer Amschel Rothschild promises, on its side, to give the said Buderus a faithful accounting of its earnings upon the above-named capital stock of twenty thousand florins, and grants him the right of access to all the firm's books at all times, to the end that he may be sure of the most equitable treatment."

William's rejoicing gradually sobered down as time passed. He had expected, it would seem, that the London Rothschild would the moment Serenity's order reached him hurry to the nearest broker's, buy the bonds, rush with them to the Bank of England, and having duly registered and deposited them, forward the certificates to Prague by the first boat. It was, on several counts, a vain hope; and only goes to show how naïve a great capitalist (and Fuerstlichkeit into the bargain) may be. In the first place, Nathan did not actually receive any such thing as £600,000, nor even £150,000 all at one time. William sent him his order, and then took his time to furnish the wherewithal; he was relying for the funds on maturing loans, and dribbled them out in monthly instalments as they reached him. For Nathan to have executed the commission immediately and in full would have meant that he must tie up his own capital. He had no capital. It was to secure that commodity that he had prayed for this business all this long while.

Then there was another, even more persuasive reason why Serenity must be disappointed. By the terms of the contract the exchange rate for sterling as well as the price

of Consols was fixed at a definite figure, win or lose. Now the Napoleonic wars had already brought both the English currency and the English "Funds" to a lower level than they had ever known; and more wars were coming. The chances of a further drop were therefore excellent. A little waiting was likely to be worth while. As a matter of fact, Consols did fall approximately ten points before Nathan got around to buying them, or at least to delivering them.

Lastly, what did that pig-tailed innocent back there in Prague imagine the Rothschilds were doing this thing for? Did he really suppose that six able-bodied and agile-minded men (not counting Buderus) were going to give their time and labor for a brokerage fee which would hardly feed their horses and keep their carriage in repairs? Or did he imagine that *they* were so naïve as not to know what to do with money when they got it into their hands?

Well, William had not stopped to consider all these questions before he gave his orders. He began to wonder a little now. Months passed, a year, two, three, and no certificates came—not a scrap of a receipt from the Bank of England to show that a man named Rothschild had deposited Consols there in the accustomed way. He became a bit uneasy. A doubt arose in his mind: Was his money safe at all? To be sure, communications were chaotic. The blockade did make travel unsafe; and entrusting valuables to the mails was out of the question. And yet, the money from this end seemed to be reaching London somehow. Was there any more risk in one direction than in another?

He began regretting Denmark and giving ear to Aus-

tria. Come to think of it, he had never quite got it straight in his mind why that last affair with Copenhagen had come to nothing, away back in '07. Odd! The Danes wanted the money, and heaven knew he was ready to give it to them. The differences that had come up were trifling; the usual sort of thing. He held out for a long term loan; they were for a short term one. Surely that ought to have been ironed out. But the most curious thing happened. The Rothschilds, who naturally should have stood with the borrower on such a point (the shorter the period, the greater the turn-over and the larger the bankers' commissions) took a determined stand with the lender; and then before he knew it, they reported the negotiations broken off. At the time he had written it down as a striking instance of the well-known Rothschild loyalty. Well, was it? He now wondered whether they had not been moved by some more human motive. Hadn't they already in those days begun clearing the field for the English business, and discouraging every other borrower? It seemed that way. They surely were endowed with long sight, those people! Was it not that very summer Lorentz wrote that their London man had made overtures to him?

Austria now—true, she was in a muddle. But at least she was not away off at the other end of the world like London. And could anything be less safe than Consols with such brokers? Moreover the Emperor Francis had been a magnificent host; had given him an honor guard and otherwise treated him as a visiting sovereign. All in all, Prague was the nearest thing to a home that he, William, had had since he quit Cassel. Besides, Consols brought 3½%, while the Austrians were prepared for almost any

terms; they needed the money so badly. No, he would think twice before he declined their proposals.

So he wrote Buderus to ask what he thought of the matter. Buderus, of course, informed his Frankfort associates of what was brewing; and these, terrified at the menace to their London enterprise, were at first for vetoing the Austrian plan out of hand. Upon deliberation, however, a subtler course was adopted. Let Serenity meet his hosts half way, by all means. There were some six million thalers outstanding among thirty-odd debtors here and there and everywhere, which for a variety of reasons—chief among them the long arm of the Bonapartes —were uncollectable. Why not have William suggest to His Viennese Majesty that he take them over? In that way Austria would have what she wanted; Serenity would get his bad debts into a single, relatively safe, place; Nathan's operations in London would continue unembarrassed; and everybody would be happy.

That strange man in Prague actually took up the scheme. He saw nothing ridiculous about a Hapsburg turning sheriff for his benefit. So he informed Vienna that he would be most happy to tide over His Majesty, if the latter would persuade his son-in-law Napoleon to let him collect certain loans due the Elector of Hesse-Cassel, a list of which was herewith appended. The proud paupers in the Austrian capital, however, did not seem to take kindly to the idea; for the Emperor had his treasury people write back, a bit ironically, that he appreciated the Elector's thoughtfulness and goodwill, but felt the offer did not quite comport with the dignity of the imperial and royal state.

This was in the spring of 1810. All through the summer, consequently, William saw with a heavy heart his strong-box filling up and no outlet in sight. By September he must therefore again listen to Buderus's counsel and authorize the London Rothschild to invest for him a third £150,000 in Consols.

IV

And all the while no sign of a Bank of England certificate, not even for the first purchase, ordered now nearly two years ago.

He gently prodded Buderus. "I am not unaware," he wrote, in effect, "of the grave risks involved. I have the fullest confidence, too, in the wisdom and loyalty of the Rothschilds. Yet here it is more than a year and a half now since that first contract was signed. Don't you think that in all that time a way might have been found to forward that document to me? It seems to me odd that there should be so much hesitation and delay, when the remittances from this side reach England month after month without loss. Would not the same precautions, whatever they are, serve also in an easterly direction?"

Buderus began to be nervous. He warned his Frankfort people that the air was becoming electrical, that a storm was gathering, and that something had better be done about it soon.

At this juncture the diplomat of the family had an inspiration. Short of handing Serenity the certificate itself—which obviously was impracticable so long as the Consols were unbought—there was nothing in the world would so delight his soul as a little concession on the new

contract. The firm could afford it—it need not be more than a trifle anyhow—and it would relieve the tension. In October, therefore, Buderus was able to write: "After much persuasion and effort I have succeeded in cutting down Rothschild's price on the third Funds investment one-quarter percent, thus saving Your Serene treasury 4521 pounds." Nevertheless he felt it desirable to add: "The certificate for the first investment will be brought over by young Rothschild as soon as there is the slightest chance of safety."

And William was even more pleased than had been expected. He not only did not cancel his recent order; he raised it to a quarter of a million! That, however, did not prevent him from reminding Buderus that he was still waiting for his receipt. "I instruct you at the same time to see to it that the document for the first investment reach me now without delay and that the others follow as soon as possible."

Just then, however, Buderus was obliged to report some unpleasant news. No more than a fortnight after his last letter came the great raid on the Frankfort business houses. He gave William a terrifying account of the event. "The Court-Agent Kalmann (Karl) Rothschild was about to start for Prague when several French regiments marched in with artillery and a great number of customs men, seized all the City's gates and ordered no one to leave . . . I have taken all conceivable care and I can only give the highest praise to the sons of the Superior Court Agent Rothschild for the indefatigable concern and zeal with which they have shown their devotion to Your Electoral Serenity."

Moreover: "New incentives have been offered infor-

mers and borrowers to bring about the liquidation of Your Electoral Serenity's loans, by assuring them of a reward of fifteen percent, and the quantity of spies and traitors under every disguise is so great that no one can be trusted any more."

Finally: "As soon as it is possible I shall see that the Court-Agent Kalmann Rothschild leaves Frankfort with the packs."

Without saying so outright, Buderus evidently meant to convey that the Bank of England certificate would be contained in those delayed "packs." But five months later, nothing of the sort having arrived in Prague and William having again made inquiry, Buderus tells him: "Young Rothschild is really going to London to fetch the receipts for the Funds investments." Incidentally: "His father has, without my asking him, succeeded in collecting 160,000 florins from Copenhagen. Will Serenity permit me to express to him Your satisfaction at his manifold endeavors in this connection." Then: "I am notified by Rothschild that the police in Prague have discovered the secret drawers in his carriage. I have therefore thought it prudent not to send along my accounts for last month and enclosures. These cannot be concealed in the clothing like letters."

Whether or not young Rothschild went to London, he did not fetch the receipt for the Consols. At any rate six weeks more passed without any such document reaching its anxious owner. Wherefore, though William obligingly forwarded the requested thanks for Rothschild, he must say: "I had no idea that the police here have found out the secret hiding places. There is in any event nothing to fear at this end . . . I am looking forward with gen-

uine longing and justifiable eagerness to the Funds documents."

The summer was half gone and still nothing had arrived. William, despairing of ever accomplishing anything through Buderus, bethought himself of another channel. He instructed his envoy in London to make direct inquiry. What was his astonishment to learn that this was the first Lorentz had heard of the whole matter! Buderus had never said a word to him about Consols. And not only that: The Funds were down to 62 and still falling!

Then the dykes gave way. "I am distressed beyond words," he notified Buderus, "and am looking forward with genuine yearning to your explanation.

"Till then please stop all further payments against the Funds.

"Neither are any more interest moneys to be reinvested therein.

"Lorentz must be kept informed of all My English financial affairs. Especially must he know about the capital invested for Me by Rothschild so that he might as My chargé d'affaires keep an eye on it.

"I request you to attend to this without delay."

The effect produced by this bombshell in Frankfort may well be imagined. Buderus wrote often and sorrowfully of the already well-known dangers of carrying valuable documents across the Channel, of the tireless efforts of all the Rothschilds to satisfy Serenity's genuine longing, and of the inadvisability of confiding business secrets even to accredited chargés d'affaires. Kalmann went to Prague and argued and pleaded in person. But William was adamant. For the better part of a year nothing would induce him to authorize the payment of a solitary thaler

to London. There is no telling what might have been the consequence of this obstinacy, if by a rare piece of luck Buderus's deposits in the Rothschild bank had not just during that period risen to quite unusual figures. Whereas in September (when the stoppage order reached him) his account showed a balance of less than 30,000 florins, it now gradually began increasing so that by spring it was 360,000—which was slightly over the normal monthly instalment remitted to Nathan.

The embargo was at last lifted in May. For though Buderus had repeatedly assured his master that no pressure would or could in the slightest degree affect the blockade, the first certificate did brave the Channel that month, after nearly three and a half years of faint-hearted hesitation. A second followed within less than a year.

By 1813, however, the House of Rothschild could afford to be indifferent to both the millions and the wishes of the Elector of Hesse-Cassel. How this consummation was effected in so brief a time will appear in the pages immediately following.

PART II

GLORY

CHAPTER VII

AID AND COMFORT TO WELLINGTON

INTERESTED people in Frankfort observed a curious phenomenon toward the end of 1810. The young Rothschilds had scattered and vanished from sight. In the last four years one had become accustomed to their periodic disappearances, one at a time; and one could even make a fair guess at their destination. This was something new; it looked for all the world like an emigration; it was a shift of base. What and where might the new enterprise be? That was what puzzled competitors and old rivals. The refugee Prince? That was an old story; his affairs could hardly absorb the entire lot of them. Nor did it seem to be blockade running. That once thriving business had gone lean of late; and the Rothschilds had, like most other merchants, given it a wide berth. Their export and commission undertakings, as a matter of fact, were decidedly languishing. The shop and the warehouses were in charge of an aged man and a young girl. Yet, far from declining, the prosperity of the family seemed to be flourishing more luxuriantly than ever. They had lately acquired two parcels of land on the Bornheimerstrasse on which they were planning to erect a bank building of their own. Old Meyer and the women-folks were in the most cheerful of moods.

What might it all mean?

The phenomenon remained a mystery. No Frankforter

had the remotest inkling of the Elector's recent English investments, still less that the Van Nottens had gone the way of the Bethmanns, least of all in what manner their successors were employing the enormous wealth thus suddenly dropped into their laps. Even those who were in the secret were scarcely aware of all that was happening. Buderus, for instance, who had had some little part in the initial proceedings, might have found it difficult to expound their present ramifications with anything like certainty. It is doubtful whether the titular head of the House of Rothschild himself was abreast of the details. The business was much too complex and confidential and far away for Frankfort to follow. And the young men were much too preoccupied to report back with any frequency.

In the beginning Nathan's thought in reaching out for a bit more of William's surplus had been simple enough: he could use it advantageously in expanding his contraband operations. If he got all he hoped for, he might, indeed, discover a few things to do on the Royal Exchange. But that miser back there in Prague hung on to his thalers with the grip of death. He sent him authorizations—as if one could do business with a scrap of paper—and then tremblingly dribbled out instalments. For the better part of two years, therefore, anything more ambitious was not to be thought of. Besides, defying Napoleon had its rewards. Then just as the monthly remittances had accumulated to a sizable sum came the Edict of Trianon and emasculated the blockade to a tame, more or less legal and not especially remunerative business. Some months later followed the great raid on Frankfort. That was the final blow. Willy-nilly something must be found to take the place of contraband.

Nathan did not have to look either long or far. England had other irons than the blockade in the Napoleonic fire. There was, for instance that obscure struggle in Spain and Portugal, and the muddle it had got into. Everybody in England knew there was a Peninsular War, that its aim was the invasion of France by land, that for a long time past the expedition had not budged, and that the reason was the inability of the government to get provisions to its forces. Everybody knew it; yet nobody seemed to have thought of exploiting it. What, now, did the situation offer? The failure to keep the army supplied was due to the unimaginative efforts of the government to reach the Peninsula direct from the sea. More than once ships carrying money had been captured or sunk. Therefore Wellington, the commander, rather than see his men starve, had been obliged to take the bull by the horns. He had in effect set up a small bank of issue of his own right in Portugal. His drafts—being nothing but paper money drawn against reserves which, though solid enough, were inaccessible—could only be circulated at a fantastic discount. The government was scandalized, but it must honor the drafts just the same. And a group of scalpers—Spanish, Maltese and Sicilian—were, clumsily and with no more imagination than the London authorities, reselling Wellington's paper to bankers near home, away below its face value, of course. Before the notes reached England they had gone through half a dozen hands and the originally enormous profit had been largely frittered away.

Obviously the whole performance was silly from beginning to end. So long as there was a land route between Portugal and London it was sheer incompetence to try to

send money by water and take all the risks. That, however, was the government's affair. What interested Nathan was the brainlessness of those scalpers, "The Cab," as they were called. Their paper eventually must find its way to London, or it would not be worth buying at all. And so long as it arrived eventually, there was no good reason why it should not get there directly and the proceeds stay in one hand.

Well, he had the organization, he had the capital, and he was willing to give the game a try. It was an enterprise exactly to his taste. It afforded all the adventure and rewards of the late lamented contraband trade. Why, it was in fact really nothing but smuggling of a new and peculiarly interesting kind. His Continental brothers would take to it as fish to water. Their five years of blockade running had them left as fit and agile as athletes. Add to that the equally ticklish courier work for His Highness, and there was not a more competent or better trained staff for the job anywhere between Lisbon and London. False papers, disguises, bogus names, secret caches, official-bribing—all the tricks and dodges of the spy—were old familiar things to them. It was not by prayer that they had become successful men of affairs in time of war.

II

Quiet, home-loving Amschel was persuaded to relieve Kalmann (Karl) of the Frankfort-Prague route. Father took over the diplomatic mission of contracting Buderus. The goods trade at home, stripped down to a bare skeleton, became the province of the unmarried girls, Gotton (Julie) and Jettchen (Henriette), flanked by their sisters-in-law.

And mother Guetele kept house for her family as usual, leaving business to those who fancied and understood it. Thus liberated, the three youngest and ablest male Rothschilds could dedicate themselves to the new venture. Blessed by their parents and their women, they pushed off silently while Frankfort slumbered. Ignorant of any language but Jewish-German, they threaded their way across frontiers, over hostile country, through armed outposts; paying when they must, dodging where they could, confident of their well-filled purses and their own stout hearts; and presently bobbed up on the Western rim of the Continent to keep the tryst with Nathan.

The two youngest men took the ends of the line—Kalmann the Pyrenees, Jacob the Channel coast. Salomon, the persuasive and diplomatic, stationed himself between them, in Paris. In the nature of the case, London remained the headquarters and terminus, as it had been the originating source, of the enterprise. The chain complete, the machinery could begin to function. Kalmann speedily entered into relations with the merchants along the Franco-Spanish frontier, offering to buy from them whatever notes of the British commander they might acquire in trade. Mutual safety required that the commerce be kept dark; the Spanish shopkeepers understood that. They may or may not have understood, further, that too much advertising tended to force up prices. As soon as Kalmann had got together a sufficient quantity of Wellington's paper, he headed north with it; Salomon at the same time quit Paris; along the route somewhere the brothers met, exchanged satchels, and then faced about. Avoiding the capital, Salomon journeyed on toward the Channel, found Jacob at an appointed spot, and the performance was re-

peated. From Dunkirk or Gravelines London was but a jump, and in London the almost worthless drafts became legal tender acceptable at par. The water-stage was at first attended to either by Nathan traveling south or by Jacob going north; later on dependable English sea-captains were commissioned with the task.

This was the colorful and exciting aspect of the venture. Danger of the most breath-taking variety attended every link of the chain. It was espionage and commerce with the enemy, and the penalties for these offenses were, then as now, brief and final. The smallest slip of eye or foot brought one face to face with the guillotine. Of course, the brothers were not so reckless as to neglect precautions. Itching palms were generously greased all along the route from the mountains to the sea; on the Narrows the prefect of police of the Pas de Calais Department himself lived so prosperously on the Rothschilds' bounty as to attract the critical notice of his superior in Paris.

But the business was not all poetry. The pedestrian element was to find the shining metal cash, which alone was of any use to Wellington. Toward this consummation Nathan contributed more than his share, both with substance and ideas. He had anticipated the problem from the beginning and had arranged to meet it. Each man in his territory was between trips quietly picking up all the yellow loose change he could get his hands on. The light-footed Jacob was particularly active, not only in France but also in Holland and elsewhere; Salomon helped out from Paris and the larger towns of his route; and Nathan himself did his best to turn Wellington's drafts into guineas. Kalmann, at the extreme end of the chain, had his hands full collecting the paper. All of them had to

work with the utmost circumspection, not alone because exporting gold was everywhere forbidden, but principally because of the influence on the exchange.

Sooner or later, however, the traffic was bound to hit a snag. After half a year of combing the world for gold there was no gold left to comb. Every country in Europe was on a paper basis; what little coin was still in circulation was, as always in times of inflation, being hoarded; the rest had, by the Rothschilds' own efforts, rolled down into Spain. The difficulty seemed insuperable. The British authorities ought, of course, to make things easy; the Rothschild consortium was doing their work for them, and rendering a patriotic service to England besides, in the face of the gravest danger to themselves. But those complacent and unimaginative men at the royal exchequer knew nothing about the consortium or its work, and if they did know they might take it into their heads to spoil the game. It would be not unlike them.

But Nathan still had a shot in his belt. He took to haunting the curio shops, the old metal-dealers, the junk yards and the bullion market. It was not long before the trade came to know the paunchy young man with the inscrutable face as a buyer of unlimited capital who paid the highest prices for everything made of gold. When therefore the East India Company brought in a large shipment of gold bars, Nathan was one of the first to get wind of the event. The lot was to be sold at auction at the Company's offices. Nathan showed up early and bid so lustily that the entire shipment, valued at close to a million pounds, was knocked down to him. Thereupon word went out over the Channel to Dunkirk that all was well.

III

But the good news proved to be a little premature. Before Nathan had had time to remove his treasure, let alone get it across to his brothers, a very official-looking document was brought to him. It was a letter signed John Charles Herries, Commissary General, inviting him to be so good as to present himself at that gentleman's office for a conference. Mr. Herries, who had expected a rather impressive personage of the customary City dimensions, was not a little taken aback to see this very unprepossessing, ill-groomed Continental being ushered into his presence. His surprise was heightened when the visitor began speaking. Could this be the man at all who drove bargains involving hundreds of thousands of pounds? Never before had the English tongue been spoken with such an accent in His Majesty's offices. But as the interview continued Herries found himself listening with close attention to what his guest was telling him and forgetting altogether the oddity of his idiom.

The Commissary General began by inquiring whether it was true that Mr. Rothschild had acquired a certain quantity of gold from the East India Company, and upon receiving an affirmative answer, went on to say that His Majesty's Government would consider its repurchase at a given figure. There happened just at that time to be a military expedition on the Iberian Peninsula; it was the duty of the Commissary General to supply the army engaged in that enterprise; owing to the blockade great difficulty had been encountered in shipping provisions *in natura;* and according to the officer in command, he could readily live on the country providing he had the

necessary funds. The government, therefore, desired to secure the bars in question for that and kindred purposes. Mr. Rothschild, being a British subject and patriot, was entirely ready to comply, for a consideration. If he might be permitted, however, he would like to ask just how the authorities proposed to reach Spain. He had no wish to pry into state secrets; only as it happened he had acquired the metal for that identical purpose. He had, if the truth must be told, been doing his humble part in keeping the Peninsular forces alive for some little time past. Naturally, he had not attempted to ship by water. As the government had doubtless found out for itself, that route was not quite safe. Fortunately there were other ways, which, if the Commissary General cared to hear of them, he would be glad to explain.

Nathan sketched in outline his organization, his methods, and the recent hardships he had had to face in consequence of the growing scarcity of gold coin on the Continent. As a private person, he could not, of course, honorably do the things that the situation demanded. There was, on the other hand, no reason why the state should stop where he must. It could, for instance, in a time of national peril like this, produce French napoleons and Portuguese ounces in its own mint without asking the permission of the governments concerned. There were other short-cuts, too.

Herries not only cared to listen; he was so hugely impressed with what he heard that he invited Mr. Rothschild to put himself and his organization at the service of the British government. Nathan was aware that the East India gold, purveyed down to Wellington in the old way, would have brought many times the returns he was

getting from Herries. Still, low profits never yet ruined a merchant; he was disposing of the whole thing in a lump, without effort or risk or worry. And, lo! he had made a priceless contact with the English Treasury into the bargain. In that 1834 after-dinner reminiscence, already quoted, he described this day's adventure as the best piece of business he had ever done. Well he might! Nothing that had ever happened to the Rothschild family, since the Elector's flight five years before, was destined to mean so much for its future.

IV

While these happy events were occurring in England, the mainland was becoming uncomfortably warm under the other Rothschilds' feet. The curious Frankforters, though still baffled as to the nature of their young fellow-townsmen's affairs, had traced their whereabouts. The locale seemed to them suggestive. Enterprising business men did not go to French seaports for the salt and the bathing. Therefore the imperial authorities began receiving hints, in writing and otherwise, that the undefined activities of a certain trio of brothers would in all likelihood repay looking into. The communications in due course were forwarded to police headquarters in Paris, and thence to the prefect of the Pas de Calais department. It became the unpleasant duty of this well-disposed official to warn his young friend Jacob that matters were passing beyond his control and that it might be best to go while the roads were still open.

Jacob had rather been thinking so himself for some little time past; so he took good advice when it was given him.

Early in March, 1811, he therefore dropped everything and sank out of sight. Much as he disliked saying anything about his movements even to the discreet Frankfort authorities, he felt it necessary to regularize his status; and it was better to confide in the good archbishop than to risk unpleasantness in Dunkirk. Dalberg, as it happened, was himself getting ready for a journey to France. Marie-Louise was about to present Napoleon with an heir to his throne; and throughout the empire and its dependencies well-disposed chiefs of state were arranging to assist at the grandiose ceremony with which that long-awaited event would be attended. The pope himself was to baptize the eaglet; and Dalberg, apart from wishing to pay homage to his secular chief, deemed the occasion good for bringing certain matters in which he was interested to the attention of his spiritual overlord as well. But going to Paris in such circumstances required money, a great deal of it. Old Meyer Rothschild, the moment he learned of his friend's difficulty, cheerfully offered him a loan of eighty thousand florins.

Naturally, therefore, when, as chance would have it, a son of the generous lender needed a little favor at that very time, the grateful Grand Duke could hardly refuse it. James obtained not only a passport duly visaed with which he could return to France openly; he got something in addition which, as time soon proved, was infinitely more valuable still. Dalberg gave him, namely, several letters of introduction to important Paris banking houses, including one to Count de Mollien, the imperial minister of finance.

Noblesse oblige. It would not do for one coming so highly recommended to slink about in the dark. Conse-

quently James laid his cards before de Mollien with the most engaging frankness. He had, he confided, a brother in London, with whom he was in constant touch, and from whom he received at intervals shipments of English gold. As to the ultimate destination of the metal he was a bit reticent; but he communicated enough for de Mollien to draw his own conclusions. And Napoleon's minister of finance who, it seems, did not quite measure up to his generals, perceived at once that a country which was so stupidly governed as to let a thing like that happen could not but be on the brink of economic disaster. He so told the emperor. He only prayed that this brilliant young Frankforter might be correctly informed. To doubt James's truthfulness did not occur to him. The Frenchman, indeed, was so convinced of the boy's sincerity (James was only nineteen years old) that he took him under his wing and shielded him from annoyance at the hands of other officials.

Savary, for instance, the imperial minister of police, was inclined to be skeptical. Here, he figured, was a much too plausible stranger from a conquered province who, while pretending to have nothing to hide, was carrying on a very doubtful kind of commerce with an associate in an enemy country. He might be harmless; yet it would be as well to keep an eye on him. So Savary quietly put his subordinates on guard everywhere from Mayence to Paris and the Channel ports, ordering that the goings and comings as well as the mail of all Rothschilds from Frankfort to London be given the closest attention.

Unfortunately for this loyal and astute servant of Napoleon, the Rothschild movements, and especially the Rothschild mails, were not as susceptible to observation

as he imagined. There was, as a matter of fact, no such thing as a Rothschild mail. Between Frankfort and Prague they had for six years past been their own post office, as well as the Elector William's. Across the Channel their trusted sea captains brought and carried whatever was needed. And from Dunkirk to the Pyrenees, the brothers attended to major matters themselves and delegated the remainder to safe couriers in their pay. Moreover, even if by some remote accident a letter of theirs were to fall into outsiders' hands, it would convey precious little. The correspondence of the firm and of those with whom they did business was carried on in a code, no names were either signed or mentioned, and the key to both was frequently changed.

On the first of November, a letter of mysterious origin, bearing the signature "O. H." was in fact intercepted by the French secret service in Hamburg. Had those functionaries known a little more about the Rothschild way of doing things, as above outlined, they would readily have recognized their catch for the *canard* it was, if for no other reason than that it revealed so much. "O. H.", who appeared to enjoy a high position in the absent Elector's entourage, was addressing the latter's brother in Gottorp, and telling him the latest news about the progress of the secret political movement for the liberation of Germany. The letter, incidentally, mentioned Lawaetz and the Rothschilds by name and Buderus under the somewhat thin disguise of "Bravo." The communication left no doubt that all these people were deeply involved in the Elector's treasonable schemes and their financing, and was patently designed to cast suspicion upon the Rothschilds and their associates.

But as Monsieur Citiz in Hamburg was informed neither of the family's methods nor of its enemies in Cassel and Frankfort, he took the intercepted document at its face value and promptly forwarded it to his chief in Paris. Thence a hue and cry went out to secret police headquarters in Mayence, to ambassador Bacher in Frankfort and to the coast guard at Dunkirk and Gravelines urgently requesting that the affair be pursued to the limit and the various persons named taken under close surveillance. Bacher, in his reply, suggested proceeding cautiously, lest the suspects take warning. Dalberg, as usual, made light of the whole matter, and gave the meagerest coöperation. From Mayence the report stated that the House of Rothschild had since the raid of the previous year apparently given up smuggling and now confined itself to trade in legal merchandise and banking; that their sentiments toward France, while correct on the surface, were far from loyal at heart; and that Dalberg was for some unaccountable reason so thick with them that he refused nothing they asked of him.

The correspondence on the subject was kept up with undiminished zeal for several months. Every day, it seemed, the French net was about to close on the elusive gentry. It never did, however; and in the end, the pursuit which had so hopefully begun was abandoned for lack of results. It would, in fact, have been given up sooner, if in the midst of it, one or two even more suspicious looking letters had not been picked up on the coast as well as, again, in Hamburg. This time the internal evidence showed unmistakably that the police had in their hands genuine correspondence between one Rothschild and another. What was especially noteworthy was the circum-

stance that one of these documents was discovered not in the mail bags but on the person of a courier. If these gentlemen's operations were as pure as they pretended, why should they try to avoid the regular postal service? Their excuse that the letter had missed the mail and had been rushed to the port so as to catch the boat, was patently specious. Besides, the contents were hardly reassuring. James was telling his brother in London that he had duly received several shipments of English and Portuguese gold coins, and that he had got drafts for them from the bankers in Paris!

Savary and the military governor at Hamburg were, therefore, in favor of speedy and summary action. They wanted James arrested, and at the very least expelled from France. They were so sure of the treacherous character of the brothers' activities that they carried their conclusions to the emperor himself. But Napoleon dismissed their fears with a wave of the hand. Why, de Mollien had been aware of the traffic all along. It was quite all right.

And all the while Nathan sat at a desk in Commissary General Herries' office in London, or traveled under his orders on the Continent, to all practical purposes an official of the British government; and hundreds of thousands of pounds in gold—English guineas, Dutch ducats, and French napoléons-d'or, the latter either collected in France itself or minted in London—were quietly, unobtrusively, without disturbing either the bourses or anybody's blockade, rolling down into Spain to feed and clothe Wellington's Peninsular army. Suddenly, upon returning from his disastrous expedition to Russia, Napoleon woke up to learn that the British general—the man who was so soon to crush him at Waterloo—had somehow extricated himself

from the impasse that had so long held him fast beyond the Pyrenees and was marching his well-fed and well-equipped forces into the southern provinces of France.

V

Meantime in Frankfort Meyer was nearing the end of his days. A man of over sixty at the time of the Elector's flight, these years of unwonted toil and anxiety had sapped his declining vitality. Already in 1808 he had had to undergo an operation for an internal malady. He was pronounced cured; but as a matter of fact he never quite recovered from the shock and his wound gave him almost continuous pain. Toward the end of the year 1811 he was once more obliged to take to his bed. After an illness of several months he again rallied. On the Day of Atonement (September 16, 1812) he insisted, despite the warnings of his physician and the solicitous objections of his family, on fasting the full twenty-four hours and on spending the entire day kneeling in prayer at the synagogue. On the morrow his old wound burst open and it was evident to those standing about the bedside as well as to the sick man himself that a crisis was approaching. A notary and witness were hurriedly sent for, and in their presence Meyer dictated a new will to replace the one he had made four years earlier. He had barely enough strength left to sign the document. Summonses were dispatched to his scattered sons, but only two—Amschel and Kalmann—arrived in time. Early on the evening of the nineteenth all was over. He was buried in the ancient Jewish cemetery of his birthplace, aged sixty-eight years and seven months.

There seven generations of his ancestors rest with him, but not a single one of his descendants.

Did Meyer as he lay dying see in his mind's eye a vision of the greatness that was so soon to come to his house? From beyond the northerly entrance to the Judengasse he could dimly hear the sounds of the workmen erecting the structure in which the business he had begun so long ago was to be housed. Meyer Amschel Rothschild had labored and striven and brought forth sons, and now the time had come for him to take permanent leave, but the firm of M. A. Rothschild & Sons was going forward. How far would it go? It seemed a miracle, when he thought back over the years, that it had come as far as it had. A bare dozen years ago he had been a small tradesman and money-changer, with the most modest capital, credit and prospects. Before that the rare-coin case, the second-hand shop with Moses and Kalmann in the back-yard of the Saucepan, the clerk and the messenger boy at Oppenheim's in Hanover, the penniless orphan, the Talmudic scholar at the Yeshivah of Fuerth. And now! No one knew better than he how much of this extraordinary growth was owing to his remarkable sons. Still, it was on his foundations they had built. But they would go on building, and he must do all he could not to hamper them.

Meyer's will was designed not so much to dispose of his estate as to secure the future. The business was left absolutely in his sons' hands. To make sure that his daughters and their husbands would not interfere, he went so far as to sell out his own share to his male heirs. The hundred and ninety thousand florins thus realized, were, apart from his home, distributed between his wife and his ten children. "I direct and desire, therefore, that my daughters,

my sons-in-law and their heirs shall have no part whatever in the existing firm of M. A. Rothschild & Sons, and that still less shall they, on any pretext whatsoever, . . . claim the right to examine the said business, its books, papers, documents, inventory, etc. . . . And I shall never forgive any of my children if they should against this my paternal will take it upon themselves to disturb my sons in the peaceful possession of their business." Moreover, the entire inheritance of his wife and daughters must remain in the sons' keeping, to be used as capital in the firm and to receive interest at five per cent.

Guetele was more fortunate than her husband. She survived him thirty-seven years, and lived to see the culmination of her sons' careers. But she remained throughout her long life the same simple, unassuming, pious housewife she had been from the beginning. Though Amschel presently built himself a palace and gave banquets to statesmen and diplomats, she refused to give up the humble home in the Judengasse where she and Meyer had spent so many happy years. Her sons would send her jewels and costly lace kerchiefs from Paris, London and Vienna, and she accepted them with pleasure, but nothing would induce her to eat at their tables because their French chefs did not conform to the Jewish food ritual. She reveled in pride at her boys' achievements. When many years later a poor woman came to her crying because her only son was to be sent to the wars, Guetele reassured her. "Never fear," she said, "there is not going to be any war. I shall tell my boys not to lend them the money." Like Letitia Bonaparte, she enjoyed the rare destiny of seeing her sons the most powerful men in Europe, and her glory was marred by no St. Helena.

CHAPTER VIII

THE GOODNESS OF MR. HERRIES

JUST what had the trusteeship of William's English investments netted? No one, perhaps not even the brothers themselves, could have said exactly. Certainly those six hundred thousand pounds had been productive in their competent hands. Had they multiplied five or six times, eight or ten, in those four epochal years? Had the capital (costing three per cent) earned a hundred and fifty or two hundred and fifty per cent? They did not take the time to figure it out. They were too busy, their holdings were too scattered; and anyhow what mattered a few hundred thousand more or less to men who had overnight become millionaires in sterling? Besides, they were not quite such materialists as to miss the essential point, which was that the cash dividend was a small thing beside the friendship of the British Commissary-in-chief.

With the entry of Mr. Herries, indeed, the center of gravity had shifted from Frankfort to London. Nominally the concern still rotated about the old home office; and Amschel (renamed Anselm), as the eldest of the five, was chief. In reality the leadership had long since passed to Nathan. It was he, to begin with, who had conceived the great plan which had enriched them all, and had set up the organization to carry it out, and it was he who had made the contact with Herries and must go on cultivating it. For a good while to come, clearly, Herries was destined

to play a part roughly resembling that which Buderus had lately filled. Hesse-Cassel had served its time, and would henceforward fade out of the picture, to be supplanted by His Britannic Majesty's Treasury Department. Therefore, regardless of age and priority, and quite apart from natural talent, the man who sat in London would inevitably be *de facto* head of the firm.

Nathan and his brothers did not have to be trained statesmen to foresee, in outline at least, the history of the next few years insofar as it concerned their interests. So long as Napoleon remained emperor of the French, England would go on making war on him. The difficulties she had hitherto encountered in supplying her forces were not likely to diminish; and that being the case, there was no reason why Herries, or whoever was charged with his duties, should not continue using the Rothschild plan and the Rothschild organization which had proved so effective in the past. In reality, these calculations erred on the side of conservatism. As the Napoleonic interlude approached its final phase the problem of transferring British funds to the Continent became graver and more complex than ever.

Ever since Austria had signed the Treaty of Vienna in 1809, the German states had been at peace with France. It was not a matter of choice. Nor was it resignation. Prince Metternich, for all his sacrifice of Marie-Louise on the altar of the conqueror, was straining to be at it again. So was the ineffectual Frederick William III of Prussia. So, of course, was the banished Elector of Hesse and the great majority of the lesser princelings. What cooled their enthusiasm was partly an almost superstitious awe of Napoleon and chiefly lack of money. Their economy, anti-

quated and ill-administered at best, had become hopelessly disordered under the stress of war. Defeat, inflation and extravagance had ruined their credit. In Prussia things had come to such a pass that the king was unable to meet his private expenses and was continually harassed by tradesmen and bill collectors. The case of other German sovereigns was at least equally trying.

Napoleon's disaster in Russia in the winter of 1812–13, followed as it was by the virtual annihilation of the Grande Armée, put fresh heart into the German liberators. It did not, however, solve the problem of finance. The Prussian Chancellor Hardenberg no doubt expressed the sentiments of all the Continental Allies when he told England that without pecuniary assistance it was out of the question for his country to fight. Fortunately England was, under her new treasury head, prepared to return to the policy of Pitt and grant subsidies in exchange for soldiers. The very year of the retreat from Moscow Chancellor of the Exchequer Perceval had been assassinated. Vansittart, his successor, managed to convince the Government of Lord Liverpool that the defeat of Britain's great enemy would be cheaply bought at such a price, and that it was in any event unlikely to be had any other way. In the years 1813–15 Parliament appropriated fifteen millions sterling for the support of the Continental Allies, more than two-thirds of the sum going to Austria, Russia and Prussia.

Now arose the old question of remittances. In the past the British authorities had known but two ways of making payments on the mainland, one more costly than the other. They either shipped silver bars or gave the payees a free hand to draw on London. The insurance rates on bullion however, were prohibitive; besides, there was no such thing

as fifteen million pounds' worth of silver, or any approach to it, in the whole of Britain. Drafts on London, again, in such enormous quantities not only played havoc with sterling exchange, causing terrific losses to both Britain and her friends; the markets of Europe became so swamped with the paper that after a short time it was nearly impossible to cash it at any price. Thus, in all Berlin Hardenberg could only with the greatest difficulty and at heavy discounts dispose of twenty-five thousand pounds' worth of his English checks, at a time when he had two-thirds of a million to realize. In Vienna the offer of drafts on London in the sum of eighty-three thousand pounds resulted in depressing sterling by several points. The operations must be carried out with the utmost secrecy, and that involved paying commissions to numerous agents, as well as competition on the exchanges between states fighting in a common cause.

At this juncture Herries laid before Chancellor Vansittart the Rothschild plan which had proved so workable in Spain, with the suggestion that it be extended to the subsidies problem. He put stress on the advantages of the new method: it was economical, and it virtually was not felt on the exchanges. What was more, there really was no other way in sight by which any large sums could be transferred to the Continent. Vansittart did not take much urging, and Nathan was sent abroad as the secret agent of the British Treasury to do for the coalition what he had now for some time been doing for Wellington.

In the interval, however, the situation had greatly improved, and it was no longer necessary to go to the danger and trouble of collecting coins. The French were in retreat on all fronts,—it was after the decisive Battle of Leipzig—

the Allies were pursuing them across the Rhine and through Belgium, while Wellington was rapidly moving across the Pyrenees into the southern provinces. The Continental Blockade was a ruin and smugglers were more active than they had been since the summer of 1810. In the ports and commercial centers of Holland and Germany merchants were struggling with the question of how to pay for the British merchandise they were receiving. It was, as the Rothschild brothers rather simply perceived, the reverse of the problem with which the governments were troubled. Here, on the one hand, were state treasuries bursting with drafts on the British capital which could not be cashed; and yonder, on the other, were the contraband carriers wondering what they were going to do in London with all their checks drawn on Frankfort, Amsterdam and such places. It seemed to the Rothschilds that they and their father had long ago dealt with a situation not unlike this. They had ample funds on the mainland. Why not relieve the smugglers of their paper, exchange it with the governments for theirs, solve both sides of the difficulty in one simple operation, and without one party knowing what was happening to the other, gain the thanks and the discounts of both? It was legal, safe, easy and every bit as profitable as the old way.

The chancelleries could not quite figure out how it was done, but they were delighted to find that somehow and suddenly their checks were being accepted without demur and credited as bank deposits wherever the money was needed. And when Nathan returned to London and related his success, Herries sent a secret report to Vansittart glowingly praising the astuteness of the man who had not only carried out his commission without a hitch, but had in

addition secured seven hundred thousand pounds' worth of checks on Frankfort and Holland for future use; and all this without in the slightest degree affecting the exchange on London! He was quite sure, added Herries, that an operation involving a mere fraction of these sums, entrusted to treasury officials or British diplomatic representatives on the Continent, would have had ten times the adverse effect on sterling.

II

Traders on the Royal Exchange began to take notice of Nathan Rothschild. This pudgy foreigner with the baggy clothes and expressionless eyes seemed to have sources of information inaccessible to anyone else. At least he was acting as if he did. There was the matter of bullion, for instance. Early in the year, when the first rumors of a new coalition began to be heard, with probable subsidies for the Continental states, there was a great boom in the precious metals. Rothschild was the only considerable man on 'Change who was not looking at silver; he was in fact bearing the market. The prophets predicted his ruin. But presently it was learned that the Government had made other arrangements and was not going to ship any cash. That sort of thing happened again and again. Now it was the Funds, and another time it was Continental drafts. He rarely steered with the current, yet almost invariably he touched shore first. He was called a speculator; but he appeared to know, when others merely guessed.

Did he really know? A web of myths began to form about the strange unkempt alien. People talked of the Rothschild instinct, a sort of infallible inner light. Others

whispered about a pigeon post, about his brothers in Germany who were reported to be monsters of wisdom, about occult Jewish divinations. No one even gave a thought to the Commissary-in-Chief. For that was a dead official secret, of which no one in the Government itself except the Chancellor of the Exchequer and Mr. Herries's private secretary had the smallest inkling.

Nathan impassively relished the interest he was arousing. His prestige and his credit did not suffer from the legends; they were making him an important man at the same time that his operations made him an enormously wealthy one. As the war progressed he contrived, in fact, to deepen the mystery and to provoke gasps of wonder elsewhere than on the stock market.

Like all exceptional men, Nathan was astonished at the stupidity of the mass of mankind. The Royal Exchange, for instance, was alive with individuals who called themselves speculators. That meant, if it meant anything, that it was their business to read the future, and they really pretended that they were going about it in rational fashion. What they did read in actual fact were the newspapers and the government decrees. That is to say, they tried to make capital from events after they had become common knowledge. It was a case of the halt leaning on the lame; for editors and authorities alike muddled along on general sources of information. Such a thing as exclusive news was unknown in their system. No one seemed to realize the importance of knowing things in advance, not of their occurrence, but of publication. Time after time the Government learned of battles and their outcome from him, hours before the official dispatches arrived, and hours (of course) after he had turned them to

account on 'Change. And when they did learn them they either wagged their heads incredulously or gaped admiringly at his cleverness, but seldom knew what to do with their information.

After the Battle of Belle-Alliance, for example, the Government did hear the results before he did; only what they heard was not so. He got word of a victory for the British troops, and when he brought the news to the Treasury, the officials there laughed patronizingly. Oh, yes, Mr. Rothschild was very kind and helpful, to be sure. They appreciated his desire to be of service. As it happened, however, the Government had got a dispatch from its own people on the ground, and unfortunately there had been a defeat. Later the truth came out, and then the most fanciful stories were invented and believed about the sources of Mr. Rothschild's knowledge.

Then came Waterloo. As often before, it was he who first communicated the facts about that epoch-making event to the authorities. This time there was no shoulder shrugging; they had learned to take him seriously at last. But what legends, in the City and everywhere else, were spun out of that scoop of his! He had himself (so it was said) gone to Belgium, witnessed the battle, then rushed back home to make the most of what he had seen. The tale was embroidered with breath-taking circumstantial detail: how just as he had reached Ostend a hurricane had broken out on the Channel; how after much haggling he had hired a fisherman to take him across and had paid two thousand francs in advance for the service; how on arriving on 'Change the next day he had looked so mournful as to cause a violent drop in the British Funds, the while his secret brokers bought up every piece of scrip they could

get their hands on at panic prices; and much more of the same sort.

No, he was simply a speculator who used his wits. His notion of looking into the future was to obtain news of significant events before it reached other people. To this end he cultivated high Government functionaries; not so much to learn about policies and decisions as to influence and help form them. The reason he was cool to bullion and sympathetic to Continental drafts in '13 was because the Government plan of transferring the Allied subsidies was of his own making. And to this end, too, he had devised ways of keeping abreast of world happenings, independently of both press and officials. He had, to all practical purposes, set up a private news service away back in his smuggling days. He had found out then that prices and the ups and downs of his business were affected by what Napoleon did on the battlefield and in the council room. Therefore it had seemed to him a very simple thing to instruct the skippers who carried his cotton cloth across the Channel to bring him the latest issues of French, German and Dutch newspapers. Later his Wellington enterprise had made military, naval and financial developments a matter of vital concern to himself and especially to his brothers. Therefore at the first opportunity he had thought it good business to secure a small fleet of his own, so that officers and crews might devote themselves exclusively to his needs. These boats were not common carriers; they were a bridge between the London house of Rothschild and its associates on the mainland. Chiefly used for the conveyance of money, securities and letters, they were in effect one of the earliest foreign news services in the world. For their commanders had orders to hurry

back, regardless of wind and weather, whenever any event of outstanding importance had occurred on the Continent. It was thus that Nathan learned of battles and things ahead of the British Government. That was all there was to the mystery.

III

Following the fall of Paris and the first abdication of Napoleon, in the spring of 1814, Mr. Herries was able to show Mr. Rothschild in a larger way than before how greatly he valued his services. The Count of Provence, long a refugee in England, was proclaimed by the Allied victors king of France; the sacred principle of legitimacy had been (for the Austrian chancellor, at any rate) one of the higher aims of the great struggle against the usurper. This, to be sure, did not prevent them from imposing a crushing indemnity upon the restored monarchy. Meanwhile Louis XVIII, after these twenty-five lean years, was in no pecuniary position to undertake the triumphant entry to his capital. He applied for a loan of five million francs ($200,000) to his good hosts, the British Government. The Treasury granted the request, and the Commissary-in-Chief called in Nathan to handle the transfer. As a transaction the affair was not in itself of any especial moment but Nathan saw further than immediate gain. The House of Rothschild, so strong and honored in England, had no standing proportionate to its wealth on the Continent. In France especially it was in fact suspect and obliged to carry on under cover. To hand the new ruler this round sum at such a memorable moment as this, in checks payable at the Paris office of Rothschild Brothers, could not

but raise the firm's prestige enormously. It promised even to knit a permanent tie with the court, and give James a position there comparable to that of his brother in London.

That was not all. Though the long Napoleonic nightmare was over, temporarily, the impecunious Allies still required, and were by agreement entitled to receive, the British subsidies. It was not entirely out of friendship for Nathan therefore, that Herries now energetically undertook to convince the ambassadors of the Allied powers in London that it would be to their advantage as well as England's to centralize the payments somewhere on the Continent; he was thinking primarily of the economies that arrangement would effect for the British treasury and of the salutary influence it would have on sterling exchange. Incidentally, however, he proposed that the place be Paris, and without naming Rothschild, that the choice of the agency be left to the English financial authorities, which in this department meant the Commissary-in-Chief. The amiable thought behind the proposal was, as in the advance to King Louis, to smooth the path for young James and the remaining Continental Rothschilds.

But the Allies, particularly Austria and Russia, raised objections. They were conservative powers; they liked to do things as they had always done them; besides, they owed favors to their own money-men. The negotiations, moreover, were now conducted with the principals of the Allied governments in Paris itself, whither Nathan had accompanied Herries; and the Eastern statesmen entertained certain sentiments toward the name, the sectarian affiliations and the social and personal traits of such people as Mr. Rothschild. Prussia, being the neediest of the breth-

ren, was more agreeable; and some little progress was achieved with the others after lengthy discussion. On the whole, the project did not promise to have the success that Herries had anticipated. During the remainder of the year 1814 the major Allies continued realizing their subsidies by drafts on London executed through their own bankers.

Early in 1815, while the victorious statesmen sat haggling over the spoils around a green-baize table in Vienna, the alarming news rang out over Europe that Napoleon had landed near Cannes on the Riviera, had been wildly acclaimed by his old followers, and was rapidly collecting an army and marching on Paris. The intelligence had a sobering effect on the Congress. Irritating differences were suddenly ironed out, and the diplomats who had the day before sat glowering at one another embraced affectionately and became allies once more. In a trice the coalition was reconstituted. The armies, dawdling at their ease in France, shouldered their muskets again, reinforcements set out from every corner of Europe, and England loosened her purse-strings and began pouring out fresh subsidies. Under the stress of renewed war Herries was pleased to note a more accommodating spirit on the part of even Russia and Austria toward the Rothschild plan of handling the remittances. It was the last but probably the greatest in the long series of services which Napoleon unconsciously rendered to the five brothers.

Indeed, the problem for Herries and the Rothschilds was now, not to persuade the Continental governments so much as to find the wherewithal in cash and credits on the spot to satisfy their needs. Once again the British Treasury was obliged to coin French louis-d'or in its own mints

and otherwise to resort to extra-legal means. The Prussian command in Belgium was during the Hundred Days as before in the gravest straits, so that at one time Bluecher was driven to the expedient long ago adopted by Wellington of issuing his own drafts on London, while von Buelow, the Prussian finance minister, urged and implored to have at least a hundred thousand pounds advanced without delay.

The pleas remained for a time unanswered because both Herries and Nathan were themselves at the moment busy on the Continent. They returned to London late in April. Thereupon the Commissary-in-Chief referred the entire matter to his associate; and Nathan, perceiving that one of the great opportunities for which he had been waiting had come, dispatched an order to his brother Salomon to deliver in person to the Prussian minister of finance two hundred thousand pounds on behalf of the British treasury. The diplomatist of the Rothschild family did not fail to make the most of this the first direct contact of his house with one of the first-class powers on the Continent. Finding that Buelow was in very great financial difficulties, he offered on his own responsibility to take over a hundred and fifty thousand pounds of the English subsidy obligations, over and above the sum he was instructed to pay out. Considering, however, the low rate of sterling in Berlin and his want of authority and the risks involved, he was regretfully constrained to charge so heavy a discount that Prussia had later to ask Britain to make up the difference. Nevertheless Buelow was delighted. In his letter of thanks to London he commented with enthusiasm upon the energy, the helpfulness and the amiability of the House of Rothschild. He saw to it personally,

moreover, that both Herries and Salomon were fittingly rewarded, the British official with a porcelain service from the royal manufactory, the banker with the title of a Prussian Trade Councilor. Best of all, he retained a lasting impression of the evident influence of the firm and never after lost contact with it.

IV

Nathan's delight was at least equal to Buelow's. The immediate profits of the operation, or even of similar business to come, meant little to him. Reading between the lines of the minister's gratitude, he saw that Salomon had made a permanent conquest. Prussia had clearly been won, definitely and unreservedly, for the House of Rothschild. That was matter for congratulation. For Nathan's restless spirit, looking beyond the moment, had begun to be concerned about the future. However it might end, the renewed struggle with Napoleon could not go on forever. And the moment it was over, victors and defeated alike would have to take stock of the damage and set to work rebuilding. Rehabilitation would take money; and as virtually all the governments were bankrupt, the only way money could be raised was by loans. Nor was that all. This quarter century of disorder was not likely to be lost even on the backward-looking men who governed Europe. Therefore standing national armies were here to stay. Troops must be fed and clothed, munitioned and housed. Lastly, one side or the other was going to pay a goodly sum in damages, and that, like all the rest, would have to be borrowed from those who had had the foresight to lay by a bit during the storm. A rich harvest was awaiting

the firms with sufficient resources and the right connections. He and his brothers were amply provided with the first item. They must make haste to secure the second as well. That was why the news from Berlin was so heartening.

But Prussia, though splendid for a beginning, was, when all was said, but a rather small patch on the map of Europe. The great prize on the Continent was imperial Austria. Austria was not only the leading state in the German Bund; she was a great power with immense subject lands, and she stood only second to Britain in the councils of the Coalition. The banking house which secured a firm foothold in Vienna would gain something more than prestige and a leverage for future conquests. It would become the first financial institution on the European mainland.

Unfortunately Austria was not to be captured so easily. Her own favored bankers had neither the vitality nor the necessary connections to handle the subsidies with the vigor and dispatch that the situation demanded. Yet, though the good Herries did his utmost and though her forces suffered from inefficient provisioning, it was only with the greatest difficulty that she could be persuaded to accept payment according to the new system even during hostilities. Her big men, unlike the alert Prussians, held aloof away off there in Vienna, and were inaccessible to mere business men; with the consequence that the war ended and no Rothschild had got within earshot of an Austrian minister. After Waterloo she stiffened still more. Her haughty governing clique, accustomed to servility from all who came near them, demanded preferential treatment and made endless difficulties. At the base of

their resistance was mistrust toward the still little-known Jewish concern.

But Nathan and his brothers were persistent. Amschel in Frankfort and James in Paris sat on the doorstep of the Austrian envoys, and gave them no peace. Without so much as a hint at the possibility of their standing or credit being questioned by anyone, they played up in glowing colors the services they had rendered and the favor they were enjoying at other courts. Not that it had any bearing on the subject in hand, but it might interest His Viennese Majesty's representatives simply as a fact of common knowledge that the House of Rothschild was delivering the subsidy moneys for Prussia, Wuerttemberg and numerous other German states in so satisfactory a manner as to earn the commendation and the gratitude of their governments. No other firm in all Europe probably possessed the facilities of Rothschilds for the prompt, safe and economical disposal of that business. This was simply a fact which it would be immodest to ascribe to any superiority on their own part but was owing to the complete and extraordinary confidence which the London member of the concern enjoyed at the hands of the gentlemen charged with the administration of the subsidies by the British Treasury.

All these strenuous endeavors, however, seemed to go for naught; and in the end it fell to Herries to bring Austria around. He tried persuasion through his agents on the ground; he addressed communications to the imperial authorities, dwelling upon the savings in time, in money and in the good influence upon the exchange which the improved remittance plan effected, confirming all the boasts of the Paris and Frankfort Rothschilds and adding

his own high opinion of their ability, their financial strength and their entire reliability; and when Vienna still hesitated he ended the interminable discussion by summarily taking the matter into his own hands and relieving Austria of responsibility altogether. For while the Allies doubtless had the right to employ what men and means suited their own fancy in converting the subsidies, it was, after all, the British Treasury that held the purse, and so long as the remittee got his money safely, promptly and without loss, he could not reasonably complain as to the manner or the agency. Herries, therefore, quite simply instructed his friend Nathan to pay the monthly instalments to Austria as and when she wanted them and to accept her drafts on the British Government at par. As to costs, commissions and discounts, why, England would take care of them herself! He, Herries, would show the people over him that the arrangement was the cheapest in the end.

This somewhat high-handed procedure had the desired effect. Vienna at last realized that the queer English meant business, and that this suspect Rothschild plan and Rothschild concern were evidently held in some regard by the one European nation to whom finance and business were second nature. And since the islanders were the rich uncles of the Coalition, it might be as well for proud but needy kin to keep on the sheltered side of the tradesmen they favored, even if the terror of Europe was now safely stowed on St. Helena Island. Austria, therefore, did more than submit to Herries's decision. She went a long step further and arranged with the House of Rothschild to handle her share of the French indemnity. Presently, finding that these payments were coming in too slowly to

mend her disheveled finances, she approached the concern with the idea of liquidating the outstanding instalments in advance of their maturity. These transactions were not only enormously more profitable than the subsidy affairs, they brought the House into immediate contact with the finance administration in Vienna, and in addition served to raise its prestige in France. Nathan had sized up things correctly: the rapprochement with Austria was to make Rothschilds the first financial institution in the world. Right off it enabled James to establish himself definitely in Paris. In a very short time it was likewise to erect Salomon's house in Vienna and Karl's in Naples.

CHAPTER IX

NOBILITY

ONE good turn deserves another—in the same direction. Having got what they wanted, the brothers now considered that they deserved well of their new clients. True, they reasoned, they had made a good thing of the subsidy transfers to Vienna; but then the bargain had turned out still more advantageously for the Austrians. The imperial treasury had, owing purely to the Rothschild influence in London, saved an enormous amount of money in bankers' commissions and an even larger one in interest on the advances. These sums, to be sure, had not come out of the Rothschild pocket; they had been made good to the last penny by the British Government. The fact remained nevertheless that Austria had got several millions ahead of time without paying the customary charges. Only a house having the influential friends in London that they had could have done such a thing for her, and she knew it; her own bankers had asked one per cent commission and six per cent interest. Was it not legitimate, therefore, for Austria to show some appreciation for their loyal services?

This logic of business, whereby the merchant made the profits and the client emerged as the beneficiary, was no invention of the Rothschilds. It had come to them by inheritance, from their father and from William of Hesse-Cassel. Had not old Meyer earned his Court Factor title

as a kind of bonus from the Landgrave for the privilege of letting him buy a batch of trinkets? Had not the Landgrave himself been elevated to the dignity of an Elector in recognition of a loan he had made to the same Emperor of Austria at a good rate of interest? And had not Prussia, upon a gentle hint, recently honored Salomon with a Trade Councilorship in circumstances similar but much less favorable to that state than the present ones were to Austria? How else were men of business to become gentlemen of rank?

It was not vanity altogether; the Rothschilds were painfully in need of lifting up. At least the Continental ones were. Nathan, over there in England, could afford to smile loftily at ribbons and crosses. He was a full-fledged citizen of a country where a comfortable balance at the bank was as good as an earldom, and where race, religion and family descent counted for little in a man's affairs and for not much more in his social position. But in France, and particularly in Germany, a Jewish merchant could not live by bread alone, nor be anybody with mere millions. These incurably aristocratic lands rated people by their antecedents, or at least by the length of the handles attached to their names. The Frankfort patricians could not forgive the Rothschilds their Judengasse origin and their shopkeeping past. Their amazing rise, their incredible financial genius, their fabulous wealth, did not help to advance them socially; Continental Europe took no stock in the self-made man. It was jealous of him and distrusted him. Napoleon, the supreme example of the species, was a fresh and painful memory to ruling families lately returned from exile. The Rothschilds' money, far

from exacting respect, only heightened the contrast between their present magnificence and their lowly beginnings, threw into the more striking relief their cultural rawnesses and provided wags and Jew-baiters with handy gibes. While their Gentile competitors, like Bethmann, mingled on easy terms with statesmen and field marshals, they neither received invitations nor could get their own accepted. It hurt, that; also, it made the ladies unhappy; not least, since finance was so much a matter of teacups and small talk behind potted palms, those bolted doors were not good for business.

So it was urgent that something be done. Those minor dignities were not any good. They must get no mere Kommerzienraths and that sort of thing any more, but a spangle so gigantic and lambent as to cast their entire previous history into the shadow. Now the country where the name Rothschild stood in highest repute was England. If Nathan cared, he might possibly obtain a knighthood by way of reward for his aid to the Duke of Wellington and subsequent usefulness. But Nathan was the one brother who did not care, and even if he did, it was hardly likely that the honor would be of any use to his foreign relatives who needed it most. Prussia was very friendly, but the shining things in her gift were not big enough. There remained only Austria. That conservative state, for all its unenlightened treatment of the Jews in general, was not ill-disposed toward deserving individuals of the faith. The present emperor had conferred nothing less than a barony upon one Jewish financier. What he had done once he might be induced to do again. In any event Salomon thought the attempt worth making.

II

As one dynasty to another, the House of Rothschild approached the House of Hapsburg initially through the latter's envoy at Frankfort. This was not just conformity to diplomatic usage; in the absence of more direct channels, it was the only thing to do. In times to come the firm found it quite unnecessary to speak to emperors through mere ambassadors. But this was only 1816, and one must work with the tools at hand. So Salomon, after alluding to the cordial relations that had always existed between the two Houses, passed on to more recent history and begged Schwinner, the financial man in the Frankfort legation, to recall the loyal and unselfish services which he and his brothers had rendered to All-Highest in connection with the English subsidies, as well as of their readiness to be of use in all future undertakings, specifically in the matter of the advances on the French indemnity. Concluding, he begged to be so bold as to suggest that some recognition from His Majesty of their endeavors might not be out of place and would certainly be treasured by himself and brothers now and forever. It was not for him to say what form such recognition was to take. (Why ask for a knighthood? Suppose he should want to make it a dukedom!)

This verbal feeler was in due course transmitted to the minister of finance in Vienna, Count Stadion, who in his turn handed it on to the emperor. Stadion, though he had never laid eyes on any Rothschild, recommended favorable action. The man was nearly frantic with the effort to save the country from bankruptcy, and the opportunity to gain the adherence of this energetic young

house with its powerful connections in London looked to him like a god-send. Negotiations for the liquidation of the French indemnity were still in progress with James in Paris. They had come to nothing so far because the brothers, for all their unselfish devotion to His Majesty, were obliged to offer the somewhat low figure of sixty kreutzers to the gulden. Were the emperor to confer upon them some fitting honor, they might perhaps reconsider the question and be content with a twenty-per cent profit on an advance repayable over five years.

The monarch, however, was not to be rushed. Stadion's troubles did not disturb *his* sleep. Besides, a Christian emperor could not just like that hand out distinctions to people who not only were theologically unacceptable, but were tradesmen of doubtful origin and foreigners to boot. So Francis took his time to reflect. Also he consulted his chancellor and one or more of his courtiers. The chief minister, Prince Metternich, was on general principles disposed to cultivate good relations with moneyed people, regardless of race, creed or antecedents. One never knew when they might be needed. Leader and fountain-head of the reaction though he was, he had a singular tenderness for the Jewish people, individually and collectively, and was doing everything in his power to secure the rights of citizenship for them in Frankfort, if not in Austria. So Metternich seconded his colleague's motion.

But in other, no less influential, quarters, the Rothschild proposal encountered severe and ironic opposition. A gentleman about the court, Lederer by name, subjected the petitioners' claims to such close scrutiny that the project seemed in peril of falling to pieces. What, he asked in effect, had they done to merit consideration? As far as

those subsidy remittances were concerned, now, it was quite true they had not required Austria to pay any commissions on the matured instalments nor any interest on the advances. Well, they were not entitled to any. England had squared the account with them in full. They had not sacrificed a penny in the whole operation. Did they expect to be paid twice? Similarly, their great to-do about having carried through a complex financial enterprise without disturbing the exchange. So they had. But their cleverness had nothing to do with it. Events over which they had no more control than over the weather, had been favorable; that was all. As for their punctuality and efficient management—good heavens, what were the men thinking of? They were bankers, weren't they? Was it not their simple duty to be punctual and efficient?

Then Lederer gave some attention to Stadion's doctrine of putting the firm under obligation for the sake of future needs. To him the whole notion seemed the veriest innocence. Did the minister of finance suppose that business men governed their conduct by sentiment? It was one thing or the other: either Austria was a client worth having or she was not. If her affairs were profitable they would go to all lengths to get them; if they were not profitable they would not lift a finger, no matter what favors were shown them. The only criterion was profit and loss. This was the first time he had ever heard of the idea of men of the trading class being expected to operate on any other basis.

Lastly, they were Jews. Not that he entertained any prejudice against any people or faith. Still, facts were facts. In Frankfort where the men in question had their home, the Jewish question was just now particularly acute.

A proposal to grant the Jews equal rights with Germans was under discussion before the council of the states sitting in that city, and feeling on both sides was running high. Were His Imperial Majesty to single out a Jewish family of Frankfort for distinction at this time, the impression was certain to go abroad that Austria was taking sides with the Jews and trying to force the issue; which surely was not what All-Highest intended.

However, when all was said, the brothers, or one or two of them anyhow, had certainly given valuable service to the empire. He was not in the slightest degree disposed to minimize that, however much they might have to thank England and the course of events for the result. Nor did he mean to suggest that they were entitled to no consideration at all. Just what form the reward should take, it was not his place to decide. But if his opinion were required, he would suggest that they be given each a gold case with His Majesty's monogram outlined in diamonds!

III

This devastating analysis came very near dashing the brothers' hopes. The emperor hesitated and weighed the pros and contras as if it were a question of war and peace. But Stadion, backed by Metternich, pressed on. No doubt, there was much to be said for Lederer's objections. Still, Austria was in no position to repulse friends with money and influence. Inspired reports from the legation in Frankfort dwelt on the power and the wealth of the House of Rothschild, on its eagerness for social recognition and on its goodwill toward Austria. There would probably never be another opportunity like the present for winning its

gratitude. So at last His Majesty assented. Now came the question, What kind of a spangle? Several motions were made and considered. There was Lederer's satirical idea of the gold case. Someone else suggested a sum of money; but Stadion felt that would not do. A mere token of recognition in that form would scarcely interest the Croesuses, and a bounty large enough to impress them might strain the imperial exchequer. In any event they were more likely to appreciate some less tangible honor which would have the advantage, moreover, of costing the government nothing. The police director of the city of Gratz favored their being named Imperial and Royal Councilors, a distinction, however, which was reserved exclusively for deserving state functionaries. An order, again, was not in keeping with the nature of the service rendered, and the Civil Medal was sure to disappoint their expectations. All in all, therefore, a title of nobility seemed best calculated to answer the purpose, even if it did promise to stir up jealousy among Gentile bankers and the squirearchy at home. That, of course, was the solution which the gentlemen in the Frankfort legation had been driving at from the start.

Meantime, before the grave discussion had come to an end, the Rothschilds had made bold to supplement their petition. Originally the plan had contemplated honoring only the two eldest members of the family, Amschel and Salomon. On second thought, it was pointed out that, while they had been particularly active in the subsidy operations, the firm was a solid unit and worked together on each and every undertaking. Consequently it might be both invidious and prejudicial to the solidarity of the family were some of the brothers to be raised above the

rest. The logic was clearly sound and incontrovertible, and that point, too, was granted.

Salomon was now asked to convey to the imperial heraldry office his ideas of a coat of arms for his House, and Salomon complied to the best of his ability. Left to himself, he would have taken the opportunity to paint a symbolic history of the family, or at least of those aspects of it which lent themselves to public admiration. Wasn't that what armorial emblems were for? Besides, one was not asked to become a nobleman every day in the year. A natural reserve, however, bade him be moderate. The quartered field, therefore, showed but three colors, red, yellow and blue; figures, all told, a meager seven—two lions, a leopard, a stork, a hound, half an eagle and an arm holding five arrows, the whole surmounted by a crown. Even this was largely in grateful allusion to the honored patrons of the family rather than to its own magnificence. Thus the leopard symbolized England, the eagle Austria, and the lions the Elector of Hesse-Cassel. In the field itself only the arm with the arrows spoke of the unity of the five brothers, while the hound and the stork, which held up the shield, stood for loyalty and piety.

The martinets in the heraldry office, however, were not in the habit of letting things go through just like that, and they blue-penciled Salomon's draft unmercifully. The animal collection was wiped out almost entirely. Why? Tradition! The rules of heraldry forbade the arms of a foreign country, or any reference thereto, to appear on a device granted by Austria. The crown, too, must go; it belonged to a loftier style than was being contemplated for the moment. Even the hound and the stork, those gentle creatures representing the virtues that had made the

House of Rothschild great, were not allowed to remain. The ridiculous slashing went to the length of reducing the number of arrows in the arm from five to four. Sheer stickling! By the time the experts were done there was so little left of the original design that Salomon hardly knew it. Nevertheless the 25th of March, 1817, was a red letter day in the history of the family. For on that day the final document went forth from the imperial palace in Schoenbrunn declaring that henceforth the four continental Rothschilds were members of the Austrian aristocracy. The snobs of Frankfort might now give themselves what airs they liked; the sons of Meyer, the Jewish curio dealer, were by imperial decree as good as any of them. And James in Paris could prefix a significant "de" to the Rothschild Frères on his office sign, and look the proudest courtier of Louis XVIII straight in the face. Only Nathan remained a humble plebeian. But he did not mind.

IV

But though Nathan was inclined to smile at armorial bearings, there was one species of official dignity to which he was not indifferent. Cordial relations with Herries had shown him the value of being on the inside of government. There was more worth-while information to be picked up around the ministries in a day than in all the London drawing rooms in a year. Now that the war was definitely over and subsidies a thing of the past and the British connection safely clinched, it behooved him to spread his nets into new waters. For any number of reasons, but chiefly because of the geographical distribution of his brothers, France and Austria were the most desirable waters in sight.

Paris would take considerable wooing. Vienna, on the other hand, was coming along very nicely. The past performances on behalf of Austria were, however, no more than a good beginning. If the same rate of progress were to be maintained, it was essential to keep the closest kind of watch on developments in her fiscal policies. Her old bankers at home were surely making the most of their proximity to the court; and although Salomon and the others were nobles now, they had no firm footing on the ground. There was no Rothschild office in Vienna,—not yet. By the time news reached Frankfort it was apt to be of little use. Therefore some channel of a more direct kind must be cut to the great capital on the Danube.

It so happened that the Austrian consulate general in London was vacant at the time. It seemed to Nathan that that was the very thing for him. Were he to fill that place he would be in effect the financial attaché of the embassy. Considering that London was the world's money capital and that Austria was bound for a good while to come to borrow, this would mean that the ministry of finance in Vienna would guide its fiscal policy by his, Nathan's, reports and opinions. That is to say, he would not only know far ahead of the court bankers when a loan was being contemplated, he would have a hand in determining when and whether such operations should be undertaken. Incidentally he would, as the accredited representative of a great power, be brought into intimate contact with the official folk of other countries as well, not by way of fox hunting and tea parties, but in their business capacities—the only aspect of fashionable society that mattered to him.

He conveyed his thoughts to his brothers, and Amschel went to work at once. While he was about it, indeed, Am-

schel discovered that the Austrian consulate general in Paris was likewise in need of a good man, and it occurred to him that he might as well give his little brother James a boost at the same time. So he wrote to Vienna that should the chancellor contemplate filling those two vacancies he knew the very men for him. He was not, he explained, seeking any new honors for members of his family; his brothers and he were much too grateful for the splendid surprise His Majesty had lately seen fit to give them. It was precisely for that reason that he was anxious to make some small return. The members of his House in London and Paris, owing to their prominence in the business and banking of those capitals, were in an excellent position to further the commercial interests of the Empire abroad. They had, moreover, no thought of asking any kind of pay for their services. They merely wished to demonstrate their gratitude and loyalty.

Meantime Nathan himself let no grass grow under his feet, but plied the Austrian ambassador in London to the same effect. Vienna, however, was in no haste this time. It looked to the authorities there as if the Rothschild people had an unhealthy appetite for distinctions which grew by what it fed on. Without exactly refusing their request, the Austrians decided that a little check would be good for them just now. It might spur them on to show their devotion in some more tangible form, such, for instance, as an offer of better terms in the French indemnity matter. For the time being, therefore, nothing much happened. The Rothschilds, however, were not discouraged. They kept on begging and pulling wires. But it took three years before Vienna got around to the appointments.

That was a long time to wait. Fortunately there were

other things to keep Nathan and James occupied in the interval. Early in that eventful year 1817 the royal government of France, upon balancing its books, discovered a rather staggering deficit. Prospective revenues would not only leave nothing over for indemnity payments, they would not even meet current expenses. A loan of some three hundred and fifty million francs was imperative. Such a sum could not at this time be raised within the kingdom, to be sure; but the credit of France, despite the instability of the last quarter of a century, was still good abroad. The ministry therefore set the machinery in motion by calling in, not James Rothschild, but that financial wizard, Napoleon's old banker, J.-G. Ouvrard. Ouvrard, however, though he had made several fortunes in his time, was richer in ideas than in money just now; so that he in turn sought the help (again, not of de Rothschild Frères) but of the great British financiers Baring Brothers and their associated firm of Hope & Company.

James was frantic to take a hand in this first great operation since the war. It was not so much the profits—he was not doing so badly in his other affairs—but if he could at least participate in the syndicate, his standing in France would be assured. But neither the Englishmen nor the Frenchmen would have anything to do with him. The Rothschilds' exploits in the Peninsular campaign were no secret any longer; but far from being admired for them, they were looked upon as unscrupulous tricksters who had abused the confidence of French bankers, had helped the enemies of France and would very likely do so again if they had the chance. Labouchère, the brother-in-law of Alexander Baring and the head of Hope & Company, conceived an unconquerable aversion, moreover, for young

James personally. He despised the insignificant little man with the marked Semitic features, the deep restless eyes and the curly red hair, who could cringe when he wanted something, became arrogant when he had got it, and was insufferable at all times. Ouvrard more than concurred in this estimate. To him the Rothschilds were "simple money changers, who owed their fortunes more to accident than their own ability."

But James was determined. Unable to gain access by the door, he tried the windows as it were. Associated with Baring and Hope in the preliminary negotiations was the dashing David Parish, a Hamburger of British descent, one of the most picturesque and adventurous figures in the world of finance. James managed to strike up an acquaintance with him. It was a strange fellowship: Parish the bon vivant, the intimate friend of Talleyrand, the beau who was at home in the best circles of London, Paris, Vienna and even Washington, and the rich but crude shopkeeper's son. They were attracted to each other by a mutual need. For Parish, with all his personal charms and high connections, lacked the capital just then to play the kind of part he desired in the syndicate, while James had the funds but lacked the connections. An understanding was therefore reached between the two, whereby Parish was to secure James's admittance to the consortium and share in his part of the winnings. But though Parish did everything in his power to push his partner forward, his efforts went for naught. He succeeded in bringing young Rothschild to the attention of the ministry of finance; and that was as far as he could go. Labouchère and Ouvrard were adamant. For no consideration would they work with the upstart. Indeed, they advised Parish to steer clear of all

the Rothschilds. In years to come Parish wished he had taken his friends' warning.

The loan meanwhile was awarded to the two British houses without Rothschild participation. James took the blow hard, and vowed that he would make the snobs rue it. Nathan, on the other hand, did not mind. Precisely because it was the first big international transaction since the peace, it was an enormously risky thing. Let others make the trial flights. There was no telling how the investing public, spoiled by the fat profits of the war years, was going to react to this relatively sober business. The loan might very well be a fiasco, and in that event there would be neither glory nor money in it for the promoters. If, however, it was a success, it would serve to create confidence in state bonds, and the House of Rothschild could then make a more active bid for future loans. This was only the first; there were plenty more coming. For the moment it was just as well for the brothers to go slowly, make friends and build up their fortune. Besides, even though they had failed to be included in the consortium, nobody could stop them from playing as big a part in the loan as they liked and as seemed to them safe. The moment the security had made the grade, they could step in and acquire as much of it as they wanted. They need not even use their own capital in the speculation. Just as once long ago the Hessian Elector's Consols had laid the foundations of their fortune, so now the French indemnity payments to Austria, Prussia and the rest of them, which the House was handling, could be employed to expand it.

As it happened, the French loan was a brilliant success. Baring and Hope—though not Ouvrard—cleared enormous gains. But the Rothschilds were not impoverished by

it either. They bought on margin and largely with the untransferred indemnity funds, such great blocks of the securities that they presently controlled the price of them. Ouvrard later calculated that they made a good fifty per cent with the self-loaned Allied moneys in this affair. Ouvrard, however, did not know the half of it. In his bitter hatred and contempt of the Rothschilds he could not believe that they ever thought of anything but gain. As a matter of fact, their interest in mere profits was only a passing phase this time. For a while, indeed, they bulled the market with great energy, much to the joy of Baring and Hope. But the sequel was much more interesting and rather less agreeable to these gentlemen. Of this, in a later chapter.

CHAPTER X

THE FIRST LOANS

NATHAN had sized up the situation more accurately than he knew. Of course, there would be other loans. His brother James was still lamenting his rebuff in Paris, when along came Berlin to cheer him up. True to her promise, Prussia had never forgot the help she had got from the Rothschilds during the critical Hundred Days. What was perhaps even more to the point, her finances were in a desperate state. The British subsidies and the French indemnity, mere stop-gaps at best, were about drying up; a few millions which, thanks to Salomon and Karl's good offices, she had lately borrowed from the Elector of Hesse-Cassel, were gone almost before they had reached her; her own people, burdened with taxes and economically exhausted by the long war, were as poor as their government; and the state treasury was barely able to pay the military and the civil servants their salaries. A foreign loan was the last and only hope.

With Karl virtually residing in Berlin, this state of affairs was no secret to Nathan. Therefore, along about November 1817, he sought out the Prussian consul in London, and after several conversations reached an understanding with him. This gentleman—Barandon was his name—without taking the time to consult his country's ambassador on the spot, communicated what he had learned (or such part of it as seemed to him relevant)

direct to Berlin. There were, he said, but three firms in all England equipped to place a loan for Prussia in the London market. Of these the House of Rothschild was held in the greatest esteem both by the investing public and by the British government; so that, were this concern to undertake it, the operation was a foregone success. He then went on to state the factors which might have an adverse influence on the project, lest too sanguine expectations should lead to disappointment later. The British were a clannish lot and loaned their money very reluctantly to foreign governments. When they did it at all they expected a high rate of interest, having been spoiled by the French *rentes* which yielded about eight per cent, while the Prussian loan, as contemplated, would pay only five. Moreover, several recent attempts to launch foreign bond issues in England—Austrian, Spanish, Russian and Neapolitan—had been complete failures. Nevertheless he was hopeful. Prussia's integrity and thrift were much admired beyond the Channel. At the present moment, also, Consols only yielded a little less than four per cent; so that if Berlin could see its way to offer a rebate of ten per cent to the investor and a five per cent commission to the bankers (thus raising the interest rate to seven and a half) he believed success to be assured.

This highly inspired communication no sooner reached the Prussian chancellor than he authorized Barandon to proceed, and negotiations were opened forthwith. It soon transpired, however, that Barandon had misunderstood something. The House of Rothschild was indeed prepared to float twice as big a loan as the royal government desired, only the rebate would have to be not ten but thirty per cent. Why should anyone want to invest in Prussian bonds

at ninety when French ones could be had for seventy? This seemed reasonable, and a provisional agreement was drawn up on these terms. But before the final contract could be signed, news reached London of projected flotations by several other countries, with the consequence that money became tight. Thereupon a very curious thing happened. Barandon, namely, made public Nathan's printed plan for the Prussian loan. In that document the amount of the issue was stated at twelve millions, instead of the twenty provisionally agreed upon, and the emission price not seventy but sixty. The purpose of this interesting procedure, as Barandon apparently understood it, was to discourage other prospective borrowers away from the London market. However that might be, it was received in Berlin with raised eyebrows, and Barandon was asked to explain just what the changed figures signified.

Barandon's explanation was so clumsy and tactless that Nathan saw with dismay that the man he had picked was not exactly a Buderus either for financial astuteness or for keeping those over him in the right mood. He blurted out things as they were told him, without stopping to think of their possible effect. Thus he told Berlin straight out that the reduced price had been dictated by the fall of the French *rente* to sixty-five. Sixty was, of course, less than that; but then the British investor preferred the French paper because it represented the recognized national debt of a first-class power whose credit had safely weathered three successive revolutions. As a matter of fact, he added, Austria was offering her five-per cents as low as fifty-two, and Russia was vainly trying to float a loan at seven and one-fifth per cent. So what could Prussia, whose securities were quite unknown to this foreign market, ex-

pect! How all this sounded to Chancellor Hardenberg can only be imagined. But Nathan was sufficiently discouraged to drop the rough-and-ready diplomat, and henceforth transferred the negotiations to the embassy. For a space it seemed as if the entire project would go aground. The Berlin authorities were extremely put out with what seemed to them a highly suspicious way of doing business, and efforts were made to secure a loan elsewhere or to manage without one. Ambassador von Humboldt (a brother of the famous scientist) succeeded, however, in calming the air.

Humboldt put the whole blame on the unfortunate consul, and recommended sending over a well-trained man specially for the purpose. As for Rothschild he was not only "easily the most enterprising merchant here now" but an entirely trustworthy man, honest, fair and intelligent. He transacts much business with the British government, and is through his brothers thoroughly familiar with the Prussian situation. To advance his brothers' interests he is disposed to make himself agreeable to "our Court" and it will not be easy to find another house as friendly. What Barandon had said about the difficulty of placing foreign loans over here is quite true, and the success of the French issue must be regarded as a special case; so that it were best to think twice before trying someone else. Rothschild, on the other hand, is not going to be very manageable. He has the independence which comes with wealth and prolonged residence in England, and the ministry of finance must be prepared once the conditions were agreed on, to let him handle the whole thing without interference. His affairs and speculations are so compre-

hensive and varied that it means very little to him whether he secures this particular enterprise or not.

II

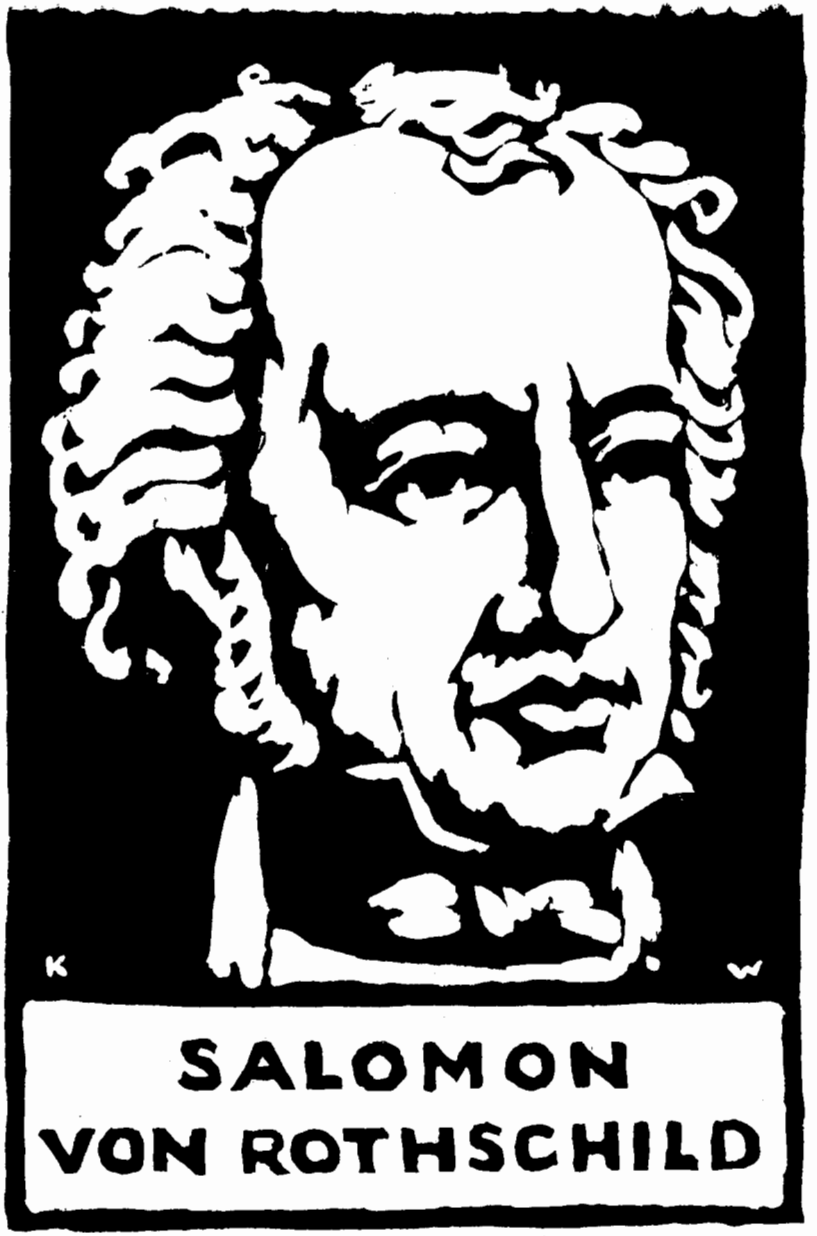
Prussia then sent over her keenest financial intellect, a man named Rother, who having started as a regimental clerk had risen by sheer force of character and ability to the directorship of the treasury. The negotiations now began in earnest. Nathan at once perceived that in Rother he had met his match. Here was another Buderus indeed, but a Buderus who took his responsibility with the utmost seriousness and would represent his royal master's interests as loyally as if they were his own. Nathan not only respected what was to him a quite novel type of official mentality; he found delight in pitting his wits against those of an equal. This was going to be a chess game after his own heart, with no victory assured in advance. Well, he would rather lose against an opponent like Rother, than win with Barandon.

Rother shared this feeling; only he had the advantage of having something like his opponent's measure in advance, whereas he was an unknown quantity to Nathan. Before proceeding to England he had painstakingly prepared his retreat. All in all, he preferred to have the loan launched in England, but only provided the amount and the conditions were at least equal to those that could be obtained elsewhere. To make sure of this he had entered into negotiations with bankers both in Berlin and in Amsterdam. Moreover, he had outlined a plan for a direct government flotation without the aid of bankers. As it

happened the Netherland authorities were contemplating a loan themselves and could not permit a foreign one to be offered on their exchanges at this time, but privately a number of capitalists assured Rother that they would be glad to invest in the Prussian securities if they were issued abroad. In Berlin, despite the general depression, a consortium was improvised which was willing to take up fifteen million, possibly twenty, on acceptable terms. Prussia was thus well armed for the fray. The Rothschilds by no means had the field to themselves. They must reckon with strong competition.

Realizing all these initial disadvantages, Nathan called his brother Salomon to his support. This was the first government loan the family had ever been called upon to float, and it must go warily. Salomon had had dealings with Rother before, was closely in touch with developments in Berlin, and might well know something about the rival terms. Nathan, moreover, though he was confident of his own business skill, did not trust himself in delicate manœuvres with diplomats, especially Continental ones. That was Salomon's forte.

The conversations began at noon on the 25th of March and continued for an entire week, sixteen hours a day, frequently till the small hours of the morning. Rother opened by declaring the conditions named in the printed plan unacceptable. To this Nathan replied that he was prepared to listen to any reasonable proposal. However, that plan had been made public, and it would be a breach of faith with prospective investors, as well as compromising to both Prussia and his House, to dishonor it entirely. Prussia was about to make her initial appearance in the London financial market, and such a beginning would injure her


SALOMON
VON ROTHSCHILD

prestige. While, therefore, he would be glad to consider raising the price somewhat, he would suggest that at least a portion of the loan be offered at the figure originally named. But in any case, he wished to say at once, it would be useless to try to float the issue at over sixty-five on the average. As Herr Rother was aware, even the French bonds were unable to lift themselves above that level, and the Prussian Funds were a new and untried investment over here. Yes, Herr Rother had heard this reasoning before from Consul Barandon. Also, he knew that he could do better than match these conditions much nearer home, and that in all probability Mr. Rothschild would not let it come to that.

Aloud Rother observed that without wishing to make odious comparisons, he regarded his own country's credit as an infinitely sounder risk than that of France, and that this he had reason to believe was also the general view. If the public had any real confidence in the newly restored French monarchy, its securities would command a much higher price. But France, as the last quarter century had amply shown, was a turbulent country. Besides, her national debt was tremendous, and she was at present groaning under the burden of a still unpaid indemnity. Prussia, on the other hand, was a young and vigorous state, with an orderly population devoted to its reigning House and quite proof against revolutionary infection. Her internal debt was trifling, her foreign one almost non-existent. The entire world admired and trusted her honest and efficient government, and her hard-working, pious, intelligent inhabitants. In sum, the low state of the French *rente* had nothing whatever to do with Prussia.

The Rothschilds conceded that there was much to be

said for this reasoning, and requested a counter proposal. Rother replied that Prussia must have five million pounds (thirty million thalers) and was prepared to offer the bonds on a sliding scale of seventy-five, seventy-eight and eighty net, that is, without any deduction for bankers' commissions. This was, of course, merely an asking price. Even so, however, Nathan found it fantastic; and after submitting reasons why it would be useless to undertake the loan at anything like those terms—reasons which commanded even Rother's admiration—he frankly declared that unless his opponent was in the mood for large concessions the conferences might as well be abandoned at once. For a moment the air grew extremely tense. Rother, partly because he felt that he had the inside grip on the situation, partly as a tactical move calculated to force the bankers to name their final figures, said that he feared there was nothing else left. As Humboldt had warned beforehand, Nathan was too independent and prosperous to care. Had he been alone, he would at this stage quite likely have walked out of the room without any further ado. Salomon, however, was anxious that this undertaking should not end in failure; his mind was dwelling on the still exposed position of himself and his brothers on the mainland. So he counseled patience. Both sides, therefore, retired to think it over, and the heated session ended in mutual expressions of friendship.

The next day a succession of compromises was proposed and discussed. Finally Nathan declared himself willing to float the bonds at seventy straight. In view, however, of the condition of the market and the consequent risks involved, he must ask for no less than four per cent commission. Again, the negotiations were in peril of an

abrupt termination. Rother was still soaring in the region of eighty, and commissions of four per cent he declared to be unheard of. The discussions continued until long past midnight. Not only the price but the amount of the loan were still in dispute. The Rothschilds argued that to launch five million pounds' worth of an unknown security was to risk both their own fortune and the credit of Prussia unnecessarily. It were far more prudent to start modestly with three millions, and in the event of success to follow it up with a further two, which would then doubtless command a better price. As the hours dragged on with no solution in sight, a spirit of accommodation possessed both sides. Rother agreed to the four per cent commission, Nathan gave in on the five millions. On the price, too, a compromise was reached. The first half was to be issued at seventy, one half the remainder at seventy-two and a half, and the last quarter at seventy-five. The understanding was verbal; papers were to be signed on the morrow.

III

Between supper and breakfast, however, Rother did some sums and observed that at this rate the treasury would realize on the average somewhat less than seventy per cent of the face value of its script. This was no better than the German bankers were prepared to do, and he would have a difficult time explaining his reasons for placing the profitable business with foreigners, in particular as public opinion was strongly opposed already to having the bonds go out of the country. Besides, were he to sign up on these terms he would be exceeding his authority. He disliked very much reopening the discussion—it meant

a deadlock now, he feared—and seeming to be going back on his word; but there was nothing else he could do. In the morning he therefore dispatched a letter to Salomon explaining his position.

He began very pleasantly by paying a warm tribute to Nathan. His journey to London, he felt, had been worth while because it had enabled him to become acquainted with Salomon's brother, "for whose intellect and character I have the greatest admiration—*even if our affair comes to nothing.*" Having thus casually introduced the main purpose of his letter, he went on to say that his hands were tied by explicit instructions which prevented him from definitively entering into the provisional agreement of the night before without consulting his government. These instructions he would gladly lay before Salomon—"not as Mr. Rothschild but as my friend"—when they met again. To Berlin he surely enough did write that same day—not, however, to ask for wider powers but to say that the negotiations were progressing favorably! But that he really held Nathan in high esteem he showed in the way he spoke of him to the authorities at home: "The London Rothschild is a very estimable man and has an almost unbelievable influence on all money affairs in the city. It is saying a good deal, yet it is well-nigh true that he controls prices on the exchange here. His strength as a banker is very great."

Salomon was not to be outdone in courtesy; for his gifts as a diplomat were superior to his grammar. If he was put out he did not show it. Writing back promptly, in language which even old Meyer would have been ashamed of, he assured Rother that they wished nothing to be done in haste, that good-fellowship and sincerity were more to

them than business, and that they were his cordial and devoted friends.

There followed four more days of fencing and bargaining and threats of rupture. Finally at three o'clock in the morning of March 31 an agreement was secured. It was not this time a compromise; all the concessions came from the bankers, and Rother emerged with flying colors. The flotation figures were unchanged—seventy, seventy-two and a half, and seventy-five—but the commission of four per cent had been eliminated entirely. Immediately upon the signing of the contracts Nathan dispatched a boat to Hamburg with a million thalers in silver, to await Rother's arrival there, and a second million in commercial paper on the same city was handed him on his departure. Humboldt was delighted; Rother's skill had achieved a triumph beyond all expectations. The felicitations, however, were premature; Rother still had a card in his sleeve. He had held it for a climax all along.

When, early in the negotiations, Rother had painted the economic outlook of his country in bright colors, the picture represented his genuine convictions. All that Prussia lacked was a world market for her credit. This loan, now happily arranged, would give her that. He trusted the Rothschilds to handle the exchanges with skill. In these circumstances it would not be long before the bonds would rise in value. Why, then, should not the royal treasury share in the profits? The country did not need the entire five million pounds at once. She could afford to invest a bit in her own securities, now that the pressure was relieved. In a final conversation with Salomon he, therefore, suggested that Prussia would cheerfully take over one million pounds from the loan herself. Considering that the

bankers had throughout fought for keeping the total down to a lower figure, they could hardly object now that Rother so obligingly lightened their burden. The brothers graciously consented, and the parting letters exchanged between the negotiators were almost tender. Rother wrote to "my dear Salomon" that he was leaving London happy, and Salomon replied by assuring him that he had done "a divine piece of business. God knows," he added, "that our hearts are with you and that we are moved by no desire for profit. . . . We are heartily, eternally and loyally your friends."

Why should they not be? The new loan was taken energetically in hand by all the five brothers and pushed simultaneously in all the more important exchanges of the Continent as well as in London. Trading in it was so brisk from the start that within six months the price rose to eighty-three. It went back for a little time, without however falling below the level at which it was issued, and then recovering it went on upward till at the end of six years it mounted to par. The Rothschilds thus had reason to be content with their first venture into state financing. They had been generous without exactly sacrificing themselves. Doubtless they could have wrung more favorable terms out of Barandon. But where would have been the glory? They had learned something from the contact with Rother, had triumphed over competitors, and had recaptured the confidence of the Prussian court, which in the first stages of the negotiations they had almost forfeited.

As for Rother he had during a time of depression succeeded in obtaining terms which were the admiration of the experts. His last-minute move had been a stroke of genius. The bonds had scarcely been put on the market

when a Paris banking-house offered to take over the million pounds he had reserved, at five per cent above the flotation price. Many people in the government were in favor of accepting, but he held on till the height of the boom, and the state realized a round hundred and fifty thousand pounds on the incidental operation. Moreover he had avoided the risk of a direct loan and had put Prussia definitely on the European financial map.

CHAPTER XI

HONEYMOON

TO return to France and the sequel to James's rebuff. Why the Rothschilds should take the lead in bulling the loan of 1817 puzzled Labouchère and Alexander Baring not a little. It looked to them like the purest benevolence. The brothers, after being not only beaten but snubbed into the bargain, were returning good for evil, like apostolic Christians. It did not sound like them, or even like rational business. What might they be up to? Make a killing? Naturally. But that was too obvious. They could as easily profit by bearing the market. The only plausible explanation seemed to be this: they were currying favor with their rivals by a demonstration of their power on the exchanges. It was a peace offering. Ouvrard and Labouchère lost what little respect they had for men who could resort to such groveling tactics.

The gentlemen were in error, however, and unjust to Nathan's resourcefulness. Not that he was not capable of precisely those tactics; only in this instance he had other objectives in his eye. A corner in the new French *rentes* was desirable on general principles, as well as for two or three specific ones. In view of the firm's manifest destiny, the public ought to have its confidence educated in state securities. A weak response to this initial venture would be a setback for all loans and hurt more people than Baring and Hope. Contrariwise, a brisk absorption of the

French offering would create a thirst for future issues. But public spirit aside, Nathan did purpose a show of strength,—to impress, however, not his rivals, but the financial world in general and the French government in particular. What with her economy disordered by a quarter of century of almost constant war, the Allied armies in occupation of her territory eating her out of house and home, and a sizable part of the indemnity still to be paid, France had only begun to borrow. True, helping the present loan to its feet might merely result in strengthening Baring and Hope. The Rothschild demonstration, instead of showing the authorities where the real money power was, making them regret the error of their past ways and disposing them for a wiser course in the future, was running the risk of leading them to the superficial conclusion that the two British firms were so influential that even disappointed competitors were bound to support them. Well, that might happen. And then again with a bit of caution one might very well induce the French public, if not its government, to ask a few embarrassing questions about this too successful (and too profitable) loan of Baring and Hope. And lastly, control of the market would make the House of Rothschild the arbiter in the next flotation; would not only enable them to dictate the price, but give them in effect the power to veto the project altogether. In given circumstances the exercise of this last would be nearly as sweet as the award of the loan itself.

What followed came close to bearing out Nathan's calculations. Within less than a year the French bond issue of 1817 soared twenty per cent—from fifty-five to sixty-six. The British firms came off so well that the Paris investors and even more the French taxpayers complained

loudly at the tribute they were forced to pay the foreign bankers. Even the government was stirred, and brought suit against Ouvrard for profiteering. Nevertheless, when early in 1818 the budget again failed to balance, the ministry of finance turned for help once more to Baring and Hope, and the Rothschilds found themselves as much on the outside as the year before. Neither gratitude for past aid nor veiled threats of future obstruction would make Labouchère overcome his aversion for the brothers. This time, however, Nathan as well as James must be reckoned with. The London Rothschild, fresh from his triumph with Prussia and his victories on both royal exchanges, was determined that no new French loan should be launched without at the very least his participation in the syndicate. If Baring and his friends refused to take warning, then he, Nathan, would have no choice but to use his veto power.

II

Negotiations in Paris began early in the year. By summer a tentative agreement had been concluded with Baring and Hope, whereby the two associated British firms were to raise two hundred and seventy million francs for the final liquidation of the indemnity. By way of a sop to public opinion, the government did for a while give some perfunctory attention to schemes of a direct treasury loan, and listened with one ear to proposals of the native bankers; but nothing came of either alternative. In one respect at least Nathan's fears were thus justified. For the government took the position that it could not risk untried men and methods at a critical time, and that the British houses had more than earned their profits by the great lift they

had given French credit at home and abroad through their successful handling of the last loan. Indeed, it was owing to their efforts that the nation was now able to command a much improved figure for its bonds.

For the time being, however, the agreement was provisional. France must first secure the assent of the Allied governments, and that meant a wait of several months. In the autumn a conference of the Powers would meet at Aix-la-Chapelle to consider the evacuation of the French provinces, the payment of the balance of the indemnity and some related matters. Till then, therefore, the precise terms of the loan contract must remain in abeyance. The Rothschilds were going to have their delegate at Aix, and Nathan was still hopeful that Baring would be realist enough to come to terms. The last word at the conference would rest not with France but with the statesmen of England, Russia, Austria and Prussia. With all these countries the Rothschilds were in good standing. At any rate, James and his brother in London went on trading in the French bonds of the previous loan and pushing them up.

Meantime Karl, the fourth son of Meyer, had reached his thirtieth year and felt it was time for him to marry. Choosing a mate for a Rothschild had, by the year 1818, become a serious matter. Amschel and Salomon had taken wives in the dim days when the family were Judengasse shopkeepers; Nathan had wedded Hanna Cohen during the smuggling interlude. But Karl was fifteen years younger than Amschel, and thus the first to attain marriageable age since the House of Rothschild had become a dynasty. They were not only the richest Jews in the world, but nobles to boot. Their former neighbors and business associates were away beneath them; families on

their own economic level still hesitated to accept them as equals. Moreover, Karl was the least clever of the brothers. It was therefore a brilliant achievement and another step in the rise of the House when the erstwhile Kalmann won the hand of Adelaide Herz. The young lady was not only beautiful; her family belonged to the small and exclusive circle of cultivated German Jews who had had their money long enough to attain enlightenment and social graces.

The wedding took place on the 16th of September, at the very time when Frankfort was filling up with notables on their way to the Congress at Aix. It was a gorgeous throng. From the four corners of Europe Emperors and kings, statesmen and generals and great ladies were converging upon the ancient capital of Charlemagne. Originally it had been planned that Salomon should be the sole plenipotentiary of the Rothschilds at the big show; diplomacy was his bailiwick. But Adelaide was tempted; and since the young pair must go on a wedding journey somewhere, why not combine pleasure with business and take their honeymoon at Aix amid the gilded pageantry? The notion caught Salomon's fancy. Finance being so largely an affair of the right social contacts, the presence in the delegation of a lady with Adelaide's accomplishments would be a distinct asset. Her beauty, her poise and her family connections might easily turn the scales in the delicate mission ahead of him. By all means let the couple come along.

III

In truth, Adelaide and her people had begun helping out even before the wedding. No one surely who had thus

far come into their ken was fated to mean so much in the destiny of the Rothschilds as Friedrich von Gentz, and it was Frau Herz and her sister who provided that introduction. Salomon and his brothers, not being reading men, were unaware that Gentz was the most distinguished publicist in Germany. Nor is it likely that they would have gone out of their way to make his acquaintance on that account if they had been aware of it. Writing men doubtless had their merits. At least princes seemed to think so. The Duke of Weimar, for instance, had made one of them, a Frankforter named Goethe, his chief minister. But what possible use could they be to bankers? What was interesting about Gentz was that he was the secretary, the close friend and adviser, almost the other self of Prince Metternich, the man who in the affairs of Europe had inherited the mantle of Napoleon, who was the power behind the throne of Austria and who would hold the Congress at Aix in the hollow of his hand. That was important, and equally so was the fact that Gentz was a gentleman of expensive tastes and meager income, so that he probably must make ends meet somehow.

The facts in the case were a great deal more interesting than that. In his youth Gentz had shown decided leanings toward the radical ideas of the Revolution. Later, the excesses of the Jacobins and an offer of employment at the court of Prussia had made a wiser and a disillusioned man of him. He read Burke's "Reflections" and swung completely around. A man of rare political insight and literary gifts, he soon attracted notice in influential quarters by his eloquent defense of the old order. Foreign diplomats in Berlin approached him with assignments in behalf of their governments. He sold his pen and his editorial connections

to England, to Russia, to whoever was willing to pay for them. At a time when courtiers and even ministers balanced their private budgets with gifts and loans from court merchants, when reigning princes themselves bartered their subjects for money, it was too much to ask of an impecunious young writer to be swayed by ethical scruples. Gentz was anything but ashamed of the "subsidies" he got; he noted each item gleefully in the Journal he kept as "an agreeable transaction" or as "good news." Subsequently, after entering the service of Austria, he discovered that bankers were prepared to make safe investments for him with their own capital in exchange for advance notice of his master's intentions, and he delivered this intelligence as freely and with no more thought of wrong-doing than he had previously shown in merchandising his literary wares.

Gentz preceded Metternich to the congress, and arrived in Frankfort on the 3rd of September. The same evening, his journal records, he saw Moritz Bethmann the banker, by whom he was "very cordially received." (Bethmann's firm, like most financial houses, had irons in the fire at Aix.) On Sunday he lunched at Bethmann's home. But the man with whom he spent most of his time was David Parish, the young Vienna banker who was again operating on the sidelines for Baring and Hope. Parish, however, was no mere check-book to Gentz. "David Parish," he wrote to another friend, "is the matador, the pearl of the business world in all Christendom on both sides of the Atlantic Ocean, one of the most complete men that I have ever seen." They too met and talked every day for as long as Parish remained in Frankfort, which was till the eighth,

when he left for Aix, after "important arrangements" with his friend.

It was only after Parish's departure that Gentz found time for the Rothschilds. At ten in the morning of the next day they paid their first call. Three days later there was another visit of an hour, during which Gentz and they had "an interesting conversation about the local Jewish question," then up before the council of the German states sitting in Frankfort. Thus far neither "agreeable transaction" nor "good news." But presently the tempo quickened. Sunday the 20th was a hectic day for Gentz. In the morning he had a conference with the Austrian ambassador, on leaving him he stopped in to see Salomon and his brother at their own place, where "everything was happily disposed of." Then he must rush to Bethmann's for lunch. At nine A. M. on Monday one of the brothers came alone, and the conversation was important enough for Gentz to write his Prince the moment his visitor left. Tuesday evening he dined with "the family," which included beside the Rothschilds, Madame Herz, Madame Frohberg (Adelaide's aunt, an old friend of Gentz), a general and several lesser notables. At daybreak next day he was off to join his master.

Salomon, accompanied by the honeymooners, followed him the same afternoon with a light heart.

IV

At Aix the proceedings got slowly under way. At least the official ones did. How much was being accomplished at the ceaseless round of luncheons, dinners, soirées, balls, the

Rothschilds had no way of knowing for certain, but what they surmised made them uneasy. A score of bankers—Alexander Baring and Labouchère among others—had arrived on the ground before them, with their suites of well-groomed, genteel-mannered lieutenants. They were seen everywhere, riding about in their proud equipages, halting at one palace after another, gold-laced magnificoes and splendid ladies at their side. Parish and Gentz apart, Salomon saw scarcely anyone in that whole brilliant assemblage with whom he was on speaking terms. Hardenberg was there for Prussia, but Rothers was not in the delegation. England had sent Castlereagh but not Herries. Even Barbier was absent. Neither Adelaide's beauty nor Gentz's friendly offices seemed to be of much use. The shimmering pageant rolled past, but the Rothschilds looked on at the windows, wistful spectators.

Gentz was touchingly attentive. The busiest man at the congress, he would tear himself away from a reception at the Nesselrodes', a tête-à-tête with Lady Castlereagh, even Metternich's dinner table, to spend a couple of hours with Adelaide and her husband and brother-in-law. Almost every day he found time to receive Salomon and Karl at his own rooms. And he did his utmost to convince his Prince that the Rothschilds were too rich and powerful to be overlooked, while Parish on his side urged the same logic upon Baring and Hope. But it was all to no purpose. Metternich and the bankers were committed. In those two or three days before Salomon's arrival an understanding had been reached between them, and there was no going back. It was too late for a peaceful solution of the Baring-Rothschild rivalry.

Already in September, while the forehanded guests were

assembling in Aix, some rumblings had been heard on the Paris bourse. They were mere warning signals, however, which soon passed. On the second of October Gentz had a reassuring talk with Parish about "important money affairs in Paris;" on the ninth he received "good news" from the same quarter. On that day, too, the Congress fixed the conditions for the remainder of the French indemnity, Baring and Hope undertaking to float the loan—at a greatly advanced figure, of course, in view of the high standing meanwhile attained by the issue of the previous year. The Duc de Richelieu for France approved the enhanced terms with pleasure. The Allied representatives gave the enterprise their blessing. All the nervousness of the past fortnight had disappeared. Bankers and statesmen told one another confidently there would be no storm, and Aix gave itself up to unrestrained gaiety. The Rothschilds seemed finally and irretrievably beaten. Gentz's visits to "the family" came to an abrupt end, though Salomon and Karl continued to call on him from time to time. He was very, very sorry; he had done his best. But what was the use? The decision was patently irrevocable; they could see that. And he was terrifically busy. He was the secretary not only of the president of the Congress (Prince Metternich) but of the Congress itself, and the protocols of the proceedings devolved upon his shoulders. Well, better luck another time.

Nevertheless the two brothers remained serene and devoted. On the twenty-seventh, after Gentz had about made up his mind that they had at last given up,—they had come only twice since the ninth—Salomon appeared and handed him eight hundred ducats, winnings from a little investment in the English Funds. The busy secretary pock-

eted the windfall gratefully enough, though he was a little puzzled. The persistence of those people was astounding. What could be their game now? The mystery was to be resolved a week later.

On the fifth of November the thunderbolt fell. While Aix had been enjoying itself, some terrifying things had been happening in Paris. About eight days ago—on October twenty-seventh, to be exact—a mass of 1817 government bonds had suddenly been unloaded on the bourse. The result had been pandemonium. Within five days the state securities had dropped from 74 to 68. Every other paper had followed suit. There was no let-up in sight. It was a panic. From the French capital the movement was spreading to the other Continental markets. Even London was showing the strain.

V

The bad news threw the Congress into confusion. "They all pretty much lost their heads," says an eyewitness; "only Baring kept his." Lucky for him that he did. He had something more tangible to save than his self-control. By the contract which he had signed here at Aix less than a month ago, he had on his hands a trifle over a quarter of a billion new French obligations, which he had bought at an average of seventy, and which therefore meant not only an immediate loss but that they could hardly be offered on the market at all. Unless he held his wits together and found a way out, he was a ruined man. The situation was as desperate as could be imagined; there was no mistake about that; all the greater the need for straight thinking.

"An Englishman the like of whom there are not many," was Gentz's characterization of Baring. He proved himself worthy of the compliment now. No muddling through for him. A glance showed him pretty clearly what had happened, who had made it happen, and why. Patently a couple of gentlemen in London and Paris had decided to show him who was master. Well, they had succeeded. It was useless to deny that. But they were mistaken if they thought they had got his scalp. One way or another he was going to squeeze out of that contract. That was all, and that was enough satisfaction for any rival surely. There would be no new French loan just now; but the House of Baring Brothers would go on standing for yet awhile.

The proposal, however, to break the engagement could hardly come from the banker. It would be not only undignified but useless. He would be read a stern lecture about the sacredness of contracts, and be held to his pound of flesh. As it happened, a number of the leading Allied statesmen had an interest in the ill-starred loan, other than official. Hardenberg of Prussia, Nesselrode of Russia, Prince Metternich, not to mention Gentz and other smaller fry, each had signed up for a parcel of the as yet unissued bonds. They had not actually put up any money of course. If all had gone well, they would have clipped the coupons every six months or so, and eventually have collected the full value of the matured paper, without the bankers being too petty about the accounts.

But things were not going well, alas! not well at all. So Baring via Parish via Gentz begged for an audience with Prince Metternich and the other chiefs of the Congress;

which was grudgingly granted. The statesmen would rather have avoided the meeting; it did not promise to be pleasant. The unlucky financier would probably whimper and crawl and appeal for mercy. But no! surprisingly. The thoroughbred was taking misfortune like a man. He did not so much as hint at release. A contract was a contract; he meant to stand by his guns, whatever the cost. What could be finer! However, there was something more—another surprise, not so agreeable. He expected the good gentlemen to honor their commitments also, and thus distribute the burden! In view of the fact that the operation was to be a loss from the outset, he must respectfully and regretfully suggest that all subscribers pay up in advance, trading on margin being feasible only on a rising market. And so on . . .

This was unheard of, fantastic. Metternich was thoroughly outraged. No banker had ever made any such proposition to him before. He had no money for investments of any kind, least of all for flivvers. Rather than do what Baring wanted, he would throw the loan out altogether. And that was what happened. At the session of November 19, the chair informed the French delegation that, mindful of the deplorable news from Paris and having the credit of France at heart, the Congress was obliged to reopen the matter of indemnity payments. A canvass of the assembled powers revealed that the representatives of Russia, Austria and Prussia favored postponing the question to some future conference. The Duc de Richelieu had no choice but to agree. The houses of Baring Brothers and Hope & Company were saved, but they left Aix with their glory dimmed. Metternich never forgave them. Their primacy in world finance was gone forever.

VI

Meanwhile, between the fifth and the nineteenth, while the wearisome bargaining was going on, Metternich managed to spare a little time for Salomon and Karl. On the twelfth he asked Parish, Gentz, the two brothers and one or two other people to take lunch at his table. As an earnest of friendship and goodwill, the busy Gentz dropped everything the next day to prepare a memorandum on the Jewish question for the Council at Frankfort. That was on the thirteenth of November. On the fourteenth Salomon, considering his task done, quit Aix-la-Chapelle, together with the honeymoon couple and David Parish. The Congress continued for a fortnight longer. Journeying home to Vienna, Gentz stopped off again in Frankfort for a week, and while there saw the brothers daily. Prince Metternich arrived in the Main city on the evening of the fourth and left the next morning, but Salomon and Karl could not let those fourteen hours pass without paying their respects, whereupon Gentz noted briefly in his journal: "arrangements with the Rothschilds." Finally Gentz himself was off for Vienna right after lunch on December sixth; but though he had many friends in Frankfort, and though he had taken leave of the Rothschilds at their home the evening before, he ran in again for a last handshake while his coachman waited whip in hand.

His next halt was Munich, where he was received by the Bavarian king and treated on all hands as a personage. He felt himself that he had acquitted himself more than creditably at Aix. As he added up the proceeds of those two months' work he must admit that he had not done so badly: two orders (the Red Eagle from Prussia and the Anna

Order from the Emperor of Austria) besides six thousand ducats in cash, thus: France eight hundred; ditto from Prussia and Russia; seven hundred pounds from England, and from a Herr Bentheim on behalf of "the mediatized" nobles one thousand ducats. Nothing at all, of course, from Baring, but to make up for it, another eight hundred from the Rothschilds, with much more in prospect. And his total expenses, including gifts for loved ones in Vienna, barely more than a quarter of the total.

Money, however, is not everything. Aix had been a turning point in his career. Writing to a friend from Munich, he let himself go in exultation: "Never, I can truthfully say," he declared, "have the laurels been heaped so thick on my head; every day I was flatteringly assured that without me it was no longer possible to have a congress. . . . It was proposed I regard this period as the culmination of my life . . . that I be forced to marry, so that my stock at least might not die out. . . . Partly for official reasons, but also because I felt I could make no better or more interesting use of my spare time, I have had the most instructive conversations with the most powerful figures in the commercial world—Baring, Labouchère, Parish, Rothschild, etc.; and it was no small advantage to hear the innermost secrets of the greatest money affairs that have ever been carried on among men, negotiated in my little house."

Exciting and delightful as all this was, it did not prevent him from observing the financial gods with a twinkle in his eye and making thumbnail sketches of them. Parish, "the matador, the pearl," was a boon companion after his own heart. He admired the intelligence and the broad training of Baring. But the phenomena, the marvels, of the

entire assemblage were the Rothschilds. As men they could not compare with the others, and he frankly despised them: "They are common, ignorant Jews, outwardly presentable, in their trade the sheerest materialists, without the remotest inkling of any higher relationship in the world." But they are "endowed with an admirable instinct which always makes them take the right course and between two right ones the best. Their enormous wealth (they are the biggest in Europe) is entirely the product of this instinct, which the vulgar call luck." It must not be imagined, however, that all the Rothschilds are equally gifted. Of the five one is only so-so, (Amschel) and another (Karl) is wholly negligible. Finally, the moral of the financial drama he had witnessed:

"The profoundest reasonings of Baring, now that I have seen everything at close range, inspire me with less confidence than a single healthy glance from one of the more intelligent Rothschilds. If ever Baring and Hope go wrong, it will be because they think themselves wiser than Rothschild and do not follow his advice."

But there was little danger; Baring had learned his lesson, and he had no thought of defying his rivals again. In the years to come the two houses coöperated often and amicably.

PART III

GRANDEUR

CHAPTER XII

IN THE SADDLE

AIX was a turning point. It was another milestone, like Nathan's fateful journey to Manchester, like the banishment of the Elector William, like the gold purchase from the East India Company. No, it was more momentous than all these. Everything that had gone before had been but a preparation; this was the harvest, that magical time when dreams and scarcely articulated hopes take solid shape. With Gentz, like a very genie, unlocking fairy palaces; with Metternich, the portentous, the all-powerful, safely in tow; with the majestic Hapsburg himself waving a genial scepter, the whole past had grown dim, shadowy, far-away. Buderus, the Elector, Rother, even Herries, shrank and faded and became unreal like the characters in some tale read long ago. With Parish a devoted associate, with every major financial house in Vienna reduced to a state of virtual vassalage, with the proud Baring himself making overtures of peace, friendship and alliance, how remote and insignificant seemed the foes and rivals of another day—Feidel David, Michel Simon and his son-in-law Levy, Rueppell & Harnier, even the Bethmanns, even Van Notten! Had all those people, indeed, ever existed? Had they actually ventured to put themselves in the path of the mighty, irresistible juggernaut? They were such vague, insubstantial shapes. And, most incredible of all, could it be true that

only yesterday Salomon Rothschild and his brother Karl had been slinking about on the twilight edge of Aix-la-Chapelle, patronized by Gentz and Parish, snubbed by Labouchère and Baring, outsiders in the grand show? How strange and sudden were the ways of destiny!

But now,—now came the sky-rocket years,—the glamorous, golden harvest years. Fortresses so long besieged that they had almost appeared impregnable suddenly surrendered without resistance, with hardly a blow, unconditionally. The whole battered front gave way, wilted, and collapsed. The conquering five, with flags flying and drums rolling,—the strangest host in all history—marched on to victory. So swiftly that it made their heads dizzy, everything that they had ever aspired to, things that they had hardly dared breathe of even to themselves, dropped into their hands, all in the space of three brief years. The Austrian Consulate Generalships in Paris and London went to James and Nathan; a new house rose up in Vienna with Salomon in command; Naples, at the extreme tip of the Continent, was taken, and Karl, too, reigned in sovereign grandeur; and then came the splendid climax: all the brothers were raised to the baronate, with their children and their children's children to perpetuity.

It was Austria, the one country that had taken such long and arduous courting, which, having once yielded, gave herself so unreservedly and so whole-heartedly. Scarcely had the *agenda* of the Aix Congress been finally disposed of when Salomon emerged as His Imperial Majesty's chief banker. The haughtiest and most fastidious court in Europe opened its proud doors wide to welcome Salomon and Karoline (née Stern) Rothschild. With the

mighty Chancellor securely bound to the golden chariot, the rest of the cabinet were drawn into the procession as a matter of course. Where the political power of Austria was ascendant, there also the financial power of Rothschild swayed. Salomon had but to whisper that he desired honors for a man in his employ or privileges for a relative, and the Imperial Hapsburg thought twice before he declined. Invitations poured in upon the banker and his wife; hardly a state function passed without them; archdukes and ministers dined and danced at their home. On the bourse he was supreme. He made and destroyed men and fortunes with a nod. To be in his good graces was better than credit; to incur his displeasure was ruin. Former rivals and competitors submitted to his dictation and prayed fervently for his continued success; for, in the words of Moritz Bethmann, the very prosperity of Austria was inextricably bound up with the fortunes of the House of Rothschild, "and the fall of such a colossus would be terrible."

But not alone in Vienna was the sun shining. In France also a new king had arisen, or at least a new minister of finance. Count Joseph de Villèle, like Metternich, was an ultra-monarchist Christian gentleman and thus had a natural aversion for the people of Jesus; but, even as the Austrian Chancellor, he was drawn toward the Rothschilds, and—so it was rumored and insinuated—by the same irresistible lodestone. So James acquired an ancient palace on the Rue Laffitte and filled it with masterpieces of painting, sculpture and such things, hired a box at the opera, and became a patron of the arts. The last of the sons of Meyer to be born, he was still a bachelor; but his position in society, the multitude of his friends and re-

tainers, and his elaborate entertainments, made a wife indispensable. Therefore he bethought himself of marriage presently. The latitude of choice, however, had since the last Rothschild wedding become still more restricted. What with being Austrian barons and all the rest of it, even families like the Herzes could now hardly aspire to family alliances with them. They were, like royalty, a subspecies apart. Only a Rothschild was fit to breed Rothschilds; and surely none but a Rothschild could provide the dowry fit for a Rothschild. The consequence of all of which was that in the summer of 1824 James was wedded to Betty, the youthful daughter of his own brother Salomon.

II

Imperial Austria, as distinguished from its imperial Chancellor and his efficient secretary, took Salomon to her bosom for pressing reasons of her own. The "good news" and the "pleasant surprises" which came to Gentz; the loans and gifts and holiday remembrances which Metternich received, the mediation and expert advice of David Parish, certainly removed obstacles; but the ministry of finance was in no position and in no mood to be choosy anyhow. The state exchequer had been suffering from distempers and violent attacks of vertigo for decades; the wars with Revolutionary and Napoleonic France had aggravated the malaise immeasurably; and no amount of subsidies, indemnities and kindred doses had sufficed to effect a cure. The Vienna bankers administered temporary relief from time to time; but their resources were limited, they lacked the necessary connections abroad, and, the

authorities having once or more suspended cash payments and defaulted on the interest, they entertained serious doubts about the solvency of the fatherland. It thus fell out that the monarchy was chronically hard up, that its securities found few buyers on the home markets and none at all on the foreign ones, and that the publication of bids for a new loan seldom occasioned bloody strife amongst the competing financial houses. It had been years, if the truth must be told, since more than one bidder had shown any interest in the nation's fiscal affairs; and even that was commonly such a lukewarm one that it must be bolstered with extravagant concessions to make it stick. Meanwhile the state's responsibilities were enormous and growing. The monarchical establishment, with its "Roman" traditions, its pretensions, its battalions of archdukes and courtesans, was the most expensive in Europe; the government departments were fantastically over-manned and putrid with incompetence and corruption; and the aftermath of the Napoleonic business had brought in its train a whole series of local combustions which, in view of Metternich's self-imposed duty as the guardian of law and order and legitimacy, was involving Austria in one costly military adventure after another.

In these circumstances the financial alliance effected at the Congress of Aix was as gratifying to the distracted Minister of finance as it was to Gentz, Metternich and Salomon. Here was a concern with unlimited means, with youth, energy and ambition, and with powerful roots in Frankfort, Paris and the world's money capital, London. Most happy augury of all, the Rothschilds were making the advances; they were clearly taking a sanguine view of the Austrian economy. Count Stadion, the then head of

the treasury, was not disposed to play the blushing maiden: he met the bankers more than half way. At the first opportunity he displayed his goodwill by putting business into Salomon's hands. Not many months after the dissolution of the Congress several trial operations of the already familiar type were entered into,—indemnity transfers and the like—and cordial feelings developed between the minister and the banker. A shrewd official without any nonsense about him, Stadion took the measure of his man at once, and having satisfied himself that the connection was promising, went to work with all his might to clinch it. Rothschild craved decorations, social advancement and an improved status for the Jews of his home city; he, Stadion, was prepared to labor with the Emperor, with the council deliberating in Frankfort, with Metternich, to secure them for him. It was an article of his faith that men placed under obligation made loyal servants; Austria, heaven knew, had little enough to offer; and if this useful house could be bought with such counters, why, he was willing to pay the price.

The next year business began in earnest, and Salomon justified Stadion's trust in human gratitude. There being as yet no Rothschild office in Vienna, and the nature of the enterprise being new to the firm, David Parish conducted the preliminary negotiations and shared subsequently in the result. Early in April the Emperor authorized the associated houses of M. A. Rothschild & Sons and Fries & Company (the Parish concern) to float a lottery loan of half a hundred million florins. Salomon, however, had ideas of his own about ways and means. With Stadion's approval he proceeded to throw open to

the public only a fraction of the issue. He calculated, and rightly, that an undeveloped market like Vienna and an untrained investment community like the Austrian would be swamped with such a mass of securities released all at once. Therefore, naturally, not a word was whispered about the next step, not for three months at any rate. With the help of Gentz, meanwhile, and with the aid, also, of a Baron Meseritz, who represented in Frankfort the *Augsburger Allgemeine Zeitung* and a syndicate of lesser journals in other German cities, a brilliant publicity campaign on behalf of the loan was launched in the press —not paid advertising, but a regular modern public education fanfare, with advice to investors, and short, snappy, popular disquisitions on finance and thrift and the like. Nor was the effort wasted. In a few weeks the scrip rose from barely over fifty to eighty, ninety and par; and long before the time the bankers had planned to let out the secret about the remainder of the loan, the first twenty millions were selling at three times the flotation figure. The loan was a riotous success.

Salomon's objective had been something more than a comfortable margin of profit; he was expecting a storm, and the ballyhoo with its effect on the market was to serve as a screen. Surely enough, the moment the remaining thirty-five millions were announced, there was a violent and agonized outcry from the purchasers of the earlier issue. It did no good for the bankers to point to the splendid results of the manœuvre and the high price at which the security was quoted. The public suddenly remembered that the culprit was a Jew, that the state (which meant the Austrian Christian taxpayers) would have to pay

back almost two guldens for every one the loan had netted, and—worst of all—that they discovered, too, that owing largely to the release of the new scrip the old was tumbling furiously and disastrously. There were open charges of manipulation and Jewish trickery (the participation and the correct church affiliations of Parish being overlooked) and whispered insinuations that Metternich, Gentz and many other high officials, including even Count Stadion, had had their palms greased. However that might be, the market gradually rallied, and thereupon the popular indignation subsided.

Salomon subsequently declared that his firm alone had cleared six million florins; but that must have been the gross. Extraordinary charges, such as the newspaper campaign and other expenses, were borne by the Rothschild part of the combine alone; and unless Parish lied on the night of his tragic death six years later, he did not even know of them. At least, he said then that he knew nothing of the other expenses, which included one or two items recorded by Gentz in that outspoken journal he kept. Under date of June 7 (1821) Gentz noted a conversation with Rothschild, in the course of which the secretary conveyed "remarkable and flattering comments" of his master on the banker, which "produced favorable results" from the latter. Neither the nature of the comments nor in whose favor the results were had is indicated; but an entry of some weeks later is more explicit: "He (Salomon)," says Gentz, "gave me an accounting of my share in the last few financial operations, and it turned out that, contrary to my highest expectations, I was five thousand florins to the good."

III

Parish performed his part of the contract efficiently and loyally, and it does not appear that Rothschild was in any way dissatisfied or that any differences had come up between the two firms in all the months of their coöperation. Yet Parish was left completely in the dark about the friendly support given the common enterprise from the office of the Chancellor, and about its cost. It could not have been reticence on the part of Salomon; for Parish and Gentz were old comrades and men of the world, and he knew it. It seemed to have been something else. Parish, in the letter which he wrote Salomon on his last day on earth, accused him roundly of having deliberately and systematically worked around Metternich so as to set him against himself, and he repeated the charge to Metternich also. No doubt a despairing man on the brink of death may say wild and bitter things. This much is certain: the first important venture of Rothschild in Austria was carried out in intimate association with Parish's firm; but the first was also the last time the two concerns worked together. There were many and greater transactions in the years to come; but Parish had no part in them. The friendship between Salomon and Gentz and Gentz's master ripened into close companionship, and in proportion as it did so, Parish (whom Gentz had on his way home from Aix described as the pearl and the matador) faded from Gentz's diary and from Metternich's favor. His elimination may, of course, have been merely coincidental with Salomon's advancement. Statesmen are notoriously fickle friends.

As far as the Rothschilds were concerned, their consciences were easy. Where was the bad faith in the matter? A year ago Parish filled a need, and they used him. No one could say that they had failed in their obligations toward him, that they had not lived up to the letter of their contract. Now his usefulness was finished, and they had let him go. It was the way of business, of progress, of the world. He had ceased to be useful because Salomon having set up headquarters of his own in Vienna, the firm was now directly represented in the empire. Naturally he had done what he could to strengthen his position at court. If Parish with his personal attractiveness and his prior connection did not do the same he was simply neglecting his opportunities and had only himself to blame. Naturally, too, Salomon did not hesitate to inform the proper authorities that the association was off. Why should he? He was the House of Rothschild in Austria, and it was his right and duty to conduct his business as he saw fit. It would have been intolerable to let the government dictate to him. Therefore when the following year the Naples affair came up he very broadly intimated to Stadion that the concern was quite strong enough to handle it alone, and he had his way too. As a matter of fact, Parish did not weakly accept the situation; he tried, poor man, to assert himself. Only his judgment was faulty; he lacked the gift of sizing up men. When he found himself shelved in the Naples operation, he attempted the next time a loan came up to exert pressure on the finance minister; but Stadion was merely the workhorse and the figure-head of his department; the power was in the Chancellor's hands, and the way to the Chancellor's ear was through Gentz. What happened? The

kindly treasury chief made an honest effort to have Parish participate; in a mild way he even insisted. Thereupon Salomon paid a visit to Gentz, and complained (says Gentz's diary) "with many tears about the inconsiderate manner in which various people were behaving towards him in connection with the new loan project." And within the week Gentz, to his "no small astonishment," received three thousand ducats on the Naples account and a day or so later two thousand more. Parish, in the meantime, went on shooting and drinking parties with Gentz—the jolliest pair of boon companions in the gayest capital in Europe. What could the unsocialized product of the Frankfort Ghetto do to match that?

IV

Any other piece of business would not have mattered greatly. But Naples was not commerce; it was conquest, empire. A banking firm might share risks and profits, without injury to its standing. Sovereignty was quite another thing. You either held it in solitary grandeur or you did not have it at all. And it so fell out, to Parish's misfortune, that the Neapolitan adventure followed hard upon the lottery loan.

The beginnings of the affair went back, like everything else in European politics since 1815, to Napoleon. Under the empire the Kingdom of Naples and Sicily had been governed by His Majesty Joachim Murat. After Waterloo the legitimate monarchy was, of course, restored by the holy alliance of the victors and for a space Ferdinand I ruled the land autocratically and more or less tranquilly. The embers of 1789, however, which Napoleon had un-

wittingly carried to all the ends of the Continent, went on smouldering, and it was only a question of time when they would burst into flame. What actually occurred was not a conflagration but a smudge. The liberal elements, that is to say, did not assault the strongholds of absolutism; nor did they guillotine the monarch; they only surrounded the palace with cannon and bayonets, deposited a constitution after the French Rights-of-Man mode, under his beard, and suggested that he sign on the dotted line. He very much disliked complying, but he was a prudent man with a good memory, and he did as he was told; after which the rebels departed and left him to reign though not to govern. Ferdinand, however, was not half so irritated by the high-handed proceedings of his subjects as was Prince Metternich in far-away Vienna. This sort of thing was getting altogether too fashionable. Only yesterday it had been Spain,—another of the Corsican's late satrapies; now it was Naples; where was it all going to end? And if the unspeakable liberal ideas went on spreading what, in heaven's name, was to become of the sacred principle of legitimacy? Well, it just must not spread. Metternich buckled on his shining armor; that is, he issued a call to the threatened monarchs of the Holy Alliance bidding them assemble in solemn conclave to deliberate on the menace. The Congress of Laibach summoned the spineless compromiser from Naples and ordered him to explain what he thought he was doing. He vowed that he had not meant to surrender, that nothing in the world was dearer to him than the doctrine of absolutism, but that he had not had much choice. The upshot of the discussion was that Austria was authorized to dispatch an army to the disaffected realm, tear up the

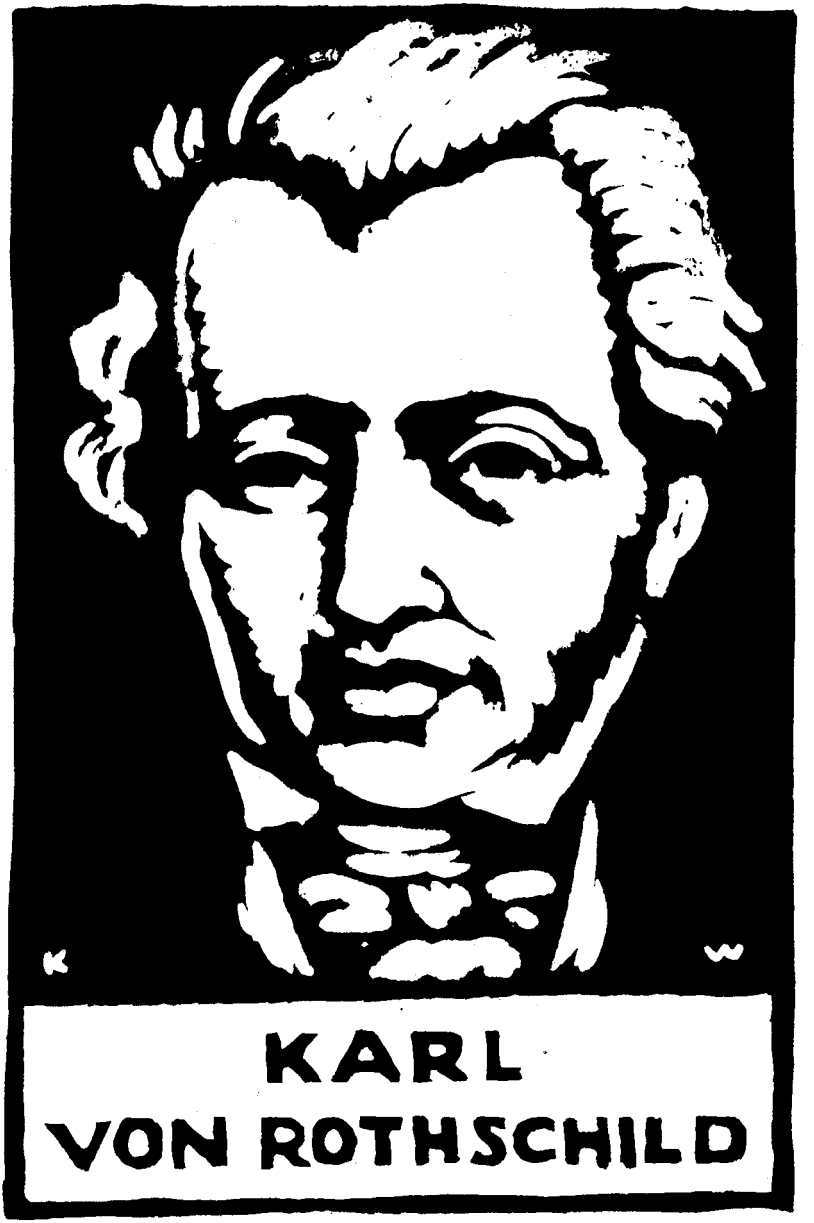
newly granted constitution, and restore the monarchy to its ancient and rightful glory.

In Vienna, meantime, Stadion was breaking his heart in the endeavor to keep the leaky treasury from drying up. The news from Laibach did not fill him with rejoicing. He had not enough money to pay his clerks their salaries. And now he was to clothe, feed and equip an army! But Metternich reassured him. Austria would indeed furnish the troops, but the bill would be paid by the people of Naples. In the interval the funds would have to be raised somehow. In all probability Herr von Rothschild would be delighted to advance the initial million or so. Salomon's feelings, however, upon being sounded, were found to be divided. He wished profoundly to be agreeable to Metternich, to strike out into new territory, to get the profitable business. But the situation was fearfully involved. The British and the French governments were opposed to the whole adventure, and if the House of Rothschild gave it its financial backing there might be unpleasantness for Nathan and James in London and Paris. Nearer home, too, there were complications. It was the time of the violent agitation against the lottery loan, the market (owing in part to the intimations leaking out of Laibach) was depressed, and the name Rothschild was in the worst possible odor. All in all, therefore, it would be rather imprudent for the firm to identify itself openly at this unfavorable moment with a project which already was causing uneasy stirrings in various quarters.

There was no thought, of course, on Salomon's part of keeping out of the enterprise. The needed advances, indeed, he furnished forthwith, so that the expedition might be set marching without delay. He only begged Met-

ternich not to insist on his personal presence in Laibach at this time. Instead, he would send him down his younger brother Karl. Karl was still floating about vaguely in the old way, running errands, keeping up contacts, filling in, the last of the five brothers to find a local habitation. Who knew? Perhaps his chance had come at last.

So the weakest of the Rothschilds—as Gentz had long ago described him—showed up at the Congress, and after receiving the final instructions from Metternich, proceeded southward on his great adventure. For a moment, just before he started, panic seized him. The Piedmontese, taking heart from the happenings in Spain and Naples, rose up against King Victor Emmanuel and demanded not only a constitution but an end of the monarchy. The explosion threatened to engulf Austria's own Italian possessions in Northern Italy, the Lombard and Venetian crown lands through which Karl must journey. As it happened, however, Metternich's forehandedness saved the day. Before the movement in Alessandria (Piedmont) could get fairly under way, the Austrian troops had pushed forward without appreciable resistance, had taken Naples and restored order, with the consequence that the revolutionary stirrings throughout the peninsula subsided. Gentz, who was in Laibach with his master, and who a few days before was nearly out of his head with fright himself, now assured Karl that there was no further danger and that he could start with an easy mind. In Florence, where King Ferdinand and his ministers had interrupted their progress till the Austrian commander gave the all clear signal, Karl discovered that he would have to reckon with competition. Not only was an Italian syndicate prepared to float the loan at better terms, the Neapolitan


KARL
VON ROTHSCHILD

authorities were disposed for political reasons to arrange the affair with people whom they knew and whom they could control. Ferdinand felt it in his bones that if he signed up with the Rothschilds, the proceeds would go in the main to Vienna while his own part in the transaction would be limited to paying the interest. As it turned out, the royal anticipations were, if anything, over-sanguine. For upon His Majesty's arrival in Naples, the Austrian envoy gave him to understand that it was indicated from headquarters that no other banking house was to be considered; and although the diplomat exerted himself at the same time to keep the Rothschild terms within reason, Karl, knowing that he had the field to himself now, could not be budged. Naples must guarantee repayment by hypothecating the state domains, she must pay three per cent commission, for three years she must not borrow another ducat, and after that time the preference in future loans must be given the House of Rothschild. The Austrian troops stayed on for four years, faithfully guarding the country against revolution, and the bookkeepers in Vienna regularly sent in a bill for their upkeep, which Karl (as a sort of treasurer extraordinary) promptly paid. Pretty soon the first sixteen million ducats had dried out, and then His Majesty signed for another bit and still another. For awhile the difficulty was to dispose of the royal obligations. The country being poor and the government eyed askance, the natives did not invest very heavily. Then Nathan conceived the idea of having the interest made payable in sterling and in London, so that the British market was won over. Meanwhile Karl and Adelaide grew fond of the lovely southern city, and though the conquering army marched away again the conqueror lin-

gered. He and his descendants lingered on till Italy became a nation, more than forty years later. At last, after years of wandering and waiting on his brothers, the last of the sons of Meyer had found an anchorage.

V

Six years before, for a mere little job of transferring, the good Emperor Francis II had seen fit to raise four of the brothers to the nobility. As he thought of it now, Salomon felt that His Majesty had behaved rather handsomely. In comparison with the services the House had rendered since, that subsidy affair had been the veriest trifle. The lottery loan had, on the other hand, done nothing short of putting the state's credit on its feet. The business in Naples, moreover, had saved the world from liberalism and republican chaos. Was not the time, therefore, ripe for another bit of an honor? He put the rhetorical question to Gentz; Gentz put it to his master; and Metternich repeated it to All-Highest. Looking before and after, the chancellor, the monarch and not least the minister of finance, agreed that the time surely was ripe. Stadion was not only grateful for past favors; he was thinking anxiously of his flat exchequer and the weary days ahead. Metternich, for his part, was actively preparing to do for Spain what had just been so brilliantly accomplished for Naples. It so happened, besides, that his personal finances were in somewhat of a muddle just at the moment, and he was intending to obtain a loan of a million or thereabouts from Salomon himself. By all means the obliging fellow should have anything he reasonably wanted.

Fortunately there was no need to ponder this time what would please Herr Rothschild. He was right on the ground now, and he was not making any mystery of his aspirations. For five years he had been hankering after those fabled beasts that a martinet in the heraldry department had cut out of the coat of arms he had submitted. He wanted them back, and he wanted a title that sounded like something. Well, he should certainly have them. No officious meddling by experts now, no irony and no captious criticism. On the 29th of September 1822 all the five brothers were by imperial letters patent admitted to the hereditary aristocracy with the dignity of barons. Amschel, Salomon, Karl and James rejoiced and celebrated. Nathan eyed the sheepskin sardonically, dropped it into a desk drawer and forgot it.

CHAPTER XIII

IN QUEST OF A HALO

THEY should have been happy; they were not. They had the world at their feet in a way that Napoleon had never had it. Yet there was an emptiness at their hearts, a void that craved to be filled. Shimmering with orders, with stars and jeweled crosses; caparisoned with the ribbons and decorations of a score of states, from France to Russia and from the Mediterranean to the North Sea; courted and fêted by emperors; richer probably than any five men had ever been in history before; dwelling in palaces like princes, surrounded by hosts of servants, subordinates and retainers; flattered and envied and their supremacy acknowledged by the financial potentates of the whole world; in the prime of vigorous youth, loaded down with achievement, confident of the future, lacking nothing that money or power could give—what more could men want on earth? Cynics railed and called them unappeasable; courtiers shrugged their shoulders at their ceaseless pursuit of honors; their foes hated them for their covetousness. It was true; their ambition was boundless. It gave them no peace. It drove them on relentlessly, as if against their will, without bringing them to their goal. They grasped at ever more wealth, more power, more recognition; and when they got it they saw it was not what they wanted.

For they felt, without knowing it, that they were out

of their element, creatures torn from their background and their native surroundings. Their very splendor oppressed them, and in their simplicity they strove on, vaguely hoping that somehow a little more magnificence would ease the discomfort. Their uneasiness, their restlessness, sprang from an unavowed sense of having failed to make themselves over. They did not fit. No wealth, no power, no grandeur, had changed them. They were still the sons of the "Little Bauer," of the unassuming Guetele, of the shop and the Ghetto. Far from sensitive, they none the less were conscious of an incompatibility in the air. They sat at the tables of statesmen and kings, and tried to pretend they were in bliss; but the dainty morsels stuck in their throats. They were not used to them, and they suffered in their consciences at eating forbidden food. The court tailors sewed their garments; but no skill on earth could make them wear them as they should be worn. They danced with archduchesses and princesses, and the gracious creatures listened to their talk and laughed at their wit; but the next moment they floated away in the arms of a guard officer, and even an Amschel or a Karl was not so obtuse as not to note a difference.

There was something far more painful than all this. Monarchs, chancellors, ministers, aristocrats and their ladies made one feel at his ease. Lesser men were not so considerate. In Austria and throughout the German lands, a strange, confused wave had suddenly arisen against the "kings of Jews and Jews of kings." The most incredible assortment of people and passions were stirred against them. Liberals who abhorred Metternich and all his works; functionaries and petty nobles resenting invasion of their privileges and dilution of their rank; staunch yeomen of

the old régime suspicious of all change and innovation; philosophical race purists and sectarian obscurantists; impoverished scions of decayed old families who scorned the trader class; and at the base of the whole, the motley horde of the disinherited mistrustful of wealth on principle. Nor was this curious army leaderless or without a tongue. Their sentiments were given voice in nearly the entire press and made graphic by scores of caricaturists. A flood of scurrilous articles and cartoons poured forth, retailing the doings and lives of the financiers, casting aspersions on their past, ridiculing their persons, and asking embarrassing questions about the source of their wealth, bases of their power, and the reasons for their favor in high quarters. The Rothschilds endeavored to stem the nuisance. They threatened; they paid hush-money to individual writers; they invoked the aid of their friends to silence newspapers or to suppress them; they got other friends to reply or to exert a counter-influence. Whereupon new journals and new authors stepped into the breach and enlightened the public about the reasons why the silenced had ceased to speak. It was most annoying and disturbing.

II

The great trouble was that Salomon and his brothers lent themselves so aptly to this sort of thing. Humorists with pen and brush found them a god-send. They were not only fabulously wealthy; not only parvenus of obscure and doubtful origin, and the favorites of the mighty of the land, and members of a hitherto despised race and religious sect; other people were all these things, yet it

occurred to no one to make sport of them. The Rothschilds, as even the devoted Gentz had observed, were a species apart. They hobnobbed on terms of equality with distinguished and cultivated men, with the flower of breeding and learning; and all the while they remained the crudest ignoramuses. They spoke the harsh, guttural jargon of the Ghetto; they could not write a presentable letter; their manners were offensive, their persons unattractive, their voices rasping, their gestures irritating, their minds commonplace. Advancement had no effect on them; contacts did not develop them; they seemed incapable of growth; their brains were impervious to ideas; their souls resisted refinement. The brilliance in which they moved only heightened their ludicrousness.

Where had they come from and how had they got there? It was known only that they hailed from Frankfort. The rest was a mystery; and they did nothing to dissipate it. Their father was a merchant—vague word. Merchants, even Jewish ones, educated their sons. These astonishing monarchs of finance were all but illiterate; they had risen to their commanding position with less learning than their humblest clerk; it was reported that they were not at home even in the lore and traditions of their own people. Surely any merchant, however lowly, could scrape enough income to bring up his children respectably. And it was hardly imaginable that the shadowy Meyer was a poor man. He must have given his sons some kind of a start. Such fortunes as the Rothschilds' do not grow from nothing in a single generation. And they were still young men. The oddest, and certainly not the most reassuring part of it was the consistent silence—one could almost call it secrecy—in which they wrapped their an-

tecedents and their beginnings. They seemed to be ashamed of them.

The more scandalous sheets harped on the racial and religious aspect, rehashing the age-old imbecilities which have not even yet quite lost their currency, conveniently forgetting that there had been great banking establishments and great fortunes before the Rothschilds, that the mass of Jews then, as now, were poor, and that this particular Jewish family were only a little more skilful in exploiting situations which they had had no part in creating than were their rivals of other creeds. More intelligent critics in the absence of data concerning the origin of the Rothschild wealth gave attention to the methods by which it was growing. And on this latter subject there was considerable light. While thousands of small people had been ruined by the lottery loan, Herr Rothschild had had the hardihood to boast that he had cleared six million florins on the transaction! And he had done it by a shameless trick, by sharp practices, by deceiving the public. The best that even such a learned and judicious authority as the Bavarian state councilor Von Goenner was able to say on the topic was that he was quite convinced "that these manœuvres could not be laid at the door of the very estimable Herr von Rothschild. They were the work of subordinates, brokers, and dealers in this wretched speculation." Perhaps so; but the wretched speculation would never have afflicted the nation at all if the very estimable Herr Rothschild had not backed the authorities into a corner and ordered them to deliver. Fifty-two kreutzers for a florin! More than a hundred millions to pay back for fifty-five borrowed! Was ever a people so mulcted in all history? And who was to sweat

and starve so that the Jewish baron and his brothers abroad might pocket the difference? (The excited economists naturally omitted to mention that the insolvent state was unable to induce the Christian bankers to take the business even at that figure.) How had Herr von Rothschild succeeded in misleading and betraying the populace? By spreading lies in a press that was either too dull to see through his game or something worse. By giving away whole parcels of the securities to people whose names need not be mentioned because everybody knew them. By driving up prices on the exchanges which he held in the hollow of his hand. By withholding the truth. In short, by subterfuges to which no gentleman with honest Teuton blood in his veins and the teachings of Holy Church to guide his footsteps would ever have stooped.

Then the liberals took up the lament. An edifying spectacle: the Prince of the reaction and the king of coin cooperating to extinguish the freedom of Europe. In Naples, in Piedmont, in Spain, oppressed peoples arise to demand their rights; they exact constitutions from their tyrants; liberty and justice triumph; a new era of democracy and progress is about to dawn; when, lo! the unholy alliance descends upon the helpless lands with steel and with gold and restores the cowardly assassins to their thrones. The artists performed their part with devastating effect. One cartoon showed a gentleman with marked Semitic features, attired in slovenly Ghetto garb and an aristocratic lace shirt-front, standing in a chariot made out of a strong-box and propelled by the two-headed imperial Austrian eagle, careering over Europe. In another, entitled "The Pump," Rothschild, obese and coarse, stood knee deep in a pool of gold and with both arms acting as

suction levers poured the world's wealth into the pockets of monarchs.

III

This was cruel enough; but what cut Salomon and Amschel to the quick were the everlasting insinuations about their un-German blood and their antecedents. The wags never wearied of the grotesquerie of the Jewish tradesmen airily whirling in the charmed circle. Hapsburg, Metternich and Meyer's boys! Gold lace, diplomacy, courtly etiquette, the destinies of Europe, willowy archduchesses, and Yiddish! It was too rich, and the humorists squeezed the last drop of succulence out of it. They celebrated it in word and song, in black and white and in color. And the public relished each bit with gusto. The lampooned bankers writhed in agony; but what could they do? Devoutly religious from childhood and pillars of the synagogue, it was unthinkable for them to change their faith. They would not, even if they could, deny their race. And in any event that would hardly mend matters. The only real way to raise the standing of Jews in the community was after all to improve the lot of the race as a whole. In Frankfort the council of the German states was still sitting on the question, despite Gentz's memorandum of six years ago. Would not the good Chancellor exert a little pressure on the chairman of the body, possibly on a few picked delegates also, and have the business over with? That was one thing. Then, as to the family history, why not let the public have a sympathetic and dignified account of the Rothschild antecedents, before some unfriendly individual got out a malicious one?

Some such step as this had become particularly urgent of late. So long as mere newspapermen nibbled at the matter, the risk of any serious divulgence was slight. The enemy, however, had some little time ago been reinforced by a formidable ally. The new adversary, a personage by name of Hormayr zu Hartenburg, was not only powerfully connected; he possessed, in addition, the inconvenient qualifications of being a trained investigator and a trenchant writer. He had, as a matter of fact, till recently held the post of curator of the imperial archives. Thus far he had been only annoying. He had quarreled violently with the Emperor and Metternich over some court intrigue, and among other things he had openly charged the Chancellor with having held up the diplomatic mails arriving from Constantinople for a day or two just outside Vienna so as to enable his friends the Rothschilds to effect a coup on the exchange. Incidentally it had been he who had first used the phrase "Kings of the Jews and the Jews of kings"—an alarming hint of what the fellow could do when he got a pen into his hand. Suppose that this individual now, with his nose for documents, his virulent style and his connections, should take it into his head to get a line on the parentage, the boyhood and the early activities of the Rothschilds? Heaven alone knew what court tittle-tattle he might be already having in his possession. Gentz was a boon companion and no little of a gossip, as who should know better than his friend Salomon? Was it altogether impossible that certain affairs between the banker and the courtier had been confided to third parties? And if there *were* leaks, there was no telling what else had trickled out by this time. Nothing could be more innocent than the tributes

of respect, for instance, which Salomon now and then sent to Frau Metternich and the children—a costly bonbonnière, a live American deer for Christmas, a trifle of some sort for a birthday—and surely no transaction was straighter business than the loan to His Highness himself. Yet it could only too easily be imagined the interpretation that a scurrilous press and an evil-minded public would put on them.

And that was only the beginning. Once a gentleman like Hormayr commenced prying, what lengths might he not go to? The Elector William was dead, and so was Buderus; but their correspondence files were not buried with them. And the Jewish community of Frankfort still had its tax records. And the police archives of Dunkirk, Gravelines, Paris. And London. What a tale it would all make! Salomon shuddered at the thought.

IV

The protracted deliberations of the council in Frankfort came to a sudden head. For years the Jewish question had been bandied about, while a determined clique with the presiding officer at its head blocked its final liquidation. Metternich had been friendly all along; but he was a very busy man, and the rights and liberties of a few thousand Jews in a single city were rather a small patch on the map to a statesman who carried the world on his shoulders. When, however, Baron Rothschild intimated that his good offices would be gratefully remembered, the thing began to look very different, and word went out to the Austrian delegation as well as to a few

lesser ones in the Chancellor's sphere of influence urging speedy action. The obstructionist chairman, as it happened, was himself a Metternich subaltern. He was given to understand that his tactics were unpleasant, and that he had better change them. He resisted; whereupon the axe descended upon his head. His successor received explicit instructions from the outset, so that there was no further trouble. In the summer of 1824 the Jews of the free city of Frankfort were at long last citizens.

It was not as brilliant a victory as had been hoped. If the new citizens expected to find themselves on the same footing with their German neighbors, they were disappointed. They were free to reside in all quarters, and the Ghetto passed into history; but the marriage limitations remained, and so did the restrictions on trade and property ownership. Still, even this niggardly compromise was something, and there was much rejoicing in the now obsolete Judengasse. Amschel let himself go completely and somewhat tactlessly. He gave a great dinner party in honor of the delegates; but so bitter was the feeling in the city that even the friendliest members of the council deemed it wiser to stay away. In Frankfort first, and presently throughout Germany, it was openly declared that the whole thing was but another triumph of Rothschild money—and (sotto voce) of Rothschild methods. Subtle persons adverted to the curious phenomenon of the imperial Chancellor giving his ardent support to liberty, equality and fraternity. For, to begin with, in Austria itself the status of the Jews was no better than medieval; and, besides, that the man whose very name had become a sort of symbol of reaction should take to his heart one

of the pet doctrines of the French Revolution was, to say the least, remarkable. So tongues continued to wag and eyebrows went on shrugging.

But Salomon was unrebuffed and proceeded with his program. The next year he and Gentz set earnestly to work to appease the public curiosity. Early in 1826 the product of the extraordinary collaboration was given to the world; it was entitled "A Biographical Account of the House of Rothschild." Gentz in a private letter to a friend boasted that it came from his "workshop"; but though he considered it "well done," he modestly withheld his signature. In reality, several hands contributed to the final result. The material was collected and winnowed by Salomon; Gentz then whipped it into shape and handed the first version around to a few select journals. It was thought desirable, however, that the story should receive as wide publicity as possible. It was therefore sent on to Amschel. He, after suggesting a number of additions, passed it over to Baron Meseritz for revision. Lastly, Meseritz not only syndicated it broadcast but persuaded his friends on the staff of the great Brockhaus Encyclopedia to include a slightly condensed form of it in their edition of 1827. Subsequently the story found its way into popular collections of hero-tales, such as the "Sprichwoerter der Deutschen." For the better part of a hundred years it remained the sole authentic history of the Rothschild family.

V

The modern personality magazines could do worse than go to school to Gentz and Meseritz; for it is very much to be doubted whether these early nineteenth-century

publicists have yet been surpassed as writers of success stories. They were certainly past masters in the art of omission. (Or perhaps that was where Salomon's skill entered; it is always difficult to apportion credit in collaborations.) Gentz's "Biographical Account," being mainly concerned with background, devotes little space to the activities of the five sons. A general phrase thrown in here and there about "extraordinary circumstances," "fortunate conjunctures," and "world-shattering events" is about the only allusion to the contraband episode, the Peninsular War, the Wellington drafts, Herries, and the dramatic happenings at Aix-la-Chapelle. On the other hand, old Meyer emerges as an overshadowing figure, as the founder not only of the family but of its fortune. The shop and the Judengasse days do not come in for treatment. Meyer is from the start a banker, a man of substantial resources, a personality in affairs. "His capacity, his untiring energy and his well-tried integrity" win him the confidence of important people, and presently he comes in contact with the man who is destined to be the "great influence in his gigantic rise,—the then Landgrave, later Elector, of Hesse." Beyond an appointment as court factor, however, nothing much happens apparently till the year of William's flight. Then the distracted prince, in a panic over his menaced millions, bethinks himself at the last moment of his faithful Jewish agent. Meyer reluctantly but obediently consents to guard and administer the entire fortune, and Serenity goes into exile with an easy mind. But, alas! the predatory French descend upon the Rothschild premises, seize every penny that the good Meyer has been able to lay by in a life of untiring energy and well-tried integrity; and it is only by the sacrifice

of his own property that the wealth entrusted to him by the Elector is saved from the clutches of the invader.

Then follows the dramatic climax. There being no such person as Buderus in the cast, the exiled William and his trusted banker are wholly out of touch with one another during the seven years of the captivity. Only a distant rumor reaches the Elector of the bad behavior of the French toward Meyer; whereupon he resignedly concludes that his own fortune has been seized along with the Jew's. What, therefore, is his surprise and delight when, returning home in 1813, he learns that not only is every kreutzer of it safe and intact but that the House, having kept it active, is prepared to return the capital with accrued interest. Naturally no prince, least of all William of Hesse, would think of considering such a generous proposal. William, indeed, is so overwhelmed with astonishment and gratitude that he entreats the family to carry on with his money, and only with the greatest difficulty is he induced to accept a nominal rate of interest for the future. The Rothschilds, then, continue working with his millions for several years more, and providence blesses them with prosperity. And the Elector, mindful of their "honesty and right conduct," shows his appreciation by commending their services and their virtues to other princes.

Meyer, in the meantime, has passed away, but his soul lives on in his sons to guide and direct them. When about to die he calls them to his bedside and adjures them to keep the torch of high principle aglow, to love one another and work in harmony; and so deep is the young men's piety and veneration toward their saint-like parent that

they never forget or depart from his will. "Herein lies the answer to the question which so many people have puzzled over; namely, how it has been possible for the House of Rothschild to achieve its unprecedented and miraculous success in this short time." Every project, no matter from what quarter it may issue, becomes the subject of common counsel; each operation, be it even of relatively slight importance, is carried through in accordance with a previously elaborated plan, which all have had a share in devising, and with united effort; and all the brothers share alike in the result. Another of the basic principles bequeathed to them by their father is to move with the times, though all the while keeping a reverent eye on the hallowed past. Should there on some rare occasion be a difference of opinion between the brothers, the difficulty is at once overcome and harmony restored by the simple device of each one asking himself how father would have acted in the given circumstances. "Finally, it must never be overlooked, that in addition to the reasonableness of their terms, the punctuality of their services, the simplicity and clarity of their methods and the intelligence with which they are carried through, it is the personal moral character of the five brothers that has had the greatest influence upon the success of their undertakings."

With the example of the Rothschilds before us, concludes Gentz in a brilliant philosophical peroration, it is idle for people to talk about luck. "In particular instances good or adverse fortune may, indeed, determine a man's destiny in life, though even then not exclusively. But enduring success, like persistent ill-fortune, is al-

ways and to a far greater extent than is commonly supposed, the fruit of personal merit or personal inefficiency and wrong-doing."

VI

Gentz looked upon his handiwork and found it good. Salomon was pleased enough with it to pay for it. Amschel only wished there were more of it. And what editors thought of it, from the *Augsburger Allgemeine Zeitung* to the Brockhaus *Konversations-Lexikon,* can fairly be inferred from their readiness to publish it. One man's judgment alone has, unhappily, not come down to us. Back in Cassel, the Elector William II was reigning in his late lamented father's stead. A man of thirty-six in 1813, he had witnessed one or two of the post-exile passages between his parent and the heirs of Meyer not recorded in the "Biographical Account"; and if he read the Gentz idyl, his comments must have been worth hearing; but his literary interests appear to have been limited, and he may never have laid eyes upon it.

There was, for instance, the irritating affair about wine. During the occupation Marshall Kellermann, commanding the army of the Elbe, made his headquarters just outside Hanau. He fancied the liquids in the palace cellars, and when he was obliged to move on he ordered them taken along. They were later offered for sale in Frankfort. Someone notified the rightful owner, at the moment languishing in Prague, and William, after sampling them, sent word to Meyer that he buy them back and store them in his warehouse against a happier day. There the barrels, fourteen in number, remained till 1814. On their

being delivered to Cassel, it was found that the numbers did not tally and that the quality of the contents did not measure up to the price. There followed a lengthy and acrimonious correspondence, the court demanding that one of the bankers present himself at Cassel to "straighten out the difference." The Rothschilds, at the moment occupied with more important matters, politely declined the invitation. Serenity's letters becoming from this point on a little too hortatory, the Rothschilds did not answer at all. Thereupon an ultimatum from All-Highest reached the offices of the Bornheimerstrasse, which elicited the following reply:

"As we have most humbly explained already, our only motive in this transaction has been to give satisfaction to Your Royal (!) Highness. The wines were brought to us by the late Councilor Winzingerode. We have faithfully stored them; but we can hardly be held accountable for the invasion of our cellars by foreign troops, for the outbreak therein of a conflagration and for the consequent breaking in of all sorts of people. . . . It is impossible for us to know what has happened to the wines in the course of these catastrophes. We are nevertheless willing, though we cannot justly be compelled, to stand the loss to this extent: We will on our part waive the very considerable traveling expenses to Prague which are still due us, as well as the equally substantial and likewise unpaid advances on account of courier and mail charges; providing that Your All-Highest will at the same time agree to regard the mine matter as closed."

Whether or not it was has not transpired. But William could in this instance hardly be blamed for being a little suspicious. It so happened that some time earlier another incident had set him wondering. He had asked for those boxes of documents which at the time of his departure had been taken to the Rothschild cellar in the Judengasse. He had needed only to glance at them to perceive

that they had been tampered with. One may imagine his consternation when, upon their being opened, it was found that not only had his own papers been grievously disturbed but that a number of bond certificates belonging to the departed Meyer had been stuffed in among them! The young Rothschilds had offered a curious explanation: Originally the boxes had been placed in the house cellar. On the night preceding the raid by the French police, it had been deemed wise to remove them to the secret space under the courtyard. The boxes were large, and the connecting passage was narrow. At the last moment it had, therefore, become necessary to break the things apart and after effecting the transfer nail them up again. It was dark and damp, and the time was short; effects of the family's own were being brought to safety at the same time; so that some confusion was inevitable. Why had no word been said about the matter at the time? To that the only reply they could make was that they did not know; it had happened so many, many years ago.

But William II had no wish to reopen old sores, and if the Gentz-Meseritz version of the Rothschild relations to his father did come to his attention, he kept silent. Other people, on the other hand, were less discreet. If, said the cynics, Meyer really was the noble soul he was represented to be, why then there had been a distinct reversion. His successors had certainly inherited his energy, his punctuality, and his capacity; but whether he had also bequeathed to them some of his other shining virtues seemed open to doubt. On the whole, therefore, the immediate effect of the "Biographical Account" was somewhat disappointing; and in the years to follow, Salomon

and his brothers found that Gentz's extravagant pæan had done more to make them suspected and ridiculous than all the libels and calumnies of their enemies put together.

CHAPTER XIV

LEADEN SKIES

DEEP was Salomon's disappointment, and bitter were his reflections upon human incredulity. A callous and cynical world declined to take him at his own valuation; his toilsome effort to set opinion straight had been useless, worse than useless. But the rush of events did not let him mourn long. Over in the West forces shifted suddenly and terrifyingly. Rumblings from above and below, at first faint and far-away, but swiftly coming nearer and gaining in intensity, brought the five brothers up with a start. The very year of the misfired "Biographical Account" witnessed developments in Paris and London that made the most insulting caricature in the German press look trivial; and presently there followed a crisis so grave and menacing that the Rothschilds were forced to give thought to the foundations of their House, without worrying over its outward glory. Uninterrupted progress, a rapid and continuous rise marred by never a reverse, had almost made them believe in their own star. Now for the first time in over two decades the question they must ponder was not how to make their light shine more brilliantly but how to prevent its being extinguished altogether.

The ominous part of it was that, each time, the upheaval occurred in the territory of the family's titans, Nathan and James. Salomon's imperium in Vienna, though

younger by many years than the Western seats, grew daily more solid; the home base in Frankfort and the newest outposts in Naples held firm, for all the mediocrity of their command; while the very men whom the rest tacitly acknowledged as the brains of the whole combination contrived, not once but twice, to get themselves into the most breath-taking perils. And "get themselves" precisely described it. Certainly the "conjunctures" of Gentz's glib phrase were not as fortunate as usual; "extraordinary circumstances" did on these occasions the reverse of playing into their hands; but what were great financial minds for if not to turn accidents and eventualities unforeseen by common clay to account? In reality it was worse than that. Twice within four years James, teamed with Nathan, plunged headlong and with his eyes shut to the edge of an abyss. They plainly did not see what was at the end of their noses. Closer than any other moneymen to the governing powers in their respective capitals, they ventured into undertakings that staked the family's whole fortune, preposterously over-confident, misinformed, grossly out of touch with the forces at work. And of all places, in France!—in that fluid, mercurial, unstable country, which had violently changed its constitution a dozen times in four decades and where a rejected and discredited dynasty was being maintained by foreign dictation in the teeth of an awakened national will. Shortsightedness, political miscalculation, insufficient understanding of economic factors and—inexcusable in a Rothschild!—failure to get inside information, were the elements of the threatening ruin. Was the time at last come when horse sense and empiricism were not enough, when the Rothschilds, unschooled, instinctive and (as

Gentz had long ago said of them) "without the remotest inkling of any higher relationship in the world," must go down before rivals with culture and education? It looked very much like it. Their enemies, believing what they hoped, were convinced of it. But providence had other plans.

II

The series of operations with the French monarchy, when they were begun three years before, had held out every promise of being the most productive, as they were the boldest, stroke the House had yet attempted. Patterned on a gigantic scale, executed by James under the immediate and constant direction of Nathan himself, assured of the government's adherence by the complaisant and powerful Villèle, (who was now chief minister) they had seemed a foregone success. They were to be one more turning point in the sweeping Rothschild advance. With their limitless resources in capital, influence, connections, nothing could possibly go wrong; yet, as it turned out, nearly everything did go wrong. No danger, no accident was overlooked or unprepared for—none, except those that actually came along. When, by 1830, the great muddle was cleared away, the firm emerged shaken and sobered, its standards very much bedraggled, its losses in prestige, friendships, confidence and money so vast that any other organization would have collapsed under them.

The preliminary step was taken in 1823; and although the transaction—involving a capital of over four hundred million francs—was far and away the most ambitious in

its line since Waterloo, it was only a step. Government loans, however large and lucrative, had begun to pall on Nathan. He had had them now for half a dozen years, with nearly every state in Europe, and his restless spirit was reaching out for something fresh and different. His whole reputation and fortune had been made by short-cuts, by daring ventures, by doing things that others were afraid of or did not see. Now Rothschild's was in a rut; leadership it had certainly, but not originality; it was plodding along at the head of the herd; but the whole financial brotherhood was keeping timidly to the beaten path. And there was no particular reason why it should. One instance: England, and to a smaller degree the Continent, was wallowing in money. An era of prosperity, of capitalistic expansion, such as the world had not witnessed since the time of the Lombards, had followed the Napoleonic nightmare. Investors were frantically tossing their surpluses into everything and anything that promised a dividend. Mushroom corporations, literally by the hundred, were springing up everywhere—in England alone over six hundred of them were organized in a single year—bubbles and schemes of the wildest species were being launched. Across the South Atlantic the Spanish colonies were breaking away from the mother-country, and Europe had suddenly discovered Latin America with its undeveloped resources. Business was booming; speculation was going mad. Yet all the while government credit remained stationary. England alone excepted, the rate of interest on state securities had not changed by a fraction since the wars. It was preposterous. Even Neapolitan and Papal annuities were safer than mining stock in the Andes.

Lack of imagination and old-world inertia alone were responsible for the burden of usury under which the nations were groaning.

The idea of converting the whole accumulated debt of Europe to a lower-interest basis seized upon Nathan's mind. He began with France; that is to say, he put that country at the top of his list; but before he even broached the scheme to Villèle he gave it a try-out at home. The advantages of such a move were obvious. Twenty-five years of disorder, instability and foreign wars ending with the débâcle of 1815 had made the French national debt the biggest on the Continent. For all that, her economy and her finances were probably as sound as any in the world. She was thus an excellent risk; but she, like every other European state, looked across the Channel for guidance and leadership in all fiscal matters. Should the English conversion, therefore, come up to expectations, it would have an encouraging effect on Villèle and furnish him with a weapon with which to silence opposition. The trial operation, moreover, need not be large, whereas in France the game would run into the billions. As it fell out, the British investor did not respond to the plan with as much warmth as could have been desired; for a year later Nathan still had close to three million pounds' worth of three-per cent converted Consols for which no buyers had applied. This, however, did not prevent him from going ahead, nor Villèle from being impressed by the example of his English colleague. If Chancellor of the Exchequer Vansittart believed in conversion—so Villèle, prompted by Nathan, reasoned,—the scheme could not but be sound. He did not pause to reflect—and Nathan apparently quite overlooked—that France, with her hundreds of thousands

of small investors represented in the chamber of deputies, was another kettle of fish. He grasped at the proposal with enthusiasm, partly because the annual interest charge had become an intolerable drag on the budget, and partly (if Ouvrard's insinuations are to be believed) on more human grounds.

And so the preliminary loan of four hundred millions was floated. This preparatory manœuvre had a twofold purpose. It was to provide an opportunity for forcing up the price of all the previous issues of French government securities, and it was to furnish Nathan and James with quantities of cheap capital for the great operation that was to come. Clearly, it was not much use asking bondholders to accept a three-per cent paper in lieu of one yielding five per cent until the state was in a position to redeem its obligations; that is, until the older issues had reached par. Whichever the investor did: whether he converted his holdings or cashed in, a hundred francs must be worth a hundred francs; otherwise the royal treasury would be losing capital instead of saving interest. It so happened, however, that the *rente* was at the moment fluctuating between ninety and ninety-two. That, then, was one thing. The other was this: Considering that the loan was designed as an aid to the government and the national credit, Nathan argued, would it not be just common humanity if the treasury were to issue the securities to him now and wait for payment till the bull market for which both were hoping had been realized? Villèle apparently thought the suggestion reasonable, and agreed.

Having got that far, Nathan proceeded to set up his consortium. The preliminary loan was a family affair, none but the Rothschilds participating. But, daring as he

was, he hesitated to plunge into a four-billion franc operation single-handed. So for the conversion scheme he called Baring in London and Laffitte in Paris to his side. The tables had turned somewhat since the Congress of Aix-la-Chapelle; and the distinguished British house made no difficulties. The three firms then made up a pool of a billion francs, in the event that they should have to take over a sizable part of the three-per cent *rente* solid, and lined up the smaller banks in their respective spheres. How Baring and Laffitte raised their part of the outlay the story does not tell; but a circumstantial account of the trouble that Nathan went to is given by Ouvrard in his Memoirs. Ouvrard's feelings toward the Rothschilds make him normally a prejudiced witness. In this instance, however, his testimony is largely corroborated by another, more credible, contemporary. What the Rothschild brothers did, it seems, was this:

Nathan, it must be remembered, still had his mass of unsold Consols from the English conversion deal. It occurred to him that by withdrawing them from the market at this time, he might kill several birds with one stone. First of all, the impression would go abroad that the securities had found buyers, thus enhancing their price. Secondly, the same idea would just at this moment have a salutary influence on French financial opinion. Lastly, the Bank of England, eager on its own account to bull Consols, would do whatever it could to lend color to the above-named impression. The Bank, in fact, took Nathan's unsold bonds as collateral, and advanced him bullion at a nominal rate of interest. The gold was now shipped across to James, who deposited it with the Bank of France against fluid capital. This complex operation,

however, only netted a matter of seventy million francs, while the pool required a third of a billion. There was, to be sure, the deferred payment arrangement in connection with the four hundred million loan; but from that source only about a quarter had thus far been realized. Total: a bare two hundred million. Then Villèle came to the rescue with a hundred and twenty millions' worth of treasury certificates (*bons royaux*), which James took over against future payment and at a rate of interest far in excess of the current market.

In the meantime the bull movement was coming on at high speed. Within a few months the old French *rentes* had touched par; by the beginning of spring, 1824, they had soared to 110—away beyond what was needed for the purpose of conversion. Even for the promised but as yet unissued three per cents, investors were offering over 80, which was several points above the quotation at which the government was prepared to float them. The Rothschilds looked on with delight at the strange spectacle of their old rival stocking up on French bonds, so that a loan of their own might be boomed. It was the performance of Aix over again, with the rôles reversed and the motivation slightly revised.

III

"Looked on" is hardly an accurate description; for James was enormously active. The moment 110 was reached Baring and Laffitte advised the head of the consortium that in their opinion it was time to start selling. Well, it certainly was. James had thought so long ago. He had been unloading for weeks past, not only the five

per cents destined for retirement but the as yet non-existent threes. Without putting too fine a point on it, this quiet lone-hand work was nothing but bear tactics against the converted security and something not to be distinguished from a betrayal of associates. At any rate that was how Baring and Laffitte viewed it, when they found out what had been happening. Baring, indeed, took the matter so hard that he never again coöperated with the Rothschilds, though James protested he had only been throwing off his last year's loan in which the consortium had no share.

The worst was yet to come, however. While the bankers were busy tuning up the market, Villèle was making ready to have the scheme approved by the nation. Early in April he laid his bill before the Deputies. It was in this lower house that the mass of large and small rentiers were concentrated, but the minister had assiduously oiled the machinery in advance and he was confident of the result. An agonized outcry, to be sure, did go up. Charges of manipulation, exploitation and dishonesty were hurled at the government, and Villèle was accused of robbing the country to enrich the bankers—a thrust which, considering that the syndicate was to receive the entire proceeds of the difference between the old and the new rate of interest for one year, was not as wild as it might sound. But the shouting soon died down, and the measure was carried with a comfortable majority. It now went to the Peers—a mere piece of ceremonial mummery, as everyone knew, the great nobles and landowners having no preponderant economic interest in the *rentes* and always loyally working in unison with His Majesty's advisers. What, therefore, was Villèle's surprise and disgust when

the upper house suddenly developed a profound concern over finance! Led by the Viscount de Chateaubriand, a member of the cabinet but a violent personal enemy of the chief minister, the opposition carried the day and the measure was beaten.

The consternation among the bankers may be imagined. Here for months Baring and Laffitte had been raking in all the old French bonds they could get their hands on, and driving up the price beyond all reason, on the assurance of Rothschild and Villèle that the chambers were as good as in their pocket; and now, with hundreds of millions of the paper in their possession, these two bunglers let the game slip through their fingers when it was all but landed. Nor was that all. The head of the syndicate himself, clearly knowing something more than he imparted to his associates, had been playing with his left hand against a storm, and crawled out from under just as the clouds burst over the heads of those whom he misled. On the day of the Peers' vote the old *rentes* stood at 106—having gone back several points during the debate —on the morrow they dived to 98. It was small comfort that the king dismissed Chateaubriand; there was, indeed, a flicker of hope upon the announcement, but it could hardly last. To begin with, a powerful syndicate headed by Ouvrard had been bearing the conversion scheme from the start, and it now applied all its might to halt any upward tendency. Moreover, with ruin staring them in the face, Baring and Laffitte as well as the scores of minor houses associated with them lost their heads and took the brief respite to help the depression along. The result of this combination of forces was to send the *rente* back to 98 within a few days, where it stuck for a long time.

Ouvrard and his friends cleared several millions, while the Rothschild consortium (minus Rothschild) barely scrambled out alive.

A year later Villèle returned to the charge. He had learned something by experience, it seemed; for this time both houses of parliament docilely approved his measure without delay and almost without discussion. The Rothschilds, however, had likewise profited by the past, and committed themselves to nothing outright. Their precaution was justified by the event. Out of four billions in outstanding bonds hardly thirty millions were turned in for conversion. The unlucky scheme was doomed. And then in the course of the summer the shadows of the approaching crisis—the greatest that the world had seen in a century—began to lengthen over every bourse in Europe. The wild era of speculation had come to its disastrous and inevitable end. In England alone there were in the ensuing year more than three thousand bankruptcies—two and a half times the normal number. Nathan Rothschild, looking out over the havoc, could only be grateful to the Viscount de Chateaubriand for having balked him in his ambition. He often said that had the French conversion operation succeeded, it would almost certainly have dragged his house down to ruin.

IV

To one of the Rothschilds' former friends and associates, fortune proved less indulgent. In Vienna, among the first victims of the great crisis was the ancient firm of Fries & Company with David Parish at its head. Driven out of the lucrative state affairs, in which it had played a lead-

ing rôle since the time of Maria Theresa, its position during the past three years had been precarious enough. Still, so long as fair weather prevailed, it managed to keep up a brave front. In a storm such as was now raging it was bound to be blown down. Signs of its impending doom became visible early in the year 1826. There followed a desperate and pathetic struggle, while Parish fought to save his fortune and his name. He sought aid among his hosts of friends in London, in Paris and at home; but the weakness of his house was an open secret, and his urgent pleas hardly tended to restore confidence. Those, moreover, who might have been moved to help him were themselves in difficulties. Meanwhile obligations were falling due, protested bills were being returned in floods, credit was tightening on the panic-stricken bourse, and the anterooms of the bank were filling up with impatient creditors. Then Parish was seized with terror. In a mood verging on derangement he presented himself at Metternich's office. Years ago he had advanced the Chancellor a hundred thousand florins. It was one of those familiar transactions between bankers and statesmen which, while duly executed with promissory note and interest clause for form's sake, are really honoraria for value received. In prosperous times Parish, the man of the world, would have been the first to declare anyone expecting them to be redeemed a lunatic. It was exactly what Metternich thought now. He protested that the obligation had been canceled by mutual agreement way back in 1818. But the despairing man, though he had no illusions about saving his firm with this bit of small change, insisted that it was a proper debt. At least it would silence one or two of his most nagging creditors, and give him a breathing

spell. Rather than have a scene, Metternich handed him part of the money and signed a fresh note for the rest. Now came Gentz's turn. Poor Parish had not the heart to go in person to his old companion, and he handed over *his* note to a third party. Gentz, however, did not mix money matters with sentiment. He declined absolutely to recognize this "utterly rimeless, crazy, antiquated obligation."

All along Parish knew that only one man in Vienna could save him—Salomon Rothschild. Indeed, he not only could but would. He was a rough diamond. Had not Moritz Bethmann said that "no person ever left him uncomforted?" But he hesitated in his present plight to appeal to the man whom he had once helped, patronized and perhaps slightly despised. He went finally when every other hope had vanished. Was it the distracted mood, the too proud tone, the dignified manner as if he were asking his due when he ought to have humbly begged a favor? It might have been any of these or all; or possibly, because Parish simply could not bring himself to say what was in his heart, Salomon did not fully realize the desperateness of the situation. Only this is sure. Parish did leave Salomon uncomforted. And the next day—it was April 27—his body was found in the Danube. In his rooms were several letters. One of them was for Prince Metternich. It began:

"Before I leave the world I must write a few words to you, my Prince, to tell you that I am going to my grave without malice but with the conviction that you have treated me very unjustly and have sacrificed me to the greed of a family who have known better than I how to attach you to their side. It is unnecessary to go into the

early history and development of our acquaintance with the Rothschilds. That these people are with all their riches heartless men, with no feelings other than for their cash-box, the world has long known; and how ungratefully they have acted toward me under your special patronage cannot after my death remain a secret either."

After telling him what arrangements he had made for the collection of the residual note, Parish concluded the letter thus:

"Farewell, my Prince. Should you ever think of an unfortunate who was sincerely devoted to you, I hope that the recollection may cause you no remorse."

To Salomon he wrote with even greater bitterness: "I am leaving the world because I have been most shamefully betrayed on the one hand and rewarded with the blackest ingratitude for very real kindnesses on the other. If you have any conscience it cannot but tell you that you and your brothers richly deserve my last reproach, and that by your recent heartless conduct you have caused the ruin of one of the best friends your house ever had. When I drew you in 1817 into the French and Austrian affairs, against the wish of my oldest and most intimate friend, I was warned on all sides that you would leave no stone unturned to force me out of them. How well and by what means you have succeeded, under the patronage of Prince Metternich, to grab for yourself alone a variety of transactions in which I was by the laws of God and man entitled to have a share, I have known for some little time . . . Although my house is pretty badly shaken, I could still have managed, with the help of friends and family, to meet all our obligations—had you only found it in your heart to restitute a fraction of the

money which would never have become yours if I had during our association stood upon my rights and demanded my just share in the business with the Austrian and Neapolitan governments. You, however, have found it more convenient and more profitable to come to an understanding with the Prince in the matter of the old bond operation and by this means to get him entirely on your side. The moment I found myself on the outside of this combination, I knew that it was impossible to save the firm, and I decided not to live through the disgrace. Now I must close. I hope for your sake that you will but rarely think of a friend whose memory can only be painful to you."

There were echoes in that letter that reminded Salomon as he read it of other days and other controversies. Where was it and when that a rival, beginning as a friend and associate, had pitted himself against the House of Rothschild and lost? Why, of course, Rueppell and Bethmann, the innocents who, away back in 1801, made the then young Amschel and Salomon their brokers to the court of Cassel! Oh, but this was really sad. Poor, poor Parish! Such a proud, brilliant fellow, to end like this! Yet, what could one say? Or do? It was the way of the world, of business, of destiny. The giant wheel turns, one basket goes up, another down. It is no good to sit and lament. For some must perish while others triumph. But life must go on.

V

The giant wheel gave another lurch, and for one breathless moment it seemed that the turn of the great colossus

itself had come. Two years after the unlucky conversion adventure King Charles X had weakly submitted to the popular will by throwing over Villèle and his cabinet. The last of the Bourbons refused to believe that the nation's mistrust was directed less against his minions than against the monarchy. At first he had even toyed with the idea of resisting altogether; but despite his family's reputation to the contrary, he had not quite forgotten the miseries of '89 and their sequel. He had therefore compromised to the extent of appointing a somewhat less intransigeant ministry. No sooner, however, had public feeling calmed down a little than he regretted his moderation, and disregarding parliamentary majorities, he called his ultra-royalist friends back to power. The new cabinet, composed of such fire-eaters as Polignac and Peyronnet, was, if possible, more reactionary than the Villèle group, and constituted a direct provocation to the disaffected country. The climax soon followed. In the general election of the spring of 1830 the voters, instead of ratifying the monarch's choice, as he had rather hoped, returned a chamber of precisely the same coloring as its dissolved predecessor. The government now resolved upon a showdown. In Paris the most exciting rumors circulated. It was asserted that Polignac was mobilizing troops to prevent the people's representatives from taking their seats, that the king had already signed an order declaring the city under martial law and that revolutionary bands in the suburbs were preparing to resist.

Just prior to these developments, meanwhile, the House of Rothschild had secured a contract, in open competition, for a large new French loan. What with the market artificially boomed up by the conversion manœuvres of a few

years back, and the brisk bidding, the new issue had been taken over at an extremely high figure—above par. If the gossip was even partly true and there was to be a coup d'état, then riots were sure to follow, there might be a revolution and not impossibly a general war. What in these circumstances would become of French credit and of the expensive new bonds? From London Nathan reported that a group of bankers and brokers headed by the ubiquitous Ouvrard were busy unloading French securities at panic prices, and he urged his brother to stop the avalanche by a bull manœuvre and to get to the bottom of the persistent rumors about the government's plans. James could hardly believe that Ouvrard was acting on inside information unknown to himself; but the situation appeared so ominous that he went to Polignac and asked him point-blank what his intentions were. The minister smiled at him blandly and assured him that all the talk about a coup d'état was idle tittle-tattle, that if any important action were contemplated he (James) would be the first to know about it, and that as a matter of fact the government was on the point of convening the new chamber.

This was on the evening of July 24. The next morning, before he went to mass, Charles X signed the Polignac decrees, and of the following day they were published. Among other things, the recently elected chamber was declared dissolved, fresh elections upon a more restricted suffrage were ordered, and the press was gagged. Paris immediately took up the challenge. Overnight barricades made their appearance in the streets, and there followed bloody encounters with the military. On the bourse pandemonium reigned, with the *rente* falling thirty points

in a single day. Old inhabitants said it was 1789 all over again. The king and the ministers, terrified by the storm they had let loose and deserted by their supporters, fled the capital. Then unexpectedly a savior appeared. Louis Philippe, Duke of Orleans and a cousin of Charles X, was known for the liberal proclivities he had inherited from his popular father, the famous Philippe Egalité of the first revolution; and when he now gallantly rode out among the embattled mobs, he was acclaimed with enthusiasm. France had a new king and a more or less new dynasty; the Bourbons were dethroned for ever; and the July Revolution was over as suddenly as it had begun.

That was all very fine, but it hardly comforted James and his brothers. The compromise was a great victory for the commercial middle classes, and that was all to the good. As James, who was, moreover, personally very close to the new monarch, wrote to Salomon a little later: "Business will certainly be safer here in France now than it was under Polignac." The situation, however, was not just local. There were apt to be European complications. Within a few weeks, indeed, the conflagration, though it had been so miraculously got under control at home, leaped across the frontiers to devastate the innocent bystanders. In numerous places in Germany, including the district around Frankfort, there were peasant uprisings, castles were attacked and burned and their noble occupants driven out. The exiled liberals of Spain and Italy, emboldened by events, became active again. In the United Netherlands a revolution broke out which not only deposed the king but ripped the country across the middle and made Belgium an independent state. Grave rumblings were heard as far east as Poland. Naturally the Tsar was

disquieted, and refused to speak to Louis Philippe, whom he somewhat illogically saw as the source of all the mischief. Metternich, it goes without saying, was thoroughly scandalized at this destruction of his life-work for absolutism and legitimacy. War and peace hung in the balance.

James, Nathan and Salomon went to work with all their might and energy and influence to save the world from catastrophe. It was not an easy task. Luckily for them, Louis Philippe was reasonable and conciliatory, and England saw no menace to her interests in the Continental realignment. The powder magazine lay over in the East with Metternich holding the match. If Vienna was determined on hostilities, the Holy Alliance would follow its leader and even pacific London might be persuaded to overcome her indifference. Then the fat would be in the fire. The Rothschilds concentrated their efforts upon their great friend and patron, the Chancellor of Austria. Their French loan commitments were merely the largest single stake in the pot; and although they were the responsible underwriters of the issue, the loss, if loss it must be, would be fairly distributed among their satellites. Doubtless the little fellows would yell; that could not be helped; they must take their chances of loss as well as profit. The House was directly involved with some twenty millions of the ill-starred operation; distressing enough, in all conscience; but France was only one item. All Europe's credit was in their strongbox. Their entire might and greatness stood and fell with the solvency or bankruptcy of the governments. The House of Rothschild was literally a paper house; and war, whose first casualty was invariably in the financial sector, would dissolve it in smoke.

And so the Rothschild couriers kept the roads hot between Paris and London and between both these places and Vienna. With arguments, with solemn warnings, with exhortations almost religious in their earnestness, they labored over Metternich to preserve mankind from the frightful shambles. Louis Philippe, they assured him, far from having started the miserable conflagration, was in reality the one man who had checked it. Had he not intervened in the nick of time, no one could tell what might have happened. There might even have been a republic in France today, heaven save us. A democrat, a bourgeois monarch, a citizen king to the general populace, he was among those who knew him at close range a ruler of the old school, the most determined foe of liberalism, a disciple and a sincere admirer of Prince Metternich. He was the last hope of the Metternichean principle in France. One had but to shut his ears to his proclamations (designed for home consumption) and look for a moment at his deeds. The subverters at home and abroad were mercilessly hounded by his agents; revolutionary placards and newspapers were prohibited; he was suppressing riots and every kind of public meeting with a strong hand. Why, to make war on him was to attack the staunchest upholder of the old régime that Western Europe still had. And did His Serene Highness stop to think of the effect war would have on the laboriously erected and still precarious structure of Austria's own credit, of the injury to commerce and industry, of the tragic cost in human life? "And, my dear brother Salomon, . . . everything depends on the Prince . . . we have on our hands eighteen millions' worth of active French bonds, and if it's peace they go to 75 and if it's war they drop to 45 . . . I can

tell you it's enough to lose your mind . . . For common sense is all for peace, yet the idea of war is gaining favor on all hands."

The idea might gain; but war, after all, did not come. England held firm; the king of France, assiduously coached by James, conciliated the ruffled feelings of his brother monarchs; even Metternich, after a year of bristling and sword-rattling, listened to the wisdom of Salomon. Providence in its inscrutable way, after having raised up the House of Rothschild upon a foundation of war, now chose to make it its instrument of peace. Surely, it is not for blind, weak man to question or to mock.

CHAPTER XV

PASSING OF A TITAN

THE terrible days of 1830–31 were survived and forgotten. Five years later the House was shaken by a crisis of quite another kind. It was midsummer 1836, and from every corner of Europe Rothschilds, Schnappers, Cohens, Montefiores had assembled at the ancient family seat. Lionel, eldest son of Nathan and heir-apparent of the London domain, was to be united with Charlotte, a daughter of his uncle Karl of Frankfort. At the climax of the festivities—at the very height of the most brilliant spectacle that the city had seen since the coronation of the last Holy Roman Emperor—the blow fell. Nathan had left home in ill-health. For some time he had been troubled with a carbuncle, but neither he nor his physician had made much of it. On the day of the wedding he suddenly developed grave symptoms. The family were alarmed; he, however, insisted that he was all right and refused to do anything that would upset the nuptial program. That night he became delirious. His condition had taken such a bad turn that his London doctor was hurriedly sent for. It was too late. For several days he lingered on. General poisoning had set in, and on July 28 he died.

He was not yet sixty years old. In the ordinary course he might have lived to a ripe old age. The Rothschilds came, on both sides of their ancestry, of long-lived stock.

Meyer had been nearly seventy when he died; Guetele, the bereaved mother, survived her great son by thirteen years; and of Nathan's four brothers three lived to be over seventy-five. Was it the hardships and exertions and perils of his youth that had undermined his resistance? He seemed to thrive on hard work; and surely Amschel and Salomon, both of whom were born before him and survived him by a score of years, had had it no easier. He was wont to say that he paid the price of wealth, success and recognition in universal jealousy, envy, and perennial threats of death; and though he was anything but a sensitive man, unpopularity and insecurity doubtless affected his nerves. Yet, living in England, he was very much safer and more respected than his brothers on the Continent.

Twenty-four years before, the death of his father, the titular founder of the House, was scarcely remarked beyond the Judengasse of his native city, and even the newspapers of Frankfort did not mention it. The passing of Nathan stirred every capital of Europe; a tremor went through the bourses and the chancelleries from St. Petersburg to London; hardly a journal of importance but noted the event and sketched his career. To England, if the tale is to be believed, the news was brought by his own pigeon post. Several days later his body arrived in a coffin so magnificent, "so handsomely carved and decorated with large silver handles at both sides and ends that it appeared more like a cabinet than a receptacle for the dead." Jewish funerals are distinguished for their austerity, for a kind of Oriental gloom; flowers, music, processions are rigidly excluded. The corpse is wrapped in hastily sewn muslin garments, placed in the crudest pine casket, and carried silently to its last destination. Nathan was all his life long

a member of the Orthodox congregation, and he was buried in the Jewish East-End Cemetery. But he was after all one of the greatest of his race and time, and so "he was placed in his last resting place with a gorgeous pomp and display that seemed hardly appropriate to the solemnity of the occasion. . . . A procession of carriages nearly a mile in length followed it. Among those who were present . . . were the Austrian, Prussian, Neapolitan and Portuguese ambassadors, besides the Lord Mayor, the sheriffs, aldermen and a crowd of minor dignitaries."

Whether credit for these arrangements belongs to Nathan himself or to his family cannot be determined; for his complete will was not made public. Because of that, also, it has remained a dead secret to this day just what fortune he left behind. Even to his executors the details were not revealed. The skeleton testament which was given out confined itself to the conduct of the business and the marriage of his daughters. The management of the House in St. Swithin's Lane was entrusted to his four sons, and they were to work in harmony with their uncles' Houses on the Continent. Each of his daughters received a legacy of £100,000. They, like the daughters of Meyer, before them, were to have no part or lot in their father's, now their brothers', affairs. To charitable institutions, employees or other dependents, no bequests were made.

II

While the official press and official personages were busy repeating the legends made familiar by Gentz, and vying with one another in hyperbole, here and there critical-minded people did not hesitate to present a slightly dif-

ferent picture of the man and the methods by which he had risen. A mass of anecdotes gained currency—some malicious, some sympathetic, most of them doubtless apocryphal, but each, as is often the case with such stories, seizing upon some central truth of character. The most prolific of these narrators was Nathan's old friend, the famous anti-slavery apostle, Sir T. Fowell Buxton; and though his intention was certainly kindly in every instance, it may be doubted whether outspoken enemies like Ouvrard have done quite so much to strip the greatest of the Rothschilds of his halo. Thus by way of illustrating Nathan's industry and solidity, Buxton reported a dinner-table remark of his which is at least open to less flattering interpretation.

"I hope," said another guest to the banker, "that your children are not too fond of money and business to the exclusion of more important things. I am sure you would not wish that?"

"I am sure," Nathan replied with emphasis, "that I *should* wish that. I wish them to give mind, soul, heart and body—everything—to business. That is the way to be happy. It requires a great deal of boldness and a great deal of caution to make a great fortune; but when you have got it, it requires ten times as much wit to keep it."

And that Nathan meant what he said is confirmed by an incident related by Spohr, the German violinist and composer, who sought him out in London with a letter of introduction from Amschel. Nathan gave the musician a limp hand to shake, which he promptly returned to his pocket. "Music?" he queried without interest. "I understand nothing of music. This," as he rattled the change in his pocket, "this is my music."

But he found little joy even in his wealth, despite his own formula. When Buxton, impressed by the comforts and luxuries of the Rothschild mansion, said to him, "You must be a happy man in such a home as this," the disillusioned magnate replied, "What? Happy! I happy, when just as I am going to dine a letter is placed in my hand saying: 'If you do not send £500 I will blow your brains out.' Happy, indeed!"

To show that the great man was not a mere moneybag but had a vein of humanity and even wit in his make-up, Buxton reports him as saying, "Sometimes to amuse myself I give a beggar a guinea. He thinks it is a mistake, and for fear I should find it out off he runs as hard as he can. I advise you to give a beggar a guinea sometimes. It is very amusing."

So much for the Rothschild sense of humor. Equally self-revealing are Nathan's observations on success in general and his own in particular:

"I have seen many clever men, very clever men, who had not shoes to their feet. I never do business with them. Their advice sounds very well, but fate is against them. They cannot get on themselves, and if they cannot do good to themselves, how can they do good to me?"

Besides there were what he called his principles: "I always said to myself, what another man can do I can do too. I have always been an offhand man. I never lost any time. I came prepared for everything and closed bargains on the spot."

More detached observers believed to have discovered the sources of his greatness in a variety of other principles. "One cause of his success," said a contemporary, "was the secrecy with which he shrouded all his transactions, and

the tortuous policy with which he misled those who watched him the keenest. If he possessed news calculated to make the Funds rise, he would commission the broker who acted in his behalf to sell half a million. The shoals of men who usually follow the movements of others sold with him. The news soon passed through Chapel Court that Rothschild was bearing the market, and the Funds fell. Men looked doubtingly at one another; a general panic spread; bad news was looked for; and these united agencies sank the price two or three per cent. This was the result expected, and other brokers, not usually employed by him, bought all they could at the reduced rate. By the time this was accomplished, the good news had arrived; the pressure ceased; and Mr. Rothschild reaped his reward."

An acquaintance of a more sympathetic temper declared: "This is the key to an understanding of Rothschild's character. His ambition tended to the accomplishment of elaborate financial operations—of making money, if you like. But in this phrase the emphasis must be placed on the making; for he did not value either money in itself or the things that could be procured by it. He had no taste or inclination for what every Englishman seeks as soon as he has money enough to buy it—comfort in every respect. His ambition was to arrive at his aim more quickly and more effectually than others, and to steer toward it with all his energy. When his end was reached it had lost all its charm for him, and he turned his never wearying mind to something else."

The inspired Gentz had something akin in mind when he wrote of the family generally that one of their leading principles was "to look for no exaggerated profits in any

undertaking, to set definite limits to each operation. . . . In this maxim—servare modum finemque tenere—lies one of the chief secrets of their strength. There can be no kind of doubt that with the means at their command they might have obtained far greater advantages in one or another particular operation. Yet, even though the safety of the enterprise might not have suffered by their so doing, in the end they would nevertheless have profited less than they did by giving their resources the widest scope and thus having a greater variety of business constantly returning to them." All of which is a high-flown way of saying: Not all the eggs in one basket. Quick sales and fast overturn; for low profits never yet ruined merchant.

III

A shrewd and vivid, if not wholly appreciative portrait of Nathan as he appeared on the Royal Exchange has been drawn by a fellow-speculator:

"There is a rigidity and a tension in his features that would make you fancy, if you did not see that it was not so, that someone was pinching him behind, and that he was either afraid or ashamed to say so. Eyes are usually denominated the windows of the soul; but there you would conclude that the windows are false ones, or that there was no soul to look out of them. There comes not one pencil of light from the interior, neither is there one scintillation of that which comes from without reflected in any direction. The whole puts you in mind of a skin to let, and you wonder why it stands upright without at least something in it. By and by another figure comes up to it. It then steps two paces aside, and the most inquisi-

tive glance that you ever saw, and a glance more inquisitive than you would ever have thought of, is drawn out of the erewhile fixed and leaden eye, as if one were drawing a sword from a scabbard. The visiting figure, which has the appearance of coming by accident and not by design, stops but a second or two, in the course of which looks are exchanged which, though you cannot translate, you feel must be of most important meaning. After these the eyes are sheathed up again, and the figure resumes its stony posture.

"During the morning numbers of visitors come, all of whom meet with a similar reception and vanish in a similar manner. And last of all the figure itself vanishes, leaving you utterly at a loss as to what can be its nature and functions.

"The name of this gentleman, the entertainments given by him, the charities to which he occasionally subscribed, and the amount of his transactions in the money market were blazoned abroad. Peers and the princes of the blood sat at his table; clergymen and laymen bowed before him; and they who preached loudest against mammon, bent lowest before the mammon-worshipper. Gorgeous plate, fine furniture, an establishment such as many a noble of Norman descent would envy, graced his entertainments. Without social refinement, with manners which, offensive in the million, were but brusque in the millionaire, he collected around him the most fastidious members of the most fastidious aristocracy in the world. He saw the representatives of all the states in Europe proud of his friendship. By the democratic envoy of the New World, by the ambassador of the imperial Russ, was his hospitality alike accepted; while the man who warred with

slavery in all its forms and phases was himself slave to the golden reputation of the Hebrew. The language which Mr. Rothschild could use when his anger overbalanced his discretion was a licence allowed to his wealth; and he who, when placed in a position which compelled him to subscribe to a pressing charity, could exclaim, 'Here! write a check, I have made one —— fool of myself!' was courted and caressed by the clergy, was fêted and flattered by the poor, was treated as an equal by the first minister of the Crown, and more than worshipped by those whose names stood foremost on the roll of the commercial aristocracy. His mode of dictating letters was characteristic of a mind entirely absorbed in money-making; and his ravings when he found a bill unexpectedly protested were translated into mercantile language ere they were fit to meet a correspondent's eye."

Patently the anonymous author of these lines did not admire Nathan Rothschild. Yet the portrait is not malicious or overdrawn. Many men who thought well of Nathan—among them Rother, Wilhelm von Humboldt, Herries and even his own brother-in-law Moses Montefiore—testified to the same effect either explicitly or tacitly. The warmest admirers of his truly great gifts thought it prudent to pass over in silence or to allude in veiled words to his arrogance, his utter lack of refinement and civilized manners, his indifference to the amenities of decent society. Perhaps Humboldt summed up the man, when in a private letter to his wife, he said: "Rothschild is a quite raw and quite uneducated man, but he has much understanding and for money real genius." His trouble, like Napoleon's, was that his rare and special talents lifted him far above the social station for which

his birth and his youthful environment had prepared him. Like Napoleon he was in his human relations an "ogre"; and the two had this characteristic further in common that their consciousness of social inferiority was turned by their eminence in another field and by the instinct of self-defense into deliberate insolence. Nathan's brothers rendered him a poor service when they flung a halo round their origin, though he himself played a sufficient part in the silly performance. Long before Gentz had dreamed of composing his "Biography" it was Nathan who, in his memorable after-dinner reminiscence concocted the fantasy about the Hessian Landgrave's six-hundred-thousand pound remittance. And among the credulous English, if not in Austria, the tale seemed to have been taken at something like par. His evident desire to make himself out a scion of "good family" betrayed both his sense that he was passing for something less and his dissatisfaction with his social status. But the effect of the invention was the reverse of what he had expected. The English would have humored a man of genius who had risen from poverty and simple surroundings; and under gentle ministrations his angularities might slowly have polished round to a degree at least. But he was taken at his word; and when he found, since he was not a dullard, that he could not live up to the standards expected of him, he turned round and flaunted his barbarities as the bluff virtues of an honest and gifted soul; and in England, where even shopkeepers and stock-gamblers strive to be gentlemen, this line did not go at all. It was a vicious circle. Nathan sneered at courtesy as so much sham and insincerity; he mocked at his brothers' pathetic endeavors to crawl in among the élite; he loftily refused to wear the baronial title they had

wrung from Austria; he appeared on 'Change in even more slovenly garb than was natural for him; he gloried in his Ghetto accent. Cultivated people who could afford the luxury snubbed him; and the more they did so the more contemptuous he grew.

What had he to do with such superficialities? He was an original, a great man. He had trampled on the conventions of business, he had broken all the precedents of the Royal Exchange, and the world applauded him. The weaklings who had got hurt might scream and call names, but in the seats of the mighty he was received with acclaim. Let silly, pretentious idlers with nothing else to distinguish them worry over such trifles; he had bigger things to think about. The world did not expect conformity from such as him. The proof of it was that the strong, the highly placed, even the well-bred opened their homes and their arms to him. He was a doer, a natural aristocrat, one of the chosen of earth. With great wealth, with achievement, there was no need of submitting to the ordinary rules of courtesy; he was judged by standards of his own.

But he found out presently that he was mistaken. He caught people taking him in with raised eyebrows; there were suppressed grins behind well-kept hands. Oh, well; he would make some small concession. His wife and his children had a right to their social position, and he would do nothing to jeopardize it. There was so little to it all anyhow—an affair of externals. A man who had done the big things he had done would hardly be fazed by such trivialities once he cared to attend to them. He would surpass the snobs in display. So he filled his premises with pictures and plate and upholstery. He dressed up. He

bought a house in Piccadilly and a princely estate in the country. He even rode and played the country gentleman. It was Napoleon reviving the glories of the Bourbons all over again, and it succeeded even less. Nathan Rothschild being himself was at least dignified; but the up-start of the Judengasse aping the toffs and the squirearchy was ridiculous.

He felt it, and he resented it. He took to making a virtue of his shortcomings, to revel in his enormities. But he found no peace. The older he grew, the more powerful he became, the more the world of rank and fashion fawned upon him—the deeper he raged within, the more hopeless appeared the prospect of his ever belonging on the plane where an ironic destiny had flung him, and the more savage became his behavior. He did not mellow; he soured. The high-spirited boy who flung out at the Manchester traveler grew into an irritable, misanthropic, violent old man. He underpaid and ill-treated his clerks because their grammatical speech, their neat dress, their good manners annoyed him. Most of all he delighted in being rude toward those who by rank and ancestry were his superiors but who must come to him for favors. "I am as good as you," he snapped at the Duke of Montmorenci, while a salon-full of aristocrats and ladies tried not to hear. "You style yourself the first Christian baron; well, I am the first Jewish one." Princes applying for loans were by his orders kept waiting in ante-rooms for hours. One such personage was, after lengthy delay, at last admitted to the presence. He introduced himself and named the object of his visit. Nathan did not so much as glance up; he was busy over a pile of documents on his desk; but he did ask a caller to take a chair. Considerable time passed,

and the highness became impatient. "Did you hear who I am," he asked. "I am——," and he named his full title. "Very well," said Nathan from among his papers, "take two chairs."

But he was not alone in his misery. With the possible exception of Karl, all the Rothschilds of the first generation were haunted by the mocking ghosts of their past. The Judengasse and the shop threw a gray shadow across their path; to no matter what heights they rose it followed them and dulled the luster of their achievements. It was the price they paid for success.

PART IV

DECLINE

CHAPTER XVI

LONDON

THE death of Nathan was not only in itself an occurrence of the greatest moment, it was coincident with a profound change in the fortunes of the family. An era had come to its close. In England the young generation was at the wheel, with a background, a tone, an outlook only distantly related to the past; and though on the Continent Nathan's brothers continued to rule for many years, a new spirit was manifest in all the branches. The House of Rothschild, after thirty years and more of storm and stress, had at last entered the tranquil harbor of security and worldwide recognition. Incalculable as the loss of its most gifted member was, it was in a sense only after his disappearance that the family shone forth in all its splendor. Rothschild's became an institution and a household word, like sterling, like the British empire itself. Old rivals were reduced either to impotence or servitude; finance ministers in every state of Europe—of Europe and of America, too—when their treasuries needed replenishment, turned to New Court or the Rue Laffitte before they even thought of lesser firms. In official circles and in the popular mind there was but one world financial establishment, just as there was only one Bank of England and one pope.

Not that within the banking fraternity this monopoly went unquestioned. Far from it. The history of the House

for the next fifty years is a continuous series of challenges, with ever-new combinations rising up to attack its supremacy. But it is the Rothschilds who are in possession, while others are on the outside engaged in offensive campaigns to dislodge them. Nor do they lie back on their achievements. So long as the first generation survives—and to a degree even afterwards—there is a ceaseless readjustment to changing times and new conditions. They are among the first and biggest railroad magnates in Europe. They finance and control vast mining enterprises—mercury, diamonds, copper, nitrates, petroleum. For a long time their immense properties in the Baku field make them the principal competitors of Standard Oil. Rothschild money is the power behind Cecil Rhodes and the South African diamond development; they dictate to, and almost annihilate, Mr. Barnato. An interlude comes when it appears as if they would extend their empire to North America; they have the lion's share in the funding of the United States national debt; they play an important, but losing, hand in the financial history of the Southern Confederacy. One Rothschild branch is the exclusive financial agent of the Russian empire, another guards the papal treasury. The firm extends its sway across the South Atlantic to become the dominant influence in the fiscal —and, inevitably, the political—affairs of the major states in Latin America. The death of Nathan was beyond doubt a staggering blow, but the family is far from moribund in consequence.

And yet it is difficult to escape the feeling that all this varied and far-reaching activity, immense and significant as it would look in the hands of a rising young concern, is —against the dazzling background of the age just past—

something of an anti-climax. There is expansion, even conquest; but it comes easily, almost unsolicited, without the fierce clashes, the resounding turmoil of other days. The big moment of the drama with its breathless suspense, its color and its intensity, is past; and the action takes on a slower and more stately measure as it declines to its inevitable dénouement. After 1836 the House of Rothschild, though apparently growing, merely holds its own. It cannot be said—not at any rate for yet a long time—that its vitality has departed; but having climbed to its zenith, it can henceforth do no more than either stand still or descend. Actually its seeming gains are but the harvest of its youth. Everything comes to it in virtue of the past, and its greatest triumphs are only repetitions.

Nor can the historian of the family avoid an inversely corresponding change of tempo. To relate the remainder of the story with anything like the fulness given to the earlier period would be to want in a sense of proportion. The epic rise of the Rothschilds has merited an elaborate narration; but the remaining years are a gaudy and largely prosaic procession of the rewards of success. The very conclusion lacks spirit. There is no crash at the end, no catastrophic débâcle such as has marked the exit of other dynasties.

II

But the end is still a long way off. It is, rather, the entry into the promised land. The promised land, certainly, for Lionel and his brothers; but to Nathan, had he been able to see it, it would have seemed the vale of disillusion. His heirs, alas! did not all fulfil the tender and pious dreams

he had dreamed for them. Perhaps in the arrogance of youth and sudden liberation they considered themselves ten times as clever as their father. From infancy he had preached to them the maxim that it takes ten times as much wit to keep a fortune as to make one. They had come to believe it, and having entered into their inheritance, they practiced it. To preserve the parental legacy; to administer it wisely and diligently; to increase it, even, within the limits consistent with the family's high traditions and their own varied and exacting avocations—that surely was their duty to the founder and to their own interests; but as to giving "mind and soul, heart and body, everything, to business," it was not their idea of "the way to be happy," whatever their father's convictions on the subject might have been.

So it has always been, and so most likely it will always be. The self-made man, coarse, greedy, ignorant, capable, ambitious, not too seriously irked by scruples, unaware of the world's disapproval and of life's greater prizes or indifferent to them, a little brutal and more than a little ridiculous, strives for wealth, for power. He attains them; and, not illogically perhaps, he tells himself that if he, in spite of his handicaps (he does not know it is because of them), could get so far, what might not his children, with their knowledge, their refinement, their well-groomed persons, their friendships and their head-start, accomplish? He is not guided by reason or even by affection as much as he thinks, of course. In his children he sees himself again, reincarnated, possessing all his abilities, lacking all his crudities. In them he shall recapture what he missed in youth. They shall have the advantage their father could not have and be the equals of every exalted one who ever

snubbed their father, and at the same time they shall have the driving force, and the narrow single-mindedness, and the rude, all-conquering, reckless cupidity with which his own uncouth beginnings equipped him.

And so Nathan the financial genius, being human after all, bungled sadly when it came to bringing up his successors. If he really wanted them to follow in his tracks, he should have given them the same kind of surroundings as he had himself had in boyhood. They should have been reared in the slums of Whitechapel—the nearest equivalent London could offer to the Frankfort Judengasse—and sent to the Jewish communal classes called *Talmud-Torah* till they were confirmed at thirteen, and thrown upon their own resources from then on. There is every indication that Lionel at least, if not his brothers, was as intelligent, as hard-working, as gifted as his father; but he suffered from his advantages. The trouble was that his parent's desires were divided and confused. Nathan strove to make his son a combination of two incompatible ideals. He wanted Lionel to be what he himself was and also what he himself had failed to become. In pursuit of one latter objective he placed him at an exclusive English school and later at the University of Goettingen, lavished luxuries upon him and surrounded him with refined and distinguished companions. Lionel, being a bright and adaptable boy, took to the strange and agreeable environment with avidity. He was growing up a young gentleman. But just then his father remembered with a start his other goal. He snatched the youth away from his college and put him through a rigorous course of training in the business. It did not work out very well: Lionel labored earnestly under his father, under the department chiefs,

under the clerks; he was getting a thorough grasp of affairs; but as for this régime exerting a counter-influence, as for its producing another Nathan, devoted mind and soul, heart and body to business, it was disappointing. Nathan had not been trained by any indulgent and obsequious staff of experts in a world banking house. He had learned finance by buying muslins in Manchester. It made an enormous difference.

There were other differences between founder and heir. Lionel was not only a young man of education and culture. He had been born to fortune and to a high destiny. He had inherited a name, a tradition, even a social position. Nathan, too, had rubbed elbows with the great and the fashionable; it was another kind of relationship, a phase of business on both sides. But aristocrats and statesmen, men of letters, distinguished generals, famous and important people of every sort, were Lionel's natural circle. They were his school friends, his fellow-members in clubs, his equals. For he was himself a native Englishman of the upper class. This last was perhaps the most significant departure from the previous generation. He had roots in a country that it was possible to love—which was not the case with Frankfort, not for a Jew at least—and he did love it. Moreover, the intimate association with the upper class gave him a point of view that would have pained his father. He developed a conscience, public spirit, a sense of social responsibility. He discovered the nation, and the poor—and art; his younger brothers simultaneously discovered sport. There were, it seemed, other things in heaven and earth than business and money-making. Art, for instance, was something more than an invention for the rich to display their wealth; philan-

thropy was the duty of a gentleman; and sport, as young Meyer learned, was not only vastly more interesting and exciting than floating foreign loans, it made one a hero with the British populace, while finance did the reverse.

And so there was a sharp break with the past. No more was a Rothschild seen standing with his back against a pillar of the Royal Exchange like an empty flour-sack. Speculation, manipulation, the clamor and dust of the market-place, which were the breath of life to Nathan's nostrils, had no charm whatever for his sons. Shiftless, improvident states and princes, with whom the founder had loved to do business because they paid fat commissions and did as they were told, were dropped from the books without a qualm. New Court became the most dignified, the solidest and most conservative financial institution in the City of London. The Royal Exchange never saw Lionel or his brothers; if it needed them, it could come to New Court, in St. Swithin's Lane. It came willingly and often. Every morning the great procession of brokers, promoters, speculators, merchants, filed by Lionel's desk, each man whispering his mission, none pausing unless commanded to, and under no circumstances longer than two minutes. And as the years sped by the quiet grandeur of the new day shed its mellow luster over the past, the outlines softened, dubious episodes were forgotten, and Nathan was remembered as the legendary hero of a romance.

III

As emblematic of the new order as the toning up of the firm was the spreading out of the younger Rothschilds

into the fashionable portion of London and their migration into the country. During all but Nathan's entire lifetime the home remained beside the business in St. Swithin's Lane. In 1835 he had, indeed, yielded to family pressure by purchasing the historic Gunnersbury House and Park, once the estate of a royal princess. He had died, however, before the alterations and refurnishing had been completed, and his eldest son was the one to take possession. But this was only a beginning. Presently Lionel built a magnificent town mansion on a plot adjoining Apsley House, in Piccadilly, and following him his brothers and other relatives flocked to the same district, until that quarter of Mayfair became known as Rothschild Row. In the neighboring counties ancient manors and vast hunting preserves came into the family. Anthony, the second son of Nathan, who was subsequently created a baronet by Queen Victoria, bought a château and a forest not far from Gunnersbury; his youngest brother Meyer set up his stud at Mentmore, in Buckinghamshire, and made it a favorite rendezvous of sportsmen and aristocrats. Meyer, though his rôle at New Court was that of a subaltern to Lionel, was the worldliest and best-known of his name. Eupeptic, pleasure-loving, popular, he was a typical Englishman of the racing, fox-hunting tradition. A lavish entertainer both in town and country, a breeder of fine horses (with one of them he won the Derby), it was he who was Baron Rothschild to the classes as well as the masses of the British public. All the brothers were passionate collectors and patrons of art; but Lionel and Sir Anthony took a more sedate view of their position and their responsibility. Lionel in particular, was circumspect and took pains to consort with the graver strata of society.

He rode to hounds not so much for pleasure as because a gentleman must. His dinners in London and his week-end parties at Gunnersbury were as splendid as those of his younger brother; but it was a splendor tempered with dignity as became the head of a great House and an eminent family.

An excited but anonymous guest at one of these entertainments has left us her somewhat overwhelmed impressions of what she witnessed, the occasion being a dinner to Lord and Lady Lyndhurst, the political god-parents of young Disraeli. "Silver and gold plate shone on the table and buffets; exquisite flowers delighted the eye; while the retinue of servants in full dress, so well trained that not a footfall told of their presence, and the ease and repose that prevailed, the result of perfect training, were forgotten in the distinction of the company." But even that apparently was thrown into the shade by the namesake of the old court-factor of the Frankfort Judengasse. "Another still more splendid and prolonged *fête* in Lord Lyndhurst's honor, to which we were also bidden, was given by the Baroness Meyer Rothschild at her Venetian villa at Mentmore—rather palace than villa, however. The Baroness had sent early in the week to have the house and grounds put in perfect order. Such pictures, such furniture, such park scenery, racehorses and hounds! Such a breakfast and lunch *al fresco* . . . as words cannot describe."

That was all very fine; but Lionel was conscious of duties and a mission in life. That colossus at New Court must be governed and must be reconciled at once with the spirit of the new age as well as with the doings of his relatives on the Continent, those amazing survivors of

another world. Just as he was succeeding in drawing the veil over the past, along would come Uncle Salomon in Vienna or more likely Uncle James in Paris and start a stench that wafted itself across the Channel. It was very trying and made him wish sometimes that his father had not insisted on coöperation with the old fellows over there. Nor was that all. Earnestly as he was devoting himself to the management of the business, there were things in the world which claimed his attention and which as a great figure in the community and as a cultivated and educated man he could not disregard, even if he had wanted to. The public side of his life even had a way of getting mixed up with the financial. He was, for instance, a Whig by party affiliation, that is, a liberal. Liberalism was, among other things, opposed to imperialism, his best friends detested the oppressive, medieval Russian monarchy. But Russia was one of his most profitable clients, she was in the market for a big loan, and she was going to use the money to fasten her yoke on Poland. He was loath to forego the operation, yet if he undertook it he would be going counter to his declared principles and lay himself open to charges of hypocrisy. Complex situations like this came up constantly; they were very awkward and embarrassing. How much luckier his simple, unsophisticated parent had been!

Moreover, he was a Jew. Nathan had been content to attend services on the Sabbath and on the High Holidays, to pay his temple dues, and observe the traditional rites and practices. More than likely he would put down his successors as something not far removed from renegades. Nevertheless Lionel and Sir Anthony were, for all their French chefs and their compromises with the dietary laws,

devoted to the race and the faith. For the greater part of their lives they were the presidents of their respective synagogues, and the Jewish community of London regarded them as their natural leaders. They erected hospitals, they headed charities, they gave generously of their time and money for Jewish education. In the international field Lionel, as the head of the House, worked indefatigably to improve the status of his people abroad. He backed his maternal uncle, Sir Moses Montefiore, in the latter's efforts on behalf of the Jews in Russia and Poland; and when the Congress of Berlin, after the Russo-Turkish war, met to readjust the jangled balance of power in Europe, it was Lionel's letter to the assembled potentates that, more than any single factor, forced the emerging kingdom of Rumania to promise a civilized solution of its Jewish question.

IV

Undoubtedly, the most notable event in Lionel's career was an outgrowth of his deep interest in the status of his race. English Jewry in general and the Rothschild family in particular had, it is true, little to complain of. Compared with their brethren on the Continent, and more especially with those of them who dwelt in the Eastern parts of it, their position was enviable. They enjoyed economic equality with Christians, socially they were restricted only by income and personal fitness, even politically the British Constitution protected them. Yet one distinction remained—a survival from the ages of prejudice, which set Jews apart as citizens of the second class. No professing Jew could sit in either house of Parlia-

ment. Catholics, non-conformists and infidels were all represented. There was, in fact, no explicit law against the Jews either; only the oath of office was so worded as to exclude them in practice. It concluded with the words "on the true faith of a Christian." Reform politicians had repeatedly sought to change the formula, but so long as the Tories were in power all such endeavors were foredoomed to failure. In 1847 Lionel Rothschild began his long, spectacular fight to end the discrimination. His determination to do so was brought about, curiously enough, through the influence of a man who was himself both a Tory member of the House of Commons and an apostate to the Mosaic faith.

Benjamin Disraeli had for many years past been Lionel's most intimate friend. The two men, so different in their backgrounds, their temperaments and their fortunes, had nevertheless many interests in common. "Dizzy," loaded down with debts, dandified, dreaming of literary eminence and the Premiership, converted to the Established creed by the whim of a queer parent, was irresistibly drawn toward the great capitalist. When he came to write his Novel "Coningsby" he took Lionel as the model for *Sidonia,* the ideal young public man. As far as he was concerned, his abandonment of the synagogue had not altered the blood in his body or the heritage of his soul. Certainly it had not by one jot diminished his deep concern over the welfare of the Jewish people. Why, but for a fortuitous incident in his boyhood, he might himself have been kept out of Parliament and his ambition nipped at the start! It was stupid and unfair and dangerous for the nation's own interests to exclude an entire group of useful and intelligent citizens on no other ground than that they

differed from the rest of the population about the hereafter. Some day when he became Prime Minister he would change all that. But then the thought came to him, why wait till then? Lionel Rothschild was the man to take up the cudgels against the musty prejudice, and at once. With his wealth, his personal qualities, his powerful connections and his family's long record of patriotic service, he was the natural standard bearer for the cause and no opposition could withstand his leadership.

In truth Dizzy's anticipations were somewhat too sanguine. The fight as it turned out was a very long and bitter one. Lionel, urged on to the enterprise by the leaders of the Jewish community, offered himself as the Whig candidate for one of the two divisions of the City of London. He was easily elected; and his colleague, who happened to be Lord John Russell, the Premier, made a motion in the House of Commons in favor of the "removal of the civil and political disabilities now affecting Her Majesty's Jewish subjects." Later he introduced a bill to the same effect, which being warmly supported by the oratorical gifts of both Disraeli and Gladstone, was after much discussion adopted. When, however, it reached the Lords, the reactionaries would have nothing to do with it. Lionel thereupon resigned, and at the first opportunity stood again. Six times he was reëlected, six times he appeared before the bar of the House demanding to be sworn on the Old Testament, ten times Lord John introduced his bill for the revision of the Oath of Abjuration, and every time it was accepted by the lower house and rejected by the upper one. The electorate protested; the refusal to seat their chosen representative was tantamount to disfranchising the constituency. Finally one of

those compromises which have made the British constitution so unique an entity was patched up. A committee was appointed with Rothschild as one of its members, to draw up reasons for disagreeing with the Lords; and upon its handing in its findings, a resolution was offered in the House of Lords whereby each of the branches of Parliament was to have the right to determine the wording of the oath for its own members. This was adopted, and Lionel, after eleven years of controversy, was permitted to take his seat. He was the first professing Jew to gain admittance to that august body, but he was not the last Rothschild to do so. Once the doors had been forced open, they never closed again. Lionel continued to represent the London financial district for fifteen years. He did not, as some of the Tories in the House of Lords had dreaded, disrupt the Imperial legislature either by his forensic talents or by the extraordinary measures he introduced. He was in fact a silent, passive and wholly innocuous member. He had fought his way in to establish a precedent, and having achieved that purpose he was content to relapse into obscurity. But his victory was not a sterile one entirely. From that time to this Westminster has with but rare interruptions always counted at least one Rothschild among its members. Lionel's brother Meyer and his son-in-law Ferdinand held seats in the Commons during his own lifetime, and not long after his death his son Nathan pushed the victory further by becoming the first Jewish peer to sit in the House of Lords.

V

A less spectacular but equally significant result of Lionel's intimacy with Disraeli followed later when the

House of Rothschild became instrumental in giving Great Britain control of the Suez Canal. Under the administration of Lord Palmerston England had had the opportunity of making that enterprise, so important to the trade and the very life of the empire, her own. That jaunty statesman, however, would have nothing to do with it. He characterized the project as a fantasy, and De Lesseps as either a swindler or a lunatic. Even after the waterway was completed and in operation, he could not be brought to see its value. The consequence of that incredible blindness is well-known: the Canal became virtually a French possession. But the gods watch over babes and innocents; wherefore, not many years afterwards, France had to have a war with Prussia and be so badly defeated as to all but destroy her prestige in the concert of Europe and reduce her to the status of a second-class power. It so happened, furthermore, that the Khedive (at that time more or less under the suzerainty of Turkey), in granting the concession, had reserved for himself a large block of the operating company's stock—177,642 shares to be exact, for which he was to pay, and did pay, over a period of years the sum of eighty-nine million francs. These details have a bearing on what ensued, as do also the following: Although by the contract with De Lesseps's company the Khedive was entitled to receive a minimum dividend of five per cent on his stock, he as a matter of fact lost precisely that much in interest on it. That was, to be sure, nobody's fault but his own. His Egyptian Majesty was a victim of the extravagance and improvidence common to Oriental potentates. He never had the money to pay in when instalments fell due, and when he applied to the French financiers for a loan they required ten per

cent interest, exactly twice the amount the shares brought him. Moreover, they demanded security, and thus it came about that the Khedive was separated from his dividend coupons for a period of no less than twenty-five years to come. He consoled himself for this loss with the thought that he was still going to come out ahead, since by another clause of the contract he was to receive fifteen per cent of all profits made by the Canal. Unhappily for him, however, the Company was not making any profits. It was, in fact, facing bankruptcy.

In these very unsatisfactory circumstances, the directors conceived the idea of pulling out of a scrape by selling the Canal to the Powers. The Khedive, greatly alarmed at the prospect of an international board of control settling down on his front-door step, tried to protest; but he was a minority stockholder, and his objection was overruled. Thereupon he quietly sent for the British Consul-General on the spot, a certain General Stanton, and begged him to urge his government to buy the Canal alone. In addition, he persuaded his overlord, the Sultan of Turkey, to make a bid for the property, in order to dispose of it later to England. Finally, De Lesseps himself, though he greatly disliked selling out, went over to London and engaged in conversations with the authorities there, in the hope that their offer to buy might stimulate the other maritime powers to compete. The English rulers, however, even though Lord Palmerston had in the interval been superseded by Mr. Gladstone, were not interested, and lent a cool ear to all three proposals. They would not buy themselves, and they gave the Porte to understand that they would not tolerate any other purchaser.

De Lesseps was desperate, but he still had a shot in his

locker. The Canal, as he saw it, was his property and he could administer it as he saw fit. He raised the tolls one franc per ton, and when that did not suffice he resorted to an ingenious scheme of revising the definition of "ton of capacity" in such a way as to yield an additional thirty-three per cent of revenue. The maritime nations protested violently. In France itself the Messageries Maritimes, a shipping concern doing a big carrying trade to the Orient, carried the controversy to the courts. Britain, acting through the Porte, demanded that the whole question be referred to an international commission. It was, and the commission ruled that the old English system of measuring tonnage was the only correct one and ordered the Canal company to refrain from collecting the revised tolls. But De Lesseps balked. He threatened to close the waterway altogether, and he notified the British admiralty and Board of Trade that if they refused to pay the passage dues fixed by his company their ships would "have to take the old route around the Cape." It was not till the Khedive mobilized a force of ten thousand men with orders to evict him that De Lesseps yielded.

De Lesseps's protest against the Commission's ruling reached London on the 12th of February, 1874. Nine days later the Gladstone Government was defeated and Disraeli became, for the second time, Her Majesty's Prime Minister. With characteristic energy he at once went to work and made a thorough study of the whole controversy. Having concluded that his predecessors in office had badly bungled matters and that control of Suez was of vital importance to England, he sought the help of his friend Lionel Rothschild to undo the mischief. The firm had already on its own initiative made several attempts to

obtain the Khedive's holdings; but owing to their conservative policy of having no dealings with irresponsible and financially incompetent princes, their connections in Cairo and Constantinople were nil, and they had failed. Lionel now explained to the Premier how things stood. Disraeli, however, was not thinking of the Khedive; he was for reopening the negotiations with De Lesseps of three years ago. The day following this conversation Lionel's brother, Nathaniel, crossed the Channel to Paris and got into communication with De Lesseps. It so happened that in the meanwhile France had paid—thanks to the coöperation of the Paris House of Rothschild—the last billion of her indemnity to Germany, and her foreign policy had in consequence materially stiffened. Lesseps therefore told Nathaniel that he most emphatically was not contemplating any sale. Why should he? His country was making the Canal a national issue, and Russia was backing France on the international commission, so that he was in a position to threaten the Khedive with putting his company under his government's protection.

The prospects for Britain were dubious in the extreme. Then suddenly help came from an unexpected quarter. On October 7, 1875, the government of Turkey went bankrupt. In view of Egypt's connection with the Porte, a financial panic speedily seized Alexandria, the consequence of which was to threaten the solvency of the Khedive. Interest on the Egyptian debt was due before the end of the calendar year. In these circumstances the finance minister bethought himself of his master's Canal shares, and he opened negotiations with two French syndicates. Nominally the stock was to be mortgaged, but the bankers took care to impose terms so usurious as to make

it practically certain that the Khedive would default on the payments and thus forfeit his interest in the Canal. Somehow the British government got wind of what was toward and dispatched a protest to Cairo, which produced an assurance that the sale of the securities was not being considered.

In the end the rivalry of the two banking combinations prevented the French authorities from lending their support to either. The Crédit Foncier syndicate, moreover, came to the conclusion that only outright purchase would meet the Khedive's needs. But the government of France hesitated to approve such a step for fear of diplomatic complications with Great Britain. A feeler was, therefore, reached out toward London, which brought an emphatic note from Lord Derby (Disraeli's Foreign Minister) declaring that Her Majesty's Government would regard the "making of the Canal any more French than it already "was" as an unfriendly act. But the Khedive anxiously saw the days rolling by and no money in sight with which to meet the interest payments on his debt. There was no alternative but to send for General Stanton again. On November 23, 1875, Stanton telegraphed that Egypt was prepared to relinquish her entire holdings for one hundred million francs. As it happened Parliament was not in session just then, so that it was impossible to obtain the necessary appropriation in the usual constitutional way. But that did not deter Disraeli from acting swiftly. He called Derby and Salisbury into conference, and having assured himself of the support of these two members of his Cabinet, he sent round to Lionel Rothschild to tell him that the transaction was coming through and to be prepared with the money—a matter of four million

pounds. He could not guarantee that the House would make good, but if Lionel was willing to take the risk, he (Disraeli) would warmly appreciate the favor. The risk was not very grave, considering that the valuable stock was to be transferred into the hands of the banker. At any rate, Lionel did not hesitate. There was a two-and-a-half-per cent commission—a hundred thousand pounds—involved. The Khedive gave up not only his hundred and seventy-odd thousand ordinary shares but threw in also fifteen hundred founders' shares as well as his fifteen-per cent interest in the revenues of the Canal; and all this, together with the small batch of shares already held in England, gave the Queen the predominant voice in the enterprise. At least Disraeli told her that it was she who was the sole gainer. "It is just settled; you have it, Madam. Four millions sterling! and almost immediately. There was only one firm that could do it—Rothschilds. They behaved admirably; advanced the money at a low rate, and the entire interest of the Khedive is now yours, Madam."

VI

Less than four years later Lionel died suddenly, and the governance of the London House of Rothschild passed to his eldest son. Even better educated than his father, Nathan (or Nathaniel) was almost exclusively a public man. From his uncle Anthony he had inherited the baronetcy, and his close friendship with the Prince of Wales, whom he had come to know at Cambridge, presently brought him a peerage. The daily morning procession at New Court continued; government loans, particularly with

Brazil and Chile, kept on coming to the House; but it was purely and simply inheritance. Already in the third generation, the descendants of Nathan began showing the tendency, which has since become general among the Rothschilds, of converting their banking houses into mere administrative offices for the investment of their capital. Society, art, politics and Jewish affairs absorbed Lord Nathan almost wholly, and his brothers, like their uncles before them, went in for sport and fashion.

Unmistakably, also, the bonds of family tradition began weakening in the second half of the century. While a majority of the first Nathan's grandchildren married Rothschilds, no fewer than four of them went for their mates beyond the limits not only of their own clan but of the race itself. The strayers from the fold are reputed, it is true, to have remained Jews in faith and have even continued to interest themselves in Jewish charities and public questions; but the same cannot be said of their descendants.

Among the present, the fourth, generation, both these manifestations have become stronger. One of the latter-day Rothschilds has gone to the length of giving up his very name. He has changed it to Pascal, and the street in Paris which bears that designation is named not after the French philosopher but after one of the scions of old Meyer of Frankfort. So also with the firm. Though St. Swithin's Lane continues to be something of a power in British finance, and though its investments in South American loans, in railroads, mines and industrial enterprises are enormous, the significance of the House lies purely in its command of huge capital and not in the least in its skill or enterprise. The initiative, the force, the bril-

liant originality, the fierce vitality of the days of the first Nathan have passed to younger and more determined men with other names who still have their reputations and their fortunes to make. In so far as Rothschilds in England can be said to have survived, it has done so wholly on the momentum, one could almost say on the inertia, of the past. And the London House is the least moribund of its name.

CHAPTER XVII

JAMES AND HIS HEIRS

THE drift of events in Paris followed lines roughly parallel to the development in London. There was one important difference, however: While beyond the Channel the heirs came into possession early, the first generation continued to control in France for half a lifetime longer. James was but forty-four when Nathan died, and he lived to be seventy-six. In the prime of life, by far the most brilliant of his remaining brothers and so by them acknowledged, strategically located, rich in experience, he readily stepped into the captaincy left vacant by Nathan. More even than by personal endowment, he was equipped for leadership by favoring circumstances. The Revolution of July—that very overturn which had come so near bringing ruin upon his House—once it had survived the crisis and consolidated its gains, fulfilled all his expectations. He emerged from it sobered and immeasurably strengthened. His German birth, his Jewish accent, his obscure and questionable beginnings, his social inferiority, his past failures, were all forgotten and forgiven; and he attained a power in government and a dominance over the national economy which Nathan himself in his best days had never equaled.

Nothing like the July Monarchy had ever been known in the whole predatory history of French royalty. For eighteen years big business was supreme. It governed with

an insouciance, a blatancy, a callous disregard of public decency and national well-being that would have made Louis XV blush with shame. The citizen king, mindful of the classes to whom he owed his throne, turned the country unreservedly over to the haute bourgeoisie. Painfully conscious of the precariousness of thrones in general and of his own in particular, he was determined that whatever came he and his family should never be exposed to want. And so there followed an era of stock-jobbing, speculation and corruption in which Majesty, court, parliament, anybody and everybody with a paw in the trough of power shared freely and richly. Above all, Louis Philippe was too loyal to forget his debt to James and his House. It was James's generosity that had enabled him to survive patiently and in comfort the days preceding his accession, and but for the combined support of the Rothschilds he might—he almost certainly would—have been annihilated by Metternich and the Holy Alliance. Well, James should now have his reward. He had been snubbed by the haughty Bourbons; therefore he should never now be absent from palace functions, and his own parties should always be graced by royal presences. The chauvinists held it against him that he was a foreign baron; they should be silenced and James should wear the grand cross of the Legion of Honor. More tangible recognition, also, was to be his. He should have a monopoly of government loans as a matter of course. Privileges, contracts, concessions should be granted him regardless of public policy and public opinion. And incidentally he should handle the royal investment account and hatch Majesty's nest-egg against the evil days that one could only hope would never come.


JAMES
VON ROTHSCHILD

Squeamish people, at home and abroad, were scandalized by the spectacle—or made a note of it with sardonic humor. Metternich, the high-minded puritan, saw the disgraceful alliance between monarch and plutocrat as the inevitable result of democracy. It caused him to shake his head with pained resignation. "The House of Rothschild," he said, "plays a much bigger rôle in France than any foreign government, with the possible exception of England. There are of course reasons for it, which to me naturally appear neither good nor morally gratifying: Money is the great motive force in France, and corruption—which is in practice the most important factor in our modern system of representative government—is quite openly reckoned with." But he took comfort in the thought that in Austria at least filthy lucre was scorned by all right-thinking men. "Among us the traffic in this commodity finds but few friends."

Heine, on the other hand, who dined in the Rue Laffitte often and had ample opportunity to observe what was going on, reveled in the delicious situation. He declined to grieve over it at any rate; or possibly, like the Barber of Seville, he laughed to hold the tears back. "A few hundred years ago," he wrote, "the king would quite simply have pulled Monsieur Rothschild's teeth out by way of inducing him to consent to a loan. Ah well, the naïve ethic of the middle ages has happily been carried downstream by the Revolution, and now Rothschild the baron and Knight of the Order of Isabella can calmly go for a walk in the Tuileries whenever he is so disposed, without fearing that the hard-pressed monarch will touch a single one of his teeth."

What gave him particular joy, however, was to sit in a quiet corner at the counting house and watch the daily procession of hopeful speculators doing homage. "Best I like to call on him at his office in the bank, where as a philosopher I can look on at the people—not merely God's chosen, but those of all races—kneeling and abasing themselves before him. Such a doubling and contortioning of backbones as you would hardly expect acrobats to achieve! Some I have seen who on catching a glimpse of the great baron are seized with a nervous twitching as if they had unawares stepped on an electric cable. Others have but to approach the door to succumb to a tremor of awe, such as Moses must have felt when he suddenly realized on Mount Horeb that he was standing on holy ground. . . . This inner office is in truth a remarkable place. . . . It impresses one with the insignificance of man and the greatness of the Lord. For money is the god of our age and Rothschild is his prophet."

Another German-Jewish writer was less amused. Ludwig Boerne had known the Rothschild boys in Frankfort before their days of glory. It was after him and not after them that the city fathers later named the metamorphosed Judengasse. In spite of common origin, however—or it may have been because of it—Boerne took little pride in the magnificence that had come to his fellow-townsmen. Gifted with a sardonic pen, he rarely missed an occasion for lampooning their activities. As early as 1832 he reported to his paper: "Louis-Philippe, if he is still king next year, will have himself crowned—not, however, in the church of St. Remi at Rheims but in Paris in Notre Dame de la Bourse and Rothschild will officiate as archbishop."

II

But in truth Boerne was doing James an injustice. For James had no ambition to be a king-maker. The monarch was safely where he wanted him to be, and he turned his attention to seats of power which, for all that they came in smaller containers, were none the less worth subduing. Railroads were a bigger thing than loans now, and to his chagrin France had gone in for a policy of state construction and operation. Louis-Philippe was well-disposed; but in this matter the decision rested not so much with the king as with the people's representatives in parliament and in the press. In 1845, therefore, when plans were in the making for the great new line to link Paris with the industrial regions of the North, James set to work systematically to secure the concession. With a suddenness which took Frenchmen off their feet, the staunchest advocates of public ownership all at once perceived the error of their ways. Ministers, deputies and journalists alike agreed that in the interests of economy, of efficiency and of the public weal the *Chemin de Fer du Nord* ought to be built and run by the banking firm of de Rothschild Frères. Only one newspaper, the *National,* stuck by its guns, and it subsequently explained how its colleagues as well as the gentlemen in parliament were converted.

The company launched the enterprise with a capital stock issue of one hundred and fifty millions, divided into three hundred thousand shares nominally worth five hundred francs each. According to the recalcitrant journal one-tenth of the securities were distributed freely and gratis among the membership of the chambers and the press, in all seven and one-half millions' worth, to each

according to his merit and the weight of his support. The *National* itself was not slighted; it duly received its proportionate parcel; only, so it boasted, it preferred the distinction of a clear conscience and the pleasure of enlightening the world. The materialists, on the other hand, had nothing to complain of. With nearly the entire press behind him, James now proceeded to make the shares worth having. By a series of alternate bulling and bearing operations they gradually rose from 500 to nearly 850. Repeatedly he unloaded his holdings so as to depress prices and secure the outstanding parcels. In the end he emerged as the majority stockholder. He retained the presidency of the road till his death, and the property continues in the hands of his descendants to this day.

The line was opened with appropriate ceremonies at Amiens on June 15, 1846, and Monsieur Rothschild was hailed by representatives of the crown and the chambers as a public benefactor. Not many weeks later the public rejoicings were overshadowed by a deplorable accident in which a score or so of travelers were killed and many more injured. A terrific storm broke about the public benefactor's head, who was now denounced as a monster sacrificing human flesh to the golden calf. Old resentments, hatreds, jealousies, long pent-up, took advantage of the occasion to vent themselves in violent tirades. A flood of pamphlets poured forth from the press, with echoes of the Viennese polemists from whom poor Salomon had suffered so long. A disappointed journalist who had been overlooked in the stock distribution of the year before unearthed old Hormayr's venomous phrase and addressed James pseudonymously as "Rothschild I, King of the Jews." The doggerel artists did their share. Ancient *canards* about the unaris-

tocratic antecedents and the early performances of the family, and the malodorous origin of its fortune, were revived and spread before an eager public. The uproar mortified James and made him nervous. This sort of thing was something quite new in his experience, and he was at a loss how to handle it. He appealed to his newspaper and literary friends to help him, and a pamphlet entitled "The Reply of Rothschild I to Satan the Last" was hastily gotten out, in the evident hope that it would end the discussion. But it had, of course, the opposite effect; the scurrilous broadsides swelled in volume and in intensity. Then James redoubled his endeavors on behalf of the poor and outdid himself in good works; whereupon his adversaries warned the public that the cheap bread issuing from the Rothschild bakeries was made of adulterated flour mixed with poison, and called upon the authorities to stop its distribution. There seemed to be no limit to the malice of the wicked.

But James soon found something vastly more disturbing to occupy him. Within little more than a year after the accident on the Nord railroad, signs of the most alarming variety began to appear everywhere in the country. Republicanism, which was believed exorcised forever, suddenly raised its menacing head once more. The apparently solid edifice of monarchy creaked, swayed and displayed symptoms of breaking up. On the second of February it fell in a heap. The Citizen King, scorned, discredited and abandoned by his supporters, fled the country in terror of his life. For a little time James refused to recognize the gravity of the situation, certain that the fury would spend itself, or that some savior would arise to divert it into reasonable channels. It was not long, however, before he realized that this was not 1830. When a mob descended upon

his suburban château at Suresnes, pillaged it and only by a miracle was prevented from setting it on fire, and when the following day his eldest son Meyer Alphonse was seized by the Republican Guard, ordered into a uniform and with a musket on his shoulder detailed to stand sentinel on the ramparts, James reluctantly came to the conclusion that this time it was Revolution in real earnest.

III

It was more serious than he could bring himself to admit. The Second Republic, it speedily developed, was animated by a temper hostile not only to the old European political order; it had a social and economic lining. Strange, disreputable, wholly preposterous ideas of the state, of property, of the nature of wealth, of the relative worth of classes and services, distilled out of the destructive preachments of a band of wild-eyed doctrinaires in France and abroad—Louis Blanc, Engels, Marx, Fourier, St. Simon—had taken possession of the new rulers. They did not stop there, however. The upheaval sent out waves, which spread with lightning speed to all the ends of the Continent. East, North and South crowns were rolling off monarchical heads, and the pillars of civilization toppled into the dust. Here in France it looked as if the Revolution were largely a device for hacking away the bases upon which the House of Rothschild had risen and grown strong. One of the first reforms of the republicans addressed itself to the matter of state financing. The good old system was consigned bodily to limbo. Loans were no longer to be handled through any single firm or syndicate. For capital, according to the revolutionary philosophers, was a national resource; and that

being the case, the nation could just as well act as its own contractor. Therefore the amount to be borrowed, the price at which the securities were to be floated, and the commissions of the agents and brokers, must be fixed by the state beforehand. The bankers could participate to whatever extent they desired, each house according to its ability, but all on the same footing. The vicious innovation, originating in France, presently gained converts among all the governments of Europe. A curtain descended upon the brilliant scene in which Rothschild's had for so long played a leading rôle.

Nor did it lift again when the Second Republic, after a brief and agitated existence lasting barely three years, turned into the Second Empire. Louis Napoleon was a totally different breed from Louis Philippe. A free-lance and a playboy prior to 1848, flying from one fantastic adventure after another, half the time an exile or a prisoner, he had been scarcely more than a name in France. James had thus had no opportunity to form any sort of ties with him, even if the notion had ever occurred to him that this obscure heir of a buried tradition would some day wear the crown of France. But there he was lording it in the Tuileries. And James, indelibly tarred with the Louis Philippe brush, found himself out in the cold.

What made this depressing state of affairs all the harder to bear was that the imperial court, by no means unfriendly to men of money—not even to Jewish ones—had thrown its favor to the rising young firm of the brothers Péreire, and Emil Péreire was a product and a whilom protégé of Rothschild's. It was enough to make one lose faith in humanity. Heine, it seemed, had spoken truer than he knew. "This remarkable man," he said of James, "has

the rare gift of discovering men with extraordinary capacities and attaching them to himself . . . in contrast to his colleagues who prefer to surround themselves with nonentities." Yes, but the difficulty was that he was too good at it. Péreire was only one instance of the danger of encouraging excessively clever men: there were others, as will be seen presently. Péreire at least did not betray his protector's confidence. He learned what he could from him about the usefulness of friends at court, and then went ahead to apply the instruction. Young, alert, ambitious, and enjoying the friendship of influential people in the new régime, he had early made it his business to gain the confidence of the emperor. Within a few months of the coup d'état he had contrived to secure a charter from Napoleon III for the erection of a new kind of financial institution. It was called the *Crédit Mobilier,* and was the first bank in France organized on a joint-stock basis.

Then he went energetically toward his goal, which was nothing less than to supplant his former employer. There ensued a violent and bitter struggle, with no quarter given or taken. For a time the odds weighed heavily on the side of the challenger. Péreire pushed his influence into the provinces, and in a remarkably short time he had the nucleus of a powerful syndicate all his own. When Russia began building her network of railways, it was he who snatched off the concession, though James brought to bear all the pressure of his own and his nephew Lionel's prestige. Presently he carried the war into Austria and came within an ace of annexing the domain of Salomon's heirs. For fifteen years the furious contest raged. In the end, it is true, Péreire was beaten, but the victory cost the Rothschilds more than it was worth.

In the interval James experienced an even more grievous disappointment in his faith in mankind. For ten years he had entrusted the post of chief cashier on the Nord Railroad to one of his favorite understudies, a Frenchman named Carpentier. Few of his employees were so close to him or enjoyed so much of his confidence. He took Carpentier with him when he traveled, he invited him to the less brilliant entertainments in the Rue Laffitte; he even spoke to him freely about his operations and his winnings. Doubtless, that was his mistake; he overdid things somewhat. It did not occur to him that a gifted and modestly-incomed young man was apt to have temptations which the friendship and confidence of his enormously wealthy employer, coupled with tantalizing opportunities, might tease beyond resistance. Early in September 1856, James was on a journey with Carpentier, and in the course of conversation mentioned to him that he had just made a coup on the exchange which had netted him a gain of five million francs. Some hint of the relationship between magnate and subordinate may be gathered from the detail that Carpentier, upon hearing the good news, inquired what share of the proceeds the president of the road intended to bestow upon the chief cashier. James, so the newspapers afterwards reported, took the hint good-naturedly, and replied: "No, I cannot give you any of my five millions, but, here, take my chain, as a souvenir of this day which has brought me so much pleasure and profit." Carpentier pocketed the gift, and requested a leave of absence for several days. It was the last that was seen of him.

At first no particular notice was taken of the man's extended absence. When, however, pay-day came round,

and a queue of employees lined up in front of the company's wicket without anyone appearing to hand them their wages, the officials suddenly recalled that Carpentier had not been seen for some little time. It became necessary to notify the president; for Carpentier had taken with him the keys of the safes, and James alone had duplicates. But when the safes were opened, they were found to be empty. An indeterminate quantity of cash, as well as mass of records, had been removed. James was not long in coming to the conclusion as to what had happened; but his first order was characteristic: beyond a bare statement that a robbery had occurred, all details were to be withheld from the public. There was the effect on the company's stock to be thought of. The French press readily acquiesced to hush up the affair. The foreign correspondents, however, were less obliging; and it is due to them that something like the real magnitude of the crime became known.

Carpentier, it developed, had had accomplices—one Grellet, a young man "of very good family," in addition to a number of clerks in the company's employ. In cash alone the sum abstracted amounted to six million francs. So much the directors were, after considerable questioning, induced to admit. That, however, was a small item of the total. Counting in the shares, the entire loss was estimated at the immense figure of "between thirty and thirty-two millions." The thieves had planned and executed the job with a skill and cunning worthy of the booty. Stock certificates deposited with the company being kept in packets of one thousand, the gang withdrew from each parcel two or three hundred shares, tied up the remainder and replaced them in their containers. In this way they had succeeded in carrying on their operations for a long time, without

discovery. Six months before their disappearance they had bought a steamer in England for about two million francs, and some time later they acquired a house in New York. Early in September they decided they had enough. Thereupon Carpentier, having obtained his leave of absence, proceeded to Liverpool, where the boat was anchored, had her got ready, and steamed out to keep tryst with his companions. The president and directors were so put out by the faithlessness of their trusted subordinates that they offered to spend ten millions for the capture of Carpentier. But he had got such a good head-start that he was never caught.

IV

For its part the Nord Railroad survived the incident, and James continued to preside over its destinies to the day of his death. Had he been a mere king of France, such a display of bad judgment might have cost him his throne; but stockholders are more forgiving. Nevertheless, the disappointment over Carpentier and the weary struggle with Péreire did their part toward hastening his end. He died the year after the crash of the Crédit Mobilier. The Grand Rabbi of France, the Chief Rabbi of Paris, the head of the Jewish charities, and one or two officials of the Railroad, made moving speeches at the grave in the Père Lachaise cemetery; all the leading newspapers of the capital printed long editorials on his extraordinary career, his generosity to the poor and his devotion to the best interests of the country. A notable procession of diplomats and members of parliament followed the bier, and among the mourners

were several hundred uniformed employes of the railway company. In deference to Jewish tradition, no military escort was provided by the government, though the deceased, as a commander of the Legion of Honor, was entitled to it. He was survived by his wife, a daughter and four sons. Three of the sons, Alphonse Meyer, Gustave and Edmond, took over the direction of their father's affairs.

The young men had barely had time to get their bearings when a series of political, financial and social crises in the affairs of France gave them ample opportunity to show their mettle. Less than two years after James's death the country embarked upon its disastrous war with Prussia. There followed in quick succession the capture and abdication of the Emperor, the siege of Paris, the Commune, and the huge indemnity imposed by the victor. Alphonse and his brothers acquitted themselves creditably, even brilliantly, in every instance. The invaders made their headquarters in the Rothschild estate at Ferrières; but as Bismarck was an old friend of the family, strict orders were given that the château and grounds were in no way to be treated as enemy property; the hungry soldiery were not to kill so much as a single partridge in the park; and it was in Ferrières that Jules Favre met the Iron Chancellor to receive the terms of peace. The departure of Napoleon III was accepted by the banking House with resignation if not with relief; Rothschild's had had better friends among the nation's rulers. As for the five billions demanded by the foe, Gambetta felt about it as Disraeli had felt about the purchase of the Khedive's shares: "there was only one firm could do it—Rothschild's." The raising and transfer of the fabulous sum was left to Alphonse, though his cousins in Frankfort and notably Lionel in London gave valuable as-

sistance in carrying out the firm's guarantee that the exchanges should be maintained.

Even the terrible siege was somehow endured. Most Parisians were so hungry that they killed rats for food; but though proper edibles were costly and hard to get, people with the necessary price need not starve. It was the unspeakable mobs within the walls that almost made life unbearable. The Communards, like their brethren of 'forty-eight, rioted, seized wealthy men's homes, and under threat of violence, forced their owners to stand guard on the ramparts. Happily, the fury was short-lived. The decent and orderly elements of the city presently asserted themselves, and the subversive movement was drowned in blood.

With the establishment of the Third Republic James's heirs breathed freely again. The old system of loans, which had made their father the real power in the government as well as in the commercial life of the country, never returned, it is true; nor did the young men possess either the single-minded concentration of purpose or the healthy detachment from local concerns and local opinion, to bend parliament to their will, as their father had done in the matter of the Nord Railroad. No amount of parental solicitude to endow them with an international outlook could quite contrive to neutralize the influences of environment; born and reared and educated in France, they belonged. With all their intermarriages within the family and their complex ties abroad, they could not help thinking and feeling as Frenchmen. Like their cousins in England, also, they were conscious of a deterrent responsibility and dignity which, while it sprang from the past, conflicted with the spirit and methods of the past.

Fortunately for them, there were still countries in Europe where the upsetting ideas of France had not penetrated. There was Russia, for instance, a land wholly untouched by the Revolution. There concessions and operations on the classical lines were still possible; there the name and prestige of the House of Rothschild shone with its old glamour; and there, above all, the second generation need feel no compunction about walking in the footsteps of the founders. Twice within five years Alphonse and his brothers planted their flags in the vast empire. In 1883 the Tsar, embarrassed financially by the consequences of an expensive war and unable to raise funds in the regular way, was persuaded to grant the French House of Rothschild a concession in the Baku petroleum region so comprehensive as to make that firm the chief competitor of the Rockefeller interests. Oil, to be sure, was in those primitive days, not the stake of empire which it has since become; its sole use was as a substitute for candles; but as gas-lighting was still in its infancy in most places, and the incandescent lamp hardly more than a scientific toy at Menlo Park, the profits of the new Bnito Petroleum Company were not to be despised. As for Russia, the concession yielded only temporary relief, and in 1887 she addressed herself again to the capital markets of Europe for a loan. It was the period when statesmanship was busy projecting the *Drei-Kaiser-Bund*—the "natural" alliance of the three imperial powers of Austria, Germany and Russia against the democratic forces further West. But Bismarck had other plans, and he forbade the Reichsbank to give any financial support to the Tsar. The result was that Russia was obliged to turn to France, the loans were floated by

the Paris Rothschilds, and the Oriental autocracy became the "cordial" ally of the Republic.

But this ability of James's heirs to keep going on their momentum was a thorn in the flesh of their rivals. Despite the failure of the Péreire challenge, joint-stock banking corporations continued to arise and to flourish, and ever-new combinations went on forming to break the power of Rothschild's. In 1876, the picturesque French financier, Bontoux, conceived the idea of enlisting religious and racial sentiment in the service of business. His *Union Générale,* founded that year, was designed primarily to deliver France and the world from the Semitic exploitation and incidentally to divert the proceeds into the pockets of deserving Catholics. The fact that the Holy See itself was a client of the unbelievers, did not disturb the logical Frenchman. His scheme was hailed with enthusiasm by the clerical, royalist, reactionary elements. All the aristocratic families that still had money to invest brought him their nest-eggs and the concern was floated with an initial capital of four million francs. The experiment might have succeeded had not Bontoux been too ambitious. Unwarned by the fate of Péreire, he yielded to the temptation of making a clean sweep by spreading his net to Vienna also. He was, in consequence, caught between the upper and nether millstones, and the *Union Générale,* which had begun under such hopeful auspices, came to a disastrous end after a brief career lasting barely six years. Hundreds of noble French families were reduced to beggary by the crash; while Bontoux, finding himself equipped with both leisure and emotion, took to the pen and in a pamphlet entitled "Le Krach de l'Union Générale; la finance juive et les francs-maçons"

enlightened the world about the methods whereby the allied monsters of Judaism and Free-Masonry despoil honest but rather futile Catholics of their wealth.

It is difficult to tell how much the bitterness caused by the Rothschild-Bontoux struggle and its dire consequences contributed to the growth of anti-Semitism in France. Certain it is that the legacy of hatred and mistrust survived the episode for many years and affected people who had never so much as seen a stock-certificate. When one considers the line-up of the contestants in the violent Dreyfus battle a dozen years later, it appears not unlikely that the dynamite for that extraordinary explosion was planted on the bourses of Paris and Vienna on Black Sunday, 1882. In any event, it was while Dreyfusards and anti-Dreyfusards assaulted each other on the boulevards that the French House of Rothschild went through its stormiest period. The very name of the bankers became a sort of symbol in the fierce controversy; and although the dominance of the House was by that time hardly more than a memory, the mass of literature in French dealing with the antecedents of the family and the origins of its fortune dates from that period. Nor did their enemies stop at verbal weapons. The property and the very lives of the descendants of James were in constant peril during the years 1896–1903; and Edouard, the only son of Alphonse, was actually forced to resort to a duel in defense of his life.

The long-drawn out struggle had just come to an end when Alphonse died at the age of 76. Though his two brothers Gustave and Edmond, who had all along been associated with him in the firm, survived, they were too old to take over the direction of its affairs; and the succession fell to their sons—Robert Philippe (Gustave) and

James and Maurice (Edmond). Their administration has been notable for a progressive contraction of the family's interests. In 1911 they took a spectacular step in the liquidation process by selling the Bnito Petroleum Company to the Royal Dutch-Shell combine. While in London St. Swithin's Lane is to this day an institution, the French House is nothing more than an office through which the various members handle their investments and their charitable endeavors.

CHAPTER XVIII

TWILIGHT

GENTZ, racked with maladies, disappeared; Prince Metternich saw his laborious system crash to earth, and fled, a terrified mummy in his night-clothes, with the howling mob clamoring for his head; the emperor of Austria laid down his crown and put it on again; but all the while Salomon carried on, watchful but unperturbed. All the props and buttresses of his House trembled and gave way, but its foundations held firm. The death of Gentz, indeed, removed an associate whose services he only now fully appreciated. "He was a friend," he wrote regretfully to James, "whose like I shall not surely ever meet again. He cost me something frightful; you have no idea. He would just simply write down on a scrap of paper what he required, and the amount would be handed to him without further ado. Yet now he is gone I can see how valuable he was to us. Gladly would I give three times as much if I could but have him back." He did not get him back, alas! and so Salomon was obliged to collaborate with other men who, if they were neither as discreet nor as useful, were less expensive.

Times changed, and he adapted himself to them with astonishing ease. State financing struck out into unwonted paths; competitors of a new and formidable species arose; railroads came, and industrial expansion, and mining; he made the best of a difficult period. His zest for toil con-

tinued unabated, and so did his appetite for distinctions.

Already away back in 1831 he had begun to see the new drift. Therefore when that year the Austrian government was once again struggling with its budget, he proposed that in lieu of a loan it might obtain somewhat more enduring relief by leasing to him for a term of years the state domain of Idria with its mercury deposits. He knew nothing of the mines and metals; it was enough that mercury had a field to itself in certain manufactures and in pharmacopœia, and that the trade was ill-organized so that the mineral was commanding a low price. Idria alone, however, would not enable its possessor to control the market. As it happened, the other great deposit was in Spain, and Nathan being at the moment in touch with the authorities of that country, Salomon urged him to secure the concession on Almaden as well. And thus the House of Rothschild established one of the first great monopolies of modern times. Mirror-makers, physicians and philanthropists protested loudly; the hostile press charged that the sick and dying were deprived of necessary medicines while an international band devoid of human feelings was getting rich; but Salomon, known throughout the empire as a generous giver to charities and as the protector of the poor, need only reply by pointing to his record; and mercury went on rising in price.

As in France, Austria began with a policy of state railroad construction. The difficulty was to finance the undertakings. When the plans for the *Nordbahn* came up for consideration, it was found that, the best resolutions notwithstanding, the bankers would have to be appealed to. The political pattern of the empire (and, individuals apart, the moral tone, too) was very different from that in Louis

Philippe's France, and there is no indication that the grant to Rothschild was accompanied with the methods employed by James. On the other hand, the flotation of the stock on the bourses was reminiscent of the days of the lottery loan. Now it was that Salomon felt the absence of Gentz most keenly. Still, the *Augsburger Allgemeine Zeitung* and the late Baron Meseritz' syndicate did their best. The shares were offered to the public before so much as a spade of ground was turned; and although the project was new and risky, the propaganda was so skilfully handled that within a short time the entire issue of twelve million florins was absorbed and quotations soared to fifteen points above par. Afterwards, to be sure, the operating company had all it could do to stay out of bankruptcy, dividends were passed year after year, and the security was a drug on the market. But long before that time Salomon had disposed of his holdings. He is to this day remembered in Austria as the "builder" of the Kaiser-Ferdinand-Nordbahn, but in reality he had neither part nor concern in the actual construction. The heirs of James remain in control of the *Chemin de Fer du Nord,* but their Viennese cousins are in no sense rail magnates.

On the other hand, what is still left of the Rothschild power and prestige in present-day Austria consists in the main of the *Oesterreichische Kredit-Anstalt,* an institution founded by Salomon in the 'forties of last century. The success of the joint-stock banks abroad, and especially of the *Crédit Mobilier* in Paris, gave the Austrian authorities the idea of organizing the capital forces of their own dominions in like manner and thus weaken the stranglehold of the House of Rothschild upon the national finances and the economic life of the country. In this latter hope, as

the event showed, they were to be disappointed, for a time at least; but the new type of bank did arise in Austria. Bruck, the finance minister, first entered into negotiations with the young Franco-Jewish wizards, the Péreire brothers, and he did his utmost to turn the concession their way. It was they who had begun the movement in France and had made themselves the most powerful rivals the Rothschilds had over there. Nevertheless he did not dare run the risk of antagonizing Salomon, and Salomon was pulling wires in high quarters to secure the charter for himself. It then occurred to Bruck to try a compromise. He called in the two principal bidders, and suggested that they compose their differences and found the institution jointly. Neither side welcomed the proposal; but Salomon, knowing perfectly well that his competitor could not accept unconditionally, made a show of agreeing. Péreire said that he would be willing to enter the combine, providing the Rothschilds would cease their hostilities against the *Crédit Mobilier*. This was dragging in foreign and irrelevant matters, as Salomon was quick to point out and as Bruck was obliged to concede. Péreire was thus outmanœuvred, and the charter was awarded to Rothschild.

All in all, then, Salomon was getting on well enough, in spite of his great age (he was over seventy), the changed times and even the loss of Gentz. And yet he was discontented. His brothers, or their heirs, were citizens of the places in which they lived, and great landed proprietors. He was neither. All his power and influence had not sufficed to remove the disabilities of the Jews in Austria. He himself was a foreigner in the country, and only his status as a citizen of Frankfort made it possible for him to enjoy such civil liberties as he had. Indigenous Jews were

still restricted in their movements and occupations. Even he was obliged to reside in a hotel, and the only way he could live comfortably was by renting all the rooms. But he did not own even that improvised home; Jews were not permitted to buy property. If he or his family wanted to spend a week or a summer in the country, they must go to a public inn—he, the most powerful private man in the empire—while the most poverty-stricken and improvident of his debtors, by the mere accident of the "noble" and Christian birth, spread themselves out on their sumptuous, if mortgaged, estates. It irritated and embittered him. He hinted to Metternich, he exerted pressure on the imperial finances, he relapsed into ominous silences, he begged and protested openly. His efforts seemed to go for naught. He gave munificently to the poor and to public institutions, until his benevolences became the talk and admiration of the community, and his fellow-philanthropists were moved to appeal to the authorities, pointing out the absurdity and injustice of so generous a public benefactor being treated as a pariah. This, at last, had the desired effect, and the City of Vienna made Salomon in 1843 an honorary citizen. Some time later, Salomon having endowed a hospital for the insane in Brünn, the Emperor by a special dispensation permitted him to acquire the castle and park of Schillersdorf in Silesia.

II

But the great disappointment of his life was Anselm, his only son and the heir of his firm and fortune. The boy did not seem to be a Rothschild at all. He was extravagant, a high liver, fond of show, he got into scrapes, he was wild,

he had not the smallest inclination to toil and save,—a typical scion of a great house. At least that was how he appeared by the parental criteria. Salomon did everything he could to lead him into the path of righteousness. He sent him to be educated at the University of Berlin. He cut down his allowance; whereupon the young man made debts. To check his flightiness he married him off at twenty-three to Nathan's oldest daughter, hoping that responsibility and the soberer ways of the London cousins would have a good influence upon him. Before that, when Anselm had had an escapade at college, his father had called him home, and after a review of his misdeeds and dark prognostications of what future delinquencies might have in store, he apprenticed him to his uncle James in Paris. That move proving ineffectual,—Paris being scarcely the place to tame young prodigals—Anselm was exiled to Copenhagen and Berlin and put under strangers. But he was incorrigible and Salomon was in despair about what to do next. The great foreign capitals seemed to be demoralizing the young scamp, and to bring him home was out of the question, the tension between father and son being what it was. It therefore occurred to him to get Anselm a berth in the ancestral House at Frankfort. Old Amschel was lonely, having lately lost his wife, and his simple, austere, and very pious example should, if anything could, bring his too spirited nephew to a conviction of sin. Anselm remained in Frankfort for seven years. He was still there on January 27, 1855, when Salomon, on a visit to his daughter Betty, died in Paris, and Anselm came into his inheritance.

But really Salomon might have spared himself many a gray hair and many a sleepless night; for, after all, his successor proved himself worthy of the traditions of the fam-

ily. He was fifty-two, to be sure, at his accession, and doubtless the long wait for his patrimony and the varied training he had received from his uncles had served to sober him; but he seems to have had the makings of a Rothschild from the start. The very year after his father's death he paralleled Salomon's railroad coup by taking over from the state the "construction" of the *Südbahn,* and made a better thing of it than his father had made of the *Nordbahn.* So successful, indeed, was this venture that presently he became a specialist in this type of financing, and engaged in extensive railroad operations in Italy. His very prodigality was an asset. Known from boyhood as a blood and a spendthrift, he easily gained entry to social circles in which his predecessor had been barely tolerated. While Salomon had been obliged to manœuvre endlessly for a mere honorary citizenship, Anselm the gay and irresponsible lightly stepped into the Imperial House of Lords, an unprecedented distinction for a man whose coreligionists had not the right to marry or to change their address without the special consent of the police.

Yet it is not to be supposed that Anselm had it easy. For all that he was standing, as it were, on his parent's shoulders, getting on in the 1860's and '70's was very markedly a more arduous business than it had been in the '20's and up to the middle of the century. It was not so much that an inherited fortune and a university training tended to paralyze initiative—Anselm was not suffering from those advantages as much as his cousin Lionel—nor was he irked by Victorian scruples. It was that times were not the same. The sheer glamour of the Rothschilds had produced a crop of determined aspirants for a like destiny. Thus, for instance, there arose a veritable plague of joint-stock banks

in imitation of Salomon's *Kredit-Anstalt.* In their wake followed an immense wild-cat speculation not unlike that of the early 'twenties. The new financial institutions were incredibly successful, and for a time it looked as if they would attain their avowed goal—to break the Rothschild supremacy. Anselm watched the movement with apprehension. It was small comfort that most of the multifarious industrial enterprises underwritten by his rivals were unsound. Every sane man on the bourse knew that, and his rivals were manifestly in the secret; for they were disposing of their holdings in the classic Rothschild style. At first Anselm played with the idea of gaining control of his competitors. He ordered his brokers to buy for him every loose share of stock they could get their hands on. But no sooner did he have the inside grip on the situation than he changed his mind. What did he want with a brace of new banks? It was so much simpler to destroy them. He struck swiftly and hard. At the height of the boom his agents all at once began unloading. Men on the bourse could hardly believe that it was Rothschild who was bearing the market. They decided they had better find out. When Anselm's representative appeared on the exchange a broker went up and asked him whether he would be interested in half a million florins' worth of bank securities. "Half a million!" exclaimed the Rothschild man loudly. "Why! all the banks put together are not worth half a million." The echoes of that statement reverberated on every bourse in Europe, and the terrible panic of 1873 was its consequence.

It was not the last time that the heirs of Salomon were to play the part of destiny. Henceforth, however, they are fighting a defensive battle. Anselm died the next year, and

his youngest son Albert reigned in his stead. Nathan, his first-born, had long ago wandered from the ancestral path, devoting himself to sports, travel and authorship. No more was Ferdinand, his next of age, a true Rothschild. Having married Evelina, a daughter of Lionel, and lost her soon after, he settled in England, where he occupied himself with politics (when Lord Nathan went to the House of Lords, Ferdinand inherited his seat in the House of Commons), with the management of the Evelina Hospital which he had founded in his wife's memory, and with the writing of a book on "Personal Characteristics from French History." Albert was not the absolute monarch his predecessors had been. He went on losing ground in Austria, and he tried with a good deal of spirit to compensate himself by annexing the finances of Hungary. One final flicker of the old Rothschild fire he did manifest in 1881–82. When Bontoux, the moving genius of the *Union Générale,* shifted his line of attack from Paris to Vienna and organized a coalition there around the Austrian *Laenderbank,* Albert, reinforced by his father-in-law Alphonse, made a vigorous assault first on the *Union* itself and then on one of its allies, the *Banque de Lyon et de la Loire,* which was only too successful; for the crash brought on still another European panic, and Albert was obliged to come to the aid of his enemies lest he and the entire financial structure of the Continent be dragged down to ruin with them. For his unselfishness he was rewarded with the honor which his father and his grandfather had coveted in vain—he was invited to court functions.

Thereafter the Vienna House relapsed into the splendid innocuousness which had come over London, and after Albert's death in 1911 even the fortune of his descendants

underwent a painful contraction. This and the suicide of one of Albert's sons and the diminished vitality of the present generation as a whole has caused eugenical people to speak of degeneration and to lay the cause of it to inbreeding. Be the biological case what it might, the fact is indisputable that of the three remaining branches of the family the Austrian is the feeblest. Its preponderance vanished decades ago, and—as is credibly reported—its losses during the late war have been so immense as to destroy its significance even in the capital market.

III

For only three of the establishments erected by the sons of Meyer are still standing. Naples and Frankfort barely survived their heads of the first generation.

The last to open, Naples was also the first to close. So long as Karl was alive and Italy remained an agglomeration of petty states and foreign dependencies, affairs went along satisfactorily enough. The glamour of London, Paris and Vienna never came to it. It shone chiefly in reflected glory. Yet Karl lived and died a happier man than any of his brothers. Gentler than they, mediocre, simple-minded, he did not fall a prey to that consuming ambition which gnawed at the vitals of Nathan and James. With his clever and beautiful wife by his side, he was furthermore spared the snubs which made all their success turn to gall. Adelaide was from the start a brilliant success in Naples society. For Italy knew nothing of anti-Semitism.

The progress of the Naples House was, by comparison with that of its fellows in the North, singularly undramatic. Karl ended as he began—a runner-up for his more

brilliant and more ambitious brothers. The fierce upheaval which was so soon to rock the Peninsula from end to end and bring about the birth of a united Italy, was reserved for his successor. The dark year 1855 came and removed Karl along with two of his brothers from the scene. Of his sons the eldest and the third had for some time past been associated with their uncle Amschel in the old home office at Frankfort; the succession, therefore, fell to his second-born, Adolph. He was not destined to enjoy it for long. Five years after Karl's death Garibaldi and his Red Shirts entered Naples, the Bourbon dynasty was abolished, and the ancient and inglorious Kingdom of the Two Sicilies soon afterwards became part of a new nation. Young Adolph—gently nurtured, easy-going, timorous—lacked the energy, the self-assurance and the political detachment which had enabled his uncle James to work and feel at home with such a variety of personages as Villèle and Polignac, Louis Philippe and Louis Napoleon. The departure of his father's old friends from power made him feel lonely and uncomfortable. He decided he would go with them. Why should he stay on and expose himself to all the risks and worries attendant upon revolution? He was enormously rich, he bore a great and distinguished name, a welcome awaited him in any one of three or four stable countries, and anyhow he loved books and flowers and art a great deal more than finance. And so, in 1861, the Naples House of Rothschild, after a quiet existence lasting forty years, was liquidated and closed.

IV

Exactly forty years more elapsed before the parent-House at Frankfort, too, disappeared. It has been mori-

bund, however, for a long time, and its final liquidation was scarcely more than an official act. Amschel, like Karl, was (in Gentz's phrase) one of the weaker Rothschilds. Had it not been for his brothers in London, Paris and Vienna, the firm which he conducted would surely not have achieved anything more than a local importance. Even as it was, its affairs were curiously limited. In his capacity as the head of his own concern, Amschel occupied himself for the most part with money-lending to petty German principalities and impoverished nobles. The great and spectacular operations with which the name of his family became synonymous were neither conceived nor executed in Frankfort. Even in Germany itself, ranking states like Prussia addressed themselves directly to London when they needed loans, and when Nathan died the leadership reverted not to the oldest but to the youngest of his brothers.

Yet so long as Amschel lived the rôle of the paternal house, while subordinate, was far from insignificant. A plain, unassuming, mediocre man, quite devoid of the extraordinary gifts of Nathan and James, Amschel none the less had qualities that fitted him to fill a useful place in the family organization. His very simplicity was an asset; he did not chafe at the contradiction of being nominally the head of the House and in practice the agent of his younger and more brilliant brothers. Geographically his position was strategic: Frankfort not only lay on the trade route between Paris and Vienna, it was the leading security market in the Northern sector of the Continent and thus the natural distributing point for Germany West of the Danube and the small countries contiguous to it. Every great operation originating in London, Paris, Vienna,

reached the investors in those markets through Amschel's hands; and the Frankfort bourse, as the outlet of the Rothschild world consortium, attained an importance it had never had before.

Thus Frankfort, though the mother of all the other Houses, was greatly overshadowed by its sturdy offspring. It was the dependency, the branch; they the central offices, the main trunks. But, thanks to its location, it was a branch through which the whole system must communicate. Unlike Karl's far-away outpost, Amschel's was a point of convergence. In his own territory, at any rate, his lustre was unrivaled. He was the first-born son and the testamentary heir of old Meyer, the creditor of countless states and nobles, and the potentate of the homeland from which all the powerful Rothschild colonies had issued forth. To the business world in Germany and to the official world as well, he was still the head of the family and the representative of its might and glory. Save for a finance minister here and there in some major capital, few people were aware of the actual distribution of power within the family council; and Amschel enjoyed a prestige fantastically out of proportion to his personal importance. Thus, for instance, the North German Confederation—the parent of the modern German empire—kept its funds on deposit with him; and when it needed a loan to lay the foundations of that imperial navy which was one day destined to be one of the main causes of the Great War, the Federal Council, sitting in Frankfort, almost inevitably turned again to him.

It was this contact of Amschel with the Frankfort Diet which led to his acquaintance with Bismarck, then merely Prussia's delegate to the Confederation. Characteristically,

their first meeting was a clash. Amschel proposed that the naval loan be guaranteed by the Federal's bank deposits in his keeping. Prussia, supported by several of the smaller states, protested strenuously. Speaking in the Diet, Bismarck declared it was an insult to ask for guarantees at all, that the Rothschild plan would in effect oblige the Confederation to pay interest on its own money, and that unless a more equitable offer were made Prussia would move for the withdrawal of the funds altogether. Upon this Amschel stepped down; and once their differences were composed, the future Chancellor showed that he could be generous as well as pugnacious. At his instance the king of Prussia conferred upon Amschel the title of Royal Court Banker. Personally, it would seem, the hard, unyielding Junker was much attracted to the aged and somewhat pathetic son of the Ghetto; or perhaps he was sorry for him.

"A man of small stature," he wrote later, "slight, silver-haired, the oldest of his generation; but a poor man in his palace. Childless, a widower, robbed by his subordinates, badly treated by his Frenchified and Anglicized nephews and nieces, who inherit his treasures and return him neither thanks nor affection."

Toward the family generally Bismarck was less sympathetic. "I have known many members of this House," he said. "The most striking thing about them is their chasing after gold. This is due to the fact that they all want to leave to each of their children as much as they have themselves inherited; which is, of course, absurd."

Amschel was the third Rothschild to die in the fateful year 1855; and just as Garibaldi and Cavour had through their work in Italy undermined the Naples branch, so Bis-

marck's labors for the unification of Germany eventually did for the House in Frankfort. Karl's two sons, Meyer Karl and Wilhelm, inherited their uncle's business and fortune; and though the elder of them was a very able man, he was too deeply interested in the political movement which all through the 'fifties and 'sixties so agitated the country, to devote himself wholly to his private affairs. Elected to the assembly of the North German Confederation, he left the conduct of the firm more and more to his morose and slightly eccentric brother. Then, as the last stage in unification was being accomplished through the war with France, Prussia appointed him a member of her House of Lords and he virtually transferred his residence to Berlin. With the proclamation of the new German empire Frankfort began gradually losing its commercial importance, and the capital of the united nation supplanted it as the center of banking and finance. In the heyday of the firm the situation would have been readily met by following the flag. But Meyer Karl was otherwise occupied, "Baron Willy" was moping over the cruel fate which had sent him six daughters and not a single son, and both were men past middle age.

So the antiquated House dragged out its last days amid the lengthening shadows of a city which, like itself, had outlived its glory. Meyer Karl died in 1887. For fourteen years more his brother kept up appearances, but there was no vitality left in the ancient shell. The Houses in Vienna, Paris, London, no longer sent daily couriers to Frankfort. It was not so much that the stream of affairs had cut a new channel; decline had set in all along the route. Upon "Baron Willy's" death in 1901 the family council resolved to lop off the decayed branch. Fifty years earlier such a

step would have shaken the foundations of the city's commerce, and might even have wakened echoes on the bourses of Europe; now it was hardly remarked. The only person to whom the decision came as a sad blow was the Baroness Mathilde, Wilhelm's widow. She appealed to her brother Albert, the head of the Vienna office, pleading in the name of their great-grandfather Meyer and dwelling on the sentimental bonds with the past. But what could he or anyone else do? The Rothschilds of the fourth generation were preoccupied with their yachts, their racing stables, their social obligations, or else with art, philanthropy and politics. Few of them had either the inclination or the training for business, and those who had could hardly be blamed for preferring livelier capitals than Frankfort. Frankfort, where old Amschel had after the passing of his mother Guetele turned the House with the Green Sign into a center of Rothschild charities—Frankfort was a precious family shrine teeming with glorious memories, and the younger folk were willing to come there on occasional pilgrimages. They could not see themselves rooted there again. One might as well ask them to return to Palestine, even though many of them were Zionists. And no more was it possible to allow strangers to govern in the old place; the entire policy and tradition of the family made against that. There was no choice but to put a lock on the door.*

* Of late years a son-in-law of the Baroness Mathilde, Herr Maximilian Goldschmidt, better known as Max Goldschmidt-Rothschild, piously turned the clock back by reviving the Frankfort House as a branch of his Berlin banking fi[illegible]. Since his death both places have been under the direction of a Madame Frahnburger, his niece.

CHAPTER XIX

RETROSPECT

WE do not know—no one will probably ever know—all the factors that went into the making of the House of Rothschild. This much only may be said with certainty: its founders, or at least three of them, were extraordinary men who happened along at a period in the world's history which was peculiarly susceptible to their endeavors. They themselves had not the remotest inkling of the broader causes of their success, as Nathan's naïve gropings on the subject make sufficiently plain. Originally small merchants, then blockade runners and general war speculators, they had gained a fortune and much valuable experience during the years of their apprenticeship. Then, with the close of the Napoleonic era, came their great opportunity and their epic rise. For that struggle had been something more than a series of wars; it had been, in effect, a European Revolution. When it began Europe, and especially the Continent [illegible]st of the Rhine, was still living under a patriarchal [illegible]ne. By 1815, when it was over, [illegible]

[illegible]d definitely emerged. [illegible]
[illegible]childs thus came [illegible]
[illegible]r rôle had [illegible]

as the head of a family runs his household. If he was virtuous, provident and thrifty, he paid his way as he went along, spending no more than he took in, and laying by a little for a rainy day. If, however, he was extravagant or when, despite his best efforts, extraordinary expenses came up, he borrowed quietly—just as any reputable citizen would—from some private capitalist like the Elector of Hesse, and usually paid fancy rates of interest. The idea of extorting loans from their own people occurred only to the most despotic monarchs; and even they resorted to it only under the severest pressure. The consequence of all this was—notably in the German lands—an arrested development of the economic and financial mechanism of the state. The Continental bourses were, by comparison with the London Royal Exchange, quite rudimentary; capital was unconcentrated, mistrustful, and prone to emigrate; credit was unorganized, haphazard and expensive; and the banks were primitive and lacked effective connections abroad. When, therefore, the long and bitter struggle with France came at the turn of the century, the German states were caught almost helpless. Forced into a stupendous modern enterprise, in which their existence was at stake, they must fight, economically speaking, with rusty and antiquated weapons. Inevitably they were beaten; fearfully overburdened, their credit collapsed, and they went into bankruptcy; England at last came to the rescue, but they had not the machinery even to obtain the proffered subsidies safely, cheaply and expeditiously. The money, handled by their own inadequate banks, reached them in dribbles, at incredible cost and only with the greatest risks.

It was at this stage that the Rothschilds first lent an

efficient hand. Fresh from their hard training in Wellington's campaigns on the Peninsula and in France, keen, energetic and supremely self-confident, they had besides, the unique advantage of their numbers and their geographical distribution. With Nathan in London and the rest of them mobilized for service wherever the contingencies demanded, they functioned like a kind of natural syndicate. Without ever having heard the word, they had by pure accident set up the first clearing house. Their long and varied experience in trade, in contraband, in bullion shipping, and their complex interests on both sides of the Channel, had led them to stumble on what may appear to us as the obvious enough idea of remitting funds from one country to another without the actual movement of coin. It was at the time a revolutionary innovation; and coupled with Nathan's influence in London, it enabled them to perform services for the Continental Allies which no one else could perform, and in the process to make contacts for times to come.

But it was in the period next ensuing that their spectacular spurt forward came. The fighting over, Europe must set her house in order. Politically, to be sure, what with Metternich and his cronies in the saddle, the new order was roundly snubbed. The Bourbons were restored, the Revolution was declared a mistake, and East of the Rhine monarchs whom Napoleon had sent packing returned home from exile to rule virtuously or extravagantly, as their temperaments dictated and as if nothing had happened. But the economic hard facts could not be cold-shouldered so cavalierly. Not only must the damage of the quarter-century junket be repaired; the future must be faced; and to do either or both of these things,

money, unheard-of quantities of money, were needed. Economically it mattered little whether one faced backward and harped on legitimacy, or forward and acknowledged that the patriarchal régime had been hopelessly superseded by the nation. The days of subsidies were gone; the era of peace-time national armies had arrived. To pay for this expensive establishment necessitated a complete reorientation in ways and means. And all the while there was the heritage of the past to liquidate. The veterans must be paid off and seen to their homes. Hosts of widows and orphans must be provided for. Devastated regions, ruined industries, disrupted trade, must be rehabilitated. And before anything else could be done, it was imperative that the mass of unsecured paper currency be withdrawn from circulation and the vast accumulation of floating debts be funded. The whole complex of problems, that is to say, when closely examined, reduced itself to one basic problem: how to reorganize the national economy in such a way as to uplift the credit of the state and obtain the required wherewithal.

In finding a solution the Rothschilds were aided as all along, by circumstances. For it so happened that England, the world's leading capital market, had emerged from the war with her prestige enormously enhanced. Throughout the preceding quarter of a century, Consols, depressed and fluctuating, had been a favorite security of speculators both native and foreign. With the return of peace they had become stabilized and unprofitable; and the consequence was that the Continental investor turned his attention to fields nearer home, where he was presently joined by his British colleague. Nathan and his brothers were the first to perceive this drift, and they did everything they could

to speed it up and to exploit it. Until their time Continental government bonds were virtually unknown on the London exchange. By persuading the borrowers to accept a low flotation figure and pay a temptingly high rate of interest and redeem coupons in sterling, they made Prussian, Austrian, Neapolitan and even Papal issues nearly as popular in England as the British "Stocks" themselves.

Undoubtedly the posture of events played it into their hands. But the same can be said of Napoleon and of every other significant figure in history. Genius, after all, is the capacity to make the most of opportunity. At least, that is true of genius in affairs. Other men of their time—Baring in England, Ouvrard in France, and David Parish in Austria—came before them and enjoyed opportunities that were closed to them. As individuals it may even be doubted whether the Rothschilds were a match for those three. It was as a group that they were unexcelled and unbeatable. Their pooled resources had, as early as the Congress of Aix in 1818, made them, according to Gentz, the wealthiest concern in the world. Working harmoniously together, letting no stranger gain a foothold of responsibility in their oganization, their respective abilities dovetailing like the organs of some super-body, they formed a unique corporation.

Their very limitations served to advance them. They were foreigners in all but one of the lands in which they resided, and in none did they ever acquire so much as a respectable command of the language, let alone a citizen's feeling for the traditions and aspirations of the country. But it was precisely that detachment, that aloofness from temporary and partisan concerns, that very colorlessness,

which gave them the international character they needed, enabled them to work with successive governments and even (as in France) with constantly changing régimes, and to put their resources at the disposal of a Continent made up of mutually warring states. And wherever they were and whoever was in power, it was rarely they were at a loss as to who was the man or the group likely to be useful. Considering their lowly origin, their uncouthness, their ignorance, surely the most remarkable of their faculties was their uncanny knowledge of men. From Buderus to Metternich, from the Manchester weavers to Herries, from the police prefect at Dunkirk to Villèle and Louis Philippe, they almost always knew who was who and how to make him their own.

Coarse-grained, unscrupulous, determined to win at all costs, they resorted freely to corruption. Utterly innocent of the processes that work in history, even in so far as they concerned their own amazing success, they were keenly alive to the significance of individuals in the inner councils of government; and appreciating the value of direct and reliable information, they bought men as they bought stocks. But in justice to them it should be borne in mind that they did not invent bribery. They invented nothing and they created nothing, not even corruption. In this as in everything else they were content to work with the instruments which they found ready to their hand. After more than a century of dazzling eminence, the House of Rothschild has, excepting only the Northern Railway of France, left not a single industry, not a single significant or original landmark which identifies their name with the great period in which they flourished.

II

They bequeathed their fortunes and the luster of their names to their heirs. But as might have been expected they could not hand on to them their singular gifts, and still less the exceptional times and the curious combination of accidents by which they had become great. The Rothschild family has, therefore, for many years past, been going the way of all human institutions.

The causes of the decline are as varied and complex as were those of the rise. In Italy and in Germany they have been political; elsewhere they have been economic and social; but all along the line the essential factor has been a change in the mental bent, the outlook and the interests of the succeeding generations. With the disappearance of Naples and Frankfort as capitals the five original Houses were reduced to three; the improvement of the methods of state financing in Europe after the Revolution of 1848 and the introduction of joint-stock banking a little later seriously weakened the power of the rest; but in the long run it is the human element far more than external circumstance that is making for disintegration.

The incentives of the fathers do not spur the descendants. Inherited wealth, education, refinement, a secure social position, are softening influences. They breed scruples, morbid ideas of responsibility, squeamishness about methods, over-sensitiveness toward public opinion. Still more destructive of the will are roots in the soil; and the later Rothschilds let patriotic and party considerations interfere with business interests. Their international outlook becomes clouded, and their very relations to their cousins beyond the frontiers are, in times of stress, troubled with

doubts and questionings. All the sturdy directnesses of the founders are turned into hampering "advantages" with the heirs. And that leading principle, the unity and exclusive control of the family, becomes a dynastic superstition infinitely more rigid than it is with royal houses; since monarchs, limited by constitutions, are at least obliged to admit new blood to the state and yield their powers and privileges to ministers and generals.

So the luster of the House of Rothschild is sadly dimmed, and but for the survival of its fortune the latter-day banking corporations would hardly think it worth consulting. But, speaking humanly, can there really be any rational talk of a decline? Suppose Nathan and his brothers had been soldiers or poets or statesmen. Would anyone consider that there had been degeneration because their descendants had taken to painting or exploration? The parallel is exact. There is not the slightest sign that the sturdy Rothschild stock is dying out, or that healthy-minded and even highly talented men are lacking in the family. Only the talents and the tastes are of a different kind from what they used to be. An astonishing quota of Rothschilds in this and the preceding generation are to be found in the ranks of science (insects, snakes), sport, philanthropy, art, book, snuff-box, even flea-collecting, and in other fields of human endeavor. Who is there so wise as to say that such interests do not require as high an order of physical stamina, intelligence and moral character as that necessary for floating international bond-issue?

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at the main page for **The French Connection**

The History of the House of Rothschild

by Anonymous Andy and Daryl Bradford Smith, updated Mar 2006

Definition of **Zionism**: *an organization of Jews whose goal is to create a nation for Jews.*

Definition of **Judaism**: *Jews collectively who practice a religion based on the Torah and the Talmud.*

Also, was the ADL created in response to the lynching of Leo Frank, the president of the Atlanta B'nai B'rith?

The ADL



The Rothschilds have been in control of the world for a very long time, their tentacles reaching into many aspects of our daily lives, as is documented in the following timeline. However, before you jump to the timeline, please read this invaluable introduction which will tell you who the Rothschilds are as oppose to who they claim to be.

The Rothschilds claim that they are Jewish, when in fact they are Khazars. They are from a country called Khazaria, which occupied the land locked between the Black Sea and the Caspian Sea which is now predominantly occupied by Georgia. The reason the Rothschilds claim to be Jewish is that the Khazars under the instruction of the King, converted to the Jewish faith in 740 A.D., but of course that did not include converting their Asiatic Mongolian

genes to the genes of the Jewish people.

You will find that approximately 90% of people in the world today who call themselves Jews are actually Khazars, or as they like to be known, Ashkenazi Jews. These people knowingly lie to the world with their claims that the land of Israel is theirs by birthright, when in actual fact their real homeland is over 800 miles away in Georgia.

So, next time you hear an Israeli Prime Minister bleating about the so-called persecution of the Jews, consider this, every Prime Minister of Israel has been an Ashkenazi Jew. Therefore when all these Prime Ministers have curried favour with the West for their re-establishment of a Jewish homeland, they have knowingly and deliberately lied to you, as they were never from that region, and they well know it, because it is they who call themselves Ashkenazi Jews.

The Book of Revelation, Chapter 2, Verse 9, states the following which would appear to be about these Ashkenazi Jews:

> "I know thy works, and tribulation and poverty, (but thou art rich) and *I know* the blasphemy of them which say they are Jews, and are not, but *are* the synagogue of Satan."

The most wealthy bloodline in the world bar none and the leader of the Ashkenazi Jews in the world today is the Rothschild family. As you will see in the timeline, the Rothschilds have obtained this position through lies, manipulation and murder. Their bloodline also extends into the Royal Families of Europe, and the following family names: Astor; Bundy; Collins; duPont; Freeman; Kennedy; Morgan; Oppenheimer; Rockefeller; Sassoon; Schiff; Taft; and Van Duyn.

However, these are not the only bloodlines to worry about. You are probably aware of the centuries old pratice undertaken by many Ashkenazi Jews whereby they would change their name, in order for them to appear part of the dominant race of the country in which they lived, so as they could obtain influential positions in that country, which they would then exploit to serve their real masters elsewhere. There is plenty of evidence to prove the Rothschilds continue that deceptive tradition.

Furthermore the Rothschilds are known to sire many children secretly that they can put into positions of power when required. This started with the very first man who took the name Rothschild, who had a secret sixth son. Finally, remember the world is a diverse place, I could if I wanted change my name to Rothschild, or any of the names listed above, and that would not make me part of this family anymore than converting to Judaism in 740 A.D. will make

these Ashkenazis Jewish.

Please, therefore, do not automatically assume someone you see with the name Rothschild or any of the names listed above are part of the Rothschild criminal network. Furthermore and most importantly, the majority of Ashkenazi Jews are innocent and not part of this network. Check the facts out for yourself first, this article is designed to inform people who the enemy is, not single out people of a particular race or people with a particular surname, who may have nothing to do with this Rothschild criminal network.

1743: Mayer Amschel Bauer, an Ashkenazi Jew, is born in Frankfurt, Germany, the son of Moses Amschel Bauer, a money lender and the proprietor of a counting house.

Moses Amschel Bauer places a red sign above the entrance door to his counting house. This sign is a red hexagram (which geometrically and numerically translates into the number 666) which under Rothschild instruction will end up on the Israeli flag some two centuries later.

1753: Gutle Schnaper, an Ashkenazi Jew (future wife of Mayer Amschel Bauer), born to respected merchant, Wolf Salomon Schnaper.

1760: During this decade Mayer Amschel Bauer works for a bank owned by the Oppenheimers' in Hanover, Germany. He is highly successful and becomes a junior partner. Whilst working at the bank he becomes acquainted with General von Estorff.

Following his father's death, Bauer returns to Frankfurt to take over his father's business. Bauer recognises the significance of the red hexagram and changes his name from Bauer to Rothschild, after the red hexagram or sign signifying 666 hanging over the entrance door ("Rot," is German for, "Red," "Schild," is German for, "Sign").

Now Mayer Amschel Rothschild, he discovers that General von Estorff is now attached to the court of Prince William IX of Hesse-Hanau, one of the richest royal houses in Europe, which gained its' wealth by the hiring out of Hessian soldiers to foreign countries for vast profits (a practice that continues today in the form of exporting, "peacekeeping," troops throughout the world).

He therefore makes the General's re-acquaintance on the pretext of selling him valuable coins and trinkets at discounted prices. As he plans, Rothschild is subsequently introduced to Prince William himself who is more than pleased with discounted prices he charges for his rare coins and trinkets, and Rothschild offers him a bonus for

any other business the Prince can direct his way.

Rothschild subsequently becomes close associates with Prince William, and ends up doing business with him and members of the court. He soon discovers that loaning money to governments and royalty is more profitable than loaning to individuals, as the loans are bigger and are secured by the nation's taxes.

1769: Mayer Amschel Rothschild is given permission by Prince William to hang a sign on the front of his business premises declaring that he is, "M. A. Rothschild, by appointment court factor to his serene highness, Prince William of Hanau."

1770: Mayer Amschel Rothschild draws up plans for the creation of the Illuminati and entrusts Ashkenazi Jew, Adam Weishaupt, a Crypto-Jew who was outwardly Roman Catholic, with its organization and development. The Illuminati is to be based upon the teachings of the Talmud, which is in turn, the teachings of Rabbinical Jews. It was to be called the Illuminati as this is a Luciferian term which means, keepers of the light.

Mayer Amschel Rothschild marries Gutle Schnaper.

1773: Amschel Mayer Rothschild born, the first of Mayer Amschel Rothschild's sons. He like all his brothers who follow him, will enter the family business at the age of 12.

1774: Salomon Mayer Rothschild born.

1776: Adam Weishaupt officially completes his organisation of the Illuminati on May 1 of this year. The purpose of the Illuminati is to divide the goyim (all non-Jews) through political, economic, social, and religious means. The opposing sides were to be armed and incidents were to be provided in order for them to: fight amongst themselves; destroy national governments; destroy religious institutions; and eventually destroy each other.

Weishaupt soon infiltrates the Continental Order of Freemasons with this Illuminati doctrine and establishes lodges of the Grand Orient to be their secret headquarters. This was all under the orders and finance of Mayer Amschel Rothschild and the concept has spread and is followed within Masonic Lodges worldwide to the present day.

Weishaupt also recruits 2,000 paid followers including the most intelligent men in the field of arts and letters, education, science, finance,and industry. They were instructed to follow the following methods in order to control people.

1) Use monetary and sex bribery to obtain control of men already in high places, in the various levels of all governments and other fields of endeavour. Once influential persons had fallen for the lies, deceits, and temptations of the Illuminati they were to be held in bondage by application of political and other forms of blackmail, threats of financial ruin, public exposure, and fiscal harm, even death to themselves and loved members of their families.

2) The faculties of colleges and universities were to cultivate students possessing exceptional mental ability belonging to well-bred families with international leanings, and recommend them for special training in internationalism, or rather the notion that only a one-world government can put an end to recurring wars and strife. Such training was to be provided by granting scholarships to those selected by the Illuminati.

3) All influential people trapped into coming under the control of the Illuminati, plus the students who had been specially educated and trained, were to be used as agents and placed behind the scenes of all governments as experts and specialists. This was so they would advise the top executives to adopt policies which would in the long-run serve the secret plans of the Illuminati one-world conspiracy and bring about the destruction of the governments and religions they were elected or appointed to serve.

4) To obtain absolute-control of the press, at that time the only mass-communications media which distributed information to the public, so that all news and information could be slanted in order to make the masses believe that a one-world government is the only solution to our many and varied problems.

1777: Nathan Mayer Rothschild born.

1784: Adam Weishaupt issues his order for the French Revolution to be started by by Maximilien Robespierre in book form. This book was written by one of Weishaupt's associates, Xavier Zwack, and sent by courier from Frankfurt to Paris. However en route there, the courier is struck by lightning, the book detailing this plan discovered by the police, and handed over to the Bavarian authorities.

As a consequence, the Bavarian government orders the police to raid Weishaupt's masonic lodges of the Grand Orient, and the homes of his most influential associates. Clearly, the Bavarian authorities

were convinced that the book that was discovered was a very real threat by a private group of influential people, to use wars and revolutions to achieve their political ends.

1785: The Bavarian government outlaw the Illuminati and close all the Bavarian lodges of the Grand Orient.

Mayer Amschel Rothschild moves his family home to a five storey house in Frankfurt which he shares with the Schiff family.

1786: The Bavarian government publish the details of the Illuminati plot in a document entitled, "The Original Writings of The Order and Sect of The Illuminati." They then send this document to all the heads of church and state throughout Europe, but sadly their warning is ignored.

1788: Kalmann (Carl) Mayer Rothschild Born.

1789: Due to the European ignorance of the Bavarian government's warning, the Illuminati's plan for a French Revolution succeeded from this year to 1793. This revolution was a bankers' dream, it established a new constitution and passed laws that forbade the Roman Church from levying tithes (taxes) and also removed its exemption from taxation.

1790: Mayer Amschel Rothschild states,

> "Let me issue and control a nation's money and I care not who writes the laws."

1791: The Rothschilds get, "control of a nation's money," through Alexander Hamilton (their agent in George Washington's cabinet) when they set up a central bank in the USA called the First Bank of the United States. This is established with a 20 year charter.

1792: Jacob (James) Mayer Rothschild born.

1796: Amschel Mayer Rothschild marries Eva Hanau.

1798: John Robison publishes a book entitled, "Proofs of a Conspiracy Against All the Religions and Governments of Europe Carried on in the Secret Meetings of Freemasons, Illuminati and Reading Societies." In this book, Professor Robison of the University of Edinburgh, one of the leading intellects of his time, who in 1783 was elected general secretary of the Royal Society of Edinburgh, gave details of the whole Rothschild Illuminati plot.

He advised how he had been a high degree mason in the Scottish Rite of Freemasonry, and had been invited by Adam Weishaupt to

Europe, where he had been given a revised copy of Weishaupt's conspiracy. However, although he pretended to go along with it, Professor Robison did not agree with it and therefore published his aforementioned book. The book included details of the Bavarian government's investigation into the Illuminati and the French Revolution.

That same year on July 19th, David Pappen, President of Harvard University, lectured the graduating class on the influence illuminism was having on American politics and religion.

At the age of 21, Nathan Mayer Rothschild leaves Frankfurt for England, where with a large sum of money given to him by his father, he sets up a banking house in London.

1800: Salomon Mayer Rothschild marries Caroline Stern.

1806: Napolean states that it is his,

> "object to remove the house of Hess-Cassel from rulership and to strike it out of the list of powers."

On hearing this, Prince William IX of Hesse-Hanau, flees Germany, goes to Denmark and entrusts his fortune valued at $3,000,000 at that time to Mayer Amschel Rothschild for safekeeping.

Nathan Mayer Rothschild marries Hannah Barent Cohen the daughter of a wealthy London merchant.

1808: Nathan Mayer Rothschild has his first son born Lionel Nathan de Rothschild.

1810: Sir Francis Baring and Abraham Goldsmid die. This leaves Nathan Mayer Rothschild as the remaining major banker in England.

Salomon Mayer Rothschild goes to Vienna, Austria and sets up the bank, M. von Rothschild und Söhne.

1811: The charter for the Rothschilds Bank of the United States runs out and Congress votes against its renewal. Nathan Mayer Rothschild is not amused and he states,

> "Either the application for renewal of the charter is granted, or the United States will find itself involved in a most disastrous war."

However the United States stands firm and the Charter is not renewed, which causes Nathan Mayer Rothschild to issue another threat,

> "Teach those impudent Americans a lesson. Bring them back to colonial status."

1812: Backed by Rothschild money, and Nathan Mayer Rothschild's orders, the British declare war on the United States. The Rothschilds plan was to cause the United States to build up such a debt in fighting this war that they would have to surrender to the Rothschilds and allow the charter for the Rothschild owned First Bank of the United States to be renewed.

Mayer Amschel Rothschild dies. In his will he lays out specific laws that the House of Rothschild were to follow: all key positions in the family business were only to be held by family members; only male members of the family were allowed to participate in the family business, this included a reported sixth secret bastard son (It is important to note that Mayer Amschel Rothschild also has five daughters, so today the spread of the Rothschild Zionist dynasty without the Rothschild name is far and wide, and Jews believe the mixed offspring of a Jewish mother is solely Jewish); the family was to intermarry with it's first and second cousins to preserve the family fortune (of the 18 marriages by Mayer Amschel Rothschild's grandchildren, 16 were between first cousins - a practice known today as inbreeding); no public inventory of his estate was to be published; no legal action was to be taken with regard to the value of the inheritance; the eldest son of the eldest son was to become the head of the family (this condition could only be overturned when the majority of the family agreed otherwise).

This was straightaway the case and Nathan Mayer Rothschild was elected head of the family following his father, Mayer Amschel Rothschild's death.

Jacob (James) Mayer Rothschild goes to Paris, France to set up the bank, de Rothschild Frères.

Nathaniel de Rothschild, the son in law of Jacob (James) Mayer Rothschild, born.

1814: With regard to the $3,000,000 Prince William IX of Hesse-Hanau had entrusted to Mayer Amschel Rothschild for safekeeping, for an account of what happened next we turn to the Jewish Encyclopaedia, 1905 edition, Volume 10, page 494, which states,

> "According to legend this money was hidden away in wine casks, and, escaping the search of Napoleon's soldiers when they entered Frankfurt, was restored intact in the same casks in 1814, when the elector (Prince William IX of Hesse-Hanau) returned to the electorate (Germany). The facts are somewhat less romantic, and

more businesslike."

This last line indicates the money was never returned by Rothschild to Prince William IX of Hesse-Hanau. The encyclopaedia goes on to state,

> "Nathan Mayer Rothschild invested this $3,000,000 in, gold from the East India Company knowing that it would be needed for Wellington's peninsula campaign."

On the stolen money Nathan made,

> "no less than four profits:
>
> i) On the sale of Wellington's paper which he bought at 50 cents on the dollar and collected at par;
> ii) on the sale of gold to Wellington;
> iii) on its repurchase; and
> iv) on forwarding it to Portugal."

1815: The five Rothschild brothers work to supply gold to both Wellington's army (through Nathan in England) and Napoleon's army (through Jacob in France), and begin their policy of funding both sides in wars. The Rothschilds love wars because they are massive generators of risk free debt.

This is because they are guaranteed by the government of a country, and therefore the efforts of the population of that country, and it doesn't matter if that country loses the war because the loans are given on the guarantee that the victor will honour the debts of the vanquished.

Whilst the Rothschilds are funding both sides in this war, they use the banks they have spread out across Europe to give them the opportunity to set up an unrivalled postal service network of secret routes and fast couriers. The post these couriers carried was to be opened up by these couriers and their details given to the Rothschilds so they always were one step ahead of current events.

Furthermore, these Rothschild couriers were the only merchants allowed to pass through the English and French blockades. It was these couriers who also kept Nathan Mayer Rothschild up to date with how the war was going so he could use that intelligence to buy and sell from his position on the stock exchange in accordance with that intelligence.

One of Rothschild's couriers was a man named Rothworth. When the outcome of the Battle of Waterloo was won by the British, Rothworth took off for the Channel and was able to deliver this news

to Nathan Mayer Rothschild, a full 24 hours before Wellington's own courier.

At that time British bonds were called consuls and they were traded on the floor of the stock exchange. Nathan Mayer Rothschild instructed all his workers on the floor to start selling consuls. The made all the other traders believe that the British had lost the war so they started selling frantically.

Therefore the consuls plummeted in value which was when Nathan Mayer Rothschild discreetly instructed his workers to purchase all the consuls they could lay their hands on.

When news came through that the British had actually won the war, the consuls went up to a level even higher than before the war ended leaving Nathan Mayer Rothschild with a return of approximately 20 to 1 on his investment.

This gave the Rothschild family complete control of the British economy, now the financial centre of the world following Napolean's defeat, and forced England to set up a new Bank of England, which Nathan Mayer Rothschild controlled.

Interestingly 100 years later the New York Times would run a story stating that Nathan Mayer Rothschild's grandson had attempted to secure a court order to suppress publication of a book which had this insider trading story in it. The Rothschild family claimed the story was untrue and libellous, but the court denied the Rothschilds request and ordered the family to pay all court costs.

Back to 1815, this is the year Nathan Mayer Rothschild makes his famous statement,

> "I care not what puppet is placed upon the throne of England to rule the Empire on which the sun never sets. The man who controls Britain's money supply controls the British Empire, and I control the British money supply."

He would go onto brag that in the 17 years he had been in England he had increased the £20,000 stake given to him by his father, 2500 times to £50 million.

The Rothschilds also use their control of the Bank of England to replace the method of shipping gold from country to country and instead used their five banks spread across Europe to set up a system of paper debits and credits, the banking system of today.

By the end of this century, a period of time that was known as the,

"Age of the Rothschilds," it is estimated that the Rothschild family controlled half the wealth of the world.

However something that did not go well for the Rothschilds this year was the Congress of Vienna, which started in September, 1814 and concluded in June of this year. The reason for this Congress of Vienna, was for the Rothschilds to create a form of world government, to give them complete political control over much of the civilized world.

Many of the European governments were in debt to the Rothschilds, so they figured they could use that as a bargaining tool. However the Tsar Alexander I of Russia, who had not succumbed to a Rothschild central bank, would not go along with the plan, so the Rothschild world government plan failed.

Enraged by this, Nathan Mayer Rothschild swore that some day he or his descendants would destroy the Tsar Alexander I's entire family and descendants. Unfortunately he was true to his word and 102 years later Rothschild funded Bolsheviks would act upon that promise.

Interestingly, world government fanatic and Ashkenazi Jew, Henry Kissinger, did his doctoral dissertation on the Congress of Vienna.

1816: The American Congress passes a bill permitting yet another Rothschild dominated central bank, which gives the Rothschilds control of the American money supply again. This is called the Second Bank of the United States and is given a twenty year charter. The British war against the America therefore ends with the deaths of thousands of British and American soldiers, but the Rothschilds get their bank.

1818: Following the French securing massive loans in 1817 in order to help rebuild after their disastrous defeat at Waterloo, Rothschild agents bought vast amounts of French government bonds causing their value to increase.

On November 5th they dumped the lot on the open market causing their value to plummet and France to go into a financial panic. The Rothschilds then stepped in to take control of the French money supply. This was the same year the Rothschilds were able to loan £5,000,000 to the Prussian government.

1821: Kalmann (Carl) Mayer Rothschild was sent to Naples, Italy. He would end up doing a lot of business with the Vatican and Pope Gregory XVI subsequently conferred upon him the Order of St. George.

Also, whenever the Pope received Kalmann, he would give him his hand rather than the customary toe to kiss, which showed the extent of Kalmann's power over the Vatican.

1822: The emperor of Austria made the five Rothschild brothers Barons. Nathan Mayer Rothschild chose not to take up the title.

1823: The Rothschilds take over the financial operations of the Catholic Church, worldwide.

1827: Sir Walter Scott publishes his nine volume set, The life of Napolean and in volume two he states that the French Revolution was planned by the Illuminati (Adam Weishaupt) and was financed by the money changers of Europe (The Rothschilds).

1832: President Andrew Jackson (the 7th President of the United States from 1829 to 1837), runs the campaign for his second term in office under the slogan, "Jackson And No Bank!" This is in reference to his plan to take the control of the American money system to benefit the American people, not for the profiteering of the Rothschilds.

1833: President Andrew Jackson starts removing the government's deposits from the Rothschild controlled, Second Bank of the United States and instead deposits them into banks directed by democratic bankers.

This causes the Rothschilds to panic and so they do what they do best, contract the money supply causing a depression. President Jackson knows what they are up to and later states,

> "You are a den of thieves vipers, and I intend to rout you out, and by the Eternal God, I will rout you out."

1834: The Italian revolutionary leader, Guiseppe Mazzini, is selected by the Illuminati to direct their revolutionary program throughout the world and would serve in that capacity until he died in 1872.

1835: On January 30, an assassin tries to shoot President Jackson, but miraculously both of the assassin's pistols misfired. President Jackson would later claim that he knew the Rothschilds were responsible for that attempted assassination. He is not the only one, the assassin, Richard Lawrence, who was found not guilty by reason of insanity, later bragged that powerful people in Europe had hired him and promised to protect him if he were caught.

The Rothschilds acquire the rights in the Almadén quicksilver mines in Spain. This was at the time the biggest concession in the world

and as quicksilver was a vital component in the refining of gold or silver this gave the Rothschilds a virtual world monopoly.

1836: Following his years of fighting against the Rothschilds and their central bank in America, President Andrew Jackson finally succeeds in throwing the Rothschilds central bank out of America, when the bank's charter is not renewed. It would not be until 1913 that the Rothschilds would be able to set up their third central bank in America, the Federal Reserve, and to ensure no mistakes are made, this time they will put one of their own bloodline, Jacob Schiff, in charge of the project.

Nathan Mayer Rothschild dies and the control of his bank, N. M. Rothschild & Sons is passed on to his younger brother, James Mayer Rothschild.

1837: The Rothschilds send one of their own, August Belmont, an Ashkenazi Jew, to America to salvage their banking interests defeated by President Andrew Jackson.

1840: The Rothschilds become the Bank of England's bullion brokers. They set up agencies in California and Australia.

1841: President John Tyler (the 10th President of the United States From 1841 to 1845) vetoed the act to renew the charter for the Bank of the United States. He goes on to receive hundreds of letters threatening him with assassination.

1844: Salomon Mayer Rothschild purchases the United Coal Mines of Vítkovice and Austro-Hungarian Blast Furnace Company that would go on to be one of the top ten global industrial concerns.

Benjamin Disraeli, an Ashkenazi Jew (who would go on to become British Prime Minister twice - the only admitted Ashkenazi Jew to do so) publishes Coningsby, in which he characterises Nathan Mayer Rothschild as,

> "the Lord and Master of the money markets of the world, and of course virtually Lord and Master of everything else. He literally held the revenues of Southern Italy in pawn, and Monarchs and Ministers of all countries courted his advice and were guided by his suggestions."

1845: The Great American Patriot, Andrew Jackson (7th President of the United States) dies.

Before his death he is asked what he regarded his as greatest achievement. He replies without hesitation,

"I Killed The Bank,"

This is in reference to the fact he banished the Rothschilds Second Bank of the United States in 1836.

Jacob (James) Mayer Rothschild (who by now had married his niece, Betty, Salomon Mayer Rothschild's daughter), now known as Baron James de Rothschild, wins the contract to build the first major railway line across the country.

This was called the Chemin De Fer Du Nord and ran initially from Paris to Valenciennes and then joined with the Austrian rail network built by his brother (and wife's father - all sounds a bit sordid doesn't it) Salomon Mayer Rothschild.

1847: Lionel De Rothschild now married to the daughter of his uncle, Kalmann (Carl) Mayer Rothschild, is elected to the parliamentary seat for the City of London.

A requirement for entering parliament was to take an oath in the true faith of a Christian. Lionel De Rothschild refused to do this as he was Jewish and his seat in parliament remained empty for 11 years until new oaths were allowed. He must have been an invaluable representative for his constituency, bearing in mind he could never vote on any bill as he never entered parliament! I wonder how he managed to keep his parliamentary seat for 11 years?

1848: Karl Marx, an Ashkenazi Jew, publishes, "The Communist Manifesto." Interestingly at the same time as he is working on this, Karl Ritter of Frankfurt University was writing the antithesis which would form the basis for Freidrich Wilhelm Nietzsche's, "Nietzscheanism." This Nietzecheanism was later developed into Fascism and then into Nazism and was used to forment the first and second world wars.

Marx, Ritter, and Nietzsche were all funded and under the instruction of the Rothschilds. The idea was that those who direct the overall conspiracy could use the differences in those two so-called ideologies to enable them to divide larger and larger factions of the human race into opposing camps so that they could be armed and then brainwashed into fighting and destroying each other, and particularly, to destroy all political and religious institutions. The same plan put forward by Weishaupt in 1776.

Eva Hanau, Amschel Mayer Rothschild’s wife dies.

1849: Gutle Schnaper, Mayer Amschel Rothschild’s wife dies. Before her death she would nonchalantly state,

"If my sons did not want wars, there would be none."

1850: Construction begins this decade on the manor houses of Mentmore in England and Ferrières in France, more Rothschilds Manors will follow throughout the world, all of them filled with works of art.

Jacob (James) Rothschild in France is said to be worth 600 million francs, which at the time was 150 million francs more than all the other bankers in France put together.

1852: N.M. Rothschild & Sons begins refining gold and silver for the Royal Mint and the Bank of England and other international customers.

1853: Nathaniel de Rothschild, the son in law of Jacob (James) Mayer Rothschild, purchases Château Brane Mouton, the Bordeaux vineyard of Mouton, and renames it Château Mouton Rothschild.

1854: Caroline Stern, Salomon Mayer Rothschild's wife, dies.

1855: Amschel Mayer Rothschild dies.

Salomon Mayer Rothschild dies.

Kalmann (Carl) Mayer Rothschild dies.

1858: Lionel De Rothschild finally takes his seat in parliament when the requirement to take an oath in the true faith of a Christian is broadened to include other oaths. He becomes the first Jewish member of the British parliament.

1861: President Abraham Lincoln (16th President of the United States from 1860 till his assassination in 1865) approaches the big banks in New York to try to obtain loans to support the ongoing American civil war. As these large banks were heavily under the influence of the Rothschilds, they offer him a deal they know he cannot accept, 24% to 36% interest on all monies loaned.

Lincoln is very angry about this high level of interest and so he prints his own debt free money and informs the public that this is now legal tender for both public and private debts.

1862: By April $449,338,902 worth of Lincoln's debt free money has been printed and distributed. He states of this,

> "We gave the people of this republic the greatest blessing they ever had, their own paper money to pay their own debts."

That same year The Times of London publishes a story containing the following statement,

> "If that mischievous financial policy, which had its origin in the North American Republic, should become indurated down to a fixture, then that government will furnish its own money without cost. It will pay off debts and be without a debt. It will have all the money necessary to carry on its commerce.
>
> It will become prosperous beyond precedent in the history of civilized governments of the world. The brains and the wealth of all countries will go to North America. That government must be destroyed or it will destroy every monarchy on the globe."

1863: President Abraham Lincoln discovers the Tsar of Russia, Alexander II (1855 – 1881), was having problems with the Rothschilds as well as he was refusing their continual attempts to set up a central bank in Russia. The Tsar then gives President Lincoln some unexpected help.

The Tsar issued orders that if either England or France actively intervened in the American Civil War, and help the South, Russia would consider such action a declaration of war, and take the side of President Lincoln. To show that he wasn't messing about, he sent part of his Pacific Fleet to port in San Francisco and another part to New York.

The Rothschild banking house in Naples, Italy, C. M. de Rothschild e figli, closes following the unification of Italy. The Rothschilds use one of their own in America, John D. Rockefeller, to form an oil business called Standard Oil which eventually takes over all of its competition.

1864: Rothschild, August Belmont, who by now is the Democratic Party's National Chairman, supports General George McClellan as the Democratic nominee to run against President Abraham Lincoln in this year's election. Much to the anger of Belmont, President Lincoln wins the election.

1865: In a statement to Congress, President Abraham Lincoln states,

> "I have two great enemies, the Southern Army in front of me, and the financial institutions in the rear. Of the two, the one in my rear is my greatest foe."

Later that year, on April 14, President Lincoln is assassinated, less than two months before the end of the American Civil War.

Following a brief training period in the Rothschilds London Bank, Jacob Schiff, a Rothschild, born in their house in Frankfurt, arrives in America at the age of 18, with instructions and the finance necessary to buy into a banking house there. The purpose of this was to carry out the following tasks.

1. Gain control of America's money system through the establishment of a central bank.
2. Find desirable men, who for a price, would be willing to serve as stooges for the Illuminati and promote them into high places in the federal government, the Congress, Supreme Court, and all the federal agencies.
3. Create minority group strife throughout the nations, particularly targeting the whites and blacks.
4. Create a movement to destroy religion in the United States, with Christianity as the main target.

Nathaniel de Rothschild becomes Member of Parliament for Aylesbury in Buckinghamshire.

1868: Jacob (James) Mayer Rothschild dies, shortly after purchasing Château Lafite, one of the four great premier grand cru estates of France. He is the last of Mayer Amschel Rothschild's sons to die.

1870: Nathaniel de Rothschild dies.

1871: An American General named, Albert Pike, who had been enticed into the Illuminati by Guissepe Mazzini, completes his military blueprint for three world wars and various revolutions throughout the world, culminating into moving this great conspiracy into its final stage.

The first world war is to be fought for the purpose of destroying the Tsar in Russia,as promised by Nathan Mayer Rothschild in 1815. The Tsar is to be replaced with communism which is to be used to attack religions, predominantly Christianity. The differences between the British and German empires are to be used to forment this war.

The second world war is to be used to forment the controversy between facism and political zionism with the slaughter of Jews in Germany a lynchpin in bringing hatred against the German people. This is designed to destroy fascism (which the Rothschilds created) and increase the power of political zionism. This war is also designed to increase the power of communism to the level that it equalled that of united Christendom.

The third world war is to be played out by stirring up hatred of the Muslim world for the purposes of playing the Islamic world and the

political zionists off against one another. Whilst this is going on, the remaining nations would be forced to fight themselves into a state of mental, physical, spiritual and economic exhaustion.

On August 15th of this year, Albert Pike writes a letter (now catalogued in the British Museum) to Guiseppe Mazzini in which he states the following,

> "We shall unleash the nihilists and the atheists and we shall provoke a great social cataclysm which in all its horror will show clearly to all nations the effect of absolute atheism; the origins of savagery and of most bloody turmoil.
>
> Then everywhere, the people will be forced to defend themselves against the world minority of the world revolutionaries and will exterminate those destroyers of civilization and the multitudes disillusioned with Christianity whose spirits will be from that moment without direction and leadership and anxious for an ideal, but without knowledge where to send its adoration, will receive the true light through the universal manifestation of the pure doctrine of Lucifer brought finally out into public view.
>
> A manifestation which will result from a general reactionary movement which will follow the destruction of Christianity and Atheism; both conquered and exterminated at the same time."

Pike, who having been elected as Sovereign Grand Commander of the Scottish Rite of Freemasonry's Southern Jurisdiction in 1859, was the most powerful Freemason in America. He would retain that post for 32 years until his death in 1891. He also published a book on the subject in 1872 entitled, "Morals and Dogma of the Ancient and Accepted Scottish Rite of Freemasonry," in which he candidly states the following,

> "LUCIFER, the Light-bearer! Strange and mysterious name to give to the Spirit of Darknesss! Lucifer, the Son of the Morning! Is it he who bears the Light, and with its splendors intolerable blinds feeble, sensual or selfish Souls? Doubt it not!"

1872: Prior to Guiseppe Mazzini's death this year, he makes another revolutionary leader named Adrian Lemmy his successor. Lemmy will be subsequently succeeded by Lenin and Trotsky, then by Stalin. The revolutionary activities of all these men are financed by the Rothschilds.

1873: The loss making Rio Tinto copper mines in Spain, are purchased by a group of foreign financiers including the Rothschilds. These mines represented Europe's largest source of copper.

1875: On January 1 of this year Jacob Schiff, now Solomon Loeb's son-in-law after marrying his daughter, Teresa, takes control of the banking house, Kuhn, Loeb & Co. He goes on to finance John D. Rockefeller's Standard Oil Company, Edward R. Harriman's Railroad Empire, and Andrew Carnegie's Steel Empire. This is all with Rothschild money.

He then identifies the other largest bankers in America at that time. They are, J.P. Morgan who controls Wall Street, and the Drexels and the Biddles of Philadelphia. All the other financiers, big and little, danced to the music of those three houses. Schiff then gets the European Rothschilds to set up European branches of these three large banks on the understanding that Schiff, and therefore Rothschild, is to be the boss of banking in New York and therefore America.

N M Rothschild & Sons undertake a share issue to raise capital for the first channel tunnel project to link France to England, with half of its capital coming from the Rothschild owned Compagnie du Chemin de Fer du Nord.

This year Lionel De Rothschild also loans Prime Minister Benjamin Disraeli the finance for the British government to purchase the shares in the Suez Canal, from Khedive Said of Egypt. This was done as the Rothschilds needed this access route to be held by a government they controlled, so they could use that government's military to protect their huge business interests in the Middle East.

1876: Otto von Bismarck states,

> "The division of the United States into two federations of equal force was decided long before the civil war by the high financial power of Europe. These bankers were afraid that the United States, if they remained in one block and as one nation, would attain economical and financial independence, which would upset their financial domination over the world.
>
> The voice of the Rothschilds predominated. They foresaw the tremendous booty if they could substitute two feeble democracies, indebted to the financiers, to the vigorous Republic, confident and self-providing.
>
> Therefore they started their emissaries in order to exploit the question of slavery and thus dig an abyss between

the two parts of the Republic."

1879: Lionel de Rothschild dies.

1880: Rothschild agents begin formenting a series of pogroms predominantly in Russia, but also in Poland, Bulgaria and Romania. These pogroms resulted in the slaughter of thousands of innocent Jews, causing approximately 2 million to flee, mainly to New York, but also to Chicago, Philadelphia, Boston and Los Angeles.

The reason these pogroms were initiated, was to create a large Jewish base in America, who when they arrived, would be educated to register as Democrat voters. Some twenty years later, this would result in in a massive Democratic power base in the United States and be used to elect Rothschild front men such as Woodrow Wilson, to the Presidency, to carry out the bidding of the Rothschilds.

1881: President James A. Garfield (The 20th President of the United States who lasted only 100 Days) states two weeks before he is assassinated,

> "Whoever controls the volume of money in our country is absolute master of all industry and commerce…and when you realize that the entire system is very easily controlled, one way or another, by a few powerful men at the top, you will not have to be told how periods of inflation and depression originate."

Edmond James de Rothschild has a son Maurice de Rothschild.

1883: After 6,000 feet of tunnel in the channel tunnel project being excavated, the British government halt the project citing the fact that it would be a threat to Britain's security.

1885: Nathaniel Rothschild, son of Lionel De Rothschild, becomes the first Jewish peer and is takes the title of Lord Rothschild.

1886: The French Rothschild bank, de Rothschild Frères obtains substantial amounts of Russia's oil fields and forms the Caspian and Black Sea Petroleum Company, which quickly becomes the world's second largest oil producer.

1887: Opium trafficker in China, Edward Albert Sassoon, marries Aline Caroline de Rothschild, the grand-daughter of Jacob (James) Mayer Rothschild. Aline Caroline's father, Gustave, together with his brother, Alphonse, took over the Rothschild's french arm following their father Jacob's death.

The Rothschilds finance the amalgamation of the Kimberley

diamond mines in South Africa. They subsequently become the biggest shareholders of this company, De Beers, and mine precious stones in Africa and India.

1888: Noémie Halphen, future wife of Maurice de Rothschild born.

1891: The British Labour Leader makes the following statement on the subject of the Rothschilds,

> "This blood-sucking crew has been the cause of untold mischief and misery in Europe during the present century, and has piled up its prodigious wealth chiefly through fomenting wars between States which ought never to have quarrelled.
>
> Whenever there is trouble in Europe, wherever rumours of war circulate and men's minds are distraught with fear of change and calamity you may be sure that a hook-nosed Rothschild is at his games somewhere near the region of the disturbance."

Comments like this worry the Rothschilds and towards the end of the 1800's they purchase Reuters news agency so they can have some control of the media.

1895: Edmond James de Rothschild the youngest son of Jacob (James) Mayer Rothschild visits Palestine and subsequently supplies the funds to found the first Jewish colonies there, this is to further their long term objective of creating a Rothschild owned country.

1897: The Rothschilds found the Zionist Congress to promote Zionism (a political movement with the sole aim of moving all Jews into a singularly Jewish nation state) and arrange its first meeting in Munich. However due to extreme opposition from local Jews, who are quite happy where they are, this meeting has to be moved to Basle, Switzerland and takes place on 29 August. The meeting is chaired by Ashkenazi Jew, Theodor Herzl, who would state in his diaries,

> "It is essential that the sufferings of Jews….become worse….this will assist in realization of our plans….I have an excellent idea….I shall induce anti-Semites to liquidate Jewish wealth….The anti-Semites will assist us thereby in that they will strengthen the persecution and oppression of Jews. The anti-Semites shall be our best friends."

Herzl is subsequently elected President of the Zionist Organisation which adopts the, "Rothschild Red Hexagram or Sign," as the Zionist

flag which 51 years later will end up as the flag of Israel.

Edward Henry Harriman becomes a director of the Union Pacific Railroad and goes on to take control of the Southern Pacific Railroad. This is all financed by the Rothschilds.

1898: Ferdinand de Rothschild dies.

1901: The Jews from the colonies set up in Palestine by Edmond James de Rothschild, send a delegation to him which tell him,

> "If you wish to save the Yishuv (The Jewish settlement) first take your hands from it, and…for once permit the colonists to have the possibility of correcting for themselves what needs correcting."

Edmond James de Rothschild is very angry about this and states,

> "I created the Yishuv, I alone. Therefore no men, neither colonists nor organisations have the right to interfere in my plans."

The Rothschild banking house in Frankfurt, Germany, M. A. von Rothschild und Söhne, closes as there is no male Rothschild heir to take it on.

1902: Philippe de Rothschild born.

1905: A group of Rothschild backed Zionist Jews led by Georgi Apollonovich Gapon attempt to overthrow the Tsar in Russia in a Communist Coup. They fail and are forced to flee Russia only to be given refuge in Germany.

The Jewish Encyclopaedia (Vol. 2, p.497) states,

> "It is a somewhat curious sequel to the attempt to set up a Catholic competitor to the Rothschilds that at the present time the latter are the guardians of the papal treasure."

1906: The Rothschilds claim that due to growing instability in the region and increasing competition from Rockefeller (the Rockefeller family are Rothschild descendants through a female bloodline) owned Standard Oil, this is why they sell their Caspian and Black Sea Petroleum Company to Royal Dutch and Shell. This is another example of the Rothschilds trying to hide their true wealth.

1907: Rothschild, Jacob Schiff, the head of Kuhn, Loeb and Co., in a speech to the New York Chamber of Commerce, warns that,

> "Unless we have a Central Bank with adequate control of credit resources, this country is going to undergo the most severe and far reaching money panic in its history."

Suddenly America finds itself in the middle of another typical run of the mill Rothschild engineered financial crisis, which ruins as usual ruins the lives of millions of innocent people throughout America and makes billions for the Rothschilds.

1909: Jacob Schiff founds the National Advancement for the Association of the Coloured People (NAACP). This was done to incite black people into roiting, looting and other forms of disorder, in order to cause a rift between the black and white communities. Jewish historian, Howard Sachar, states the following in his book, "A History of the Jews in America,"

> "In 1914, Professor Emeritus Joel Spingarn of Columbia University became chairman of the NAACP and recruited for its board such Jewish leaders as Jacob Schiff, Jacob Billikopf, and Rabbi Stephen Wise."

Other Ashkenazi Jew co-founders included Julius Rosenthal, Lillian Wald and Rabbi Emil G. Hirsch. It was not until 1920 that the NAACP appointed its first black president, James Weldon Johnson.

Maurice de Rothschild marries Ashkenazi Jew, Noémie Halphen.

1911: Werner Sombart, in his book, "The Jews and Modern Capitalism," stated that from 1820 on, it was the,

> "Age of the Rothschild," and concluded that there was, "Only one power in Europe, and that is Rothschild."

1912: In the December issue of, "Truth," magazine, George R. Conroy states of banker Jacob Schiff,

> "Mr Schiff is head of the great private banking house of Kuhn, Loeb, and co, which represents the Rothschilds interests on this side of the Atlantic.
>
> He has been described as financial strategist and has been for years the financial minister of the great impersonal power known as Standard Oil.
>
> He was hand in glove with the Harrimans, the Goulds, and the Rockefellers in all their railroad enterprises and has become the dominant power in the railroad and financial power of America."

1913: On March 4, Woodrow Wilson is elected the 28th President of the United States. Shortly after he is inaugurated, he is visited in the White House by Ashkenazi Jew, Samuel Untermyer, of law firm, Guggenheim, Untermyer, and Marshall, who tries to blackmail him for the sum of $40,000 in relation to an affair Wilson had whilst he was a professor at Princeton University, with a fellow professor's wife.

President Wilson does not have the money, so Untermyer volunteers to pay the $40,000 out of his own pocket to the woman Wilson had had the affair with, on the condition that Wilson promise to appoint to the first vacancy on the United States Supreme Court a nominee to be recommended to President Wilson by Untermyer. Wilson agrees to this.

Jacob Schiff sets up the Anti Defamation League (ADL) in the United States. This organisation is formed to slander anyone who questions or challenges the Rothschild global conspiracy as, "anti-semitic."

Strangely enough, the same year that they do this they also set up their last and current central bank in America, the Federal Reserve. Congressman Charles Lindbergh stated following the passing of the Federal Reserve Act on December 23,

> "The Act establishes the most gigantic trust on earth. When the President signs this Bill, the invisible government of the monetary power will be legalized.....The greatest crime of the ages is perpetrated by this banking and currency bill."

It is important to note that the Federal Reserve is a private company, it is neither Federal nor does it have any Reserve. It is conservatively estimated that profits exceed $150 billion per year and the Federal Reserve has never once in its history published accounts.

1914: The start of World War I. In this war, the German Rothschilds loan money to the Germans, the British Rothschilds loan money to the British, and the French Rothschilds loan money to the French.

Futhermore, the Rothschilds have control of the three European news agencies, Wolff (est. 1849) in Germany, Reuters (est. 1851) in England, and Havas (est. 1835) in France.

The Rothschilds use Wolff to manipulate the German people into a fervour for war. From around this time, the Rothschilds are rarely reported in the media, because they own the media.

1916: On June 4, Ashkenazi Jew, Louis Dembitz Brandeis is appointed to the Supreme Court of the United States by President Wilson as per his agreed blackmail payment to Samuel Untermyer some three years earlier. Justice Brandeis is also the elected leader of the Executive Committee for Zionist Affairs, a position he has held since 1914.

The middle of World War II. Germany were winning the war as they were being financed by the Rothschilds to a greater extent than France, Italy and England, because Rothschilds, did not want to support the Tsar in Russia, and of course Russia was on the same side as France, Italy and England.

Then a significant event occurred. Germany, although they were winning the war and not one foreign soldier had set foot on their soil, offered armistice to Britain with no requirement of reparations. The Rothschilds were anxious to make sure this didn't happen as they were expecting to make far more money off this war, so they played another card they had up their sleeve.

Whilst the British were considering Germany's offer, Rothschild agent Louis Brandeis sends a Zionist delegation from America to Britain to promise to bring America into the war on the side of the British, provided the British agree to give the land of Palestine to the Rothschilds.

The Rothschilds wanted Palestine for the following reason. They had great business interests in the far east and desired their own state in that area along with their own military which they could use as an aggressor to any state that threatened those interests.

The British subsequently agree to the deal for Palestine and the Zionists in London contact their counterparts in America and inform them of this fact. Suddenly all the major newspapers in America that up to that point had been pro-German turned on Germany running propaganda pieces such as: German soldiers were killing Red Cross Nurses; German soldiers were cutting off babies hands, etc, in order to manipulate the American public against the Germans.

This same year, President Woodrow Wilson, ran a re-election campaign under the slogan, "Re-Elect The Man Who Will Keep Your Sons Out Of The War."

On December 12, Germany and her allies offer peace terms to end the war.

1917: As a result of Germany's offer of peace the Rothschild war machine goes into overdrive in America, spreading propaganda which leads to President Wilson under the instructions of American

Zionist leader and Supreme Court Justice, Louis Dembitz Brandeis, reneging on his promise to the electorate and taking America into the first world war on April 6.

As per the Rothschild Zionist promise to the British, to take America into the war, they decide they want something in writing from the British to prove that they will uphold their side of the bargain. The British Foreign Secretary, Arthur James Balfour therefore drafts a letter which is commonly known as the, "Balfour Declaration," which is reprinted below.

> Foreign Office
>
> November 2nd, 1917
>
> Dear Lord Rothschild,
>
> I have much pleasure in conveying to you, on behalf of His Majesty's Government, the following declaration of sympathy with Jewish Zionist aspirations which has been submitted to, and approved by, the Cabinet.
>
> His Majesty's Government view with favour the establishment in Palestine of a national home for the Jewish people, and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country.
>
> I should be grateful if you would bring this declaration to the knowledge of the Zionist Federation.
>
> Yours sincerely,
>
> Arthur James Balfour

The Rothschilds order the execution by the Bolsheviks they control, of Tsar Nicholas II and his entire family in Russia, even though the Tsar had already abdicated on March 2. This is both to get control of the country and an act of revenge for Tsar Alexander I blocking their world government plan in 1815 at the Congress Of Vienna, and Tsar Alexander II siding with President Abraham Lincoln in 1864.

It is extremely important for them to slaughter the entire family including women and children in order to make good on the promise to do so made by Nathan Mayer Rothschild in 1815. It is designed to show the world what happens if you ever attempt to cross the

Rothschilds.

U.S. Congressman Oscar Callaway informs Congress that J. P. Morgan is a Rothschild front and has taken control of the American media industry. He states,

> "In March, 1915, the J.P. Morgan interests, the steel, shipbuilding, and powder interest, and their subsidiary organizations, got together 12 men high up in the newspaper world and employed them to select the most influential newspapers in the United States and sufficient number of them to control generally the policy of the daily press...
>
> ...They found it was only necessary to purchase the control of 25 of the greatest papers...An agreement was reached. The policy of the papers was bought, to be paid for by the month, an editor was furnished for each paper to properly supervise and edit information regarding the questions of preparedness, militarism, financial policies, and other things of national and international nature considered vital to the interests of the purchasers."

1919: In January, Ashkenazi Jews, Karl Liebknecht and Rosa Luxemburg, are killed as they attempt to lead another Rothschild funded Communist coup, this time in Berlin, Germany.

The Versailles peace conference is held to decide reparations that the Germans need to pay to the victors following the end of the first world war. A delegation of 117 Zionists headed up by Ashkenazi Jew, Bernard Baruch, bring up the subject of the promise of Palestine for them. At this point the Germans realised why America had turned on them and under whose influence, the Rothschilds.

The Germans, naturally, felt they had been betrayed by the Zionists. This is because, at the time the Rothschilds made their deal with Britain for Palestine, in exchange for bringing America into the war, Germany was the most friendly country in the world towards the Jews, indeed the German Emancipation Edict of 1822 guaranteed Jews in Germany all civil rights enjoyed by Germans.

Also, Germany was the only country in Europe which did not place restrictions on Jews, even giving them refuge when they had to flee from Russia after their first attempted Communist coup failed there in 1905.

Nevertheless, the Rothschilds had held up their side of the bargain to spill the blood of millions of innocents and as a result, Palestine is confirmed as a Jewish homeland, and whilst its handover to the

Rothschilds takes place it is to remain under the control of Britain as the Rothschilds control Britain. At that time less than one percent of the population of Palestine was Jewish. Interestingly, the host of the Versailles peace conference is its boss, Baron Edmond de Rothschild.

The Versailles peace conference is also used as an attempt by the Rothschilds to set up a world government under the pretext of ending all wars (which they create). This was called the, "League of Nations." Fortunately not enough countries accepted it and so it soon died.

On March 29th The Times of London reports on the Bolsheviks in Russia,

> "One of the curious features of the Bolshevist movement is the high percentage of non Russian elements among its leaders. Of the twenty or thirty commissaries, or leaders, who provide the central machinery of the Bolshevist movement, not less than 75% were Jews."

It is reported that the Rothschilds were angry with the Russians because they were not prepared to allow them to form a central bank within their nation. They therefore gathered groups of Jewish spies and sent them into Russia to drum up a revolution for the benefit of the common man, which was actually a takeover of Russia by a Rothschild controlled satanic elite.

These Jewish spies were, in age old deceptive Ashkenazi tradition, given Russian names, for example Trotsky was a member of the first group and his original name was Bronstein. These groups were sent to areas throughout Russia to incite riots and rebellion.

The Jewish Post International Edition, week ending January 24th 1991, confirms Vladimir Lenin was Jewish. Lenin is also on record as having stated,

> “The establishment of a central bank is 90% of communizing a nation.”

These Jewish, Rothschild funded Bolsheviks would go on in the course of history to slaughter 60 million Christians and Non-Jews in Soviet controlled territory. Indeed the author Aleksandr Solzhenitsyn in his work, “Gulag Archipelago, Vol 2,” affirms that Zionist Jews **created and administered the organized Soviet concentration camp system** in which these tens of millions of Christians and Non-Jews died.

On page 79 of this book he even names the administrators of this the

greatest killing machine in the history of the world. They are Aron Solts, Yakov Rappoport, Lazar Kogan, Matvei Berman, Genrikh Yagoda, and Naftaly Frenkel. All six are Zionist Jews. In 1970 Solzhenitsyn would be awarded the Nobel Peace Prize for literature.

N. M. Rothschild & Sons' are given a permanent role to fix the world's daily gold price. This takes place in the City of London offices, daily at 1100 hours, in the same room until 2004.

1920: Winston Churchill (whose mother, Jenny (Jacobson) Jerome, was Jewish – meaning he is Jewish under Ashkenazi law as he was born of a Jewish mother) writes in an article in the Illustrated Sunday Herald, dated February 8th,

> "From the days of Illuminati leader Weishaupt, to those of Karl Marx, to those of Trotsky, this worldwide conspiracy has been steadily growing.
>
> And now at last this band of extraordinary personalities from the underworld of the great cities of Europe and America, have gripped the Russian people by the hair of their heads and become the undisputed masters of that enormous empire."

1921: Under the orders of Jacob Schiff the Council on Foreign Relations (CFR) is founded by Ashkenazi Jews, Bernard Baruch and Colonel Edward Mandell House. Schiff gave his orders prior to his death in 1920, as he knew an organisation in America needed to be set up to select politicians to carry on the Rothschild conspiracy,and the formation of the CFR was actually agreed in a meeting on May 30, 1919 at the Hotel Majestic in Paris, France.

The CFR membership at the start was approximately 1000 people in the United States. This membership included the heads of virtually every industrial empire in America, all the American based international bankers, and the heads of all their tax free foundations. In essence all those people who would provide the capital required for anyone who wished to run for Congress, the Senate or the Presidency.

The first job of the CFR was to gain control of the press. This task was given to John D. Rockefeller who set up a number of national news magazines such as Life, and Time. He financed Samuel Newhouse to buy up and establish a chain of newspapers all across the country, and Eugene Meyer also who would go on to buy up many publications such as the Washington Post, Newsweek, ant The Weekly Magazine.

The CFR also needed to gate control of radio, television and the

motion picture industry. This task was split amongst the international bankers from, Kuhn Loeb, Goldman Sachs, the Warburgs, and the Lehmanns.

1925: This year's Jewish Encyclopaedia, states of the existence of Ashkenazi Jews (who represent approximately 90% of so-called world Jewry), with the startling admission that the so called enemy of the Jews, Esau (also known as Edom, see Genesis 36:1), now actually represents the Jewish race, when on page 42 of Volume V it is stated,

> "Edom is in modern Jewry."

So what they're basically saying is that these Ashkenazi Jews, who represent 90% of the so-called Jewish population, are actually gentiles or goyim themselves.

1926: N. M. Rothschild & Sons refinance the Underground Electric Railways Company of London Ltd which has a controlling interest in the entire London Underground transport system.

Maurice de Rothschild has a son, Edmond de Rothschild.

1929: The Rothschilds crash the United States economy by contracting the money supply.

1930: The first Rothschild world bank, the, "Bank for International Settlements (BIS)," is established in Basle, Switzerland. The same place as where 33 years earlier the first ever World Zionist Congress was held.

1933: On January 30, Adolf Hitler becomes Chancellor of Germany. He drives Jews, many of which were Communist out of Governmental positions within Germany. As a result of this, in July, the Jews hold a World Conference in Amsterdam during which they demand that Hitler re-instate every Jew back to his former position.

Hitler refuses and as a result of this, Samuel Untermyer, the Ashkenazi Jew who blackmailed President Wilson,and is now the head of the American delegation and the president of the whole conference, returns to the United States, and makes a speech on radio which was transcribed in the From the New York Times, Monday, August 7, 1933. In the speech he made the following statements,

> "...the Jews are the aristocrats of the world...Our campaign is...the economic boycott against all German goods, shipping and services...What we are proposing...is to prosecute a purely defensive economic boycott that will undermine the Hitler regime and bring

> the German people to their senses by destroying their export trade on which their very existence depends...
>
> ...Each of you, Jew and Gentile alike...must refuse to deal with any merchant or shopkeeper who sells any German-made goods or who patronizes German ships or shipping."

As two thirds of Germany's food supply had to be imported, and could only be imported with the proceeds of what they exported, if Germany could not export, two thirds of Germany's population would starve, as there would be not enough food for more than one third of the population.

As a result of this boycott, Jews throughout America, would protest outside and damage any stores in which they found any products with, "Made in Germany," printed on them, causing stores to have to dump these products or risk bankruptcy.

Once the effects of this boycott began to be felt in Germany, the Germans, who had demonstrated no violence towards the Jews up to this point, simply began boycotting Jewish stores in the same way the Jews had done to stores selling German products in America.

Rothschild financed IBM, supply machines to the Nazis which produce punch cards to help organize and manage the initial identification and social expulsion of Jews, the confiscation of their property and their extermination.

On November 16, President Roosevelt recognizes the Zionist regime of Stalin in Russia without consultation with Congress even as 8,000 Ukrainians march in protest in New York.

Also this year, President Roosevelt, born of a Jewish mother, therefore satisfying Ashkenazi rules of being Jewish, orders the all-seeing eye to be placed upon all new dollar bills along with the motto, "Novus Ordo Seclorum." This is latin for, "A New Order of the Ages."

1934: Swiss banking secrecy laws are reformed and it becomes an offence resulting in imprisonment for any bank employee to violate bank secrecy. This is all in preparation for the Rothschild engineered Second World War in which as usual they will fund both sides.

Edmond de Rothschild dies.

1936: With regard to the increase in anti-semitism in Germany, Samuel Landman (at the time, secretary to the World Zionist Organisation), in his 1936 book, Great Britain, The Jews, and

Palestine states the following of the United States entry into World War 1,

> "The fact that it was Jewish help that brought USA into the War on the side of the Allies has rankled ever since in German – especially Nazi – minds, and has contributed in no small measure to the prominence which anti-Semitism occupies in the Nazi programme."

1938: On 7th November, a Jew, Herschel Grynszpan, assassinated Ernst vom Rath, a minor official at the German Embassy in Paris. As a result of this German hostility towards Jews in Germany started to turn violent.

The Rothschilds Austrian banking house in Vienna, S. M. von Rothschild und Söhne, closes following the Nazi occupation of Austria.

1939: I.G. Farben the leading producer of chemicals in the world and largest German producer of steel dramatically increases its production. This increased production is almost exclusively used to arm Germany for the Second World War. This company was controlled by the Rothschilds and would go on to use Jews and other disaffected peoples as slave labour in the concentration camps. I.G. Farben also created the lethal Zyklon B gas that was used to exterminate the Jews.

On 1 September, the Second world war starts when Germany invades Poland. This was because the German leadership were a Christian leadership, who understood that Soviet Russia was led by Rothschild funded Communists, and they feared that as the Soviet Union grew in strength, these Jewish Communists would invade and wipe all the Christians off the map.

1940: Hansjurgen Koehler in his book, "Inside The Gestapo," states the following, of Maria Anna Schicklgruber, Adolf Hitler's grandmother,

> "A little servant girl…….came to Vienna and became a domestic servant…….at the Rothschild mansion…….and Hitler's unknown grandfather must be probably looked for in this magnificent house."

This is backed up by Walter Langer in his book, "The Mind Of Hitler," in which he states,

> "Adolf's father, Alois Hitler, was the illegitimate son of Maria Anna Schicklgruber…….Maria Anna Schicklgruber was living in Vienna at the time she

> conceived. At that time she was employed as a servant in the home of Baron Rothschild. As soon as the family discovered her pregnancy she was sent back home…….where Alois was born."

On the surface, it would appear Hitler was unlikely to be a Rothschild, but then again, when you discover the benefits that the Rothschilds got out of this war, both financially and politically, a Rothschild connection does not appear as outlandish as it may initially seem.

1941: President Roosevelt takes America into the second world war by refusing to sell Japan any more steel scrap or oil. Japan was in the midst of a war against China and without that scrap steel and oil, Japan would be unable to continue that war. Japan was totally dependent upon the United States for both steel scrap and oil. Roosevelt knew this action would provoke the Japanese to attack America, which they subsequently did at Pearl Harbor.

1942: Prescott Bush, father of future American Presidents' George Herbert Walker and George W, has his company seized under the, "Trading With The Enemy," Act. He was funding Hitler from America, whilst American soldiers were being killed by German soldiers.

Jews are also being slaughtered by these same soldiers. Interestingly the ADL never criticizes any of the Bushes for this.

1943: February 18th, Zionist, Izaak Greenbaum, head of the Jewish Agency Rescue Committee, in a speech to the Zionist Executive Council states,

> "If I am asked, could you give from the UJA (United Jewish Appeal) monies to rescue Jews, I say, no and I say again no!"

He would go onto state,

> "One cow in Palestine is worth more than all the Jews in Poland!"

This is not a surprise, the whole idea of Zionist support for the slaughter of innocent Jews was to scare the survivors into believing that their only place of safety was Israel. How else do you think the Zionists could ensure Jews leave the beautiful European cities in which they live, in order to settle in a desert!

1944: On 6 November Lord Moyne, British Minister Resident in the Middle East was assassinated in Cairo by two members of the Jewish

terrorist group, the Stern Gang, led by future Prime Minister of Israel, Yitzhak Shamir. He is also responsible for an assassination attempt against Harold MacMichael, the High Commissioner of the British Mandate of Palestine, this same year.

Interestingly he also masterminds another successful assassination this year against the United Nations representative in the Middle East, Count Folke Bernadotte who, although he had secured the release of 21,000 prisoners from German camps during World War II, was seen by Yitzak Shamir and his terrorist collaborators as an anti-Zionist.

In Bretton Woods, New Hampshire, two further Rothschild world banks are created. The International Monetary Fund (IMF), and the World Bank.

1945: The end of the Second World War. It is reported that I.G. Farben plants were specifically not targeted in the bombing raids on Germany. Interestingly at the end of the war, they were found to have only sustained 15% damage.

The tribunals held at the end of the Second World War, to investigate Nazi War Crimes, censored any materials recording Western assistance to Hitler.

The Rothschilds take a giant step towards their goal of world domination when the second, "League of Nations," called the, "United Nations," was approved this year.

1946: On July 22 the future Prime Minister of Israel, Ashkenazi Jew, David Ben-Gurion, orders another future Prime Minister of Israel, Ashkenazi Jew, Menachem Begin, to carry out a terrorist attack on the King David Hotel in Palestine, to try and drive out the British. As a result of this 91 people were killed, most of them civilians: 28 British, 41 Arabs, 17 Jews, and 5 others. Around 45 people are injured.

Menachem Begin went on to proudly proclaimed himself as, "the father of modern terrorism." Just to put the gravity of the attack on the King David Hotel into perspective, it was at the time the biggest death toll as a result of single terrorist action ever and was only surpassed over forty years later by the Bombing of Pan Am flight 103 over Lockerbie.

1947: The British who prior to World War 2 declared that there would be no more immigration of Jews to Palestine in order to protect the Palestinians from their acts of terror against both them and British soldiers, transfer control of Palestine to the United Nations. The United Nations resolve to have Palestine partitioned

into two states, one zionist and one arab, with Jerusalem to remain as an international zone to be enjoyed by all religious faiths.

This transfer was scheduled to take place on May 15, 1948. The United Nations had no right to give Arab property to anyone, as indeed even thought the Jews owned 6% of Palestine at that time, resolution 181 granted the Jews 57% of the land leaving the Arabs who at that time had 94% with only 43%.

Information collected by the ADL in its spy operations on US citizens is used by the House Select Committee on Unamerican Activities. Subcommittee Chair Clare Hoffman dismisses the ADL's reports on suspected communists as "hearsay."

1948: In the Spring of this year, the Rothschilds bribe President Harry S. Truman (33rd President of the United States 1945 – 1953) to recognise Israel (Rothschild owned Zionist not Jewish territory) as a sovereign state with $2,000,000 which they give to him on his campaign train.

They then declare Israel to be a sovereign Jewish state in Palestine and within half an hour President Truman declared the United States to be the first foreign nation to recognise it.

The Flag of Israel is unveiled. Despite tremendous opposition the emblem on the flag is a blue coloured version of the Rothschild, "Red Hexagram or Sign."

This angers many Jews who realise this Hexagram was used in the ancient mystery religions as the symbol of, "Moloch," (described as a demon of unwilling sacrifice and is also interestingly the name of the stone owl the elite worship at Bohemian Grove), and, "Astaroth," (described as the Lord Treasurer of Hell).

The Hexagram was also used to represent Saturn, which has been identified as the esoteric name for, "Satan." This indicates that anyone killed in the name of Israel is actually a sacrifice to Satan. These dissenting Jews believe the, "Menorah," the oldest Jewish symbol should be used and pointed out that the Hexagram is not even a Jewish symbol, but of course as the Rothschild Zionists use it that is what ends up on the Rothschild, I mean Zionist, I mean Israeli flag.

In the early hours of April 19, 132 Jewish terrorists from the Irgun gang, led by future Israeli Prime Minister Menachem Begin, and the Stern gang, led by future Israeli Prime Minister Yitzhak Shamir, brutally massacre 200 men, women and children as they are sleeping peacefully in the Arab village of Deir Yassin.

Following the United Nations transfer of Palestine to an independent Jewish state and an independent Arab state on May 15, the Israelis launched a military assault on the Arabs with blaring loudspeakers on their trucks informing the Arabs that if they did not flee immediately, they would be slaughtered.

800,000 Arabs with the recent memory of the Deir Yassin massacre at the forefront of their minds, fled in panic. They asked for help from nighbouring Arab states, but those states did not get involved as they were no match for the Israelis whose up to date military hardware had been supplied by the Jewish Stalinist regime in Russia. Following this assault, the Jews now controlled 78% of the former Palestine as oppose to the 57% that had been given to them illegally by the United Nations.

The Palestinians, many of them Christians, were never paid compensation for their homes, property and businesses stolen from them during this illegal Jewish assault, and these people ended up in slum refugee cities of tents. Futhermore at least half of the Palestinians in their hurry to flee, left their birth certificates behind. The State of Israel then passed a law that only those who could prove citizenship were allowed to return to Israel, thus meaning these 400,000 Palestinians could not return and lost all their property they had left there.

Ashkenazi Jew, David Ben-Gurion, one of the father founders of Israel and its first Prime Minister, candidly describes Zionist aims in his diary (21 May 1948) as follows,

> "The Achilles heel of the Arab coalition is the Lebanon. Muslim supremacy in this country is artificial and can easily be overthrown. A Christian State ought to be set up there, with its southern frontier on the river Litani.
>
> We would sign a treaty of alliance with this State. Thus when we have broken the strength of the Arab Legion and bombed Amman, we could wipe out Trans-Jordan, after that Syria would fall. And if Egypt still dared to make war on us, we would bomb Port Said, Alexandria and Cairo.
>
> We should thus end the war and would have but paid to Egypt, Assyria and Chaldea on behalf of our ancestors."

1949: On October 1, Mao Tse Tsung declares the founding of the People's Republic Of China in Tiananmen Square, Beijing. He is funded by Rothschild created Communism in Russia and also the following Rothschild agents: Solomon Adler, a former United States Treasury official who was a Soviet Spy; Israel Epstein, the son of a

Jewish Bolshevik imprisoned by the Tsar in Russia for trying to forment a revolution there; and Frank Coe, a leading official of the Rothschild owned IMF.

1950: Israel passes their law of return, guaranteeing every Jew worldwide the right to dwell in the state of Israel, however the Palestinians even though they had lived there for 1300 years, were denied that right.

John Davitt, former chief of the Justice Department's internal security section notes that the Israeli intelligence service is the second most active in the United States after the Soviets and of course both Israel and the Soviet Union are run by an Ashkenazi Jewish leadership.

1951: On 1 April the Israeli Secret Intelligence Agency the Mossad, which will go on to terrorize the world, is formed. The motto of the Mossad is probably the most disgusting secret service motto in the world, it is,

"By Way Of Deception,
Thou Shalt Do War."

1953: N. M. Rothschild & Sons found the British Newfoundland Corporation Limited to develop 60,000 square miles of land in Newfoundland, Canada, which comprised a power station to harness the power of the Hamilton (later renamed Churchill) Falls. At the time this was the largest construction project ever to be undertaken by a private company.

1954: "The Lavon Affair." Israeli agents recruit Egyptian citizens of Jewish descent to bomb Western targets in Egypt, and plant evidence to frame Arabs, in an apparent attempt to upset American/Egyptian relations. Israeli defense minister, Ashkenazi Jew, Pinhas Lavon is eventually removed from office, though many think real responsibility lay with David Ben-Gurion.

A hidden microphone planted by the Israelis is discovered in the Office of the US Ambassador in Tel Aviv.

1955: Edmond de Rothschild founds Compagnie Financiere, Paris.

1956: Telephone taps are found connected to two telephones in the residence of the US military attaché in Tel Aviv.

1957: James de Rothschild dies and it is reported (by the Rothschild owned media) that he bequeaths a large sum of money to the state of Israel to pay for the construction of their parliament building, the Knesset. He states that the Knesset should be,

> "a symbol, in the eyes of all men, of the permanence of the State of Israel."

On page 219 of his book, "Tales of the British Aristocracy," L.G. Pine, the Editor of Burke's Peerage, states that the Jews,

> "have made themselves so closely connected with the British peerage that the two classes are unlikely to suffer loss which is not mutual. So closely linked are the Jews and the lords that a blow against the Jews in this country would not be possible without injuring the aristocracy also."

Maurice de Rothschild dies in Paris.

1962: de Rothschild Frères establishes Imétal as an umbrella company for all their mineral mining interests.

Frederic Morton publishes his book, The Rothschilds, in which he states,

> "Though they control scores of industrial, commercial, mining and tourist corporations, not one bears the name Rothschild. Being private partnerships, the family houses never need to, and never do, publish a single public balance sheet, or any other report of their financial condition."

This attitude reveals the true aim of the Rothschilds, to eliminate all competition and create their own worldwide monopoly.

1963: On June 4th President John F. Kennedy (the 35th President of the United States 1961 – 1963) signs Executive Order 11110 which returned to the U.S. government the power to issue currency, without going through the Rosthchilds owned Federal Reserve.

Less than 6 months later on November 22nd , president Kennedy is assassinated by the Rothschilds for the same reason as they assassinated President Abraham Lincoln in 1865, he wanted to print American money for the American people, as oppose to for the benefit of a money grabbing war mongering foreign elite.

This Executive Order 11110, is rescinded by President Lyndon Baines Johnson (the 36th President of the United States 1963 to 1969) on Air Force One from Dallas to Washington, the same day as President Kennedy was assassinated.

Another, and probably the primary, reason for Kennedy's assassination is however, the fact that he made it quite clear to Israeli

Prime Minister, David Ben-Gurion, that under no circumstances would he agree to Israel becoming a nuclear state. The Israeli newspaper Ha'aretz on February 5, 1999, in a review of, Avner Cohen's book, "Israel and the Bomb," states the following,

> "The murder of American President John F. Kennedy brought to an abrupt end the massive pressure being applied by the U.S. administration on the government of Israel to discontinue the nuclear program...The book implied that, had Kennedy remained alive, it is doubtful whether Israel would today have a nuclear option."

Edmond de Rothschild establishes La Compagnie Financière Edmond de Rothschild (LCF), in Switzerland as a venture capital house. This later develops into an investment bank and asset management company with many affiliates. He also marries his wife Nadine and they have a son, Benjamin de Rothschild.

1965: Israel illegally obtains enriched uranium from NUMEC (Nuclear Materials and Equipment Corporation).

1967: The treatment of the Palestinians by the Zionist Jews, finally ignites enough anger in the Arab world for Egypt, Jordan and Syria to mobilise on Israel's borders. All of these three countries are suddenly attacked by Israel and as a result the Sinai which included Gaza was stolen from Egypt, and the West Bank and the Jordan River stolen from Jordan.

As a result of this, on June 8, the Israelis launch an attack on the USS Liberty with Israeli aircraft and motor torpedo boats, in an effort to blame it on Egypt, to bring America into the war on their side, and of course follow to the letter, their Mossad motto,

"By Way Of Deception,
Thou Shalt Do War."

As a result of their attack, 34 American servicemen were killed and 174 wounded. Israel lies as usual, claiming it mistook this warship that was flying a large United States flag, for an ancient out-of-service Egyptian horse carrier El Quseir, that was 180 feet shorter. They also claim the ship was in the war zone, when it was actually in international waters, far from any fighting. The Israeli's attack on this warship lasts for 75 minutes during which time they shoot up one of the United States flags, resulting in the sailors desperately raising another one.

In the aftermath of this attack, the American sailors who survived are warned by the United States military not to discuss the matter with anyone due to, "national security." This story gets no prominence in

the Rothschild controlled mainstream media and as usual Israel is in no way even rebuked for their crimes by their subservient country of America.

The following day, June 9th, Israel illegally occupies the Golan Heights which it seizes from Syria. This area goes on to provide Israel with one third of its fresh water.

Israeli General Matityahu Peled, is quoted in Ha'aretz (19 March 1972) with the following statement,

> "The thesis that the danger of genocide was hanging over us in June 1967 and that Israel was fighting for its physical existence is only bluff, which was born and developed after the war." Another sickening and deceptive statement but again at least he's consistent with the Mossad motto, "By Way Of Deception, Thou Shalt Do War."

de Rothschild Frères is renamed Banque Rothschild.

1968: Noémie Halphen, wife of Maurice de Rothschild dies.

1970: While working for Senator Henry “Scoop” Jackson, Ashkenazi Jew, Richard Perle is caught by the FBI giving classified information to Israel. Nothing is done.

British Prime Minister Edward Heath makes Lord Victor Rothschild the head of his policy unit. Whilst he is in that role Britain enters the European Community.

1973: In his book, None Dare Call It Conspiracy, Gary Allen states,

> "One major reason for the historical blackout on the role of the international bankers in political history is the Rothschilds were Jewish…
>
> ….The Jewish members of the conspiracy have used an organisation called The Anti-Defamation League (ADL) as an instrument to try and convince everyone that any mention of the Rothschilds and their allies is an attack on all Jews.
>
> In this way they have stifled almost all honest scholarship on international bankers and made the subject taboo within universities.
>
> Any individual or book exploring this subject is immediately attacked by hundreds of ADL communities

> all over the country. The ADL has never let the truth or logic interfere with its highly professional smear jobs…
>
> ….Actually, nobody has a right to be more angry at the Rothschild clique than their fellow Jews…
>
> ….The Rothschild empire helped finance Adolf Hitler.""

George J. Laurer an employee of the Rothschilds controlled IBM, invents the UPC (Universal Product Code) barcode which will eventually be placed upon every item traded worldwide and bear the number, 666. The Book of Revelation, Chapter 13, Verse 17 through 18, states the following in relation to this number,

> "And that no man might buy or sell, save he that had the mark, or the name of the beast, or the number of his name.
>
> Here is wisdom. Let him that hath understanding count the number of the beast: for it is the number of a man; and his number *is* Six hundred threescore *and* six."

The whole Satanic aims of the Rothschilds are now in full view of the world, everything bought or sold carries the mark of the beast, 666.

N. M. Rothschild & Sons British Newfoundland Corporation, Churchill Falls project in Newfoundland, Canada, is completed.

N. M. Rothschild & Sons also create a new asset management part of the company which traded worldwide. This eventually became, Rothschild Private Management Limited.

Edmond de Rothschild, a great-grandson of Jacob (James) Mayer Rothschild, bought the cru bourgeois estate of Château Clarke in Bordeaux.

1976: Ashkenazi Jew, Harold Rosenthal, aide to Ashkenazi Jew, Senator Jacob Javits, states,

> "Most Jews do not like to admit it, but our god is Lucifer."

1978: Ashkenazi Jew, Stephen Bryen, then a Senate Foreign Relations Committee staffer, is overheard in a Washington D.C. hotel offering confidential documents to top Israeli military officials.

Bryen obtains a lawyer, Nathan Lewin, and the case heads for the grand jury, but is mysteriously dropped. Bryen later goes to work for

Richard Perle.

1979: The Egyptian-Israeli peace treaty in 1979 was underwritten by United States aid which pledged $3 billion annually to Israel from the United States taxpayer (not even a drop in the ocean when you consider the amount they make off the Federal Reserve).

Shin Bet (the Israeli internal security agency) tries to penetrate the US Consulate General in Jerusalem through a “Honey Trap”, using a clerical employee who was having an affair with a Jerusalem girl.

Baron and Baroness Phillipi de Rothschild in a joint venture with Robert Mondavi, begin the construction of a pyramid in Napa Valley, California, where the leader/founder of the Church Of Satan, Ashkenazi Jew, Anton LaVey, was based. This is known as Opus 1 (which means, the first work), and the front for this temple is that it is a winery.

1980: The global phenomenon of privatisation starts. The Rothschilds are behind this from the very beginning in order to seize control of all publicly owned assets worldwide.

1981: Banque Rothschild is nationalised by the French government. The new bank is called, Compagnie Européenne de Banque. The Rothschilds subsequently set up a successor to this French bank, Rothschild & Cie Banque (RCB), which goes on to become a leading French investment house.

1982: From September 16 to 18, future Prime Minister of Israel and then Defence Minister, Ashkenazi Jew, Ariel Sharon, orchestrates Israel's invasion of Lebanon, which provided ariel lighting in order to facilitate the killing of between 1000 and 2000 men, women and children in the Sabra and Shatila massacres.

1985: Eustace Mullins publishes, "Who Owns The TV Networks," in which he reveals the Rothschilds have control of all three major U.S. Networks, which are: NBC; CBS; and ABC.

The New York Times reports the FBI is aware of at least a dozen incidents in which American officials transferred classified information to the Israelis, quoting (former Assistant Director of the F.B.I.) Raymond Wannal. The Justice Department does not prosecute.

Richard Smyth, the owner of MILCO, is indicted on charges of smuggling nuclear timing devices to Israel.

N. M. Rothschild & Sons advise the British government on the privatisation of British Gas. They subsequently advise the British

government on virtually all of their other privatisations of state owned assets including: British Steel; British Coal; all the British regional electricity boards; and all the British regional water boards.

A British MP heavily involved in these privatisations is future Chancellor of the Exchequer, Norman Lamont, a former Rothschild banker.

1986: Mordechai Vanunu a technician at Dimona, Israel's nuclear installation, from 1976 to 1985, discovers that the plant was secretly producing nuclear weapons.

His conscience made him speak out and in 1986 he provided the London Sunday Times with the facts and photos they used to tell the world about Israel's nuclear weapons programme.

His evidence showed that Israel had stockpiled up to 200 nuclear warheads, with no debate or authorisation from it own citizens. On 30th September 1986, Vanunu was lured from London to Rome. There he was kidnapped, drugged and shipped to Israel.

After a secret trial he was sentenced to 18 years for, "treason," and, "espionage," (something Israel are very familiar with) though he had received no payment and had communicated with no foreign power.

He goes on to be held in complete isolation for 11 years, only allowed occasional visits from his family, lawyer and a priest, conducted through a metal screen. Although he completes his sentence, the Israeli government continues to hold him against his will.

1987: Edmond de Rothschild creates the World Conservation Bank which is designed to transfer debts from third world countries to this bank and in return those countries would give land to this bank. This is designed so the Rothschilds can gain control of the third world which represents 30% of the land surface of the Earth.

On April 24 the Wall Street Journal reveals the, "Role of Israel in Iran-Contra Scandal Won't be Explored in Detail by Panels."

1988: The ADL initiate a nationwide competition for law students to draft anti-hate legislation for minority groups. That competition is won by a man named, Joseph Ribakoff, whose thesis proposes that not only must hate motivated violence be banned, but also any words which stimulate: supiscion; friction; hate; and possible violence, these must also be criminalised.

This ADL prize-winning paper suggests that not only should state-agencies monitor and restrict free speech in general, but they should

also censor all films that criticize identifiable groups. Furthermore, even if the person making the statement can justify it, for example Christians criticizing homosexuality because the bible expressly forbids it, Ribakoff asserts that the truth is to be no defence in court.

The only proof a court will need in order to secure a conviction of hate speech is that something has been said, and a minority group or member of such group has felt emotionally damaged as a result of such criticism. Therefore, under these proposals which the ADL will have forced into law all over the world less than 15 years later, Jesus Christ would have been arrested as a hate criminal.

This law is designed to protect the Rothschild conspiracy from being revealed in that if you criticize the Rothschilds criminal cabal, you will be targeted as anti-semitic, and thus risk imprisonment.

Philippe de Rothschild dies.

1989: Many of the satellite states in Eastern Europe, through the influence of Glasnost, become more open in their demands of freedom from Communist governance in their Republics.

Many revolutions happen in 1989, most of them involving the overthrow of their respective Communist governments and the replacement of them with Republics.

Thus, the hold the Communists had over Eastern Europe (the Iron Curtain) becomes very weak. Eventually, as a result of Perestroika and Glasnost, Communism collapses, not only in the Soviet Union but also in Eastern Europe.

In Russia, Boris Yeltsin (whose wife is the daughter of Joseph Stalin's marriage to Rosa Kaganovich) and the Republican government takes steps to end the power of the Communist party by suspending and banning the party and seizing all their property.

This symbolised the fall of Communism in Russia, and resulted in the start of a mass exodus of 700,000 Jews from the former Soviet Union to Israel.

In the Israeli Journal, Hotam (24 November 1989), there is a report of a speech that then Israeli Deputy Foreign Minister, Ashkenazi Jew, Binyamin Netanyahu, gave to students at Bar Ilan University in which he states,

> "Israel should have exploited the repression of the demonstrations in China, when world attention focused on that country, to carry out mass expulsions among the Arabs of the territories."

The London and Paris Rothschilds announce the launch of a new subsidiary, Rothschild GmbH, in Frankfurt, Germany.

1991: Following the Iraqi invasion of Kuwait on August 2, 1990, on January 16 of this year the United States and Britain began an aerial bombing campaign of targets within Iraq. On 24 February the ground campaign commenced which was to last 100 hours until on February 28 when a horrendous war crime occurred.

This crime was the slaughter of 150,000 Iraqi troops with fuel air bombs. These Iraqis were fleeing on a crowded highway from Kuwait to Basra. President George Herbert Walker Bush ordered United States military aircraft and ground units to kill these surrendering troops, they were then bulldozed into mass unmarked graves in the desert, some still alive.

President Bush then ordered a cessation of hostilities. What was the significance of this slaughter and President Bush declaring the war over on this day? Well it was the day the, "Day of Purim," fell on this year. This the day the Jews celebrate their victory over Ancient Babylon, now based within the borders of Iraq and a day when the Jews are encouraged to get bloody revenge against their perceived enemies.

At the Bilderberg Conference on June 6 to 9 of this year, in Baden-Baden, Germany, David Rockefeller (a Rothschild) made the following statement,

> "We are grateful to the Washington Post, the New York Times, Time Magazine, and other great publications whose directors have attended our meetings and respected their promises of discretion for almost 40 years. It would have been impossible for us to develop our plan for the world, if we had been subjected to the lights of publicity during those years.
>
> But the world is now more sophisticated and prepared to march towards a world government. The super-national sovereignty of an intellectual elite and world bankers is surely preferable to the national auto-determination practised in past centuries."

1992: In March, former Federal Reserve Board Chairman, Paul A. Volker became Chairman of the European banking firm, J. Rothschild, Wolfensohn and Co.

Stephen Bryen, caught offering confidential documents to Israel in 1978, is serving on board of the pro-Israeli Jewish Institute for National Security Affairs while continuing as a paid consultant, with

security clearance, on exports of sensitive US technology.

"The Samson Option," by Seymour M. Hersh reports,

> "Illicitly obtained intelligence was flying so voluminously from LAKAM (a secret Israeli intelligence unit, a Hebrew acronym for Scientific Liaison Bureau) into Israeli intelligence that a special code name, JUMBO, was added to the security markings already on the documents. There were strict orders, Ari Ben-Menashe recalled, "Anything marked JUMBO was not supposed to be discussed with your American counterparts."

The Wall Street Journal reports that Israeli agents apparently tried to steal Recon Optical Inc's top-secret airborne spy-camera system.

On September 16th Britain's pound collapses when currency speculators led by Rothschild agent, Ashkenazi Jew, George Soros, borrow pounds and sell them for Deutsche Marks, in the expectation of being able to repay the loan in devalued currency and to pocket the difference.

This results in the British Chancellor of the Exchequer, Norman Lamont, announcing a rise in interest rates of 5% in one day and as a result drives Britain into a recession which lasts many years as large numbers of businesses fail and the housing market crashes.

This is right on cue for the Rothschilds, after they had privatised Britain's state owned assets during the 1980's, driven the share price up, and then collapsed the markets so they could buy them up for pennies on the pound, a carbon copy of what Nathan Mayer Rothschild did to the British economy 180 years before, in 1812.

It cannot be overstated that the Chancellor of the Exchequer at that time, Norman Lamont, prior to becoming a MP, was a Merchant Banker with N. M. Rothschild and Sons, who he joined after reading Economics at Cambridge.

1993: Norman Lamont leaves the British government to return to N. M. Rothschild and Sons as a director, after his mission to collapse the British economy to profit the Rothschilds is accomplished.

Former Congressman, Paul Findley publishes his seminal book, Deliberate Deceptions: Facing the Facts About the U.S. Israeli Relationship.

In this book he lists the 65 United Nations Member Resolutions against Israel from the period 1955 to 1992, and the 30 United States

vetoes on Israel's behalf which if not made would have seen Israel have 95 resolutions against them at this point.

No matter, even with Israel's puppet the United States helping them terrorise others, the 65 Resolutions passed against Israel are more than all the Resolutions passed against all other countries combined.

Not that Israel care too much about the views of the United Nations when you consider that less than two weeks after Israel's attack on the USS Liberty (an attack designed to sink the Liberty and blame it on Egypt prompting the USA into a war with Egypt on behalf of Israeli Lies, remember the Mossad motto, "By Way Of Deception, Thou Shalt Do War"), the Israeli Foreign Minister, Aba Eban, stated of the United Nations,

> "If the General Assembly were to vote by 121 votes to 1 in favor of, "Israel," returning to the armistice lines (pre June 1967 borders), "Israel," would refuse to comply with the decision," New York Times – 19 June 1967.

The ADL is caught operating a massive spying operation on critics of Israel, Arab-Americans, the San Francisco Labor Council, ILWU Local 10, Oakland Educational Association, NAACP, Irish Northern Aid, International Indian Treaty Council, the Asian Law Caucus and the San Francisco Police.

Data collected was sent to Israel and in some cases to South Africa. Pressure from Jewish organizations forces the city to drop the criminal case, but the ADL settles a civil lawsuit for an undisclosed sum of cash.

1995: Former atomic energy scientist, Dr Kitty Little claims the Rothschilds now control 80% of the world's uranium supplies giving them a monopoly over nuclear power.

The Defense Investigative Service circulates a memo warning US military contractors that,

> "Israel aggressively collects (US) military and industrial technology."

The report stated that Israel obtains information using,

> "ethnic targeting, financial aggrandizement, and identification and exploitation of individual frailties," of US citizens.

1996: A General Accounting Office report, "Defense Industrial Security: Weaknesses in US Security Arrangements With Foreign-

Owned Defense Contractors," found that according to intelligence sources, "Country A," (identified by intelligence sources as Israel, Washington Times, 22 February 1996),

> "conducts the most aggressive espionage operation against the United States of any US ally."

The Jerusalem Post (30 August 1996) quoted the report,

> "“Classified military information and sensitive military technologies are high-priority targets for the intelligence agencies of this country."

The report described, "An espionage operation run by the intelligence organization responsible for collecting scientific and technologic information for (Israel) paid a US government employee to obtain US classified military intelligence documents."

The Washington Report on Middle East Affairs (Shawn L. Twing, April 1996) noted that this was,

> "a reference to the 1985 arrest of Jonathan Pollard, a civilian US naval intelligence analyst who provided Israel's LAKAM espionage agency an estimated 800,000 pages of classified US intelligence information."

The GAO report also noted that, "Several citizens of (Israel) were caught in the United States stealing sensitive technology used in manufacturing artillery gun tubes."

An Office of Naval Intelligence document, "Worldwide Challenges to Naval Strike Warfare" reported that,

> "US technology has been acquired (by China) through Israel in the form of the Lavi fighter and possibly SAM (surface-to-air) missile technology."

Jane's Defense Weekly (28 February 1996) noted that, "until now, the intelligence community has not openly confirmed the transfer of US technology (via Israel) to China." The report noted that this, "represents a dramatic step forward for Chinese military aviation." (Flight International, 13 March 1996).

Amschel Rothschild, 41, is strangled with the heavy cord of his own towel robe in his hotel room in Paris. French Prime Minister orders the French Police to close their investigation, and, Rupert Murdoch, born of a Jewish mother and so a Jew by Ashkenazi standards, instructs his editors and news managers around the world to report it as a heart attack, if they need to report it at all.

On 12 May United Nations Ambassador and Ashkenazi Jew, Madeleine Albright, when appearing on 60 Minutes, was asked the following by correspondent Lesley Stahl, in reference to the years of United States led economic sanctions against Iraq,

> "We have heard that half a million children have died. I mean, that is more children than died in Hiroshima. And, you know, is the price worth it?"

To which Ambassador Albright replied,

> "I think that is a very hard choice, but the price, we think, the price is worth it."

Her comments cause no public outcry. In fact, the holocaust of half a million Iraqi children is positively admired by the United States government when you consider less than 8 months later, President Clinton appointed Albright as secretary of state. Whilst appearing before the Senate Committee, who were considering her appointment, Albright is literally chomping at the bit for the blood of more Iraqi children and she states,

> "We will insist on maintaining tough UN sanctions against Iraq unless and until that regime complies with relevant Security Council resolutions."

1997: An Army mechanical engineer, Ashkenazi Jew, David A. Tenenbaum, "inadvertently," gives classified military information on missile systems and armored vehicles to Israeli officials (New York Times, 20 February 1997).

The Washington Post reports US intelligence has intercepted a conversation in which two Israeli officials had discussed the possibility of getting a confidential letter that then-Secretary of State Warren Christopher had written to Palestinian leader Yasser Arafat.

One of the Israelis, identified only as, “Dov,” had commented that they may get the letter from, “Mega,” the code name for Israel’s top agent inside the United States.

US ambassador to Israel, Martin Indyk, complains privately to the Israeli government about heavy-handed surveillance by Israeli intelligence agents.

Israeli agents place a tap on Ashkenazi Jew and daughter of a Rabbi, Monica Lewinsky’s, phone at the Watergate and record phone sex sessions between her and President Bill Clinton. The Ken Starr report confirms that Clinton warned Lewinsky their conversations were being taped and ended the affair. Interestingly, at the same time, the

FBI’s hunt for, "Mega," is called off.

On 29 October Edmond de Rothschild dies in Geneva. Interestingly on the exact same day Anton Szandor LaVey, the founder of the Church of Satan also dies, who in his book, "Satan Speaks," he states in relation to The Protocols Of The Elders Of Zion,

> "The first time I read the Protocols of the Elders of Zion, my instinctive reaction was, So what's wrong with THAT? Isn't that the way any master plan should work? Doesn't the public deserve - nay, demand - such despotism?"

Kofi Annan becomes Secretary General to the United Nations. He is married to Nane Lagergren, a Rothschild, who he wed in 1984.

1998: The European Central Bank is set up in Frankfurt, the city from which the Rothschilds originate.

2000: George W. Bush is elected (so they tell me) President of the United States. Bush and his family claim to be descendants of the House of Plantagenet which is descended from the Royal House of Judah.

2001: On September 11th the attack on the World Trade Center is orchestrated by Israel with the complicity of Britain and America, under the orders of the Rothschilds as a pretext for removing the liberty of people worldwide in exchange for security, just as happened with the Reichstag fire in Germany where the citizens were lied to in order to give up liberty for security.

They also will use the attacks to gain control of the few nations in the world who don’t allow Rothschild central banks and so less than one month after these attacks, US forces attack Afghanistan, one of only 7 nations in the world who don’t have a Rothschild controlled central bank.

Less than a week before the 9-11 attack on 5 September, the so-called lead hijacker Mohamed Atta and several other hijackers made a still-unexplained visit onboard one of Pro Israeli lobbyist, Ashkenazi Jew, Jack Abramoff’s casino boats.

No investigation is undertook as to what they were doing there. It is discovered that US drug agents’ communications have been penetrated. Suspicion falls on two companies, AMDOCS and Comverse Infosys, both owned by Israelis. AMDOCS generates billing data for most US phone companies and is able to provide detailed logs of who is talking to whom.

Comverse Infosys builds the tapping equipment used by law enforcement to eavesdrop on all American telephone calls, but suspicion forms that Comverse Infosys, which gets half of its research and development budget from the Israeli government, has built a back door into the system that is being exploited by Israeli intelligence and that the information gleaned on US drug interdiction efforts is finding its way to drug smugglers.

The investigation by the FBI leads to the exposure of the largest foreign spy ring ever uncovered inside the United States, operated by Israel. Half of the suspected spies have been arrested when 9-11 happens.

On 9-11, 5 Israelis are arrested for dancing and cheering while the World Trade Towers collapse. Supposedly employed by Urban Moving Systems, the Israelis are caught with multiple passports and a lot of cash.

Two of them are later revealed to be Mossad. As witness reports track the activity of the Israelis, it emerges that they were seen at Liberty Park at the time of the first impact, suggesting a foreknowledge of what was to come. The Israelis are interrogated, and then eventually sent back to Israel.

The owner of the moving company used as a cover by the Mossad agents abandons his business and flees to Israel. The United States Government then classifies all of the evidence related to the Israeli agents and their connections to 9-11.

All of this is reported to the public via a four part story on Fox News by Carl Cameron. Pressure from Jewish groups, primarily AIPAC, forces Fox News to remove the story from their website. Two hours prior to the 9-11 attacks, Odigo, an Israeli company with offices just a few blocks from the World Trade Towers, receives an advance warning via the internet.

The manager of the New York Office provides the FBI with the IP address of the sender of the message, but the FBI does not follow this up. The FBI is investigating 5 Israeli moving companies as possible fronts for Israeli intelligence.

It is revealed that prior to the attack millions of dollars of put options on both American Airlines and United Airlines, were traded. The FBI have promised to followed the purchasers up, but have never revealed their findings. That is because this would lead directly to Israel, the state behind the 911 attacks.

Following the World Trade Center attack, anonymous letters containing anthrax are sent to various politicians and media

executives. Like the 9-11 attack this is immediately blamed on Al-Qaeda , until it is discovered that the anthrax contained within those letters is a specific type of weaponized anthrax made by a United States military laboratory.

The FBI then discover that the main suspect for these anthrax letters is a Ashkenazi Jew, Dr. Philip Zack, who had been reprimanded several times by his employers due to offensive remarks he made about Arabs. Dr. Philip Zack, was caught on camera entering the storage area where he worked at Fort Detrick which is where the Anthrax was kept. At this point, both the FBI and the mainstream media stopped making any public comments on the case.

Jewish Defence League Chairman since 1985, Ashkenazi Jew, Irv Rubin is jailed for allegedly plotting to bomb a mosque and the offices of a Arab-American congressman. He dies shortly after slitting his throat in a suicide attempt, before he can be brought to trial.

One week prior to the WTC attack, the Zim Shipping Company moves out of its offices in the WTC, breaking its lease and costing the company $50,000. No reason has ever been given, but Zim Shipping Company is half owned by the State of Israel (The Rothschilds).

On October 3, Israeli Prime Minister, Ariel Sharon, makes the following statement to Ashkenazi Jew, Shimon Peres, as reported on Kol Yisrael radio.

> "Every time we do something you tell me America will do this and will do that....I want to tell you something very clear, don't worry about American pressure on Israel. We, the Jewish people, control America, and the Americans know it."

2002: Webster's Third New International Dictionary (Unabridged), re-printed in 2002, provides a new definition of Anti Semitism which has not been updated since 1956. It reads,

> "Anti-Semitism: (1) hostility toward Jews as a religious or racial minority group, often accompanied by social, political or economic discrimination (2) opposition to Zionism (3) sympathy for the opponents of Israel."

It was definition (2) and (3) that were added in the 2002 edition, just before the USA decide to invade Iraq under orders from the State of Rothschild, I mean Israel. Also this year, the Prime Minister of Israel, war criminal, Ariel Sharon, orders the massacre in the Jenin refugee camp in the West Bank. Best get that definition updated to

protect these criminals.

The DEA issues a report that Israeli spies, posing as art students, have been trying to penetrate US Government offices. Police near the Whidbey Island Naval Air Station in southern Washington State stop a suspicious truck and detain two Israelis, one of whom is illegally in the United States. The two men were driving at high speed in a Ryder rental truck, which they claimed had been used to, "deliver furniture."

The next day, police discovered traces of TNT and RDX military-grade plastic explosives inside the passenger cabin and on the steering wheel of the vehicle. The FBI then announces that the tests that showed explosives were, "false positived," by cigarette smoke, a claim test experts say is ridiculous.

Based on an alibi provided by a woman, the case is closed and the Israelis are handed over to INS to be sent back to Israel. One week later, the woman who provided the alibi vanishes.

2003: The United States invade Iraq on 19 March, which this year is the holy, "Day of Purim," in the Jewish calendar. This, "Day of Purim," is a day the Jews celebrate their victory over Ancient Babylon, now based within the borders of Iraq, how interesting.

What is also significant is that the previous U.S. led invasion of Iraq ended on the Day of Purim ten years earlier with the slaughter of 150,000 fleeing Iraqis under the current President's father, George Herbert Walker Bush. Purim is also the time when the Jews are encouraged to get bloody revenge against their perceived enemies.

Ancient Babylon, I mean Iraq, is now one of six nations left in the world who don't have a Rothschild controlled central bank. This war is mainly about stealing Iraq's water supply for Israel and is being fought with the blood of the American military which the State of Rothschild, I mean Israel control.

Israel has always struggled for water, it had to steal the Golan Heights from Syria which provided Israel with one third of its fresh water 36 years before, yet still in Israel water extraction has surpassed replacement by 2.5 billion metres in the last 25 years.

This means the water is far more precious to them than the oil reserves which are the second largest reserves of oil on the planet.

Malaysian Prime Minister Mahathir Mohamed states in a speech,

> "Jews rule the world by proxy. They get others to fight and die for them."

The Police Chief of Cloudcroft stops a truck speeding through a school zone. The drivers turn out to be Israelis with expired passports. Claiming to be movers, the truck contains junk furniture and several boxes.

The Israelis are handed over to immigration. The contents of the boxers are not revealed to the public.

Israel deploys assassination squads into other countries, including the United States. The US Government does not protest.

2004: Two years into an investigation of AIPAC's (The American Israel Public Affairs Committee – the largest political lobbying group in the USA with over 65,000 members whose only purpose is to use the USA for the purposes of Israel) possible role as a spy front for Israel, Ashkenazi Jew, Larry Franklin, a mid-level Pentagon Analyst is observed by the FBI giving classified information to two officials of AIPAC suspected of being Israeli spies.

AIPAC hires lawyer Nathan Lewin to handle their legal defense, the same lawyer who defended suspected Israeli spy Stephen Bryen in 1978. Larry Franklin worked in the Pentagon Office of Special Plans, run by Richard Perle, at the time Perle (who was caught giving classified information to Israel back in 1970) was insisting that Iraq was crawling with weapons of mass destruction requiring the United States to invade and conquer Iraq.

There were no WMDs, of course, and Perle has dumped the blame for the, "bad intelligence," on George Tenet. But what is known is that the Pentagon Office of Special Plans was coordinating with a similar group in Israel, in Ariel Sharon's office.

With two suspected Israeli spies (at least) inside the office from which the lies that launched the war in Iraq originated, it appears that the people of the United States are the victims of a deadly hoax, a hoax that started a war using the blood and money of American citizens for the purposes of Israeli oppression.

The leaking of the investigation of AIPAC to the media on August 28th, 2004 gave advance warning to other spies working with Franklin. The damage to the FBI's investigation was completed when United States Attorney General John Ashcroft ordered the FBI to stop all arrests in the case.

Like the Stephen Bryen case and the hunt for, "Mega," this latest spy scandal seems destined by officials who have their own secret allegiances to protect, barring a massive public outcry.

Police near the Nuclear Fuel Services plant in Tennessee stop a truck

after a three mile chase, during which the driver throws a bottle containing a strange liquid from the cab. The drivers turn out to be Israelis using fake identifications. The FBI refuses to investigate and the Israelis are released.

Two Israelis try to enter Kings Bay Naval Submarine Base, home to eight Trident submarines. The truck tests positive for explosives.

The National Director of the ADL, Abraham H. Foxman, publishes a book entitled, "Never Again? The Threat Of The New Anti-Semitism," in which he states that the New Testament's "lie," that the ancient Pharisees were responsible for the death of Christ, has been responsible for anti-semitism throughout the millennia and thus the New Testament of the bible is, "hate speech," and should be censored or banned.

2005: On January 20, President Bush makes the following statement as part of his second inaugural address, "When our Founders declared a new order of the ages." This is not true. The founders did not declare a, "new order of the ages," President Roosevelt did when in 1933, he put it's latin translation, "Novus Ordo Seclorum," on the dollar bill.

On 7 July the London Underground Network is bombed. Israel's Finance Minister, Binyamin Netanyahu is in London on the morning of the attacks in order to attend an economic conference in a hotel over the underground station where one of the blasts occurred, but stayed in his hotel room instead after he had been informed by Israeli intelligence officials attacks were expected.

There are now only 5 nations on the world left without a Rothschild controlled central bank: Iran; North Korea; Sudan; Cuba; and Libya.

Physics Professor, Stephen E. Jones of Brigham Young University publishes a paper in which he proves the World Trade Center buildings could have only been brought down in the manner they were by explosives. He receives no coverage in the mainstream media for his scientific and provable claims.

2006: The Edmond De Rothschild Banque, a subsidiary of Europe's Edmond De Rothschild family bank group in France, becomes the first foreign family bank that has obtained approval of the China Banking Regulatory Commission and entered China's financial market.

The ADL ruthlessly leans on governments throughout the world to pass hate crimes legislation, as they are scared that the criminal cabal that is Israel and the Rothschilds is being exposed more and more on a daily basis, predominantly on the internet. Their job is to protect

this criminal network and what better way to do it than by passing laws in which anyone who exposes a Jewish criminal becomes a criminal.

David Irving is sentenced to three years in jail in Austria, for denying the holocaust. It is important to note that the only historical event you can be arrested for questioning is the holocaust. This is because this has been the Rothschilds greatest weapon in brainwashing **YOU, THE STUPID GOY!** is that the Jews are so poor and persecuted when in actual fact they control the vast majority of international finance and international corporations throughout the world.

Resources

Here is a link to 6 pages of autographs from the 1929 Zionist congress with some very interesting names on it.
Main page: www.historyforsale.com

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Telling the Truth Archives

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Conspiracies, CoverUps, Truths, Facts, Oddities, Research

The Rothschilds

THE ROTHSCHILD DYNASTY

(Condesced from "Descent Into Slavery" by Des Griffin, Chapter Five)

For many years the words international banker, Rothschild, Money and Gold have held a mystical type of fascination for many people around the world but particularly in the United States.

Over the years in the United States, the international bankers have come in for a great deal of criticism by a wide variety of individuals who have held high offices of public trust - men whose opinions are worthy of note and whose responsibilities placed them in positions where they knew what was going on behind the scenes in politics and high finance.

President Andrew Jackson, the only one of our presidents whose administration totally abolished the National Debt, condemned the international bankers as a *"den of vipers"* which he was determined to *"rout out"* of the fabric of American life. Jackson claimed that if only the American people understood how these vipers operated on the American scene *"there would be a revolution before morning."*

Congressman Louis T. McFadden who, for more than ten years, served as chairman of the Banking and Currency Committee, stated that the international

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bankers are a *"dark crew of financial pirates who would cut a man's throat to get a dollar out of his pocket... They prey upon the people of these United States."*

John F. Hylan, then mayor of New York, said in 1911 that *"the real menace of our republic is the invisible government which, like a giant octopus, sprawls its slimy length over our city, state and nation. At the head is a small group of banking houses, generally referred to as 'international bankers.'"*

Were these leading public figures correct in their assessment of the situation, or were they the victims of some exotic form of paranoia?

Let's examine history analytically and unemotionally and uncover the facts. The truth, as it unfolds, will prove to be eye-opening and educational to those who are seeking to more clearly understand the mind-boggling events that have been (and are) taking place on the national and international scenes.

HUMBLE BEGINNINGS

Europe, towards the end of the eighteenth century or at the time of the American Revolution, was very different from what we know in the same area today. It was composed of a combination of large and small kingdoms, duchies and states which were constantly engaged in squabbles among themselves. Most people were reduced to the level of serfs - with no political rights. The meager *'privileges'* that were granted to them by their *'owners'* could be withdrawn at a moment's notice.

It was during this period of time that a young man appeared on the European scene who was to have a tremendous impact on the future course of world history; his name was Mayer Amschel Bauer. In later years his name, which he had changed, became synonamous with wealth, power and influence. He was the first of the Rothschilds - the first truly international banker!

Mayer Amschel Bauer was born in Frankfurt-On-The-Main in Germany in 1743. He was the son of Moses Amschel Bauer, an itinerant money lender and goldsmith who, tiring of his wanderings in Eastern Europe, decided to settle down in the city where his first son was born. He opened a shop, or counting

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house, on Judenstrasse (or Jew Street). Over the door leading into the shop he placed a large Red Shield.

At a very early age Mayer Amschel Bauer showed that he possessed immense intellectual ability, and his father spent much of his time teaching him everything he could about the money lending business, and the lessons he had learned from many sources. The older Bauer originally hoped to have his son trained as a Rabbi but the father's untimely death put an end to such plans.

A few years after his father's death Mayer Amschel Bauer went to work as a clerk in a bank owned by the Oppenheimers in Hannover. His superior ability was quickly recognized and his advancement within the firm was swift. He was awarded a junior partnership.

Shortly thereafter he returned to Frankurt where he was able to purchase the business his father had established in 1750. The big Red Shield was still displayed over the door. Recognizing the true significance of the Red Shield (his father had adopted it as his emblem from the Red Flag which was the emblem of the revolutionary minded Jews in Eastern Europe), Mayer Amschel Bauer changed his name to Rothschild; in this way the House of Rothschild came into being.

The base for a vast accmulation of wealth was laid during the 1760s when Amschel Rothschild renewed his acquaintance with General von Estorff for whom he ran errands while employed at the Oppenheimer Bank.

When Rothschild discovered that the general, who was now attached to the court of Prince William of Hanau, was interested in rare coins he decided to take full advantage of the situation. By offering valuable coins and trinkets at discount prices he soon ingratiated himself with the general and other influential members of the court.

One day he was ushered into the presence of Prince William himself. His Highness bought a handel of his rarest medals and coins. This was the first transaction between a Rothschild and a head of state. Soon Rothschild was doing business with other princes.

Before long Rothschild tried another ploy to secure an *'in'* with various local princes - and to further his own aims! He wrote them letters that played on their princely vanity while asking them for their patronage. A typical letter would read:

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"It has been my particular high and good fortune to serve your lofty princely Serenity at various times and to your most gracious satisfaction. I stand ready to exert all my energies and my entire fortune to serve your lofty princely serenity whenever in future it shall please you to command me. An especially powerful incentive to this end would be given me if your lofty princely serenity were to distinguish me with an appointment as one of your Highness' Court Factors. I am making bold to beg for this with the more confidence in the assurance that by so doing I am not giving any trouble; while for my part such a distinction would lift up my commercial standing and be of help to me in many other ways that I feel certain thereby to make my own way and fortune here in the city of Franfurt."

His tactics paid off. On September 21, 1769, Rothschild was able to nail a sign bearing the arms of Hess-Hanau to the front of his shop. In gold characters it read: *"M. A. Rothschild, by appointment court factor to his serene highness, Prince William of Hanau."*

In 1770 Rothschild married Gutele Schnaper who was aged seventeen. They had a large family consisting of five sons and five daughters. Their sons were Amschel, Salomon, Nathan, Kalmann (Karl) and Jacob (James).

History records that William of Hanau, *"whose crest had been famous in Germany since the Middle Ages,"* was a dealer in human flesh. For a price the Prince, who was closely related to the various royal families of Europe, would rent out troops to any nation. His best customer was the British government which wanted troops for such projects as trying to keep the American colonists in line.

He did exceptionally well with his *'rent-a-troop'* business. When he died he left the largest fortune ever accumulated in Europe to that time, $200,000,000. Rothschild biographer Frederic Morton describes William as *"Europe's most blue-cold blooded loan shark"* (The Rothschilds, Fawcett Crest, 1961, p. 40).

Rothschild became an agent for this *'human cattle'* dealer. He must have worked diligently in his new position of responsibility because, when William was forced to flee to Denmark, he left 600,000 pounds (then valued at $3,000,000) with Rothschild for safekeeping.

According to the late Commander William Guy Carr, who was an Intelligence

Officer in the Royal Canadian Navy, and who had excellent contacts in intelligence circles around the world, the founder of the House of Rothschild drew up plans for the creation of the Illuminati and then entrusted Adam Weishaupt with its organization and development.

Sir Walter Scott, in the second volume of his Life of Napoleon, states that the French Revolution was planned by the Illuminati and was financed by the money changers of Europe. Interestingly enough, the above book (which this author has both seen and read) is the only book written by Scott that is not listed under his name in any of the *'authoritative'* reference works. It is now a *'non book'!*

"MORE BUSINESSLIKE" FACTS

For an account of what happened next we turn to the Jewish Encyclopedia, 1905 edition, Volume 10, p. 494: *"According to legend this money was hidden away in wine casks, and, escaping the search of Napoleon's soldiers when they entered Frankfort, was restored intact in the same casks in 1814, when the elector returned to the electorate. The facts are somewhat less romantic, and more businesslike."*

Pay particular attention to the last nine words. They are loaded with significance. Here the leading Jewish authority states that what Rothschild actually did with the $3,000,000 was *"more businesslike,"* from a Jewish point of view, than what was stated in the legend.

The simple truth of the matter is that Rothschild embezzled the money from Prince William. But even before the money reached Rothschild it was not 'clean' (or Kosherl). The vast sum had been paid to William of Hess by the British government for the services of his soldiers. The money was originally embezzled by William from his troops who were legally entitled to it.

With the twice embezzled money as a solid foundation, Mayer Amschel Rothschild decided to vastly expand his operations - and become the first international banker.

A couple of years earlier Rothschild had sent his son, Nathan, to England to

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take care of the family business in that country. After a brief stay in Manchester, where he operated as a merchant, Nathan, on instructions from his father, moved to London and set up shop as a merchant banker. To get the operation under way Rothschild gave his son the three million dollars he had embezzled from William of Hess.

The Jewish Encyclopedia for 1905 tells us that Nathan invested the loot in *"gold from the East India company knowing that it would be needed for Wellington's peninsula campaign."* On the stolen money Nathan made *"no less than four profits; (1) On the sale of Wellington's paper [which he bought at 50 cents on the dollar and collected at par; (2) on the sale of gold to Wellington; (3) on its repurchase; and (4) on forwarding it to Portugal. This was the beginning of the great fortunes of the house"* (p. 494).

Yes, the Jewish Encyclopaedia claims that the great fortune accumulated by the Rothschilds over the years was based on the *"businesslike"* method of fraud.

With their huge accumulation of ill-gotten gain the family established branches of the House of Rothschild in Berlin, Vienna, Paris and Naples. Rothschild placed a son in charge of each branch. Amschel was placed in charge of the Berlin branch; Salomon was over the Vienna branch; Jacob (James) went to Paris and Kalmann (Karl) opened up the Rothschild bank in Naples. The headquarters of the House of Rothschild was, and is, in London.

NATHAN

An anonymous contemporary described Nathan Rothschild as he leaned against the *'Rothschild Piller'* at the London Stock Exchange, hung his heavy hands into his pockets, and began to release silent, motionless, implacable cunning:

"Eyes are usually called the windows of the soul. But in Rothschild's case you would conclude that the windows are false ones, or that there was no soul to look out of them. There comes not one pencil of light from the interior, neither is there one gleam of that which comes from without reflected in any direction. The whole puts you in mind of an empty skin, and you wonder why it stands upright without at least something in it. By and by another figure comes up to it. It then steps two paces aside, and the most inquisitive glance that you ever

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saw, and a glance more inquisitive than you would ever have thought of, is drawn out of the fixed and leaden eye, as if one were drawing a sword from a scabbard. The visiting figure, which has the appearance of coming by accident and not by design, stops just a second or two, in the course of which looks are exchanged which, though you cannot translate, you feel must be of most important meaning. After these the eyes are sheathed up again, and the figure resumes its stony posture.

During the morning numbers of visitors come, all of whom meet with a similar reception and vanish in a similar manner. Last of all the figure itself vanishes, leaving you utterly at a loss." (Frederic Morton, The Rothschilds, p. 65)

MAYER AMSCHEL'S WILL

When he died on September 19, 1812, the founder of the House of Rothschild left a will that was just days old. In it, he laid down specific laws by which the House that bore his name would operate in future year.

The laws were as follows:

(1) All key positions in the House of Rothschild were to be held by members of the family, and not by hired hands. Only male members of the family were allowed to participate in the business.

The eldest son of the eldest son was to be the head of the family unless the majority of the rest of the family agreed otherwise. It was for this exceptional reason that Nathan, who was particularly brilliant, was appointed head of the House of Rothschild in 1812.

(2) The family was to intermarry with their own first and second cousins, thus preserving the vast fortune. This rule was strictly adhered to early on but later, when other rich Jewish banking houses came on the scene, it was relaxed to allow some of the Rothschilds to marry selected members of the new elite.

(3) Amschel forbade his heirs *"most explicitly, in any circumstances whatever, to have any public inventory made by the courts, or otherwise, of my estate .... Also I forbid any legal action and any publication of the value of the*

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inheritance .... Anyone who disregards these provisions and takes any kind of action which conflicts with them will immediately be regarded as having disputed the will, and shall suffer the consequences of so doing."

(4) Rothschild ordered a perpetual family partnership and provided that the female members of the family, their husbands and children should receive their interest in the estate subject to the management of the male members. They were to have no part in the management of the business. Anyone who disputed this arrangement would lose their interest in the Estate. (The last stipulation was specifically designed to seal the mouths of anyone who might feel like breaking with the family. Rothschild obviously felt that there were a lot of things under the family *'rug'* that should never see the light of day).

The mighty strength of the House of Rothschild was based on a variety of important factors:

(A) Complete secrecy resulting from total family control of all business dealings;

(B) An uncanny, one could almost say a supernatural ability to see what lay ahead and to take full advantage of it. The whole family was driven by an insatiable lust for the accumulation of wealth and power, and

(C) Total ruthlessness in all business dealings.

Biographer Frederic Morton, in The Rothschilds, tells us that Mayer Amschel Rothschild and his five sons were *"wizards"* of finance, and *"fiendish calculators"* who were motivated by a *"demonic drive"* to succeed in their secret undertakings.

TALMUDIC INFLUENCE

From the same authoritative source we learn that *"on Saturday evenings, when prayer was done at the synagogue, Mayer would inveigle the rabbi into his house. They would bend towards one another on the green upholstery, sipping slowly at a glass of wine and argue about first and last things deep into the night. Even on work days...Mayer...was apt to tear down the big book of the*

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Talmud and recite from it...while the entire family must sit stock still and listen" (p. 31).

It could be said of the Rothschilds that the *"family that preys together stays together."* And prey they did! Morton states that it is difficult for the average person to *"comprehend Rothschild nor even the reason why he having so much, wanted to conquer more."* All five brothers were imbued with this same spirit of cunning and conquest.

The Rothschilds formed no true friendships or alliances. Their associates were but mere acquaintances who were used to further the interests of the House of Rothschild, and then thrown on the garbage heap of history when they had served their purpose or outlived their usefulness.

The truth of this statement is demonstrated by another passage from Frederic Morton's book. He relates how, in 1806, Napoleon declared that it was his *"object to remove the house of Hess-Cassel from rulership and to strike it out of the list of powers."*

"Thus Europe's mightiest man decreed erasure of the rock on which the new Rothschild firm had been built. Yet, curiously, the bustle didn't diminish at the house of the [Red] Shield.... Rothschilds still sat, avid and impenetrable, portfolios wedged between body and arm.

"They saw neither peace nor war, neither slogans or manifestos, nor orders of the day, neither death nor glory. They saw none of the things that blinded the world. They saw only steppingstones. Prince William had been one. Napoleon would be the next" (pp. 38,39).

'Curious'? Not exactly! The House of Rothschild was helping to finance the French dictator and, as a result, had free access to French markets at all times. Some years later, when both France and England were blockading each other's coast lines, the only merchants who were allowed to freely run the blockades were - yes, you guessed it, the Rothschilds. They were financing both sides!

"The efficiency which powered Mayer's sons brought on enormous economic spring cleaning: a sweeping away of fiscal dead wood; a renovation of old credit structures and an invention of new ones; a formation - implicit in the sheer existence of five different Rothschild banks in five different countries - of fresh money channels via clearing-houses; a method of replacing the old unwieldy shipping of gold bullion by a worldwide system of debits and credits.

"One of the greatest contributions was Nathan's new technique for floating international loans. He didn't much care to receive dividends in all sorts of strange and cumbersome currencies.

"Now Nathan attracted him - the most powerful investment source of the nineteenth century - by making foreign bonds payable in Pounds Sterling" (p. 96).

THE BATTLE OF WATERLOO

As the wealth and power of the Rothschilds grew in size and influence so did their intelligence gathering network. They had their *'agents'* strategically located in all the capitals and trading centers of Europe, gathering and developing various types of intelligence. Like most family exploits, it was based on a combination of very hard work and sheer cunning.

Their unique spy system started out when *'the boys'* began sending messages to each other through a networh of couriers. Soon it developed into something much more elaborate, effective and far reaching. It was a spy network par excellence. Its stunning speed and effectiveness gave the Rothschilds a clear edge in all their dealings on an international level.

"Rothschild coaches careened down the highways; Rothschild boats set sail across the Channel; Rothschild agents were swift shadows along the streets. They carried cash, securities, letters and news. Above all, news - the latest exclusive news to be vigorously processed at stock market and commodity bourse.

"And there was no news more precious than the outcome at Waterloo..." (The Rothschilds p. 94).

Upon the battle of Waterloo depended the future of the European continent. If the Grande Armée of Napoleon emerged victorious France would be undisputed master of all she surveyed on the European front. If Napoleon was crushed into submission England would hold the balance of power in Europe and would be in a position to greatly expand its sphere of influence.

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Historian John Reeves, a Rothschild partisan, reveals in his book The Rothschilds, Financial Rulers of the Nations, 1887, page 167, that *"one cause of his [Nathan's] success was the secrecy with which he shrouded, and the tortuous policy with which he misled those who watched him the keenest."*

There were vast fortunes to be made - and lost - on the outcome of the Battle of Waterloo. The Stock Exchange in London was at fever pitch as traders awaited news of the outcome of this battle of the giants. If Britain lost, English consuls would plummet to unprecedented depths. If Britain was victorioug, the value of the consul would leap to dizzying new heights.

As the two huge armies closed in for their battle to the death, Nathan Rothschild had his agents working feverishly on both sides of the line to gather the most accurate possible information as the battle proceeded. Additional Rothschild agents were on hand to carry the intelligence bulletins to a Rothschild command post strategically located nearby.

Late on the afternoon of June 15, 1815, a Rothschild representative jumped on board a specially chartered boat and headed out into the channel in a hurried dash for the English coast. In his possession was a top secret report from Rothschild's secret service agents on the progress of the crucial battle. This intelligence data would prove indispensable to Nathan in making some vital decisions.

The special agent was met at Folkstone the following morning at dawn by Nathan Rothschild himself. After quickly scanning the highlights of the report Rothschild was on his way again, speeding towards London and the Stock Exchange.

COUP OF COUPS

Arriving at the Exchange amid frantic speculation on the outcome of the battle, Nathan took up his usual position beside the famous *'Rothschild Pillar.'* Without a sign of emotion, without the slightest change of facial expression the stony-faced, flint eyed chief of the House of Rothschild gave a predetermined signal to his agents who were stationed nearby.

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Rothschild agents immediately began to dump consuls on the market. As hundred of thousands of dollars worth of consuls poured onto the market their value started to slide. Then they began to plummet.

Nathan continued to lean against *'his'* pillar, emotionless, expressionless. He continued to sell, and sell and sell. Consuls kept on falling. Word began to sweep through the Stock Exchange: *"Rothschild knows." "Rothschild knows." "Wellington has lost at Waterloo."*

The selling turned into a panic as people rushed to unload their *'worthless'* consuls or paper money for gold and silver in the hope of retaining at least part of their wealth. Consuls continued their nosedive towards oblivion. After several hours of feverish trading the consul lay in ruins. It was selling for about five cents on the dollar.

Nathan Rothschild, emotionless as ever, still leaned against his pillar. He continued to give subtle signals. But these signals were different. They were so subtly different that only the highly trained Rothschild agents could detect the change. On the cue from their boss, dozens of Rothschild agents made their way to the order desks around the Exchange and bought every consul in sight for just a *'song'!*

A short time later the *'official'* news arrived in the British capital. England was now the master of the European scene.

Within seconds the consul skyrocketed to above its original value. As the significance of the British victory began to sink into the public consciousness, the value of consuls rose even higher.

Napoleon had *'met his Waterloo.'* Nathan had bought control of the British economy. Overnight, his already vast fortune was multiplied twenty times over.

THE JEWISH ENCYCLOPEDIA VOLUME X, 1905 (P. 494)

Owing to Napoleon's seizure of Holland in 1803, the leaders of the anti-Napoleonic league chose Frankfort as a financial center where-from to obtain the sinews of war. After the battle of Jena in 1806 the Landgrave of Hesse-Cassel fled to Denmark, where he had already deposited much of his wealth through the agency of Mayer Amschel Rothschild, leaving in the hands of the

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latter specie and works of art of the value of 600,000 pounds. According to legend, thse were hidden away in wine-casks, and, escaping the search of Napoleon's soldiers when they entered Frankfort, were restored intact in the same casks in 1814, when the elector returned to his electorate (see Marbot, *"Memoirs,"* 1891, i. 310-311). The facts are somewhat less romantic, and more business-like. Rothschild, so far from being in danger, was on such good terms with Napoleon's nominee, Prince Dalberg, that he had been made in 1810 a member of the Electoral College of Darmstadt. The elector's money had been sent to Nathan in London, who in 1808 utilized it to purchase 800,000 pounds worth of gold from the East India Company, knowing that it would be needed for Wellington's Peninsular campaign. He made no less than fonr profits on this: (1) on the sale of Wellington's paper, (2) on the sale of the gold to Wellington, (3) on its repurchase, and (4) on forwarding it to Portugal. This was the beginning of the great fortunes of the house,

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CLEAN UP IN FRANCE

Following their crushing defeat at Waterloo, the French struggled to get back on their feet financially. In 1817 they negotiated a substantial loan from the prestigious French banking house of Ouvrard and from the well-known bankers Baring Brothers of London. The Rothschilds had been left on the outside looking in.

The following year the French government was in need of another loan. As the bonds issued in 1817 with the help of Ouvrard and Baring Brothers were increasing in value on the Paris market, and in other European financial centers, it appeared certain that the French governmant would retain the services of these two distinguished banking houses.

The Rothschild brothers tried most of the gimmicks in their vast repertoire to influence the French government to give them the business. Their efforts were in vain.

The French aristocrats, who prided themselves on their elegance and superior breeding, viewed the Rothschilds as mere peasants, upstarts who needed to be kept in their place. The fact that the Rothschilds had vast financial resources, lived in the most luxurious homes and were attired in the most elegant and

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expensive clothes obtainable cut no ice with the highly class conscious French nobility. The Rothschilds were viewed as uncouth - lacking in social graces. If we are to believe most historical accounts, their appraisal of the first generation Rothschilds was probably valid.

One major piece of armament in the Rothschild arsenal the French had overlooked or ignored - their unprecedented cunning in the use and manipulation of money.

On November 5, 1818, something very unexpected occurred. After a year of steady appreciation the value of the French government bonds began to fall. With each passing day the decline in their value became more pronounced. Within a short space of time other government securities began to suffer too.

The atmosphere in the court of Louis XVIII was tense. Grim faced aristocrats pondered the fate of the country. They hoped for the best but feared the worst! The only people around the French court who weren't deeply concerned were James and Karl Rothschild. They smiled - but said nothing!

Slowly a sneaking suspicion began to take shape in the minds of some onlookers. Could those Rothschild brothers be the cause of the nation's economic woes? Could they have secretly manipulated the bond market and engineered the panic?

They had! During October 1818, Rothschild agents, using their masters' limitless reserves, had bought huge quantities of the French government bonds issued through their rivals Ouvrard and Baring Brothers. This caused the bonds to increase in value. Then, on November 5th, they began to dump the bonds in huge quantities on the open market in the main commercial centers of Europe, throwing the market into a panic.

Suddenly the scene in the Aix palace changed. The Rothschilds, who were patiently biding their time and waiting quietly in an ante room, were ushered into the presence of the king. They were now the center of attention. Their clothes were now the height of fashion. *"Their money [was] the darling of the best borrowers."* The Rothschilds had gained control of France...and control is the name of the game!

Benjamin Disraeli, who was the prime minister of Britain, wrote a novel titled Coningsby. The Jewish Encyclopedia, Vol. 10, pp. 501, 5O2 describes the book as *"an ideal portrait"* of the Rothschild Empire. Disraeli characterized

Nathan (in conjunction with his four brothers) as "*the lord and master of the money markets of the world, and of course virtally lord and master of everything else. He literally held the revenues of southern Italy in pawn, and monarchs and ministers of all countries courted his advice and were guided by his suggestions."*

GROOMED "INAUDIBILITY AND INVISIBILITY"

The financial coups performed by the Rothschilds in England in 1815, and in France three years later, are just two of the many they have staged worldwide over the years.

There has, however, been a major change in the tactics used to fleece the public of their hard earned money. From being brazenly open in their use and exploitation of people and nations, the Rothschilds have shrunk from the limelight and now operate through and behind a wide variety of fronts.

Their *'modern'* approach is explained by biographer Frederic Morton: *"Rothschilds love to glisten. But to the sorrow of the socially ambitious, Rothschilds glisten only in camera, for and among their own kind.*

"Their penchant for reticence seems to have grown in recent generations. The founder of the house enjoined it a long time ago; but some of his sons, while storming Europe's innermost bastions of power, wrapped their hands around every weapon, including the rawest publicity. Today the family grooms the inaudibility and invisibility of its presence. As a result, some believe that little is left apart from a great legend. And the Rothschilds are quite content to let legend be their public relations.

"Though they control scores of industrial, commercial, mining and tourist corporations, not one bears the name Rothschild. Being private partnerships, the family houses never need to, and never do, publish a single public balance sheet, or any other report of their financial condition" (The Rothschilds. pp. 18, 19).

Throughout their long history the Rothschilds have gone to great lengths to create the impression that they operate within the framework of '*democracy.'*

Telling the Truth Archives

This posture is calculated to deceive, to lead people away from the fact that their real aim is the elimination of all competition and the creation of a world-wide monopoly. Hiding behind a multitude of *'fronts'* they have done a masterful job of deception.

ROTHSCHILDS AND AMERICA

It would be extraordinarily naïve to even consider the possibility that a family as ambitious, as cunning and as monopolistically minded as the Rothschilds could resist the temptation of becoming heavily involved on the American front.

Following their conquest of Europe early in the 1800s, the Rothschilds cast their covetous eyes on the most precious gem of them all - the United States.

America was unique in modern history. It was only the second nation in history that had ever been formed with the Bible as its law book. [The United States was not formed with the Bible as its law book. It was founded by Masonic deists. Only low rank Masons respect the Bible and consider it their law book; the Founders were high rank Masons, and many professed their lack of respect for the Bible. The writer probably means that the Colonies were formed with the Bible as their law book, and this is basically true. -Ed.] Its uniquely magnificent Constitution was specifically designed to limit the power of government and to keep its citizens free and prosperous. Its citizens were basically industrious immigrants who *'yearned to breath free'* and who asked nothing more than to be given the opportunity to live and work in such a wonderfully stimulating environment.

The results - the *'fruit'* - of such a unique experiment were so indescribably brilliant that America became a legend around the globe. Many millions across the far flung continents of the world viewed America the Beautiful as the promised land.

The Big Bankers in Europe - the Rothschilds and their cohorts - viewed the wonderful results borne by this unique experiment from an entirely different perspective; they looked upon it as a major threat to their future plans. The establishment Times of London stated: *"If that mischievous financial policy*

Telling the Truth Archives

which had its origin in the North American Republic [i.e. honest Constitutionally authorized no debt money] should become indurated down to a fixture, then that government will furnish its own money without cost. It will pay off its debts and be without a debt [to the international bankers]. It will become prosperous beyond precedent in the history of the civilized governments of the world. The brains and wealth of all countries will go to North America. That government must be destroyed or it will destroy every monarchy on the globe."

The Rothschilds and their friends sent in their financial termites to destroy America because it was becoming *"prosperous beyond precedent."*

The first documentable evidence of Rothschild involvement in the financial affairs of the United States came in the late 1820s and early 1830s when the family, through their agent Nicholas Biddie, fought to defeat Andrew Jackson's move to curtail the international bankers. The Rothschilds lost the first round when in 1832, President Jackson vetoed the move to renew the charter of the *'Bank of the United States'* (a central bank controlled by the international bankers). In 1836 the bank went out of business.

PLAN OF DESTRUCTION

In the years following Independence, a close business relationship had developed between the cotton growing aristocracy in the South and the cotton manufacturers in England. The European bankers decided that this business connection was America's Achilles Heel, the door through which the young American Republic could be successfully attacked and overcome.

The Illustrated University History, 1878, p. 504, tells us that the southern states swarmed with British agents. These conspired with local politicians to work against the best interests of the United States. Their carefully sown and nurtured propaganda developed into open rebellion and resulted in the secession of South Carolina on December 29, 1860. Within weeks another six states joined the conspiracy against the Union, and broke away to form the Confederate States of America, with Jefferson Davis as President.

The plotters raided armies, seized forts, arsenals, mints and other Union

Telling the Truth Archives

property. Even members of President Buchanan's Cabinet conspired to destroy the Union by damaging the public credit and working to bankrupt the nation. Buchanan claimed to deplore secession but took no steps to check it, even when a U.S. ship was fired upon by South Carolina shore batteries.

Shortly thereafter Abraham Lincoln became President, being inaugurated on March 4, 1861. Lincoln immediately ordered a blockade on Southern ports, to cut off supplies that were pouring in from Europe. The *'official'* date for the start of the Civil War is given as April 12, 1861, when Fort Sumter in South Carolina was bombarded by the Confederates, but it obviously began at a much earlier date.

In December, 1861, large numbers of European Troops (British, French and Spanish) poured into Mexico in defiance of the Monroe Doctrine. This, together with widespread European aid to the Confederacy strongly indicated that the Crown was preparing to enter the war. The outlook for the North, and the future of the Union, was bleak indeed.

In this hour of extreme crisis, Lincoln appealed to the Crown's perennial enemy, Russia, for assistance. When the envelope containing Lincoln's urgent appeal was given to Czar Nicholas II, he weighed it unopened in his hand and stated: *"Before we open this paper or know its contents, we grant any request it may contain."*

Unannounced, a Russian fleet under Admiral Liviski, steamed into New York harbor on September 24, 1863, and anchored there. The Russian Pacific fleet, under Admiral Popov, arrived in San Francisco on October 12. Of this Russian act, Gideon Wells said: *"They arrived at the high tide of the Confederacy and the low tide of the North, causing England and France to hesitate long enough to turn the tide for the North"* (Empire of *"The City,"* p. 90).

History reveals that the Rothschilds were heavily involved in financing both sides in the Civil War. Lincoln put a damper on their activities when, in 1862 and 1863, he refused to pay the exorbitant rates of interest demanded by the Rothschilds and issued constitutionally-authorized, interest free United States notes. For this and other acts of patriotism Lincoln was shot down in cold-blood by John Wilkes Booth on April 14, 1865, just five days after Lee surrendered to Grant at Appomattox Court House, Virginia.

Booth's grand-daughter, Izola Forrester, states in This One Mad Act that Lincoln's assassin had been in close contact with mysterious Europeans prior to

the slaying, and had made at least one trip to Europe. Following the killing, Booth was whisked away to safety by members of the Knights of the Golden Circle. According to the author, Booth lived for many years following his disappearance.

INTERNATIONAL BANKERS PURSUE THEIR GOAL

Undaunted by their initial failures to destroy the United States, the international bankers pursued their objective with relentless zeal. Between the end of the Civil War and 1914, their main agents in the United States were Kuhn, Loeb and Co. and the J. P. Morgan Co.

A brief history of Kuhn, Loeb and Co. appeared in Newsweek magazine on February 1, 1936: *"Abraham Kuhn and Solomon Loeb were general merchandise merchants in Lafayette, Indiana, in 1850. As usual in newly settled regions, most transactions were on credit. They soon found out that they were bankers... In 1867, they established Kuhn, Loeb and Co., bankers, in New York City, and took in a young German immigrant, Jacob Schiff, as partner. Young Schiff had important financial connections in Europe. After ten years, Jacob Schiff was head of Kuhn, Loeb and Co., Kuhn having retired. Under Schiff's guidance, the house brought European capital into contact with American industry."*

Schiff's *"important financial connections in Europe"* were the Rothschilds and their German representatives, the M. M. Warburg Company of Hamburg and Amsterdam. Within twenty years the Rothschilds, through their Warburg-Schiff connection, had provided the capital that enabled John D. Rockefeller to greatly expand his Standard Oil empire. They also financed the activities of Edward Harriman (Railroads) and Andrew Carnegie (Steel).

At the turn of the 20th century the Rothschilds, not satisfied with the progress being made by their American operations, sent one of their top experts, Paul Moritz Warburg, over to New York to take direct charge of their assault upon the only true champion of individual liberty and prosperity - the United States.

At a hearing of the House Committee on Banking and Currency in 1913, Warburg revealed that he was *"a member of the banking firm of Kuhn, Loeb*

Telling the Truth Archives

and Co. I came to this country in 1902, having been born and educated in the banking business in Hamburg, Germany, and studied banking in London and Paris, and have gone all around the world...."

In the late 1800s, people didn't *study banking in London and "all around the world" unless they had a special mission to perform!*

Early in 1907, Jacob Schiff, the Rothschild-owned boss of Kuhn, Loeb and Co., in a speech to the New York Chamber of Commerce, warned that *"unless we have a Central Bank with adequate control of credit resources, this country is going to undergo the most severe and far reaching money panic in its history."*

Shortly thereafter, the United States plunged into a monetary crisis that had all the earmarks of a skillfully planned Rothschild *'job.'* The ensuing panic financially mined tens of thousands of innocent people across the country - and made billions for the banking elite. The purpose for the *'crisis'* was two-fold:

(1) To make a financial *'killing'* for the Insiders, and **(2)** To impress on the American people the *'great need'* for a central bank.

Paul Warburg told the Banking and Currency Committee: *"In the Panic of 1907, the first suggestion I made was, 'let us have a national clearing house' [Central Bank]. The Aldrich Plan [for a Central Bank] contains many things that are simply fundamental rules of banking. Your aim must be the same...."*

Digging deep into their bag of deceitful practices, the international bankers pulled off their greatest coup to date - the creation of the privately owned Federal Reserve System, which placed control of the finances of the United States securely in the hands of the power-crazed money monopolists. Paul Warburg became the *'Fed's'* first chairman!

Congressman Charles Lindbergh put his finger firmly on the truth when he stated, just after the *'Federal'* Reserve Act was passed by a depleted Congress on December 23, 1913: *"The Act establishes the most gigantic trust on earth. When the President [Wilson] signs this Bill, the invisible government of the monetaary power will be legalized....The greatest crime of the ages is perpetrated by this banking and currency bill."*

Telling the Truth Archives

PLAN TO CONQUER THE WORLD

Having consolidated their financial grip on most of the European nations by the middle of the last century, the international bankers worked feverishly to extend their sphere of influence to the ends of the earth in preparation for their final assault on the United States - a nation which, through its unique Constitution, remained free.

In the decades that followed it became apparent that, in order to achieve their goal of world domination, they would have to instigate a series of world wars which would result in leveling of the old world in preparation for the construction of the New World Order. This plan was outlined in graphic detail by Albert Pike, the Sovereign Grand Commander of the Ancient and Accepted Scottish Rite of Freemasonry and the top Illuminist in America. In a letter to Guisseppe Mazzini dated August 15, 1871. Pike stated that the first world war was to be fomented in order to destroy Czarist Russia - and to place that vast land under the direct control of Illuminati agents. Russia was then to be used as a *'bogey man'* to further the aims of the Illuminati worldwide.

World War II was to be fomented through manipulation of the differences that existed between the German Nationalists and the Political Zionists. This was to result in an expansion of Russian influence and the establishment of a state of Israel in Palestine.

The Third World War was planned to result form the differences stirred up by Illuminati agents between the Zionists and the Arabs. The conflict was planned to spread worldwide. The llluminati, said the letter, planned to *"unleash the Nihilists and Atheists"* and *"provoke a formidable social cataclysm which in all its horror will show clearly to the nations the effect of absolute atheism, origin of savagery and of the most bloody turmoil. Then everywhere, the citizens, obliged to defend themselves against the world minority of revolutionaries, will exterminate those destroyers of civilization, and the multitude, disillusioned with Christianity, whose deistic spirits will from that moment be without compass [directionl, anxious for an ideal, but without knowing where to render its adoration, will receive the true light through the universal manifestation of the pure doctrine of Lucifer, brought finally out in the public view, a manifestation which will result from the general reactionary movement which will follow the destruction of Christianity and atheism, both conquored and*

Telling the Truth Archives

exterminated at the same time."

At the time Pike wrote this remarkable leaflet there were five different ideologies extant on the world scene and involved in a "struggle for space and power." These were:

1. The secret ideology of the international bankers or the Illuminati as laid out in Fourth Reich Of The Rich. Their aim was the creation of a One World Government to be ruled over by the *"Illuminated ones"* at the top.

2. The Russian *"Pan-Slavic"* ideology which was originally conceived by William the Great and expounded in his will. According to A.H. Granger, the author of England World Empire, 1916, p. 173, this ideology called for the elimination of Austria and Germany, then the conquest of India and Persia and ends with the words: *"...which will ensure the subjugation of Europe."*

3. The ideology of *"Asia for the Asiatics"* as expounded by the Japanese. This called for a confederation of Asian nations dominated by Japan.

4. The ideology of Pan Germanism which called for German political control over the European continent, freedom from the Crown's restrictions on the high seas and the adoption of an *"open door"* policy in trade and commerce with the rest of the world.

5. Pan-American or the ideology of *"America for the Americans."* This called for *"trade and friendship with all, alliances with none."* Secretary of State Root stated in 1906 that, under this ideology which was given expression in the Monroe Doctrine of 1823, we are *"debarred from sharing in the political aims, interests, or responsibilities of Europe, just as by the equally potential doctrine, now nearly a century old, the European powers are excluded from sharing or interfering in the political concerns of the sovereign states of the Western Hemisphere."*

If the plans of the international banker/llluminati cabal were to be brought to fruition Russia, Germany, Japan and the United surrender, poverty and ignominy.

The llluminati plan for world conquest, referred to by Albert Pike, was a diabolical masterpiece of Luciferian ingenuity that would take the lives of hundreds of millions of human beings and cost hundred of billions of dollars in its accomplishment.

Telling the Truth Archives

The plan that the Illuminati devised to accomplish their world conquering goal is as simple as it is effective. Along the way towards the accomplishment of their final objective this plan has been adapted by the international bankers and their comrades in arms around the globe to amass vast fortunes in real estate. As we shall see. the implimentation of the plan has been so smoothly executed that it has frequently won applause from the ranks of those it is destroying. Their plan can be called Urban Renewal.

It has been said that there are three types of people:

1. Those who make things happen. **2.** Those who watch things happen, and **3.** Those who wonder what happened.

The vast majority of mankind find themselves in the last two categories. Most have *"eyes to see"* but don't *"see"* what is happening. Most have *"ears that hear"* but don't *"understand"* what *IS* happening - *LOCALLY, NATIONALLY OR INTERNATIONALLY.*

Descent into Slavery
by Des Griffin
Available HERE

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world governance *rothschild*

The Rothschild Group is the largest private banking group in the world in continuous single family ownership. The Group is today active in five major areas: Investment Management, Banking, Investment Banking, global privatisation advice, and dealing in Gold Bullion. (SOURCE: www.excellence.co.il)

Rothschild Group

Rothschild family

Chairman

Israel Corp. (IC) is one of Israel's major holding companies, playing a pivotal role in privatization and the development of key industries. IC's main activities are focused on chemicals, shipping, oil and energy, advanced technology and communications.
http://www.israelcorp.com/
Shareholders
The Ofer Group - 59.88%
Bank Leumi Le Israel - 20%

Leumi Bank

Israel Corporation

Israel

41,7

Israel Aircraft Industries

http://www.iai.co.il
Over the years IAI has applied the skills and experience it has acquired in catering to Israel's security needs, in order to capitalize on opportunities in export markets. As a result, the Company has become a world leader in aircraft conversion and modernization programs, unmanned air vehicles (UAVs), communication programs and defense electronics. Space is Israel's latest area of leadership, with the development of the Ofeq observation satellite, the AMOS communications satellite and the Shavit launcher.

Excellence Investments Limited

E. de Rothschild Invest. services Ltd (Israel)

Jimmy J. Pinto

Since 1882, and for several decades thereafter, the first Baron Edmond de Rothschild, universally known in Israel as the "Father of the Settlement" or the "Well-known Benefactor", pioneered and single-handedly promoted the settlement and development of what became modern Israel.
Since Israel's independence, the second Baron Edmond de Rothschild actively participated in the creation and initial development of a modern economy for the new state, starting some major enterprises such as the Israel Corporation and financing others, either directly or indirectly through Israel General Bank, a local bank largely owned and by the Edmond de Rothschild Group.

Compagnie Financiere E. D. ROTHSCHILD BANQUE

Actuellement, la Banque détient un capital sous gestion d'environ EUR 3 milliards, dont la moitié sont des mandats de gestion discrétionnaire. L'autre moitié est représentée par des mandats de gestion conseil et gestion externe. En outre, la Banque administre un capital de EUR 9 milliards, dont la quasi-totalité est représentée par des fonds d'investissement de promoteurs externes. La Banque Privée Edmond de Rothschild Luxembourg est classée (au Luxembourg) quatrième plus grande banque à l'administration de fonds, avec plus de 350 fonds et sous-fonds. La Banque est membre fondateur de CCLux, fournisseur d'information financière à Luxembourg, et membre fondateur de l'ALFI, l'association des fonds d'investissement à Luxembourg.

controle

Compagnie Financiere SAINT-HONORE

Groupe LCF Rothschild

Banque Privée Edmond de Rothschild Luxembourg

Banque Privée Edmond de Rothschild Genève

Leicom Fund

Settlement Funds

Association of Jewish Refugees
http://www.ajr.org.uk/
Barclays and J P Morgan are to pay compensation for their role in operating with the Vichy and occupational authorities to plunder systematically the bank accounts, safe deposit boxes and other valuables of their Jewish clients both before, and in accordance with, antisemitic laws passed in France during WWII.
The banks have created Settlement Funds totalling US$ 6,362,500, with more than half contributed by Barclays. Separate funds will be established to pay administrative and legal costs. Claims are also admissible in respect of assets held with the predecessors of Barclays and J P Morgan, including Rothschild Freres, Morgan et Cie and some branches of Lloyds Bank. Submission of claims is not dependent on documentary proof. Claims will be valued by converting to US$ the balance as at 1940 and then calculating its equivalent as at 1999 - for Barclays claimants - and as at 2000 for J P Morgan claimants. Following a fairness hearing to be held later this year, potential claimants will have until 30 September 2002 to submit applications. Then, and not earlier, claims will be assessed and awards made. For an application form or further information, telephone 0800 169 8318 (free) or access the Internet at

www.barclaysfrenchclaims.org or
www.jpmorganfrenchclaims.org

Eric de Rothschild

22,5

9,7

Chairman

Rothschild Bank AG

Subsidiary

Equitas

Rothschild private Trust Holding

Worms

75

orton (1962) noted that the Rothschild wealth was estimated at over $6 billion US in 1850. Not a significant amount in today's dollars; however, consider the potential future value compounded over 147 years!
Taking $6 billion (and assuming no erosion of the wealth base) and compounding that figure at various returns on investment (a conservative range of 4% to 8%) would suggest the following net worth of the Rothschild family enterprise:
To give these figures some perspective consider these benchmarks:
$1.9 trillion US (@ 4%)
$7.8 trillion US (@ 5%)
$31.5 trillion US (@ 6%)
$125,189.1 trillion US (@ 7%)
$491,409.0 trillion US (@ 8%)
A little of $300 billion US buys every ounce of gold in every central bank in the world (see John Kutyn's estimate
U.S. M3 money supply August 1997 was $5.2 trillion
U.S. debt is currently $5.4 trillion.
U.S. GDP (1997; 2nd Q.) is $8.03 trillion.
George Soros' empire is worth an estimated $20 billion.

Siftology Inc

Selis Networks Inc.

The Company has leveraged its patented techniques and know-how in the area of NLP (Natural Language Processing) to develop the RelatedTV product line, an automated enrichment tool for content producers, broadcasters and OEMs.

Cie Financiere Holding Benjamin & Edmond de Rothschild

Edmond de Rothschild Venture Capital Ltd

ROTHSCHILD FUND MANAGEMENT AG

Executive board:
Winfried Kilp, Generaldirektor, VR
Dr. Graziano Lusenti, Generaldirektor, VR
Dr. François Rayroux, VR
www.rothschildbank.com

Worms

Brown

100

JP Morgan Chase & Co.

1,8

12,6

21

3

Deutsche Bank AG

DAIMLER CHRYSLER

Bskyb

news corp

BNP PARIBAS

139, 640shares

Li Ka Shing

Hutchison Whampoa

152,400 shares

fidelity

Panama Canal

1. Company in which shares are held : Royal & Sun Alliance Ins Group
2. Notifiable Interest: Ordinary Shares
A. FMR Corp.
B. Fidelity International Limited (FIL)
3. The notifiable interests also comprise the notifiable interest of: Mr. Edward C. Johnson 3d, Principal shareholder of FMR Corp. and Fidelity International Limited.

Duly authorized under Powers of Attorney dated December 30, 1997, by and on behalf of FMR Corp. and its direct and indirect subsidiaries, and Fidelity International Limited and its direct and indirect subsidiaries.
Schedule A
Security: Royal & Sun Alliance Ins Group

1 - Fidelity International Limited (FIL)
2 - FMR Corp.
3 - Fidelity Investment Services Ltd. (FISL)
4 - Fidelity Pension Management (FPM)

MANAGEMENT COMPANY	NOMINEE/REGISTERED NAME
FMRCO	Chase Nominees Limited
FMRCO	State Street Nominees Limited
76,000 FMRCO	HSBC
FMTC	Brown Brothers Harriman
FISL	Clydesdale Bank (Head Office)
	Nominees Limited
FPM	RBS Trust Bank
FPM	Nortrust Nominees Ltd
FPM	Bank of New York Europe
229,200 FPM	Citibank
FPM	Chase Nominees Ltd
FPM	Northern Trust
215,200 FPM	HSBC
FPM	Deutsche Bank
FPM	Mellon Nominees Ltd
63,422,927 FIL	HSBC Client Hold. Nominee (UK) Ltd
MSS	Nominees Ltd
FIL	RBS Trust Bank
FIL	Nortrust Nominees Ltd
FIL	Bankers Trust
FIL	Citibank
FIL	Bank of New York london
FIL	Northern Trust
FIL	Chase Nominees Ltd
FIL	Chase Manhattan Bank London
402,700 FIL	BNP Paribas
43,800 FIL	Deutsche
421,100 FIL	State Street Nominees Ltd

Total Ordinary Shares 131,138,586
Current ownership percentage: 9.11%
(Source : letter from Fidelity Investments dated 24 September 2002 to Royal & Sun Alliance Insurance Group plc, http://www.nothing-ventured.com/news/regnews.asp?ArticleID=758870

9,11

Rothschild investment trust cp

andrew S. B. Knight

Board

Rothschild Freres

controle

De Beers

Rothschild (European Office) bvba (Antwerpen, Be)

Rothschild (European Office) bvba
ANTWERPEN
Rothschild D
ASSE
Rothschild E-J
NIEUWPOORT
Rothschild Ernst
BRUXELLES
Rothschild Ernst
BRUXELLES
Rothschild J
BRUXELLES
Rothschild Laueva C
BRUXELLES
Rothschild Laueva D
BRUXELLES
Rothschild M
BRUXELLES
Rothschild M
ASSE
Rothschild N
BRUXELLES
Rothschild R
BRUXELLES
Rothschild-Delcroix M
ASSE
Rothschild
ANTWERPEN

Antwerp has some 30 synagogues, all Orthodox. A number of these also serve as house of study for the ultra-Orthodox sects, which are present in the city. Indeed, Antwerp has one of the largest communities of ultra-Orthodox Jews in the Diaspora-it includes Chassidic Jews who follow the traditions of Belz, Ger, Cornlow, Lubavitch, Satmar, and Vishnitz.
Antwerp, with its concentration of Chassidic Jews, is sometimes regarded as the last shtetl in Europe. The Jewish involvement in the diamond trade there is such the lingua franca on the Antwerp diamond exchange is Yiddish.
[s o u r c e : http://www.wjc.org.il/communities)

Rothschild Continuation Holdings AG

21,9

6,2

6,6

62,5

Among the members of the board of the Quantum Fund is one Richard Katz. He is, at the same time, head of the "Rothschild Italia S.p.A." in Milan and is also on the board of the commercial bank "N.M. Rothschild and Sons" in London. Another member of the board is Nils O. Taube. He is a partner in the London investment group "St. James Place Capital" which counts Lord Rothschild among it's main partners. A frequent partner of Soros in several of his speculations --especially in the driving up of the gold quotation-- is Sir James Goldsmith, a relative of the Rothschilds dynasty.

Soros

Quantum Fund

Chairman
Peter Johns
Managing Director
Peter Rose
Trevor Ash
Graham Curds
Stephen Dewsnip
Stephen Dingle

Peter Harwood
William Lane QC
David Moon
David Oxburgh
Hon. Jeremy Soames
Michael Wilson

Evelyn de Rothschild

Chairman

N.M. Rothschild and Sons Ltd
http://www.rothschild.gg

N MRothschild & Sons (C.I.) Limited is wholly owned by Rothschilds Continuation Holdings AG (RCH), incorporated in Switzerland. The N M Rothschild merchant banking group has 40 offices in more than 30 countries and employs more than 2,000 people around the world.

Rothschild GmbH

Rothschild & Cie

Sir Evelyn de Rothschild a été le président de l'economist de 1972 a fin 1989

London Bullion Marketing Association (LBMA)

Gold-based financing of jewellers, using consignment stocks, in third country markets is a speciality of a minority of the international bullion banks, including Bank of Nova Scotia and UBS. The former is particularly active in Dubai, France, Italy, and Spain. UBS has a strong presence in Hong Kong and Saudi Arabia. Local bullion banks are also very active in many markets, though where there has been tight regulation on gold imports (as in Italy), local banks in jewellery manufacturing areas have been slow to challenge the trading position of the international giants and have been content to use their consignment stocks. In the USA, the Republic National Bank of New York and the Fleet National Bank are among the more active, as are NM Rothschild and Midland Bank, in the UK. In France Societe Generale has some interest. Rothschilds is also strong in South East Asia. (source: www.gold.org/Studies)
The London Financial Times in its Thursday, January 30, 1997 edition, revealed the extent of the gold trading taking place daily through the London Bullion Marketing Association (LBMA). The LBMA is run predominantly by the house of N. M. Rothschild.
"Deals involving about 30 million troy ounces, or 930 tonnes, of gold valued at more than $10 billion are cleared every working day in London, the international settlement center for gold bullion." "This is the first authoritative indication of the size of the global gold market, and was revealed yesterday by the London Bullion Market Association. "The volume of gold cleared every day in London represented nearly twice the production from South African mines in a year, Mr. Alan Baker, chairman of the association, pointed out. "The size of the gold market will surprise many observers, but traders insisted the association's statistics were only part of the picture because matched orders are cleared without appearing in the statistics. Mr. Jeffrey Rhodes, of Standard Bank, London, said the 30m ounces should be 'multiplied by three, and possibly five, to give the full scope of the global market'."

AGF Funds Inc.

Global Strategy World Companies Fund

Global Strategy World Equity Fund

St James' Place Capital Plc

http://www.sjpc.co.uk/
Total Gros Asset
£706.9m (GBP)
$1,113.0m (USD)

100

J Rothschild Capital Management

James Place Capital

Lord Rothschild

James Crosby

Anthony Loehnis

James Crosby
Non-Executive DirectorHe was appointed as Chief Executive of HBOS plc on 10 September 2001 following the completion of the merger of Halifax and Bank of Scotland on that date. He was Chief Executive of Halifax from 1999 and is now called St. James's Place UK plc) between 1991 and 1994 and is a Fellow of the Faculty of Actuaries.

Anthony Loehnis
Non-Executive Director, St James' Place Capital Plc
Mr Loehnis was formerly a director of SG Warburg Group plc and was an Executive Director of the Bank of England.

Private investments

Saffron Hill

RIT Capital Partners plc

(At at 31st October '02)	
Total Asset	£682m
Ten largest investments (excluding Treasury and Property) as at 31 October 2002	
Investment Holdings	£'m
Royal Dutch Petroleum	21.3
Wellington Global Research	21.2
Shinsei Bank	19.3
Pearson International	18.0
Centaur Partners	16.6
Power Measurement	15.8
Getty Images	15.1
The Economist Newspaper	14.6
Venture Production	10.3
Lukoil	9.9

source:
http://www.hemscott.com/equities/company/cd01874.htm

Royal and Sun Alliance Group PLC

J. Rothschild Assurance Group

Lukoil

Royal Dutch Shell

Pearson

Lord Sainsbury

foundator

Preston Candover

foundator

Yad Hanadiv (Rothschild Foundation)

Institute for Jewish Policy Research

President

Waddesdon Manor/ the National Trust

organization dedicated to cooperation in research, analysis and policy planning on issues affecting Jewish life worldwide

1 - FUNDING AGENCY NAME: Yad HaNadiv Fund for the Advancement of Landscape and Environmental Values in Israeli Agricultural Regions
ELIGIBILITY CRITERIA: Bar-Ilan University
2 - RPP NAME: Rothschild Fellowship
ELIGIBILITY CRITERIA: The candidate must be a permanent resident of Israel.
3 – fellowships will be awarded to teachers of Judaic Studies
http://www.biu.ac.il

Six Continents PLC

Chairman

Ian Prosser

Paul Bradshaw

Nascent group SA

http://www.sixcontinents.com
Six Continents is a leading global hospitality group, with over 3200 hotels across nearly 100 countries and over 2000 restaurants and bars in the UK and Germany.

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widely diversified portfolio currently valued at about £700 million

Lord Rothschild has been honored by the government of Portugal for his contribution to the country's economic development, by the World Monuments Fund for his leadership with respect to cultural heritage and by the Weizmann Institute of Science on the occasion of the 50th anniversary of the State of Israel. He has received many British honors and, in 1997, was awarded the Knight Grand Cross of the Order of the British Empire for services to arts and heritage.
Lord Rothschild was educated in history at Christ Church, Oxford.

Chairman

International Growth & Value Fund

Lord Rothschild

Hanson

Chairman

Lord Hanson

Chairman

Hanson PLC

Chairman

Lord Hanson

Chairman

Hanson PLC

Chairman

Lord Hanson

Chairman

Hanson PLC